SAEMOR EUROPE ALPHA FUND

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD FROM

1 JANUARY 2018
TO
30 JUNE 2018

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
For the period from 1 January 2018 to 30 June 2018 **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
LEGAL OWNER	Stichting Saemor Europe Alpha Fund c/o: SGG Custody B.V. 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 United Kingdom
LEGAL ADVISOR	De Brauw Blackstone Westbroek N.V. Claude Debussylaan 80 1082 MD Amsterdam The Netherlands

FUND INFORMATION (continued)

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 the Net Asset Value ("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. (the "Manager") 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 the "Stichting" is SGG Custody B.V.

Administrator
The Bank of New York Mellon SA/NV, Amsterdam Branch, is the administrator of the Fund, and is listed in the trade register held by the Amsterdam Chamber of Commerce under number 34363596. Certain administration services are being outsourced to BNY Mellon Fund Services (Ireland) Designated Activity Company (DAC) in Dublin, Ireland. The Administrator was incorporated under Irish law on 31 May 1994 and is registered under number 218007 with the Companies Registration Office in Ireland. Furthermore, certain services in relation to transfer agency are being outsourced to The Bank of New York Mellon (Luxembourg) SA/NV which is registered with the Luxembourg Trade and Companies Register under number B 105.087.

Prime Brokers
The 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 2017 to 30 June 2018

Performance

The Fund generated a performance of +3.7% for share class A and D, and +3.8% for share class B in the first half of 2018.

2018 In %	Jan	Feb	Mar	Apr	May	Jun	YTD
Class A	-0.2	-1.4	3.0	1.0	1.2	0.0	3.7
Class B	-0.2	-1.3	3.0	1.1	1.1	0.0	3.8
Class D	-0.2	-1.4	3.0	1.0	1.2	0.0	3.7

Source: BNY Mellon Fund Services

Hedge Funds in general posted a flattish performance in the first half of 2018 as the fears and reality of an escalating trade war between the US and the rest of the world took hold. Event-driven funds did best, helped by buoyant merger and acquisition activity. CTA/Managed Futures strategies strongly disappointed, due in part to currency volatility and weakness in emerging markets. L/S Equity (+0.7%) was hit by the volatility spike in February, but supported by rising US equities. Equity Market Neutral funds rose 0.4%, helped by higher dispersion of stock returns.

Market Review

European equity markets were slightly down during the first half of 2018. The Stoxx 600 was down 2.4% over the period, while the MSCI Europe fell 0.5% in local currency, net of dividend taxes.

The year started on a positive note with European indices peaking on 23 January 2018. Earnings announcements and 2018 corporate outlooks were generally optimistic and global fund flows into European equities reached record levels for the month. Markets fell in February following the US, where 10 year yields hit the 3% mark. The start of a tariff war between the US and China put investors on a defensive footing. As tariffs spread across product categories and Canadian and European sectors were also targeted, 'the rest of the world' struck back with hundreds of billions in trade being affected by the end of the first half of 2018.

Markets recovered slightly in April, with economic figures and corporate earnings seeming to shake off the impact of the newly-imposed tariffs. Oil prices rose considerably and unemployment rates continued to drop, suggesting a very strong global economy. Renewed political uncertainty in Europe dampened the market recovery in May and June. In the UK, politicians tried to engineer a "soft Brexit", but have so far been unable to come up with a working plan. In Italy, forming a government in a wildly fragmented and radicalised political landscape proved to be a daunting task, and in Germany the leading CSU-CDU combination faced roadblocks and resignations over migrant disputes. Bund yields softened to 30bps, while the spread with Italy rose.

Energy and Information Technology were the best performing sectors during the first six months, while Telecommunication, Automobiles and Banks were the worst. Looking at sector performances, it was difficult to distinguish a clear pattern in the market, mostly due to a lack of direction and the impact political factors. Some cyclical sectors, seen as most impacted by tariffs, underperformed while those seen as less impacted (Energy and IT) did well. Defensive sectors did not seem to benefit from the increased uncertainty, with Telecommunication and Consumer Staples generally lagging. On a country basis the relatively small markets of Finland, Portugal and Norway performed well, while most country indices were down. Austria, Denmark and Switzerland were the worst performers.

MANAGER'S REPORT (continued)

For the period from 1 January 2018 to 30 June 2018

Investment Policy and attribution

We started the year with a tactical pro-risk stance. Both seasonality and our style cycle model suggested a positive market environment. In the first half of January, when markets rose, this turned out to be the right approach, however the market environment quickly turned more defensive at the end of the month. Small Caps (traditionally strong performers in January) fared poorly and Value factors disappointed.

In February, we recalibrated our strategic factor weighting scheme. This had a relatively small impact overall, though some sectors saw significant changes in strategic weights. Simultaneously, we switched to a macro-driven slowdown stance, with an underweight in Cyclical Value and Price Momentum and more emphasis on Quality and Earnings Momentum. As the style cycle moved more decisively into a slowdown phase, we amplified this stance in May, by adding extra weight to the Stability part of Quality in our models. In a slowdown regime, the economy is still growing but the growth starts to decelerate.

Our multi-factor approach has yielded mixed returns during the first six months of the year. Most factor clusters have registered moderately positive return spreads, but Value - more than 30% of the overall model - was a standout on the downside. Defensive Value did a lot better than Cyclical Value, as we would expect during a slowdown. Earnings Momentum was the top performing style, with earnings trends seen in the latter part of 2017 continuing into 2018. As tariffs in materials, automobiles and other large exporting sectors take hold, we would expect a change in leadership for the second half of the year. Profitability, Growth and Quality factors also generated positive returns. The order/ranking of style performances was very much in line with our slowdown stance, however overall performance tends to be a lot better in this part of the cycle. Politics played a large role in this discrepancy.

