

**Alpha Investor Services
Management S.A.
Société Anonyme**

21,rue Aldringen
L-1118 Luxembourg
RCSL : B 165 086

2011 2225 588

Report of the réviseur d'entreprises agréé
and financial statements as at December 31, 2017

Alpha Investor Services Management S.A.

Société Anonyme
R.C.S. Luxembourg B 165.086

21, rue Aldringen L-1118 Luxembourg

ALPHA INVESTOR SERVICES MANAGEMENT S.A.

21, rue Aldringen
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Management report

Evolution des affaires et situation de la société

Il est rappelé que notre société a été créée le 29 novembre 2011, après avoir obtenu en novembre 2011 l'agrément de la CSSF en tant que société de gestion relevant du chapitre 15 de la Loi luxembourgeoise du 17/12/2010, cet agrément ayant été étendu en 2012 à la gestion discrétionnaire et au conseil en investissement.

Nous sommes gestionnaires financiers de contrats internes dédiés d'assurance vie par délégation de plusieurs compagnie d'assurance basées en Europe. Nous avons également de la gestion de mandats discrétionnaires.

L'exercice 2017 a vu le changement d'actionnaires, intervenu en octobre 2017, après avoir reçu l'agrément de la CSSF.

Ce changement n'a pas eu d'impact immédiat sur la gouvernance de la Société, la seule modification étant le renforcement du Conseil d'administration avec la nomination de P. Invernizzi.

Au niveau de l'organisation générale, des améliorations ont été apportées par l'embauche de nouveaux salariés et l'automatisation d'un certain nombre de tâches.

En revanche le « Business Model » a été profondément modifié : nous sommes passés d'une société mono-produit (low vol Fund) à une stratégie de développement diversifiée avec la poursuite des développements sur la partie mandat et la mise en place de plusieurs accords pour la gestion déléguée de fonds traditionnels (UCITs) et Alternatifs.

Nous terminons l'exercice 2017 avec un résultat bénéficiaire de 39.834.25 EUR.

Nous vous proposons d'affecter le bénéfice de l'exercice comme suit :

- À la réserve légale, à hauteur de 5%, soit 1.971,71 EUR
- À la réserve spécifique pour l'impôt sur la fortune à hauteur de 25.000 EUR
- Le solde, soit 12.842,54 EUR au report à nouveau.

Evènements importants survenus après la clôture de l'exercice

Depuis la clôture de l'exercice 2017, nous n'avons aucun évènement important à signaler.

Evolution prévisible de la société

Au cours du deuxième semestre 2017 la société a vu la sortie de beaucoup de capitaux investis sur le compartiment AISM Low Volatility (ces clients avaient été apportés par notre ancienne société mère). La croissance des mandats n'a pas équilibré cette diminution en termes tant de masses que de chiffre d'affaire. Nous sommes dans une situation de quasi « start up » ou l'organisation de la société est en place et prête pour absorber et traiter les nouveaux produits, les nouveaux capitaux et les nouveaux clients..

En ce qui concerne les projets, dans le court terme nous avons déjà fait toutes les démarches pour devenir Investment Manager de deux UCITs en attendant l'approbation de la CSSF qui est prévue pour

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Management report

le mois de mai. Nous sommes aussi en train de négocier un accord pour la création de deux compartiments Ucits à gérer par AISM et d'un fonds de Private Equity qui va nous donner l'occasion d'obtenir la licence AIFM.

A moyen terme, nous allons continuer à développer l'activité de gestion discrétionnaire de mandats via notre réseau commercial, ce qui va prendre plus de temps mais générer une rentabilité plus haute et des masses plus stables dans le temps.

A niveau du bilan, nous restons pour l'instant sur nos prévisions d'une perte de 120.000 Euros pour l'exercice 2018, pour laquelle est déjà prévue une intervention de la part des actionnaires majoritaires.

Activités en matière de recherche et de développement

La société n'exerce aucune activité à ce titre.

Acquisition d'actions propres

Au 31 décembre 2017, la société ne détenait pas d'actions propres en portefeuille et n'en n'a pas fait l'acquisition depuis cette date.

Existence de succursales

La société ne dispose d'aucune succursale à la clôture de l'exercice 2017.

