

**ARGONAUT CAPITAL PARTNERS INTERNATIONAL PLC**

**ANNUAL REPORT & AUDITED FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 1 MAY 2015 TO 31 MARCH 2016**

## ARGONAUT CAPITAL PARTNERS INTERNATIONAL PLC

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## ARGONAUT CAPITAL PARTNERS INTERNATIONAL PLC

### MANAGEMENT AND ADMINISTRATION

Registered Office: 2<sup>nd</sup> Floor, Block E, Iveagh Court, Harcourt Road, Dublin 2, Ireland

#### DIRECTORS

Matthew Bond (*United Kingdom*)  
Yvonne Connolly<sup>(1)</sup> (*Ireland*)  
Keith Rumbelow (*Alternate Director to Matthew Bond*)  
(resigned 27 November 2015) (*United Kingdom*)  
Keith Speck (appointed 8 June 2015) (*United Kingdom*)  
Robert Burke<sup>(1)</sup> (*Ireland*)

**All Directors are non-executive**

#### PROMOTER, DISTRIBUTOR AND UK FACILITIES AGENT

Argonaut Capital Partners LLP  
24 Great King Street  
Edinburgh EH3 6QN  
Scotland

#### INVESTMENT MANAGER

Argonaut Capital Partners LLP  
24 Great King Street  
Edinburgh EH3 6QN  
Scotland

#### ADMINISTRATOR, REGISTRAR AND TRANSFER AGENT

HSBC Securities Services (Ireland) Limited  
1 Grand Canal Square  
Grand Canal Harbour  
Dublin 2  
Ireland

#### DEPOSITARY

HSBC Institutional Trust Services (Ireland) Limited  
1 Grand Canal Square  
Grand Canal Harbour  
Dublin 2  
Ireland

#### REPRESENTATIVE IN SWITZERLAND

First Independent Fund Services AG  
Klausstrasse 33  
CH-8008 Zurich  
Switzerland

#### AUDITORS

PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
One Spencer Dock  
North Wall Quay  
Dublin 1  
Ireland

#### LEGAL ADVISORS IN IRELAND

McCann FitzGerald  
Riverside One  
Sir John Rogerson's Quay  
Dublin 2  
Ireland

#### LISTING SPONSOR AT THE IRISH STOCK EXCHANGE

Sir John Rogerson's Quay  
Dublin 2  
Ireland

#### COMPANY SECRETARY

Carne Global Financial Services Limited  
Second Floor, Block E  
Iveagh House  
Harcourt Road  
Dublin 2  
Ireland

#### MANAGER

Carne Global Fund Managers (Ireland) Limited  
Second Floor, Block E  
Iveagh House  
Harcourt Road  
Dublin 2  
Ireland

#### PAYING AGENT IN SWITZERLAND

Neue Privat Bank AG  
Limmatquai 1/am Bellevue  
Postfach  
8024 Zurich  
Switzerland

(1) Directors Independent of the Investment Manager

# ARGONAUT CAPITAL PARTNERS INTERNATIONAL PLC

## DIRECTORS' REPORT

The Directors submit their Annual Report and the audited Financial Statements for the period from 1 May 2015 to 31 March 2016.

### Activities and Business Review

Argonaut Capital Partners International plc (the "Company") was incorporated on 27 October 2005 as an open-ended umbrella-type investment Company with variable capital. The Company is organised under the laws of Ireland as an open ended investment company with variable capital pursuant to the Companies Act 2014 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended). The Company is organised in the form of an umbrella Fund with segregated liability between Funds. Each Fund has a distinct portfolio of investments, and more than one class of Shares may be issued in respect of any Fund with the prior approval of the Central Bank of Ireland. Separate books and records are maintained for each Fund.

The Company and all Funds established are denominated in Euro. As at the Statement of Net Assets date the Company consisted of one active Fund.

The Fund comprises a minimum of nine classes of shares, the Euro 'A' Accumulation Shares, the Euro 'A' Distribution Shares, the Sterling 'A' Accumulation Shares, the Sterling 'A' Distribution Shares, the US Dollar "A" Accumulation Shares, the Euro 'I' Accumulation Shares, the Euro 'I' Distribution Shares, the Sterling 'I' Distribution Shares and the Euro 'X' Accumulation Shares. At 31 March 2016, not all share classes have launched in each Fund. Please see table below for full details of availability of all share classes across all Funds.

The Directors have directed the affairs of the Company in accordance with the Companies Act 2014.

A detailed Business Review is outlined in the Investment Managers' Reports of each respective Fund.

As at 31 March 2016, the share classes listed on the Irish Stock Exchange were as follows:

	Euro "A" Accumulation Shares	Euro "A" Distribution Shares	Sterling "A" Accumulation Shares	Sterling "A" Distribution Shares	US Dollar "A" Distribution Shares	Euro "I" Accumulation Shares	Euro "I" Distribution Shares	Sterling "I" Accumulation Shares	Sterling "I" Distribution Shares	US Dollar "I" Accumulation Shares	US Dollar "I" Distribution Shares
Argonaut Pan European Alpha Fund	Listed	Listed	Listed	Listed	Not funded	Listed	Listed	Not funded	Listed	Not funded	Not funded

	Euro "J" Accumulation Shares	Euro "J" Distribution Shares	Sterling "J" Accumulation Shares	Sterling "J" Distribution Shares	US Dollar "J" Accumulation Shares	US Dollar "J" Distribution Shares	Euro "S" Accumulation Shares	Sterling "S" Accumulation Shares	US Dollar "S" Accumulation Shares	Euro "X" Accumulation Shares
Argonaut Pan European Alpha Fund	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Listed

"De-listed" refers to share classes which have previously been live but are not currently funded. These share classes are available for investment. "Not funded" refers to share classes which are available but are currently not invested in. "Not available" refers to share classes which are not available for investment.

**DIRECTORS' REPORT (continued)**

**Results and Dividends**

The results and dividends for the period are shown in the Income Statement of each respective Fund.

**Risk Management Objectives and Policies**

Investment in the Company involves a number of risks. Details of these risks are contained in the Prospectus. Details of the risks associated with financial instruments are included in note 9.

**Significant Shareholdings**

Significant Shareholders are listed in a table in note 16.

**Directors**

The dates that Directors were appointed as Directors of the Company are disclosed in note 19.

**Statement of Directors' Responsibilities**

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable Irish Law and International Financial Reporting Standards as adopted by the EU.

Irish Company Law requires the Directors to prepare Financial Statements for each financial period which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy; and
- enable the directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Significant Events during the Period**

Please refer to note 19.

**Subsequent Events**

Please refer to note 20.

**Directors' and Secretary's Interests**

The Directors and Secretary had no interest in the Participating Shares of the Company.

**DIRECTORS' REPORT (continued)**

**Corporate Governance**

The Board of Directors has assessed the measures included in the voluntary Corporate Governance Code for Collective Investment Schemes and Management Companies as published by the Irish Fund Industry Association in December 2012 (the "IFIA Code"). The Board has adopted all corporate governance practices and procedures in the IFIA Code with effect from 31 December 2013.

The Company is subject to Corporate Governance practices imposed by:

- (i) The Irish Companies Act 2014 which is available for inspection at the registered office of the Company; and may also be obtained at <http://www.irishstatutebook.ie/home.html>.
- (ii) The Articles of Association of the Company which are available for inspection at the registered office of the Company at Second Floor, Block E, Iveagh House, Harcourt Road, Dublin 2, Ireland and at the Companies Registration Office in Ireland;
- (iii) The Central Bank of Ireland in their UCITS Regulations and Guidance Notes which can be obtained from the Central Bank of Ireland's website at: <http://www.centralbank.ie/regulation/industry-sectors/funds/Pages/default.aspx> and are available for inspection at the registered office of the Company; and
- (iv) The Irish Stock Exchange ("ISE") through the ISE Code of Listing Requirements and Procedures which can be obtained from the ISE's website at: <http://www.ise.ie/Products-Services/Investment%20Funds/List-a-Fund/>

The Board of Directors is responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of error or fraud in achieving the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board of Directors has procedures in place to ensure all relevant accounting records are properly maintained and are readily available, including production of annual and half-yearly Financial Statements. The annual and half-yearly Financial Statements of the Company are required to be approved by the Board of Directors of the Company and filed with the Central Bank of Ireland and the Irish Stock Exchange. The statutory Financial Statements are required to be audited by independent Auditors who report annually to the Board on their findings.

The Board of Directors evaluates and discusses significant accounting and reporting issues as the need arises. The Board of Directors has appointed HSBC Securities Services (Ireland) Limited as the Administrator to the Company. The Administrator maintains the books and records of the Company. The Administrator is regulated by the Central Bank of Ireland and is independent of the Company's Investment Manager. From time to time the Board also examines and evaluates the Administrator's financial accounting and reporting routines and monitors and evaluates the external Auditors' performance, qualifications and independence.

The convening and conduct of Shareholders' meetings are governed by the Articles of Association of the Company and the Companies Acts. Although the Directors may convene an extraordinary general meeting of the Company at any time, the Directors are required to convene an annual general meeting of the Company within eighteen months of incorporation and fifteen months of the date of the previous annual general meeting thereafter. Shareholders representing not less than one-tenth of the paid up share capital of the Company may also request the Directors to convene a Shareholders' meeting. Not less than twenty one days notice of every annual general meeting and any meeting convened for the passing of a special resolution must be given to Shareholders and fourteen days notice must be given in the case of any other general meeting unless the Auditors of the Company and all the Shareholders of the Company entitled to attend and vote agree to shorter notice.

Two members present either in person or by proxy constitute a quorum at a general meeting provided that the quorum for a general meeting convened to consider any alteration to the class rights of shares is two Shareholders holding or representing by proxy at least one third of the issued shares of the relevant fund or class.

**DIRECTORS' REPORT (continued)**

**Corporate Governance (continued)**

Every holder of participating shares or non-participating shares present in person or by proxy who votes on a show of hands is entitled to one vote. On a poll, every holder of participating shares present in person or by proxy is entitled to one vote in respect of each share held by him and every holder of non-participating shares is entitled to one vote in respect of all non-participating shares held by him. The Chairman of a general meeting of the Company or at least two members present in person or by proxy or any holder or holders of participating shares present in person or by proxy representing at least one tenth of the shares in issue having the right to vote at such meeting may demand a poll. Shareholders may resolve to sanction an ordinary resolution or special resolution at a Shareholders' meeting. An ordinary resolution of the Company or of the Shareholders of a particular fund or class requires a simple majority of the votes cast by the Shareholders voting in person or by proxy at the meeting at which the resolution is proposed. A special resolution of the Company or of the Shareholders of a particular fund or class requires a majority of not less than 75% of the Shareholders present in person or by proxy and voting in general meeting in order to pass a special resolution including a resolution to amend the Articles of Association.

Unless otherwise determined by an ordinary resolution of the Company in general meeting, the number of Directors may not be less than two nor more than nine. Currently the Board of Directors of the Company is composed of four Directors and one alternate Director, two of whom are related to the Investment Manager of the Company and two of whom are independent of the Investment Manager. Details of the current Directors are listed in the directory in these Financial Statements on page 2.

The business of the Company is managed by the Directors, who exercise all such powers of the Company as are not by the Companies Acts or by the Articles of Association of the Company required to be exercised by the Company in general meeting.

A Director may, and the Company Secretary of the Company on the requisition of a Director will, at any time summon a meeting of the Directors. Questions arising at any meeting of the Directors are determined by a majority of votes. In the case of an equality of votes, the Chairman has a second or casting vote. The quorum necessary for the transaction of business at a meeting of the Directors is two.

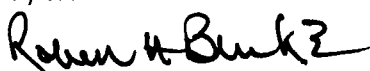
There are no sub-committees of the Board.

The Auditors, PricewaterhouseCoopers, will be re-appointed in accordance with the Companies Act 2014.

