

**Registre de Commerce et des Sociétés**

Numéro RCS : B151371

Référence de dépôt : L170159837

Déposé et enregistré le 02/08/2017

**Annual report including audited financial statements  
as at 31st December 2016**

# **LFP I SICAV - SIF S.A.**

Société d'Investissement à Capital Variable  
with multiple sub-funds  
Luxembourg

R.C.S. Luxembourg B 151 371





## LFP I SICAV - SIF S.A.

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**LFP I SICAV - SIF S.A.**

## **Organisation**

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### **Registered office**

2, Rue d'Alsace  
L-1122 LUXEMBOURG  
(since 18th March 2016)

2, Boulevard de la Foire  
L-1528 LUXEMBOURG  
(until 18th March 2016)

### **Board of Directors**

Luc LELEUX  
LUXEMBOURG FUND PARTNERS S.A.  
2, Boulevard de la Foire  
L-1528 LUXEMBOURG

Julien RENAUX  
LUXEMBOURG FUND PARTNERS S.A.  
2, Boulevard de la Foire  
L-1528 LUXEMBOURG

Mark STEPHENS  
118, Picadilly  
UK- LONDON W1J7NW

Andreas FUCHS  
LUXEMBOURG FUND PARTNERS S.A.  
2, Boulevard de la Foire  
L-1528 LUXEMBOURG  
(until 30th June 2016)

### **Alternative Investment Fund Manager**

LUXEMBOURG FUND PARTNERS S.A.  
2, Boulevard de la Foire  
L-1528 LUXEMBOURG

### **Board of Directors of the Alternative Investment Fund Manager**

#### **Executive Board Members**

Luc LELEUX  
2, Boulevard de la Foire  
L-1528 LUXEMBOURG

Dr. Stefan MILLER  
2, Boulevard de la Foire  
L-1528 LUXEMBOURG  
(since 17th May 2016)

Bertrand MOUCHOT-CHARDIN  
2, Boulevard de la Foire  
L-1528 LUXEMBOURG  
(since 17th May 2016)

Julien RENAUX  
2, Boulevard de la Foire  
L-1528 LUXEMBOURG

Christophe LENTSCHAT  
2, Boulevard de la Foire  
L-1528 LUXEMBOURG  
(until 25th January 2016)

## LFP I SICAV - SIF S.A.

### Organisation (continued)

#### Conducting officers of the Alternative Investment Fund Manager

Luc LELEUX  
Dr. Stefan MILLER (since 17th May 2016)  
Bertrand MOUCHOT-CHARDIN (since 17th May 2016)  
Julien RENAUX  
Christophe LENTSCHAT (until 25th January 2016)

#### Depository and Paying Agent

KBL EUROPEAN PRIVATE BANKERS S.A.  
43, boulevard Royal  
L-2955 LUXEMBOURG  
(since 12th October 2016)

SOCIÉTÉ GÉNÉRALE BANK & TRUST S.A.  
11, Avenue Emile Reuter  
L-2420 LUXEMBOURG  
(until 11th October 2016)

#### Central Administration Agent, Registrar and Transfer Agent and Domiciliation Agent

EUROPEAN FUND ADMINISTRATION, S.A.  
2, Rue d'Alsace  
L-1122 LUXEMBOURG  
(since 18 March 2016)

APEX FUND SERVICES (MALTA) LIMITED, LUXEMBOURG BRANCH  
2, Boulevard de la Foire  
L-1528 LUXEMBOURG  
(until 17th March 2016)

#### Auditor

PRICEWATERHOUSECOOPERS, Société coopérative  
2, Rue Gerhard Mercator  
L-2182 LUXEMBOURG

#### Investment Advisors

##### For the Sub-Funds:

Blackstar Commodities Fund

BLACKSTAR CAPITAL PARTNERS S.À R.L.  
12-14, Rue de Strasbourg  
L-2560 LUXEMBOURG

21 C Investment Fund

21 C ADVISORY Ltd.  
2nd Floor, Wickhams Cay 1  
PO Box 4406, Road Town  
TORTOLA, BRITISH VIRGIN ISLANDS

Columna Commodities Fund (in liquidation)

YAS INVESTMENT S.À R.L.  
2, Boulevard de la Foire  
L-1528 LUXEMBOURG

Aventor Funds - EUR (in liquidation)

FINITE MANAGEMENT S.À R.L.  
2, Boulevard de la Foire  
L-1528 LUXEMBOURG

Aimed Global Alpha (in liquidation)

SCHRÖDER EQUITIES GMBH  
Seitzstrasse 7a  
80538 MUNICH  
GERMANY

Montello Real Estate Opportunity Fund

MONTELLO CAPITAL ADVISORS LIMITED  
4 Bentinck Street,  
LONDON W1U 2EF  
ENGLAND

**LFP I SICAV - SIF S.A.**

**Organisation (continued)**

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REA Strategy Fund of Funds

NOVIUM AG  
Seestrasse 45  
Postfach  
CH-8702 ZOLLIKON

Seventh Century Partners Fund

SEVENTH CENTURY PARTNERS S.À R.L.  
2, Boulevard de la Foire  
L-1528 LUXEMBOURG

## LFP I SICAV - SIF S.A.

### General information

LFP I SICAV - SIF S.A. (the "Company") was set up in Luxembourg on 12th February 2010 pursuant to the law of 13th February 2007, as amended (the "2007 Law") and is incorporated as a public limited company (*société anonyme*) with variable share capital (*SICAV*) and structured with multiple Sub-Funds.

The registered office of the Fund is at 2, rue d'Alsace, L-1122 Luxembourg. The Fund is registered with the Luxembourg Trade and Companies' Register under number B 151 371.

With effect from 28th January 2016, the Board of Directors of the Company has designated Luxembourg Fund Partners S.A. (the "Management Company") to act as its external Alternative Investment Fund Manager ("AIFM") within the meaning of the AIFM Law. The Management Company is subject to the provisions of Chapter 15 of the amended Luxembourg Law of 17th December 2010 and is authorized as AIFM in accordance with Chapter 2 of the AIFM Law.

The minimum capital is laid down in the 2007 Law. The aggregated financial statements of the Fund are expressed in euro (EUR) and are equal to the sum of the corresponding items in the financial statements of each Sub-Fund. Share capital variations are fully legal and there are no provisions requiring publication and entry in the Trade and Companies' Register as prescribed for increases and decreases in the share capital of public limited companies (*sociétés anonymes*).

The Company is structured as an umbrella investment fund, which means that it is composed of Sub-Funds each of which represents a specific class of assets and liabilities.

At the date of the financial statements, the following Sub-Funds exist:

LFP I SICAV - SIF S.A. - Blackstar Commodities Fund	in USD*,
LFP I SICAV - SIF S.A. - 21 C Investment Fund	in EUR,
LFP I SICAV - SIF S.A. - The Equity Power Fund	in EUR,
LFP I SICAV - SIF S.A. - Columna Commodities Fund (in liquidation)	in USD,
LFP I SICAV - SIF S.A. - Flexmax Multi-Asset Low Risk Fund	in EUR,
LFP I SICAV - SIF S.A. - Flexmax Multi-Asset High Yield Fund	in EUR,
LFP I SICAV - SIF S.A. - Aventor Funds - EUR (in liquidation)	in EUR,
LFP I SICAV - SIF S.A. - Aimed Global Alpha (in liquidation)	in USD,
LFP I SICAV - SIF S.A. - Montello Real Estate Opportunity Fund	in GBP,
LFP I SICAV - SIF S.A. - REA Strategy Fund of Funds	in EUR,
LFP I SICAV - SIF S.A. - Seventh Century Partners Fund (launched on 2nd February 2016)	in EUR,

\*The fund currency has changed from EUR into USD since 1st March 2016 in the Sub-Fund LFP I SICAV - SIF S.A. - Blackstar Commodities Fund.

The Net Asset Value per share of each class in each Sub-Fund is determined on each business day or on the last Luxembourg bank business day of each week, month or twice month depending on the frequency of the calculation of the Net Asset Value.

The financial year of the Fund begins on 1st January and ends on 31st December, except for the first financial year which began on 30th June 2010 and ended on 31st December 2010.

The Articles of Incorporation and financial reports as well as the current prospectus are available and may be obtained free of charge at the registered office of the Fund.

## LFP I SICAV - SIF S.A.

### Report on activities of the Board of Directors

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#### Introduction

The Directors of the Fund are delighted to provide their report together with the audited financial statements for the financial year ending on 31st December 2016.

#### Main activities during the year

On 31st December 2016, the total net assets of the Fund were EUR 141,394,994.75 compared to EUR 148,431,862.04 on 31st December 2015, representing a decrease of 4.74%.

#### Sub-Fund suspended, in liquidation or closed:

LFP I SICAV - SIF S.A. - Sonnenberg Investment Fund (in liquidation since 4th January 2016),  
LFP I SICAV - SIF S.A. - Columna Commodities Fund (suspended since 30th November 2016 and in liquidation since 16th February 2017),  
LFP I SICAV - SIF S.A. - Aventure Funds - EUR (suspended since 31st October 2016 and in liquidation since 6th April 2017),  
LFP I SICAV - SIF S.A. - Aimed Global Alpha (in liquidation since 9th June 2017)  
LFP I SICAV - SIF S.A. - REA Strategy Fund of Funds (suspended since 31st March 2016).

#### Overview

2016 saw modest GDP growth - missing estimates for the sixth year in succession - and low inflation although economic activity improved in H2 reflecting policy stimulus in China, reduced austerity in the advanced economies and fading recession in Russia and Brazil. Monetary policy remained supportive with the Bank of Japan and the European Central Bank announcing additional quantitative easing measures. Following the UK referendum, the Bank of England cut interest rates by 25bp to 0.25% and announced further asset purchases. In contrast - and for only the second time since 2008 - the Federal Reserve raised US rates by 25bp in December. Real as well as speculative demand from China and greater supply-side discipline resulted in a strong recovery in commodity prices - notably oil (Brent +52% to \$57), copper (+21%) and iron ore. Despite this, a combination of disinflationary pressures and central bank policies pushed sovereign bond yields to record lows mid-year and into negative territory for Japan and the eurozone. The UK 10-year gilt yield fell to 0.5% in August and, although it rose in Q4, still ended the year 70bp lower at 1.24%.

It was a strong end to the year for equity markets and contrary to expectations, the UK referendum and US presidential election did not have a negative impact on risk assets. The Nikkei 225 Stock Average returned 16% in Q4, making it the best performing major region in local currency terms. The S&P 500 was up 71 to 2,239, the FTSEurofirst 300 rose 78 to 1,428 and the FTSE 100 climbed 224 points to finish the year at 7,143. Despite retreating in November and December, emerging markets delivered positive sterling returns in the final quarter, helped by sterling depreciation to \$1.22, which significantly boosted global returns for UK investors. This means that after an uncertain start to the year, equity markets recovered from their mid-February lows and produced strong gains in H2 to end 2016 at, or close to, record highs helped by the improved outlook for resource and financial companies. Gilts - especially longer-dated conventional and index-linked - lost ground in Q4 but still recorded a 10% return in 2016. Commercial property picked up towards the end of the year, although returns of around 2% were significantly lower than in 2015.

LFP I SICAV - SIF S.A.

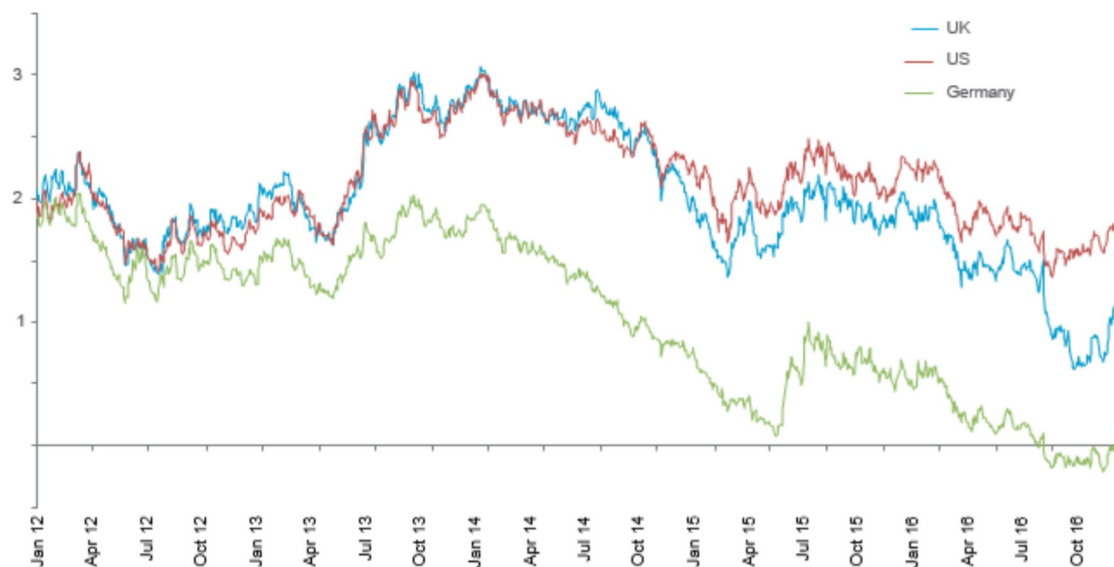
## Report on activities of the Board of Directors (continued)

### BRENT CRUDE OIL PRICE



Source: DataStream. As at 6 January 2017.

### GOVERNMENT 10 YEAR BOND YIELDS





## LFP I SICAV - SIF S.A.

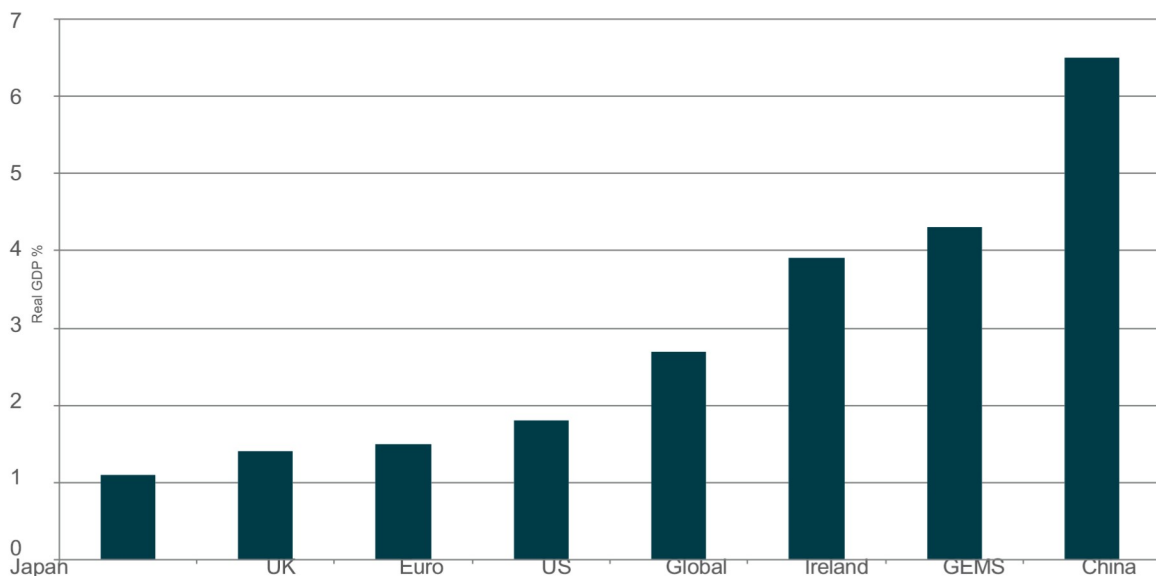
## Report on activities of the Board of Directors (continued)

## Global

Global GDP growth of 2.6% matched 2015. Developing economies (+3.8%) once again exceeded estimates with 6.6% growth in China and 7.2% in India albeit both were lower than in 2015. This was well ahead of the advanced economies (+1.6%) where the US, Japan and the eurozone all produced sub-trend growth.

The US was the biggest surprise with GDP up just 1.5% vs. 2.5% in 2015. Dollar strength dampened exports, energy related investment was constrained and - despite strong labor markets and high confidence levels - consumers saved rather than spent a significant proportion of the real income boost resulting from lower energy prices. While housing demand remained robust, auto sales peaked after several years of spectacular growth. Self-discipline was also evident in Japan where improved labor and income conditions failed to translate into higher consumer spending as working-age generations saved more in preparation for retirement. Yen appreciation weighed heavily on corporate profits and investment prompting a significant change mid-year in government and central bank policy. Eurozone growth - similar to the US for the first time for many years - was supported by improved consumer confidence. Ireland (3.9%) and Spain (3.2%) were notable highlights but austerity measures impacted Italy (0.8%) and Greece.

## 2017 GDP GROWTH FORECASTS



Source: Citi Research. As at 29 November 2016.

## Outlook

The outlook for 2017 is stronger US - and therefore potentially global - economic growth accompanied by the ending of deflationary pressures as the additional stimulus proposed by President-Elect Trump comes during a period of low unemployment. The Federal Reserve has already started to normalize interest rates and this trend will accelerate with markets likely to view these as 'good' rises until there is evidence of dollar strength dampening economic activity. The improving US economy should reduce the need for controversial policy initiatives but the uncertainty will impact global trade. Asia and emerging markets will continue to benefit from the US upturn but China faces a delicate balancing act economically, politically and socially. Europe should make steady progress although politics will be an increasing distraction with key elections in France, Germany and the Netherlands. The UK market is heavily influenced by international events so the uncertain outlook for the domestic economy may matter less than the bigger global picture. After being wrong-footed by the US election, markets have probably over-reacted in the short-term but overall, we envisage an environment which is likely to favor equities over bonds and cyclical over defensive companies.

## LFP I SICAV - SIF S.A.

### Report on activities of the Board of Directors (continued)

FTSE ALL WORLD \$ - PRICE INDEX



Source: DataStream. As at 10 January 2017.

#### AIFMD disclosures

The Board of Directors has adopted an AIFMD fully compliant Code of Conduct ("the Code") which sets out the principles of good governance. The Board of Directors considers that the Fund has been in compliance with the Code in all material aspects throughout the financial year ended 31st December 2016.

#### Remuneration Policy

The Board of Directors of the AIFM has established an AIFM Remuneration Policy to ensure that the requirements of the Alternative Investment Fund Managers Directive (AIFMD) are fully adhered to by the AIFM. This policy applies to the AIFM and the Alternative Investment Funds (AIFs) it manages.

For the year ended 31st December 2016, disclosures on fixed and variable remuneration have been duly assessed at the AIFM level. Remuneration Policy is available to investors on request.

#### Remuneration philosophy and alignment with risk management

Our remuneration philosophy is focused on pay for performance, tempered by an emphasis on ensuring that performance is not achieved by taking risks which fall outside the Board's risk appetite or that of the AIFs we manage.

Remuneration is comprised of fixed pay, variable pay (cash bonus), non-contributory defined contribution pension and benefits in kind.

The Board of Directors of the AIFM monitors the compensation process and ensures that proposals do not reward senior staff for excessive risk-taking.

The relative moderate size of the variable pay and risk controls incorporated in the AIFM's team-based investment process, promote sound risk management and discourage risk taking that exceeds the firm's level of tolerated risk or that of our client's funds. Employee interests are closely aligned to the long-term interests of shareholders and investors.

## LFP I SICAV - SIF S.A.

## Report on activities of the Board of Directors (continued)

## Financial and non-financial criteria

Variable remuneration is based on a rounded assessment of the overall AIFM and individual performance. When assessing individual performance, financial as well as non-financial criteria are taken into account.

Individual performance is based on the individual's appraisal, which includes an employee's compliance with controls and applicable company standards including the AIFM's Code of Ethics, including Treating Customers Fairly and Conduct Risk.

## Conflicts of interest

The AIFM's remuneration policies and processes contain a number of measures to avoid conflicts of interest:

Compensation proposals are made by "Compensation Managers" who are usually Department Heads. No employee may determine their own remuneration. The Compensation Managers make proposals in accordance with guidelines which are set out in annual Board of Directors compensation evaluation.

Employees engaged in control functions (e.g. Risk) have functional line management structures outside of the business units they oversee, thus ensuring independence. Variable remuneration for control function employees is determined on the achievement of meeting their own functional objectives as set in their appraisal. The AIFM Board of Directors signs off the remuneration of senior staff, including those in the risk in control functions.

Personal hedging strategies which may undermine the risk alignment of variable remuneration are not permissible (e.g. entering into an arrangement with a third party under which payments will be linked to the person's remuneration or deferred consideration). The AIFM has very strict Personal Account dealing policies which prohibit dealing on a personal basis or by any connected party without prior consent from Compliance.

## Employee remuneration disclosure

The table below provides an overview of the following:

- Aggregate total remuneration paid by the AIFM to its entire staff; and
- Aggregate total remuneration paid by the AIFM to its 'Identified Staff'

The Identified Staff of AIFM are those employees who are considered could have a material impact on the risk profile of the AIFM or the AIFs it manages (including The Evolution Technology Fund SCSp). This broadly includes senior management, risk takers and control functions. For the purposes of this disclosure, 'Identified Staff' does not include employees of entities to which activities have been delegated.

The information on the allocation of the AIFM remuneration among the various AIFs managed by the AIFM is not readily available and as such is omitted.

Amounts shown reflect payments made during the financial reporting year in question.

	Headcount	Total Remuneration EUR
<b>LUXEMBOURG FUND PARTNERS S.A.</b>		
of which		
Fixed remuneration	20	922
Variable remuneration		0
<b>LUXEMBOURG FUND PARTNERS S.A. 'IDENTIFIED STAFF'<sup>1</sup></b>		
of which		
Senior Management <sup>2</sup>	4	451
Other 'Identified Staff'	2	78

1 The Identified Staff disclosure represents total compensation of those staff of the AIFM who are fully or partly involved in the activities of the AIFM, apportioned to the estimated time relevant to the AIFM.

2 Senior management are defined in this table as AIFM Directors and department heads.

## LFP I SICAV - SIF S.A.

### Report on activities of the Board of Directors (continued)

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#### Valuation Policy

Please refer to "Note 1 - Significant accounting policies" under notes to the financial statements of these audited financial statements.

#### Risk Management

In accordance with Article 21(4) and (5) of the AIFM Law, as complemented by Articles 108 and 109 of Commission Delegated Regulation (EU) No 231/2013 of 19th December 2012, alternative investment fund managers are required to provide investors with certain information in addition to the information which they receive pursuant to the Prospectus of the Fund. Please note that the form, kind, and complexity of the information provided herein may vary in future reports in accordance with legislative and regulatory requirements. LUXEMBOURG FUND PARTNERS S.A., in its capacity as the AIFM of the Fund, has established a risk management function that is functionally and hierarchically separate from its operating units and implements, subject to continuous improvements and regular (at least annual) review, adequate risk management systems in order to identify, measure, manage, and monitor appropriately all risks relevant to the Fund investment strategy and to which the Fund is or may be exposed.

