SAEMOR EUROPE ALPHA FUND

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD FROM

1 JANUARY 2016
TO
30 JUNE 2016

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
For the period from 1 January 2016 to 30 June 2016 **Page**

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FUND INFORMATION

REGISTERED OFFICE	WTC The Hague E-Tower 7th Floor Prinses Margrietplantsoen 44 2595 BR The Hague The Netherlands www.saemor.com
MANAGER	Saemor Capital B.V. WTC The Hague 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. SGG Netherlands Amerika Building Hoogoorddreef 15, 1101 BA 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

FUND INFORMATION (Continued)

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. Arentsburghlaan 3 2275 TT Voorburg The Netherlands

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 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.

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

Administrator
The Bank of New York Mellon SA/NV, Amsterdam Branch, is the administrator of the Fund. Certain administration services are being outsourced to BNY Mellon Fund Services (Ireland) DAC 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.

MANAGER'S REPORT
For the period from 1 January 2016 to 30 June 2016

Performance

2016 In %	Jan	Feb	Mar	Apr	May	Jun	YTD
Class A	-4.2	-3.0	-1.3	-2.7	2.5	-2.5	-10.8
Class B	-4.2	-3.0	-1.3	-2.6	2.6	-2.5	-10.6
Class D	-4.2	-3.0	-1.3	-2.7	2.5	-2.5	-10.8

The Fund generated a performance of -10.8% for share class A and D, and -10.6% for share class B in the first half of 2016.

The first six months of the year were difficult for most hedge funds. Managers struggled in January as the sudden depreciation of the Chinese yuan caused global market turmoil. The subsequent bounce of commodity and emerging markets from February onwards resulted in huge sector, country and style rotations. The Brexit referendum marked the end of the first half. Quantitative CTAs gained most from these dislocations. Discretionary macro, event-driven and fixed income-based relative value arbitrage strategies also performed well. Equity hedge strategies however were down almost 4% (as measured by an equally-weighted composite of the Dow Jones Credit Suisse, HFRX, Barclay Hedge), driven by dismal performance of mostly Japanese and European equity funds. The Saemor Europe Alpha Fund underperformed its market neutral peer group and the broader equity hedge strategies.

Market Review of H1 2016

European equity markets declined during the first half of 2016, with the Stoxx 600 down 9.8%. All European country indices were down with the exception of the UK, where the equities posted a nearly 7% gain in local currency as large cap exporters were helped by a steep drop in the British pound. Three key themes drove markets lower during the first six months of the year. First, continued worries about emerging markets and declining oil prices as seen in the second half of 2015 caused European equities to drop in January and February. Second, historically low interest rates and growing worries about non-performing loans put pressure on financial stocks, most notably southern European banks. And third, the British public voting to leave the European Union further capped a mild rebound in European equities.

Markets saw one of the worst starts to the year ever as equities dropped more than 10% during the first two weeks of trading, despite reasonably good economic news. German manufacturing numbers came in stronger than expected, UK unemployment reached a 10 year low and consumer confidence hovered around 9 year highs. The sell-off was externally driven with a continued drop in oil prices and weakness in China and Brazil. As global investors were overweight Europe, the unwind hit Europe hard. The uncertainty in equity markets resulted in very cautious outlooks by companies reporting full year numbers, which in turn led to the highest weakly earnings downgrades since the financial crisis. This caused another drop in stocks heading into February with indices finding a bottom on February 11th. The price of WTI crude also reached a low of 26 USD that same day, down nearly 60% in only 7 months.

The most oversold stocks and sectors in 2015 and early 2016 subsequently saw a big rebound in the following three months, with mining stocks leading the way. Gold and other precious metals were particularly in vogue as they ticked both the "mining" and the "flight to quality" boxes. Banks started to underperform as market participants worried about non-performing loans and exposure to oil and oil service companies in particular. While markets bounced, economic data in Europe turned negative, with more data points coming in below consensus in February and March. In the UK, PM Cameron set the date for the Brexit referendum (June 23rd) and Mayor of London Boris Johnson declared to support the "Leave" campaign.

As market volatility abated, emerging markets and commodities rebounded, and companies became more confident of their 2016 earnings outlook. Q1 numbers generally came in slightly higher than expected, further helping the market recoup the losses of the first 5 weeks of the year. The ECB continued its accommodative stance, adding corporate bond purchases to the mix. Under these conditions, a substantial debt relief for Greece and a continued lack of improvement in Italian NPLs did not worry investors much. Neither did the Brexit vote as polls and betting houses suggested a less than 30% chance for the "Leave" camp.

MANAGER'S REPORT

For the period from 1 January 2016 to 30 June 2016 (continued)

In June however, markets took another hit, first when Brexit polls showed a race that was closer to 50-50 and then when the actual referendum shocked investors with 52% of the British electorate in favour of leaving the EU. PM Cameron resigned and domestic UK stocks took a beating. With Europe as a whole being suddenly shunned by global investors, the biggest declines were seen in riskier sectors and countries such as banks and Italy. UK exporters were among the best performers in June, as the GBP depreciated almost 10% versus the US Dollar, hitting a 31 year low. Conversely, gold prices rose another 10%. During the last week of June, markets regained some of the losses when the initial Brexit panic subsided.

