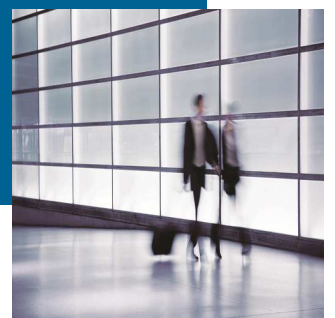
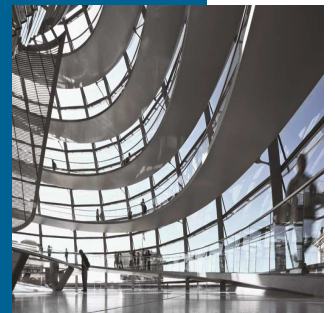
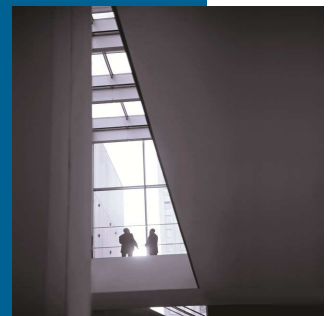


# Semi-Annual Report and Accounts

For the period ended  
31 March 2016  
Unaudited



This Semi-Annual Report of the Company does not constitute an offer of Shares. Shares are offered on the basis of the information contained in the current Prospectus (and the documents referred to within it) supplemented by any subsequently published Annual and Semi-Annual Reports. Copies of the current Prospectus, latest Annual and Semi-Annual Reports and Portfolio Changes for the Company are available free of charge from the registered office of the Company or from any of the companies registered as distributors of Fidelity Alpha Funds SICAV.

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## Introduction

Fidelity Alpha Funds SICAV (the "Company") is an open-ended investment company established in Luxembourg as a société d'investissement à capital variable ("SICAV"). It has an umbrella structure and its assets are held in a number of different funds ("sub-funds"). Separate classes of shares in the Company (the "Shares") are issued in relation to the sub-funds. Each sub-fund is a separate portfolio of securities managed in accordance with specific investment objectives designed to provide capital growth.

Swiss investors are advised that the present sub-funds of the Company have been authorised by the Swiss Financial Market Supervisory Authority for distribution in Switzerland.

## Directors and Supervisory Officers

### Board of Directors of Fidelity Alpha Funds SICAV

**Anne-Marie Brennan**  
Director  
Grand Duchy of Luxembourg

**Stephen Fulford**  
Director  
United Kingdom

**Mike Nikou**  
Director  
Singapore

**FIL (Luxembourg) S.A.**  
Corporate Director  
Represented by Claude Hellers  
Grand Duchy of Luxembourg

### Board of Directors of the Management Company

**Nicholas Clay**  
Director  
Grand Duchy of Luxembourg

**Judy Marlinski**  
Director  
Japan

**Allan Pelvang**  
Director  
Bermuda

**Jon Skillman**  
Director  
Grand Duchy of Luxembourg

**Marc Wathelet**  
Director  
Grand Duchy of Luxembourg

### Supervisory Officers of the Management Company

**Stephan von Bismarck**  
Supervisory Officer  
United Kingdom

**Nishith Gandhi**  
Supervisory Officer  
Grand Duchy of Luxembourg

**Corinne Lamesch**  
Supervisory Officer  
Grand Duchy of Luxembourg

## Market Environment

Global equities, as measured by the MSCI All Country World (Net Total Return) Index, advanced by 5.3% in US dollar terms over the volatile period. Pro-growth policy measures in Asia and Europe, as well as improving fundamentals of the US economy supported markets. However, gains were capped due to concerns over Chinese growth and its negative impact on the global economy. Continued weakness in crude oil prices also hurt equities. Moreover, geopolitical tensions and acts of terrorism in Europe dampened investor sentiment. In the UK, sterling remained under pressure and uncertainty over the outcome of the UK's referendum on the membership of the European Union weighed on sentiment.