We would like to draw your attention to the following principal risks and uncertainties faced by the Fund during the reporting period and the mitigating measures employed by the AIFM.

The following risk categories are deemed to be material for the AIF:

- Market risk: the risk of losses in on and off-balance sheet positions arising from adverse movements in market prices (EBA definition);
- Counterparty risk: The risk of loss resulting from a counterparty to a transaction defaulting on its contractual obligations prior to the final settlement of the transaction (replacement risk);
- Concentration risk: The risk of adverse effects on the value of the portfolio of an AIF arising from lack of diversification/large position in a single asset or market exposure;
- Liquidity risk: Real estate assets being illiquid by nature, in case of liquidity needs, the Fund faces the risk of not being able to liquidate its investments in a timely and cost-effective manner;
- Operational risk: The risk of loss resulting from inadequate processes and failures in relation to people and systems of the various service providers to the AIF or from external events, including legal and documentation risk and risk resulting from the transaction, settlement and valuation procedures operated on behalf of the AIF.

Further risk categories may be added as and when identified as being material to the AIF by the risk management function, as the case may be in coordination with the investment advisor.

#### Information on Alternative Investment Fund Manager of the Fund

The Fund qualifies as an Alternative Investment Fund in accordance with article 1 (39) of the Luxembourgish law of 12th July 2013 (AIFM Law). In order to comply with the AIFM Law the Fund has appointed LUXEMBOURG FUND PARTNERS S.A. as Alternative Investment Fund Manager.

LUXEMBOURG FUND PARTNERS S.A. is a management company authorized by the Luxembourg financial services supervisory authority. Commission de Surveillance du Secteur Financier (CSSF) to exercise the activity as Alternative Investment Fund Manager in accordance with Chapter 2 of the AIFM Law.

LUXEMBOURG FUND PARTNERS S.A. has its registered office at 2, Boulevard de la foire, L-1528 LUXEMBOURG, GRAND DUCHY OF LUXEMBOURG.

#### Information on the Depository of the Fund:

The Fund has appointed KBL EUROPEAN PRIVATE BANKERS S.A. as its depository in accordance with article 19 AIFM Law. The duties of the Depository are described in more detail in the issuing Document of the Fund.

#### Information on the compliance with article (7) AIFMD: coverage of potential professional liability risks:

LUXEMBOURG FUND PARTNERS S.A. maintains a level of own funds and a professional indemnity insurance contracted with AIG, to cover potential professional liability risks arising from professional negligence; together, the own funds and the professional indemnity insurance are sufficient to cover said risks of LUXEMBOURG FUND PARTNERS S.A.

## LFP I SICAV - SIF S.A.

### Report on activities of the Board of Directors (continued)

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#### Information on delegated functions

LUXEMBOURG FUND PARTNERS S.A. as AIFM of the Fund is performing the portfolio management function for the Fund. The AIFM has delegated his investment management/advisory functions to BERENBERG BANK (SCHWEIZ) AG, BLACKSTAR CAPITAL PARTNERS S.À R.L., 21 C ADVISORY Ltd., SCHRÖDER EQUITIES GMBH, MONTELLO CAPITAL ADVISORS LIMITED and SEVENTH CENTURY PARTNERS S.À R.L. respectively for the Sub-Fund Sonnenberg Investment Fund (in liquidation), Blackstar Commodities Fund, 21 C Investment Fund, Aimed Global Alpha (in liquidation), Montello Real Estate Opportunity Fund and Seventh Century Partners Fund.

The Depositary of the Fund has not delegated any safekeeping duties as regards to the assets of the Fund held in custody by the depositary. The Depositary has the right to delegate its functions relating to the safekeeping of Financial Instruments and the verification of ownership of the maintenance of a record with respect to Other Assets under the conditions provided in Art. 19 (11) AIFM law.

#### Information on valuation procedures and pricing methodology:

According to AIFMD, LUXEMBOURG FUND PARTNERS S.A. as appointed AIFM is responsible for the fair and independent valuation of the Fund's portfolio holdings.

#### Information on fees, charges, expenses:

Information about fees, charges and expenses are made available to the investors on request to the AIFM.

#### Information on fair treatment of investors

The AIFM has established a conflict of interest policy ensuring a fair treatment of investors.

The Directors  
LFP I SICAV-SIF S.A.

Luxembourg, 9th June 2017

Note: The information in this report represents historical data and is not an indication of future results.





## Audit report

To the Shareholders of  
**LFP I SICAV - SIF S.A.**

We have audited the accompanying financial statements of LFP I SICAV -SIF S.A. (the "SICAV") and of each of its Sub-Funds, except LFP I SICAV - SIF S.A. - Blackstar Commodities Fund, LFP I SICAV - SIF S.A. - 21C Investment Fund, LFP I SICAV - SIF S.A. - The Equity Power Fund, LFP I SICAV - SIF S.A. - Columna Commodities Fund (in liquidation), LFP I SICAV - SIF S.A. - Aventure Funds - EUR (in liquidation) and LFP I SICAV - SIF S.A. - REA Strategy Fund of Funds, and we were engaged to audit the accompanying financial statements of LFP I SICAV - SIF S.A. - Blackstar Commodities Fund, LFP I SICAV - SIF S.A. - 21C Investment Fund, LFP I SICAV - SIF S.A. - The Equity Power Fund, LFP I SICAV - SIF S.A. - Columna Commodities Fund (in liquidation), LFP I SICAV - SIF S.A. - Aventure Funds - EUR (in liquidation) and LFP I SICAV - SIF S.A. - REA Strategy Fund of Funds. These financial statements comprise the statement of net assets and the statement of investments and other net assets as at 31st December 2016, and the statement of operations and the statement of changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory notes to the financial statements.

### *Responsibility of the Board of Directors of the SICAV for the financial statements*

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

### *Responsibility of the "Réviseur d'entreprises agréé"*

- For the SICAV and each of its Sub-Funds except LFP I SICAV - SIF S.A. - Blackstar Commodities Fund, LFP I SICAV - SIF S.A. - 21C Investment Fund, LFP I SICAV - SIF S.A. - The Equity Power Fund, LFP I SICAV - SIF S.A. - Columna Commodities Fund (in liquidation), LFP I SICAV - SIF S.A. - Aventure Funds - EUR (in liquidation) and LFP I SICAV - SIF S.A. - REA Strategy Fund of Funds

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier". Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

PricewaterhouseCoopers, Société coopérative, 2 rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg  
T: +352 494848 1, F: +352 494848 2900, [www.pwc.lu](http://www.pwc.lu)

Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)  
R.C.S. Luxembourg B 65 477 - TVA LU25482518



## Audit report (continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the judgment of the "Réviseur d'entreprises agréé", including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the "Réviseur d'entreprises agréé" considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the SICAV, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion for the SICAV, LFP I SICAV - SIF S.A. - Flexmax Multi-Asset Low Risk Fund and for LFP I SICAV - SIF S.A. - Flexmax Multi-Asset High Yield Fund and an audit opinion for LFP I SICAV - SIF S.A. - Aimed Global Alpha (in liquidation), LFP I SICAV - SIF S.A. - Montello Real Estate Opportunity Fund, LFP I SICAV - SIF S.A. - Seventh Century Partners Fund and LFP I SICAV - SIF S.A. - Sonnenberg Investment Fund (in liquidation).

- For LFP I SICAV - SIF S.A. - Blackstar Commodities Fund, LFP I SICAV - SIF S.A. - 21C Investment Fund, LFP I SICAV - SIF S.A. - The Equity Power Fund, LFP I SICAV - SIF S.A. - Columna Commodities Fund (in liquidation), LFP I SICAV - SIF S.A. - Aventor Funds - EUR (in liquidation) and LFP I SICAV - SIF S.A. - REA Strategy Fund of Funds

Our responsibility is to express an opinion on their financial statements based on conducting the audit in accordance with International Standards on Auditing as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier". Because of the matters described in the Basis for Disclaimer of Opinion paragraphs, however, we were not able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion for LFP I SICAV - SIF S.A. - Blackstar Commodities Fund, LFP I SICAV - SIF S.A. - 21C Investment Fund, LFP I SICAV - SIF S.A. - The Equity Power Fund, LFP I SICAV - SIF S.A. - Columna Commodities Fund (in liquidation), LFP I SICAV - SIF S.A. - Aventor Funds - EUR (in liquidation) and LFP I SICAV - SIF S.A. - REA Strategy Fund of Funds.

### *Basis for Disclaimer of Opinion for LFP I SICAV - SIF S.A. - Blackstar Commodities Fund*

The Sub-Fund LFP I SICAV - SIF S.A. - Blackstar Commodities Fund mainly invests in World Accord Ltd both in equity and through a loan (the "SPV"). As at 31st December 2016, the SPV is included in the caption "Investments" and amounts to USD 3,561,592.34 USD (representing 102.5% of the net asset value, as at 31st December 2016, of LFP Prime SICAV - SIF S.A. - Blackstar Commodities Fund).

We were not provided with recent audited financial statements of the SPV and therefore we were not able to obtain sufficient and appropriate audit evidence with regard to the valuation of the SPV as at 31st December 2016.

As a consequence, we were unable to determine whether any adjustment to the valuation of the SPV was necessary. For the same reason, we were unable to determine whether any adjustment to the amount of subscriptions and redemptions disclosed in the statement of changes in net assets was necessary.



## Audit report (continued)

### *Basis for Disclaimer of Opinion for LFP I SICAV - SIF S.A. - 21C Investment Fund*

The Sub-Fund LFP I SICAV - SIF S.A. - 21C Investment Fund invests in LFP I SICAV - SIF S.A.- Aventor Funds - EUR (in liquidation), LFP Prime SICAV - SIF S.A. - Global Forestry Growth Fund, Victus Capital ICC Ltd EUR Student Accommodation Fund, Montreux Natural Resources Fund, KMG SICAV -SIF Lucent Strategy Land Fund, Brighton SPC Kijani Commodity Fund and Lanner SICAV Plc (the "UCI's"). As at 31st December 2016, the UCI's are included in the caption "Securities portfolio at market value" and amount to EUR 977,321.53 (representing 39.16% of the net asset value, as at 31st December 2016, of LFP I SICAV - SIF S.A. - 21C Investment Fund).

Regarding the investments in LFP I SICAV - SIF S.A. - Aventor Funds - EUR (in liquidation) and LFP Prime SICAV - SIF S.A. - Global Forestry Growth Fund, the opinions included in the audited financial statements as at 31st December 2016 were disclaimed.

For the other UCI's, we were not provided with recent audited financial statements of the UCI's and therefore we were not able to obtain sufficient and appropriate audit evidence with regard to the valuation of the UCI's as at 31st December 2016.

As a consequence, we were unable to determine whether any adjustment to the valuation of the UCI's was necessary. For the same reason, we were unable to determine whether any adjustment to the amount of subscriptions and redemptions disclosed in the statement of changes in net assets was necessary.

In addition, the prior year's audit opinion of LFP I SICAV - SIF S.A. - 21C Investment Fund was disclaimed for similar reasons. We therefore do not have sufficient and appropriate audit evidence on the "total net asset value at the beginning of the year" disclosed in the statement of changes in net assets.

### *Basis for Disclaimer of Opinion for LFP I SICAV - SIF S.A. - The Equity Power Fund*

The Sub-Fund LFP I SICAV - SIF S.A. - The Equity Power Fund invests in Urban Cap Hg and Wae Newco NV both in equity and through loans as well as World Accord (the "Assets"). As at 31st December 2016, the Assets are included in the caption "Investments" and amount to EUR 16,587,148.27 (representing 77.31% of the net asset value, as at 31st December 2016, of LFP I SICAV - SIF S.A. - The Equity Power Fund).

We were not provided with recent audited financial statements of the Assets and therefore we were not able to obtain sufficient and appropriate audit evidence with regard to the valuation of the Assets as at 31st December 2016.

As a consequence, we were unable to determine whether any adjustment to the valuation of the Assets was necessary. For the same reason, we were unable to determine whether any adjustment to the amount of subscriptions and redemptions disclosed in the statement of changes in net assets was necessary.





## Audit report (continued)

### *Basis for Disclaimer of Opinion for LFP I SICAV - SIF S.A. - Columna Commodities Fund (in liquidation)*

The Sub-Fund LFP I SICAV - SIF S.A. - Columna Commodities Fund (in liquidation) invests in Global Hill Corp Ltd both in equity and through a bond (the "Global Hill Investment"). As at 31 December 2016, the Global Hill Investment is included in the caption "Investments" and amount to EUR 0 (representing 0% of the net asset value, as at 31st December 2016, of LFP I SICAV - SIF S.A. - Columna Commodities Fund (in liquidation)).

Based on the fact that the counterparty defaulted in its capacity to reimburse the Global Hill Investment, the Management of the SICAV decided to reduce the fair value of the Global Hill Investment to zero. Because we were not provided with recent audited financial statements of the Global Hill Investment, we were not able to obtain sufficient and appropriate audit evidence with regard to the valuation of the Global Hill Investment as at 31st December 2016.

As a consequence, we were unable to determine whether the adjustment of the valuation of the Global Hill Investment was appropriate. For the same reason, we were unable to determine whether any adjustment to the amount of subscriptions and redemptions disclosed in the statement of changes in net assets was necessary.

### *Basis for Disclaimer of Opinion for LFP I SICAV - SIF S.A. - Aventor Funds - EUR (in liquidation)*

The Sub-Fund LFP I SICAV - SIF S.A. - Aventor Funds - EUR (in liquidation) invests in PWCS SPV No1 Ltd and RMP Managed Receivables Inc through loans (the "Loans"). As at 31st December 2016, the Loans are included in the caption "Investments" and amount to EUR 650,110.78 (representing 33.19% of the net asset value, as at 31st December 2016, of LFP I SICAV - SIF S.A. - Aventor Funds - EUR (in liquidation)).

We were not provided with recent audited financial statements of the Loans and therefore we were not able to obtain sufficient and appropriate audit evidence with regard to the valuation of the Loans as at 31st December 2016.

As a consequence, we were unable to determine whether any adjustment to the valuation of the Loans was necessary. For the same reason, we were unable to determine whether any adjustment to the amount of subscriptions and redemptions disclosed in the statement of changes in net assets was necessary.

In addition, the prior year's audit opinion of LFP I SICAV - SIF S.A. - Aventor Funds - EUR (in liquidation) was disclaimed for similar reasons. We therefore do not have sufficient and appropriate audit evidence on the "total net asset value at the beginning of the year" disclosed in the statement of changes in net assets.

### *Basis for Disclaimer of Opinion for LFP I SICAV - SIF S.A. - REA Strategy Fund of Funds*

The Sub-Fund LFP I SICAV - SIF S.A. - REA Strategy Fund of Funds invests in Excellence Inv Scv Plc Innovative Inv and Novium Opp Umbrella Scv (the "Securities"). As at 31st December 2016, the Securities are included in the caption "Securities portfolio at market value" and amount to EUR 522,797.04 (representing 195.07% of the net asset value, as at 31st December 2016, of LFP I SICAV - SIF S.A. - REA Strategy Fund of Funds).

We were not provided with recent audited financial statements of the Securities and therefore we were not able to obtain sufficient and appropriate audit evidence with regard to the valuation of the Securities as at 31st December 2016.

As a consequence, we were unable to determine whether any adjustment to the valuation of the Securities was necessary. For the same reason, we were unable to determine whether any adjustment to the amount of redemptions disclosed in the statement of changes in net assets was necessary.

In addition, the prior year's audit opinion of LFP I SICAV - SIF S.A. - REA Strategy Fund of Funds was disclaimed for similar reasons. We therefore do not have sufficient and appropriate audit evidence on the "total net asset value at the beginning of the year" disclosed in the statement of changes in net assets.



## Audit report (continued)

*Basis for Qualified Opinion for the SICAV, LFP I SICAV - SIF S.A. - Flexmax Multi-Asset Low Risk Fund and for Flexmax Multi-Asset High Yield Fund*

The Sub-Fund LFP I SICAV - SIF S.A. - Flexmax Multi-Asset Low Risk Fund invests in GFG Fd PCC Ltd Algorithmic C (the "Fund"). As at 31st December 2016, the Fund is included in the caption "Investments" and amount to EUR 779,715.15 (representing 8.23% of the net asset value, as at 31st December 2016, of LFP I SICAV - SIF S.A. - Flexmax Multi-Asset Low Risk Fund).

The Sub-Fund LFP I SICAV - SIF S.A. - Flexmax Multi-Asset High Yield Fund invests in the Fund. As at 31st December 2016, the Fund is included in the caption "Investments" and amount to EUR 2,163,059.54 (representing 26.44% of the net asset value, as at 31st December 2016, of LFP I SICAV - SIF S.A. - Flexmax Multi-Asset High Yield Fund).

We were not provided with recent audited financial statements of the Fund and therefore we were not able to obtain sufficient and appropriate audit evidence with regard to the valuation of the Fund as at 31st December 2016.

As a consequence, we were unable to determine whether any adjustment to the valuation of the Fund was necessary. For the SICAV, due to the significance of the matters related to LFP I SICAV - SIF S.A. - Blackstar Commodities Fund, LFP I SICAV - SIF S.A. - 21C Investment Fund, LFP I SICAV - SIF S.A. - The Equity Power Fund, LFP I SICAV - SIF S.A. - Columna Commodities Fund (in liquidation), LFP I SICAV - SIF S.A. - Aventor Funds - EUR (in liquidation) and LFP I SICAV - SIF S.A. - REA Strategy Fund of Funds, we were unable to determine whether any adjustment to the combined net asset value was necessary.

*Disclaimer of Opinion for LFP I SICAV - SIF S.A. - Blackstar Commodities Fund, LFP I SICAV - SIF S.A. - 21C Investment Fund, LFP I SICAV - SIF S.A. - The Equity Power Fund, LFP I SICAV - SIF S.A. - Columna Commodities Fund (in liquidation), LFP I SICAV - SIF S.A. - Aventor Funds - EUR (in liquidation) and LFP I SICAV - SIF S.A. - REA Strategy Fund of Funds*

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraphs, we have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements of LFP I SICAV - SIF S.A. - Blackstar Commodities Fund, LFP I SICAV - SIF S.A. - 21C Investment Fund, LFP I SICAV - SIF S.A. - The Equity Power Fund, LFP I SICAV - SIF S.A. - Columna Commodities Fund (in liquidation), LFP I SICAV - SIF S.A. - Aventor Funds - EUR (in liquidation) and LFP I SICAV - SIF S.A. - REA Strategy Fund of Funds.

*Qualified Opinion for the SICAV, LFP I SICAV - SIF S.A. - Flexmax Multi-Asset Low Risk Fund and for Flexmax Multi-Asset High Yield Fund*

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements of the SICAV, LFP I SICAV - SIF S.A. - Flexmax Multi-Asset Low Risk Fund and for Flexmax Multi-Asset High Yield Fund give a true and fair view of their financial position as of 31st December 2016, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements.



## Audit report (continued)

*Opinion for LFP I SICAV - SIF S.A. - Aimer Global Alpha (in liquidation), LFP I SICAV - SIF S.A. - Montello Real Estate Opportunity Fund, LFP I SICAV - SIF S.A. - Seventh Century Partners Fund and LFP I SICAV - SIF S.A. - Sonnenberg Investment Fund (in liquidation)*

In our opinion, the financial statements of LFP I SICAV - SIF S.A. - Aimer Global Alpha (in liquidation), LFP I SICAV - SIF S.A. - Montello Real Estate Opportunity Fund, LFP I SICAV - SIF S.A. - Seventh Century Partners Fund and LFP I SICAV - SIF S.A. - Sonnenberg Investment Fund (in liquidation) give a true and fair view of their financial position as of 31st December 2016, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements.

### *Other information*

The Board of Directors of the SICAV is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our audit report thereon.