Le Conseil d'administration

27/04/2018

Carlo Pecchinotti

Président



To the Shareholders of,
Alpha Investor Services Management S.A.
Société Anonyme

R.C.S. Luxembourg B 165.086

21, rue Aldringen
L-1118 LUXEMBOURG

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Alpha Investor Services Management S.A. (the "Company"), which comprise the balance sheet as at December 31, 2017, and the profit and loss account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2017, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for Opinion

We conducted our audit in accordance with the Law of July 23, 2016 on the audit profession (Law of July 23, 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under those Regulation, Law and standards are further described in the « Responsibilities of "réviseur d'entreprises agréé" for the audit of the financial statements » section of our report. We are also independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the management report but does not include the financial statements and our report of the “réviseur d’entreprises agréé” thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and Those Charged with Governance for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the “réviseur d’entreprises agréé” for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “réviseur d’entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the “réviseur d’entreprises agréé” to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the “réviseur d’entreprises agréé”. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

The management report is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

Luxembourg, May 9, 2018

For MAZARS LUXEMBOURG, Cabinet de révision agréé
10A, rue Henri M. Schnadt
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Eric DECOSTER
Réviseur d'entreprises agréé

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RCSL Nr. : B165086

Matricule : 2011 2225 588

eCDF entry date :

BALANCE SHEET

Financial year from ⁰¹ 01/01/2017 **to** ⁰² 31/12/2017 (in ⁰³ EUR)

ALPHA INVESTOR SERVICES MANAGEMENT

21, rue Aldringen
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ASSETS

	Reference(s)	Current year	Previous year
A. Subscribed capital unpaid	1101 _____	101 _____	102 _____
I. Subscribed capital not called	1103 _____	103 _____	104 _____
II. Subscribed capital called but unpaid	1105 _____	105 _____	106 _____
B. Formation expenses	1107 _____	107 _____	108 _____
C. Fixed assets	1109 _____	109 <u>20.711,25</u>	110 <u>20.881,74</u>
I. Intangible assets	1111 _____ <u>note 3</u>	111 <u>0,00</u>	112 <u>49,61</u>
1. Costs of development	1113 _____	113 _____	114 _____
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115 _____	115 <u>0,00</u>	116 <u>49,61</u>
a) acquired for valuable consideration and need not be shown under C.I.3	1117 _____	117 <u>0,00</u>	118 <u>49,61</u>
b) created by the undertaking itself	1119 _____	119 _____	120 _____
3. Goodwill, to the extent that it was acquired for valuable consideration	1121 _____	121 _____	122 _____
4. Payments on account and intangible assets under development	1123 _____	123 _____	124 _____
II. Tangible assets	1125 _____	125 <u>0,00</u>	126 <u>0,50</u>
1. Land and buildings	1127 _____	127 _____	128 _____
2. Plant and machinery	1129 _____ <u>note 4.1</u>	129 <u>0,00</u>	130 <u>0,00</u>

The notes in the annex form an integral part of the annual accounts

RCSL Nr.: B165086

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	Reference(s)	Current year	Previous year
3. Other fixtures and fittings, tools and equipment	1131 <u>note 4.2</u>	131 <u>0,00</u>	132 <u>0,50</u>
4. Payments on account and tangible assets in the course of construction	1133 _____	133 _____	134 _____
III. Financial assets	1135 _____	135 <u>20.711,25</u>	136 <u>20.831,63</u>
1. Shares in affiliated undertakings	1137 _____	137 _____	138 _____
2. Loans to affiliated undertakings	1139 _____	139 _____	140 _____
3. Participating interests	1141 _____	141 _____	142 _____
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143 _____	143 _____	144 _____
5. Investments held as fixed assets	1145 <u>note 5</u>	145 <u>20.711,25</u>	146 <u>20.831,63</u>
6. Other loans	1147 _____	147 _____	148 _____
D. Current assets	1151 _____	151 <u>1.158.920,51</u>	152 <u>1.270.273,96</u>
I. Stocks	1153 _____	153 _____	154 _____
1. Raw materials and consumables	1155 _____	155 _____	156 _____
2. Work in progress	1157 _____	157 _____	158 _____
3. Finished goods and goods for resale	1159 _____	159 _____	160 _____
4. Payments on account	1161 _____	161 _____	162 _____
II. Debtors	1163 <u>note 6</u>	163 <u>144.726,67</u>	164 <u>191.876,49</u>
1. Trade debtors	1165 _____	165 <u>75.348,26</u>	166 <u>164.458,77</u>
a) becoming due and payable within one year	1167 <u>note 6.1</u>	167 <u>75.348,26</u>	168 <u>164.458,77</u>
b) becoming due and payable after more than one year	1169 _____	169 _____	170 _____
2. Amounts owed by affiliated undertakings	1171 _____	171 _____	172 _____
a) becoming due and payable within one year	1173 _____	173 _____	174 _____
b) becoming due and payable after more than one year	1175 _____	175 _____	176 _____
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177 _____	177 _____	178 _____
a) becoming due and payable within one year	1179 _____	179 _____	180 _____
b) becoming due and payable after more than one year	1181 _____	181 _____	182 _____
4. Other debtors	1183 _____	183 <u>69.378,41</u>	184 <u>27.417,72</u>
a) becoming due and payable within one year	1185 <u>note 6.2</u>	185 <u>69.378,41</u>	186 <u>27.417,72</u>
b) becoming due and payable after more than one year	1187 _____	187 _____	188 _____