For the first six months of 2016 as a whole, Energy (+25%) was the best performing sector, followed by Consumer Staples (+9%) and Materials (+6%). Both Energy and Materials benefitted from a rebound in emerging market equities and commodity prices, but also from a decline in the pound as both sectors are dominated by large cap UK-listed names. Banks (-24%) and Automobiles (-23%) were the worst performing sectors. Investors shunned higher risk consumer related stocks. On a subsector level, UK homebuilders were particularly sold down. Italy (-23%), Ireland (-16%) and Spain (-13%) were the lagging countries, while the UK (+7%) was the only country posting a positive return.

Investment policy and attribution

We started the year with an explicit positive stance on equities, being overweight Cyclical Value and Small Caps at the expense of Stability factors. When the market took a plunge in January, the portfolio initially held up pretty well as Momentum continued to be one of the better performing styles. Materials and Energy stocks were the biggest underperformers during the first three weeks, similar to the latter half of 2015. As markets continued their drop into February, driven by outflows from European equity funds, most of the underperformance came from profit taking in momentum names; all the long positions that investors held through 2015. This took a toll on the Saemor Fund, as we were long Healthcare, Automobles, Domestic UK names and stocks with good earnings revisions.

These extreme market moves and trend breaks posed the most challenging environment for our multi-factor model. The weak sentiment and economic activity from emerging markets was also having an effect on the European economy. During February we therefore reduced risk in the portfolio by neutralizing our tactical positioning to Cyclical Value factors. We adopted a more cautious positioning by lowering the net long position and gross exposure. This turned out to be wrongly timed as markets rallied from mid February through April. Commodities and emerging market related names rebounded the most. The Fund was net short in these stocks as they ranked poorly on the key drivers of our stock selection model Quality, Earnings Momentum and Defensive Value. Domestic and US-driven cyclical sectors like Consumer Discretionary and Banks continued to underperform throughout the first half. Long positions that ranked well on Momentum took another hit in June, when the vote for Brexit occurred. Homebuilders were particularly hit hard.

The biggest detractors in H1 2016 were to be found among rallying Materials companies that were short positions in the portfolio, and higher risk long positions that got sold off in the beginning of the year and failed to recover in the next 4 months. Fresnillo and Randgold Resources both benefitted from a flight to quality, a rally in materials stocks and outperforming UK exporters. Anglo American was another short position within the mining sector that detracted from performance. Long positions in Societe Generale, BNP Paribas and Unicredit were among the top ten laggards in the Fund as worries around non-performing loans in Italy and the rest of Southern Europe increased.

Most of the positive contributors were shorts in the UK that got hurt in the initial sell-off at the start of the year and then again during Brexit. Cobham, Dixons Carphone and Travis Perkins were all among the top 5 contributors. Banca Popolare dell' Emilia Romagna, Barclays, Credit Suisse and UBI Banca made the top ten as higher beta Financials. Finally, British American Tobacco and Indivior (Healthcare) were exporters from the UK with a defensive profile we had as longs for most of the first six months of the year.

The portfolio volatility as measured by a short term statistical risk model stood at 7.5% per June 30th (Year end 2015: 6.0%). The ex-post volatility of the portfolio, based on 5 years of monthly NAVs rose from 9.0% at the end of 2014 to 9.5%. At the end of June gross and net leverage stood at respectively 335% and 2%. The net beta of the book was 0%.

MANAGER'S REPORT

For the period from 1 January 2016 to 30 June 2016 (continued)

Outlook

Market

We are relatively cautious on equity markets. While the initial uncertainty around the UK leaving the EU is subsiding, the effects on the UK economy will most likely be negative. Concerns about the health of the Italian banking system are increasing. Globally, profit margins, PMIs, inflation and rate expectations are falling. The US is holding up well at high levels of output and consumer activity, but prospective interest rate hikes could hurt US equity markets as they did at the end of 2015 and beginning of 2016.

Positioning

Our factor positioning remains close to neutral, with a slight underweight in Momentum and an overweight in Quality factors. As our model is already tilted quite significantly toward defensive names, we do not feel the need to amplify this stance. We have long been overweight domestic UK names, but this is shifting more toward UK exporters after Brexit and the GBP devaluation. Our shorts in emerging market related names in Industrials and Materials sectors have also been reduced over the past 6 months. We are overweight in Healthcare, Consumer Staples, Automobiles and Information Technology, whereas Banks, Consumer Discretionary, Industrials and Telecom are net short. Switzerland is currently our only large short country position and Finland, France, Denmark and Spain are overweighted.

The Hague, 30 August 2016

S. 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 30 June 2016

	Note	30 June 2016 €	31 December 2015 €
Assets			
Financial assets at fair value through profit or loss	3, 11	448,367,162	506,335,650
Amounts due from brokers	6	23,248,264	7,965,452
Dividends receivable		1,175,919	1,529,653
Margin accounts	5	232,615,455	378,355,876
Cash and cash equivalents	4	192,432,652	34,043,282
Total assets		**897,839,452**	**928,229,913**
Liabilities			
Financial liabilities at fair value through profit or loss	3, 11	461,513,031	417,980,995
Amounts due to brokers	6	11,633,329	14,810,822
Dividends payable		898,393	427,174
Management fee payable	7	1,075,184	428,062
Performance fee payable	7	-	9,505,189
Interest payable		293,281	415,675
Equalisation credit payable	7	-	221,335
Accrued expenses	8	264,318	322,261
Total liabilities (excluding net assets attributable to holders of redeemable units of participation		**475,677,536**	**444,111,513**
Net assets attributable to holders of redeemable units of participation		**422,161,916**	**484,118,400**