## Regional Developments

European equities, as measured by the MSCI Europe (Net Total Return) Index, returned -2.1% in euro terms (0.1% in USD terms) over the period. Markets rose sharply in October and November on expectations of additional stimulus measures from the European Central Bank (ECB), but fell in December as the ECB's announcement fell short of expectations. In January markets declined sharply as risk aversion rose due to renewed concerns over Chinese growth and its negative impact on the global economy. However, stocks pared their losses partially mid-February onwards, as energy and materials companies gained, supported by a rebound in commodity prices. Investor sentiment was also boosted by the US Federal Reserve's (Fed) cautious stance on raising interest rates. Fed Chairperson Janet Yellen indicated that the pace of rate hikes will be slower than was previously anticipated given unfavourable market conditions and weaker-than-expected overseas growth. Additional stimulus provided by the ECB also supported the market. At a sector level, industrials were the biggest gainers. The financials sector, particularly banks, lagged the broader market. Small and mid-cap companies outperformed their larger peers, whereas growth stocks outperformed value companies.

The UK stock market, as measured by the FTSE All Share Index, returned 3.5% in sterling terms (-1.8% in USD terms) over the period. The market continued to witness volatility, but positive monetary policy announcements from leading central banks allayed concerns about global economic growth to some extent. The ECB's aggressive plans to ramp up stimulus measures in the eurozone and the US Fed's cautious stance on further interest rate increases were well received. However, terrorist attacks in Paris and Brussels, emerging market uncertainty and the upcoming Brexit referendum led to a sense of caution among investors. On the economic front, the UK's GDP growth was down markedly, as both the manufacturing and construction sectors struggled with an uncertain outlook. For 2015 as a whole, GDP growth was 2.3%, down from 2.9% in 2014. At a sector level, those more closely linked to the economic cycle, such as technology and consumer groups were among the leading gainers, while financials fared poorly. A rally in the second half of the period also pushed resources sectors into positive territory.

European fixed income assets rose over the six-month period, largely on the back of new easing measures by the ECB. The central bank unveiled a series of new easing measures in March that exceeded market expectations; lowered its main refinancing and deposit rates and expanded its asset purchase programme from €60 billion to €80 billion. More importantly for credit markets, the ECB decided to add non-financial investment grade corporate bonds to the list of eligible assets. It also launched four new targeted long-term refinancing operations, allowing banks to expand loan books to access funding for four years at a rate that could potentially be as low as the deposit rate. These measures anchored core government bond yields to their recent lows, while demand for higher yielding assets rose benefiting peripheral government bonds as well. Corporate credit bonds, including investment grade and high-yield, staged a comeback from their February lows and gained at the end of the review period.