Most top contributors in the first half of 2018 were short positions. OSRAM Licht, Deutsche Bank, Elior, GEA, AP Moller Maersk and Commerzbank all had disappointing earnings announcements. Continuing strong earnings performance from Rockwool, Fiat Chrysler and Next propelled these long positions into the top 10 for the first half of 2018. Being overweight Earnings Momentum was one of the key drivers of the Fund's positive performance, which was visible in the top 10 contributors.

Short positions in Ericsson and Nokia did not work out after an encouraging industry turn-around. Within the long book, Belgian mail distributor bpost reported a failed merger/synergy targets and Lufthansa saw earnings momentum deteriorate because of higher oil prices.

The predicted volatility as measured by a short-term statistical risk model stood at 6.8% at 30 June 2018 (31 December 2017: 6.8%). The ex-post volatility of the portfolio based on monthly returns was 8.4%. At the end of June, gross and net leverage stood at respectively 351% and 16%. The net beta of the book was 1.9%. The ex-post beta based on 3 years of monthly returns was -1.2%.

Outlook

We upped our slowdown stance in May. At the start of the second half of 2018, our style positioning models are now more clearly pointing to a risk-off regime. Our continuation model favors quality and earnings momentum, while seasonality also points to this direction. This part of the cycle has tended to be good for our multi-factor approach, with most factor clusters showing above average returns and only Cyclical Value lagging. Three aspects of current market conditions should be relevant to our performance in the second half of 2018.

First, the performance of Value will be important. Despite being underweight versus Quality and Earnings Momentum, Defensive Value remains a large pillar in our multi-factor approach. In previous periods where our Fund was doing very well during a slowdown, a broad based outperformance of investment styles was key.

MANAGER'S REPORT (continued)
For the period from 1 January 2018 to 30 June 2018

Outlook (continued)

Secondly, our stock selection models are still pointing towards cyclical stocks and sectors, while being underweight defensives. As long as we are not heading towards a recession and global growth remains elevated, this positioning will have its merits. If and when leading indicators fall considerably, the yield curve starts to invert and credit spreads rise further, we would expect our model to start shifting towards more defensive sectors such as Health Care and Telecoms.

Finally, politics remains the wild card going forward. After a prolonged recovery and period of improving economic conditions and low market volatility, we are looking at more uncertain times ahead. Whereas 2017 turned out to be remarkably uneventful (eg. the election results in France and the Netherlands), Brexit remains unresolved and government formations in Italy and Germany proved to be more difficult than markets would like to have seen. On top of this, escalating tariff wars between the US and the rest of the world should start to have real impacts in the coming half year.

A slowdown does not imply a negative stance on markets per se. Although increased volatility and a scarcity of earnings upgrades will make markets more defensive and selective, strong economic activity and low unemployment worldwide typically underpin equity markets. However, rising interest rates and a flattening yield curve suggest we are in a later stage of an uptrend which started in 2011.

Heading into the second half of 2018 we are overweight Automobiles, Energy, Industrials, IT, Real Estate and Utilities, where earnings revisions are strong. Within those sectors we tend to prefer the high quality, low volatility names. We are short Telecoms, Media, Consumer Discretionary and Banks, where earnings upgrades are hard to come by. On a country basis, we prefer the UK, Sweden and Finland over France, Belgium and Switzerland.

The Hague, 30 August 2018

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 2018

	Note	30 June 2018	31 December 2017
		€	€
Current assets			
Financial assets at fair value through profit or loss	3,11	452,199,298	509,930,263
Amounts due from brokers	6	20,785,880	36,136,397
Dividends receivable		2,693,317	915,834
Margin accounts	5	254,473,884	290,623,223
Cash and cash equivalents	4	127,328,373	100,906,536
Total current assets		**857,480,752**	**938,512,253**
Current liabilities			
Financial liabilities at fair value through profit or loss	3,11	(411,236,895)	(449,851,461)
Amounts due to brokers	6	(12,813,437)	(43,433,591)
Dividends payable		(876,493)	(164,087)
Subscriptions received in advance		(59,000)	-
Management fee payable	7	(350,779)	(385,270)
Performance fee payable	7	(548,257)	-
Interest payable		(210,269)	(227,364)
Equalisation credit payable	7	(65)	-
Accrued expenses	8	(227,201)	(237,305)
Total current liabilities (excluding net assets attributable to holders of redeemable units of participation)		**(426,322,396)**	**(494,299,078)**
Net assets attributable to holders of redeemable units of participation		**431,158,356**	**444,213,175**

Class A	**30 June 2018**	**31 December 2017**	**31 December 2016**
Number of units of participation (note 13)	10,399.19	10,466.77	13,315.54
Net asset value per unit of participation	€ 1,624.62	€ 1,567.31	€ 1,459.32
Class B			
Number of units of participation (note 13)	261,105.91	280,131.86	292,854.88
Net asset value per unit of participation	€ 1,577.88	€ 1,520.35	€ 1,408.51
Class D			
Number of units of participation (note 13)	2,277.89	1,988.11	1,595.94
Net asset value per unit of participation	€ 996.34	€ 961.19	894.96
Total Net Asset Value	**€ 431,158,356**	**€ 444,213,175**	**€ 433,349,637**