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

In connection with our audit of the financial statements of the SICAV and of LFP I SICAV - SIF S.A. - Aimer Global Alpha (in liquidation), LFP I SICAV - SIF S.A. - Montello Real Estate Opportunity Fund, LFP I SICAV - SIF S.A. - Seventh Century Partners Fund and LFP I SICAV - SIF S.A. - Sonnenberg Investment Fund (in liquidation), our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with these financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

PricewaterhouseCoopers, Société coopérative  
Represented by

Luxembourg, 25th July 2017

John Ravoisin

## LFP I SICAV - SIF S.A.

**Combined statement of net assets (in EUR)**  
 as at 31st December 2016
**Assets****Investments**

Securities portfolio at market value	38,085,619.32
Loans	81,807,061.15
	<hr/> 119,892,680.47

**Cash and cash equivalents**

Deposits on futures contracts	953,916.18
Cash at banks	16,108,272.42
Other liquid assets	5,249,911.56
	<hr/> 22,312,100.16

**Receivables**

Receivable on sales of securities	7,188,660.79
Receivable on treasury transactions	31,256,915.05
Receivable on issues of shares	7,447,709.42
Income receivable on portfolio	665,586.60
Interest receivable on bank accounts	7.19
Interest receivable on loans	256,396.50
Unrealised gain on futures contracts	148,603.20
Unrealised gain on forward foreign exchange contracts	28,055.96
Other receivables	151,451.06
Prepaid expenses	1,012,587.00
	<hr/> 48,155,972.77

**Other assets**

Formation expenses, net	60,760.92
Share creation and redemption charges, net	1,337,227.68
	<hr/> 1,397,988.60

**Total assets**


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191,758,742.00

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**Liabilities****Payables**

Other liquid liabilities	54,497.15
Payable on treasury transactions	31,550,995.34
Payable on redemptions of shares	7,728,021.50
Interest payable on bank overdrafts	185.28
Interest payable on loans	56,225.07
Unrealised loss on futures contracts	91,600.16
Unrealised loss on forward foreign exchange contracts	89,188.49
Expenses payable	1,616,340.19
	<hr/> 41,187,053.18

**Borrowings**

Bank overdrafts	20,763.42
	<hr/> 20,763.42

**Other liabilities**

Dividends payable	674,830.33
Prepaid subscriptions	6,881,021.05
Other payables	1,600,079.27
	<hr/> 9,155,930.65

**Total liabilities**


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50,363,747.25

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**Total net assets at the end of the year**


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141,394,994.75

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

## LFP I SICAV - SIF S.A.

**Combined statement of operations (in EUR)**  
 from 1st January 2016 to 31st December 2016
**Income****Investment income**

Dividends, net	329,535.15
Interest on bonds and other debt securities, net	692,475.31
Interest on bank accounts	3,886.70
Interest on loans	14,909,927.47
	<hr/> 15,935,824.63

**Realised gain on investments**

- on securities portfolio	425,788.58
- on futures contracts	6,402,382.68
- on forward foreign exchange contracts	4,751,274.44
- on foreign exchange	85,526.63
- on intercompany loans	62,283.06
	<hr/> 11,727,255.39

**Appreciation of unrealised results on investments**

- on securities portfolio	5,691,218.13
- on futures contracts	1,268,014.01
- on forward foreign exchange contracts	132,675.66
	<hr/> 7,091,907.80

**Other income**

Redemption fees	306,951.19
Other revenue	275,750.84
	<hr/> 582,702.03

**Total income**


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 35,337,689.85
 

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**Expenses****Investment advisory or management fees**

AIFM service fees	525,455.76
Management fees	2,678,859.05
Performance fees	2,170,395.66
	<hr/> 5,374,710.47

**Other expenses**

Depository fees	85,029.28
Banking charges and other fees	18,540.29
Transaction fees	470,947.77
Central administration costs	394,593.77
Professional fees	192,415.81
Other administration costs	183,277.46
Subscription duty ("taxe d'abonnement")	15,449.97
Interest paid on bank overdrafts	31,590.00
Other fees	556,196.67
Amortisation of share creation charge	2,747,372.26
	<hr/> 4,695,413.28

**Realised loss on investments**

- on securities portfolio	3,365,904.49
- on futures contracts	10,336,898.72
- on forward foreign exchange contracts	6,757,829.69
- on foreign exchange	326,638.00
- on intercompany loans	54,119.55
	<hr/> 20,841,390.45

**Depreciation of unrealised results on investments**

- on securities portfolio	60,387,288.19
- on futures contracts	373,052.84
- on forward foreign exchange contracts	597,454.23
	<hr/> 61,357,795.26

**Total expenses**


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 92,269,309.46
 

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**Net expenditure**


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 -56,931,619.61
 

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

## LFP I SICAV - SIF S.A.

### Combined statement of changes in net assets (in EUR) from 1st January 2016 to 31st December 2016

Net expenditure	-56,931,619.61
Dividends paid	-2,710,989.72
Subscriptions	108,879,946.08
Redemptions	-51,890,914.50
Total changes in net assets	-2,653,577.75
Total net assets at the beginning of the year	148,431,862.04
Revaluation difference	-4,383,289.54
<b>Total net assets at the end of the year</b>	<b>141,394,994.75</b>

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

## Blackstar Commodities Fund

Statement of net assets (in USD)  
as at 31st December 2016**Assets****Investments**

Securities portfolio at market value	641,125.57
Loans	2,920,466.77
	<hr/> 3,561,592.34

**Cash and cash equivalents**

Cash at banks	64,702.48
	<hr/> 64,702.48

**Receivables**

Receivable on sales of securities	74,948.96
Receivable on treasury transactions	1,933,239.29
Income receivable on portfolio	12,710.61
Other receivables	12,751.52
	<hr/> 2,033,650.38

**Other assets**

Formation expenses, net	584.67
Share creation and redemption charges, net	80,960.90
	<hr/> 81,545.57

**Total assets**


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5,741,490.77
**Liabilities****Payables**

Payable on treasury transactions	1,874,268.86
Payable on redemptions of shares	329,746.90
Interest payable on bank overdrafts	45.90
Unrealised loss on forward foreign exchange contracts	1,678.97
Expenses payable	40,924.47
	<hr/> 2,246,665.10

**Borrowings**

Bank overdrafts	20,365.51
	<hr/> 20,365.51

**Total liabilities**


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2,267,030.61
**Total net assets at the end of the year**


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3,474,460.16
**Breakdown of net assets per share class**

Share class	Number of shares	Currency of share class	NAV per share in currency of share class
A	554.011	EUR	114.03
B	4,632.535	EUR	115.60
C	2,482.770	USD	107.95
D	18,554.713	USD	118.13
E	2,866.974	GBP	108.16

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



## Blackstar Commodities Fund

## Statement of operations (in USD)

from 1st January 2016 to 31st December 2016

**Income****Investment income**

Interest on loans	430,183.71
	<u>430,183.71</u>

**Realised gain on investments**

- on securities portfolio	328.87
- on forward foreign exchange contracts	185,954.38
- on intercompany loans	56,290.82
	<u>242,574.07</u>

**Appreciation of unrealised results on investments**

- on securities portfolio	348,002.84
- on forward foreign exchange contracts	41,238.36
	<u>389,241.20</u>

**Other income**

Commissions on subscription and on redemption	45,955.63
	<u>45,955.63</u>

**Total income**

1,107,954.61

**Expenses****Investment advisory or management fees**

AIFM service fees	35,832.73
Management fees	96,416.42
	<u>132,249.15</u>

**Other expenses**

Depository fees	3,116.50
Banking charges and other fees	607.00
Transaction fees	21,376.68
Central administration costs	38,402.63
Professional fees	21,129.74
Other administration costs	4,367.18
Subscription duty ("taxe d'abonnement")	397.12
Interest paid on bank overdrafts	1,123.38
Other fees	3,600.20
Amortisation of share creation charge	53,117.99
	<u>147,238.42</u>

**Realised loss on investments**

- on forward foreign exchange contracts	334,833.35
- on foreign exchange	22,028.63
- on intercompany loans	57,074.48
	<u>413,936.46</u>

**Depreciation of unrealised results on investments**

- on securities portfolio	217,241.09
- on forward foreign exchange contracts	14,374.98
	<u>231,616.07</u>

**Total expenses**

925,040.10

**Net income**

182,914.51

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



## Blackstar Commodities Fund

### Statement of changes in net assets (in USD) from 1st January 2016 to 31st December 2016

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Net income	182,914.51
Subscriptions	117,991.88
Redemptions	-2,455,328.83
Total changes in net assets	-2,154,422.44
Total net assets at the beginning of the year	5,628,882.60
<b>Total net assets at the end of the year</b>	<b>3,474,460.16</b>

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

## Blackstar Commodities Fund

### Statistical information (in USD)

as at 31st December 2016

Total net assets	Currency	31.12.2014	31.12.2015	31.12.2016
	USD	EUR 3,892,740.85	EUR 5,186,225.42	3,474,460.16

Net asset value per share	Currency	31.12.2014	31.12.2015	31.12.2016
A	EUR	113.15	112.94	114.03
B	EUR	107.26	108.55	115.60
C	USD	105.92	100.96	107.95
D	USD	108.90	110.36	118.13
E	GBP	102.48	102.95	108.16

Number of shares	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
A	1,812.690	-	-1,258.679	554.011
B	12,503.463	-	-7,870.928	4,632.535
C	3,945.688	943.841	-2,406.759	2,482.770
D	26,631.958	155.777	-8,233.022	18,554.713
E	3,959.130	-	-1,092.156	2,866.974

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

## Blackstar Commodities Fund

Statement of investments and other net assets (in USD)  
as at 31st December 2016

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b><u>Investments in securities</u></b>					
<b><u>Other transferable securities</u></b>					
<b>Shares</b>					
USD	10,000	World Accord Ltd	293,122.73	641,125.57	18.45
<b>Total shares</b>			293,122.73	641,125.57	18.45
<b><u>Open-ended investment funds</u></b>					
<b>Investment funds (UCI)</b>					
EUR	268.0848	Brighton SPC Kijani Commodity Fd AJ EUR	217,241.09	0.00	0.00
<b>Total investment funds (UCI)</b>			217,241.09	0.00	0.00
<b><u>Loans</u></b>					
<b>Loans</b>					
USD	2,920,466.77	World Accord Ltd PPL2 5% 16/17.09.Perpetual	2,920,466.77	2,920,466.77	84.06
<b>Total loans</b>			2,920,466.77	2,920,466.77	84.06
Total investments in securities			3,430,830.59	3,561,592.34	102.51
Cash at banks				64,702.48	1.86
Bank overdrafts				-20,365.51	-0.59
Other net assets/(liabilities)				-131,469.15	-3.78
Total				3,474,460.16	100.00

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

## 21C Investment Fund

### Report from the Investment Advisor (unaudited)

from 1st January 2016 to 31st December 2016

#### Alternative investing

The traditional portfolio strategy implemented throughout much of the 20th century, consisted of exposure to a diversified range of equities, bonds, commercial property and cash. This has significant restrictions when economic conditions have faced severe market change or trauma, which has created portfolio misallocations.

The 21C Investment Fund provides an opportunity to update and adapt an investment portfolio to reflect the changing economic, social and environmental circumstances that are an increasing factor of the investment markets since the turn of the century. Whilst not seeking to wholly replace the traditional model, the 21C Investment Fund can provide diversification and low-correlation with major asset classes that have become increasingly correlated in what has become a global investment market.

The 21C Investment Fund aims to provide attractive real returns whilst having reduced correlation with the returns of other asset classes, choosing between a wide selection of regulated investment funds thereby creating a portfolio which offers an asset allocation mix of risk and return whilst accepting some possible restrictions on liquidity associated with investing in tangible asset classes such as property.

The 21C Investment Fund will identify, assess, select and manage prime investments in strategically preferred alternative asset classes, that provide exposure to fundamental assets such as Food, Energy, Water etc. and exposure to future investment developments such as Digital Security, Environment issues, Biotech, Robotics etc. The Fund also aims to preserve capital by investing with long established Investment Trust Managers who have a significant record of capital preservation whilst also providing an adequate rate of return on investment. The overall strategy is to focus on low volatility of the portfolio with acceptable returns to answer the needs of investors who wish to achieve steady returns whilst trying to avoid the sharp swings that other asset classes may experience.

The objective of the 21C Investment Fund will be to achieve long-term capital growth for its investors by investing into a diversified portfolio of alternative 'niche investments' that reflect future potential market trends.

The 21C Investment Fund is targeting a portfolio of regulated alternative investment funds that demonstrate the opportunity for added value and/or generate stable recurring cash flows and balanced asset growth.

The prime attraction of investing in Alternative strategies should aim to achieve:

- ✓ Low correlation to broader equity and bond markets;
- ✓ Consistent and sustainable returns;
- ✓ Low volatility risk.

#### Fund Objective

The 21C Investment Fund invests across a range of carefully blended mutual funds in preferred alternative 'niche investments'.

The 21C Investment Fund will invest in sectors including, but not exclusive to; Agriculture, Forestry, Energy, Biotech, Robotics, Digital Security, specialised property e.g. Student Accommodation, Care Homes, Trade Finance, Receivables and Collectables, specialised commodity etc.

The aim of the 21C Investment Fund will be to provide investors with steady 'above inflation' returns over the medium to long term (5+ years); while avoiding the sharp swings that financial markets experience.

The targeted return on investment of the 21C Investment Fund is 4-6% growth per year over the medium term.

#### Understanding the Strategy & Risks

The 21C Investment Fund has constructed a portfolio combining several asset classes (such as but not limited to specialist property, trade finance, agriculture, commodities, Energy, Robotics, Biotech etc.) to meet its 'alternative' investment objectives. By constantly assessing the 'alternative' universe and developing a thematic approach it is possible to categorize the numerous opportunities into specific groups.

By blending and spreading the portfolio's assets across a broad range of strategies and sub-strategies from the extensive choice available within the 'alternative' investment universe and blending this with exposure to long established and successful Investment Trust Managers with a formidable reputation for capital preservation combined with long term growth, a diversified and non-correlated portfolio can be achieved.

## 21C Investment Fund

### Report from the Investment Advisor (unaudited) (continued)

from 1st January 2016 to 31st December 2016

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Management expertise, the combination of qualitative assessment and quantitative analysis, and a continuously improving investment process enable the 21C Investment Fund to offer investors an efficient and robust risk managed investment approach. The investment strategy will be process driven, following a strategy of diversification over a broad number of investments, with portfolio limits to avoid over exposure to any specific investment area.

#### Suitability

No investment is without risk, individual asset classes carry their own specific risks and an Alternative strategy is no exception. In addition to normal market risks, Alternative strategies may also carry a liquidity risk due to their exposure to real assets, which take time to sell and could realise reduced values if needing to be sold quickly. The 21C Investment Fund will maintain an adequate level of immediate liquidity for normal requirements, together with a policy that will allow it to turn a significant percentage of the portfolio into cash with a 90-day period. However, investors should always have access to cash and other more liquid assets in their portfolios to provide for personal immediate liquidity needs and accept their alternative asset exposure as being a long-term investment.

21C Fund is reserved for “well-informed” investors pursuant to article 2 of SIF law; i.e. institutional and professional investors, and other investors who confirm in writing that they adhere to the status of “well-informed” investors.

Note: The information in this report represents historical data and is not an indication of future results.

## 21C Investment Fund

Statement of net assets (in EUR)  
as at 31st December 2016**Assets****Investments**

Securities portfolio at market value	2,192,325.06
	2,192,325.06

**Cash and cash equivalents**

Cash at banks	291,395.69
	291,395.69

**Receivables**

Receivable on sales of securities	9,515.90
	9,515.90

**Other assets**

Formation expenses, net	5,298.72
Share creation and redemption charges, net	30,379.61
	35,678.33

**Total assets**

2,528,914.98

**Liabilities****Payables**

Payable on redemptions of shares	916.93
Expenses payable	32,098.17
	33,015.10

**Total liabilities**

33,015.10

**Total net assets at the end of the year**

2,495,899.88

**Breakdown of net assets per share class**

Share class	Number of shares	Currency of share class	NAV per share in currency of share class
A	2,814.887	EUR	886.28
C	1.625	USD	730.04

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

## 21C Investment Fund

## Statement of operations (in EUR)

from 1st January 2016 to 31st December 2016

**Income****Investment income**

Dividends, net	2,953.01
	<u>2,953.01</u>

**Realised gain on investments**

- on securities portfolio	82,816.67
	<u>82,816.67</u>

**Appreciation of unrealised results on investments**

- on securities portfolio	97,262.98
	<u>97,262.98</u>

**Other income**

Other revenue	76.81
	<u>76.81</u>

**Total income**

183,109.47

**Expenses****Investment advisory or management fees**

AIFM service fees	26,414.38
Management fees	47,718.98
	<u>74,133.36</u>

**Other expenses**

Depositary fees	3,424.84
Banking charges and other fees	208.05
Transaction fees	90.10
Central administration costs	25,280.79
Professional fees	12,701.64
Other administration costs	15,296.24
Subscription duty ("taxe d'abonnement")	169.69
Interest paid on bank overdrafts	63.82
Other fees	12,743.33
Amortisation of share creation charge	12,187.65
	<u>82,166.15</u>

**Realised loss on investments**

- on securities portfolio	94,876.98
- on foreign exchange	7,605.30
	<u>102,482.28</u>

**Depreciation of unrealised results on investments**

- on securities portfolio	533,459.97
	<u>533,459.97</u>

**Total expenses**

792,241.76

**Net expenditure**-609,132.29

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

**21C Investment Fund**

**Statement of changes in net assets (in EUR)**  
from 1st January 2016 to 31st December 2016

Net expenditure	-609,132.29
Subscriptions	126,878.35
Redemptions	-41,523.70
Total changes in net assets	-523,777.64
Total net assets at the beginning of the year	3,019,677.52
<b>Total net assets at the end of the year</b>	<b>2,495,899.88</b>

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



## 21C Investment Fund

## Statistical information (in EUR)

as at 31st December 2016

Total net assets	Currency	31.12.2014	31.12.2015	31.12.2016
	EUR	3,707,140.98	3,019,677.52	2,495,899.88
Net asset value per share	Currency	31.12.2014	31.12.2015	31.12.2016
A	EUR	1,102.34	1,107.71	886.28
C	USD	1,020.24	932.45	730.04
Number of shares	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
A	2,723.046	136.085	-44.244	2,814.887
C	3.902	-	-2.277	1.625

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

## 21C Investment Fund

Statement of investments and other net assets (in EUR)  
as at 31st December 2016

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b>Investments in securities</b>					
<b>Transferable securities admitted to an official stock exchange listing</b>					
<b>Shares</b>					
GBP	21,668	Ruffer Investment Co Ltd Red P Pref Shares	59,901.91	59,529.77	2.38
<b>Total shares</b>			59,901.91	59,529.77	2.38
<b>Closed-ended investment funds</b>					
GBP	32.86	Falcon Inv SICAV Plc Merlin Secur Yielding Care Home Fd Dist	70,385.09	61,491.59	2.46
GBP	2,753	RIT Capital Partners Plc	59,551.59	60,798.12	2.44
<b>Total closed-ended investment funds</b>			129,936.68	122,289.71	4.90
<b>Open-ended investment funds</b>					
<b>Investment funds (UCITS)</b>					
EUR	282.94947	Pictet Agriculture P EUR Cap	50,000.00	52,750.27	2.11
EUR	87.63013	Pictet Biotech P EUR Cap	50,000.00	48,151.00	1.93
EUR	759.76295	Pictet Clean Energy P EUR Cap	50,000.00	53,950.77	2.16
EUR	220.21581	Pictet Digital P EUR Cap	50,000.00	52,470.82	2.10
EUR	513.61068	Pictet Robotics P EUR Cap	50,000.00	55,690.81	2.23
EUR	286.38525	Pictet Security P EUR Cap	50,000.00	50,406.67	2.02
EUR	187.39225	Pictet Water P EUR Cap	50,000.00	51,495.39	2.06
<b>Total investment funds (UCITS)</b>			350,000.00	364,915.73	14.61
<b>Investment funds (UCI)</b>					
CAD	24,182.8188	Intl Mutual Fd PCC (The) Ltd Canadian Integr Agricultu (CAD)	11,804.29	5,635.09	0.23
EUR	495	LFP I SICAV SIF SA Aventor Fds EUR A Dist	49,336.65	27,348.75	1.10
EUR	1,830.352	LFP Prime Scv-SIF SA Global Forestry Growth Fd A	210,691.82	166,909.80	6.69
			260,028.47	194,258.55	7.79
USD	156.138	Brighton SPC Kijani Commodity Fd (USD) AH Shares	181,846.57	26,732.52	1.07
USD	2,808.75	Montreux Natural Resources Fd Plc (The) A USD	243,226.04	203,931.34	8.17
			425,072.61	230,663.86	9.24
<b>Total investment funds (UCI)</b>			696,905.37	430,557.50	17.26
<b>Real estate funds (UCI)</b>					
EUR	169,449.1525	Darwin Leisure Property Fd F EUR Dist	200,000.00	275,270.15	11.03
EUR	193.9537	Montreux Hlth Fd Plc (The) A EUR Cap	199,999.96	273,707.36	10.97
EUR	217,067.88	Victus Capital ICC Ltd Eur Student Accommoda Fd IC A EUR Cap	232,972.02	224,014.05	8.98
			632,971.98	772,991.56	30.98
GBP	81,562.55	Braemar Group PCC Ltd UK Agricultural Land A Cap	119,126.00	113,655.72	4.55
GBP	169.43	KMG SICAV SIF Lucent Strateg Land Fd A GBP Cap	352,921.11	305,269.25	12.23
			472,047.11	418,924.97	16.78
USD	28,182.59	Lanner SICAV Plc A Cap	17,451.03	23,115.82	0.93
<b>Total real estate funds (UCI)</b>			1,122,470.12	1,215,032.35	48.69
<b>Total investments in securities</b>			2,359,214.08	2,192,325.06	87.84
<b>Cash at banks</b>				291,395.69	11.67
<b>Other net assets/(liabilities)</b>				12,179.13	0.49
<b>Total</b>				2,495,899.88	100.00

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

## The Equity Power Fund

Statement of net assets (in EUR)  
as at 31st December 2016**Assets****Investments**

Securities portfolio at market value	11,162,957.16
Loans	5,424,191.11
	<hr/> 16,587,148.27

**Cash and cash equivalents**

Cash at banks	4,692,968.47
	<hr/> 4,692,968.47

**Receivables**

Receivable on treasury transactions	5,344,886.54
Receivable on issues of shares	646.90
Income receivable on portfolio	198,724.10
Unrealised gain on forward foreign exchange contracts	3,948.23
Other receivables	17,799.11
	<hr/> 5,566,004.88

**Other assets**

Share creation and redemption charges, net	434,240.36
	<hr/> 434,240.36

**Total assets**

27,280,361.98

**Liabilities****Payables**

Payable on treasury transactions	5,342,158.56
Payable on redemptions of shares	306,193.13
Expenses payable	143,491.86
	<hr/> 5,791,843.55

**Other liabilities**

Dividends payable	17,164.16
Prepaid subscriptions	14,986.92
	<hr/> 32,151.08

**Total liabilities**

5,823,994.63

**Total net assets at the end of the year**

21,456,367.35

**Breakdown of net assets per share class**

Share class	Number of shares	Currency of share class	NAV per share in currency of share class
A	148,457.793	EUR	119.74
B	38,298.933	USD	101.35

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

## The Equity Power Fund

## Statement of operations (in EUR)

from 1st January 2016 to 31st December 2016

**Income****Investment income**

Interest on bank accounts	427.91
Interest on loans	543,607.63
	<hr/> 544,035.54

**Realised gain on investments**

- on forward foreign exchange contracts	15,628.49
- on foreign exchange	17,580.05
	<hr/> 33,208.54

**Appreciation of unrealised results on investments**

- on securities portfolio	2,770,817.48
- on forward foreign exchange contracts	3,948.23
	<hr/> 2,774,765.71

**Other income**

Commissions on subscription and on redemption	2,498.80
	<hr/> 2,498.80

**Total income**


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3,354,508.59
**Expenses****Investment advisory or management fees**

AIFM service fees	31,820.92
Management fees	275,619.94
Performance fees	176,594.82
	<hr/> 484,035.68

**Other expenses**

Depository fees	9,085.28
Banking charges and other fees	782.23
Transaction fees	3,850.23
Central administration costs	41,381.84
Professional fees	15,632.56
Other administration costs	4,356.79
Subscription duty ("taxe d'abonnement")	1,432.66
Interest paid on bank overdrafts	1,771.70
Other fees	26,931.51
Amortisation of share creation charge	64,527.23
	<hr/> 169,752.03

**Realised loss on investments**

- on forward foreign exchange contracts	50,190.07
	<hr/> 50,190.07

**Depreciation of unrealised results on investments**

- on securities portfolio	505,591.94
	<hr/> 505,591.94

**Total expenses**


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1,209,569.72
**Net income**


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2,144,938.87

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

## The Equity Power Fund

**Statement of changes in net assets (in EUR)**  
 from 1st January 2016 to 31st December 2016

Net income	2,144,938.87
Dividends paid	-392,561.27
Subscriptions	10,638,249.10
Redemptions	-902,742.66
Total changes in net assets	11,487,884.04
Total net assets at the beginning of the year	9,968,483.31
<b>Total net assets at the end of the year</b>	<b>21,456,367.35</b>

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

## The Equity Power Fund

## Statistical information (in EUR)

as at 31st December 2016

Total net assets	Currency	31.12.2014	31.12.2015	31.12.2016
	EUR	1,940,125.56	9,968,483.31	21,456,367.35
Net asset value per share	Currency	31.12.2014	31.12.2015	31.12.2016
A	EUR	100.00	105.45	119.74
B	USD	100.00	-	101.35
Number of shares	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
A	94,569.489	61,794.681	-7,906.377	148,457.793
B	-	38,298.933	-	38,298.933
Dividends paid	Currency	Dividend per share	Ex-dividend date	
A	EUR	0.49	01.01.2016	
A	EUR	0.65	29.01.2016	
A	EUR	0.60	31.03.2016	
A	EUR	0.71	29.04.2016	
A	EUR	0.19	31.05.2016	
A	EUR	0.14	30.06.2016	
A	EUR	0.15	29.07.2016	
A	EUR	0.15	31.08.2016	
A	EUR	0.14	30.09.2016	
A	EUR	0.1432	31.10.2016	
A	EUR	0.13564	30.11.2016	
A	EUR	0.12999	30.12.2016	
B	USD	0.17	31.05.2016	
B	USD	0.13	30.06.2016	
B	USD	0.13	29.07.2016	
B	USD	0.13	31.08.2016	
B	USD	0.12	31.10.2016	
B	USD	0.11	30.12.2016	

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

## The Equity Power Fund

Statement of investments and other net assets (in EUR)  
as at 31st December 2016

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b><u>Investments in securities</u></b>					
<b><u>Other transferable securities</u></b>					
<b>Shares</b>					
EUR	6,040	Urban Cap Hg	6,040,000.00	8,633,765.41	40.24
EUR	1,385	Wae Newco NV Pref redeemable Share	2,396,050.00	2,529,191.75	11.79
<b>Total shares</b>			8,436,050.00	11,162,957.16	52.03
<b><u>Loans</u></b>					
<b>Loans</b>					
EUR	1,713,021	Urban Capital 12% 16/07.09.17	1,713,021.00	1,713,021.00	7.98
EUR	3,000,000	Wae Newco NV 8% 16/19.05.19	3,000,000.00	3,000,000.00	13.98
			4,713,021.00	4,713,021.00	21.96
USD	750,000	World Accord 15% 16/13.09.17	667,259.79	711,170.11	3.32
<b>Total loans</b>			5,380,280.79	5,424,191.11	25.28
Total investments in securities			13,816,330.79	16,587,148.27	77.31
Cash at banks				4,692,968.47	21.87
Other net assets/(liabilities)				176,250.61	0.82
<b>Total</b>				21,456,367.35	100.00

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

**Columna Commodities Fund (in liquidation)****Report from the Investment Advisor (unaudited)**

from 1st January 2016 to 31st December 2016

The main elements in relation to LFP I SICAV SIF S.A. - Columna Commodities Fund (in liquidation) for the year ended 31 December 2016 are the suspension on 30 November 2016 and the in-liquidation decided on 16 February 2017.