Schedule of Investments as at 31 March 2016

|  | Country Code | Ccy | Shares or Nominal | Market Value EUR | % Net Assets |
|--|--------------|-----|-------------------|------------------|--------------|
| <b>Securities Admitted to or Dealt on an Official Stock Exchange</b> |              |     |                   |                  |              |
| <b>Energy</b>  |              |     |                   |                  |              |
| Rowan Cos 7.875% 01/08/2019  | US           | USD | 1,000,000         | 818,715          | 1.18         |
| Royal Dutch Shell (B)  | NL           | GBP | 33,220            | 712,978          | 1.02         |
| Concho Resources   | US           | USD | 5,638             | 500,994          | 0.72         |
| Baker Hughes   | US           | USD | 9,772             | 372,441          | 0.54         |
|  |              |     | <b>2,405,128</b>  | <b>3.46</b>      |              |
| <b>Materials</b>   |              |     |                   |                  |              |
| Ardagh Finance Holdings 8.375% 15/06/2019 Reg S                      | LU           | EUR | 1,107,056         | 1,113,140        | 1.60         |
| Solvay Finance 5.869% VRN (Perpetual)                                | FR           | EUR | 800,000           | 816,687          | 1.17         |
| Kerling 10.625% 01/02/2017 Reg S                                     | GB           | EUR | 550,000           | 553,520          | 0.80         |
|  |              |     | <b>2,483,347</b>  | <b>3.57</b>      |              |
| <b>Industrials</b>   |              |     |                   |                  |              |
| bpost  | BE           | EUR | 66,999            | 1,635,781        | 2.35         |
| Österreichische Post   | AT           | EUR | 32,645            | 1,166,406        | 1.68         |
| Assa Abloy   | SE           | SEK | 55,913            | 971,288          | 1.40         |
| Ryanair Holdings   | IE           | USD | 12,564            | 952,961          | 1.37         |
|  |              |     | <b>4,726,436</b>  | <b>6.79</b>      |              |
| <b>Information Technology</b>  |              |     |                   |                  |              |
| Alphabet   | US           | USD | 1,742             | 1,146,070        | 1.65         |
| MasterCard (A)   | US           | USD | 11,616            | 965,909          | 1.39         |
| SAP  | DE           | EUR | 11,201            | 796,391          | 1.14         |
| Rocket Internet  | DE           | EUR | 20,654            | 508,295          | 0.73         |
| Just Eat   | GB           | GBP | 90,075            | 429,061          | 0.62         |
| ASML Holding   | NL           | EUR | 1,600             | 142,848          | 0.21         |
|  |              |     | <b>3,988,574</b>  | <b>5.73</b>      |              |
| <b>Consumer Discretionary</b>  |              |     |                   |                  |              |
| AA Bond 5.50% 31/07/2022 Reg S                                       | GB           | GBP | 700,000           | 855,489          | 1.23         |
| TomTom   | NL           | EUR | 35,658            | 305,946          | 0.44         |
| Wolters Kluwer   | NL           | EUR | 8,496             | 298,040          | 0.43         |
| Valeo  | FR           | EUR | 1,139             | 155,815          | 0.22         |
| Continental  | DE           | EUR | 685               | 137,000          | 0.20         |
|  |              |     | <b>1,752,290</b>  | <b>2.52</b>      |              |
| <b>Consumer Staples</b>  |              |     |                   |                  |              |
| British American Tobacco   | GB           | GBP | 38,945            | 2,010,957        | 2.89         |
| Colgate-Palmolive  | US           | USD | 22,525            | 1,399,581        | 2.01         |
| Suedzucker   | DE           | EUR | 36,411            | 564,188          | 0.81         |