**Transactions with Connected Parties**

In accordance with the requirements of UCITS Regulations, all transactions carried out with the Company by the Promoter, Investment Manager, Depositary and associates/group companies ("connected parties") must be carried out as if negotiated at arm's length and be in the best interests of shareholders. The Directors are satisfied that there are arrangements in place, as evidenced by written procedures, to ensure that the obligations set out in the UCITS Regulations are applied to all transactions with connected parties and transactions with connected parties entered into during the period complied with the obligations set out in the UCITS Regulations.

By order of the Board

  
Robert Burke

  
Vonne Connolly

21 July 2016

## Report of the Depositary to the Shareholders

We have enquired into the conduct of Argonaut Capital Partners International plc (the "Company") for the period 1 May 2015 to 31 March 2016, in our capacity as Depositary to the Company.

This report including the opinion has been prepared for and solely for the shareholders in the Company as a body, in accordance with Directive 2009/65/EC of the European Parliament and of the Council of 13<sup>th</sup> July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (as amended) (the "UCITS Regulations"), and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

### Responsibilities of the Depositary

Our duties and responsibilities are outlined in the UCITS Regulations. One of those duties is to enquire into the conduct of the Company in each annual accounting period and report thereon to the shareholders.

Our report shall state whether, in our opinion, the Company has been managed in that period, in accordance with the provisions of the Company's Memorandum and Articles of Association and the UCITS Regulations. It is the overall responsibility of the Company to comply with these provisions. If the Company has not so complied, we as Depositary must state why this is the case and outline the steps which we have taken to rectify the situation.

### Basis of Depositary Opinion

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in the UCITS Regulations and to ensure that, in all material respects, the Company has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate regulations and (ii) otherwise in accordance with the Company's constitutional documentation and the appropriate regulations.

### Opinion

In our opinion, the Company has been managed during the year, in all material respects:

(i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Memorandum & Articles of Association and the UCITS Regulations; and

(ii) otherwise in accordance with the provisions of the Memorandum & Articles of Association and the UCITS Regulations.



On behalf of

HSBC Institutional Trust Services (Ireland) Limited  
1 Grand Canal Square  
Grand Canal Harbour  
Dublin 2  
Ireland

21 July 2016

**HSBC Institutional Trust Services (Ireland) Limited**  
1 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland  
Tel: 00353 1 635 6000 Fax: 00353 1 649 7542

Directors: Ronnie Griffin, Ciara Houlihan, Mark Synnott, John van Verre (Dutch)  
Registered in Dublin, Ireland: Reg No. 181767 V.A.T. 6581767L  
HSBC Institutional Trust Services (Ireland) Limited is authorised by the Central Bank of Ireland under the Investment Intermediaries Act, 1995.



## Report on the financial statements

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### Our opinion

In our opinion, Argonaut Capital Partners International plc financial statements (the "financial statements"):

- give a true and fair view of the company's assets, liabilities and financial position as at 31 March 2016 and of its results and cash flows for the year then ended;
  - have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
  - have been properly prepared in accordance with the requirements of the Companies Act 2014 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended).
- 

### What we have audited

The financial statements comprise:

- the statement of net assets as at 31 March 2016;
- the income statement for the period from 1 May 2015 to 31 March 2016;
- the statement of cash flows for the period then ended;
- the statement of changes in net assets attributable to holders of redeemable participating shares for the period then ended;
- the schedule of investments of investments as at 31 March 2016; and
- the notes to the financial statements for the company which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and IFRSs as adopted by the European Union.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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### Matters on which we are required to report by the Companies Act 2014

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- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.
- In our opinion, based on the work undertaken in the course of our audit of the financial statements, the description of the main features of the internal control and risk management systems in relation to the financial reporting process included in the Corporate Governance Statement, is consistent with the financial statements and has been prepared in accordance with section 1373(2)(c) of the Companies Act 2014.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARGONAUT CAPITAL PARTNERS INTERNATIONAL PLC (continued)**

- Based on our knowledge and understanding of the company and its environment, obtained in the course of our audit of the financial statements, we have not identified material misstatements in the description of the main features of the internal control and risk management systems in relation to the financial reporting process included in the Corporate Governance Statement.
- In our opinion, based on the work undertaken during the course of our audit of the financial statements, the information required by section 1373 (2)(a),(b),(e) and (f) is contained in the Corporate Governance Statement.

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### **Matter on which we are required to report by exception**

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#### **Directors' remuneration and transactions**

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

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### **Responsibilities for the financial statements and the audit**

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#### **Our responsibilities and those of the directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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#### **What an audit of financial statements involves**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARGONAUT CAPITAL PARTNERS INTERNATIONAL PLC  
(continued)**

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Sarah Murphy  
for and on behalf of PricewaterhouseCoopers  
Chartered Accountants and Statutory Audit Firm  
Dublin  
**21 July 2016**

## **ARGONAUT PAN EUROPEAN ALPHA FUND**

### **INVESTMENT MANAGER'S REPORT FOR THE PERIOD FROM 1 MAY 2015 TO 31 MARCH 2016**

The fund returned -7.34% over the period (01/05/2015-31/03/2016), outperforming both the sector median -11.85% and the MSCI Pan Euro Index -14.53%.<sup>1</sup>This placed the fund 232nd out of 1193 funds in the sector (20th percentile).

Outperformance was primarily driven by stock selection in both Consumer Discretionary and Industrial sectors. Our top contributors over the period were Vestas Wind Systems +66%, Ryanair +42% and Pandora +36%. Negative contributors were Royal Bank of Scotland -39% and Groupe Eurotunnel -25%.<sup>2</sup>

#### **Market Overview**

The first half of 2015 was dominated by the political issues coming out of Greece and the ongoing wrangling between the Greek government and its creditors over a third bailout package (culminating in a default on Greece's repayment to the IMF at the end of the second quarter). Economic conditions in Europe were encouraging with Spain and Italy showing the biggest improvement. The first quarter earnings reporting season was encouraging with a trend of corporate profit growth (albeit profitability amongst commodity producers fell). Corporates also seem emboldened in takeover and merger activity on the back of cheap debt and a weaker Euro.

The agreement between Greece and its creditors over a third bailout programme was then welcomed by the market. We believe that the Greek turmoil had overshadowed the further deterioration in the Chinese economy. However as the year progressed the slowing growth in China and the impact this would have on the global economy came to the front of investors' minds with markets losing ground in August and September. Increased concerns over Fed rate hikes and the corporate issues at Volkswagen added to investor concerns.

Markets rallied strongly towards the end of 2015, initially on hopes that further stimulus from the Chinese government and the ECB would revive global growth. October saw a reversal of market leadership with those companies that had been the laggards throughout the year led the market higher (albeit this reversion was rather short lived). As the final quarter progressed, fears over the Chinese economy and Fed rate hikes were offset by hopes of further ECB stimulus (although the measures taken failed to impress the market in December). Commodities continued to weaken with big falls in the energy complex due to increased supply and inventory build. Whilst European data remained robust, signals from the US were more mixed. Nevertheless, the US Federal Reserve hiked rates for the first time since 2006. Corporate earnings showed decent growth through 2015 (ex energy and mining).

The first two months of 2016 Global markets were volatile following increasing concerns that weaker Chinese macroeconomic data will now lead to a global recession. However, a tentative announcement mid-February amongst oil producing nations over a potential production freeze together with hopes of further policy stimulus in Europe and China led to a rally in markets over the second half of February. On the whole although Asian macro data continued to be a concern, European and US data continued to be relatively robust. Sterling fell significantly over heightened "Brexit" concerns.

#### **Outlook**

Brexit has changed everything. Overnight the UK economy has gone from European leader to laggard. The uncertainty created by Brexit will inevitably delay major investment and purchasing decisions, causing the UK economy to now enter an economic recession. There is now also a political and constitutional crisis in the UK: the Prime Minister has resigned; the Conservative and Labour parties have been torn asunder; the Union may now break after all, with Scotland demanding another independence vote; whilst all of the major Brexiteers have already exited stage left, symbolising the absence of a credible plan or parliamentary support. In the words of Dutch PM Mark Rutte: "England has collapsed politically, monetarily, constitutionally and economically".

## ARGONAUT PAN EUROPEAN ALPHA FUND

### INVESTMENT MANAGER'S REPORT FOR THE PERIOD FROM 1 MAY 2015 TO 31 MARCH 2016 (continued)

#### Outlook (continued)

There is unlikely to be any quick fix. The reluctance of any UK government to trigger Article 50 to leave the EU without at least the outline of any deal and the obstinacy of the EU in insisting of the sanctity of freedom of movement with freedom of trade all point to a prolonged period of uncertainty, during which economic growth in Europe as a whole will almost certainly decelerate. The domestic economic recovery in Europe which has been a source of positive earnings surprise (and investment performance) for the past few years is therefore now at best uncertain. Macro-economic inflection points such as Brexit are dangerous moments for any extrapolation of existing bottom-up fundamental trends. We are now anticipating a sea-change in corporate earnings in the weeks and months ahead and have begun to re-position the portfolio for these fresh opportunities accordingly.

There is a monetary silver lining to the economic cloud of Brexit: namely that the prospect of further Fed rate hikes will now likely be postponed indefinitely, resulting in abundant global liquidity likely to find its way into equities exhibiting bond type characteristics. Moreover, the significant depreciation of sterling, particularly against the US Dollar and Japanese Yen should attract buyers of sterling denominated assets, though not we suspect (at least initially) those geared toward the UK domestic economy. As with our rotation out of domestic assets, we have begun to reflect this in our positioning.

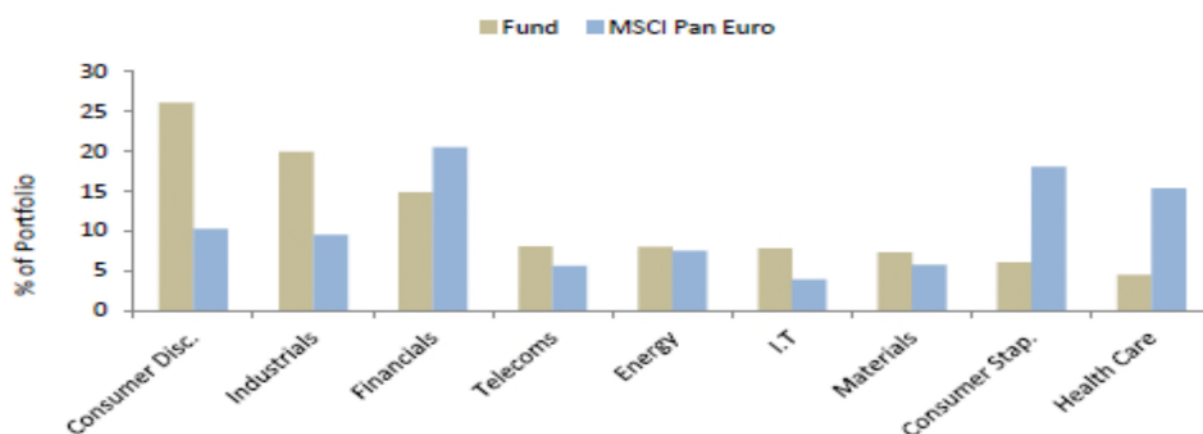
#### Fund Assets<sup>2</sup>

End of April 2015: €166,117,695

End of March 2016: €176,563,842

#### Breakdowns<sup>3</sup>

##### Sector



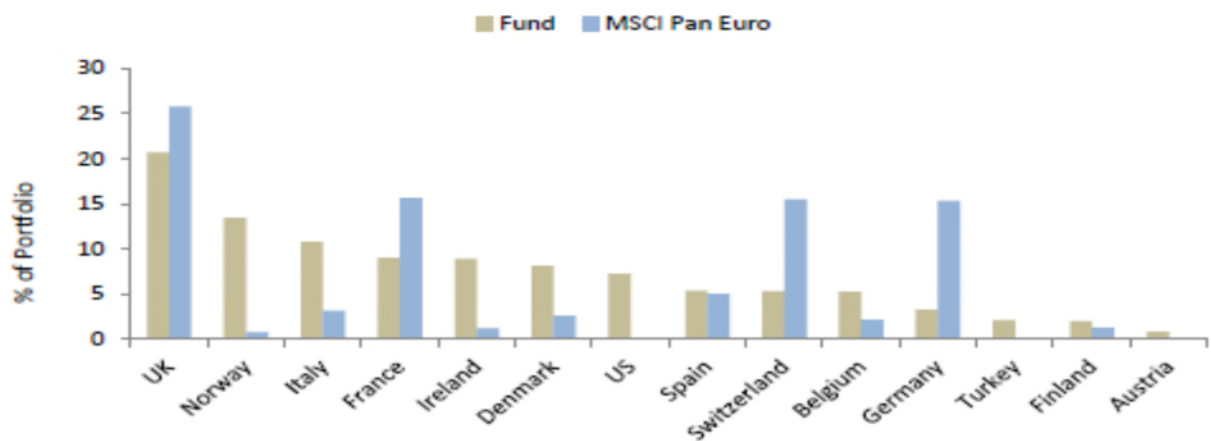
Overweight Consumer Discretionary & Industrials.

