

Copia Investments SICAV

Unaudited Semi-Annual Report

For the period from
5 November 2013 (date of incorporation)
to 30 June 2014

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Company information

Registered Office

31, Z.A. Bourmicht
L-8070 Bertrange
Grand Duchy of Luxembourg

Board of Directors

Chairman of the Board of Directors

Véronique Gillet
Independent Director, Adeis S.A.
58, rue Glesener
L-1630 Luxembourg
Grand Duchy of Luxembourg

Other members of the Board of Directors

Dr. Heimo Plössnig
Managing Director, Head of Legal and Compliance
Assenagon Asset Management S.A.
Aerogolf Center
1B, Heienhaff
L-1736 Senningerberg
Grand Duchy of Luxembourg

Dr. Robert Wendt
Managing Director, Head of Risk Management
Assenagon Asset Management S.A.
Munich Branch
Prannerstraße 8
D-80339 München
Germany

Management Company

Assenagon Asset Management S.A.
Aerogolf Center
1B, Heienhaff
L-1736 Senningerberg
Grand Duchy of Luxembourg

Board of Directors of the Management Company

Chairman

Hans Günther Bonk

Other members

Ulrich L. Binninger (until 31 March 2014)
Vassilios Pappas

Day-to-day Managers of the Management Company

Hans Günther Bonk
Michael Hünseler
Michael Löb (until 31 May 2014)
Vassilios Pappas
Dr. Robert Wendt
Dr. Heimo Plössnig

Company information (continued)

Global Distributor	Citigroup Global Markets Limited Citigroup Centre Canada Square Canary Wharf London E14 5LB United Kingdom
Platform Advisor	Citigroup Global Markets Limited Citigroup Centre Canada Square Canary Wharf London E14 5LB United Kingdom
Custodian and Paying Agent	Citibank International plc (Luxembourg Branch) 31, Z.A. Bourmicht L-8070 Bertrange Grand Duchy of Luxembourg
Central Administration, Registrar and Transfer Agent and Domiciliary Agent	Citibank International plc (Luxembourg Branch) 31, Z.A. Bourmicht L-8070 Bertrange Grand Duchy of Luxembourg
Auditor	KPMG Luxembourg S.à r.l. 9, allée Scheffer, L-1011 Luxembourg Grand Duchy of Luxembourg
Legal Advisor	Clifford Chance 2-4, Place de Paris L-1011 Luxembourg Grand Duchy of Luxembourg

Statement of net assets

As at 30 June 2014

	Notes	Volatility Arbitrage Fund ¹	European Equity Absolute Return Fund ²	Combined
		USD	EUR	EUR
Assets				
Acquisition cost of securities	2a	90,197,249	-	65,878,281
Unrealised appreciation on the value of securities		1,432	-	1,046
Investments in securities at market value	2a	90,198,681	-	65,879,327
Cash at bank		1,291,392	26,545	969,752
Receivable due from swap counterparty		-	26,654,553	26,654,553
Unrealised appreciation on foreign exchange contracts	11	139,948	-	102,215
Unrealised appreciation on swaps	10	807,694	598,117	1,188,041
Total assets		92,437,715	27,279,215	94,793,888
Liabilities				
Accounts payable and accrued expenses		140,302	44,320	146,793
Total liabilities		140,302	44,320	146,793
Total net assets		92,297,413	27,234,895	94,647,095

¹ The sub-fund commenced operations on 16 January 2014.

² The sub-fund commenced operations on 1 April 2014.

The accompanying notes form an integral part of the financial statements.