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	Reference(s)	Current year	Previous year
III. Investments	1189 _____	189 _____	190 _____
1. Shares in affiliated undertakings	1191 _____	191 _____	192 _____
2. Own shares	1209 _____	209 _____	210 _____
3. Other investments	1195 _____	195 _____	196 _____
IV. Cash at bank and in hand	1197 _____	197 <u>1.014.193,84</u>	198 <u>1.078.397,47</u>
E. Prepayments	1199 _____	199 <u>1.807,09</u>	200 <u>1.414,41</u>
TOTAL (ASSETS)		201 <u>1.181.438,85</u>	202 <u>1.292.570,11</u>

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CAPITAL, RESERVES AND LIABILITIES

	Reference(s)	Current year	Previous year
A. Capital and reserves			
	1301 <u>note 7,8,9</u>	301 <u>1.022.468,31</u>	302 <u>982.634,06</u>
I. Subscribed capital	1303 _____	303 <u>750.000,00</u>	304 <u>750.000,00</u>
II. Share premium account	1305 _____	305 _____	306 _____
III. Revaluation reserve	1307 _____	307 _____	308 _____
IV. Reserves	1309 _____	309 <u>77.665,03</u>	310 <u>43.286,01</u>
1. Legal reserve	1311 _____	311 <u>30.165,03</u>	312 <u>20.786,01</u>
2. Reserve for own shares	1313 _____	313 _____	314 _____
3. Reserves provided for by the articles of association	1315 _____	315 _____	316 _____
4. Other reserves, including the fair value reserve	1429 _____	429 <u>47.500,00</u>	430 <u>22.500,00</u>
a) other available reserves	1431 _____	431 _____	432 _____
b) other non available reserves	1433 _____	433 <u>47.500,00</u>	434 <u>22.500,00</u>
V. Profit or loss brought forward	1319 _____	319 <u>154.969,03</u>	320 <u>1.767,54</u>
VI. Profit or loss for the financial year	1321 _____	321 <u>39.834,25</u>	322 <u>187.580,51</u>
VII. Interim dividends	1323 _____	323 _____	324 _____
VIII. Capital investment subsidies	1325 _____	325 _____	326 _____
B. Provisions			
	1331 <u>note 10</u>	331 <u>115.752,05</u>	332 <u>125.122,94</u>
1. Provisions for pensions and similar obligations	1333 _____	333 _____	334 _____
2. Provisions for taxation	1335 <u>note 10.1</u>	335 <u>50.138,46</u>	336 <u>45.264,83</u>
3. Other provisions	1337 <u>note 10.2</u>	337 <u>65.613,59</u>	338 <u>79.858,11</u>
C. Creditors			
	1435 <u>note 11</u>	435 <u>43.218,49</u>	436 <u>184.813,11</u>
1. Debenture loans	1437 _____	437 _____	438 _____
a) Convertible loans	1439 _____	439 _____	440 _____
i) becoming due and payable within one year	1441 _____	441 _____	442 _____
ii) becoming due and payable after more than one year	1443 _____	443 _____	444 _____
b) Non convertible loans	1445 _____	445 _____	446 _____
i) becoming due and payable within one year	1447 _____	447 _____	448 _____
ii) becoming due and payable after more than one year	1449 _____	449 _____	450 _____
2. Amounts owed to credit institutions	1355 _____	355 _____	356 _____
a) becoming due and payable within one year	1357 _____	357 _____	358 _____
b) becoming due and payable after more than one year	1359 _____	359 _____	360 _____