**ARGONAUT PAN EUROPEAN ALPHA FUND**

**INVESTMENT MANAGER'S REPORT**  
**FOR THE PERIOD FROM 1 MAY 2015 TO 31 MARCH 2016**  
**(continued)**

**Breakdowns<sup>3</sup> (continued)**

**Country**



Overweight Norway, Italy, & Ireland.

**Sources**

<sup>1</sup>Lipper, quoted in €, 31<sup>st</sup> (01/05/2015-31/03/2016).

<sup>2</sup>IFDS, 31<sup>st</sup> March 2016

<sup>3</sup>Bloomberg, 31<sup>st</sup> March 2016

Argonaut Capital Partners LLP  
 July 2016

**ARGONAUT PAN EUROPEAN ALPHA FUND**

**SCHEDULE OF INVESTMENTS  
AS AT 31 MARCH 2016**

<b>Holdings</b>	<b>Financial Assets at Fair Value through Profit or Loss</b>	<b>Fair Value €</b>	<b>% of Net Asset Value</b>
<b>EQUITIES</b>			
	<b>AUSTRIA (30 April 2015: 2.08%)</b>	<b>1,465,427</b>	<b>0.83</b>
98,865	Zumtobel	1,465,427	0.83
	<b>BELGIUM (30 April 2015: 6.37%)</b>	<b>9,066,338</b>	<b>5.13</b>
742,990	Euronav	6,686,539	3.78
53,584	Telenet Group Holding	2,379,799	1.35
	<b>DENMARK (30 April 2015: 5.97%)</b>	<b>14,081,851</b>	<b>7.97</b>
46,279	Pandora	5,329,620	3.02
141,110	Vestas Windsystems	8,752,231	4.95
	<b>FINLAND (30 April 2015: 7.68%)</b>	<b>3,434,454</b>	<b>1.94</b>
118,634	Neste Oil	3,434,454	1.94
	<b>FRANCE (30 April 2015: 9.88%)</b>	<b>15,540,962</b>	<b>8.80</b>
56,220	Airbus Group	3,281,843	1.86
717,709	Groupe Eurotunnel	7,070,869	4.00
21,459	Unibail-Rodamco REIT	5,188,250	2.94
	<b>GERMANY (30 April 2015: 1.80%)</b>	<b>5,596,460</b>	<b>3.17</b>
1,316,040	Aixtron*#† (1,268,724)	5,596,460	3.17
	<b>IRELAND (30 April 2015: 10.28%)</b>	<b>23,029,224</b>	<b>13.04</b>
32,600	Allergan	7,671,892	4.34
601,059	Ryanair	8,489,958	4.81
303,967	Smurfit Kappa Group	6,867,374	3.89
	<b>ITALY (30 April 2015: 19.35%)</b>	<b>18,659,912</b>	<b>10.56</b>
509,337	Finecobank Banca Fineco Spa#† (500,000)	3,767,820	2.13
4,236,491	Intesa Sanpaolo	9,676,145	5.48
193,219	Yoox Spa	5,215,947	2.95

The accompanying notes form an integral part of these Financial Statements.

**ARGONAUT PAN EUROPEAN ALPHA FUND**

**SCHEDULE OF INVESTMENTS  
AS AT 31 MARCH 2016 (continued)**

<b>Holdings</b>	<b>Financial Assets at Fair Value through Profit or Loss</b>	<b>Fair Value €</b>	<b>% of Net Asset Value</b>
<b>EQUITIES (CONTINUED)</b>			
	<b>LIBERIA (30 April 2015: 0.00%)</b>	<b>9,206,996</b>	<b>5.21</b>
127,700	Royal Caribbean Cruises	9,206,996	5.21
	<b>NORWAY (30 April 2015: 6.66%)</b>	<b>15,069,225</b>	<b>8.53</b>
382,691	Grieg Seafood	1,743,841	0.99
638,500	Marine Harvest	8,640,459	4.89
730,102	Nordic Semiconductor	3,577,503	2.02
7,453,057	REC Silicon	1,107,422	0.63
	<b>SPAIN (30 April 2015: 3.35%)</b>	<b>9,294,741</b>	<b>5.26</b>
3,482,691	Bankia SA	2,892,375	1.64
665,942	Euskaltel	6,402,366	3.62
	<b>SWITZERLAND (30 April 2015: 3.62%)</b>	<b>8,718,654</b>	<b>4.94</b>
118,754	Logitech	1,662,223	0.94
116,853	Sunrise Communications	7,056,431	4.00
	<b>TURKEY (30 April 2015: 0.00%)</b>	<b>3,631,891</b>	<b>2.06</b>
146,907	Tupras-Turkiye Petrol Rafine	3,631,891	2.06
	<b>UNITED KINGDOM (30 April 2015: 16.88%)</b>	<b>39,422,751</b>	<b>22.31</b>
708,300	Barratt Developments	5,005,103	2.83
79,362	Carnival	3,754,185	2.12
1,623,811	Ibstock	4,197,564	2.38
761,285	International Consolidated Airlines Group	5,312,300	3.01
316,994	Just-Eat	1,508,722	0.85
1,428,883	Michelmersh Brick Holdings	1,486,841	0.84
1,021,636	Ocado Group*† (992,000)	3,736,871	2.12
192,614	Persimmon	5,064,116	2.87
1,434,682	Royal Bank of Scotland	4,031,668	2.28
2,219,280	Taylor Wimpey	5,325,381	3.01

The accompanying notes form an integral part of these Financial Statements.



**ARGONAUT PAN EUROPEAN ALPHA FUND**

**SCHEDULE OF INVESTMENTS  
AS AT 31 MARCH 2016 (continued)**

<b>Holdings</b>	<b>Financial Assets at Fair Value through Profit or Loss</b>	<b>Fair Value €</b>	<b>% of Net Asset Value</b>
<b>EQUITIES (CONTINUED)</b>			
	<b>UNITED STATES (30 April 2015: 5.42%)</b>	-	-
<hr/>			
	<b>Total Financial Assets at Fair Value through Profit or Loss</b>	<b>176,218,886</b>	<b>99.75</b>
<hr/>			
	<b>FORWARD FOREIGN EXCHANGE CONTRACTS**</b> (30 April 2015: 0.00%)		
	Buy GBP 5,752,669 Sell TRY 18,175,359 14/04/2016	(45,939)	(0.03)
<hr/>			
	<b>Total Forward foreign exchange contracts**</b>	<b>(45,939)</b>	<b>(0.03)</b>
<hr/>			
	<b>Total Financial Liabilities at Fair Value through Profit or Loss</b>	<b>(45,939)</b>	<b>(0.03)</b>
<hr/>			
	<b>Total Financial Assets and Liabilities at Fair Value through Profit or Loss</b>	<b>176,172,947</b>	<b>99.72</b>
	<b>Other Net Assets</b>	<b>490,873</b>	<b>0.28</b>
<hr/>			
	<b>Net Assets Attributable to Holders of Redeemable Participating Shares</b>	<b>176,663,820</b>	<b>100.00</b>
<hr/>			
	<b>Analysis of total assets</b>		<b>% of total assets</b>
	Transferable securities admitted to official stock exchange listing or dealt in on another regulated market.		94.83
	Other assets		5.17
<hr/>			
			<b>100.00</b>
<hr/>			

\*The counterparties for the securities on loan is UBS.

# The counterparties for the securities on loan is Deutsche Bank.

\*\*The counterparty for the forward contracts is HSBC Bank Plc.

† Securities on loan, amounts on loan disclosed in note 12.

The accompanying notes form an integral part of these Financial Statements.

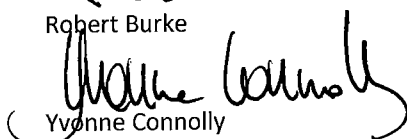
ARGONAUT PAN EUROPEAN ALPHA FUND

STATEMENT OF NET ASSETS  
AS AT 31 MARCH 2016

	Notes	31 March 2016 €	30 April 2015 €
<b>Assets</b>			
Cash and cash equivalents	1,11	7,913,996	4,014,456
Financial assets at fair value through profit or loss	1,2	176,218,886	164,459,803
Due from brokers	1	332,861	-
Due from shareholders	1	693,201	216,085
Dividends receivable		607,414	386,143
Other receivables and prepaid expenses		64,863	77,325
<b>Total assets</b>		<b>185,831,221</b>	<b>169,153,812</b>
<b>Liabilities</b>			
Bank overdraft	1,11	7,173,632	3,078,322
Financial liabilities at fair value through profit or loss	1,2	45,939	-
Due to brokers	1	1,176,560	-
Due to shareholders	1	407,451	12,732
Investment management fees payable	4	129,868	244,252
Administration fees payable	4	62,190	63,564
Other payables and accrued expenses	6	171,761	194,597
<b>Liabilities (excluding net assets attributable to holders of redeemable participating shares)</b>		<b>9,167,401</b>	<b>3,593,467</b>
<b>Net assets attributable to holders of redeemable participating shares</b>		<b>176,663,820</b>	<b>165,560,345</b>



Robert Burke



Yvonne Connolly

21 July 2016

The accompanying notes form an integral part of these Financial Statements.

**ARGONAUT PAN EUROPEAN ALPHA FUND**

**INCOME STATEMENT  
FOR THE PERIOD FROM 1 MAY 2015 TO 31 MARCH 2016**

	Notes	For the period from 1 May 2015 to 31 March 2016 €	For the period from 1 April 2014 to 30 April 2015 €
<b>Investment income</b>			
Dividend income	1	2,700,924	2,352,073
Stock lending income	12	87,395	14,513
Interest income	1	6,058	499
Net (loss)/gain on financial assets at fair value through profit or loss	3	(16,056,846)	23,469,655
<b>Total investment (loss)/income</b>		<b>(13,262,469)</b>	<b>25,836,740</b>
<b>Expenses</b>			
Investment management fees	4	1,448,809	1,360,173
Administration fees	4	201,521	220,040
Tax and regulatory fees		47,956	30,544
Sub-Custodian fees		35,233	32,813
Depository fees	4	49,832	43,062
Registration fees		107,463	82,254
Legal fees		5,513	6,676
Audit fees	4	21,500	10,303
Directors' fees and expenses	4	19,008	18,065
Other expenses	5	171,387	162,026
<b>Total operating expenses</b>		<b>2,108,222</b>	<b>1,965,956</b>
<b>Net investment (loss)/income</b>		<b>(15,370,691)</b>	<b>23,870,784</b>
<b>Finance costs</b>			
Interest expense		(167,892)	(24,419)
Distributions to holders of redeemable participating shares	8	(97,891)	(226,885)
<b>Total finance costs</b>		<b>(265,783)</b>	<b>(251,304)</b>
<b>(Loss)/profit before tax</b>		<b>(15,636,474)</b>	<b>23,619,480</b>
Withholding tax on dividends and other investment income	1	(376,277)	(284,635)
<b>(Decrease)/increase in net assets attributable to holders of redeemable participating shares before adjustment</b>		<b>(16,012,751)</b>	<b>23,334,845</b>

Gains and losses arise solely from continuing operations. There were no gains or losses other than those included in the Income Statement.