On 30 November 2016, the Board of Directors of the Fund took the decisions to:

- Suspend the calculation of the Net Asset Value of the Sub-Fund starting 30 November 2016;
- Suspend all redemption, conversion and subscription requests received in relation to the Sub-Fund, starting 30 November 2016.

Indeed, the investment portfolio of the Columna Commodities Fund (in liquidation) is mainly composed of receivables of profit participating loans ("PPLs") to be granted by one or more companies (referred hereafter as to the "**MasterCos**"). The funds raised by the MasterCos may in turn be invested indirectly into different commodity trade financing projects. According to the amended law of 13 February 2007 on specialized investment funds and Circular CSSF 07/309 relating to risk-spreading in the context of specialized investment funds: "A SIF may not invest more than 30% of its assets or subscription commitments in securities of the same type issued by the same issuer". Nevertheless, as described in the prospectus of LFP I SICAV-SIF S.A. - Columna Commodities Fund, a ramp-up respectively non-diversification period of 36 months was granted.

On 27 August 2016, the non-diversification period described in the prospectus came to an end. In anticipation of the end of the ramp up period and the diversification process required, the board of directors and the AIFM urged YAS INVESTMENT S.à r.l., in its capacity as investment advisor about the need to comply with applicable laws and regulations as well as the prescriptions of the prospectus and the Sub-Fund factsheet at the end of 2015 and early 2016.

The Board of Directors of the Fund and its AIFM, as part of the prevailing portfolio control process, and after several requests to YAS Investment S.à r.l., in its capacity as investment advisor, to rebalance the existing investments of the Sub-Fund, requested also the repayment of two of the investments with deadline 30 November 2016.

Nevertheless, no repayment of the proceeds of the two investments was received by 30 November 2016. The AIFM has therefore qualified this situation of non-repayment as an event of default and as a prudential measure it has been requested the immediate repayment of all outstanding balances under the loan agreements with the MasterCos.

As a result, the Columna Commodities Fund finds itself in a situation preventing it from liquidating its investment positions and the Board of Directors of the Fund has decided to suspend the calculation of the Net Asset Value of the Sub-Fund, as well as the issue, redemption and conversion of shares in the Sub-Fund, in accordance with section XI of the Issuing Document, namely "where factors relating inter alia to the political, economic, military or monetary situation prevent it from disposing of its assets in a normal or reasonable way without having significant adverse effect(s) on the interests of the Shareholders" and/or "where exchange or capital transfer restrictions prevent the execution of transactions on behalf of one or more Sub-Funds or where purchases and sales made on its behalf cannot be executed at normal exchange rates".

From December 2016, the representatives of MasterCos have been invited to present the alternatives and proven solutions that are in place or will be activated to resolve this situation.

On 11 January 2017, the AIFM received from the directors of Global Hill Corporation Limited a formal answer which included a repayment schedule:

counterparty	Repayment date
CCF-CASE PILLAR III-1	27/01/2017
CCF-CASE PILLAR III-4	27/01/2017
CCF-CASE PILLAR III-6	19/03/2017
CCF-CASE PILLAR III-8	19/03/2017
CCF-CASE PILLAR III-9	21/03/2017
CCF-CASE PILLAR III-10	19/03/2017
CCF-CASE PILLAR III-11	19/03/2017
CCF-CASE PILLAR III-12	21/03/2017
CCF-CASE PILLAR III-19	15/03/2017
CCF-CASE PILLAR III-18	15/03/2017



## Columna Commodities Fund (in liquidation)

### Report from the Investment Advisor (unaudited) (continued)

from 1st January 2016 to 31st December 2016

In this liquidity plan, the directors of the MasterCos indicated their formal commitment to repay all amounts to the Sub-Fund as soon as received. The directors of MasterCos also indicated their commitment to initiate litigation and/or to take steps to recover the debts by taking control of their assets (e.g. enforcement of the relevant pledge).

Even if the directors of the MasterCos repeated several times their commitment, the Directors of the Fund and its AIFM decided to start a civil legal action against the MasterCos in order to protect the interests of the shareholders. The assignment has been prepared and executed on 22 February 2017 for a convocation to the tribunal on 31 March 2017. At this hearing the Court has rescheduled the file for the pleadings at the 27 September 2017.

After the absence of reimbursement of the first loans (CCF-CASE PILLAR III-1 and CCF-CASE PILLAR III-4) on 27 January 2017, the Board of Directors of the Fund and its AIFM decided to reassess the situation in order to identify the best decisions in order to protect the interests of the investors.

In addition to the civil legal action against the MasterCos which has been described above, the Board of Directors of the Fund, according to the provisions of Article 71(6) of the Law of 13th February 2007 relating to Specialised Investment Funds as amended, on the basis of Article 23 of the Articles of Incorporation of the SICAV and Section XV of the Prospectus, resolved to put into liquidation the Sub-Fund on 16 February 2017 in order to protect the interests of the investors of the Fund.

A further factor that impacted this decision was the end of the swap agreement opened for hedging purposes of the Sub-Fund, which has been terminated due to the suspension of the Net Assets Value, with an additional liquidity needed to be covered by the Sub-Fund.

#### Activity Report from the Liquidators of LFP I SIAV SIF SA - Columna Commodities Fund (in liquidation)

Due to the fact that the liquidation references to a Sub-Fund only, and not the Fund itself, actions have been taken "by analogy" with a formal liquidation in such circumstances. No external liquidator has been appointed, and the directors responsible for the management of the Sub-Fund prior to its entry into liquidation act as liquidators.

The Liquidators must draw up an inventory of the Sub-Fund's assets and draw up a balance sheet in order to determine the assets and liabilities. The Liquidators proceed to recover the assets. Once recovered, the proceeds will be used to pay the debts. Only after all the debts are settled can the remaining assets or amounts (if any) be distributed among the shareholders. The distribution of the assets is performed according to the amounts owed to each creditor. The assets must be distributed to all creditors in a fair manner. Once the process is complete, a final general meeting will be convened in order to approve the final accounts and the liquidators' report. It is at the time that the shareholders decide how any liquidation proceeds will be distributed.

The Liquidators actively requested the reimbursement of the assets directly to the various underlying counterparties. This has been done via formal notices sent to underlying counterparties on 30 March 2017, and on 25 April 2017 after numerous attempts to contact directors the underlying counterparties during the period. On 23 May 2017, it has also been sent reminders via e-mails to the parties following the formal communications dated 25 April 2017 which remained unanswered.

The Liquidators tried also to contact the Directors of the MastersCos and they received indications from them that they appointed a legal advisor in London to identify a recovery strategy but they did not inform the Liquidators of the exact terms of this strategy.

This means that, as of today, none of the loans granted have been reimbursed.

The liquidators concentrated also themselves on a list of all creditors of the Sub-Fund and it has been started to send formal notices to creditors in order to identify them and to indicate the amount due.

As a consequence, the annual accounts as at 31 December 2016 reflect this situation, meaning a non-going concern assumption and assets identified as under distressed situations.

The liquidators will periodically inform of the progress of the assets and liabilities situation of the Sub-fund in Liquidation. The excepted timeline to finalize this liquidation is not defined as of today and it will also depend on the conclusions of legal actions which have been started in February 2017. Following the course of actions between the Legal Counsel and the Luxembourg Court, Global Hill Corporation Limited has been summoned to appear in front of the Court of the Tribunal in Luxembourg on 31 March 2017. At the hearing, the case was referred to another Chamber of the Court of the Tribunal in Luxembourg and the hearing has been postponed by formal decision to 27 September 2017. The Supervisory Authority in Luxembourg (the "CSSF") is informed regularly of the developments in this matter.

Note: The information in this report represents historical data and is not an indication of future results.

## Columna Commodities Fund (in liquidation)

Statement of net assets (in USD)  
as at 31st December 2016**Assets****Investments**

Securities portfolio at market value	0.00
Loans	0.00
	<hr/> 0.00

**Cash and cash equivalents**

Deposits on futures contracts	110,000.00
Cash at banks	1,065,046.70
	<hr/> 1,175,046.70

**Receivables**

Other receivables	24,948.14
	<hr/> 24,948.14

**Total assets**

1,199,994.84

**Liabilities****Payables**

Payable on treasury transactions	488,641.93
Payable on redemptions of shares	309,328.14
Interest payable on bank overdrafts	103.28
Expenses payable	218,825.62
	<hr/> 1,016,898.97

**Borrowings**

Bank overdrafts	75.53
	<hr/> 75.53

**Other liabilities**

Prepaid subscriptions	1,129,310.33
	<hr/> 1,129,310.33

**Total liabilities**

2,146,284.83

**Total net assets at the end of the year**

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-946,289.99

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**Breakdown of net assets per share class**

Share class	Number of shares	Currency of share class	NAV per share in currency of share class
A	88,929	EUR	-2.71
B	24,033	GBP	-2.73
C	143,793	USD	-2.78
D	30,057	CHF	-2.66
E	461,087	SEK	-2.62

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

## Columna Commodities Fund (in liquidation)

## Statement of operations (in USD)

from 1st January 2016 to 31st December 2016

**Income****Investment income**

Interest on bank accounts	2,493.92
Interest on loans	7,259,427.33
	<hr/> 7,261,921.25

**Realised gain on investments**

- on forward foreign exchange contracts	2,336,574.89
	<hr/> 2,336,574.89

**Appreciation of unrealised results on investments**

- on forward foreign exchange contracts	53,499.78
	<hr/> 53,499.78

**Other income**

Commissions on subscription and on redemption	184,379.29
Other revenue	263,514.77
	<hr/> 447,894.06

**Total income**

10,099,889.98

**Expenses****Investment advisory or management fees**

AIFM service fees	115,259.97
Management fees	601,921.98
Performance fees	782,786.54
	<hr/> 1,499,968.49

**Other expenses**

Depository fees	23,776.54
Banking charges and other fees	3,131.40
Transaction fees	242,670.22
Central administration costs	47,110.02
Professional fees	43,552.05
Other administration costs	10,001.75
Subscription duty ("taxe d'abonnement")	3,946.64
Interest paid on bank overdrafts	9,950.30
Other fees	20,127.92
Amortisation of share creation charge	2,453,697.60
	<hr/> 2,857,964.44

**Realised loss on investments**

- on forward foreign exchange contracts	4,506,506.16
- on foreign exchange	27,886.57
	<hr/> 4,534,392.73

**Depreciation of unrealised results on investments**

- on securities portfolio	54,500,222.08
- on forward foreign exchange contracts	327,535.34
	<hr/> 54,827,757.42

**Total expenses**

63,720,083.08

**Net expenditure**

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-53,620,193.10

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

## Columna Commodities Fund (in liquidation)

### Statement of changes in net assets (in USD) from 1st January 2016 to 31st December 2016

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Net expenditure	-53,620,193.10
Subscriptions	29,468,752.88
Redemptions	-8,657,972.72
Total changes in net assets	-32,809,412.94
Total net assets at the beginning of the year	31,863,122.95
<b>Total net assets at the end of the year</b>	<b>-946,289.99</b>

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

## Columna Commodities Fund (in liquidation)

## Statistical information (in USD)

as at 31st December 2016

Total net assets	Currency	31.12.2014	31.12.2015	31.12.2016
	USD	6,186,225.36	31,863,122.95	-946,289.99
Net asset value per share	Currency	31.12.2014	31.12.2015	31.12.2016
A	EUR	112.55	141.75	-2.71
B	GBP	111.63	140.49	-2.73
C	USD	113.86	144.52	-2.78
D	CHF	111.22	140.23	-2.66
E	SEK	112.53	141.77	-2.62
Number of shares	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
A	74,752	33,145	-18,969	88,929
B	11,933	15,517	-3,417	24,033
C	92,971	79,134	-28,312	143,793
D	23,406	6,943	-292	30,057
E	69,178	396,203	-4,294	461,087

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

## Columna Commodities Fund (in liquidation)

Statement of investments and other net assets (in USD)  
as at 31st December 2016

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b><u>Investments in securities</u></b>					
<b><u>Other transferable securities</u></b>					
<b>Shares</b>					
HKD	10,000	Global Hill Corp Ltd	1,290.31	0.00	0.00
<b>Total shares</b>			1,290.31	0.00	0.00
<b>Bonds</b>					
USD	54,497,645.21	Global Hill Corp Ltd 5% 14/06.08.17	54,497,645.21	0.00	0.00
<b>Total bonds</b>			54,497,645.21	0.00	0.00
<b><u>Loans</u></b>					
<b>Loans</b>					
EUR	1,184.02	Global Hill Corp Ltd 5% Sub 13/01.11.16	1,286.56	0.00	0.00
<b>Total loans</b>			1,286.56	0.00	0.00
Total investments in securities			54,500,222.08	0.00	0.00
Cash at banks				1,065,046.70	-112.55
Bank overdrafts				-75.53	0.01
Other net assets/(liabilities)				-2,011,261.16	212.54
<b>Total</b>				<b>-946,289.99</b>	<b>100.00</b>

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

## Flexmax Multi-Asset Low Risk Fund

Statement of net assets (in EUR)  
as at 31st December 2016**Assets****Investments**

Securities portfolio at market value	5,366,231.30
	5,366,231.30

**Cash and cash equivalents**

Cash at banks	576,812.98
	576,812.98

**Receivables**

Receivable on sales of securities	3,495,073.72
Receivable on issues of shares	991.88
Income receivable on portfolio	168,432.84
	3,664,498.44

**Other assets**

Formation expenses, net	33,426.25
	33,426.25

**Total assets**

9,640,968.97

**Liabilities****Payables**

Payable on redemptions of shares	101,863.47
Expenses payable	49,204.99
	151,068.46

**Other liabilities**

Other payables	15,836.75
	15,836.75

**Total liabilities**

166,905.21

**Total net assets at the end of the year**

9,474,063.76

**Breakdown of net assets per share class**

Share class	Number of shares	Currency of share class	NAV per share in currency of share class
A	72,039.837	EUR	89.34
B	41,653.802	USD	71.41
C	2,003.141	GBP	92.79

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

## Flexmax Multi-Asset Low Risk Fund

## Statement of operations (in EUR)

from 1st January 2016 to 31st December 2016

**Income****Investment income**

Dividends, net	242,865.94
Interest on bonds and other debt securities, net	207,330.09
	<u>450,196.03</u>

**Realised gain on investments**

- on securities portfolio	72,372.43
	<u>72,372.43</u>

**Appreciation of unrealised results on investments**

- on securities portfolio	5,081.68
	<u>5,081.68</u>

**Other income**

Commissions on subscription and on redemption	1,929.10
Other revenue	433.23
	<u>2,362.33</u>

**Total income**

530,012.47

**Expenses****Investment advisory or management fees**

AIFM service fees	71,530.72
Management fees	94,554.37
	<u>166,085.09</u>

**Other expenses**

Depository fees	6,736.18
Banking charges and other fees	1,474.75
Transaction fees	975.46
Central administration costs	24,861.50
Professional fees	13,114.13
Other administration costs	38,240.50
Subscription duty ("taxe d'abonnement")	814.86
Interest paid on bank overdrafts	371.81
Other fees	30,662.53
	<u>117,251.72</u>

**Realised loss on investments**

- on securities portfolio	1,113,190.42
- on foreign exchange	127,669.14
	<u>1,240,859.56</u>

**Depreciation of unrealised results on investments**

- on securities portfolio	1,104,738.62
	<u>1,104,738.62</u>

**Total expenses**

2,628,934.99

**Net expenditure**-2,098,922.52

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



## Flexmax Multi-Asset Low Risk Fund

**Statement of changes in net assets (in EUR)**  
 from 1st January 2016 to 31st December 2016

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Net expenditure	-2,098,922.52
Subscriptions	2,747,607.73
Redemptions	-6,217,774.37
Total changes in net assets	-5,569,089.16
Total net assets at the beginning of the year	15,043,152.92
<b>Total net assets at the end of the year</b>	<b>9,474,063.76</b>

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

## Flexmax Multi-Asset Low Risk Fund

## Statistical information (in EUR)

as at 31st December 2016

Total net assets	Currency	31.12.2014	31.12.2015	31.12.2016
	EUR	13,206,693.11	15,043,152.92	9,474,063.76
Net asset value per share	Currency	31.12.2014	31.12.2015	31.12.2016
A	EUR	100.06	103.14	89.34
B	USD	92.48	85.42	71.41
C	GBP	-	-	92.79
Number of shares	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
A	109,475.265	17,402.381	-54,837.809	72,039.837
B	47,688.582	11,894.577	-17,929.357	41,653.802
C	-	2,003.141	-	2,003.141

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

## Flexmax Multi-Asset Low Risk Fund

Statement of investments and other net assets (in EUR)  
as at 31st December 2016

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b><u>Investments in securities</u></b>					
<b><u>Transferable securities admitted to an official stock exchange listing</u></b>					
<b>Bonds in default of payment</b>					
EUR	200,000	Afinance BV VAR LPN Abanka Reg S Sub 07/03.05.Perpetual	30,200.00	6,282.00	0.07
<b>Total bonds in default of payment</b>			30,200.00	6,282.00	0.07
<b><u>Transferable securities dealt in on another regulated market</u></b>					
<b>Bonds related to a basket of shares</b>					
GBP	600,000	Xantis SA VAR EMTN Ser 1 Lk Basket of PE Shares 15/31.12.26	773,100.00	702,948.99	7.42
<b>Total bonds related to a basket of shares</b>			773,100.00	702,948.99	7.42
<b><u>Other transferable securities</u></b>					
<b>Closed-ended investment funds</b>					
EUR	8,893.9	Xantis Inv Securis Private Eq I	1,363,156.69	1,357,387.02	14.33
GBP	7,500	Providence Inv Fds PCC Ltd Dec 2016 18 Mo Qu GBP C Pref Dist	968,060.09	87,868.62	0.93
<b>Total closed-ended investment funds</b>			2,331,216.78	1,445,255.64	15.26
<b>Bonds</b>					
EUR	605,000	Lombard 82 Securitisation Fd VAR EMTN Ser 7 Tr 2 12/31.12.23	605,000.00	605,000.00	6.38
GBP	1,296,690	Lombard 82 Securitisation Fd VAR EMTN Ser 7 Tr 2 12/31.12.23	1,539,811.61	1,519,178.20	16.03
<b>Total bonds</b>			2,144,811.61	2,124,178.20	22.41
<b>Warrants and rights</b>					
USD	14	SGA NV Call Wts WldShFds RelGIShGr 10.10.19	581,250.00	307,851.32	3.25
<b>Total warrants and rights</b>			581,250.00	307,851.32	3.25
<b><u>Open-ended investment funds</u></b>					
<b>Investment funds (UCI)</b>					
GBP	7,459.67653	GFG Fd PCC Ltd FX Algorithmic C GBP	929,191.12	779,715.15	8.23
<b>Total investment funds (UCI)</b>			929,191.12	779,715.15	8.23
Total investments in securities			6,789,769.51	5,366,231.30	56.64
Cash at banks				576,812.98	6.09
Other net assets/(liabilities)				3,531,019.48	37.27
<b>Total</b>				9,474,063.76	100.00

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

## Flexmax Multi-Asset High Yield Fund

Statement of net assets (in EUR)  
as at 31st December 2016**Assets****Investments**

Securities portfolio at market value	4,980,167.83
	4,980,167.83

**Cash and cash equivalents**

Cash at banks	648,424.58
	648,424.58

**Receivables**

Receivable on sales of securities	3,613,002.56
Receivable on issues of shares	1,881.63
Income receivable on portfolio	65,569.73
	3,680,453.92

**Other assets**

Formation expenses, net	19,498.72
	19,498.72

**Total assets**

9,328,545.05

**Liabilities****Payables**

Payable on redemptions of shares	1,056,974.97
Expenses payable	63,578.03
	1,120,553.00

**Other liabilities**

Prepaid subscriptions	2,665.78
Other payables	24,467.33
	27,133.11

**Total liabilities**

1,147,686.11

**Total net assets at the end of the year**

8,180,858.94

**Breakdown of net assets per share class**

Share class	Number of shares	Currency of share class	NAV per share in currency of share class
A	52,990.598	EUR	96.31
B	40,711.494	USD	76.84
C	1,002.462	GBP	94.38