Class A	**30 June 2016**	**31 December 2015**	**31 December 2014**
Number of units of participation (note 13)	17,360.26	11,595.18	2,993.50
Net asset value per unit of participation	€ 1,454.40	€ 1,630.66	€ 1,463.47
Class B			
Number of units of participation (note 13)	282,102.98	297,070.52	434,423.60
Net asset value per unit of participation	€ 1,400.23	€ 1,565.99	€ 1,389.73
Class D			
Number of units of participation (note 13)	2,135.55	-	-
Net asset value per unit of participation	€ 891.94	-	-
Total Net Asset Value	**422,161,916**	**484,118,400**	**608,112,405**

The accompanying notes are an integral part of these condensed financial statements.

STATEMENT OF COMPREHENSIVE INCOME
For the period from 1 January 2016 to 30 June 2016

	Note	1 January 2016 to 30 June 2016 €	1 January 2015 to 30 June 2015 €
Income			
Interest income	9	40,720	42,615
Gross dividend income	10	18,320,384	21,427,792
Net (loss)/gain on financial assets and liabilities at fair value through profit or loss		(35,205,140)	70,978,674
Net foreign exchange (loss)/gain on cash and cash equivalents		(233,279)	5,811,311
Other income		144,790	142,804
Total income		**(16,932,525)**	**98,403,196**
Expenses			
Dividend expense on securities sold short	10	(25,019,665)	(18,820,308)
Management fee	7	(2,223,412)	(2,740,091)
Performance fee	7	(891)	(10,652,014)
Interest expense	9	(3,248,462)	(3,420,430)
Audit fee		(15,250)	(51,857)
Administration fee		(200,919)	(212,943)
Depositary fee	7	(79,560)	(139,310)
Legal fee		(10,000)	(28,751)
Costs of supervision	7	(44,500)	(32,501)
Other expenses		(18,961)	(16,329)
Trustee's fee	7	(5,575)	(5,575)
Total operating expenses		**(30,867,195)**	**(36,120,109)**
(Loss)/profit before tax		**(47,799,720)**	**62,283,087**
Withholding taxes		(2,883,455)	(2,279,044)
(Loss)/profit after tax		**(50,683,175)**	**60,004,043**
Other comprehensive income		-	-
(Decrease)/increase attributable to holders of redeemable unit of participation		**(50,683,175)**	**60,004,043**

The accompanying notes are an integral part of these condensed financial statements.

STATEMENT OF CASH FLOWS
For the period from 1 January 2016 to 30 June 2016

	1 January 2016 to 30 June 2016 €	1 January 2015 to 30 June 2015 €
Cash flows from operating activities		
(Decrease)/increase attributable to holders of redeemable units of participation	(50,683,175)	60,004,043
Adjustment for net foreign exchange loss/(gain) - cash and cash equivalent	233,279	(5,811,311)
Adjustment for interest income	(40,720)	(42,615)
Adjustment for dividend income	(18,320,384)	(21,427,792)
Adjustment for interest expenses	3,248,462	3,420,430
Adjustment for dividend expenses	25,019,665	18,820,308
Adjustments to reconcile (decrease)/increase attributable to holders of redeemable units of participation to net cash provided by operating activities:		
Decrease in financial assets at fair value through profit or loss	57,968,488	160,326,484
Increase/(decrease) in financial liabilities at fair value though profit or loss	43,532,036	(79,105,586)
Decrease in margin cash	145,740,421	59,217,175
Increase/(decrease) in management fee payable	647,122	(71,006)
Decrease in performance fee payable	(9,505,189)	(12,502,864)
(Decrease)/increase in amounts due to brokers	(3,177,493)	17,504,447
Increase in amounts due from brokers	(15,282,812)	(2,877,925)
(Decrease)/increase in accrued expenses	(57,943)	1,709
Decrease in other assets and prepaid expenses	-	41,183
(Decrease)/increase in equalisation credit payable	(221,335)	25,914
Cash provided by operating activities	**179,100,422**	**197,522,594**
Interest received	40,720	227,534
Dividend received	18,674,118	21,021,692
Interest paid	(3,370,856)	(3,733,250)
Dividend paid	(24,548,446)	(17,681,301)
Net cash provided by operating activities	**169,895,958**	**197,357,269**
Cash flows from financing activities		
Proceeds from issue of redeemable units of participation	38,684,149	5,918,900
Payments from redemptions of redeemable units of participation	(50,178,793)	(118,000,000)
Cash flow related to equalisation credit/(deficit) previous period	221,335	(25,914)
Net cash flow used in financing activities	**(11,273,309)**	**(112,107,014)**
Net increase in cash and cash equivalents	158,622,649	85,250,255
Net foreign exchange (loss)/gain - cash and cash equivalents	(233,279)	5,811,311
Cash and cash equivalents at the beginning of the period	34,043,282	70,881,474
Cash and cash equivalents at the end of the period	**192,432,652**	**161,943,040**

The accompanying notes are an integral part of these condensed financial statements.