  
Robert Burke

  
Yvonne Connolly

21 July 2016

The accompanying notes form an integral part of these Financial Statements.

**ARGONAUT PAN EUROPEAN ALPHA FUND**

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO  
HOLDERS OF REDEEMABLE PARTICIPATING SHARES  
FOR THE PERIOD FROM 1 MAY 2015 TO 31 MARCH 2016**

	For the period from 1 May 2015 to 31 March 2016 €	For the period from 1 April 2014 to 30 April 2015 €
<b>Net assets attributable to holders of redeemable participating shares at beginning of period</b>	165,560,345	140,507,886
(Decrease)/increase in net assets attributable to holders of redeemable participating shares from operations	(16,012,751)	23,334,845
Proceeds from redeemable participating shares issued	60,469,419	50,504,787
Payment on redemption of redeemable participating shares	(33,353,193)	(48,787,173)
<b>Net assets attributable to holders of redeemable participating shares at end of period</b>	<b>176,663,820</b>	<b>165,560,345</b>

The accompanying notes form an integral part of these Financial Statements.

**ARGONAUT PAN EUROPEAN ALPHA FUND**

**CASH FLOW STATEMENT  
FOR THE PERIOD FROM 1 MAY 2015 TO 31 MARCH 2016**

	For the period from 1 May 2015 to 31 March 2016 €	For the period from 1 April 2014 to 30 April 2015 €
<b>Cash flows from operating activities</b>		
Purchase of financial assets and settlement of financial liabilities	(183,090,885)	(242,054,167)
Proceeds from sale of financial assets and of financial liabilities	156,904,097	240,737,874
Realised and unrealised losses/(gains)	14,473,644	(23,461,850)
Increase in debtors	(541,670)	(277,446)
Increase/(decrease) in creditors	1,037,966	(7,050,734)
(Decrease)/Increase in net assets attributable to holders of redeemable participating shares from operations	(15,914,860)	23,561,730
<b>Net cash outflow from operating activities</b>	<b>(27,131,708)</b>	<b>(8,544,593)</b>
<b>Cash flows from financing activities</b>		
Proceeds from redeemable participating shares issued	59,992,303	51,913,196
Payment on redemption of redeemable participating shares	(32,958,474)	(48,893,351)
Distributions to holders of redeemable participating shares	(97,891)	(226,885)
<b>Net cash inflow from financing activities</b>	<b>26,935,938</b>	<b>2,792,960</b>
Net decrease in cash and cash equivalents	(195,770)	(5,751,633)
Cash and cash equivalents at beginning of period	936,134	6,687,767
<b>Cash and cash equivalents at end of period</b>	<b>740,364</b>	<b>936,134</b>
Cash and cash equivalents	7,913,996	4,014,456
Bank overdraft	(7,173,632)	(3,078,322)
<b>Cash and cash equivalents at end of period</b>	<b>740,364</b>	<b>936,134</b>
<b>Supplemental disclosures of cash flow information</b>		
Interest received	6,058	499
Interest paid	(167,892)	(24,419)
Dividends received	2,479,653	2,139,448
Dividends paid	(97,891)	(226,885)

The accompanying notes form an integral part of these Financial Statements.

**ARGONAUT PAN EUROPEAN ALPHA FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM 1 MAY 2015 TO 31 MARCH 2016**

**1. Principal accounting policies**

The significant accounting policies adopted by the Company are as follows:

**a) Basis of preparation**

The Financial Statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), as adopted by the European Union, and under the historical cost convention as modified for the revaluation of financial assets and liabilities at fair value through profit or loss. Accounting Standards are consistently applied to all years presented unless otherwise stated.

The preparation of the Financial Statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Actual results could differ from those estimates and these differences could be material. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision, and future years if the revision affects both current and future years. All references to net assets throughout this document refer to net assets attributable to holders of redeemable participating shares unless otherwise stated.

**b) Basis of valuation of investments**

All investments of the Fund are valued in accordance with the Prospectus at the mid-market dealing prices as at 12 noon.

For these Financial Statements a separate valuation was prepared for each Fund to close of business 31 March 2016. A reconciliation between the last dealing NAV of the period, 31 March 2016 and the NAV used for Financial Statements purposes is provided in note 14.

**c) Financial assets and liabilities at fair value through profit and loss**

The Company has designated its investments into the financial assets and liabilities at fair value through profit or loss category and as such they are valued on a fair value basis. This category has two sub-categories: financial assets and liabilities held for trading, and those designated by management at fair value through profit or loss at inception. All financial assets and liabilities at fair value through profit or loss are measured at fair value. Financial assets or liabilities held for trading are acquired or incurred principally for the purpose of selling or repurchasing in the short term.

Investment transactions are accounted for on the trade date. Investments are initially recognised at fair value and are derecognised when the rights to receive cash flows from these investments have expired or the Fund has transferred substantially all rights and rewards of ownership. Realised gains/losses on disposals of investments are calculated on the Average Cost Method and are recognised in the Income Statement.

**Valuation**

The fair value of financial instruments traded in active markets is based on mid prices for long positions and short positions at the Statement of Net Assets date. Financial instruments for which market quotes are not readily available are valued at fair value as determined in good faith by the Board of Directors (Nil% of Net Asset Value (2015: Nil%)).

Deposits shall be valued at their principal amount.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1. Principal accounting policies (continued)

c) Financial assets and liabilities at fair value through profit and loss (continued)

**Fair value measurement disclosures**

IFRS 7 requires disclosures of financial instruments measured at fair value to be based on a three-level fair value hierarchy that reflects the significance of the inputs in such fair value measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date;
- Level 2 Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active;
- Level 3 Inputs that are unobservable.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgement by the Directors. Directors consider observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to Directors' perceived risk of that instrument.

d) Investment income

Interest income from financial assets at fair value through profit or loss is recognised in the Income Statement within interest income using the effective interest method. Dividend income from financial assets at fair value through profit or loss is recognised in the Income Statement within dividend income when the Fund's right to receive payments is established.

e) Interest income

Interest income is accounted for on an effective interest basis.

f) Interest expense

Interest expense is accounted for on an effective interest basis.

g) Distributions payable to holders of redeemable participating shares

Proposed distributions to holders of redeemable participating shares are classified as finance costs in the Income Statement when they are ratified by a Board meeting of the Company.

## ARGONAUT PAN EUROPEAN ALPHA FUND

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 1. Principal accounting policies (continued)

##### **h) Stocklending income**

The Company engages in approved stock lending transactions whereby it may dispose of securities to a counterparty in return for which it agreed that securities of the same kind and amount should be transferred back to the Company at a later date. The agreement has the substance of a loan of the Company's securities in return for collateral. The income earned from the securities lending programme is recorded in the Income Statement. Securities lending income is accounted for on an accruals basis.

##### **i) Dilution charges**

Anti-dilution levies are included in the proceeds from redeemable participating shares issued and payment on redemption of redeemable participating shares in the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares. These are disclosed in note 4.

##### **j) Foreign currency translation**

###### **(i) Functional and presentation currency**

Items included in the Company's and Funds' Financial Statements are measured using the currency of the primary economic environment in which they operate. This is Euro for the Argonaut Pan European Alpha Fund. The Company has also adopted the currency as the presentation currency of the Funds. The overall Company totals are presented in Euro as this is the base currency of both the Funds.

###### **(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement. Translation differences on non-monetary financial assets and liabilities such as equities at fair value through profit or loss are recognised in the Income Statement within the fair value net gain or loss.

##### **k) Withholding tax and capital gains tax**

The Company may be subject to local withholding taxes in respect of income or gains derived from its investments in certain countries. Taxation law and practice and the levels and bases of and reliefs from taxation relating to the Company and to its Shareholders may change from time to time. Withholding tax on dividends and other investment income is reflected in the Income Statement. Capital gains tax may be incurred on certain capital gains made by the Funds.

##### **l) Expenses**

Expenses are accounted for on an accruals basis and are charged to the Income Statement.

##### **m) Redeemable participating shares**

Redeemable participating shares are redeemable at the Shareholders' option and are classified as financial liabilities. The redeemable participating shares can be put back to the relevant Fund on any dealing day for cash equal to a proportionate share of that Fund's Net Asset Value per share.



## ARGONAUT PAN EUROPEAN ALPHA FUND

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 1. Principal accounting policies (continued)

##### n) Cash and cash equivalents and bank overdraft

Cash and cash equivalents consist of cash in hand and deposits with banks with original maturities of three months or less and bank overdrafts. Cash, bank overdrafts and other liquid assets will be valued at their face value with interest accrued, where applicable, at the Statement of Net Assets date.

##### o) Due from/to brokers

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the Statement of Net Assets date.

These amounts are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment for amounts due from brokers, if any. A provision for impairment of amounts due from brokers is established when there is objective evidence that the Funds will not be able to collect all amounts due from the relevant broker.

Restricted cash provided by the Funds is identified in the Statement of Net Assets as due from broker and is not included as a component of cash.

##### p) Due from/to Shareholders

Amounts due from and to shareholders represent receivables for subscriptions sold and payables for redemptions that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

##### q) Transaction costs

Transaction costs are incremental costs, which are separately identifiable and directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. Transaction costs include fees and commissions paid to brokers and counterparties, fees paid to the Depositary on trade settlement and any capital gains taxes. Transaction costs are expensed as incurred and are included within 'Net gain/(loss) on financial assets at fair value through profit or loss' in the Income Statement.

##### r) Accounting standards and amendments

###### *Accounting standards adopted*

**Amendment to IAS 24, 'Related Party Disclosures':** Amendment to IAS 24, issued in December 2013, extends the definition of a related party to include a management entity that provides key management personnel services to the reporting entity. The amendment specifies that if key management personnel services are provided by a management entity, then the reporting entity is required to separately disclose the amounts incurred for the provision of key management personnel services that are provided by that management entity. However, the reporting entity is not required to look through the management entity and disclose compensation paid by the management entity to its employees and directors.

Amendment to IAS 24 is effective for annual reporting periods beginning on or after 1 July 2014, with early adoption permitted. The amendment is not expected to have a material impact on the Company.

###### *Accounting standards in issue but not yet effective*

**IFRS 9, 'Financial Instruments' (effective 1 January 2018):** IFRS 9, published in July 2014, will replace the existing guidance in IAS 39. It includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. Based on the initial assessment, this standard is not expected to have a material impact on the Company.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1. Principal accounting policies (continued)

r) Accounting standards and amendments (continued)

***Accounting standards in issue but not yet effective (continued)***

**Amendments to IFRS 10, IFRS 12 and IAS 28:** On 18 December 2014, the International Accounting Standards Board (IASB) issued Investment Entities: Applying the Consolidation Exception (amendments to IFRS 10, IFRS 12 and IAS 28). The amendments address the following issues that have arisen in applying the investment entities exception under IFRS 10 Consolidated Financial Statements:

-Exemption from preparing consolidated financial statements: the amendments clarify that the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value.

-Subsidiary that provides services that support the investment entity's investment activities: the amendments clarify that only a subsidiary that is not an investment entity itself and provides support services to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value.

-Application of the equity method by a non-investment entity that has an interest in an associate or joint venture that is an investment entity: the amendments to IAS 28 Investments in Associates and Joint Ventures allow the investor, when applying the equity method, to retain the fair value measurement applied by the investment entity associate or joint venture to its interests in subsidiaries.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2016, with early adoption permitted. Based on the initial assessment, this standard is not expected to have a material impact on the Fund.