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

## Flexmax Multi-Asset High Yield Fund

## Statement of operations (in EUR)

from 1st January 2016 to 31st December 2016

**Income****Investment income**

Dividends, net	47,064.36
Interest on bonds and other debt securities, net	255,990.88
	<u>303,055.24</u>

**Realised gain on investments**

- on securities portfolio	224,986.62
	<u>224,986.62</u>

**Appreciation of unrealised results on investments**

- on securities portfolio	44,093.81
	<u>44,093.81</u>

**Other income**

Commissions on subscription and on redemption	4,131.44
Other revenue	6,036.29
	<u>10,167.73</u>

**Total income**

582,303.40

**Expenses****Investment advisory or management fees**

AIFM service fees	67,139.50
Management fees	115,177.85
	<u>182,317.35</u>

**Other expenses**

Depository fees	7,039.17
Banking charges and other fees	2,384.87
Transaction fees	1,133.89
Central administration costs	26,322.74
Professional fees	13,130.11
Other administration costs	39,318.00
Subscription duty ("taxe d'abonnement")	550.69
Interest paid on bank overdrafts	762.71
Other fees	22,836.81
	<u>113,478.99</u>

**Realised loss on investments**

- on securities portfolio	598,027.46
- on foreign exchange	105,757.50
	<u>703,784.96</u>

**Depreciation of unrealised results on investments**

- on securities portfolio	926,234.90
	<u>926,234.90</u>

**Total expenses**

1,925,816.20

**Net expenditure**-1,343,512.80

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

## Flexmax Multi-Asset High Yield Fund

### Statement of changes in net assets (in EUR) from 1st January 2016 to 31st December 2016

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Net expenditure	-1,343,512.80
Subscriptions	1,889,403.05
Redemptions	-5,269,426.01
Total changes in net assets	-4,723,535.76
Total net assets at the beginning of the year	12,904,394.70
<b>Total net assets at the end of the year</b>	<b>8,180,858.94</b>

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

## Flexmax Multi-Asset High Yield Fund

## Statistical information (in EUR)

as at 31st December 2016

Total net assets	Currency	31.12.2014	31.12.2015	31.12.2016
	EUR	12,119,815.91	12,904,394.70	8,180,858.94
Net asset value per share	Currency	31.12.2014	31.12.2015	31.12.2016
A	EUR	104.91	107.15	96.31
B	USD	96.71	88.67	76.84
C	GBP	-	-	94.38
Number of shares	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
A	74,143.443	16,457.342	-37,610.187	52,990.598
B	60,723.779	1,404.745	-21,417.030	40,711.494
C	-	1,002.462	-	1,002.462

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

## Flexmax Multi-Asset High Yield Fund

Statement of investments and other net assets (in EUR)  
as at 31st December 2016

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b><u>Investments in securities</u></b>					
<b><u>Other transferable securities</u></b>					
<b>Closed-ended investment funds</b>					
EUR	8,002.349	Xantis Inv Securis Private Eq I	1,225,343.08	1,221,318.50	14.93
GBP	4,000	Providence Inv Fds PCC Ltd Dec 2016 18 Mo Qu GBP C Pref Dist	516,300.29	46,863.27	0.57
<b>Total closed-ended investment funds</b>			<b>1,741,643.37</b>	<b>1,268,181.77</b>	<b>15.50</b>
<b>Bonds</b>					
EUR	903,000	Lombard 82 Securitisation Fd VAR EMTN Ser 7 Tr 2 12/31.12.23	903,000.00	903,000.00	11.04
GBP	319,270	Lombard 82 Securitisation Fd VAR EMTN Ser 7 Tr 2 12/31.12.23	379,131.21	374,050.87	4.57
<b>Total bonds</b>			<b>1,282,131.21</b>	<b>1,277,050.87</b>	<b>15.61</b>
<b>Warrants and rights</b>					
USD	8	SGA NV Call Wts WldShFds RelGISHGr 10.10.19	365,625.00	175,915.04	2.15
<b>Total warrants and rights</b>			<b>365,625.00</b>	<b>175,915.04</b>	<b>2.15</b>
<b><u>Open-ended investment funds</u></b>					
<b>Investment funds (UCITS)</b>					
USD	0.005	World Inv Opp Fds India Performance I Cap	0.00	0.06	0.00
<b>Total investment funds (UCITS)</b>			<b>0.00</b>	<b>0.06</b>	<b>0.00</b>
<b>Investment funds (UCI)</b>					
GBP	20,694.383715	GFG Fd PCC Ltd FX Algorithmic C GBP	2,612,190.30	2,163,059.54	26.44
USD	10,000	World Shariah Fds PCC Ltd WSF Asian Pacific I USD Cap	89,080.31	95,960.55	1.18
<b>Total investment funds (UCI)</b>			<b>2,701,270.61</b>	<b>2,259,020.09</b>	<b>27.62</b>
Total investments in securities			<b>6,090,670.19</b>	<b>4,980,167.83</b>	<b>60.88</b>
Cash at banks				648,424.58	7.93
Other net assets/(liabilities)				2,552,266.53	31.19
<b>Total</b>				<b>8,180,858.94</b>	<b>100.00</b>

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



## Aventor Funds - EUR (in liquidation)

### Report from the Investment Advisor (unaudited)

from 1st January 2016 to 31st December 2016

The Board of Directors notes that, as from 31 December 2016, the Fund's investments were structured as follows:

- Loan to RMP Managed Receivables Inc.: EUR 2,952,840.85;
- Loan to PWCS SPV No 1 Pty Ltd: EUR 2,600,000.00; and
- Cash holding: EUR 1,717,392.24. Please note that a loan to Great Tao SPV Co Ltd was agreed by the Board of Directors on 29 January 2016 for an amount of EUR 1,200,000.

These investments were in line with the investment strategy of Aventor which, according to the prospectus issued by the Fund in December 2013 (page 192), is:

"to invest mainly through structured financial transactions in a diversified portfolio of Target Companies, in strategically selected sectors. The main strategy is to invest, through equity, loans and other financing instruments as further described under Form of Investment, fully or partially, in Target Companies that are specialized in trade receivable financing.

The rationale for such an investment strategy is that the Aventor Funds - EUR will not try to actively manage the Target Companies but seek to benefit from the expertise of its partnership with specific Target Companies and/or experts"

#### 1. INVESTMENT INTO RMP MANAGED RECEIVABLES

The Fund issued a letter to RMP Corp on 24 June 2016, to which it received no response. Accordingly, on 14 November 2016, LFP formally notified RMP Receivables that an event of default had occurred under the Stock Purchase and Loan Agreement dated 26 August 2013 and that, consequently:

- the RMP loan had been accelerated so that the principal outstanding and accrued interests were immediately payable; and
- the Fund was exercising its right to convert the preferred shares it held in RMP Receivables into common shares (in order to take control of RMP Receivables).

The Board of Directors has examined whether the active and aggressive pursuit of the assets of RMP Receivables in order to attempt to recoup the losses of Aventor would be an advisable and efficient course of action. In carrying out this examination, the Board of Directors relied on its due diligence investigations and analysis of the risks connected to an investment in RMP Receivables. In addition, the Board of Directors attempted to enforce the protection mechanisms it had put in place at the time of the investment into RMP Receivables and exercise the pledge it held over the shares of RMP Receivables in order to become the sole shareholder of RMP Receivables and, indirectly, the owner of the assets of RMP Receivables. The Board of Directors has noted that the attempt to enforce the pledges was unsuccessful.

As described in other communication to shareholders and as further confirmed by external advisors, RMP Receivables no longer holds any significant assets, as its existing assets have lost value and other assets having been misstated and misrepresented. Following further examination, the Board of Directors has determined that aggressively pursuing a legal claim before New York courts would lead to costly expenditures. The Board of Directors has also consulted external legal counsel and was informed that it was unlikely that pursuing legal action and enforcing the pledges would achieve any measurable success.

At the time of acquiring the RMP investment, the Board of Directors had also negotiated insurance cover from HCC, insuring the Fund against risks connected to the investment in RMP Receivables. This insurance was in place until September 2016. After contacting the insurance company, the Board of Directors was informed that RMP Corp did not pay the last premium payment and that the insurance contract was consequently automatically cancelled. Additional external legal consultation by the Board of Directors could not confirm that the insurer could be forced to consider the rights of the beneficiary of the insurance contract under the circumstances.

In order to limit any further costs to the Fund and, indirectly, losses to the investors in the Fund, the Board of Directors has chosen to write off the RMP Receivables investment.

#### 2. INVESTMENTS INTO PWCS RECEIVABLES

Until September 2016, neither LFP nor the Board of Directors had received any formal indication regarding any issues with the Fund's investment in PWCS. The Board of Directors was engaged in discussions with the independent auditor of the Fund regarding the preparation and availability of audited financial statements for financial year 2015.

In addition, the Fund received a formal letter from a director of Pacific Working Capital Solutions Holdings (parent company of PWCS) on 12 August 2016 indicating that the audit of PWCS was expected to be finalised soon and that no additional risks were pending over the interests due on the investment.

## Aventor Funds - EUR (in liquidation)

### Report from the Investment Advisor (unaudited) (continued)

from 1st January 2016 to 31st December 2016

Nevertheless, beginning in September 2016, the management of PWCS, based in New Zealand reported that issues had arisen in the reconciliation of the financial position of PWCS and that, consequently, the finalisation of the audit was delayed.

On 30 September 2016, the Board of Directors formally requested to PWCS the payment of accrued and due interests due for September 2016 on the PWCS investment.

Neither PWCS SPY Nol Pty Ltd nor its operating vehicle (Pacific Working Capital Solutions Holdings Pty Ltd) have been able to provide their audited accounts for the financial years of 2015 or 2016. Despite assurances from the management of Pacific Working Capital Solutions, based in New Zealand, that it would provide a full reconciliation of the financial position of the loans that have been provided by PWCS entities to third parties, such information has not been forthcoming.

However, the management of Pacific Working Capital Solutions, based in New Zealand, also indicated that a large proportion of the loan book of PWCS was impaired. The extent and the reasons of this potential impairment is not known at this stage, but it is expected that it will be a substantial part of the Fund's investment.

Accordingly, the Board of Directors consulted an insolvency specialist based in Sydney to advise on the measures to be taken by the Fund, whether it be to realise the PWCS investment or limit costs and losses to the Fund. The specialist advice received was to put the PWCS entities into liquidation by appointing a liquidator to: (i) PWCS SPY No. 1 Pty Ltd (the direct borrower of the Fund); and (ii) PWCSH Pty Ltd (the factoring operating company that was using PWCS SPY No. 1 Pty Ltd's funding line to lend to factoring clients). Indeed, Pacific Working Capital Solutions Holdings Pty Ltd still has loans outstanding to third parties that may be recoverable and the liquidation process would allow the Fund to recoup a portion of its investment.

The Board of Directors notes that a director of the Fund's investment advisor has become a director of PWCS SPY N0.1 Pty Ltd and PWCSH Pty Ltd and may appoint a liquidator for these entities. Proceeding via a liquidation process should ensure that the Fund can control the transactions that may yield recovery of assets for the Fund and, indirectly, for its advisors. According to the preliminary investigations carried out by the Fund and its advisors, the Board of Directors has estimated that the all amount of interests already accrued should be adjusted and the Fund would potentially recover 25% of the loan principal made by the Fund to the PWCS entities.

### 3. INVESTMENTS INTO GREAT TAO

The Board of Directors has noted that the investment made by the Fund in Great Tao SPY (Hong Kong) So, Ltd. has generated a positive return and is satisfied that the management of such investment has comported itself in a dutiful and diligent manner.

Despite the confidence and appreciation, the Board of Directors has in the management of Great Tao SPY (Hong Kong) So, Ltd., the Board of Directors has taken the decision to redeem the Fund's investment in Great Tao SPY (Hong Kong) So, Ltd. and the redemption has been satisfactorily repaid at the end of December 2016.

### 4. LIQUIDATION AND STEPS TO BE UNDERTAKEN BY THE BOARD OF DIRECTORS OF THE FUND

Based on the actions described in this report and in order to limit any further costs to the Fund and, indirectly, losses to the shareholders, the Board of Directors came to the conclusion to put the sub-fund LFP I SICAV SIF S.A. - Aventor Funds - EUR (the Sub-Fund) into liquidation.

Indeed, the Board of Directors has noted that the current net asset value of the Sub-Fund does not allow for appropriate management of the Sub-Fund in the interest of the shareholders.

The Board of Directors, according to the provisions of Article 71(6) of the Law of 13 February 2007 relating to Specialised Investment Funds, as amended, and on the basis of Article 23 of the articles of incorporation of the Fund and Section XV of the Fund's prospectus, resolved on 6 April 2017 to put into liquidation the Sub-Fund in order to protect the interests of the investors of the Sub-Fund.

The Board of Directors stay responsible for the liquidation of the Sub-Fund. In this context, the Board of Directors and the investment advisor of the Fund, Finite Management S.à r.l., examine to spin off the Sub-Fund to a new dedicated entity. On a date to be determined, identified distressed assets shall be transferred from the Sub-Fund to the new entity and the investors of the existing Sub-Fund shall receive shares/units of the new entity (pro rata to their share/unit holding in the Sub-Fund). The new entity will be dissolved shortly following its creation and placed in voluntary liquidation. The Board of Directors shall manage the distressed assets transferred to the new entity with the aim of selling and/or realizing such assets in the best interest of the investors. Upon the sale and/or realization of all distressed assets of the new entity, the shares/units of the new entity shall be redeemed and/or cancelled.

## **Aventor Funds - EUR (in liquidation)**

### **Report from the Investment Advisor (unaudited) (continued)**

from 1st January 2016 to 31st December 2016

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In connection with the spin off and/or liquidation of the Sub-Fund, the Board of Directors with the advice of Finite Management S.à r.l. shall prepare an estimate of all outstanding debts and any debts that will arise in relation to the liquidation in order to provision such amount. The net liquidation proceeds shall be calculated when all required information will be available, and be communicated to the shareholders of the Fund thereafter.

The Board of Directors will keep you informed about any material developments in this matter, in coordination with the CSSF.

Note: The information in this report represents historical data and is not an indication of future results.

**Aventor Funds - EUR (in liquidation)****Statement of net assets (in EUR)**  
as at 31st December 2016**Assets****Investments**

Securities portfolio at market value	110.78
Loans	650,000.00
	<u>650,110.78</u>

**Cash and cash equivalents**

Cash at banks	1,423,808.86
	<u>1,423,808.86</u>

**Receivables**

Other receivables	18,886.95
	<u>18,886.95</u>

**Total assets**

2,092,806.59

**Liabilities****Payables**

Expenses payable	58,203.20
	<u>58,203.20</u>

**Other liabilities**

Prepaid subscriptions	76,024.67
	<u>76,024.67</u>

**Total liabilities**

134,227.87

**Total net assets at the end of the year**

1,958,578.72

**Breakdown of net assets per share class**

Share class	Number of shares	Currency of share class	NAV per share in currency of share class
A	75,032	EUR	26.10

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

**Aventor Funds - EUR (in liquidation)****Statement of operations (in EUR)**

from 1st January 2016 to 31st December 2016

**Income****Investment income**

Interest on bonds and other debt securities, net	132,758.39
Interest on loans	34,405.48
	<u>167,163.87</u>

**Realised gain on investments**

- on foreign exchange	336.50
	<u>336.50</u>

**Appreciation of unrealised results on investments**

- on securities portfolio	1.38
	<u>1.38</u>

**Other income**

Commissions on subscription and on redemption	1,019.12
	<u>1,019.12</u>

**Total income**168,520.87**Expenses****Investment advisory or management fees**

AIFM service fees	31,583.33
Management fees	105,976.88
	<u>137,560.21</u>

**Other expenses**

Depository fees	2,484.42
Banking charges and other fees	114.83
Transaction fees	153.00
Central administration costs	25,277.52
Professional fees	41,209.10
Other administration costs	9,815.76
Subscription duty ("taxe d'abonnement")	473.21
Interest paid on bank overdrafts	66.81
Other fees	334,018.05
	<u>413,612.70</u>

**Depreciation of unrealised results on investments**

- on securities portfolio	4,903,018.23
	<u>4,903,018.23</u>

**Total expenses**5,454,191.14**Net expenditure**-5,285,670.27

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

**Aventor Funds - EUR (in liquidation)****Statement of changes in net assets (in EUR)**

from 1st January 2016 to 31st December 2016

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Net expenditure	-5,285,670.27
Dividends paid	-180,026.89
Subscriptions	225,229.03
Redemptions	-306,220.60
Total changes in net assets	-5,546,688.73
Total net assets at the beginning of the year	7,505,267.45
<b>Total net assets at the end of the year</b>	<b>1,958,578.72</b>

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

## Aventor Funds - EUR (in liquidation)

## Statistical information (in EUR)

as at 31st December 2016

Total net assets	Currency	31.12.2014	31.12.2015	31.12.2016
	EUR	6,844,713.70	7,505,267.45	1,958,578.72
Net asset value per share	Currency	31.12.2014	31.12.2015	31.12.2016
A	EUR	100.00	100.00	26.10
Number of shares	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
A	75,052	3,041	-3,062	75,032
Dividends paid	Currency	Dividend per share	Ex-dividend date	
A	EUR	0.57		01.01.2016
A	EUR	0.44		29.02.2016
A	EUR	0.56		31.03.2016
A	EUR	0.54		29.04.2016
A	EUR	0.33		31.05.2016

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

## Aventor Funds - EUR (in liquidation)

Statement of investments and other net assets (in EUR)  
as at 31st December 2016

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b><u>Investments in securities</u></b>					
<b><u>Other transferable securities</u></b>					
<b>Shares</b>					
AUD	900	PWCS SPV No1 Pty Ltd	60.39	61.77	0.00
EUR	9	RMP Managed Receivables Inc	9.00	9.00	0.00
EUR	10	RMP Managed Receivables Inc Pref A	10.00	10.00	0.00
EUR	9	Southstar Financial SPV, LLC	9.00	9.00	0.00
EUR	10	Southstar Financial SPV, LLC Pref	10.00	10.00	0.00
			38.00	38.00	0.00
HKD	90	Great Tao SPV Co Ltd	90.00	11.01	0.00
<b>Total shares</b>			188.39	110.78	0.00
<b><u>Loans</u></b>					
<b>Loans</b>					
EUR	2,600,000	PWCS SPV No1 Pty Ltd 11.5% 14/15.09.19	2,600,000.00	650,000.00	33.19
EUR	2,952,840.85	RMP Managed Receivables Inc 11.5% 13/25.08.18	2,952,840.85	0.00	0.00
<b>Total loans</b>			5,552,840.85	650,000.00	33.19
Total investments in securities			5,553,029.24	650,110.78	33.19
Cash at banks				1,423,808.86	72.70
Other net assets/(liabilities)				-115,340.92	-5.89
Total				1,958,578.72	100.00

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



## Aimed Global Alpha (in liquidation)

Statement of net assets (in USD)  
as at 31st December 2016**Assets****Investments**

Securities portfolio at market value	7,726,835.65
	<u>7,726,835.65</u>

**Cash and cash equivalents**

Deposits on futures contracts	896,000.00
Cash at banks	1,779,221.91
Other liquid assets	5,536,556.73
	<u>8,211,778.64</u>

**Receivables**

Receivable on treasury transactions	1,038,693.26
Unrealised gain on futures contracts	156,716.93
Other receivables	2,970.39
	<u>1,198,380.58</u>

**Other assets**

Formation expenses, net	2,091.09
	<u>2,091.09</u>

**Total assets**

17,139,085.96

**Liabilities****Payables**

Other liquid liabilities	57,472.69
Payable on treasury transactions	1,036,033.98
Payable on redemptions of shares	3,040,086.98
Unrealised loss on futures contracts	96,601.53
Unrealised loss on forward foreign exchange contracts	90,455.67
Expenses payable	60,677.87
	<u>4,381,328.72</u>

**Total liabilities**

4,381,328.72

**Total net assets at the end of the year**

12,757,757.24

**Breakdown of net assets per share class**

Share class	Number of shares	Currency of share class	NAV per share in currency of share class
A	5,708.005	USD	92.15
B	45,295.975	USD	95.18
C	41,896.861	EUR	101.15
D	14,940.987	GBP	85.19
E	18,374.896	CHF	85.88
F	5,000.000	AUD	90.08

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

## Aimed Global Alpha (in liquidation)

## Statement of operations (in USD)

from 1st January 2016 to 31st December 2016

**Income****Investment income**

Interest on bank accounts	1,145.94
	<u>1,145.94</u>

**Realised gain on investments**

- on securities portfolio	1,357.00
- on futures contracts	6,751,952.77
- on forward foreign exchange contracts	<u>1,077,921.23</u>
	7,831,231.00

**Appreciation of unrealised results on investments**

- on securities portfolio	19,867.83
- on futures contracts	<u>1,337,247.57</u>
	1,357,115.40

**Other income**

Other revenue	312.48
	<u>312.48</u>

**Total income**

9,189,804.82

**Expenses****Investment advisory or management fees**

AIFM service fees	53,458.83
Management fees	189,410.75
Performance fees	<u>1,965.61</u>
	244,835.19

**Other expenses**

Depository fees	5,592.40
Banking charges and other fees	5,118.17
Transaction fees	184,601.75
Central administration costs	83,672.40
Professional fees	13,740.85
Other administration costs	21,428.68
Subscription duty ("taxe d'abonnement")	1,387.80
Interest paid on bank overdrafts	14,366.43
Other fees	<u>31,219.03</u>
	361,127.51

**Realised loss on investments**

- on securities portfolio	3,062.47
- on futures contracts	10,901,293.39
- on forward foreign exchange contracts	1,557,981.59
- on foreign exchange	<u>40,364.95</u>
	12,502,702.40

**Depreciation of unrealised results on investments**

- on futures contracts	393,421.52
- on forward foreign exchange contracts	<u>286,241.37</u>
	679,662.89

**Total expenses**

13,788,327.99

**Net expenditure**-4,598,523.17

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

## Aimed Global Alpha (in liquidation)

### Statement of changes in net assets (in USD) from 1st January 2016 to 31st December 2016

Net expenditure	-4,598,523.17
Subscriptions	7,512,166.36
Redemptions	-12,079,997.07
Total changes in net assets	-9,166,353.88
Total net assets at the beginning of the year	21,924,111.12
<b>Total net assets at the end of the year</b>	<b>12,757,757.24</b>

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

## Aimed Global Alpha (in liquidation)

### Statistical information (in USD)

as at 31st December 2016

Total net assets	Currency	31.12.2014	31.12.2015	31.12.2016
	USD	8,131,248.41	21,924,111.12	12,757,757.24

Net asset value per share	Currency	31.12.2014	31.12.2015	31.12.2016
A	USD	96.15	110.29	92.15
B	USD	102.43	114.46	95.18
C	EUR	107.21	123.63	101.15
D	GBP	-	-	85.19
E	CHF	-	-	85.88
F	AUD	-	-	90.08

Number of shares	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
A	27,458.421	1,975.548	-23,725.964	5,708.005
B	96,855.497	13,657.359	-65,216.881	45,295.975
C	58,135.642	3,749.249	-19,988.030	41,896.861
D	-	21,848.330	-6,907.343	14,940.987
E	-	18,374.896	-	18,374.896
F	-	5,000.000	-	5,000.000

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

## Aimed Global Alpha (in liquidation)

Statement of investments and other net assets (in USD)  
as at 31st December 2016

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b><u>Investments in securities</u></b>					
<b><u>Open-ended investment funds</u></b>					
<b>Investment funds (UCITS)</b>					
USD	2,284.766	UBS Lux Money Market Fd USD P Cap	3,958,119.42	3,968,341.52	31.11
<b>Total investment funds (UCITS)</b>			3,958,119.42	3,968,341.52	31.11
<b>Tracker funds (UCITS)</b>					
USD	21,975	db x-trackers US Dollar Cash UCITS ETF 1C Cap	3,751,871.83	3,758,494.13	29.46
<b>Total tracker funds (UCITS)</b>			3,751,871.83	3,758,494.13	29.46
Total investments in securities			7,709,991.25	7,726,835.65	60.57
Cash at banks				1,779,221.91	13.95
Other net assets/(liabilities)				3,251,699.68	25.48
Total				12,757,757.24	100.00

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

## Montello Real Estate Opportunity Fund

### Report from the Investment Advisor (unaudited)

from 1st January 2016 to 31st December 2016

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#### 1. UK Real Estate Market Overview

UK property remains an attractive asset class, and one where demand continually outstrips supply. While it is possible that we will see some downward movement in house prices, particularly in London and the South East of England, it is our firm belief that the UK property market remains fundamentally resilient. The withdrawal of the UK from the European Union may also provide an opportunity for the UK housing market to cool and reset in areas where rising house prices are stifling first time buyers and others who want to buy property. In addition to this, the possibility of some interest rate fluctuation and the lower value of the pound against other currencies should go a long way to offsetting selling pressure.