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

STATEMENT OF COMPREHENSIVE INCOME
For the period from 1 January 2018 to 30 June 2018

	Note	1 January 2018 to 30 June 2018 €	1 January 2017 to 30 June 2017 €
Income			
Interest income	9	159,564	122,550
Gross dividend income	10	23,122,188	17,121,495
Net gain on financial assets and liabilities at fair value through profit or loss	3	15,585,641	13,002,793
Net foreign exchange gain/(loss) on cash and cash equivalents	7	1,653,834	(1,046,313)
Total net gain		**40,521,227**	**29,200,525**
Expenses			
Dividend expense on securities sold short	10	(12,633,636)	(12,539,852)
Management fee	7	(2,251,070)	(2,163,365)
Performance fee	7	(585,477)	-
Interest expense & borrowing fee	9	(4,306,816)	(3,186,819)
Research fee	7	(210,355)	-
Audit fee		(15,887)	(24,675)
Administration fee		(193,994)	(188,444)
Depositary fee	7	(79,435)	(76,585)
Legal fee		(6,000)	(6,800)
Costs of supervision	7	(33,773)	(33,136)
Trustee fee	7	(6,769)	(6,371)
Equalisation fee		(65)	-
Other expenses		(32,555)	(29,106)
Total operating expenses		**(20,355,832)**	**(18,255,153)**
Gain before tax		**20,165,395**	**10,945,372**
Withholding taxes		(3,404,403)	(2,473,305)
Gain after tax		**16,760,992**	**8,472,067**
Increase attributable to holders of redeemable units of participation		**16,760,992**	**8,472,067**

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

STATEMENT OF CASH FLOWS
For the period from 1 January 2018 to 30 June 2018

	1 January 2018 to 30 June 2018 €	1 January 2017 to 30 June 2017 €
Cash flows from operating activities		
Increase attributable to holders of redeemable units of participation	**16,760,992**	**8,472,067**
Adjustment for net foreign exchange gain - cash and cash equivalent	(1,653,834)	1,046,313
Adjustment for interest income	(159,564)	(122,550)
Adjustment for dividend income	(23,122,188)	(17,121,495)
Adjustment for interest expense & borrowing fee	4,306,816	3,186,819
Adjustment for dividend expenses	12,633,636	12,539,852
Adjustments to reconcile 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	57,730,965	49,417,412
(Decrease) in financial liabilities at fair value through profit or loss	(38,614,566)	(67,017,317)
Increase in margin cash	36,149,339	962,030
(Decrease) in management fee payable	(34,491)	(23,593)
Increase in subscriptions received in advance	59,000	38,000
(Decrease) in performance fee payable	548,257	-
(Decrease) in amounts due to brokers	(30,620,154)	(29,601,127)
Decrease in amounts due from brokers	15,350,517	15,386,054
(Decrease) in accrued expenses	(10,104)	(102,932)
Decrease in equalisation credit payable	65	-
Cash provided by /(used in) operating activities	**49,324,686**	**(22,940,467)**
Interest received	159,564	122,550
Dividend received	21,344,705	16,128,799
Interest paid	(4,323,911)	(3,241,006)
Dividend paid	(11,921,230)	(11,665,282)
Net cash provided by/(used in) operating activities	**54,583,814**	**(21,595,406)**
Cash flows used in financing activities		
Proceeds from issue of redeemable units of participation	280,700	304,500
Payments from redemptions of redeemable units of participation	(29,602,145)	(22,089,110)
Cash flow related to equalisation (deficit) previous period	(494,366)	(43,434)
Net cash flow used in financing activities	**(29,815,811)**	**(21,828,044)**
Net increase/(decrease) in cash and cash equivalents	24,768,003	(43,423,450)
Adjustment for net foreign exchange gain - cash and cash equivalents	1,653,834	(1,046,313)
Cash and cash equivalents at the beginning of the period	100,906,536	129,824,035
Cash and cash equivalents at the end of the period	**127,328,373**	**85,354,272**

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 2018 to 30 June 2018

	Note	Number of shares	1 January 2018 to 30 June 2018 €
Balance at the beginning of the period		292,587	444,213,175
Increase attributable to holders of redeemable units of participation resulting from operations for the period		-	16,760,992
Issue of redeemable units of participation during the period	13	290	280,700
Payments from redeemable units of participation during the period	13	(18,768)	(29,602,145)
Redemptions related to equalisation deficit in previous period		(325)	(494,366)
Net assets attributable to holders of redeemable units of participation at the end of the period		**273,784**	**431,158,356**

	Note	Number of shares	1 January 2017 to 30 June 2017 €
Balance at the beginning of the period		307,767	433,349,637
Increase attributable to holders of redeemable units of participation resulting from operations for the period		-	8,472,067
Issue of redeemable units of participation during the period	13	320	304,500
Payments from redeemable units of participation during the period	13	(15,605)	(22,089,110)
Redemptions related to equalisation deficit in previous period		(31)	(43,434)
Net assets attributable to holders of redeemable units of participation at the end of the period		**292,451**	**419,993,660**

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

NOTES TO THE FINANCIAL STATEMENTS
For the period from 1 January 2018 to 30 June 2018

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 Legal Owner and the Participant. The Manager has an Alternative Investment Fund Managers Directive ("AIFMD") license and is regulated by The Netherlands Authority for the Financial Markets (AFM) and the Dutch Central Bank. The AIFMD license has an extension for the following investment services, which may be provided to professional investors only; (i) individual portfolio management, (ii) investment advice and (iii) receiving and transmitting investment orders.