The notes in the annex form an integral part of the annual accounts

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Matricule : 2011 2225 588

	Reference(s)	Current year	Previous year
3. Payments received on account of orders in so far as they are shown separately as deductions from stocks	1361 _____	361 _____	362 _____
a) becoming due and payable within one year	1363 _____	363 _____	364 _____
b) becoming due and payable after more than one year	1365 _____	365 _____	366 _____
4. Trade creditors	1367 _____ note 11.1	367 _____ 25.809,52	368 _____ 149.805,14
a) becoming due and payable within one year	1369 _____ note 11.1	369 _____ 25.809,52	370 _____ 149.805,14
b) becoming due and payable after more than one year	1371 _____	371 _____	372 _____
5. Bills of exchange payable	1373 _____	373 _____	374 _____
a) becoming due and payable within one year	1375 _____	375 _____	376 _____
b) becoming due and payable after more than one year	1377 _____	377 _____	378 _____
6. Amounts owed to affiliated undertakings	1379 _____	379 _____	380 _____
a) becoming due and payable within one year	1381 _____	381 _____	382 _____
b) becoming due and payable after more than one year	1383 _____	383 _____	384 _____
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385 _____	385 _____	386 _____
a) becoming due and payable within one year	1387 _____	387 _____	388 _____
b) becoming due and payable after more than one year	1389 _____	389 _____	390 _____
8. Other creditors	1451 _____ note 11.1	451 _____ 17.408,97	452 _____ 35.007,97
a) Tax authorities	1393 _____	393 _____ 7.960,59	394 _____ 21.442,45
b) Social security authorities	1395 _____	395 _____ 6.111,18	396 _____ 10.228,32
c) Other creditors	1397 _____	397 _____ 3.337,20	398 _____ 3.337,20
i) becoming due and payable within one year	1399 _____	399 _____	400 _____
ii) becoming due and payable after more than one year	1401 _____	401 _____ 3.337,20	402 _____ 3.337,20
D. Deferred income	1403 _____	403 _____	404 _____
TOTAL (CAPITAL, RESERVES AND LIABILITIES)		405 _____ 1.181.438,85	406 _____ 1.292.570,11

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RCSL Nr. : B165086

Matricule : 2011 2225 588

eCDF entry date :

PROFIT AND LOSS ACCOUNT

Financial year from ⁰¹ 01/01/2017 to ⁰² 31/12/2017 (in ⁰³ EUR)

ALPHA INVESTOR SERVICES MANAGEMENT

21, rue Aldringen
 L-1118 Luxembourg

PROFIT AND LOSS ACCOUNT

	Reference(s)	Current year	Previous year
1. Net turnover	1701 <u>note 12</u>	701 <u>746.237,00</u>	702 <u>1.304.887,72</u>
2. Variation in stocks of finished goods and in work in progress	1703 _____	703 _____	704 _____
3. Work performed by the undertaking for its own purposes and capitalised	1705 _____	705 _____	706 _____
4. Other operating income	1713 <u>note 13</u>	713 <u>670.651,95</u>	714 <u>147.655,39</u>
5. Raw materials and consumables and other external expenses	1671 _____	671 <u>-876.800,44</u>	672 <u>-830.688,14</u>
a) Raw materials and consumables	1601 _____	601 _____	602 _____
b) Other external expenses	1603 <u>note 14</u>	603 <u>-876.800,44</u>	604 <u>-830.688,14</u>
6. Staff costs	1605 <u>note 15</u>	605 <u>-402.164,59</u>	606 <u>-359.665,59</u>
a) Wages and salaries	1607 _____	607 <u>-363.055,05</u>	608 <u>-328.245,23</u>
b) Social security costs	1609 _____	609 <u>-39.109,54</u>	610 <u>-31.420,36</u>
i) relating to pensions	1653 _____	653 _____	654 _____
ii) other social security costs	1655 _____	655 <u>-39.109,54</u>	656 <u>-31.420,36</u>
c) Other staff costs	1613 _____	613 _____	614 _____
7. Value adjustments	1657 <u>note 3,4</u>	657 <u>-50,11</u>	658 <u>-6.029,01</u>
a) in respect of formation expenses and of tangible and intangible fixed assets	1659 <u>note 3,4</u>	659 <u>-50,11</u>	660 <u>-6.029,01</u>
b) in respect of current assets	1661 _____	661 _____	662 _____
8. Other operating expenses	1621 <u>note 16</u>	621 <u>-91.772,37</u>	622 <u>-51.510,71</u>