##### 1.1 The UK Residential Market

The housing market was no exception to the UK's economic resilience last year; in 2016 the Halifax Price Index (HPI) recorded average house price growth in the UK of 6.5% over the year. This growth looks set to continue, albeit at a lower rate into Q2 and Q3, with the leading ONS UK HPI reporting a 5.6% growth in house prices in the year to April, up from 4.5% recorded in the year to March. Analysts predict relatively muted country-wide growth, with house prices rising somewhere between 1 and 4%. It is important to note, however, that this muted price growth average hides large disparities between regions. Residential property in Prime Central London is continuing to suffer due to the stamp duty charge introduced in April 2016.

Outside of Prime Central London and other high-end property sectors, the market looks quite different, with demographics and demand supporting house prices and transaction volumes in the medium term. The impact of the additional stamp duty levy on landlords has been felt throughout the country, but with the typical regional house price being significantly lower than that in central London, the influence of the restructured stamp duty scale has been more positive than detrimental on the taxes due by many home buyers.

Moreover, there is little denying that the UK is in the grip of a critical housing shortage. Demand outstrips supply in almost every region. It was acknowledged in the government's recent housing white paper that 225,000 to 275,000 new homes are required to be brought to market each year, over the next several years, up from 2016 estimates of 200,000. In England only 142,330 units were built in 2015 and 140,880 in 2016.

We see this supply-demand disconnect is greatest in the South East of England where the pull of employment in and around the capital is strongest.

##### 1.2 The UK Mortgage Market

An important consideration for a real estate lending strategy is the dynamics of the term mortgage market. The availability of this long-term credit is crucial in order for a project finance strategy to function properly; real estate developers and investors, such as the clients to which LendInvest provides finance, require long-term credit to remain accessible in order to repay initial debt secured to acquire the site or to build out the project.

Developers wanting to hold on to assets upon project completion will require long-term loans to refinance existing project facilities, while those seeking to sell assets on completion will hope that buyers have ease of access to credit in order to facilitate their purchase.

Indications suggest that the UK mortgage market is currently in good health. The Council of Mortgage Lenders' figures as at 2016 show it is worth £1.3 trillion, making it the largest mortgage market in Europe in terms of total value of outstanding loans and value of loans originated per year.

#### 2. Introduction to LendInvest Capital

LendInvest Capital (previously Montello Capital Management) was established in 2008 to capitalise on the opportunity created by the banking crisis on real estate lending; at that time, a proliferation of professional borrowers were often unable to obtain short-term property finance for viable projects. This market backdrop persists, exacerbated by post-crisis balance sheet deleveraging by large UK and European banks. This opportunity has allowed LendInvest Capital to capture a significant market share in the UK real estate finance market.

LendInvest Capital has a eight year track record, successfully returning 6-10% per annum to its investors. It holds around £430 million of assets under management, accounts for institutional investors and a number of committed bank funding lines.

The portfolios managed by LendInvest Capital consist of short-term secured lending opportunities using the underlying residential or commercial real estate as security to mitigate downside risk. Responding to long-term underlying demand, the portfolios have a bias to residential real estate lending opportunities in Greater London and the South East of England.

## Montello Real Estate Opportunity Fund

### Report from the Investment Advisor (unaudited) (continued)

from 1st January 2016 to 31st December 2016

#### 3. Investment Strategy & Portfolio Performance

The main objectives of the Montello Real Estate Opportunity Fund's (MREOF) secured real estate lending strategy are to deliver a non-correlated income return for our investors with limited volatility and strong downside protection.

In acting as investment adviser to the Fund, we aim to do this by capitalising on market inefficiencies. One of these market inefficiencies is the fact that credit supply is acutely constricted due to permanent bank balance sheet deleveraging in the UK. We aim to capitalise on this through the following investment strategy:

Since inception, the Luxembourg-domiciled Fund has attracted a wide range of investors that now includes asset managers, banks, endowment and pension funds, family offices and HNWI individuals broadly spread across Europe, Middle East and Asia.

Key features of the Fund:

- Target net return of 8-10% per annum (share classes I & II); 6-9% (classes A-F);
- Monthly liquidity to investors with 30 days' notice and no exit fees in the institutional classes;
- Performance can be capitalised or paid out as income;
- Annual management charge of 1.95% (AIFM fee is 0.1%) and 20% of performance, AMC is lower for holdings over £5m;
- All targets and returns referred to in LendInvest documentation are net of these fees;
- Open-ended SICAV, fully regulated Luxembourg structure under SIF law and AIFMD.

Fund Portfolio

- £1m-£5m average transaction size
- 50-80% residential property collateral
- 60-70% average LTV (inclusive of interest & fees)
- 75-90% first charge/senior lien
- 75-90% secured by additional personal guarantees
- 50-80% repeat LendInvest borrowers
- 6-24 months transaction duration
- A focus on Greater London and the South East of England
- Residential-led with some mixed use and commercial property
- Lending to corporate borrowers

#### 4. Fund Performance

The Montello Real Estate Opportunity Fund target for performance is 8-10% annualised returns net of fees for share classes I & II and 6-9% for share classes A-F. Over the course of 2016 the Fund returned 8.18% net to investors (share class II) and has returned 28% since inception in January 2014. As the Fund grows in scale, we will aim to deliver a comparable return within the target range and with low volatility over the course of 2017.

Investment return is not the sole concern to LendInvest Capital's investor base.

The Fund aims to generate stable returns with low volatility underpinned by strong cash flow generation and to ensure that the downside is minimised as far as is possible. Volatility is low and controlled through the Fund's strategy, as can be seen from the Fund's performance to date. Benchmark currency (GBP) share classes have not experienced a negative month, underscoring the stability of the investment strategy.

#### 5. Market Outlook

This year we will witness further bifurcation of the UK credit market as banks continue to realign their focus towards ultra-core business. It has been a well-documented theme that bank deleveraging across Europe since 2008 has created a wide funding gap for non-bank lenders to step into. In the context of the real estate market, most banks are now reticent to fund development and non-income producing real estate projects. Banks particularly seem unwilling to dedicate time and commitment to smaller projects and servicing the borrowing needs of small-to-medium property development and investment companies, a structural change we see continuing for the foreseeable future.

Lenders with a flexible and commercial approach, coupled with speed and certainty of execution are best-positioned to continue to capitalise on the market opportunity. Picking winners will require more discipline than ever in 2017. Our approach will be to continue to avoid Prime Central London and high-value single dwellings where prices can be volatile (and correlated with global capital flows). Instead, we see most opportunity, activity and price stability in residential property in the South East and regional centres in the rest of the UK, sold at sensible price/square foot metrics. We particularly seek borrowers with a strong track record in adding real value through active asset management, avoiding borrowers which have simply been 'carried' by favourable market conditions.

## Montello Real Estate Opportunity Fund

### Report from the Investment Advisor (unaudited) (continued)

from 1st January 2016 to 31st December 2016

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This approach, coupled with a resilient UK property market supports our view that a debt-based exposure to UK real estate continues to provide a compelling risk-adjusted return; its lack of correlation to most asset classes continues to be a useful portfolio diversification tool for investors, especially for those seeking steady income.

For further information please contact:

funds@lendinvestcapital.com  
+44 207 118 1144  
Two Fitzroy Place  
8 Mortimer Street  
London W1T 3JJ  
<https://www.lendinvestcapital.com/>

Note: The information in this report represents historical data and is not an indication of future results.



## Montello Real Estate Opportunity Fund

Statement of net assets (in GBP)  
as at 31st December 2016**Assets****Investments**

Securities portfolio at market value	1,557,273.16
Loans	62,277,866.27
	<hr/> 63,835,139.43

**Cash and cash equivalents**

Cash at banks	4,776,615.22
	<hr/> 4,776,615.22

**Receivables**

Receivable on treasury transactions	19,711,782.30
Receivable on issues of shares	6,353,965.20
Income receivable on portfolio	185,233.75
Interest receivable on loans	218,846.46
Unrealised gain on forward foreign exchange contracts	20,577.08
Other receivables	65,040.77
Prepaid expenses	860,876.41
	<hr/> 27,416,321.97

**Other assets**

Share creation and redemption charges, net	679,285.49
	<hr/> 679,285.49

**Total assets**


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96,707,362.11
**Liabilities****Payables**

Payable on treasury transactions	19,619,517.14
Payable on redemptions of shares	2,202,599.61
Interest payable on bank overdrafts	37.40
Interest payable on loans	47,990.74
Unrealised loss on forward foreign exchange contracts	1,556.83
Expenses payable	653,615.39
	<hr/> 22,525,317.11

**Other liabilities**

Dividends payable	561,348.99
Prepaid subscriptions	4,879,302.57
Other payables	1,313,877.23
	<hr/> 6,754,528.79

**Total liabilities**


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29,279,845.90
**Total net assets at the end of the year**


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67,427,516.21
**Breakdown of net assets per share class**

Share class	Number of shares	Currency of share class	NAV per share in currency of share class
A	14,785.00267	GBP	1,000.19
B	1,062.11061	EUR	1,000.21
C	3,787.18496	USD	1,000.19
D	1,847.37403	GBP	1,239.21
E	271.23933	EUR	1,352.86
F	7,048.85420	USD	1,101.65
I	11,818.97385	GBP	1,000.21
II	21,950.26807	GBP	1,273.71

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

## Montello Real Estate Opportunity Fund

## Statement of operations (in GBP)

from 1st January 2016 to 31st December 2016

**Income****Investment income**

Interest on bonds and other debt securities, net	82,278.47
Interest on loans	6,009,328.49
	<hr/> 6,091,606.96

**Realised gain on investments**

- on securities portfolio	37,568.25
- on forward foreign exchange contracts	1,128,049.63
- on foreign exchange	55,695.51
- on intercompany loans	7,602.19
	<hr/> 1,228,915.58

**Appreciation of unrealised results on investments**

- on securities portfolio	24,092.60
- on forward foreign exchange contracts	33,198.02
	<hr/> 57,290.62

**Other income**

Commissions on subscription and on redemption	62,100.62
Other revenue	10,446.42
	<hr/> 72,547.04

**Total income**

7,450,360.20

**Expenses****Investment advisory or management fees**

AIFM service fees	50,449.46
Management fees	995,215.24
Performance fees	958,163.43
	<hr/> 2,003,828.13

**Other expenses**

Depository fees	19,920.59
Banking charges and other fees	3,954.35
Transaction fees	31,145.01
Central administration costs	52,756.17
Professional fees	11,056.12
Other administration costs	18,916.81
Subscription duty ("taxe d'abonnement")	5,284.97
Interest paid on bank overdrafts	3,750.14
Other fees	34,934.40
Amortisation of share creation charge	226,590.54
	<hr/> 408,309.10

**Realised loss on investments**

- on forward foreign exchange contracts	545,955.76
	<hr/> 545,955.76

**Depreciation of unrealised results on investments**

- on forward foreign exchange contracts	1,556.83
	<hr/> 1,556.83

**Total expenses**

2,959,649.82

**Net income**

4,490,710.38

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

## Montello Real Estate Opportunity Fund

### Statement of changes in net assets (in GBP) from 1st January 2016 to 31st December 2016

Net income	4,490,710.38
Dividends paid	-1,825,226.24
Subscriptions	46,485,177.01
Redemptions	-13,795,616.09
Total changes in net assets	35,355,045.06
Total net assets at the beginning of the year	32,072,471.15
<b>Total net assets at the end of the year</b>	<b>67,427,516.21</b>

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

## Montello Real Estate Opportunity Fund

## Statistical information (in GBP)

as at 31st December 2016

Total net assets	Currency	31.12.2014	31.12.2015	31.12.2016
	GBP	22,723,512.37	32,072,471.15	67,427,516.21

Net asset value per share	Currency	31.12.2014	31.12.2015	31.12.2016
A	GBP	1,000.00	1,000.00	1,000.19
B	EUR	1,000.00	1,000.00	1,000.21
C	USD	956.74	999.09	1,000.19
D	GBP	1,064.95	1,153.08	1,239.21
E	EUR	1,096.36	1,263.10	1,352.86
F	USD	983.23	1,026.17	1,101.65
I	GBP	1,000.00	1,000.00	1,000.21
II	GBP	1,079.96	1,177.33	1,273.71

Number of shares	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
A	13,596.70767	4,061.04151	-2,872.74651	14,785.00267
B	161.85223	977.14111	-76.88273	1,062.11061
C	504.70937	3,516.31725	-233.84166	3,787.18496
D	1,428.03035	1,165.04170	-745.69802	1,847.37403
E	57.53388	213.70545	-	271.23933
F	522.85347	6,558.26855	-32.26782	7,048.85420
I	2,493.37891	11,832.01592	-2,506.42098	11,818.97385
II	11,432.69775	16,414.70047	-5,897.13015	21,950.26807

Dividends paid	Currency	Dividend per share	Ex-dividend date
A	GBP	18.47	31.03.2016
A	GBP	18.29	30.06.2016
A	GBP	17.52	30.09.2016
A	GBP	17.82659	30.12.2016
B	EUR	14.73	31.03.2016
B	EUR	15.23	30.06.2016
B	EUR	14.26	30.09.2016
B	EUR	14.48	30.12.2016
C	USD	12.73	31.03.2016
C	USD	13.07	30.06.2016
C	USD	13.19	30.09.2016
C	USD	14.07	30.12.2016
I	GBP	20.41	31.03.2016
I	GBP	20.19	30.06.2016
I	GBP	19.34	30.09.2016
I	GBP	19.62931	30.12.2016

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

## Montello Real Estate Opportunity Fund

Statement of investments and other net assets (in GBP)  
as at 31st December 2016

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b><u>Investments in securities</u></b>					
<b><u>Other transferable securities</u></b>					
<b>Shares</b>					
EUR	125	LendInvest Capital Sarl	9,192.53	10,669.34	0.02
<b>Total shares</b>			9,192.53	10,669.34	0.02
<b>Closed-ended investment funds</b>					
GBP	1,546.60382	LendInvest Income LP	1,546,603.82	1,546,603.82	2.29
<b>Total closed-ended investment funds</b>			1,546,603.82	1,546,603.82	2.29
<b><u>Loans</u></b>					
Profit participating loans 1			57,671,428.04	57,671,428.04	85.53
Profit participating loans 2			2,863,780.26	2,863,780.26	4.25
Profit participating loans 3			1,720,042.18	1,742,657.97	2.58
<b>Total loans</b>			62,255,250.48	62,277,866.27	92.36
Total investments in securities			63,811,046.83	63,835,139.43	94.67
Cash at banks				4,776,615.22	7.08
Other net assets/(liabilities)				-1,184,238.44	-1.75
<b>Total</b>				67,427,516.21	100.00

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

## REA Strategy Fund of Funds

Statement of net assets (in EUR)  
as at 31st December 2016**Assets****Investments**

Securities portfolio at market value	522,797.04
	<u>522,797.04</u>

**Receivables**

Interest receivable on bank accounts	7.19
	<u>7.19</u>

**Total assets**

522,804.23

**Liabilities****Payables**

Payable on redemptions of shares	192,867.63
Expenses payable	40,090.51
	<u>232,958.14</u>

**Borrowings**

Bank overdrafts	1,380.68
	<u>1,380.68</u>

**Other liabilities**

Other payables	20,460.74
	<u>20,460.74</u>

**Total liabilities**

254,799.56

**Total net assets at the end of the year**

268,004.67

**Breakdown of net assets per share class**

Share class	Number of shares	Currency of share class	NAV per share in currency of share class
A	302.542	EUR	223.42
B	829.492	EUR	241.61

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

## REA Strategy Fund of Funds

## Statement of operations (in EUR)

from 1st January 2016 to 31st December 2016

**Income****Investment income**

Interest on bank accounts	7.38
	<u>7.38</u>

**Other income**

Commissions on subscription and on redemption	6,207.03
Other revenue	6,797.61
	<u>13,004.64</u>

<b>Total income</b>	<u>13,012.02</u>
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**Expenses****Investment advisory or management fees**

AIFM service fees	23,900.00
Management fees	6,300.00
	<u>30,200.00</u>

**Other expenses**

Depository fees	324.78
Banking charges and other fees	450.66
Central administration costs	16,083.37
Professional fees	2,604.33
Other administration costs	12,343.62
Subscription duty ("taxe d'abonnement")	32.66
Interest paid on bank overdrafts	24.22
Other fees	34,056.88
Amortisation of share creation charge	28,158.30
	<u>94,078.82</u>

**Depreciation of unrealised results on investments**

- on securities portfolio	529,678.66
	<u>529,678.66</u>

<b>Total expenses</b>	<u>653,957.48</u>
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<b>Net expenditure</b>	<u>-640,945.46</u>
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The accompanying notes are an integral part of these financial statements.

## REA Strategy Fund of Funds

### Statement of changes in net assets (in EUR) from 1st January 2016 to 31st December 2016

Net expenditure	-640,945.46
Subscriptions	0.00
Redemptions	-124,140.62
Total changes in net assets	-765,086.08
Total net assets at the beginning of the year	1,033,090.75
<b>Total net assets at the end of the year</b>	<b>268,004.67</b>

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



## REA Strategy Fund of Funds

## Statistical information (in EUR)

as at 31st December 2016

Total net assets	Currency	31.12.2014	31.12.2015	31.12.2016
	EUR	979,444.92	1,033,090.75	268,004.67
Net asset value per share	Currency	31.12.2014	31.12.2015	31.12.2016
A	EUR	963.03	798.57	223.42
B	EUR	966.98	804.53	241.61
Number of shares	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
A	457.995	-	-155.453	302.542
B	829.492	-	-	829.492

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

## REA Strategy Fund of Funds

Statement of investments and other net assets (in EUR)  
as at 31st December 2016

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b><u>Investments in securities</u></b>					
<b><u>Open-ended investment funds</u></b>					
<b>Investment funds (UCI)</b>					
EUR	7,214.738	Excellence Inv Umb Scv Plc Innovative Inv B II	498,841.98	233,446.20	87.11
EUR	1,472.899	Novium Opp Umbrella Scv Plc Personal Care Fd B	139,995.96	46,538.97	17.36
EUR	516.935	Novium Opp Umbrella Scv Plc Personal Care Fd C	49,999.92	16,478.93	6.15
EUR	1,291.851	Novium Opp Umbrella Scv Plc Special Situations Fd	429,998.42	208,955.09	77.97
EUR	428	Novium Opp Umbrella Scv Plc Vintage Watches Fd A	39,889.30	17,377.85	6.48
Total investments in securities			1,158,725.58	522,797.04	195.07
Bank overdrafts				-1,380.68	-0.52
Other net assets/(liabilities)				-253,411.69	-94.55
Total				268,004.67	100.00

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

## Seventh Century Partners Fund

### Report from the Investment Advisor (unaudited) from 2nd February 2016 to 31st December 2016

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#### To the Shareholders of Seventh Century Partners Fund:

Even though we have experienced a tectonic shift in geo-political trends last year, we are happy to report to our shareowners, a.k.a. our silent partners, that the news is excellent. For 2016, your Sub-Fund, Seventh Century Partners Fund, has achieved a total return of +21.55%, net of fees.

All our businesses have contributed to this stellar performance and all of them have achieved satisfactory earnings rate on initial equity capital employed during the fiscal year. Despite a tumultuous market, our investments have produced results ranging from the ordinary to the extraordinary: + 10% to + 80% (dividends included).

#### Confession Corner

We have a few sins to atone for this year, so it is time for us to launch into our ritual act of contrition.

First, we were attracted to a wonderful business that we will hereinafter refer to as ABC Corp. We know the business inside and out and are great admirers of the founders; some of us are also loyal customers. Even though the company was fully valued, we were still willing to pay full price, say, 100% of X, because we believed that management was making capital allocation decisions that would soon unleash tremendous shareholder value. Luckily, the price started to plummet in the ensuing days and the company was now selling at a discount, so we went on a buying binge. We bought some shares at about 95% of X and again at 90% of X. When the price finally reached 85% of X, we suddenly froze all further purchases, hoping to buy more of the business at a deeper discount, say, 75% of X. Simply put, we were greedy. It turned out that it was a strategic misstep because the market price did not stay this low that long, and started soon to creep back up. We later compounded our earlier mistakes by refusing to buy at any price above 85% of X as the price kept climbing higher and higher until it became too expensive. When the price is right, stop dithering; just keep on buying. Wishful thinking is not a viable investment strategy.