Statement of operations and changes in net assets

For the period from 5 November 2013 (date of incorporation) to 30 June 2014

	Notes	Volatility Arbitrage Fund ¹	European Equity Absolute Return Fund ²	Combined
		USD	EUR	EUR
Income				
Interest income, net	2e	5,669	-	4,141
Other income		3,156	-	2,305
Total income		8,825	-	6,446
Expenses				
Administration fees		24,253	5,918	23,632
Management fees	6	211,328	31,657	186,007
Audit fees		5,318	2,134	6,018
Depository fees		8,632	3,314	9,619
Directors fees		9,407	2,571	9,442
Subscription tax	9	4,118	3,395	6,403
Compliance fees		8,335	3,314	9,402
Value Added Tax		5,189	696	4,486
Other expenses		23,061	6,035	22,877
Total expenses before reimbursement		299,641	59,034	277,886
Expense reimbursement	6,7	(32,182)	(14,707)	(38,212)
Total expenses after reimbursement		267,459	44,327	239,674
Net income/ (loss) from investments		(258,634)	(44,327)	(233,228)
Net realised gain/ (loss) from:				
Sales of investments	2b	48	-	35
Forward foreign exchange contracts	2g	(172,464)	-	(125,964)
Foreign currency transactions		618	-	451
Swaps	2h	3,367,991	2,237	2,462,151
Net change in unrealised appreciation from:				
Investments		1,433	-	1,047
Forward foreign exchange contracts		139,948	-	102,215
Swaps		807,694	598,117	1,188,041
Net increase in net assets as a result of operations		3,886,634	556,027	3,394,748
Movements in capital				
Subscriptions of shares		100,512,093	52,293,868	125,705,907
Redemptions of shares		(12,101,314)	(25,615,000)	(34,453,560)
Net assets at the end of the period		92,297,413	27,234,895	94,647,095

¹ The sub-fund commenced operations on 16 January 2014.

² The sub-fund commenced operations on 1 April 2014.

The accompanying notes form an integral part of the financial statements.

Net asset information

As at 30 June 2014

		Volatility Arbitrage Fund ¹	European Equity Absolute Return Fund ²
		USD	EUR
Number of shares outstanding			
Share Class C	EUR	-	266,400
Share Class I	USD	712,716	-
Share Class I hedged	EUR	130,738	-
Net asset value per share class			
Share Class C	EUR		27,234,895
Share Class I	USD	73,550,893	
Share Class I hedged	EUR	18,746,520	
Net asset value per share			
Share Class C	EUR	-	102.23
Share Class I	USD	103.20	-
Share Class I hedged	EUR	104.73	-

¹ The sub-fund commenced operations on 16 January 2014.

² The sub-fund commenced operations on 1 April 2014.

The accompanying notes form an integral part of the financial statements.

Schedule of investments

As at 30 June 2014

— Volatility Arbitrage Fund ¹

Description	Cost	Currency	Market Value	% of Net Assets
Transferable securities and money market instruments dealt in on another regulated market and recently issued transferable securities				
Supranationals, Governments and Local Public Authorities, Debt Instruments				
United States Treasury Bill 0.00% 3/Jul/2014	10,239,679	USD	10,240,003	11.09
United States Treasury Bill 0.00% 10/Jul/2014	6,299,819	USD	6,300,004	6.83
United States Treasury Bill 0.00% 17/Jul/2014	8,149,844	USD	8,149,973	8.83
United States Treasury Bill 0.00% 24/Jul/2014	6,749,935	USD	6,749,935	7.31
United States Treasury Bill 0.00% 31/Jul/2014	8,299,761	USD	8,299,879	8.99
United States Treasury Bill 0.00% 7/Aug/2014	9,399,568	USD	9,399,976	10.18
United States Treasury Bill 0.00% 14/Aug/2014	9,599,632	USD	9,599,798	10.40
United States Treasury Bill 0.00% 21/Aug/2014	10,869,484	USD	10,869,731	11.78
United States Treasury Bill 0.00% 28/Aug/2014	9,349,732	USD	9,349,737	10.13
United States Treasury Bill 0.00% 4/Sep/2014	11,239,795	USD	11,239,645	12.19
			90,198,681	97.73
Total Supranationals, Governments and Local Public Authorities, Debt Instruments			90,198,681	97.73
Total Transferable securities and money market instruments dealt in on another regulated market and recently issued transferable securities			90,198,681	97.73
Total Investments at market value			90,198,681	97.73

¹ The sub-fund commenced operations on 16 January 2014.

The accompanying notes form an integral part of the financial statements

Notes to the financial statements

For the period from 5 November 2013 (date of incorporation) to 30 June 2014

1. General information

Copia Investments SICAV (the "Company") has been incorporated for an unlimited period of time on 5 November 2013 under Luxembourg law as a "société d'investissement à capital variable" (SICAV). The Company is set up in accordance with Part I of the Luxembourg Law of 17 December 2010, as amended, relating to undertakings for collective investment (the "2010 Law").

The Company's Articles of Incorporation have been deposited with the Luxembourg Register for Trade and Companies and have been published in the Mémorial on 3 December 2013. The Company is registered with the Luxembourg Register for Trade and Companies under number B 181.888.