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) DAC in Dublin, Ireland. BNY Mellon Fund Services (Ireland) DAC 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) SA/NV.

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 Participation 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) 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 2018 are consistent with those adopted by the Fund for the annual financial statements for the year ended 31 December 2017.

(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. All accounting policies adopted by the Fund are consistent with the audited financial statements for the year ended 31 December 2017.

The financial statements are presented in Euros (€).

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period from 1 January 2018 to 30 June 2018

2 PRINCIPAL ACCOUNTING POLICIES (continued)

(c) Basis of preparation (continued)
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 Legal Owner are based and operate in Euro markets, the Fund's performance is evaluated and its liquidity is managed in Euro.

New standards, amendments and interpretations effective after 1 January 2018 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 16, Financial Instruments (effective January 2019)
The IASB published IFRS 16 Leases in January 2016 with an effective date of 1 January 2019. The new standard requires lessees to recognise nearly all leases on the balance sheet which will reflect their right to use an asset for a period of time and the associated liability for payments. We do not expect that adoption of these regulations will have a material effect on the financial statements. 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 recorded in 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 in the Statement of Profit or Loss.

On adoption of IFRS 9 the Fund's investment portfolio will continue to be classified as fair value through profit or loss. Other financial assets which are held for collection will continue to be measured at amortised cost with no material impact expected from application of the new impairment model. As a result, the adoption of IFRS 9 is not expected to have a material impact on the Fund's financial statements.

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. This standard has a mandatory effective date of 31 December 2018.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period from 1 January 2018 to 30 June 2018

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(b) Basis of preparation (continued)

New standards, amendments and interpretations effective after 1 January 2018.

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. In the Manager's opinion, adoption of IFRS 15 would have no material impact on the recognition, measurement or disclosures in the Fund's financial statements.

3. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

As at 30 June 2018 and 31 December 2017, financial assets and liabilities at fair value through profit or loss were as follows:

Financial assets at fair value through profit or loss:	**30 June 2018**	**31 December 2017**
	€	**€**
Equity securities	430,142,696	470,469,156
Contracts for difference	22,056,602	39,461,107
Financial assets at fair value through profit or loss	452,199,298	509,930,263
Financial liabilities at fair value through profit or loss:		
Equity securities	(394,164,333)	(432,852,433)
Contracts for difference	(17,072,562)	(16,999,028)
Financial liabilities at fair value through profit or loss	(411,236,895)	(449,851,461)
Total financial assets and liabilities at fair value through profit and loss	**40,962,403**	**60,078,802**

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

As at 30 June 2018 and 31 December 2017, listed equity securities and CFD’s at fair value through profit or loss are recorded at fair value based on quoted market prices in active markets.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period from 1 January 2018 to 30 June 2018

4. CASH AND CASH EQUIVALENTS

Cash represents short-term funds available to the Fund.

	30 June 2018	31 December 2017
	€	€
Cash at brokers	115,767,663	100,906,536
Cash at synthetic brokers	11,560,710	-
Total	**127,328,373**	**100,906,536**

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 loaned 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 €180,229,244 (31 December 2017: €221,036,853) with Morgan Stanley and €50,034,557 (31 December 2017: €50,310,784) with Merrill Lynch International and €24,210,083 with Barclays Bank PLC (31 December 2017: €19,275,586).

	30 June 2018	31 December 2017
	€	€
Margin accounts	254,473,884	290,623,223
Total	**254,473,884**	**290,623,223**

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 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.

As at 30 June 2018 and 31 December 2017 the following were held as amounts due from/(to) brokers:

	30 June 2018	31 December 2017
	€	€
Balances due from brokers	20,785,880	36,136,397
Balances due to brokers	(12,813,437)	(43,433,591)
Net amounts due to/from brokers	**7,972,443**	**(7,297,194)**

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 monthly basis. The fee is payable in arrears following completion and finalisation each month. Management fees of €2,251,070 (30 June 2017: €2,163,365) were incurred for the period ended 30 June 2018 of which €350,779 was payable at 30 June 2018 (31 December 2017: €385,270).

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period from 1 January 2018 to 30 June 2018

7. FEES AND EXPENSES (continued)

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 year 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.

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 fees of €585,477 (30 June 2017: €Nil) were incurred for the period ended 30 June 2018 of which €548,257 was payable at 30 June 2018 (31 December 2017: €Nil).

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 (the "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 at 30 June 2018 amounted to €65 (30 June 2017: €Nil).

Conversely, a Participant that acquires participations at a time that the HWM 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. The equalisation deficit as at 30 June 2018 amounted to €198,850 (30 June 2017: €127,901).

Other costs charged to the assets of the Fund	**1 January 2018 to 30 June 2018**	**1 January 2017 to 30 June 2017**
	€	**€**
Administration fee	193,994	188,444
Audit fee	15,887	24,675
Costs of supervision	33,773	33,136
Depositary fee	79,435	76,585
Legal fee	6,000	6,800
Research fee	210,355	-
Trustee fee	6,769	6,371
Other expenses	32,555	29,106
	578,768	**365,117**

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 Legal Owner receives a trustee fee of €11,000 on an annual basis, excluding VAT and indexation as of 2015.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period from 1 January 2018 to 30 June 2018

7. FEES AND EXPENSES (continued)

Performance fee (continued)

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 2018 and 30 June 2017, the Fund charged no redemption fees.