**Amendments to IAS 1 Presentation of Financial Statements:** In December 2014, the International Accounting Standards Board issued amendments to IAS 1 Presentation of Financial Statements and an exposure draft proposing amendments to IAS 7 Statement of Cash Flows as part of its Disclosure Initiative.

The following narrow-scope amendments have been made to IAS 1:

-Materiality and aggregation: clarifies that an entity should not obscure useful information by aggregating or disaggregating information; and that materiality considerations apply to the primary statements, notes and any specific disclosure requirements in IFRSs, i.e. disclosures specifically required by IFRSs need to be provided only if the information is material.

-Statement of Financial Position and Statement of Comprehensive Income: clarifies that the list of line items specified by IAS 1 for these statements can be disaggregated and aggregated as relevant. Additional guidance has been added on the presentation of subtotals in these statements.

-Presentation of items of other comprehensive income ("OCI"): clarifies that an entity's share of OCI of equity-accounted associates and joint ventures should be presented in aggregate as single line items based on whether or not it will subsequently be reclassified to profit or loss.

-Notes: clarifies that entities have flexibility when designing the structure of the notes and provides guidance on how to determine a systematic order of the notes. Also, unhelpful examples regarding the identification of significant accounting policy have been removed.

The amendments are applicable for annual periods beginning on or after 1 January 2016, with early adoption permitted. Based on the initial assessment, this standard is not expected to have a material impact on the Fund.

# ARGONAUT PAN EUROPEAN ALPHA FUND

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 2. Financial assets and liabilities at fair value through profit or loss

The following tables present the financial assets and liabilities carried on the Statement of Net Assets date by caption and by level within the valuation hierarchy as at 31 March 2016 and 30 April 2015.

#### Argonaut Pan European Alpha Fund

31 March 2016	Level 1 €	Level 2 €	Level 3 €	Total €
<b>Financial assets at fair value through profit or loss</b>				
Equities	176,218,886	-	-	176,218,886
	<b>176,218,886</b>	-	-	<b>176,218,886</b>
<b>Financial liabilities at fair value through profit or loss</b>				
Forward foreign exchange contracts	-	(45,939)	-	(45,939)
	-	<b>(45,939)</b>	-	<b>(45,939)</b>

30 April 2015	Level 1 €	Level 2 €	Level 3 €	Total €
<b>Financial assets at fair value through profit or loss</b>				
Equities	164,459,803	-	-	164,459,803
	<b>164,459,803</b>	-	-	<b>164,459,803</b>

In determining an instrument's placement within the hierarchy, the Directors separate the Company's investment portfolio into two categories: investments and derivative instruments. Each of these categories can further be divided between financial assets or financial liabilities. There was no movement between levels during the period.

#### Investments

Investments whose values are based on quoted market prices in active markets, and are therefore classified within level 1, include active listed equities. The Company does not adjust the quoted price for such instruments, even in situations where the Company holds a large position and a sale could reasonably impact the quoted price.

Investments that trade in markets that are not considered to be active, but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently or not at all. No such investments were held at 31 March 2016 or 30 April 2015.

# ARGONAUT PAN EUROPEAN ALPHA FUND

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 2. Financial assets and liabilities at fair value through profit or loss (continued)

#### Derivative instruments

Derivative instruments can be exchange-traded or privately negotiated over-the-counter ("OTC"). Exchange-traded derivatives, such as futures contracts are typically classified within level 1 or level 2 of the fair value hierarchy depending on whether or not they are deemed to be actively traded. OTC derivatives are valued by the Directors using observable inputs, such as quotations received from the counterparty, dealers or brokers, whenever available and considered reliable.

In instances where models are used, the value of an OTC derivative depends upon the contractual terms of, and specific risks inherent in, the instrument as well as the availability and reliability of observable inputs. Such inputs include market prices for reference securities, yield curves, credit curves, measures of volatility, prepayment rates and correlations of such inputs. Certain OTC derivatives, such as forward foreign exchange contracts, have inputs which can generally be corroborated by market data and are therefore classified within level 2.

As at 31 March 2016 the Company holds forward foreign exchange contracts (30 April 2015: Nil).

The Company has not disclosed the fair values in a fair value hierarchy for other assets and liabilities (excluding investments) as their carrying values are a reasonable approximation of fair value.

#### Offsetting Financial Instruments

The following tables present the Fund's financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements as at 31 March 2016.

Financial liabilities which are subject to enforceable master netting arrangements or similar agreements are detailed in the following table.

Description of type of Financial Liabilities	Gross amount of recognised Financial Liabilities	Gross amounts of Financial Assets offset in the Statement of Financial Position	Net amount of Financial Liabilities presented in the Statement of Financial Position	Gross amounts not offset in the Statement of Financial Position		Net amount
				Financial instrument	Cash Collateral pledged	
	€	€	€	€	€	€
Forward foreign exchange contract	45,939	-	45,939	-	-	45,939
	45,939	-	45,939	-	-	45,939

## ARGONAUT PAN EUROPEAN ALPHA FUND

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 3. Net gains/(losses) on financial assets and liabilities at fair value through profit or loss

Net gains/(losses) on financial assets and liabilities at fair value through profit or loss for the period from 1 May 2015 to 31 March 2016 were as follows:

	Argonaut Pan European Alpha Fund €
Net realised gains/(losses) on:	
- Financial assets and liabilities at fair value through profit or loss	9,916,680
- Foreign exchange	(1,115,131)
Movement in unrealised depreciation on:	
- Financial assets and liabilities at fair value through profit or loss	(24,401,775)
- Foreign exchange	(456,620)
	<u>(16,056,846)</u>

Net gains/(losses) on financial assets and liabilities at fair value through profit or loss for the period from 1 April 2014 to 30 April 2015 were as follows:

	Argonaut Pan European Alpha Fund €
Net realised gains/(losses) on:	
- Financial assets and liabilities at fair value through profit or loss	11,263,349
- Foreign exchange	(15,341)
Movement in unrealised appreciation on:	
- Financial assets and liabilities at fair value through profit or loss	12,171,655
- Foreign exchange	49,992
	<u>23,469,655</u>

#### 4. Fees and expenses

##### Investment management fees and expenses

Under the provisions of the Investment Management Agreement, each Fund or class of shares pays the Investment Manager a fee in respect of its duties as Investment Manager of that Fund or class of shares. The Investment Manager does not receive any additional fee from the Company in respect of its appointment as Distributor and UK Facilities Agent under the Distribution Agreement. Investment management fees are as follows:

Class A	1.50% of the Net Asset Value per annum
Class I	0.75% of the Net Asset Value per annum
Class X	1.50% of the Net Asset Value per annum

The fees accrue daily and are payable monthly in arrears. The Directors may elect to charge investment management fees and expenses out of the capital of a Fund as set out in the applicable supplement, should they wish to generate distributable profits. The Company pays all out of pocket expenses incurred by the Investment Manager. Investment management fees charged for the period amounted to €1,448,809 (2015: €1,360,173) of which €129,868 (2015: €244,252) were payable at 31 March 2016.

## ARGONAUT PAN EUROPEAN ALPHA FUND

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 4. Fees and expenses (continued)

##### Administration fees

The Administrator is entitled to an annual fee payable by the Fund. This is currently equal to 9 basis points per annum (plus VAT, if any) subject to a minimum annual fee per Fund with one share class of €60,000 and a minimum annual fee per additional share class of €3,000. The Administrator shall also be entitled to an annual fee of €11,000 for the preparation of annual and semi-annual financial statements for the Company. Such fees will be accrued daily and are payable monthly in arrears. The Administrator is also entitled to any reasonable fees and out of pocket expenses incurred on behalf of the Company.

The Administrator will also be entitled to the payment of fees for acting as Registrar and Transfer Agent and transaction charges (which are charged at normal commercial rates), which are based on transactions undertaken by the Fund, the number of subscriptions, redemptions, exchanges and transfer of Shares processed by the Administrator and time spent on company shareholder servicing duties and to the reimbursement of operating expenses. Administration fees charged for the period amounted to €201,521 (2015: €220,040) of which €62,190 (2015: €63,564) was payable at 31 March 2016.

##### Depositary fees

The Depositary is entitled to an annual fee payable by the Fund. This is currently equal to 3 basis points per annum (plus VAT if any) subject to a minimum annual fee of €30,000 (plus VAT, if any) per Fund. The Depositary is also entitled to any reasonable fees and out of pocket expenses incurred while discharging its duties on behalf of the Company.

Depositary fees charged for the period amounted to €49,832 (2015: €43,062) of which €4,449 (2015: €4,154) was payable at 30 April 2015.

##### Directors' fees and expenses

The Directors are entitled to a fee in remuneration for their services at a rate to be determined from time to time by the Directors, but so that the aggregate amount of Directors' remuneration in any one year shall not exceed €130,000. The Directors may also be paid all travelling, hotel and other expenses, properly incurred by them, in attending and returning from meetings of the Directors or general meetings of the Company or in connection with the business of the Company. Out of the four directors, only two directors are paid remuneration and the other two Directors do not receive any fees.

The Directors may in addition to such remuneration grant special remuneration to any Director who, being called upon, performs any special or extra services to or at the request of the Company and such remuneration shall be at normal commercial rates. Directors' fees and expenses for the period were €19,008 (2015: €18,065).

##### Audit fees

Fees accrued (exclusive of VAT) to the statutory Auditors, PricewaterhouseCoopers, in respect of the period ended 31 March 2016 and 30 April 2015 are as follows:

	31 March 2016 €	30 April 2015 €
Audit of Financial Statements	21,500	10,303
Total	<u>21,500</u>	<u>10,303</u>

## ARGONAUT PAN EUROPEAN ALPHA FUND

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 4. Fees and expenses (continued)

##### Dilution charges

From time to time participating Shareholders may be required to pay an anti-dilution levy. The market value of the subscription/redemption price per Share may be increased/decreased, at the discretion of the Directors, by a charge to cover the dealing costs involved in trading the underlying investments of the relevant Fund as set out in the applicable Supplement. The levy is intended to protect existing and continuing Shareholders against the dilution of the value of their investment on account of these charges.

In addition, the Directors may in their absolute discretion charge a subscription fee, payable to the Investment Manager, of up to 5 per cent of the aggregate investment amount subscribed. This fee may be paid in full or in part by the Investment Manager to introducing agents and intermediaries. Where the amount subscribed for Shares is not equivalent to an exact number of Shares, fractions of Shares may be issued and will be rounded to the third decimal place.

Anti-dilution levies are included in the proceeds from redeemable participating shares issued and payment on redemption of redeemable participating shares in the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares.

During the period the following dilution charges were applied:

Fund	Date	Basis Points Fee Charged
Argonaut Pan European Alpha Fund	27/05/2015	26bps
Argonaut Pan European Alpha Fund	29/06/2015	24bps

##### Transaction costs

The below tables provide an analysis of the total transaction costs for the period from 1 May 2015 to 31 March 2016.

	31 March 2016	30 April 2015
Argonaut Pan European Alpha Fund	€1,055,918	€1,595,810

#### 5. Other expenses

Other expenses as at 31 March 2016 were as follows:

	Argonaut Pan European Alpha Fund €
Manager fees	56,718
Directors' insurance	12,542
Publication, printing and translation fees	28,836
Miscellaneous expenses*	73,291
	<b>171,387</b>

\*Miscellaneous expenses include: stock exchange fees, bank charges, launch costs of share classes (where applicable), Reporting Fund Status application fees, travel, hotel and car mileage and vat preparation fees.

# ARGONAUT PAN EUROPEAN ALPHA FUND

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 5. Other expenses (continued)

Other expenses as at 30 April 2015 were as follows:

	Argonaut Pan European Alpha Fund €
Management fees	39,297
Directors' insurance	11,704
Publication, printing and translation fees	33,899
Miscellaneous expenses*	77,126
	<b>162,026</b>

\*Miscellaneous expenses include: termination fees, stock exchange fees, bank charges, launch costs of share classes (where applicable), Reporting Fund Status application fees, travel, hotel and car mileage and vat preparation fees.