|  |              |     | <b>3,974,726</b>  | <b>5.71</b>      |              |
| <b>Healthcare</b>  |              |     |                   |                  |              |
| GlaxoSmithKline  | GB           | GBP | 68,883            | 1,227,932        | 1.76         |
| Novo Nordisk (B)   | DK           | DKK | 16,090            | 766,977          | 1.10         |
| Roche Holding  | CH           | CHF | 1,628             | 353,079          | 0.51         |
|  |              |     | <b>2,347,988</b>  | <b>3.37</b>      |              |
| <b>Telecommunication Services</b>                                    |              |     |                   |                  |              |
| Wind Acquisition Finance 7.00% 23/04/2021 Reg S                      | LU           | EUR | 1,000,000         | 960,416          | 1.38         |
| Inmarsat   | GB           | GBP | 53,104            | 660,041          | 0.95         |
|  |              |     | <b>1,620,457</b>  | <b>2.33</b>      |              |
| <b>Financials</b>  |              |     |                   |                  |              |
| Phoenix Group Holdings   | GB           | GBP | 124,204           | 1,479,467        | 2.13         |
| Unibail-Rodamco  | FR           | EUR | 6,086             | 1,471,595        | 2.11         |
| Assicurazioni Generali 6.416% VRN (Perpetual)                        | IT           | GBP | 1,150,000         | 1,419,220        | 2.04         |
| Vonovia  | DE           | EUR | 39,682            | 1,254,943        | 1.80         |
| Credit Suisse Group 7.50% VRN (Perpetual) Reg S                      | CH           | USD | 1,425,000         | 1,235,501        | 1.77         |
| Credit Agricole 8.125% VRN (Perpetual) 144A                          | FR           | USD | 1,300,000         | 1,144,967        | 1.64         |
| Tritax Big Box REIT  | GB           | GBP | 663,020           | 1,125,840        | 1.62         |
| BBVA 6.75% VRN (Perpetual)   | ES           | EUR | 1,200,000         | 1,104,191        | 1.59         |
| Allied Irish Banks 7.375% VRN (Perpetual) EMTN                       | IE           | EUR | 1,000,000         | 900,075          | 1.29         |
| ING Groep 6.50% VRN (Perpetual)                                      | NL           | USD | 1,000,000         | 809,780          | 1.16         |
| SEB 5.75% VRN (Perpetual) EMTN                                       | SE           | USD | 900,000           | 768,973          | 1.10         |
| Lloyds Banking Group   | GB           | GBP | 865,588           | 743,320          | 1.07         |
| Julius Baer Group  | CH           | CHF | 18,509            | 700,409          | 1.01         |
| Santander UK Group Holdings 7.375% VRN (Perpetual)                   | GB           | GBP | 600,000           | 698,555          | 1.00         |
| Poste Italiane   | IT           | EUR | 96,091            | 639,005          | 0.92         |
| Bank of Ireland  | IE           | EUR | 2,399,027         | 611,752          | 0.88         |
| Erste Group Bank   | AT           | EUR | 24,582            | 607,175          | 0.87         |
| Sampo  | FI           | EUR | 14,176            | 591,706          | 0.85         |
| UniCredit 6.75% VRN (Perpetual)                                      | IT           | EUR | 500,000           | 410,570          | 0.59         |
| UniCredit 9.375% VRN (Perpetual)                                     | IT           | EUR | 350,000           | 362,626          | 0.52         |
| Legal & General Group  | GB           | GBP | 88,961            | 264,159          | 0.38         |
| London Stock Exchange Group  | GB           | GBP | 7,204             | 256,478          | 0.37         |
| St James's Place   | GB           | GBP | 12,272            | 142,306          | 0.20         |
| Ageas  | BE           | EUR | 2,611             | 91,046           | 0.13         |
|  |              |     | <b>18,833,659</b> | <b>27.06</b>     |              |