The notes in the annex form an integral part of the annual accounts

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	Reference(s)	Current year	Previous year
9. Income from participating interests	1715	715	716
a) derived from affiliated undertakings	1717	717	718
b) other income from participating interests	1719	719	720
10. Income from other investments and loans forming part of the fixed assets	1721	721	722
a) derived from affiliated undertakings	1723	723	724
b) other income not included under a)	1725	725	726
11. Other interest receivable and similar income	1727	727 <u>0,40</u>	728 <u>0,68</u>
a) derived from affiliated undertakings	1729	729	730
b) other interest and similar income	1731	731 <u>0,40</u>	732 <u>0,68</u>
12. Share of profit or loss of undertakings accounted for under the equity method	1663	663	664
13. Value adjustments in respect of financial assets and of investments held as current assets	1665	665	666
14. Interest payable and similar expenses	1627	627 <u>-1.393,96</u>	628 <u>-234,80</u>
a) concerning affiliated undertakings	1629	629	630
b) other interest and similar expenses	1631	631 <u>-1.393,96</u>	632 <u>-234,80</u>
15. Tax on profit or loss	1635	635 <u>-4.873,63</u>	636 <u>-19.069,31</u>
16. Profit or loss after taxation	1667	667 <u>39.834,25</u>	668 <u>185.346,23</u>
17. Other taxes not shown under items 1 to 16	1637	637 <u>0,00</u>	638 <u>2.234,28</u>
18. Profit or loss for the financial year	1669	669 <u>39.834,25</u>	670 <u>187.580,51</u>

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Notes to the annual accounts

Note 1 - General information

Alpha Investor Services Management S.A. (hereafter the "Company" or "AISM") was incorporated on November 29, 2011 and is organized under the laws of Luxembourg as a *societe anonyme* for an unlimited period of time.

The registered office of the Company is established in the city of Luxembourg at 21, rue Aldringen.

The Company's financial year starts on January 1st and ends on December 31 of each year.

The main activity of the Company is the management (within the meaning of article 101 of the Luxembourg law of December 17, 2010, as amended, relating to undertakings for collective investment), of one or several undertakings for collective investment in transferable securities authorized according to Council Directive 2009/65/EC as well as, as the case may be, of one or more undertakings for collective investment not subject to such directive.

Such management activity includes the management, administration and marketing of these investment funds.

The Company may carry out any activities deemed useful for the accomplishment of its object remaining, however, within the limitations of chapter 15 of the law of December 17, 2010, as amended.

The Company is included in the consolidated accounts of Alternative Investment Strategies Management, a private company limited by shares incorporated and existing under the Laws of the Republic of Mauritius forming the largest body of undertakings of which the Company forms a part as a direct subsidiary undertaking. The registered office of that company is located at North 4, Beau Plan Business Park, Pamplemousses 21001 and the consolidated annual accounts are available at this address.

Note 2 - Summary of significant accounting policies

2.1. Basis of preparation

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention.

Accounting policies and valuation rules are, besides the ones laid down by the Law of December 19, 2002, as amended, determined and applied by the Board of Directors.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgment in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. Management believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Alpha Investor Services Management S.A.

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21, rue Aldringen L-1118 Luxembourg

Notes to the annual accounts (continued)

Note 2 - Summary of significant accounting policies (continued)

2.2. Significant accounting policies

The main valuation rules applied by the Company are the following:

2.2.1 Intangible fixed assets

Intangible fixed assets are valued at purchase price including the expenses incidental thereto or at production cost, less cumulated depreciation amounts written off and value adjustments. These value adjustments are not continued if the reason for which the value adjustments were made have ceased to apply.