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

For the period from 1 January 2016 to 30 June 2016

	Note	Number of shares	1 January 2016 to 30 June 2016 €
Balance at the beginning of the period		308,666	484,118,400
Decrease attributable to holders of redeemable units of participation resulting from operations for the period		-	(50,683,175)
Issue of redeemable units of participation during the period	13	27,262	38,684,149
Movement related to equalisation credit previous period	13	136	221,335
Payments from redeemable units of participation during the period	13	(34,465)	(50,178,793)
Net assets attributable to holders of redeemable units of participation at the end of the period		**301,599**	**422,161,916**

	Note	Number of shares	1 January 2015 to 30 June 2015 €
Balance at the beginning of the period		437,417	608,112,405
Increase attributable to holders of redeemable units of participation resulting from operations for the period		-	60,004,043
Issue of redeemable units of participation during the period	13	3,899	5,918,900
Payments from redeemable units of participation during the period	13	(84,402)	(118,000,000)
Movement related to equalisation credit previous period	13	12	16,633
Movement related to current period equalisation deficit payable		-	(42,547)
Net assets attributable to holders of redeemable units of participation at the end of the period		**356,926**	**556,009,434**

The accompanying notes are an integral part of these condensed financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the period from 1 January 2016 to 30 June 2016

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

The Fund will, under certain conditions, be able to issue and purchase units of participation. Issue and redemption of units of participation is possible on a dealing date, which is the first business day of each month. The 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 has an Alternative Investment Fund Managers (AIFM) license and is regulated by the Netherlands Authority for the Financial Markets (AFM) and the Dutch Central Bank.

The Bank of New York Mellon SA/NV, Amsterdam branch, provides administration and transfer agency services to the Fund. 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.

NOTES TO THE FINANCIAL STATEMENTS
For the period from 1 January 2016 to 30 June 2016 (Continued)

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) and the Dutch Financial Supervision Act and Title 9 book 2 Dutch Civil Code.

(b) Accounting policies
These financial statements are prepared in accordance with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Boards (“IASB”). The significant accounting policies and estimation techniques adopted by the Fund for the six months ended 30 June 2016 are consistent with those adopted by the Fund for the annual financial statements for the year ended 31 December 2015.

(c) 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 2016 that have a material impact on the Fund.

New standards, amendments and interpretations effective after 1 January 2016 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).

NOTES TO THE FINANCIAL STATEMENTS
For the period from 1 January 2016 to 30 June 2016 (Continued)

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(c) Basis of preparation (continued)

IFRS 9 Financial Instruments (continued)
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.

NOTES TO THE FINANCIAL STATEMENTS
For the period from 1 January 2016 to 30 June 2016 (Continued)

3. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

As at 30 June 2016 and 31 December 2015, financial assets and liabilities at fair value through profit or loss were as follows:

	30 June 2016	31 December 2015
	€	€
Financial assets at fair value through profit or loss:		
Equity securities	414,771,009	459,093,405
Contracts-for-difference	33,596,153	47,242,245
Financial assets at fair value through profit or loss	**448,367,162**	**506,335,650**
Financial liabilities at fair value through profit or loss:		
Debt securities	-	(839,128)
Equity securities	(415,249,900)	(378,401,120)
Contracts-for-difference	(46,263,131)	(38,740,747)
Financial liabilities at fair value through profit or loss	**(461,513,031)**	**(417,980,995)**
Total financial assets and liabilities at fair value through profit and loss	**(13,145,869)**	**88,354,655**

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

As at 30 June 2016 and 31 December 2015, listed equity securities at fair value through profit or loss are recorded at fair value based on quoted market prices in active markets.

4. CASH AND CASH EQUIVALENTS

Cash represents short-term funds available to the Fund.

	30 June 2016	31 December 2015
	€	€
Cash at brokers	192,432,652	34,043,282
Total	**192,432,652**	**34,043,282**

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 €176,889,632 (31 December 2015: €292,713,575) with Morgan Stanley and €41,020,733 (31 December 2015: €76,031,316) with Merrill Lynch International and €14,705,090 with Barclays PLC (31 December 2015: €9,610,985).

	30 June 2016	31 December 2015
	€	€
Margin accounts	232,615,455	378,355,876
Total	**232,615,455**	**378,355,876**

NOTES TO THE FINANCIAL STATEMENTS
For the period from 1 January 2016 to 30 June 2016 (Continued)

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 30 June 2016 and 31 December 2015 the following were held as amounts due to or from brokers:

	30 June 2016	**31 December 2015**
	€	**€**
Balances due from brokers	23,248,264	7,965,452
Balances due to brokers	(11,633,329)	(14,810,822)
Amounts due to brokers	**11,614,935**	**(6,845,370)**

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 accrued on a daily basis. The fee is payable in arrears following completion and finalisation each month. Management fees of €2,223,412 (30 June 2015: €2,740,091) were incurred for the period ended 30 June 2016 of which €1,075,184 was payable at 30 June 2016 (31 December 2015: €428,062).

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 €891 (30 June 2015: €10,652,014) were incurred for the period ended 30 June 2016 of which €Nil was payable at 30 June 2016 (31 December 2015: €9,505,189).

As of 4 January 2016 the Fund opened 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 of Class A and B units of Participation 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 (HWM) 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 30 June 2016 amounted €Nil (30 June 2015: €42,547).