Securities Admitted to or Dealt on Other Regulated Markets

|  |    |     |           |           |      |
|--|----|-----|-----------|-----------|------|
| <b>Materials</b>                                 |    |     |           |           |      |
| Glencore Finance (Canada) 5.80% 15/11/2016 144A  | CA | USD | 1,600,000 | 1,425,837 | 2.05 |
| BHP Billiton Finance 6.75% VRN 19/10/2075 Reg S  | AU | USD | 1,300,000 | 1,144,659 | 1.64 |
| Glencore Funding 2.125% 16/04/2018 Reg S         | US | USD | 600,000   | 499,781   | 0.72 |
| Glencore Finance (Canada) 2.70% 25/10/2017 Reg S | CA | USD | 450,000   | 385,213   | 0.55 |

|  | Country Code | Ccy | Shares or Nominal | Market Value EUR | % Net Assets |
|--|--------------|-----|-------------------|------------------|--------------|
| Ardagh Finance Holdings 8.625% 15/06/2019 144A | LU           | USD | 227,162           | 192,463          | 0.28         |
|  |              |     |                   | <b>3,647,953</b> | <b>5.24</b>  |
| <b>Industrials</b>                             |              |     |                   |                  |              |
| Logista Holdings                               | ES           | EUR | 52,829            | 1,049,184        | 1.51         |
|  |              |     |                   | <b>1,049,184</b> | <b>1.51</b>  |
| <b>Information Technology</b>                  |              |     |                   |                  |              |
| Amadeus IT Holding                             | ES           | EUR | 23,968            | 903,354          | 1.30         |
| Spotify Technology 5.00% 11/02/2021*           | LU           | USD | 371,523           | 326,189          | 0.47         |
|  |              |     |                   | <b>1,229,543</b> | <b>1.77</b>  |
| <b>Consumer Discretionary</b>                  |              |     |                   |                  |              |
| Industria de Diseno Textil                     | ES           | EUR | 29,454            | 870,808          | 1.25         |
|  |              |     |                   | <b>870,808</b>   | <b>1.25</b>  |
| <b>Healthcare</b>                              |              |     |                   |                  |              |
| Grifols  | ES           | EUR | 58,792            | 799,277          | 1.15         |
|  |              |     |                   | <b>799,277</b>   | <b>1.15</b>  |
| <b>Telecommunication Services</b>              |              |     |                   |                  |              |
| T-Mobile US 5.50% 15/12/2017 (Pref'd)          | US           | USD | 14,809            | 855,921          | 1.23         |
|  |              |     |                   | <b>855,921</b>   | <b>1.23</b>  |
| <b>Financials</b>                              |              |     |                   |                  |              |
| RBS Group 7.50% VRN (Perpetual)                | GB           | USD | 1,400,000         | 1,137,514        | 1.63         |
| Barclays 8.25% VRN (Perpetual)                 | GB           | USD | 1,000,000         | 878,833          | 1.26         |
| Lincoln Finance 6.875% 15/04/2021 Reg S        | GB           | EUR | 600,000           | 623,402          | 0.90         |
|  |              |     |                   | <b>2,639,749</b> | <b>3.79</b>  |

|  |    |     |     |                  |             |
|--|----|-----|-----|------------------|-------------|
| <b>Open Ended Fund</b>                   |    |     |     |                  |             |
| Fidelity ILF - The Euro Fund - A-ACC-EUR | IE | EUR | 426 | 5,998,447        | 8.62        |
|  |    |     |     | <b>5,998,447</b> | <b>8.62</b> |
| Fractions                                |    |     |     |                  | (3) (0.00)  |

Total Investments (Cost EUR 61,434,547)

**59,223,484 85.08**

|  | Ccy | Underlying exposure | Unrealised gain/(loss) EUR | % Net Assets |
|--|-----|---------------------|----------------------------|--------------|
|--|-----|---------------------|----------------------------|--------------|

Contracts For Difference

|                           |     |             |                |             |
|---------------------------|-----|-------------|----------------|-------------|
| Banco Comercial Portugues | EUR | (665,476)   | 164,476        | 0.24        |
| Ferrari                   | USD | (987,412)   | 138,529        | 0.20        |
| TalkTalk Telecom Group    | GBP | (193,156)   | 78,456         | 0.11        |
| Deutsche Bank             | EUR | (666,097)   | 58,188         | 0.08        |
| Alfa Laval                | SEK | (6,190,216) | 57,499         | 0.08        |
| Seadrill                  | NOK | (291,452)   | 53,032         | 0.08        |
| UniCredit                 | EUR | (312,020)   | 35,971         | 0.05        |
| Telenor                   | NOK | (2,212,965) | 26,457         | 0.04        |
| Petroleum Geo-Services    | NOK | (385,003)   | 21,544         | 0.03        |
| Accor                     | EUR | (898,936)   | 20,670         | 0.03        |
| Swatch Group              | CHF | (138,903)   | 19,947         | 0.03        |
| TGS Geophysical Company   | NOK | (458,974)   | 15,461         | 0.02        |
| Prada                     | HKD | (1,159,054) | 15,353         | 0.02        |
| Subsea 7 (A)              | NOK | (481,528)   | 4,199          | 0.01        |
| Daimler                   | EUR | (754,679)   | (10,869)       | (0.02)      |
| IMI                       | GBP | (108,433)   | (22,449)       | (0.03)      |
| ThyssenKrupp              | EUR | (149,020)   | (22,627)       | (0.03)      |
| Indra Sistemas            | EUR | (138,641)   | (24,436)       | (0.04)      |
| Hexagon                   | SEK | (1,329,728) | (26,621)       | (0.04)      |
| BMW                       | EUR | (790,295)   | (30,101)       | (0.04)      |
| mBank                     | PLN | (2,739,380) | (41,848)       | (0.06)      |
| Metso                     | EUR | (731,790)   | (71,721)       | (0.10)      |
| Bank Millennium           | PLN | (2,786,915) | (72,445)       | (0.10)      |
| Student Transportation    | CAD | (504,006)   | (74,531)       | (0.11)      |
| Sandvik                   | SEK | (6,971,748) | (132,742)      | (0.19)      |
|                           |     |             | <b>179,592</b> | <b>0.26</b> |