Research fee
The Fund holds Research Collection Accounts (RCA) at its executing brokers. The broker receives a commission for executing a transaction that is split into (1) an execution fee and (2) a research fee. The money received by the broker that is related to research is entered into a separate account with the broker, the RCA. Collected monies on the RCA are periodically transferred to the Research Payment Account (RPA) held by the Manager. The Manager makes use of the "Transactional Method" to fund its RPA. The Manager uses the received monies to procure research offered by research service providers, with the aim of improving the results of the Fund. The total amount entered into the RCA's in the first six months ended 30 June 2018 amounted to €210,355.

8. ACCRUED EXPENSES

	30 June 2018	31 December 2017
	€	€
Audit fee	15,839	12,899
Administration fee	73,810	106,179
Depositary fee	23,413	37,039
Legal and tax advice fee	5,737	7,219
Costs of supervision	101,318	67,545
Trustee fee	4,952	5,044
Other accrued expenses	2,132	1,380
Total	**227,201**	**237,305**

9. INTEREST INCOME/EXPENSE AND BORROWING FEE

	1 January 2018 to 30 June 2018	1 January 2017 to 30 June 2017
	€	€
Interest income	159,564	122,550
Interest expense	(2,689,871)	(1,944,554)
Borrowing fee	(1,616,945)	(1,242,265)
Total	**(4,147,252)**	**(3,064,269)**

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

10. DIVIDEND INCOME/EXPENSE

	1 January 2018 to 30 June 2018	1 January 2017 to 30 June 2017
	€	€
Gross dividend income	23,122,188	17,121,495
Dividend expense on securities sold short	(12,633,636)	(12,539,852)
Total	**10,488,552**	**4,581,643**

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period from 1 January 2018 to 30 June 2018

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, concentration 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 Fair Value Measurement 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 for liabilities that the entity can access at the measurement date
- Level 2 inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- Level 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period from 1 January 2018 to 30 June 2018

11. RISK ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

Financial instruments and associated risks (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 2018 and as at 31 December 2017:

Financial assets at fair value through profit or loss	**30 June 2018**	**Level 1**	**Level 2**	**Level 3**
	€	**€**	**€**	**€**
Equity securities	430,142,696	430,142,696	-	-
Derivatives	22,056,602	-	22,056,602	-
Total	**452,199,298**	**430,142,696**	**22,056,602**	**-**

Financial liabilities at fair value through profit or loss	**30 June 2018**	**Level 1**	**Level 2**	**Level 3**
	€	**€**	**€**	**€**
Equity securities sold short	(394,164,333)	(394,164,333)	-	-
Derivatives	(17,072,562)	-	(17,072,562)	-
Total	**(411,236,895)**	**(394,164,333)**	**(17,072,562)**	**-**

Financial assets at fair value through profit or loss	**31 December 2017**	**Level 1**	**Level 2**	**Level 3**
	€	**€**	**€**	**€**
Equity securities	470,469,156	470,469,156	-	-
Derivatives	39,461,107	-	39,461,107	-
Total	**509,930,263**	**470,469,156**	**39,461,107**	**-**

Financial liabilities at fair value through profit or loss	**31 December 2017**	**Level 1**	**Level 2**	**Level 3**
	€	**€**	**€**	**€**
Equity securities sold short	(432,852,433)	(432,852,433)	-	-
Derivative	(16,999,028)	-	(16,999,028)	-
Total	**(449,851,461)**	**(432,852,433)**	**(16,999,028)**	**-**

For the period ended 30 June 2018 and 31 December 2017, there were no transfers between levels.

For assets and liabilities 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period from 1 January 2018 to 30 June 2018

11. RISK ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

Financial instruments and associated risks (continued)

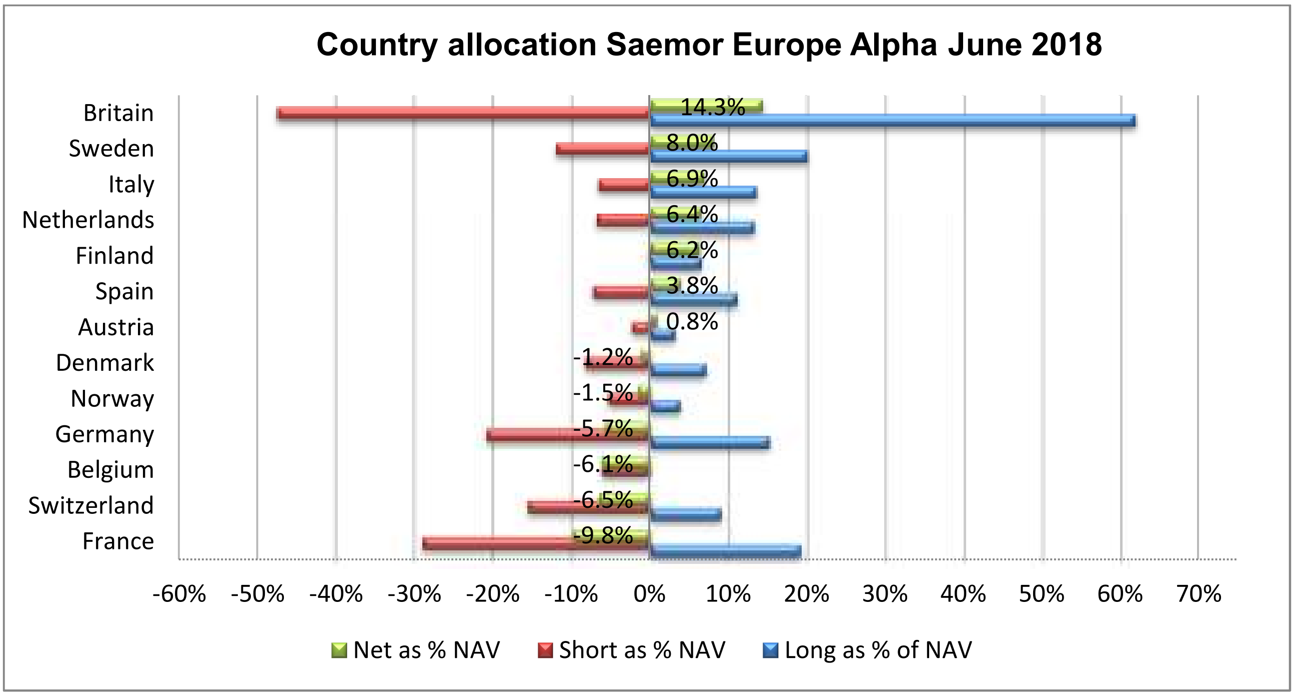
Currency risk
Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Fund may invest in financial instruments and enter into transactions denominated in currencies other than its functional currency (Euro).