NOTES TO THE FINANCIAL STATEMENTS
For the period from 1 January 2016 to 30 June 2016 (Continued)

7. FEES AND EXPENSES (continued)

Performance fee – Equalisation (continued)
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 equalisation deficit as of 30 June 2016 amounted to €2,009 (30 June 2015: €Nil).

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

The Depositary charges 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.

The Title Holder receives a trustee fee of €11,000 on an annual basis.

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 period ended 30 June 2016, the Fund charged redemption fees of €144,790 (30 June 2015: €141,600).

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 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.

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

8. ACCRUED EXPENSES

	As at 30 June 2016 €	**As at 31 December 2015 €**
Audit fee	14,628	33,911
Administration fee	134,212	114,625
Depositary fee	44,885	43,545
Legal and tax advice fees	27,973	51,898
Costs of supervision	30,672	65,164
Trustee's fee	6,307	7,477
Other accrued expenses	5,641	5,641
	264,318	**322,261**

NOTES TO THE FINANCIAL STATEMENTS
For the period from 1 January 2016 to 30 June 2016 (Continued)

9. INTEREST INCOME/EXPENSE AND BORROWING FEE

	1 January 2016 to 30 June 2016 €	1 January 2015 to 30 June 2015 €
Interest income	40,720	42,615
Interest expense	(2,422,235)	(2,251,984)
Borrowing fee	(826,227)	(1,168,446)
	(3,207,742)	**(3,377,815)**

Borrowing fees incurred during the period resulted from borrowing securities in relation to short positions.

10. DIVIDEND INCOME/EXPENSE

	1 January 2016 to 30 June 2016 €	1 January 2015 to 30 June 2015 €
Dividend income	18,320,384	21,427,792
Dividend expense on securities sold short	(25,019,665)	(18,820,308)
	(6,699,281)	**2,607,484**

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.

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).

NOTES TO THE FINANCIAL STATEMENTS
For the period from 1 January 2016 to 30 June 2016 (Continued)

11. RISK ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

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 cateogarised 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.

Fair value estimation (continued)
The following tables analyse the fair value hierarchy of the Fund’s financial assets and liabilities measured at fair value as at 30 June 2016 and as at 31 December 2015:

Financial assets at fair value through profit or loss	**30 June 2016 €**	**Level 1 €**	**Level 2 €**	**Level 3 €**
Equity securities	414,771,009	414,771,009	-	-
Derivatives	33,596,153	-	33,596,153	-
Total	**448,367,162**	**414,771,009**	**33,596,153**	**-**

Financial liabilities at fair value through profit or loss	**30 June 2016 €**	**Level 1 €**	**Level 2 €**	**Level 3 €**
Equity securities sold short	(415,249,900)	(415,249,900)	-	-
Derivatives	(46,263,131)	-	(46,263,131)	-
Total	**(461,513,031)**	**(415,249,900)**	**(46,263,131)**	**-**

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	(378,402,120)	(378,402,120)	-	-
Derivatives	(38,740,747)	-	(38,740,747)	-
Total	**(417,981,995)**	**(379,241,248)**	**(38,740,747)**	**-**

For the period ended 30 June 2016 and 31 December 2015, there were no transfers between Levels.

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

NOTES TO THE FINANCIAL STATEMENTS
For the period from 1 January 2016 to 30 June 2016 (Continued)

11. RISK ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

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.

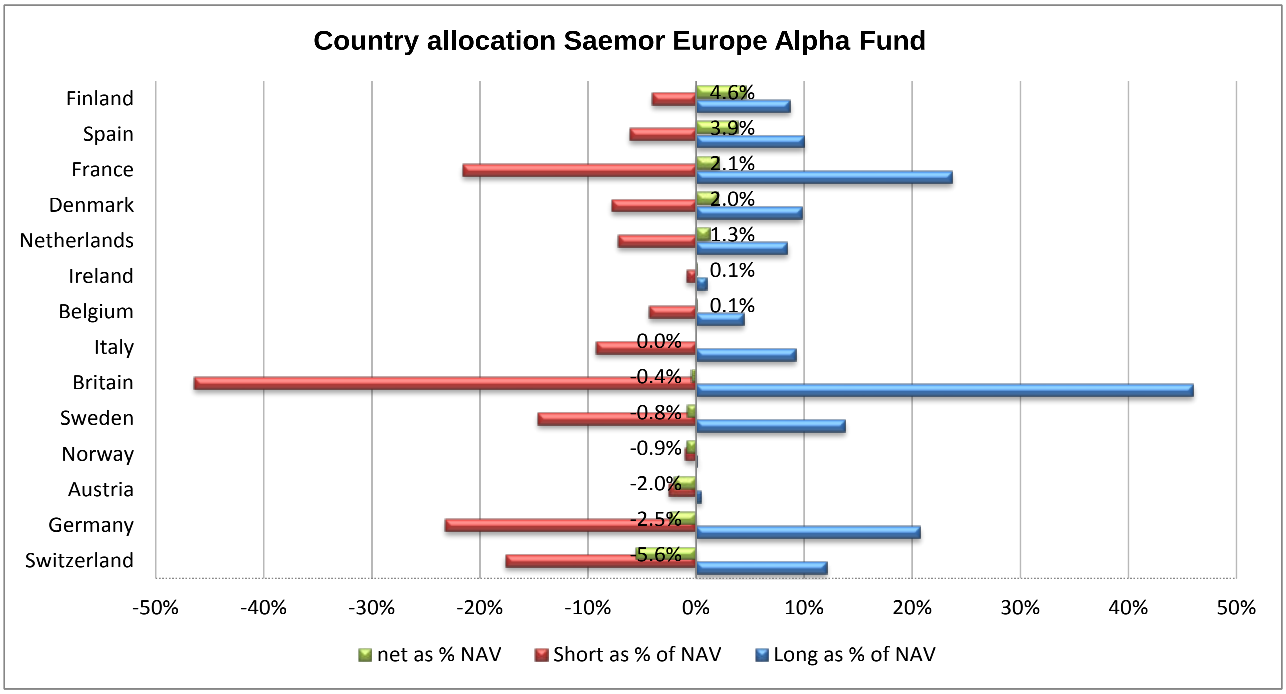
Currency risk
Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Fund may invest in financial instruments and enter into transactions denominated in currencies other than its functional currency (Euro).