Credit Default Swaps

|  |     |            |                  |               |
|--|-----|------------|------------------|---------------|
| Bought protection on iTraxx Xover S25 20/06/2021 | EUR | 10,000,000 | (912,480)        | (1.31)        |
|  |     |            | <b>(912,480)</b> | <b>(1.31)</b> |

\* Security with price determined by the Directors.

The accompanying notes to the financial statements form an integral part of these financial statements. The percentage of net assets in the schedule of investments and in the geographical split is subject to rounding. Please note that the geographical split in the schedule of investments is based on market values as per local GAAP and does not include derivatives exposures.

Schedule of Investments as at 31 March 2016

|  | Underlying<br>exposure EUR | Unrealised<br>gain/(loss)<br>EUR | % Net<br>Assets |
|--|----------------------------|----------------------------------|-----------------|
| <b>Forward Foreign Exchange Contracts</b>        |                            |                                  |                 |
| Bought EUR Sold USD at 0.90819 16/06/2016        | 8,759,652                  | 322,200                          | 0.46            |
| Bought EUR Sold GBP at 1.29207 16/06/2016        | 10,832,330                 | 276,657                          | 0.40            |
| Bought EUR Sold USD at 0.89919 16/06/2016        | 2,627,896                  | 69,674                           | 0.10            |
| Bought EUR Sold GBP at 1.27792 16/06/2016        | 482,918                    | 6,907                            | 0.01            |
| Bought EUR Sold GBP at 1.27561 16/06/2016        | 315,604                    | 3,936                            | 0.01            |
| Bought EUR Sold SEK at 0.10758 16/06/2016        | 873,441                    | (7,303)                          | (0.01)          |
|  |                            | <b>672,071</b>                   | <b>0.97</b>     |
|  |                            |                                  |                 |
|  | Underlying<br>exposure     | Unrealised<br>gain/(loss)<br>EUR | % Net<br>Assets |
| <b>Ccy</b>                                       |                            |                                  |                 |
| <b>Futures</b>                                   |                            |                                  |                 |
| Euro Stoxx 50 Future 17/06/2016                  | EUR (9,408,510)            | (3,138)                          | (0.00)          |
| FTSE 100 Index Future 17/06/2016                 | GBP (1,589,380)            | (15,310)                         | (0.02)          |
|  |                            | <b>(18,448)</b>                  | <b>(0.03)</b>   |
|  |                            |                                  |                 |
|  | Contracts                  | Market Value<br>EUR              | % Net<br>Assets |
| <b>Ccy</b>                                       |                            |                                  |                 |
| <b>Options</b>                                   |                            |                                  |                 |
| Written Call Legal & General Group 21/05/2016    | GBP (25)                   | (395)                            | (0.00)          |
| Written Call Novo Nordisk (B) 18/06/2016         | DKK (50)                   | (1,342)                          | (0.00)          |
| Written Call Roche Holding 18/06/2016            | CHF (10)                   | (1,484)                          | (0.00)          |
| Written Call Royal Dutch Shell (B) 21/05/2016    | GBP (7)                    | (1,679)                          | (0.00)          |
| Written Call bpost 21/05/2016                    | EUR (225)                  | (4,950)                          | (0.01)          |
| Written Call GlaxoSmithKline 21/05/2016          | GBP (22)                   | (5,069)                          | (0.01)          |
| Written Call British American Tobacco 21/05/2016 | GBP (6)                    | (12,044)                         | (0.02)          |
| Written Call British American Tobacco 18/06/2016 | GBP (12)                   | (12,802)                         | (0.02)          |
|  |                            | <b>(39,765)</b>                  | <b>(0.06)</b>   |
|  |                            |                                  |                 |
| Other Assets and Liabilities                     |                            | 10,504,375                       | 15.08           |
| <b>Net Assets</b>                                |                            | <b>69,608,629</b>                | <b>100.00</b>   |