Again, another business hereinafter referred to as XYZ Corp. has just lost 50% of its value due to unfounded fears. We have been analyzing the business for the past three years and know it was selling at half its book value (intrinsic value, conservatively calculated, is even higher). Yes, Virginia, the company could file for bankruptcy and we would still make huge profits after liquidating all its assets at a conservative price during a "normal" market environment. We bought some shares waiting for the stock to recover by at least 15% before committing more funds to the idea – aggressively. By the time the price started to recover, we ran out of money because we invested in other opportunities that had materialized in the interim. When we did finally raise more capital, the stock had already climbed 50%. Still, we did not buy more shares deciding to invest yet again in another business that we deemed conservatively financed, with a durable competitive advantage, and solid long term prospects. As of today, XYZ Corp. is up over 80% from the time of our initial purchase.

In retrospect, our missteps were neither error of commission nor error of omission because we did buy some; we just did not buy enough. We will classify them as error of indecision. You do not have to kiss all the girls; when you find the right one, go steady.

Let us issue a final mea culpa. We are embarrassed, to say the least, that the best performing stock in our portfolio – by a factor of 2 to 1 – is our next to smallest investment. We could handle the wild fluctuations from a volatile stock, but we figure some of our clients might lose their lunch during the bumpy ride. Thus, we played it safe. In tennis parlance, we returned the serve safely in the middle of the court rather than stepping into the ball and smashing a powerful forehand down the line for a winner.

#### Market Perspective

We are not good at forecasting the near-term movements of the market. In fact, we suck at it! We are smart enough, however, to know the limit of our competence on the subject. Therefore, we will leave this exercise in futility to others.

#### Business Perspective

Just like we have no insights about market behavior, we are not good either at forecasting the near-term movement of the quoted price of any specific business. Never was and never will be. Few people realize that stocks are claims ownership of a piece of a business. Even fewer grasped the concept that business ownership and stock ownership are interchangeable: they are one and the same! We do not have the faintest idea what stock prices will do next week, next month, or even in the next year or two. We just believe that a select group of conservatively financed businesses, with consistent earnings power, sustainable competitive advantage, good returns on equity and purchased at a sensible price will eventually prove more valuable over time. Time is our ally.

## Seventh Century Partners Fund

## Report from the Investment Advisor (unaudited) (continued)

from 2nd February 2016 to 31st December 2016

**The Perils of Market Timing**

Most investors, by nature, suffer from “correlation-causation” fallacy, whereby they perceive causal connections or correlations where none exists. In everyday life, these “mental shortcuts” are generally inconsequential, but in the realm of investing or money management, they are fatal. Apparently, human nature has not changed one iota in that respect, even after thousands of years of evolution.

A seventh-century long study conducted by American Century Investments reveals these following stunning facts. The study covers 1990 to 2005, a period that started with a mild recession engendered by the first Iraq Gulf War, followed by a bull market which ended with the burst of the internet bubble in 2000. Then ensued a recession exacerbated by the terrorist attack on 9/11/2001, and ended in a recovery fueled partly by the housing boom. A period that covers all phases of a business cycle.

It was a helluva period! In effect, \$1,000,000 invested during that time would have grown to \$5,153,400. If you sat on the sidelines on the 10 best days during that 15-year period, your return would have dropped to \$3,199,400. If you missed the 30 best days – one month out of 180 months – you would have made only \$1,573,000. Had you not participated in the 50 best days (the equivalent of 10 trading weeks out of 780), you would have lost money, and your \$1,000,000 would barely amount to \$903,000.

There you have it. It usually does not pay to figure out when it is a good time to invest or not; it is more important to buy the right business at the right price. Monetary and fiscal policy, or geopolitical events play no major role – only to a very limited extent – in our investment decisions; price, value and quality are of paramount importance, though.

**The Perils of Market Forecasting**

Let us take a leisure stroll down memory lane and examine two contrasting periods in US stock market history. We will refrain from opinions or from attempts to rewrite the past. We will merely focus on presenting some basic facts.

After compiling data from the Federal Reserve Bank of St. Louis, and the Bureau of Labor Statistics (BLS), we have scrutinized some basic but pertinent economic indicators pertaining to the performance of the United States during two different decades. The figures measure the economic activity within the country. For that exercise, we will use the Gross Domestic Product (GDP) as an indication of how well the country was performing financially.

1969 - 1979	1979 - 1989
1969 GDP: \$1041 Billion	1979 GDP: \$2731 Billion
1979 GDP: \$2731 Billion	1989 GDP: \$5763 Billion
GDP Growth: 162%	GDP Growth: 111%
Real GDP per Capita growth: 24%	Real GDP per Capita growth: 24%
Labor Productivity	Labor Productivity
Annualized Growth rate: 2.01%	Annualized growth rate: 1.67%

A cursory look at the data would indicate that, by all measures of economic activity, the 1970's was a more favorable period compare with the 1980's for investors to increase their capital allocation toward equities. What was the final tally, says the inquisitive reader?

Here are the actual operating results of USA Inc. during these periods, i.e. an aggregate of all publicly traded US companies:

	1970's	1980's
Earnings Growth	9.9%	4.4%
Dividends Distribution	3.5%	5.2%
Total Return	13.4%	9.6%

## Seventh Century Partners Fund

## Report from the Investment Advisor (unaudited) (continued)

from 2nd February 2016 to 31st December 2016

Again the 1970's was a more productive period for businesses in aggregate. Yet, there was a stark contrast between real business performance and actual stock market returns. Listed below is the actual returns for stockholders, using the major indices as a proxy for the whole market:

	DOW JONES INDUSTRIAL	S&P 500
Jan. 2, 1970	809.20	90.31
Dec. 31, 1979	838.74	110.90
<b>Capital Gains</b>	<b>3.65%</b>	<b>22.80%</b>

	DOW JONES INDUSTRIAL		S&P 500
Jan. 2, 1980	824.57	Jan 1, 1980	110.90
Dec. 29 1989	2753.20	Jan 1, 1989	339.97
<b>Capital Gains</b>	<b>233.90%</b>		<b>206.56%</b>

Two drastically different outcome, notwithstanding that the 16-month recession between July, 1981 and November, 1982 was one of the most terrifying period since the Great Depression: 10.8% unemployment rate, 13.5% inflation rate, 20% Feds fund rate, and 21.5% prime interest rate! Little did we know we were figuratively mounting one of the greatest and longest bull market in history. Go figure!

Knowing the economic data beforehand, we would not have been able to predict market results. That is why it is counterproductive to make market assumptions based on "mental shortcuts" or broad generalizations. There are real underlying reasons that explain these different outcomes, but they are usually a plurality of factors that are noticeable only way after the train has left the station. The message to business analysts and the investment community at large: Do not parrot the point of view of the herd; do your own homework.

In the short term, a vibrant economy does not mean investors' returns will be bountiful, and a stagnant economy does not mean investors' returns will be pitiful. In the long term, however, US equity returns, in aggregate, cannot exceed the growth of US businesses. Like Siamese twins, they are joined at the hip.

**Summary**

For the past years, the world has been in constant turmoil, both politically and financially. There are no doubts that we are at an inflection point punctuated by severe disruptions, and creative – or uncreative, in certain cases – destructions. Nothing new under the sun here; the world has always been in constant turmoil, and it has always worked out in the end. At Seventh Century, our fiduciary duty is to look for special opportunity for our clients because, just like time, it waits for no one. Therefore, we will worry only about what we can control. While the pundits are hypothesizing about future events, we will be busy applying the Santa Claus management principle, "we are making a list and checking it [thrice]. We are going to find out who's naughty or nice." (1)

In closing, the following one-liner from Warren Buffett persuasively puts the subject to rest, "Forecasting tells you more about the forecaster than it tells you about the future." In other words, if the prognosticator is pessimistic, his message is all about gloom and doom, and if he is optimistic then his message is all about bloom and boom. We would rather focus on investing in great businesses knowing that those that consistently generate high returns on net tangible equity will ultimately deliver rewards to long-term owners.

(1) "Santa Claus Is Comin' to Town"<sup>[1]</sup> is a very popular [Christmas song](#) composed by [John Frederick Coots](#) and [Haven Gillespie](#). The actual word is "twice" instead of "thrice."

Note: The information in this report represents historical data and is not an indication of future results.

## Seventh Century Partners Fund

Statement of net assets (in EUR)  
as at 31st December 2016**Assets****Investments**

Securities portfolio at market value	4,101,832.28
	<u>4,101,832.28</u>

**Cash and cash equivalents**

Cash at banks	111,037.81
	<u>111,037.81</u>

**Receivables**

Income receivable on portfolio	3,790.93
Prepaid expenses	4,000.00
	<u>7,790.93</u>

**Total assets**

4,220,661.02

**Liabilities****Payables**

Expenses payable	150,806.34
	<u>150,806.34</u>

**Total liabilities**

150,806.34

**Total net assets at the end of the period**

4,069,854.68

**Breakdown of net assets per share class**

Share class	Number of shares	Currency of share class	NAV per share in currency of share class
A	33,482,245	EUR	121.55

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

## Seventh Century Partners Fund

## Statement of operations (in EUR)

from 2nd February 2016 to 31st December 2016

**Income****Investment income**

Dividends, net	36,651.84
	<u>36,651.84</u>

**Realised gain on investments**

- on foreign exchange	2,358.24
	<u>2,358.24</u>

**Appreciation of unrealised results on investments**

- on securities portfolio	840,003.81
	<u>840,003.81</u>

**Total income**

879,013.89

**Expenses****Investment advisory or management fees**

AIFM service fees	20,000.00
Management fees	25,604.29
Performance fees	127,111.12
	<u>172,715.41</u>

**Other expenses**

Depository fees	1,792.44
Banking charges and other fees	94.02
Transaction fees	2,835.49
Central administration costs	13,152.05
Professional fees	6,708.34
Other administration costs	7,799.71
Subscription duty ("taxe d'abonnement")	349.61
Interest paid on bank overdrafts	12.34
Other fees	1,916.70
	<u>34,660.70</u>

**Total expenses**

207,376.11

**Net income**

671,637.78

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

## Seventh Century Partners Fund

### Statement of changes in net assets (in EUR) from 2nd February 2016 to 31st December 2016

Net income	671,637.78
Subscriptions	3,398,216.90
Redemptions	0.00
Total changes in net assets	4,069,854.68
Total net assets at the beginning of the period	0.00
<b>Total net assets at the end of the period</b>	<b>4,069,854.68</b>

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



## Seventh Century Partners Fund

**Statistical information (in EUR)**  
 as at 31st December 2016

<b>Total net assets</b>	<b>Currency</b>	<b>31.12.2016</b>		
	EUR	4,069,854.68		
<b>Net asset value per share</b>	<b>Currency</b>	<b>31.12.2016</b>		
A	EUR	121.55		
<b>Number of shares</b>	<b>outstanding at the beginning of the period</b>	<b>issued</b>	<b>redeemed</b>	<b>outstanding at the end of the period</b>
A	-	33,482.245	-	33,482.245

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

## Seventh Century Partners Fund

Statement of investments and other net assets (in EUR)  
as at 31st December 2016

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b><u>Investments in securities</u></b>					
<b><u>Transferable securities admitted to an official stock exchange listing</u></b>					
<b>Shares</b>					
USD	592	3M Co	80,558.19	100,240.32	2.46
USD	3,785	Altria Group Inc	204,764.04	242,690.78	5.96
USD	1,698	American Intl Group Inc	80,886.91	105,154.92	2.58
USD	4,852	Bank of America Corp	53,271.33	101,677.60	2.50
USD	7,190	Berkshire Hathaway Inc	831,202.79	1,111,157.03	27.30
USD	1,147	Fiserv Inc	101,709.35	115,591.85	2.84
USD	3,103	General Electric Co	79,737.41	92,978.19	2.29
USD	1,252	Home Depot Inc	132,612.51	159,177.09	3.91
USD	720	IBM Corp	79,751.93	113,325.24	2.78
USD	437	Lockheed Martin Corp	78,734.09	103,568.92	2.55
USD	6,122	Moody's Corp	464,108.00	547,241.55	13.45
USD	4,750	Nike Inc B	223,448.04	228,942.25	5.63
USD	3,103	Pfizer Inc	78,134.08	95,567.46	2.35
USD	3,919	Reynolds American Inc	168,775.63	208,250.29	5.12
USD	6,086	Ross Stores Inc	292,684.69	378,571.59	9.30
USD	1,176	Union Pacific Corp	78,960.62	115,615.10	2.84
USD	5,398	Wells Fargo & Co	232,488.86	282,082.10	6.93
Total investments in securities			3,261,828.47	4,101,832.28	100.79
Cash at banks				111,037.81	2.73
Other net assets/(liabilities)				-143,015.41	-3.52
Total				4,069,854.68	100.00

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

## Sonnenberg Investment Fund (in liquidation)

Statement of net assets (in EUR)  
as at 31st December 2016**Assets****Cash and cash equivalents**

Cash at banks

9,264.91

9,264.91

**Total assets**

9,264.91

**Liabilities****Payables**

Expenses payable

9,264.91

9,264.91

**Total liabilities**

9,264.91

**Total net assets at the end of the period**

0.00

**Breakdown of net assets per share class****Share class**Number  
of  
sharesCurrency  
of  
share  
classNAV per share  
in currency of  
share class

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

**Sonnenberg Investment Fund (in liquidation)****Statement of operations (in EUR)**

from 1st January 2016 to 4th January 2016

**Income****Appreciation of unrealised results on investments**

- on securities portfolio

1,556,905.71

1,556,905.71

**Total income**

1,556,905.71

**Expenses****Investment advisory or management fees**

Management fees

143.28

143.28

**Realised loss on investments**

- on securities portfolio

1,556,905.71

1,556,905.71

**Total expenses**

1,557,048.99

**Net expenditure**

-143.28

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

## Sonnenberg Investment Fund (in liquidation)

### Statement of changes in net assets (in EUR) from 1st January 2016 to 4th January 2016

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Net expenditure	-143.28
Subscriptions	214,999.32
Redemptions	-873,888.22
Total changes in net assets	-659,032.18
Total net assets at the beginning of the period	659,032.18
<b>Total net assets at the end of the period</b>	<b>0.00</b>

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

## Sonnenberg Investment Fund (in liquidation)

### Statistical information (in EUR)

as at 31st December 2016

Total net assets	Currency	31.12.2014	31.12.2015	31.12.2016
	EUR	1,153,256.84	659,032.18	0.00
Net asset value per share	Currency	31.12.2014	31.12.2015	
A	EUR	52.04	29.74	
Number of shares	outstanding at the beginning of the period	issued	redeemed	outstanding at the end of the period
A	22,159	7,229	-29,388	-

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

## LFP I SICAV-SIF S.A.

### Notes to the financial statements as at 31st December 2016

#### Note 1 - Significant accounting policies

##### a) Presentation of the financial statements

The financial statements of the Company are prepared in accordance with the Luxembourg legal and regulatory requirements concerning specialised investment funds and with generally accepted accounting principles in Luxembourg.

##### b) Valuation of assets

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

Equity and debt securities are valued on the basis of dealer-supplied quotations or by pricing services as determined by the AIFM. The prices derived by a pricing agent reflect broker/dealer-supplied valuations and electronic data processing techniques;

Securities for which no price quotation is available or for which the price referred to in the previous indent is not representative of the fair market value, will be valued prudently, and in good faith on the basis of their reasonably foreseeable sales prices pursuant to the policies established in good faith by the AIFM;

The value of money market instruments not listed or dealt in on any stock exchange or other Regulated Market and with remaining maturity of less than 12 months and of more than 90 days is deemed to be the nominal value thereof, increased by any interest accrued thereon. Money market instruments with a remaining maturity of 90 days or less will be valued by the amortised cost method;

The liquidating value of futures, forward and options contracts not traded on a stock exchange or other Regulated Market shall mean their net liquidating value determined, pursuant to the policies established in good faith by the AIFM, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward and options contracts traded on stock exchanges or other Regulated Markets, shall be based upon the last available settlement prices of these contracts on stock exchanges or other Regulated Markets on which the particular futures, forward or options contracts are traded by the Company; provided that if a futures, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the AIFM may deem fair and reasonable.

Values expressed in a currency other than the reference currency of a Sub-Fund shall be converted on the basis of the rate of exchange prevailing on the relevant valuation day or such other exchange rate as the AIFM may determine is appropriate to provide a fair market value.

##### c) Acquisition cost of securities in the portfolio

The acquisition cost of the securities held by each Sub-Fund that are denominated in currencies other than the reference currency of the Sub-Fund is converted into this currency at the exchange rate prevailing on the date of purchase.

##### d) Realised gain/(loss) on sales of securities

The realised gains and losses on sales of securities are calculated on the basis of the average acquisition cost and are recorded in the statement of operations.

##### e) Investment portfolio income

Dividend income is recorded at the ex-date, net of any withholding tax.

Interest income accrued and payable are recorded, net of any withholding tax.

##### f) Forward foreign exchange contracts

Forward foreign exchange contracts are valued at forward market rates for the remaining period from valuation date to the maturity of the contracts. Unrealised gains and losses are recorded in the statement of net assets. Realised gains and losses, appreciation and depreciation of unrealised results are recorded in the statement of operations.

## LFP I SICAV-SIF S.A.

## Notes to the financial statements (continued)

as at 31st December 2016

## g) Valuation of futures contracts

Open futures contracts are valued at the last settlement or close price on the stock exchanges or regulated markets. Unrealised gains or losses of open contracts are recorded in the statement of net assets. Realised gains and losses, appreciation and depreciation of unrealised results are recorded in the statement of operations.

## h) Formation expenses

Formation expenses are amortised on a straight line basis over a period of five years. In case where further Sub-Funds are created in the future, these Sub-Funds will bear their own formation expenses.

## i) Conversion of foreign currencies

Cash at banks, other net assets and liabilities and the market value of the securities in portfolio expressed in currencies other than the reference currency of the Sub-Fund are converted into this currency at the exchange rate prevailing on the date of the financial statements. Income and expenses expressed in currencies other than the reference currency of the Sub-Fund are converted into this currency at the exchange rate prevailing on the date of the transaction. Foreign exchange gains or losses are recorded in the statement of operations.

## j) Combined financial statements

The combined financial statements of the Company are expressed in EUR and are equal to the sum of the corresponding items in the financial statements of each Sub-Fund converted into this currency at the exchange rate(s) prevailing at the date of the financial statements.

At the date of the financial statements, the exchange rates used for the combined financial statements are the following:

1	EUR	=	0.8535470	GBP	Pound Sterling
			1.0546000	USD	US Dollar

## k) Receivable / Payable on treasury transactions

The item "Receivable on treasury transactions" comprises maturities of time deposits, new loans or foreign exchange transactions not yet recorded under the item "Cash at banks".

The item "Payable on treasury transactions" comprises new time deposits, maturities of loans or foreign exchange transactions not yet recorded under the item "Cash at banks".

## Note 2 - Management fees

The Fund may entrust, at its own expense, management of its Sub-Funds to one or more investment managers (the "Investment Managers").

In remuneration of its services, each Investment Manager is entitled to receive a management fees/advisory fees calculated on the Sub-Fund's Net Asset Value during the relevant period to the following rates:

Sub-Funds	Rates
Blackstar Commodities Fund - All Classes	Up to 2.00% payable quarterly in arrears
21C Investment Fund - Classes A and C	Up to 2.00% payable quarterly in arrears
The Equity Power Fund - Classes A and B	Up to 2.00% payable quarterly in arrears
Columna Commodities Fund - All Classes (in liquidation)	Up to 1.50% payable monthly in arrears
Flexmax Multi-Asset Low Risk Fund - Class A	Up to 1.00% payable monthly in arrears
Flexmax Multi-Asset Low Risk Fund - Class B	Up to 1.65% payable monthly in arrears
Flexmax Multi-Asset Low Risk Fund - Class C	Up to 2.00% payable monthly in arrears
Flexmax Multi-Asset High Yield Fund - Class A	Up to 1.40% payable monthly in arrears
Flexmax Multi-Asset High Yield Fund - Classes B, C	Up to 2.15% payable monthly in arrears
Aventor Funds - EUR - All Classes (in liquidation)	Up to 2.25% payable monthly in arrears



## LFP I SICAV-SIF S.A.

Notes to the financial statements (continued)  
as at 31st December 2016

Sub-Funds	Rates
Aimed Global Alpha - Class A (in liquidation)	Up to 0.50% payable quarterly in arrears
Aimed Global Alpha - Classes B, C, D, E, F (in liquidation)	Up to 1.00% payable quarterly in arrears
Montello Real Estate Opportunity Fund - All Classes	Up to 2.05% payable monthly in arrears
REA Strategy Fund of Funds - Class A	Up to 1.65% payable monthly in arrears
REA Strategy Fund of Funds - Class B	Up to 2.15% payable monthly in arrears
Seventh Century Partners Fund - Class A (launched on 2nd February 2016)	Up to 1.25% payable monthly in arrears
Seventh Century Partners Fund - Class B (launched on 2nd February 2016)	Up to 0.25% payable monthly in arrears

**Note 3 - AIFM service fees**

The AIFM service fees including as well the supervision function and the compliance function, payable to the AIFM in relation to its service is as follows:

Sub-Funds	Rates
Blackstar Commodities Fund	20 basis points of the NAV, subject to a minimum AIFM service fees of EUR 2,700.00 per month.
21C Investment Fund	25 basis points of the NAV, Subject to a minimum AIFM service fees of EUR 2,200.00 per month.
The Equity Power Fund	20 basis points of the NAV, subject to a minimum AIFM service fees of EUR 2,500.00 per month.
Columna Commodities Fund (in liquidation)	20 basis points of the NAV until 50Mio EUR of AuM 17 basis points of the NAV above 50 Mio EUR of AuM, subject to a minimum AIFM service fees of EUR 2,700.00 per month.
Flexmax Multi-Asset Low Risk Fund	25 basis points of the NAV until 50Mio EUR of AuM 20 basis points of the NAV from 50 Mio until 100 Mio EUR of AuM, 17 basis points of the NAV from 100 Mio until 200 Mio EUR of AuM, 15 basis points of the NAV above 200 Mio EUR of AuM, subject to a minimum AIFM service fees of EUR 2,000.00 per month.
Flexmax Multi-Asset High Yield Fund	25 basis points of the NAV until 50Mio EUR of AuM 20 basis points of the NAV from 50 Mio until 100 Mio EUR of AuM, 17 basis points of the NAV from 100 Mio until 200 Mio EUR of AuM, 15 basis points of the NAV above 200 Mio EUR of AuM, subject to a minimum AIFM service fees of EUR 2,000.00 per month.
Aventor Funds - EUR (in liquidation)	25 basis points of the NAV, subject to a minimum AIFM service fees of EUR 2,700.00 per month.
Aimed Global Alpha (in liquidation)	20 basis points of the NAV until 50Mio EUR of AuM 19 basis points of the NAV from 50 Mio until 100 Mio EUR of AuM, 18 basis points of the NAV from 100 Mio until 200 Mio EUR of AuM, 16 basis points of the NAV above 200 Mio EUR of AuM, subject to a minimum AIFM service fees of EUR 2,000.00 per month.
Montello Real Estate Opportunity Fund	10 basis points of the NAV until 100Mio EUR of AuM 5 basis points of the NAV above 100 Mio EUR of AuM, subject to a minimum AIFM service fees of EUR 2,700.00 per month.
REA Strategy Fund of Funds	15 basis points of the NAV until 100Mio EUR of AuM 10 basis points of the NAV from 100 Mio until 200 Mio EUR of AuM, 5 basis points of the NAV above 200 Mio EUR of AuM, subject to a minimum AIFM service fees of EUR 2,100.00 per month.
Seventh Century Partners Fund (launched on 2nd February 2016)	25 basis points of the NAV until 50Mio EUR of AuM 20 basis points of the NAV from 50 Mio until 100 Mio EUR of AuM, 17 basis points of the NAV from 100 Mio until 200 Mio EUR of AuM, 15 basis points of the NAV above 200 Mio EUR of AuM, subject to a minimum AIFM service fees of EUR 2,000.00 per month.