The Company offers shareholders the opportunity to invest in separate sub-funds. Each sub-fund has a different investment objective and is a separate portfolio of assets represented by separate securities. Each sub-fund may have one or more classes of shares related to it. The Company is a single legal entity. However, if more than one sub-fund is offered, the rights of shareholders and of creditors concerning a sub-fund or which have arisen in connection with the creation, operation or liquidation of a sub-fund are limited to the assets of that sub-fund. For the purpose of the relations between shareholders, each sub-fund is deemed a separate entity.

As at 30 June 2014, the Company is comprised of the following active sub-funds and classes:

Sub-Fund, Classes		Reference currency
Volatility Arbitrage Fund	Share Class I	USD
	Share Class I hedged	EUR
European Equity Absolute Return Fund	Share Class C	EUR

The Board of Directors may in the future create new sub-Funds and new share classes.

The investment objective of the Volatility Arbitrage Fund is to achieve capital appreciation through a strategy that seeks to exploit arbitrage opportunities arising from the differences between the implied and realised volatility of the US equity market.

The investment objective of the European Equity Absolute Return Fund is to achieve a positive return and capital growth through following a mean reversion trading strategy (the "Strategy") of taking a variable exposure to the performance of a benchmark index which represents the European equity market, the Eurostoxx 50 Index (the "Reference Index").

The accounting year of the Company ends on 31 December of each year.

2. Significant accounting policies

These financial statements are prepared in accordance with generally accepted accounting principles for Investment Funds in the Grand Duchy of Luxembourg.

a) Security valuation

Securities listed on a recognised stock exchange or dealt on any other regulated market are valued at their latest available prices, or, in the event that there should be several such markets, on the basis of their latest available prices on the main market for the relevant security.

Securities not listed or traded on a stock exchange or not dealt on another regulated market are valued on the basis of the probable sales proceeds determined prudently and in good faith by the Directors.

Securities with a short term maturity date (i.e. maturity of less than three months) may be valued by using an amortised cost method. This involves valuing an investment at its cost and thereafter assuming a constant amortisation to maturity of any discount or premium, regardless of the impact of fluctuating interest rates on the market value of the investments. While this method provides certainty in valuation, it may result in periods during which value, as determined by amortisation cost, is higher or lower than the price the relevant sub-fund would receive if it sold the investment.

Notes to the financial statements

For the period from 5 November 2013 (date of incorporation) to 30 June 2014

2. Significant accounting policies (continued)

a) Security valuation (continued)

The Directors continually assess this method of valuation and recommend changes, where necessary, to ensure that the sub-fund's investments are valued at their fair value as determined in good faith by the Directors.

If the Directors believe that a deviation from the amortised cost per share may result in material dilution or other unfair results to Shareholders, the Directors shall take such corrective action, if any, as it deems appropriate to eliminate or reduce, to the extent reasonably practicable, the dilution or unfair results.

The sub-funds shall, in principle, keep in their portfolio the investments determined by the amortisation cost method until their respective maturity date.

In the event that the latest available price does not, in the opinion of the Directors, truly reflect the fair market value of the relevant securities or exchange traded Financial Derivative Instruments, the value of such securities or exchange traded Financial Derivative Instruments will be defined by the Directors based on the reasonably foreseeable sales proceeds determined prudently and in good faith.

b) Investment transactions

Securities transactions are accounted for on a trade date basis.

Realised gains or losses on sales of investments have been determined on the basis of the average cost method.

c) Cash and cash equivalent

The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends, interest declared or accrued and not yet received, all of which are deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.

d) Foreign currency translation

The financial statements and accounting records of each sub-fund are expressed in the reference currency of the relevant sub-fund.

Transactions in currencies other than the sub-fund's reference currency are translated into the sub-fund's reference currency at the exchange rate ruling at the date of the transactions.

Assets and liabilities denominated in currencies other than the sub-fund's reference currency are translated into the sub-fund's reference currency at the exchange rate on the Statement of Net Assets date.

Main exchange rates used as of 30 June 2014:

1 EUR = 1.36915 USD

e) Interest income

Interest income includes interest accrued on bonds and interest related to bank accounts. It is accrued on a daily basis.

f) Formation expenses

The costs of establishing the Company, obtaining authorisation from any authority, filing fees, the preparation and printing of this Prospectus, the fees and costs of all professionals relating to it, are borne by Citigroup Global Markets Limited.

The costs of establishing further sub-funds may be charged to the relevant sub-fund. Such costs may be amortised in accordance with the applicable accounting rules as indicated in the prospectus.