### 6. Other payables and accrued expenses

Other payables and accrued expenses as at 31 March 2016 were as follows:

	Argonaut Pan European Alpha Fund €
Manager fee payable	18,871
Audit fees payable	21,500
Publication, printing and translation fees payable	27,417
Registration fees payable	1,626
Directors' fees payable	73
Depositary fees payable	4,449
Withholding tax on dividends payable	87,831
Financial reporting fee payable	2,653
Miscellaneous expenses payable**	7,341
	<b>171,761</b>

Other payables and accrued expenses as at 30 April 2015 were as follows:

	Argonaut Pan European Alpha Fund €
Manager fee payable	29,425
Tax and regulatory fees payable	5,174
Audit fees payable	10,358
Publication, printing and translation fees payable	35,334
Registration fees payable	30,921
Directors' fees payable	-
Depositary fees payable	4,154
Withholding tax on dividends payable	43,047
Financial reporting fee payable	2,659
Miscellaneous expenses payable**	33,525
	<b>194,597</b>

\*\*Miscellaneous expenses payable include: government registration fees payable, interest payable, stock exchange fees payable and VAT preparation fees payable.



## ARGONAUT PAN EUROPEAN ALPHA FUND

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 7. Taxation

The Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act 1997, as amended. It is not chargeable to Irish tax on its income and gains.

Tax may arise on the happening of a chargeable event. A chargeable event includes any distribution payments to Shareholders or any encashment, redemption or transfer of shares. No tax will arise on the Company in respect of chargeable events in respect of: -

- (i) a Shareholder who is not Irish tax resident and not ordinarily tax resident in Ireland at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended are held by the Company; and
- (ii) certain exempted Irish tax resident investors who have provided the Company with the necessary signed statutory declarations.

Dividends, interest and capital gains, (if any), received on investments made by the Company may be subject to withholding taxes imposed by the country from which the investment income or gains are received and such taxes may not be recoverable by the Company or its Shareholders.

#### **Accumulation shares**

The Directors do not intend to pay a dividend in respect of Accumulation Share Classes.

#### **Distribution shares**

Any dividend payment in respect of a Fund shall be made in accordance with the dividend policy of that Fund as set out in the applicable supplement.

#### 8. Dividend policy

##### **Accumulation shares**

The directors do not intend to pay a dividend in respect of Accumulation Share Classes.

##### **Distribution shares**

Any dividend payment in respect of a Fund shall be made in accordance with the dividend policy of that Fund as set out in the applicable supplement.

**The dividends paid during the period ended 31 March 2016 were as follows:**

<b>Argonaut Pan European Alpha Fund</b>	<b>Ex-Date</b>	<b>Rate</b>
Euro 'I' Distribution	15 May 2015	€0.00308
Sterling 'I' Distribution	15 May 2015	£0.00394

**The dividends paid during the period ended 30 April 2015 were as follows :**

<b>Argonaut Pan European Alpha Fund</b>	<b>Ex-Date</b>	<b>Rate</b>
Euro 'A' Distribution	16 May 2014	€0.00146
Euro 'I' Distribution	16 May 2014	€0.00997
Sterling 'A' Distribution	16 May 2014	£0.00216
Sterling 'I' Distribution	16 May 2014	£0.01383

## ARGONAUT PAN EUROPEAN ALPHA FUND

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 9. Use of financial instruments

##### Strategy in using financial instruments

The Company's activities expose it to a variety of financial risks: market risk (including price risk, currency risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. As an investment company, in pursuing the objectives set out in the prospectus, the Company's Funds hold financial instruments and derivatives. The Fund's global exposure (as prescribed in the UCITS) relating to Financial Derivative Instruments must not exceed its total Net Asset Value. These objectives were pursued for all Funds until period end or termination date.

**The Funds' objectives and policies are as follows:**

##### Argonaut Pan European Alpha Fund

The investment objective of the Argonaut Pan European Alpha Fund is to achieve long-term capital growth. As stated in the prospectus, the investment policy of the Fund is to invest predominantly in a concentrated portfolio of approximately 30-50 stocks of companies incorporated in Europe including the United Kingdom. The Fund is not constrained by any index weightings and does not concentrate on any particular country or sector but invests from a broad range of stocks without regard to market capitalisation.

##### Investment policies applicable to all Funds

In addition to the above investment policies, all of the Funds are permitted to invest up to 10% of the Net Asset Value of the Fund in Collective Investment Schemes, subject to certain Investment Restrictions.

Although the Investment Manager will pursue the investment policy of each Fund as set out above, in the event that the Investment Manager is unable to identify suitable investments, it may also invest, on a temporary basis, up to 100% of its net assets in Cash Deposits and Money Market Instruments issued in the UK with a minimum rating of AAA (such as commercial paper, floating rate notes and/or Cash Deposits denominated in such currency or currencies as the Investment Manager may determine and listed or traded on the London Stock Exchange).

All Funds may also invest in fixed income securities such as government and corporate bonds, treasury bills, commercial paper, promissory notes (which shall be freely transferable), fixed interest and floating rate and zero coupon notes and certificates of deposit, all of which are listed or traded on Recognised Markets and are of Investment Grade or higher. All Funds have the ability to invest in derivatives such as warrants, convertible bonds, foreign exchange forwards, futures, options, stocklending and portfolio swaps for the purpose of efficient portfolio management only, subject to certain conditions. These techniques and instruments may only be used for reducing risk, reducing cost or generating additional capital for the Fund. The Company's Board of Directors has delegated the risk management function to Argonaut Capital Partners LLP, the Investment Manager. As such, Argonaut Capital Partners LLP believes that it has taken the necessary steps to ensure that risk is properly identified, controlled and managed.

## ARGONAUT PAN EUROPEAN ALPHA FUND

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 9. Use of financial instruments (continued)

##### Market price risk

All securities and other financial instruments present a risk of loss of capital. The Investment Manager moderates this risk through a careful selection of securities and other financial instruments within specified limits. Each Fund's limits are detailed in the Fund's Supplements. Except for derivatives and equities sold short, the maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. Derivatives and short sales made by Funds involve certain risks and special consideration. Possible losses from short sales, portfolio swaps and written options differ from losses that could be incurred from a purchase of a security, because such losses may be unlimited, whereas losses from purchases cannot exceed the total amount invested. The Funds' overall market positions are monitored on a daily basis by the Investment Manager and are reviewed on a quarterly basis by the Board of Directors.

Each Fund's equity and debt securities and trading derivative financial instruments are susceptible to market price risk arising from uncertainties about future prices of the instruments.

A 5% increase in equity prices as at 31 March 2016 would have increased the net assets attributable to holders of redeemable shares and the changes in net assets attributable to holders of redeemable shares as detailed in the table below. An equal change in the opposite direction would have decreased the net assets attributable to holders of redeemable shares by an equal but opposite amount. The market could move by more or less than 5% and there was no direct correlation between the market and the Fund securities.

Fund Name	2016		2015	
	Fair Value of Investments	+/- 5% of Fair Value	Fair Value of Investments	+/- 5% of Fair Value
Argonaut Pan European Alpha Fund	€176,218,886	€8,810,944	€164,459,803	€8,222,990

The Investment Manager manages and monitors market price risk through the use of a variety of risk measurement techniques.

##### Interest rate risk

The Funds' financial assets and liabilities are non-interest bearing. As a result, the Funds are not subject to risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates (see note 11). In general, if interest rates rise the income potential of the Company also rises but the value of fixed rate securities will decline. A decline in interest rates will in general have the opposite effect.

In accordance with the Company's investment objectives, the Investment Manager manages the Company's exposure to interest rate risk by monitoring cash balances on a daily basis and through adherence to the investment parameters as detailed in the prospectus for any bonds and fixed income securities held by the Funds.

# ARGONAUT PAN EUROPEAN ALPHA FUND

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 9. Use of financial instruments (continued)

#### Currency risk

The individual Funds hold assets denominated in currencies other than the functional currency of each Fund. Each is therefore exposed to currency risk, as the value of the securities denominated in other currencies will fluctuate due to changes in exchange rates.

The table below summarises the Company's exposure to currency risks. In accordance with the Company's investment objectives, the Investment Manager manages each Fund's exposure to currency risk by monitoring the portfolio on a daily basis and through adherence to the investment parameters as detailed in the prospectus.

#### Argonaut Pan European Alpha Fund

Currency	Monetary €		Non - Monetary €		Net €	
	31 March 2016	30 April 2015	31 March 2016	30 April 2015	31 March 2016	30 April 2015
Danish Krone	94,282	-	14,081,851	9,884,196	14,176,133	9,884,196
Norwegian Krone	305,166	103,687	15,069,224	11,032,172	15,374,390	11,135,859
Pound Sterling	9,597,453	4,004,004	39,422,750	27,944,885	49,020,203	31,948,889
Swedish Krona	36	36	-	-	36	36
Swiss Franc	(1,224,730)	(2,206)	8,718,654	5,985,738	7,493,924	5,983,532
Turkish Lira	(2,122,684)	-	3,631,891	-	1,509,207	-
US Dollar	5,023	5,639	16,878,888	8,972,749	16,883,911	8,978,388
<b>Total</b>	<b>6,654,546</b>	<b>4,111,160</b>	<b>97,803,258</b>	<b>63,819,740</b>	<b>104,457,804</b>	<b>67,930,900</b>

Sensitivity analysis below shows a 5% movement in foreign currency rates against the Euro at the Statement of Net Assets date on Argonaut Pan European Alpha Fund:

	31 March 2016 €	30 April 2015 €
Total foreign currency risk	104,457,804	67,930,900
Impact of +/- 5% move in currencies	5,222,890	3,396,545
Effect on Fund NAV	2.96%	2.05%

## ARGONAUT PAN EUROPEAN ALPHA FUND

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 9. Use of financial instruments (continued)

##### Credit risk

The Investment Funds take on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Impairment provisions are provided for losses that have been incurred by the Statement of Net Assets date, if any. The Funds are exposed to credit risk on the counterparties, including the Depositary (HSBC) and the financial institutions where time deposits were placed.

The Fund's investments are held with the Depositary in segregated accounts and those investments will be separately identified and will be unavailable to the creditors of the Depositary in the event of its insolvency.

To mitigate the risks the Funds are exposed to from the use of the Depositary and other counterparties, the Investment Manager employs specific procedures to ensure that the depositary and other counterparties are reputable institutions and that the credit risk is acceptable to the Funds. These procedures fall within the remit of the Counterparty Risk Committee.

The credit rating of the Depositary (HSBC) is Aa2 as per Moody's.

All transactions in listed securities are settled/paid for upon delivery using approved depositary and brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the depositary or broker has received payment. Payment is made on a purchase once the securities have been received by the depositary or broker. The trade will fail if either party fails to meet its obligation. All due from/to broker amounts represent receivables for investments sold and payables for investments purchased.

All of the cash in Argonaut Capital Partners Internationals plc is held with HSBC Bank plc. None of the cash is held in a segregated account. The Funds will rank as a general creditor in an insolvency event.

Additionally, Funds engage in securities lending activities which expose the Funds to credit risk. The maximum exposure to each Fund is equal to the value of the securities loaned at 31 March 2016 as described in note 12. To mitigate this risk, the Funds take collateral which is in excess of the value of the securities loaned as disclosed in note 12. The programme is indemnified by HSBC Bank plc in the event of broker default.