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 Financial Instruments – Disclosures 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 2018 was as follows:



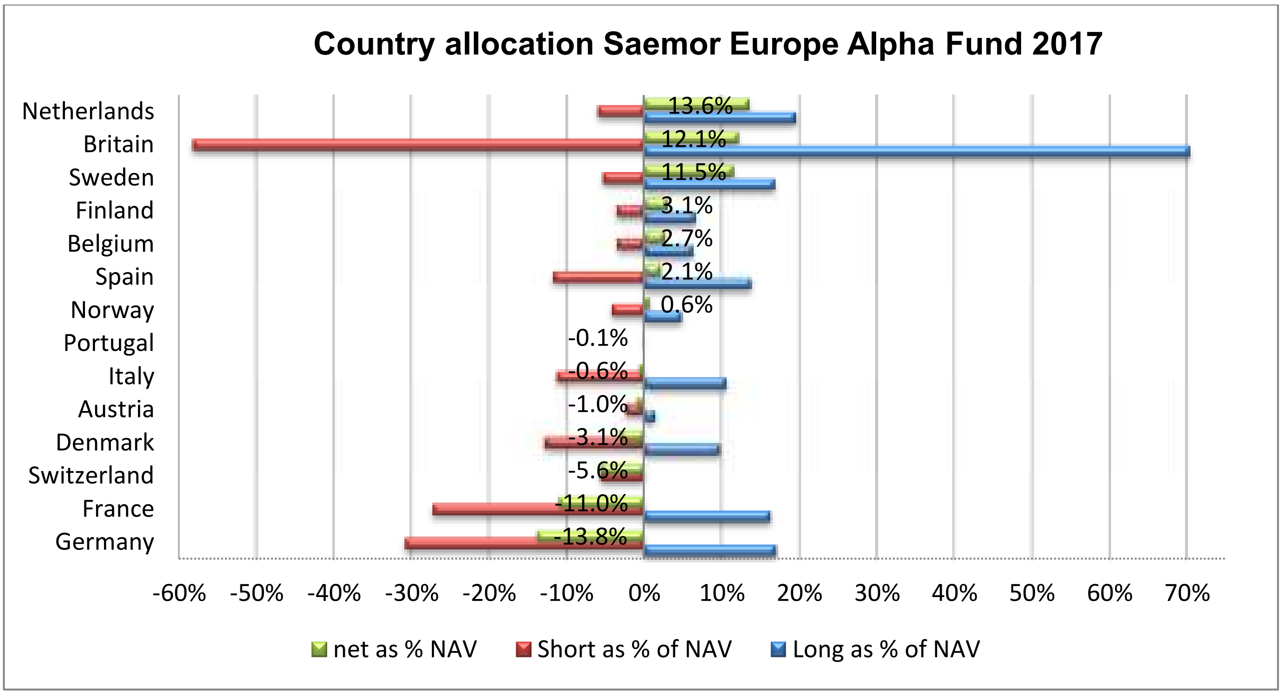
NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period from 1 January 2018 to 30 June 2018

11. RISK ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

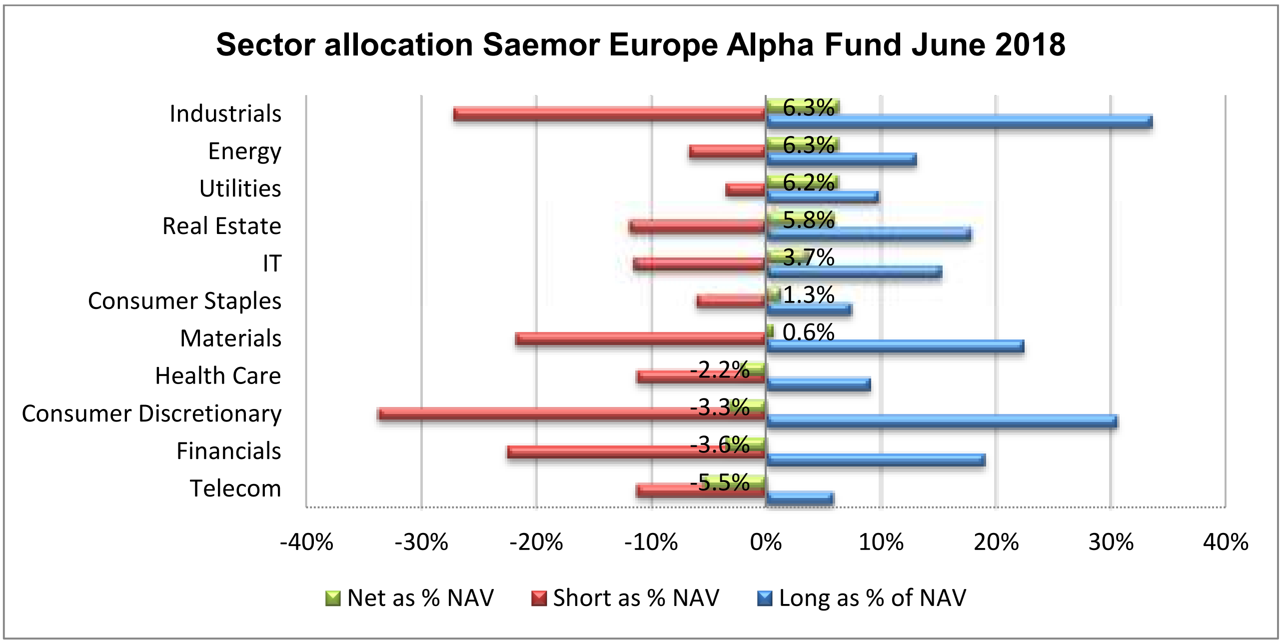
Financial instruments and associated risks (continued)