Notes to the financial statements

For the period from 5 November 2013 (date of incorporation) to 30 June 2014

2. Significant accounting policies (continued)

g) Forward foreign exchange contracts

Unrealised gains and losses on outstanding forward foreign exchange contracts are valued by reference to the forward rate of exchange applicable to the outstanding life of the contract and are included in the Statement of Net Assets.

The realised and unrealised gain/(loss) on forward foreign exchange contracts are disclosed separately in the Statement of Operations and Changes in Net Assets.

As of 30 June 2014, the Company had open forward foreign exchange contracts as detailed in note 11.

h) swaps agreements

Swap agreements are priced based on the close of business or last available settlement price.

The unrealised appreciation or depreciation on swap agreements is included in the statement of net assets under the heading "Unrealised appreciation on swaps" and/or "Unrealised depreciation on swaps".

The realised gain or loss on swap agreements is disclosed in the statement of operations and changes in net assets under the heading "Net gain/(loss) realised on swaps".

As of 30 June 2014, the Company had open swap contracts as detailed in note 10.

i) Combined figures

The combined statement of net assets and combined statement of operations and changes in net assets are the sum of the statement of net assets and statement of operations and changes in net assets of each sub-fund and are presented in Euro based on the exchange rates ruling at the date of the statement of net assets.

3. Management Company

Pursuant to a management company agreement, the Company has appointed Assenagon Asset Management S.A. as its management company (the "Management Company") in accordance with the provisions of the UCI Law.

Under this agreement, the Management Company, subject to the overall supervision and control of the Board of Directors of the SICAV, is responsible for investment management services for the sub-funds, including risk management; administrative agency, corporate and domiciliary agency, registrar and transfer agency services; and marketing, distribution and sales and private placement services where applicable.

4. Platform Advisor, Signal Provider and Methodology licensor

The Company and the Management Company have appointed Citigroup Global Markets Limited, a limited company incorporated under the laws of England and Wales as their platform advisor in order to provide advice under the platform advisory agreement.

As platform advisor, Citigroup Global Markets Limited will advise the Company and the Management Company on the establishment, positioning and development of the Company and may also advise on the launch of new sub-funds.

To assist it in determining the timing of its purchases and sales of variance swaps, and the terms on which it should seek to enter into variance swaps on behalf of the Volatility Arbitrage Fund, Assenagon Asset Management S.A. (the "Investment Manager") intends to engage Citigroup Global Markets Limited (the "Signal Provider") to provide it with technical trading signals (the "Trading Signals") which are designed with the aim of identifying potential arbitrage opportunities.

Notes to the financial statements

For the period from 5 November 2013 (date of incorporation) to 30 June 2014

4. Platform Advisor, Signal Provider and Methodology licensor (continued)

To assist it in determining the timing of changes in the direction and extent of the exposure to the reference index that the European Equity Absolute Return Fund should have, the Investment Manager makes use of a proprietary methodology (the "Mean Reversion Methodology") developed by Citigroup Global Markets Limited. Accordingly, the Investment Manager has acquired a license from Citigroup Global Markets Limited (the "Methodology Licensor") to use the Mean Reversion Methodology.

5. Global Distributor

Pursuant to the global distribution agreement, the Management Company has expressly delegated to Citigroup Global Markets Limited as global distributor (the "Global Distributor") the marketing, distribution and promotion of the shares of the sub-funds.

The Global Distributor may decide to appoint distributors for the purpose of assisting in the distribution of the shares of the sub-funds in certain countries.

6. Management fee

The Company on behalf of a specific sub-fund pays in respect of each class a management fee (the "Management Fee") out of the assets of such sub-fund attributable to such class.

The Management Fee covers the Management Company's own fees and expenses, as well as those of the Platform Advisor, the Signal Provider, the Methodology Licensor, the Global Distributor and/or any other Distributors and any other delegates and service providers appointed by the Management Company.

The Management Fee is deducted from the prevailing net asset value of each share of each class, and is paid monthly in arrears.

	Volatility Arbitrage Fund	European Equity Absolute Return Fund
Management fee	0.75% p.a.	0.50% p.a.

Any shortfall between the Management Fee and the fees and expenses to be covered will be paid by the Global Distributor (as agreed upon between the Global Distributor, the Company and the Management Company)

7. Other Costs and Expenses

The Company on behalf of a specific sub-fund also pays, in respect of each class, other costs and expenses (the "Other Costs and Expenses") out of the assets of such sub-fund attributable to such class. The Other Costs and Expenses cover the costs and expenses incurred by the Company in setting up and maintaining such sub-fund, the fees and expenses of the Custodian and Paying Agent and any of its delegates, the Central Administration, Registrar and Transfer Agent, Domiciliary Agent and any of its delegates, the listing agent (if any), the Directors, the Global Distributor (if applicable), the auditors, tax and legal advisers, attorneys and/or any permanent representatives in the places of registration of the Company or the sub-fund.