The individual Funds' maximum exposure to credit risk at 30 April 2015 is summarized as follows:

##### Argonaut Pan European Alpha Fund

	31 March 2016		30 April 2015	
	Fair Value €	% of Net Asset Value	Fair Value €	% of Net Asset Value
Cash and cash equivalents	7,913,996	4.48	4,014,456	2.43
Due from brokers	332,861	0.19		
Due from shareholders	693,201	0.39	216,085	0.13
Dividends receivable	607,414	0.34	386,143	0.23
Other receivables and prepaid expenses	64,863	0.04	77,325	0.05
<b>Total</b>	<b>9,612,335</b>	<b>5.44</b>	<b>4,694,009</b>	<b>2.84</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. Use of financial instruments (continued)

**Credit risk (continued)**

In accordance with the Funds' policies, the Investment Manager manages the Funds' exposure to credit risk by monitoring the portfolio on a daily basis and through adherence to the investment parameters as detailed in the prospectus and the Board of Directors reviews it on a quarterly basis.

As an oversight of Credit Risk, the Investment Manager has a formal Counterparty Risk Committee which meets at least quarterly. This committee has responsibility for controlling risk of loss to clients arising from the default of counterparties for:

- Transactions in securities or foreign exchange
- Placing of deposits and transactions in money market instruments
- Stocklending
- Derivative transactions, including swaps
- Outstanding settlement reports

The scope of the Counterparty Risk Committee responsibilities is as follows:

- Ensure that processes are in place for the approval of new counterparties and review the monitoring and, if appropriate, the removal of existing counterparties
- Set, monitor and review exposure limits for deposits/cash instruments
- Set exposure limits and lending parameters for stock lending (subject to client approval)
- Establish and monitor arrangements for authorising fee payments to counterparties
- Authorise and review temporary breaches of exposure limits including, where necessary, new brokers and fee payments
- Ensure that there are procedures in place to monitor adherence to client guidelines or instructions relating to counterparty exposure
- Review overall operational risk tolerance from time to time with respect to counterparties and specifically consider whether changes in market conditions warrant a change in risk tolerance

The Fund restricts its exposure to credit losses on the trading derivative instruments it holds by entering into master netting arrangements with counterparties (approved brokers) with whom it undertakes a significant volume of transactions and by putting collateral arrangements in place, where appropriate. Master netting arrangements do not result in an offset of assets and liabilities, as transactions are usually settled on a gross basis.

However, the credit risk associated with favorable contracts is reduced by a master netting arrangement to the extent that if an event of default occurs, all amounts with the counterparty are terminated and settled on a net basis. The Funds' overall exposure to credit risk on derivative instruments subject to a master netting arrangement can change substantially within a short period, as it is affected by each transaction subject to the arrangement.

## ARGONAUT PAN EUROPEAN ALPHA FUND

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 9. Use of financial instruments (continued)

##### Liquidity risk

The Funds are exposed to daily cash redemptions of redeemable shares. They therefore invest the majority of their assets in investments that are traded in an active market and can be readily disposed of; they invest only a limited proportion of their assets in investments not actively traded on a stock exchange. The Funds' listed securities are considered readily realisable, as they are listed on the recognised securities exchanges. The Funds have the ability to borrow in the short term to ensure settlement. No formal borrowing has taken place during the period from 1 May 2015 to 31 March 2016 (1 April 2014 to 30 April 2015 - Nil) though short term overdraft positions have arisen due to settlement timing.

The Directors may, in their absolute discretion, limit the number of Shares that can be redeemed on any one Redemption Date to 10 per cent of the Net Asset Value of the applicable Fund. In this event, the limitation will apply pro rata so that all Shareholders wishing to have their Shares redeemed on that Redemption Date redeem the same proportion of such Shares, and Shares not redeemed will be carried forward for redemption on the next Redemption Date and all following Redemption Dates (in relation to which the Company will carry out the same procedure as described herein) until the original request has been satisfied in full. If requests for redemption are so carried forward, the Administrator will inform the Shareholders affected. Redemption requests carried forward will have priority over redemption requests received in respect of subsequent Redemption Dates.

The Funds may, from time to time, invest in derivative contracts traded over the counter, which are not traded in an organised market and may be illiquid. As a result, the Funds may not be able to liquidate quickly their investments in these instruments at an amount close to their fair value to meet their liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer.

In accordance with the Fund's policy, the Investment Manager manages the Funds' liquidity risk exposure by monitoring the portfolio on a daily basis and through adherence to the investment parameters as detailed in the prospectus and the Board of Directors reviews this on a quarterly basis.

The table below analyses the Funds' financial liabilities and net settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the Statement of Net Assets date to the contractual maturity date. The amounts disclosed in the table represent the undiscounted cash flows. Balances due within 3 months equal their carrying balances, as the impact of discounting is not significant. There are no balances that are due between 3 months to 13 months.

##### Argonaut Pan European Alpha Fund

	Less than 1 month		1-3 months	
	€	€	€	€
	31 March 2016	30 April 2015	31 March 2016	30 April 2015
Bank overdraft	7,173,632	3,078,322	-	-
Due to brokers	1,176,560	-	-	-
Due to Shareholders	407,451	12,732	-	-
Financial liabilities at fair value through profit or loss	45,939	-	-	-
Investment management fees payable	-	-	129,868	244,252
Administration fees payable	-	-	62,190	63,564
Other payables and accrued expenses	-	-	171,761	194,597
Net assets attributable to holders of redeemable participating shares	176,663,820	165,560,345	-	-
<b>Total</b>	<b>185,467,402</b>	<b>168,651,399</b>	<b>363,819</b>	<b>502,413</b>

## ARGONAUT PAN EUROPEAN ALPHA FUND

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 10. Exchange rates

The following exchange rates were used to translate assets and liabilities into the reporting currency of the Company (Euro) at 31 March 2016 and 30 April 2015.

	31 March 2016	30 April 2015
Czech Koruna	27.05575	27.44412
Danish Krone	7.45140	7.46411
Hong Kong Dollar	8.82313	8.67514
Norwegian Krone	9.41985	8.42173
Pound Sterling	0.78997	0.72564
Swedish Krona	9.23501	9.26769
Swiss Franc	1.09462	1.04767
Turkish Lira	3.21360	2.97628
United States Dollar	1.13780	1.11930

#### 11. Cash balances and collateralised borrowing

All of the cash in Argonaut Capital Partners International plc is held with HSBC Bank plc. From time to time the Fund will utilise short term overdraft facilities in connection with market trading settlements only.

Any restricted cash is included in the due from broker balances. No Fund had any restricted cash as at 31 March 2016 and 30 April 2015.

#### 12. Securities lending

A securities lending program was used for efficient portfolio management during the period. Further details are disclosed in the Schedule of Investments.

The Company is engaged in a securities lending program in accordance with an agreement with HSBC Bank plc (the "Bank") as securities lending agent dated 7 April 2006 and revised February 2014. The Company can lend securities with a value of up to 75% of the market value of the Fund. The Bank will apply a 0% holdback limit for each security held with the exception of UK equity and non-UK equity positions, for which 1% will apply. The Company receives cash, securities, financial instruments or other assets as collateral against the loaned securities.

As indicated in the stock lending agreement, the collateral will be between 102% and 105% of the value of the securities on loan. For the duration of every lending transaction all collateral must be marked to market daily, be transferred to the Depositary, or its agent, and must be immediately available to the Fund without recourse to the counterparty. Non cash collateral cannot be sold or pledged and must be held at the credit risk of the counterparty. Securities lending income is accounted for on an accruals basis and is received monthly in arrears.

Securities lending income is split in the following proportion: the Company (across the Fund that participate) (60%), Argonaut Capital Partners LLP (20%) and HSBC (20%). Income is returned to the UCITS in line with UCITS 12 requirements. The following is a breakdown of total securities lending income for the period from 1 May 2015 to 31 March 2016 and period from 1 April 2015 to 30 April 2015:

	31 March 2016	30 April 2015
	€	€
Net to the Fund	87,395	17,643
Argonaut	29,132	5,881
HSBC	29,132	5,881



## ARGONAUT PAN EUROPEAN ALPHA FUND

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 12. Securities lending (continued)

At 31 March 2016, the aggregate value of the securities on loan and the corresponding collateral held by the Participating Funds are shown below:

	Aggregate value of securities on loan 31 March 2016 €	*Aggregate value of collateral held 31 March 2016 €
Argonaut Pan European Alpha Fund	12,361,836	13,053,946
<b>Total</b>	<b>12,361,836</b>	<b>13,053,946</b>

*\* Collateral held in the form of other securities.*

At 30 April 2015, the aggregate value of the securities on loan and the corresponding collateral held by the Participating Funds are shown below:

	Aggregate value of securities on loan 30 April 2015 €	*Aggregate value of collateral held 30 April 2015 €
Argonaut Pan European Alpha Fund	8,805,064	9,247,946
<b>Total</b>	<b>8,805,064</b>	<b>9,247,946</b>

*\* Collateral held in the form of other securities.*

#### 13. Share capital

The Company has an authorized share capital of 100,000,300,000 shares divided into 100,000,000,000 redeemable participating shares of no par value and 300,000 subscriber shares of €1.00 each.

Subscriber Shareholders are entitled to one vote per Subscriber Share, have no right to any dividends and in a winding up are entitled to payment in respect of the nominal amount paid up thereon out of the assets of the Company. Subscriber shares in issue at 30 April 2015 have been included in the Financial Statements by way of this note only.

Redeemable participating Shareholders are entitled to one vote per Redeemable Participating Share, are entitled to such dividends as the Directors declare and in the event of a winding up are entitled, in priority to the holders of the Subscriber Shares, firstly to an amount equal to the Net Asset Value of the Redeemable Participating Shares of each class held at the date of winding up and, after payment of the holders of the Subscriber Shares of the nominal amount paid up thereon, to participate in surplus assets of the Company.

The rights of Shareholders in the Funds of the Company are represented by separate classes of Shares.

Share transactions for the period from 1 May 2015 to 31 March 2016 were as follows:

	Opening Balance 1 May 2015	Issued	Redeemed	Closing Balance 31 March 2016
<b>Argonaut Pan European Alpha Fund</b>				
Euro 'A' Accumulation	16,992,711	3,086,848	(5,256,087)	14,823,472
Euro 'A' Distribution	77,564	4,706,363	(158,807)	4,625,120
Sterling 'A' Accumulation	10,337	9,861	(5,306)	14,892
Sterling 'A' Distribution	141,684	11,240	(9,192)	143,732
Euro 'I' Accumulation	40,293,772	10,922,278	(7,681,764)	43,534,286
Euro 'I' Distribution	11,350,664	7,194,689	(2,244,490)	16,300,863
Sterling 'I' Distribution	11,095,238	4,660,953	(1,938,716)	13,817,475
Euro 'X' Accumulation	20,454	-	(17,144)	3,310

**ARGONAUT PAN EUROPEAN ALPHA FUND**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**13. Share capital (continued)**

Share transactions for the period from 1 April 2014 to 30 April 2015 were as follows:

	<b>Opening Balance 1 Apr 2014</b>	<b>Issued</b>	<b>Redeemed</b>	<b>Closing Balance 30 Apr 2015</b>
<b>Argonaut Pan European Alpha Fund</b>				
Euro 'A' Accumulation	20,865,441	6,777,432	(10,650,162)	16,992,711
Euro 'A' Distribution	168,174	11,854	(102,464)	77,564
Sterling 'A' Accumulation	52,072	13,336	(55,071)	10,337
Sterling 'A' Distribution	464,938	15,881	(339,135)	141,684
Euro 'I' Accumulation	43,578,198	10,042,449	(13,326,875)	40,293,772
Euro 'I' Distribution	8,191,741	5,234,718	(2,075,795)	11,350,664
Sterling 'I' Distribution	7,993,385	5,923,481	(2,821,628)	11,095,238
Euro 'X' Accumulation	81,233	39,074	(99,853)	20,454
US Dollar 'A' Accumulation	-	-	-	-