Concentration risk (continued)

The country allocation (net exposure, long positions and short positions per country) as a percentage of the NAV at 31 December 2017 was as follows:



The sector allocation (net exposure, long positions and short positions per sector) as a percentage of the NAV at 30 June 2018 was as follows:

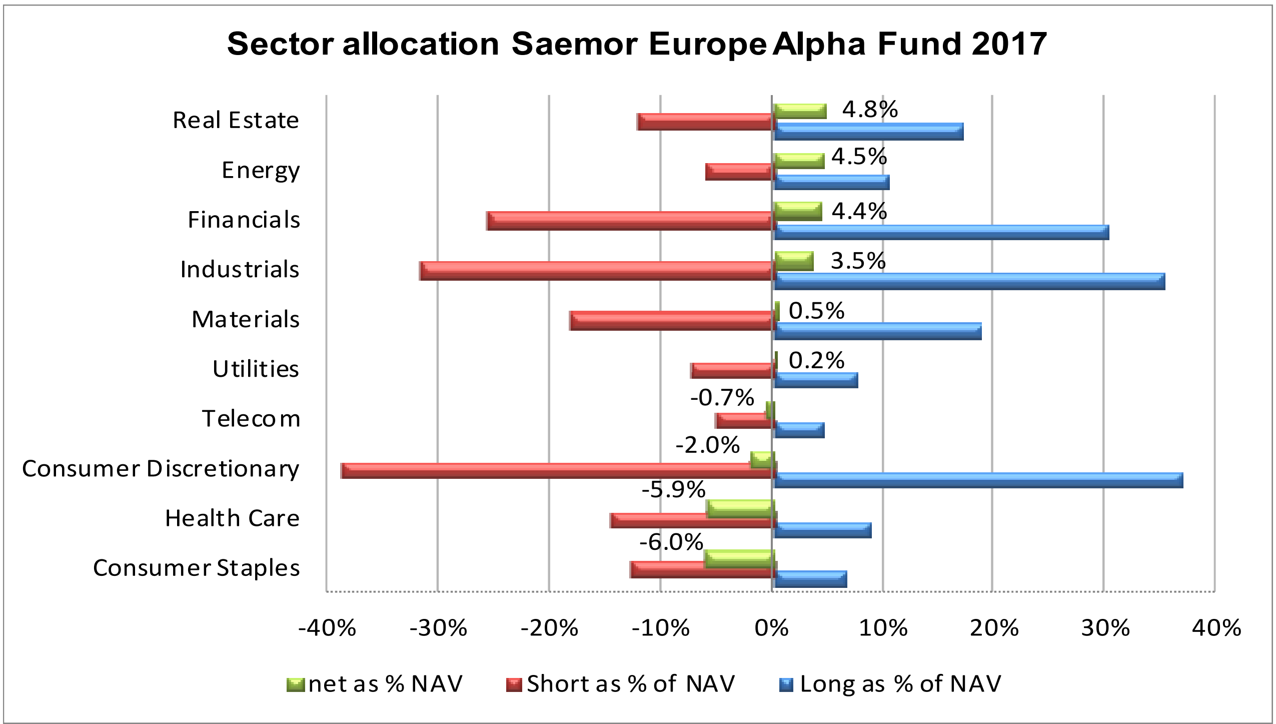


NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period from 1 January 2018 to 30 June 2018

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 2017 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 Brokers 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 2018 were A3 (Moody's) (31 December 2017: A3) and BBB+ (S&P) (31 December 2017: BBB+) Long-term ratings for Barclays Bank PLC at 30 June 2018 were Baa3 (Moody's) (31 December 2017: Baa2) and BBB (S&P) (31 December 2017 BBB). Long-term ratings for Merrill Lynch International at 30 June 2018 were A+ (Moody's) (31 December 2017: A3) and NR (S&P) (31 December 2017: NR).

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period from 1 January 2018 to 30 June 2018

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.

To enable short securities, the Fund borrows securities. At 30 June 2018, the Fund borrowed securities for an amount of €723,123,677 (31 December 2017: €806,352,042).

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, all listed on major European stock exchanges. The liquidity of all securities will be continuously monitored by the Manager, who aims to be able to exit 50% of the assets in the Fund within one week and 95% within two weeks.

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.