The Company on behalf of the sub-fund pays in respect of each Class up to 0.20% p.a. of the Net Asset Value of such class in Other Costs and Expenses.

Any shortfall between the Other Costs and Expenses and the costs and expenses to be covered will be paid by the Global Distributor (as agreed upon between the Global Distributor, the Company and the Management Company).

Notes to the financial statements

For the period from 5 November 2013 (date of incorporation) to 30 June 2014

8. Swaps costs

The Company on behalf of the European Equity Absolute Return Fund pays 0.20% per annum of the notional size of each swap to the relevant swap counterparty for the provision and hedging of the swap.

9. Taxation

Under present Luxembourg law and administrative practice, neither a Luxembourg SICAV nor any of its sub-funds is liable for any Luxembourg corporate income tax, municipal business tax, and net worth tax.

A Luxembourg SICAV (or each sub-fund in case of SICAV with multiple sub-funds) is however liable in Luxembourg to a subscription tax of in principle 0.05% per annum computed on its net assets, such tax being payable quarterly on the basis of the value of the aggregate assets of such SICAV (or sub-fund) at the end of the relevant calendar quarter. The rate of the subscription tax can be reduced to 0.01 % for sub-funds of a Luxembourg SICAV as well as for individual classes of shares issued within such SICAV or within a sub-fund of the latter provided that the shares of such sub-funds or classes of shares are reserved to Institutional Investors.

10. Swaps

A variance swap is an agreement between two parties to exchange cash flows based on the measured variance of a reference entity. Each variance swap consists of two legs, one of which is based on the realised volatility of the underlying, and a second which is a fixed amount (known as the "variance strike price"). At the time the trade is originated, the agreed upon variance strike price is generally set so that the market value of the swap is near zero. At maturity, a net cash flow is exchanged between the parties based on the difference between the final realised variance price of the swap and the variance strike price multiplied by the notional, or vega amount.

As of 30 June 2014, the Volatility Arbitrage Fund had the following variance swaps:

Description	Notional/ Commitment	Currency	Maturity	Counterparty	Unrealised appreciation USD
S&P 500 Index Variance Swap	45,972,881	USD	3/Jul/2014	Citigroup Global Markets Limited	285,008
S&P 500 Index Variance Swap	497,683	USD	3/Jul/2014	Citigroup Global Markets Limited	3,086
S&P 500 Index Variance Swap	51,760,197	USD	11/Jul/2014	Citigroup Global Markets Limited	337,600
S&P 500 Index Variance Swap	71,257,985	USD	18/Jul/2014	Citigroup Global Markets Limited	126,123
S&P 500 Index Variance Swap	531,332	USD	18/Jul/2014	Citigroup Global Markets Limited	940
S&P 500 Index Variance Swap	382,197	USD	11/Jul/2014	Citigroup Global Markets Limited	2,492
S&P 500 Index Variance Swap	342,480	USD	3/Jul/2014	Citigroup Global Markets Limited	2,123
S&P 500 Index Variance Swap	170,738	USD	3/Jul/2014	Citigroup Global Markets Limited	1,058
S&P 500 Index Variance Swap	189,973	USD	11/Jul/2014	Citigroup Global Markets Limited	1,239
S&P 500 Index Variance Swap	258,564	USD	18/Jul/2014	Citigroup Global Markets Limited	458
S&P 500 Index Variance Swap	75,539,182	USD	25/Jul/2014	Citigroup Global Markets Limited	47,567
Unrealised appreciation on swaps					807,694

A fully funded swap was entered into between the Company and Citigroup Global Markets Limited (the "Counterparty"). Where the swap is entered on a funded basis, the notional amount is paid to the counterparty on inception of the swap and to the Company upon termination.

Notes to the financial statements

For the period from 5 November 2013 (date of incorporation) to 30 June 2014

10. Swaps (continued)

As of 30 June 2014, the European Equity Absolute Return Fund had the following fully funded swap:

Description	Notional/ Commitment	Currency	Maturity	Counterparty	Unrealised appreciation EUR
EURO STOXX 50 Index fully funded swap	26,654,553	EUR	1/Apr/2015	Citigroup Global Markets Limited	598,117
Unrealised appreciation on swaps					598,117

This type of swap agreement results in a "receivable due from swap counterparty" shown in the statement of net assets and reflecting the notional value.