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.

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

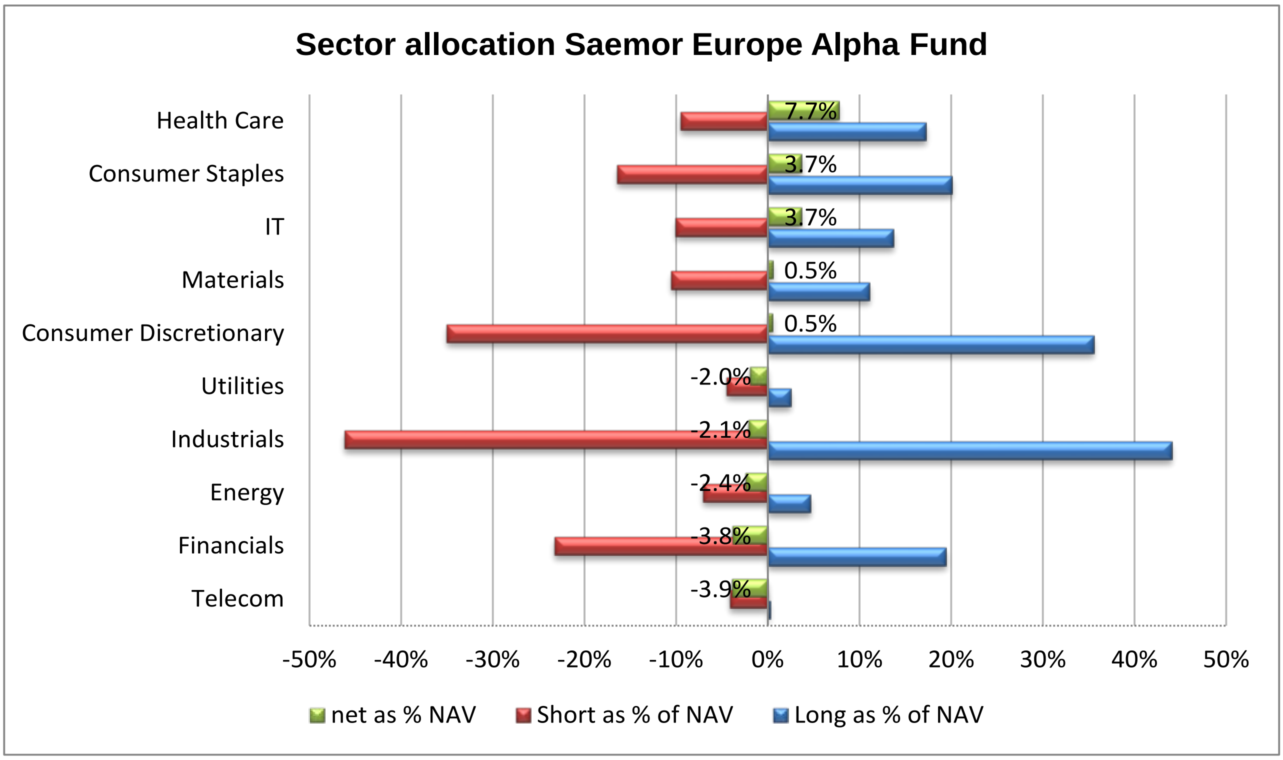
Concentration risk
The country allocation (net exposure, long positions and short positions per country) as a percentage of the NAV at 30 June 2016 was as follows:



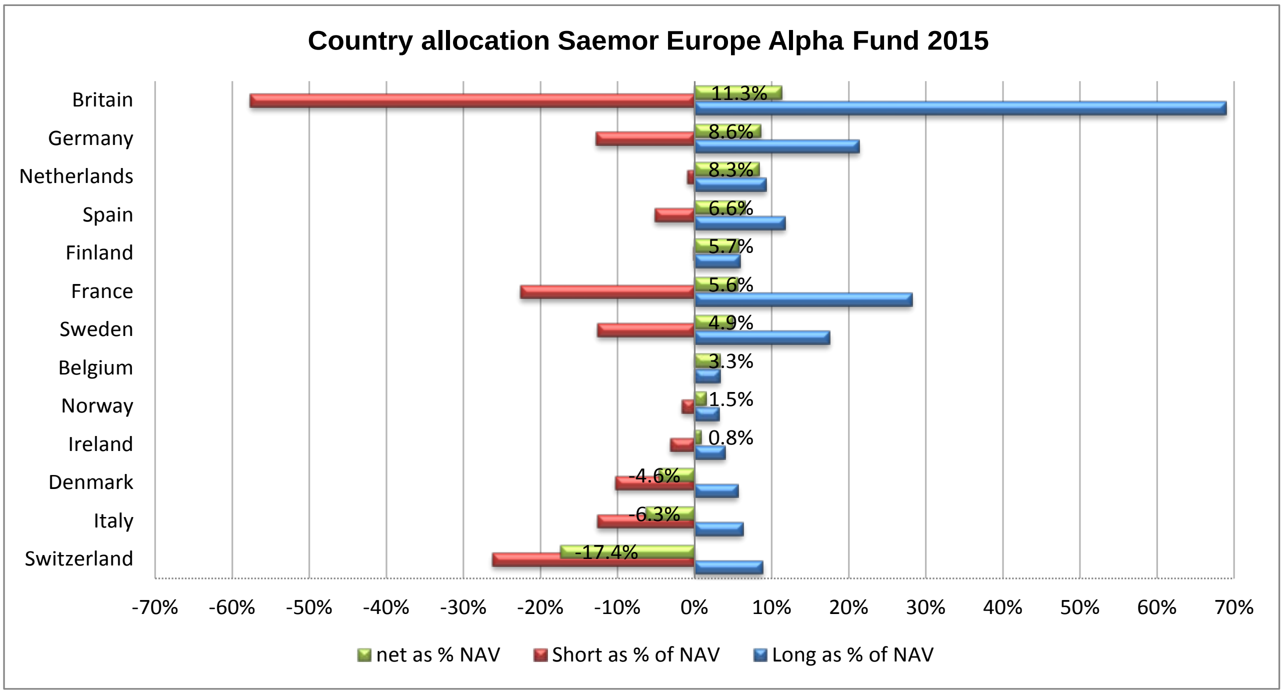
NOTES TO THE FINANCIAL STATEMENTS
For the period from 1 January 2016 to 30 June 2016 (Continued)

11. RISK ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

Concentration risk (continued)
The sector allocation (net exposure, long positions and short positions per sector) as a percentage of the NAV at 30 June 2016 was as follows:



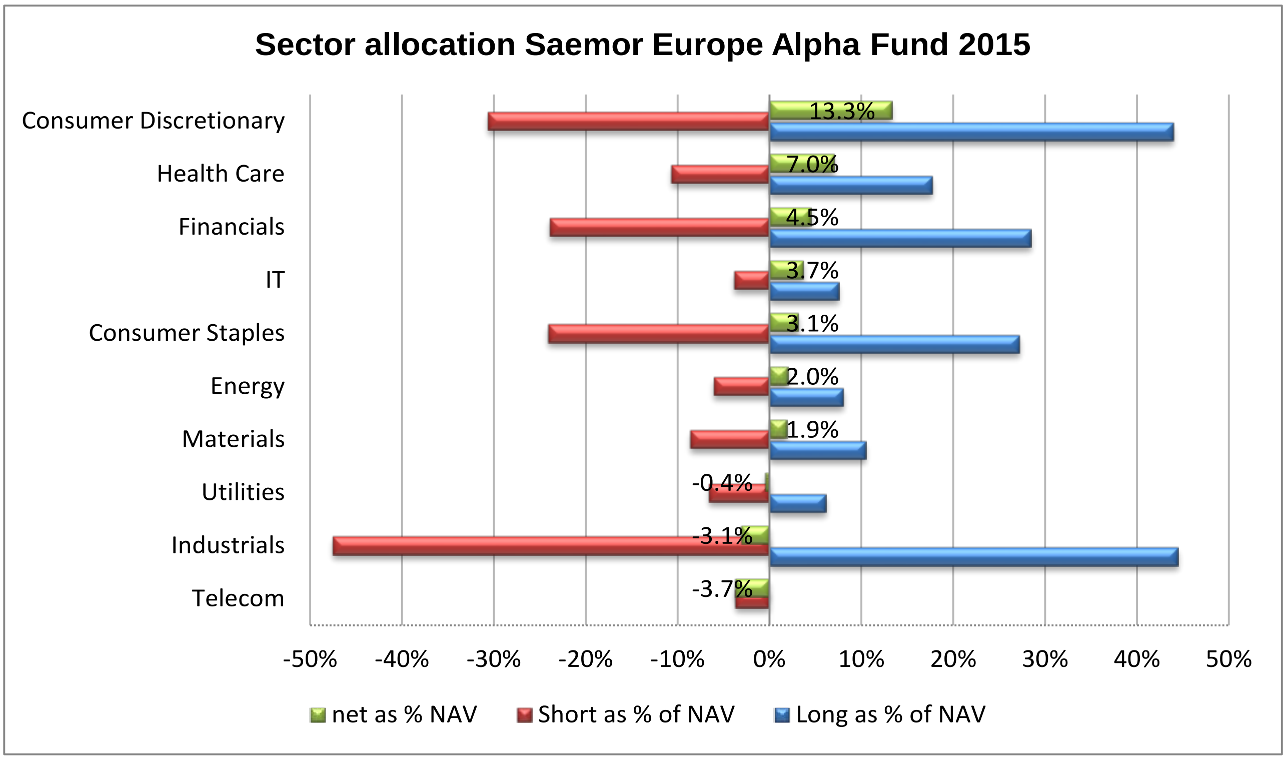
The country allocation (net exposure, long positions and short positions per country) as a percentage of the NAV at 31 December 2015 was as follows:



NOTES TO THE FINANCIAL STATEMENTS
For the period from 1 January 2016 to 30 June 2016 (Continued)

11. RISK ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

Concentration risk (continued)
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:



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.