The depreciation rates and methods applied are as follows:

	Depreciation rate	Depreciation method
Concessions, patents, licences, trade marks and similar rights and assets	33%	straight line

2.2.2 Tangible fixed assets

Tangible fixed assets are valued at purchase price including the expenses incidental thereto. They are depreciated over their estimated useful economic lives.

The depreciation rates and methods applied are as follows:

	Depreciation rate	Depreciation method
Plant and machinery	25%	straight line
Other fixtures and fittings, tools and equipment	33%	straight line

Where the Company considers that a tangible fixed asset has suffered a durable depreciation in value, an additional write-down is recorded to reflect this loss. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

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Notes to the annual accounts (continued)

Note 2 - Summary of significant accounting policies (continued)

2.2.3 Financial fixed assets

"Loans and claims" held as fixed assets are valued at purchase price including the expenses incidental thereto. In the case of durable depreciation in the value according to the Board of Directors, value adjustments are made in respect of fixed assets so that they are valued at the lower figure to be attributed to them at the balance sheet date. Value adjustments are not retained if the reasons for which the value adjustments were made have ceased to apply.

2.2.4 Debtors

Debtors are valued at their nominal value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

2.2.5 Foreign currency translation

Transactions expressed in currencies other than Euro are translated into Euro at the exchange rate effective at the time of the transaction. Long-term assets expressed in currencies other than Euro are translated into Euro at the exchange rate effective at the time of the transaction. At the balance sheet date, these assets remain translated at historical exchange rates.

Cash at bank is translated at the exchange rate effective at the balance sheet date. Exchange losses and gains are recorded in the profit and loss account of the year.

Other assets and liabilities are translated separately respectively at the lower or at the higher of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at the balance sheet date. The unrealized exchange losses are recorded in the profit and loss account. The exchange gains are recorded in the profit and loss account at the moment of their realization. Where there is an economic link between an asset and a liability, these are valued in total according to the method described above and the net unrealized losses are recorded in the profit and loss account and the net unrealized exchange gains are not recognized.

2.2.6 Prepayments

This asset item includes expenditures incurred during the financial year but relating to a subsequent financial year.

2.2.7 Provisions

Provisions are intended to cover losses or debts, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

Provisions may also be created to cover charges which originate in the financial year under review or in a previous financial year, the nature of which is clearly defined and which at the date of the balance sheet are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

Notes to the annual accounts (continued)

Note 2 - Summary of significant accounting policies (continued)

Provision for taxation

Current tax provision

Provisions for taxation corresponding to the tax liability estimated by the Company for the financial years for which the tax return has not yet been filed are recorded under the caption "Tax debts". The advance payments are shown in the assets of the balance sheet under the "Other receivables" item.

2.2.8 Non subordinated debts

Debts are recorded at their reimbursement value. Where the amount repayable on account is greater than the amount received, the difference is shown as an asset and is written off over the period of the debt based on a linear method.

2.2.9 Net turnover

The net turnover comprises the amounts derived from the provision of services falling within the Company's ordinary activities.

Note 3 - Intangible fixed assets

The movements relative to the concessions, patents, licenses, trademarks and similar rights and assets for the year are as follows:

	Year ended December 31, 2017	Year ended December 31, 2016
	EUR	EUR
Gross book value - opening balance	1,780.00	1,780.00
Additions for the year	-	-
Disposals for the year	-	-
Transfers for the year	-	-
Gross book value - closing balance	1,780.00	1,780.00
Accumulated value adjustments - opening balance	1,730.39	1,137.11
Additions for the year	49.61	593.28
Disposals for the year	-	-
Transfers for the year	-	-
Accumulated value adjustments - closing balance	1,780.00	1,730.39
Net book value - closing balance	-	49.61
Net book value - opening balance	49.61	642.89

Notes to the annual accounts (continued)

Note 4 - Tangible fixed assets

4.1 Plant and machinery

The movements for the year are as follows:

	Year ended December 31, 2017	Year ended December 31, 2016
	EUR	EUR
Gross book value - opening balance	24,551.26	24,551.26
Additions for the year	-	-
Disposals for the year	-	-
Transfers for the year	-	-
Gross book value - closing balance	24,551.26	24,551.26
Accumulated value adjustments - opening balance	24,551.26	21,481.88
Additions for the year	-	3,069.38
Disposals for the year	-	-
Transfers for the year	-	-
Accumulated value adjustments - closing balance	24,551.26	24,551.26
Net book value - closing balance	-	-
Net book value - opening balance	-	3,069.38

4.2 Other fixtures and fitting, tools and equipment

The movements for the year are as follows:

	Year ended December 31, 2017	Year ended December 31, 2016
	EUR	EUR
Gross book value - opening balance	21,947.07	21,947.07
Additions for the year	-	-
Disposals for the year	-	-
Transfers for the year	-	-
Gross book value - closing balance	21,947.07	21,947.07
Accumulated value adjustments - opening balance	21,946.57	19,580.22
Additions for the year	0.50	2,366.35
Disposals for the year	-	-
Transfers for the year	-	-
Accumulated value adjustments - closing balance	21,947.07	21,946.57
Net book value - closing balance	-	0.50
Net book value - opening balance	0.50	2,366.85

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Notes to the annual accounts (continued)

Note 5 - Financial fixed assets

Financial fixed assets consist in long term cash deposit of EUR 20,711.25 (in 2016: EUR 20,831.63), pledged in favor of ING Luxembourg S.A in respect of a rental guarantee issued on the Company's behalf.

Note 6 - Debtors

6.1 Debtors becoming due and payable within one year

The amount of trade receivables consist mainly in management fees and exit fees to receive from the underlying fund for an amount of EUR 33,831.09 (2016 : EUR 117,263.00) and in management fees to receive from mandate of EUR 41,517.17 (2016 : EUR 47,195.77)

6.2. Other debtors becoming due and payable within one year

Other debtors consist mainly in tax advance payment to Luxembourg administration for an amount of EUR 58,420.00 (2016 : EUR 23,913.75) and VAT recoverable for an amount of EUR 10,958.41(2016 : EUR 3,503.97).

Note 7 - Subscribed capital

At inception, the subscribed capital amounted to EUR 500,000.-, divided into 500 shares fully paid-up with a nominal value of 1,000.- EUR per share.

As at December 17, 2012 the Board of Directors decided to increase the subscribed capital by an amount of EUR 250,000.- from EUR 500,000.- to EUR 750,000.-, through the issuance of 250 shares with a par value of EUR 1,000.-, vesting the same rights and obligations as the existing shares. These shares have been fully paid up in cash so that the amount of EUR 750,000.- is at the disposal of the Company.

Note 8 - Legal reserve

The Company is required to allocate a minimum of 5% of its annual net income to a legal reserve, until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

Note 9 - Movements for the year on the reserves and profit and loss items

The movements for the year are as follows:

	Legal Reserve	Other non-available reserves (*)	Profit or loss brought forward	Profit or loss for the financial year
	EUR	EUR	EUR	EUR
As at December 31, 2016	20.786,01	22.500,00	1.767,54	187.580,51
Movements for the year				
- Allocation of previous year's result	9.379,02	25.000,00	153.201,49	-187.580,51
- Dividend distribution	-	-	-	-
- Profit or loss for the year	-	-	-	39.834,25
As at December 31, 2017	30.165,03	47.500,00	154.969,03	39.834,25

Notes to the annual accounts (continued)

Note 9 - Movements for the year on the reserves and profit and loss items (continued)

(*) According to BDO Tax and Accounting S.A. (the Company's tax advisor) computation of the business assets on 1 January 2017, a net worth tax ("NWT") of EUR 4,895.- was due for 2017. However, it was possible to reduce this amount entirely. Therefore, the NWT reserve to create to benefit from the NWT reduction for the year 2017 should amount to EUR 24,475.- (=5 x EUR 4,895.-). As a precaution, the reserve to consider should amount to EUR 25,000.-.

As per the resolution taken on 15 March 2017, it has been decided to allocate EUR 25,000.- to the specific non-distributable reserve for NWT.

According to BDO Tax and Accounting S.A. (the Company's tax advisor) computation of the business assets on 1 January 2016, a NWT of EUR 4,305.- was due for 2016. However, it was possible to reduce this amount entirely. Therefore, the NWT reserve to create to benefit from the NWT reduction for the year 2016 should amount to EUR 21,525.- (=5 x EUR 4,305.-).