**Net asset value per share class**

**Argonaut Pan European Alpha Fund**

<b>Net asset value at end of period/year</b>	<b>31 March 2016</b>	<b>30 April 2015</b>	<b>31 March 2014</b>
Euro 'A' Accumulation Shares	€22,633,334	€28,429,062	€29,329,358
Euro 'A' Distribution Shares	€6,813,334	€125,161	€228,305
Sterling 'A' Accumulation Shares	£23,562	£16,458	£79,629
Sterling 'A' Distribution Shares	£230,908	£229,120	£723,001
Euro 'I' Accumulation Shares	€87,426,695	€88,063,759	€79,370,044
Euro 'I' Distribution Shares	€24,586,165	€18,663,122	€11,311,011
Sterling 'I' Distribution Shares	£27,632,009	£22,228,603	£15,365,455
Euro 'X' Accumulation Shares	€5,811	€39,383	€131,422
<b>Net asset value per share at end of period/year</b>	<b>31 March 2016</b>	<b>30 April 2015</b>	<b>31 March 2014</b>
Euro 'A' Accumulation Shares	€1.527	€1.673	€1.406
Euro 'A' Distribution Shares	€1.473	€1.614	€1.358
Sterling 'A' Accumulation Shares	£1.582	£1.592	£1.529
Sterling 'A' Distribution Shares	£1.607	£1.617	£1.555
Euro 'I' Accumulation Shares	€2.008	€2.185	€1.821
Euro 'I' Distribution Shares	€1.508	€1.644	€1.381
Sterling 'I' Distribution Shares	£2.000	£2.003	£1.922
Euro 'X' Accumulation Shares	€1.756	€1.925	€1.618

## ARGONAUT PAN EUROPEAN ALPHA FUND

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 14. Reconciliation between the Dealing NAV as on 31 March 2016 and Financial Statement NAV as on 31 March 2016:

	Argonaut Pan European Alpha Fund €
Dealing NAV at Mid prices	176,563,842
- Change in Net Asset value due to price change from 12 noon to close of business	(102,010)
- Adjustment for as of dealing	201,988
NAV as per financial statements	<u>176,663,820</u>

#### Reconciliation between the Dealing NAV as on 30 April 2015 and Financial Statement NAV as on 30 April 2015:

	Argonaut Pan European Alpha Fund €
Dealing NAV at Mid prices	166,117,695
- Change in Net Asset value due to price change from 12 noon to close of business	(731,654)
- Adjustment for as of dealing	174,304
NAV as per financial statements	<u>165,560,345</u>

#### 15. Related parties

Yvonne Connolly is a non-executive director of the Company. She is the principal of Carne Global Financial Services Limited which acts as Company Secretary and provides MLRO & VAT services to the Company. She is a director of Carne Global Fund Managers (Ireland) Limited. Matthew Bond is a director to the Company. He also acts as COO to Argonaut Capital Partners LLP who provide Investment Management, Distribution and Promoter services to the company. Keith Rumbelow (Alternate) was executive director to the Company until his resignation on 27 November 2015. He is also an employee of Argonaut Capital Partners LLP who provide Investment Management, Distribution and Promoter services to the company. Keith Speck is a non-executive director of the Company. He is also an employee of Argonaut Capital Partners LLP who provide Investment Management, Distribution and Promoter services to the Company.

During the period the Company paid fees of €4,543 (exclusive of VAT) to Carne Global Financial Services Limited for the provision of corporate secretarial, MLRO and VAT services.

Carne Global Fund Managers (Ireland) Limited also provides management services to the Company. During the period the Company paid fees of €56,718 (2015: €39,297) to Carne Global Fund Managers (Ireland) Limited for the provision of management services.

Argonaut Capital Partners LLP is the Investment Manager to Argonaut Pan European Alpha Fund.

Investment Manager's fees paid to the Investment Manager are disclosed in note 4.

Securities lending income is split in the following proportion: the Company (across the Funds that participate) (60%), Argonaut Capital Partners LLP (20%) and HSBC (20%), see note 12.

## ARGONAUT PAN EUROPEAN ALPHA FUND

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 16. Significant Shareholders

A significant Shareholder is, in accordance with accounting standards, any Shareholder who owns 10% or more of a Fund. The table below lists all significant Shareholders as at 31 March 2016.

Fund name	% Holding of Fund NAV	Shareholder
<b>Argonaut Pan European Alpha Fund</b>		
Euro 'A' Accumulation	10.55%	Clearstream Banking S.A.
Euro 'I' Accumulation	20.50%	HSBC LU NOMINEES LTD A/C PS
Euro 'I' Accumulation	10.73%	Clearstream Banking S.A.
Euro 'I' Accumulation	10.57%	Attrax Wegen Kundenanteilen
Euro 'I' Distribution	12.26%	Clearstream Banking S.A.
Sterling 'I' Distribution	19.18%	Clearstream Banking S.A.

A significant Shareholder is, in accordance with accounting standards, any Shareholder who owns 10% or more of a Fund. The table below lists all significant Shareholders as at 30 April 2015.

Fund name	% Holding of Fund NAV	Shareholder
<b>Argonaut Pan European Alpha Fund</b>		
Euro 'A' Accumulation	13.55%	Clearstream Banking S.A.
Euro 'I' Accumulation	23.71%	HSBC SSL A/C PS
Euro 'I' Accumulation	11.74%	Attrax Wegen Kundenanteilen
Sterling 'I' Distribution	18.04%	Clearstream Banking S.A.

#### 17. Investments as a percentage of the net asset value

Argonaut Pan European Alpha Fund	31 March 2016	30 April 2015
Equities	99.72%	99.34%

#### 18. Soft commissions

There were no soft commissions during the period (2015:Nil).

#### 19. Significant events

An updated prospectus for investors in Switzerland was issued on 17 August 2015.

On the 8 June 2015 Keith Speck was appointed as a Director of the Company.

On the 27 November 2015 Keith Rumbelow resigned as Alternate Director to Matthew Bond.

The Company has implemented a remuneration policy pursuant to Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards to depositary functions, remuneration policies and sanctions (the "UCITS V Directive").

#### 20. Subsequent events

There were no events subsequent to the period end which require disclosure in the financial statements.

#### 21. Approval of Financial Statements

The Financial Statements were approved by the Board of Directors on 21 July 2016.

# ARGONAUT PAN EUROPEAN ALPHA FUND

## SUPPLEMENTAL INFORMATION (UNAUDITED)

### 1. Total Expense Ratios for the period ended 31 March 2016

	31 March 2016	30 Apr 2015
	%	%
<b>Argonaut Pan European Alpha Fund</b>		
Euro 'A' Accumulation Shares	1.87	1.88
Euro 'A' Distribution Shares	1.89	1.88
Sterling 'A' Accumulation Shares	1.88	1.86
Sterling 'A' Distribution Shares	1.87	1.89
Euro 'I' Accumulation Shares	1.12	1.13
Euro 'I' Distribution Shares	1.13	1.12
Sterling 'I' Distribution Shares	1.13	1.12
Euro 'X' Accumulation Shares	1.92	1.92

### 2. Total Portfolio turnover rate

The portfolio turnover rate is a comprehensive metric that measures the effect of net investment flows of investors into the Fund as well as the turnover of the underlying investments within the Fund. As an example, if the dollar value of net inflows from investors corresponds exactly to the change in dollar value of underlying investments, the ratio will be zero. Additionally, should there be no inflows from investors into the Fund and should the Investment Manager make investment decisions (such as a switch), the turnover should therefore be positive. Should there be positive investment flows within the Fund and should the Investment Manager decide not to make any additional investment, the ratio should show a negative reading.

The PTR formula provided below explains the above:

$$\text{PTR} = \frac{(\text{Total 1} - \text{Total 2})}{\text{Average net Fund assets in CU}^*} \times 100$$

\*CU = currency units in the Fund's accounting currency

Total 1 = total securities transactions = X + Y  
securities purchases in CU = X  
securities sales in CU = Y

Total 2 in CU = total transactions involving the Funds shares = S + T  
issue of Fund shares in CU = S  
redemptions of Fund shares in CU = T

The portfolio turnover rate of each Fund, based on the above formula, is as follows:

	31 March 2016	30 Apr 2015
Argonaut Pan European Alpha Fund	131	277

## ARGONAUT PAN EUROPEAN ALPHA FUND

### SUPPLEMENTAL INFORMATION (UNAUDITED) (continued)

#### 3. Fund performance data

The percentage total return of one share, of each share class is calculated in accordance with the Swiss Funds Association and is detailed below:

	31 Mar 2016 %	30 Apr 2015 %	31 Mar 2014 %
<b>Argonaut Pan European Alpha Fund</b>			
Euro 'A' Accumulation Shares	(8.73)	18.99	29.47
Euro 'A' Distribution Shares	(8.74)	18.85	25.62
Sterling 'A' Accumulation Shares	(0.63)	4.12	26.89
Sterling 'A' Distribution Shares	(0.62)	3.99	24.90
Euro 'I' Accumulation Shares	(8.10)	19.99	30.44
Euro 'I' Distribution Shares	(8.27)	19.04	28.90
Sterling 'I' Distribution Shares	(0.15)	4.21	24.81
Euro 'X' Accumulation Shares	(8.78)	18.97	29.44

#### 4. Plan d'Epargne en Actions

The proportion of the investments of the Argonaut Pan European Alpha Fund in rights or securities eligible for the French Plan d'Epargne en Actions (PEA) has been continuously equal to, or greater than, 75 per cent over the elapsed period from 1 May 2015 to 31 March 2016.

#### 5. Publications

The Prospectus, the Articles of Association, the Key Investor Information Document, the annual and semi-annual reports as well as a list containing all purchases and sales which have been made during the reporting period can be obtained free of charge from the Swiss Representative.

**ARGONAUT PAN EUROPEAN ALPHA FUND**

**SCHEDULE OF CHANGES IN PORTFOLIO (UNAUDITED)  
LARGEST PURCHASES AND SALES  
FOR THE PERIOD FROM 1 MAY 2015 TO 31 MARCH 2016**

<b>Investment</b>	<b>Purchases €</b>	<b>Sales €</b>
Actavis	2,477,376	(8,542,039)
Airbus Group	-	(3,574,105)
Aixtron	8,693,187	-
Allergan	12,698,707	(3,860,802)
Bankia SA	7,966,095	(5,952,128)
Barratt Developments	3,222,699	-
Buzzi Unicem	-	(1,871,151)
Continental	-	(2,531,244)
CRH	-	(3,300,384)
Endesa	-	(2,358,556)
Enel Green Power	3,387,001	(3,206,542)
Euronav	5,840,584	(3,491,642)
Euskaltel	8,004,890	-
Finecobank Banca Fineco Spa	-	(3,419,706)
Fondiaria Sai Spa	-	(2,817,158)
Groupe Eurotunnel	5,940,411	(2,506,784)
Ibstock	5,439,460	-
International Consolidated Airlines Group	3,858,011	-
Intesa Sanpaulo	4,259,365	(1,732,980)
Just-Eat	-	(3,783,086)
Liberty Global	5,387,411	(6,657,844)
Marine Harvest	11,696,850	(8,879,246)
Neste Oil	4,538,827	(8,645,229)
Nokia	3,469,656	(6,944,847)
Ocado Group	3,662,042	(4,380,771)
Outokumpu A	-	(2,168,804)
Pandora	8,290,669	(7,793,689)
Persimmon	3,292,232	(2,242,253)
REC Silicon	2,060,779	-
Royal Bank of Scotland	14,135,101	(6,833,785)
Royal Caribbean Cruises	8,893,959	-
Ryanair	2,556,376	-
Ryanair Holdings	-	(2,072,660)
Smurfit Kappa Group	4,013,708	(2,931,399)
SPIE SA	-	(1,731,479)
Sunrise Communications AG	5,930,243	(2,007,419)
Taylor Wimpey	2,726,948	-
TOM TOM	3,659,880	(3,470,046)
Tupras-Turkiye Petrol Rafine	7,404,841	(3,653,645)
Unibail-Rodamco Reit	2,452,578	-
Unipol Gruppo Finanziario SPA	-	(3,115,109)
Vestas Windsystems	2,225,246	(3,592,556)
Yoox Spa	8,360,919	(10,827,595)