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 derivative contracts held were 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 30 June 2016 were A1 (Moody's) (31 December 2015: A1) and A*+ (S&P) (31 December 2015: A). Long term ratings for Barclays Bank PLC at period end were A2 (Moody's) (31 December 2015: A2) and A- (S&P) (31 December 2015: A-). Long term ratings for Merrill Lynch International were A*+ (S&P) (31 December 2015: A-).

NOTES TO THE FINANCIAL STATEMENTS
For the period from 1 January 2016 to 30 June 2016 (Continued)

11. RISK ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

Credit risk (continued)
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.

To enable short securities, the Fund borrows securities. At 30 June 2016, the Fund borrowed securities for an amount of €698,403,787 (31 December 2015: €885,110,563).

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.

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.

NOTES TO THE FINANCIAL STATEMENTS
For the period from 1 January 2016 to 30 June 2016 (Continued)

12. DERIVATIVE CONTRACTS (continued)

As of 30 June 2016 and 31 December 2015, the following derivative contracts were included in the Fund's Statement of Financial Position at fair value through profit or loss:

	Fair value assets 30 June 2016 €	**Fair value liabilities 30 June 2016 €**
Contracts-for-difference	33,596,153	(46,263,131)

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

The table below details the total derivatives exposure at 30 June 2016 and 31 December 2015. 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 30 June 2016 the Fund held long and short positions in equity 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 30 June 2016 the leverage is 335% (31 December 2015: 360%).

30 June 2016	**Net exposure**	**Gross exposure**	**Gross as % NAV**
Equity	(697,571)	894,728,213	212.0%
Contract-for-Difference	8,645,851	521,129,946	123.4%
Total exposure	7,948,280	1,415,858,159	335.4%
Total as % of NAV	1.9%	335.4%	

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%

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.

NOTES TO THE FINANCIAL STATEMENTS
For the period from 1 January 2016 to 30 June 2016 (Continued)

13. REDEEMABLE UNITS OF PARTICIPATION (continued)

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, Class B and Class D for the period ended 30 June 2016 and period ended 30 June 2015 were as follows:

	Number of units of participation 30 June 2016	**Number of units of participation 30 June 2015**
Class A (EUR)		
Units of participation balance at the beginning of the period	11,595.18	2,993.50
Issue of redeemable units of participation	6,510.33	3,899.08
Redemption of redeemable units of participation	(879.93)	-
Movement related to equalisation credit	134.68	6.37
Units of participation at the end of the period	**17,360.26**	**6,898.95**
Class B (EUR)		
Units of participation balance at the beginning of the period	297,070.52	434,423.60
Issue of redeemable units of participation	18,587.58	
Redemption of redeemable units of Participation	(33,556.22)	(84,401.79)
Movement related to equalisation credit	1.10	5.26
Units of participation at the end of the period	**282,102.98**	**350,027.07**
Class D (EUR)		
Units of participation balance at the beginning of the period	-	-
Issue of redeemable units of participation	2,164.49	-
Redemption of redeemable units of Participation	(28.94)	-
Units of participation at the end of the period	**2,135.55**	**-**

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.

NOTES TO THE FINANCIAL STATEMENTS
For the period from 1 January 2016 to 30 June 2016 (Continued)

14. RELATED PARTY TRANSACTIONS

Employees of directors and employees of Saemor Capital B.V. held jointly 1,327.71 (31 December 2015: 931.24) Units of Participation Class B in the Fund. Saemor Capital B.V. held no (31 December 2015: 401.67) Units of Participation Class B, 889.06 (31 December 2015: 866.84) Units of Participation Class A and 500 (31 December 2015: nil) Units of Participation Class D in the Fund.

Three investment funds managed by Aegon Investment Management B.V. (AIM B.V.) held 280,770.57 (31 December 2015: 295,732.90) Units of Participation Class B, 99.75 (31 December 2015: 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 2015: 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 30 June 2016.

As of 30 June 2016 and 31 December 2015 the personal interests of the employees of directors in the Fund and which were also held by the Fund, amounted:

	Market Value 30 June 2016	**Market Value 31 December 2015**
Stock	**€**	**€**
UniCredit	345	899
Saemor Europe Alpha Fund	876,704	871,412
Total Amount (€)	**877,049**	**872,311**

16. SUBSEQUENT EVENTS

There are no subsequent events impacting the Fund subsequent to 30 June 2016.

OTHER NOTES
For the period from 1 January 2016 to 30 June 2016

1. DIVIDEND AND ALLOCATION OF RESULT

During the period from 1 January 2016 to 30 June 2016, 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 30 August 2016.

OTHER NOTES
For the period from 1 January 2016 to 30 June 2016 (Continued)

The accompanying Statement of Financial Position as at 30 June 2016 and the Statement of Comprehensive Income and Statement of Changes in Net Assets Attributable to Holders of Redeemable Units of Participation for the period then ended have been compiled from the records of the Saemor Europe Alpha Fund and from other information supplied to us by the Fund. There has not been an audit performed and consequently, there is not an opinion expressed on these accounts.