AuM: Assets under Management

## LFP I SICAV-SIF S.A.

**Notes to the financial statements (continued)**  
as at 31st December 2016**Note 4 - Performance fees**

In addition, the investment Advisor/Manager are entitled to receive a performance fee accrued in each computation and paid out regularly if there is a performance as described below:

**For the Sub-Fund Blackstar Commodities Fund:** the performance fee consists of 20% of the total net return of the net asset value of each Share Class, above a hurdle rate of 8%. Performance fee is accrued monthly and paid out annually (if there is performance).

**For the Sub-Fund 21 C Investment Fund:** the performance fee consists of 20% of the total net return of the net asset value of each Share Class, exceeding the hurdle rate of 8% for Share Classes. Performance fee is accrued semi-annually and paid out annually (if there is performance).

**For the Sub-Fund Columna Commodities Fund (in liquidation):** the performance fee consists of 20% of the total net return of the net asset value of the Share Class A, B, C, D and E Shares above a hurdle rate of 7%. Performance fee is accrued monthly and paid out quarterly (if there is performance).

**For the Sub-Fund The Equity Power Fund:** the performance fee consists of 25% of the total net return of the net asset value of the Share Classes A and B Shares above a hurdle rate of 8%. Performance fee is accrued monthly and paid out monthly (if there is performance).

**For the Sub-Fund Flexmax Multi-Asset Low Risk Fund:** 20 % of performance in excess of 3 % per annum with High WaterMark payable quarterly in arrears.

**For the Sub-Fund Flexmax Multi-Asset High Yield Fund:** 20 % of performance in excess of 5 % per annum with High WaterMark payable quarterly in arrears.

**For the Sub-Fund Aventure Funds - EUR (in liquidation):** 50% of the total net return of the net asset value of the Class B, above a hurdle rate of 7%. Performance fee is accrued monthly and paid out quarterly (if there is performance). There is no performance fee for the Class A Shares.

**For the Sub-Fund Aimed Global Alpha (in liquidation),** the performance fee is accrued weekly and paid out annually (if there is performance). The performance fee consists of:

- 15% of the total net return of the net asset value of the Class A Share, there is no hurdle rate but subject to high Watermark ;
- 20% of the total net return of the net asset value of the other Share Classes, there is no hurdle rate but subject to high Watermark.

**For the Sub-Fund Montello Real Estate Opportunity Fund,** the performance fee consists of 25% of the total net return of the net asset value of each Share Class. Performance fee is accrued monthly and paid out quarterly (if there is performance). Following a Board Resolution, the performance fee rate for the reporting period for each Share Class is equal to 20% of the total net return of the net asset value of each Share Class.

**For the Sub-Fund REA Strategy Fund of Funds,** the performance fee consists of 20% of the total net return of each Share Class, exceeding the hurdle rate of 6% for Share Classes. Performance fee is accrued semi-annually and paid out annually (if there is performance).

**For the Sub-Fund Seventh Century Partners Fund (launched on 2nd February 2016),** the performance fee consists of 20% of the total net return of the net asset value of the Class A Share, above a hurdle rate of 7%. Performance fee will be calculated semi-annually and paid out annually (if there is performance).

At the date of the financial statements, the performance fees were recorded for the following Sub-Funds and amounted to:

The Equity Power Fund	EUR 176,594.82
Aimed Global Alpha (in liquidation)	USD 1,965.61
Montello Real Estate Opportunity Fund	GBP 958,163.43
Seventh Century Partners Fund (launched on 2nd February 2016)	EUR 127,111.12

**Note 5 - Depositary fees**

The Depositary is remunerated in accordance with the agreement between KBL EUROPEAN PRIVATE BANKERS S.A. acting as the custodian since 12th October 2016 and the Company.

## LFP I SICAV-SIF S.A.

### Notes to the financial statements (continued) as at 31st December 2016

#### Note 6 - Share creation fees and redemption fees

Share creation charges and redemptions fees are applicable for the classes of the following Sub-Funds:

Blackstar Commodities Fund - Classes A, B, C, D and E,  
21C Investment Fund - Classes A and C,  
Columna Commodities Fund (in liquidation) - Classes A, B, C, D and E,  
The Equity Power Fund - Classes A and B,  
Montello Real Estate Opportunity Fund - Classes A, B, C, D, E and F,  
REA Strategy Fund of Funds - Classes A, B, C and D.

##### Share creation charges

The share creation charge is apply to all "commission bearing" initial subscriptions and any subsequent subscriptions. For an up to 5% the share creation charge is calculated as follow:

a monthly charge, equal to 0.083% per month of every subscription amount received, which is borne by the Sub-Fund in the form of a share creation charge and amortised back to the Sub-Fund on a quarterly basis over a period of sixty (60) months from the date of each subscription;

##### Redemption fees

Shares are redeemed at their Net Asset Value per Share minus any applicable redemption fees that remain within the Sub-Fund, this however could be waived or reduced by the Board:

- if shares are redeemed during year 1 a redemption charge of 5% is apply,
- if shares are redeemed during year 2 a redemption charge of 4% is apply,
- if shares are redeemed during year 3 a redemption charge of 3% is apply,
- if shares are redeemed during year 4 a redemption charge of 2% is apply,
- if shares are redeemed during year 5 a redemption charge of 1% is apply.

#### Note 7 - Subscription duty ("taxe d'abonnement")

The Fund is governed by Luxembourg law.

Pursuant to the legislation and regulations in force for SIF UCIs, the SICAV is subject to an annual subscription duty ("taxe d'abonnement") of 0.01% which is payable quarterly and calculated on the basis of the net assets of each Sub-Fund on the last day of each quarter.

Pursuant to Article 68(2) of the amended Law of February 13, 2007 the net assets invested in undertakings for collective investment already subject to the "taxe d'abonnement" are exempt from this tax.

#### Note 8 - Other fees

The item "Other fees" in the Sub-Fund Aventure Funds - EUR includes mainly the last year interest receivable. By Board resolution, the AIFM resolved to stop accruing the interest due from RMP and to write off completely the interest receivable.

#### Note 9 - Forward foreign exchange contracts

As at 31st December 2016, the following Sub-Funds are committed in the following forward foreign exchange contracts with counterparties disclosed in below tables:

## LFP I SICAV-SIF S.A.

Notes to the financial statements (continued)  
as at 31st December 2016

LFP I SICAV - SIF S.A. - Blackstar Commodities Fund					
Currency	Purchases	Currency	Sales	Maturity	Unrealised result (in USD)
<b>Forward foreign exchange contracts linked to classes A and E shares (KBL Europ. Private Bankers SA, Luxembourg)</b>					
GBP	357,935.01	USD	443,087.75	02.02.2017	-468.07
					-468.07
<b>Forward foreign exchange contracts linked to class B shares (KBL Europ. Private Bankers SA, Luxembourg)</b>					
EUR	526,751.00	USD	557,618.61	02.02.2017	-1,210.90
					-1,210.90
LFP I SICAV - SIF S.A. - The Equity Power Fund					
Currency	Purchases	Currency	Sales	Maturity	Unrealised result (in EUR)
<b>Forward foreign exchange contracts linked to class B shares (KBL Europ. Private Bankers SA, Luxembourg)</b>					
USD	1,510,743.68	EUR	1,428,329.09	02.02.2017	1,894.51
USD	1,637,707.49	EUR	1,548,366.73	02.02.2017	2,053.72
					3,948.23
LFP I SICAV - SIF S.A. - Aimed Global Alpha (in liquidation)					
Currency	Purchases	Currency	Sales	Maturity	Unrealised result (in USD)
<b>Forward foreign exchange contracts linked to class C shares (Ste Générale Bank &amp; Trust, Luxembourg)</b>					
EUR	5,269,326.00	USD	5,617,101.52	06.01.2017	-59,333.67
					-59,333.67
<b>Forward foreign exchange contracts linked to class C shares (KBL Europ. Private Bankers SA, Luxembourg)</b>					
USD	1,036,132.47	EUR	984,916.80	06.01.2017	-2,698.48
					-2,698.48
<b>Forward foreign exchange contracts linked to class D shares (Ste Générale Bank &amp; Trust, Luxembourg)</b>					
GBP	1,283,291.00	USD	1,599,943.05	06.01.2017	-14,283.15
					-14,283.15
<b>Forward foreign exchange contracts linked to class E shares (Ste Générale Bank &amp; Trust, Luxembourg)</b>					
CHF	1,592,887.00	USD	1,572,600.45	06.01.2017	-4,926.25
					-4,926.25
<b>Forward foreign exchange contracts linked to class F shares (Ste Générale Bank &amp; Trust, Luxembourg)</b>					
AUD	453,261.00	USD	337,271.51	06.01.2017	-9,214.12
					-9,214.12
LFP I SICAV - SIF S.A. - Montello Real Estate Opportunity Fund					
Currency	Purchases	Currency	Sales	Maturity	Unrealised result (in GBP)
<b>Forward foreign exchange contracts (KBL Europ. Private Bankers SA, Luxembourg)</b>					
GBP	1,655,240.40	EUR	1,939,583.32	02.02.2017	-1,556.83
					-1,556.83
<b>Forward foreign exchange contracts linked to classes B and E shares (KBL Europ. Private Bankers SA, Luxembourg)</b>					
EUR	888,000.00	GBP	752,402.40	02.02.2017	6,125.40
EUR	553,141.82	GBP	472,051.23	02.02.2017	443.98
					6,569.38
<b>Forward foreign exchange contracts linked to classes C and F shares (KBL Europ. Private Bankers SA, Luxembourg)</b>					
USD	11,236,029.15	GBP	9,072,288.37	02.02.2017	14,007.70
					14,007.70

## LFP I SICAV-SIF S.A.

Notes to the financial statements (continued)  
as at 31st December 2016

## Note 10 - Future contracts

As at 31st December 2016, the following Sub-Fund is committed in the following futures contracts:

## LFP I SICAV - SIF S.A. - Aimed Global Alpha (in liquidation)

	Number of contracts	Denomination	Currency	Exposure (in USD)	Unrealised result (in USD)
Purchase	12	S&P/ASX 200 Index FUT 03/17 SFE	AUD	1,222,715.34	977.13
Purchase	44	Canada Govt Bond 6% 10 Year FUT 03/17 MSE	CAD	4,511,197.26	21,574.47
Sale	12	S&P TSX 60 Index FUT 03/17 MSE	CAD	-1,604,711.50	12,076.93
Sale	12	SWISS MARKET INDEX FUT 03/17 EUX	CHF	-965,124.98	-2,529.03
Purchase	16	DAX Germany Index FUT 03/17 EUX	EUR	967,279.12	1,455.35
Purchase	20	Euro Bund 10 Years FUT 03/17 EUX	EUR	3,462,251.80	9,132.84
Purchase	12	FTSE 100 Index FUT 03/17 ICE	GBP	1,045,275.30	6,925.26
Purchase	24	Long Gilt Fut 10 Years FUT 03/17 ICE	GBP	3,731,262.16	33,705.80
Sale	44	Nikkei 225 Index FUT 03/17 OSE	JPY	-720,600.22	10,606.65
Sale	24	AUD FUT 03/17 CME	USD	-1,728,480.00	-3,680.00
Sale	28	CAD FUT 03/17 CME	USD	-2,083,620.00	-6,315.00
Sale	16	CHF FUT 03/17 CME	USD	-1,973,200.00	-15,550.00
Sale	20	Copper FUT 03/17 CMX	USD	-1,252,750.00	-4,162.50
Sale	16	EUR FUT 03/17 CME	USD	-2,114,800.00	-20,450.00
Sale	16	GBP FUT 03/17 CME	USD	-1,235,800.00	-5,875.00
Sale	16	Gold - Ounce FUT 02/17 CMX	USD	-1,842,720.00	-21,450.00
Sale	16	JPY FUT 03/17 CME	USD	-1,719,400.00	-9,950.00
Sale	20	Platinum FUT 04/17 NYM	USD	-905,700.00	4,000.00
Sale	12	S&P 500 Index FUT 03/17 CME	USD	-1,341,750.00	12,950.00
Purchase	48	US Treasury Note 10 Years FUT 03/17 CBOT	USD	5,965,500.00	43,312.50
Sale	12	West Texas Intermediate Crude FUT 02/17 NYM	USD	-644,640.00	-6,640.00
					60,115.40

## Note 11 - Cross investments

The following Sub-Fund invested in the Sub-Fund as described below as at 31st December 2016:

Sub-Fund	Quantity	Description	Currency	Market value	% of total net assets
21 C Investment Fund	495	Aventor Fds EUR A Dist (in liquidation)	EUR	27,348.75	1.10%

The combined statement of net assets has not been adjusted to remove the impact of the above.

The management fees detailed in note 2 are not applied to these assets.

## Note 12 - LFP I SICAV - SIF S.A. - Blackstar Commodities Fund

Following the resolution of the Management Company dated 13th May 2016, it was resolved to apply a discount of 90% on the last available prices of Brighton SPC Kijani Commodity Fund. Therefore, the position will be valued at 10% of the last available NAV, i.e. EUR 149,23.

## LFP I SICAV-SIF S.A.

### Notes to the financial statements (continued)

as at 31st December 2016

Following the resolution of the Management Company dated 31st January 2017, it was resolved to apply a discount of 100% on the last available prices of Brighton SPC Kijani Commodity Fund. Therefore, the position will be valued at EUR 0.

#### Note 13 - LFP I SICAV - SIF S.A. - 21C Investment Fund

Following the resolution of the Management Company dated 13th May 2016, it was resolved to adjust the discount on the last available prices of Canadian Integrated Agriculture Fund. This is due to a partial liquidation of the suspended fund and a payment of CAD 0.63 per share. Therefore, the position will be valued at CAD 0.33.

Following the resolution of the Management Company dated 13th May 2016, it was resolved to apply a discount of 90% on the last available prices of Brighton SPC Kijani Commodity Fund. Therefore, the position will be valued at 10% of the last available NAV, i.e. USD 180.56.

Following the resolution of the Management Company dated 16th August 2016, it was resolved to apply a discount of 20% on the last available prices of Lucent Land Fund. Therefore, the position will be valued at 80% of the last available NAV, i.e. USD 1537.87.

Following the resolution of the Management Company dated 3rd November 2016, it was resolved to apply a discount of 20% on the last available prices of Montreux Natural Resources Fund. Therefore, the position will be valued at 80% of the last available NAV, i.e. USD 76.57.

Following the resolution of the Management Company dated 14th December 2016, it was resolved to apply a discount of 20% on the last available prices of Victus European Student Accommodation Fund. Therefore, the position will be valued at 80% of the last available NAV, i.e. EUR 1.03.

#### Note 14 - LFP I SICAV - SIF S.A. - The Equity Power Fund

As indicated in the financial statements of previous year and, of this year, the Sub-Fund LFP I SICAV SIF S.A. - The Equity Power Fund invests into URBAN CAPITAL HOLDING S.A. (the "target company").

For reasons which are not under the control of the Directors of LFP I SICAV SIF S.A. and which were unpredictable, the target company had to face delays in the preparation of its accounts for the fiscal year 2016. The target company did not have the ability to terminate on time its financial audit and to issue audited financial statements as at 31 December 2016.

The management of the target company already committed to terminate their own audit and to provide a set of audited financial statements as at 31 December 2016 of the target company at their earliest convenience taking into consideration potential delays due to the holidays season.

As a consequence, the Directors of the Fund decided to issue a set of audited financial statements of LFP I SICAV SIF S.A. - The Equity Power Fund as at 31 March 2017, including the audited figures of the target company before the end of October 2017.

The Directors of the Fund propose to invite the shareholders of LFP I SICAV SIF S.A. - The Equity Power Fund for a general meeting at a date to define after the issuance of the audited financial statements of LFP I SICAV SIF S.A. - The Equity Power Fund as at 31 March 2017 in order to present such report.

#### Note 15 - LFP I SICAV - SIF S.A. - Flexmax Multi-Asset Low Risk Fund

Following the resolution of the Management Company dated 27th September 2016, it was resolved to apply a discount of 90% on the last available prices of Providence Investment Funds Plc Ltd. - Class C. Therefore, the position will be valued at 10% of the last available NAV, i.e. GBP 10.

#### Note 16 - LFP I SICAV - SIF S.A. - Flexmax Multi-Asset High Yield Fund

Following the resolution of the Management Company dated 27th September 2016, it was resolved to apply a discount of 90% on the last available prices of Providence Investment Funds Plc Ltd. - Class C. Therefore, the position will be valued at 10% of the last available NAV, i.e. GBP 10.

**LFP I SICAV-SIF S.A.****Notes to the financial statements (continued)**  
as at 31st December 2016**Note 17 - LFP I SICAV - SIF S.A. - Montello Real Estate Opportunity Fund**

During the period of August to December 2016 delays in interest payments on one underlying loan was signalling a potential default of the counterparty. No impairments on the underlying loan were made on the year-end net asset value (NAV), as the value of the underlying property was sufficiently high to cover the loan principal and the amount of accrued interest. The underlying loan was not under receivership as at 31st December 2016. Further actions were undertaken in the course of March 2017 with the appointment of a local receiver to exercise the existing charges over the property.

**Note 18 - LFP I SICAV - SIF S.A. - REA Strategy Fund of Funds**

Following the resolution of the Management Company, a discount of 50% on the last available prices of all securities in LFP I SICAV - SIF S.A. - REA Strategy Fund of Funds was applied as a precautionary measure, starting 31st March 2016, date of the last NAV calculation.

Redemptions request have been sent for the following investments in portfolio and are outstanding :

	Quantity	Sent on	Dealing date	Redemption period
Novium Opp Umbrella Scv Plc Personal Care Fd B	1,472.899	02.06.2016	30.09.2017	Quarterly with 3 years lock up and 6 months notice
Novium Opp Umbrella Scv Plc Personal Care Fd C	516.935	02.06.2016	30.09.2016	Quarterly with 1 month notice
Novium Opp Umbrella Scv Plc Special Situations Fd	645 646.851	24.03.2016 02.06.2016	30.09.2017 30.09.2017	Quarterly with 3 years lock up and 6 months notice
Novium Opp Umbrella Scv Plc Vintage Watches Fd A	214 214	02.06.2016 24.03.2016	30.09.2016 30.06.2016	Quarterly with 1 month notice

The Directors of the Fund resolved to suspend the computation of the NAV of the sub-fund LFP I SICAV SIF S.A. - Rea Strategy Fund of Funds (the "Rea Strategy Fund of Funds" or the "Sub-Fund") starting 31st March 2016 NAV.

At that time, the Directors of the Fund and Luxembourg Fund Partners S.A. (the "AIFM") received additional information from the Investment Manager of Novium Opportunity Umbrella SICAV p.l.c. (Go-Special Situations Fund, Personal Care and Vintage watches) and Excellence Investment Umbrella Sicav Plc, namely NOVIUM AG which indicated that the redemptions of some of the investments could be dealt until 30th September 2017.

**Note 19 - Subsequent events**

The Board of Directors decided on 16th February 2017 to put the Sub-Fund Columna Commodities Fund into liquidation.

The Board of Directors resolved on 6th April 2017 to put the Sub-Fund Aventura Funds - EUR into liquidation.

By Circular resolution, the Board of Directors decided to put the Sub-Fund Aimed Global Alpha into liquidation. The liquidation NAV was calculated on 9th June 2017.

The Shareholder of the Sub-Fund FlexMax Multi-Asset Low Risk Fund decided to proceed to a merger pursuant to which:

- the Ordinary Shares Class A ("CAP-A", or "Luxif Class A Shares") of the Sub-Fund Luxif SICAV-SIF - Amathus Conservative Portfolio of the Absorbing SICAV ("the Absorbing Sub-Fund") shall absorb the Share Class A (the "LFP Class A Shares") of the Sub-Fund LFP I SICAV-SIF - FlexMax Multi-Asset Low Risk Fund of the Absorbed SICAV (the "Absorbed Sub-Fund") and
- the Ordinary Shares Class C ("CAP-C", or "Luxif Class C Shares") of the Absorbing Sub-Fund shall absorb (a) the Share Class B (the "LFP Class B Shares") and (b) the Share Class C (the "LFP Class C Shares") of the Absorbed Sub-Fund.

## LFP I SICAV-SIF S.A.

### Notes to the financial statements (continued) as at 31st December 2016

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The Shareholder of the Sub-Fund FlexMax Multi-Asset High Yield Fund decided to proceed to a merger pursuant to which:

- the Ordinary Shares Class A ("CAP-A", or "Luxif Class A Shares") of the Sub-Fund Luxif SICAV-SIF - Amathus Balanced Growth of the Absorbing SICAV ("the Absorbing Sub-Fund") shall absorb the Share Class A (the "LFP Class A Shares") of the Sub-Fund LFP I SICAV-SIF - FlexMax Multi-Asset Low Risk Fund of the Absorbed SICAV (the "Absorbed Sub-Fund") and
- the Ordinary Shares Class C ("CAP-C", or "Luxif Class C Shares") of the Absorbing Sub-Fund shall absorb (a) the Share Class B (the "LFP Class B Shares") and (b) the Share Class C (the "LFP Class C Shares") of the Absorbed Sub-Fund.

The merger effective date of the both Sub-Funds is foreseen on 31st July 2017.



**LFP I SICAV - SIF S.A.**

**Additional information (unaudited)**  
as at 31st December 2016

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**3 - Information concerning the transparency of securities financing transactions and of reuse of cash collateral (regulation EU 2015/2365, hereafter "SFTR")**

At the date of the financial statements, the Company is not in the scope of the publication requirements of SFTR. No transactions were carried out during the reporting period.