GEOGRAPHICAL SPLIT

| Country                   | Country Code | % Net Assets |
|---------------------------|--------------|--------------|
| UK                        | GB           | 18.80        |
| Ireland                   | IE           | 12.16        |
| USA                       | US           | 9.42         |
| Spain                     | ES           | 6.79         |
| France                    | FR           | 5.16         |
| Germany                   | DE           | 4.68         |
| Italy                     | IT           | 4.07         |
| Luxembourg                | LU           | 3.72         |
| Switzerland               | CH           | 3.29         |
| Netherlands               | NL           | 3.26         |
| Canada                    | CA           | 2.60         |
| Austria                   | AT           | 2.55         |
| Sweden                    | SE           | 2.50         |
| Belgium                   | BE           | 2.48         |
| Australia                 | AU           | 1.64         |
| Denmark                   | DK           | 1.10         |
| Finland                   | FI           | 0.85         |
| Cash and other net assets |              | 14.92        |



Schedule of Investments as at 31 March 2016

|  | Country Code | Ccy | Shares or Nominal | Market Value USD  | % Net Assets |
|--|--------------|-----|-------------------|-------------------|--------------|
| <b>Securities Admitted to or Dealt on an Official Stock Exchange</b> |              |     |                   |                   |              |
| <b>Energy</b>  |              |     |                   |                   |              |
| Halliburton  | US           | USD | 26,326            | 940,365           | 2.58         |
| Royal Dutch Shell (A)  | NL           | EUR | 36,309            | 882,521           | 2.42         |
|  |              |     | <b>1,822,886</b>  | <b>5.00</b>       |              |
| <b>Industrials</b>   |              |     |                   |                   |              |
| Wolseley   | CH           | GBP | 25,790            | 1,460,768         | 4.01         |
| Eiffage  | FR           | EUR | 14,329            | 1,101,630         | 3.02         |
|  |              |     | <b>2,562,398</b>  | <b>7.03</b>       |              |
| <b>Consumer Discretionary</b>  |              |     |                   |                   |              |
| Comcast  | US           | USD | 28,637            | 1,753,157         | 4.81         |
| Williams-Sonoma  | US           | USD | 18,420            | 1,018,626         | 2.80         |
| Time Warner  | US           | USD | 12,419            | 905,718           | 2.49         |
| B&M European Value Retail  | LU           | GBP | 174,600           | 666,329           | 1.83         |
| Priceline Group  | US           | USD | 420               | 549,289           | 1.51         |
|  |              |     | <b>4,893,119</b>  | <b>13.43</b>      |              |
| <b>Consumer Staples</b>  |              |     |                   |                   |              |
| Nestle (Reg'd)   | CH           | CHF | 29,049            | 2,178,175         | 5.98         |
| SABMiller  | GB           | GBP | 20,939            | 1,281,449         | 3.52         |
| Walgreens Boots Alliance   | US           | USD | 11,450            | 963,403           | 2.64         |
| CVS Health   | US           | USD | 9,131             | 949,533           | 2.61         |
| L'Oreal  | FR           | EUR | 4,357             | 781,351           | 2.14         |
| Wessanen   | NL           | EUR | 70,208            | 760,952           | 2.09         |
|  |              |     | <b>6,914,863</b>  | <b>18.98</b>      |              |
| <b>Healthcare</b>  |              |     |                   |                   |              |
| Ion Beam Applications  | BE           | EUR | 27,511            | 1,168,776         | 3.21         |
| HCA Holdings   | US           | USD | 10,629            | 835,227           | 2.29         |
| Express Scripts Holding  | US           | USD | 10,950            | 752,922           | 2.07         |
| Cardinal Health  | US           | USD | 4,118             | 338,047           | 0.93         |
| Roche Holding  | CH           | CHF | 1,350             | 333,478           | 0.92         |
| Novartis (Reg'd)   | CH           | CHF | 4,506             | 327,762           | 0.90         |
| McKesson   | US           | USD | 1,831             | 292,026           | 0.80         |
| Cigna  | US           | USD | 1,290             | 176,717           | 0.49         |
|  |              |     | <b>4,224,955</b>  | <b>11.60</b>      |              |
| <b>Financials</b>  |              |     |                   |                   |              |
| U.S. Bancorp   | US           | USD | 35,573            | 1,452,872         | 3.99         |
| Wells Fargo & Co   | US           | USD | 29,805            | 1,452,100         | 3.99         |
| Kennedy Wilson Europe Real Estate                                    | GB           | GBP | 46,388            | 781,099           | 2.14         |
| Chubb  | CH           | USD | 4,619             | 553,356           | 1.52         |
| DNB  | NO           | NOK | 30,986            | 367,393           | 1.01         |
| Foncière de Paris  | FR           | EUR | 167               | 27,542            | 0.08         |
|  |              |     | <b>4,634,362</b>  | <b>12.72</b>      |              |
| Fractions  |              |     |                   | (1)               | (0.00)       |
| <b>Total Investments (Cost USD 24,532,758)</b>                       |              |     |                   | <b>25,052,582</b> | <b>68.76</b> |