11. Forward foreign exchange contracts

As of 30 June 2014, the Volatility Arbitrage Fund had the following outstanding forward foreign exchange contracts:

Maturity date	Amount bought	Currency	Amount sold	Currency	Counterparty	Unrealised appreciation USD
Jul 2014	70,598	EUR	96,471	USD	Citibank	201
Jul 2014	13,596,725	EUR	18,478,589	USD	Citibank	139,747
Unrealised appreciation on forward foreign exchange contracts						139,948

12. Collaterals

As part of its investments in derivatives the sub-funds may pledge or receive collateral either in the form of cash and cash equivalents or securities.

As at 30 June 2014, the collateral pledged/ received was as follows:

Sub-Fund	Collateral received/ paid	Type of collateral	Currency	Collateral amount
Volatility Arbitrage Fund	Paid	Cash	USD	870,000
European Equity Absolute Return Fund	Received	Cash and securities	EUR	27,397,319

13. Changes in the investment portfolio

The details of the changes in investment portfolio composition are held at the disposal of the shareholders at the registered office of the Company and are available upon request free of charge.

Notes to the financial statements

For the period from 5 November 2013 (date of incorporation) to 30 June 2014

14. Transaction costs

Transaction costs include broker commission fees and taxes related to the purchase and sale of securities.

Investments held by the Volatility Arbitrage Fund during the period are principally made on fixed income security markets where brokerage commissions are included in the spread. As a consequence, these brokerage commissions are included in the cost of investments purchased and sold.

15. Risk exposure

The Company employs a risk management policy, established in accordance with article 42 of the UCI Law and compliant with CSSF Circular Letter 11/512 and ESMA Guidelines 2012/832, produced by the Management Company, which enables it to assess the exposure of the Company to market, liquidity and counterparty risks, and to all other risks, including operational risks, which are material for the Company.

Volatility Arbitrage Fund

The Management Company determines and monitors the global exposure of the Sub-Fund in accordance with the absolute Value at Risk approach. The absolute VaR of the Sub-Fund so determined shall not exceed 17.5% of its Net Asset Value.

The Sub-Fund may incur additional leverage through the use of Financial Derivative Instruments. Leverage is calculated by reference to the sum of the notional amounts of the Financial Derivative Instruments entered into by the Company on behalf of the Sub-Fund. The amount of leverage used by the Sub-Fund will vary from time to time, according to the economic terms of the Derivatives and is expected to be no greater than 200% of the Net Asset Value of the Sub-Fund.

European Equity Absolute Return Fund

The Management Company determines and monitors the global exposure of the Sub-Fund in accordance with the relative VaR ("value at risk") approach. The derivative-free benchmark for this purpose is the Eurostoxx 50 Index (BBG Ticker SX5E Index).

The Sub-Fund may incur additional leverage through the use of Financial Derivative Instruments. Leverage is calculated by reference to the sum of the notional amounts of the Financial Derivative Instruments entered into by the Company on behalf of the Sub-Fund. The amount of leverage incurred by the Sub-Fund through the Swap or Swaps (as relevant) will vary from time to time, according to the economic terms of the Derivatives and is expected to be no greater than 100% of the Net Asset Value of the Sub-Fund.

	Volatility Arbitrage Fund	European Equity Absolute Return Fund
Usage of the VaR Limit ¹		
Minimum ²	1.75%	0.04%
Maximum ²	82.18%	48.75%
Average ²	34.62%	17.04%
Level of Leverage (Sum of Notionals Approach)		
Average ²	164%	61%

¹ Value at Risk is determined daily using historical simulation on the basis of a 99% confidence interval and a holding period of 1 month as determined in the prospectus and the Management Company's Risk Management Policy. The VaR Limit for funds using the relative VaR approach is two times the VaR of the derivative-free benchmark.

² Minimum, Maximum and Average during the relevant reporting period.

Notes to the financial statements

For the period from 5 November 2013 (date of incorporation) to 30 June 2014

16. Subsequent events

On 11 July 2014, the shareholders acknowledged the resignation of Dr. Heimo Plössnig as Director of the Company with effect 11 July 2014.

The shareholders resolved to appoint Mr. Alain Guerard and Mr. Vassilios Pappas for a period of 5 years ending on the date of the Annual General Meeting of Shareholders of the Company to be held in 2019. This appointment has been approved by the CSSF on 28 July 2014.