As per the resolution taken on 15 March 2016, it has been decided to allocate EUR 22,500.- to the specific non-distributable reserve for NWT.

Note 10 - Provisions

10.1 Provisions for taxation

The caption "Provision for taxation" is composed as follows :

	Year ended December 31, 2017	Year ended December 31, 2016
	EUR	EUR
Provisions for CIT 2015 (IRC)	22,817.75	22,817.75
Provisions for CIT 2016 (IRC)	16,316.22	13,551.33
Provisions for CIT 2017 (IRC)	1,612.49	-
Provisions for MBT 2015 (ICC)	5,673.00	5,673.00
Provisions for MBT 2016 (ICC)	3,719.00	3,222.75
Total	50,138.46	45,264.83

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Notes to the annual accounts (continued)

Note 10 – Provisions (continued)

10.2 Other provisions

The caption "Other provisions" is composed as follows :

	Year ended December 31, 2017	Year ended December 31, 2016
	EUR	EUR
Accounting fee	3.000,00	14.250,00
Depository foreign bank fee	3.416,68	18.200,04
European Regulatory fee	19.283,33	19.000,06
Audit fee	29.100,00	16.725,00
Tax advisory fee	7.979,90	8.849,33
Restructuring costs	2.833,68	2.833,68
	65.613,59	79.858,11

Note 11 - Creditors

Amounts due and payable for the accounts shown under "Creditors" are as follows:

	Year ended December 31, 2017	Year ended December 31, 2016
	EUR	EUR
Commissions payable to business providers	25.809,52	149.805,14
Payables to shareholder	3.337,20	3.337,20
Tax and social security debts	14.071,77	31.670,77
Total	43.218,49	184.813,11

Tax and social security debts are composed VAT payable for an amount of EUR 11,989.74, withholding tax on salaries and social security debts for an amount of EUR 2,082.03.

11.2 Becoming due and payable after more than one year

The Company has no debt or amount due and payable after more than one year.

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Notes to the annual accounts (continued)

Note 12 - Net turnover

Net turnover is composed of management fees received from AISM Global Opportunities Fund for an amount of EUR 573,548.45 (2016 : EUR 1,173,997.36), management fees on discretionary management mandate for an amount of EUR 172,688.55 (2016 : EUR 113,951.45). No investment advisory services for the year ended December 31, 2017 (2016 : EUR 16,938.91).

Note 13 - Other operating income

The caption "Other operating income" as at December 31, 2017 was composed as follows :

	Year ended December 31, 2017	Year ended December 31, 2016
	EUR	EUR
Exit fee Manco	670.651,95	91.455,49
Reversal restructuration fee provision	-	21.183,00
Reversal Commissions payable to business providers	-	15.015,65
Reversal overtime provision p.y.	-	9.018,94
Reversal other external expenses p.y.	-	10.982,31
Total	670.651,95	147.655,39

Note 14 - Other external expenses

The caption "Other external expenses" as at December 31, 2017 was composed as follows :

	Year ended December 31, 2017	Year ended December 31, 2016
	EUR	EUR
Commission to business providers	41.006,31	369.783,98
Office rent	42.515,00	43.415,82
Legal, accounting and audit fees	167.014,19	76.936,43
Other external charges	626.264,94	340.551,91
Total	876.800,44	830.688,14

Note 15 - Staff

The Company employed an average of 6 full-time equivalent persons during the financial year (in 2016: 3.63).

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Notes to the annual accounts (continued)

Note 16 – Other operating expenses

The caption “Other operating expenses” as at December 31, 2017 was composed as follows :

	Year ended December 31, 2017	Year ended December 31, 2016
	EUR	EUR
Attendance fee	9,711.24	10,000.00
Non deductible VAT	81,865.53	40,110.71
Other extraordinary expenses	195.60	1,400.00
Total	91,772.37	51,510.71

Note 17 - Taxation

The Company is subject to the general regulation application to all Luxembourg commercial companies.

Note 18 - Off-balance sheet commitments

As at year-end December 31, 2017, the Company had off-balance sheet commitments relative to the office rental contract.

The guarantee deposit amounted to EUR 18,000- consists of 6 months’ rent, excluding charges and is paid on ING Bank account.