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 equity contracts for difference.

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.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period from 1 January 2018 to 30 June 2018

12. DERIVATIVE CONTRACTS (continued)

As at 30 June 2018 and 31 December 2017, 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 2018	Fair value liabilities 30 June 2018
	€	€
Contracts for difference	22,056,602	(17,072,562)
	22,056,602	**(17,072,562)**

	Fair value assets 31 December 2017	Fair value liabilities 31 December 2017
	€	€
Contracts for difference	39,461,107	(16,999,028)
	39,461,107	**(16,999,028)**

The table below details the total exposure at 30 June 2018 and 31 December 2017. 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 2018 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 2018 the leverage is 351.4% (31 December 2017: 376.2% %).

30 June 2018	Net Exposure	Gross Exposure	Gross as % of NAV
	€	€	
Equity securities	35,975,014	824,309,391	191.2%
Contracts for difference	31,666,824	690,908,373	160.2%
Total Exposure	**67,641,838**	**1,515,217,764**	
Total as % of NAV	**15.7%**	**351.4%**	**351.4%**

31 December 2017	Net Exposure	Gross Exposure	Gross as % of NAV
	€	€	
Equity securities	37,616,581	903,321,071	203.4%
Contracts for difference	8,497,557	767,774,162	172.8%
Total Exposure	**46,114,138**	**1,671,095,233**	
Total as % of NAV	**10.4%**	**376.2%**	**376.2%**

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period from 1 January 2018 to 30 June 2018

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 1,000.

Class B has a "lock-up" of one year. The minimum (initial) investment for the 'seeding investor', employees and employees of directors is Euro 1,000 and for other Participants Euro 25,000,000. Subscriptions and redemptions have a minimum size of Euro 1,000.

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 1,000.

Each Participant is entitled to cast one vote for each unit of participation. One or more Participants who jointly hold at least 10% of the total number of participations can request the 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 2018 and 30 June 2017 were as follows:

	Number of units of participation 30 June 2018	Number of units of participation 30 June 2017
Class A (EUR)		
Units of participation balance at the beginning of the period	10,466.77	13,315.54
Redemption of redeemable units of participation	(65.01)	(2,819.40)
Movement related to equalisation deficit/credit	(2.57)	(0.12)
Units of participation at the end of the period	**10,399.19**	**10,496.02**

	Number of units of participation 30 June 2018	Number of units of participation 30 June 2017
Class B (EUR)		
Units of participation balance at the beginning of the period	280,131.86	292,854.88
Issue of redeemable units of participation	-	28.30
Redemption of redeemable units of participation	(18,703.44)	(12,785.62)
Movement related to equalisation credit/deficit	(322.51)	(30.72)
Units of participation at the end of the period	**261,105.91**	**280,066.84**

Class D (EUR)	Number of units of participation 30 June 2018	Number of units of participation 30 June 2017
Units of participation balance at the beginning of the period	1,988.11	1,595.94
Issue of redeemable units of participation	289.78	291.70
Units of participation at the end of the period	**2,277.89**	**1,887.64**

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period from 1 January 2018 to 30 June 2018

13. REDEEMABLE UNITS OF PARTICIPATION (continued)

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 1,267.26 (31 December 2017: 1,269.9) Units of Participation in Class B of the Fund. Saemor Capital B.V. held 889.06 (31 December 2017: 889.06) Units of Participation Class A and 500 (31 December 2017: 500) Units of Participation Class D in the Fund.

Three investment funds managed by Aegon Investment Management B.V. (AIM B.V.) held 259,683.72 (31 December 2017: 278,706.20) Units of Participation Class B and 99.75 (31 December 2017: 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 2017: 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 at 30 June 2018.

As at 30 June 2018 and 31 December 2017 the personal interests of the employees of directors in the Fund and which were also held by the Fund, amounted to:

	Market Value	**Market Value**
	30 June 2018	**31 December 2017**
Stock	**€**	**€**
UniCredit	243	265
Saemor Europe Alpha Fund	987,015	951,913
Total Amount (€)	**987,258**	**952,178**

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period from 1 January 2018 to 30 June 2018

16. DIVIDEND AND ALLOCATION OF RESULT

During the period ended 1 January 2018 to 30 June 2018, the Fund did not pay dividends. The result is included in the net assets attributable to holders of redeemable units of participation.

17. INVESTOR MONEY REGULATIONS

In response to the Central Bank of Ireland publishing the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers (the "Investor Money Regulations" or "IMR") in March 2015 (effective from 1 July 2016), the Manager undertook, together with BNY Mellon Fund Services (Ireland) Designated Activity Company, a review of the way in which subscription, distribution and redemption monies are channelled to and from the Fund. As a result of this review, subscription and redemption monies are (effective from 1 July 2016), channelled through a cash collection account in the name of the Fund. Pending issue of the units and / or payment of subscription proceeds to an account in the name of the Fund, and pending payment of redemption proceeds or distributions, the relevant investor will be an unsecured creditor of the Fund in respect of amounts paid by or due to it. At 30 June 2018, the value of such subscriptions received in advance amounted to €59,000 (31 December 2017: €Nil).

18. SUBSEQUENT EVENTS

There are no subsequent events impacting the Fund subsequent to 30 June 2018 up to the date of approval of these financial statements.

19. APPROVAL OF THE FINANCIAL STATEMENTS

The Manager approved the financial statements on 30 August 2018.

OTHER NOTES
For the period from 1 January 2018 to 30 June 2018

1. VOTING POLICY

The Fund does not pursue an active voting policy.