Contracts For Difference

|                                     | Ccy | Underlying exposure | Unrealised gain/(loss) USD | % Net Assets |
|-------------------------------------|-----|---------------------|----------------------------|--------------|
| Verbund                             | EUR | (416,476)           | 153,360                    | 0.42         |
| National Oilwell Varco              | USD | (908,418)           | 143,562                    | 0.39         |
| Woolworths                          | AUD | (664,907)           | 97,501                     | 0.27         |
| Cigna                               | USD | 1,237,979           | 80,087                     | 0.22         |
| LPP                                 | PLN | (1,166,000)         | 76,981                     | 0.21         |
| Hong Kong Exchanges                 | HKD | (3,337,943)         | 62,836                     | 0.17         |
| Walt Disney                         | USD | (523,364)           | 46,366                     | 0.13         |
| LVMH                                | EUR | 1,056,661           | 44,198                     | 0.12         |
| Accor                               | EUR | (333,521)           | 34,515                     | 0.09         |
| CNH Industrial                      | USD | (375,746)           | 29,944                     | 0.08         |
| Zions Bancorporation                | USD | (466,601)           | 29,435                     | 0.08         |
| Tenet Healthcare                    | USD | (770,489)           | 27,490                     | 0.08         |
| Ferrari                             | USD | (217,422)           | 26,963                     | 0.07         |
| Michael Page Int'l                  | GBP | (91,685)            | 26,530                     | 0.07         |
| Commonwealth Bank of Australia      | AUD | (469,959)           | 24,158                     | 0.07         |
| SEB                                 | SEK | (2,105,948)         | 21,898                     | 0.06         |
| STMicroelectronics                  | EUR | (301,075)           | 17,969                     | 0.05         |
| Anthem                              | USD | (1,307,791)         | 15,899                     | 0.04         |
| Ferrari (GS)                        | EUR | (101,945)           | 12,522                     | 0.03         |
| Ferrari (UBS)                       | EUR | (186,588)           | 7,275                      | 0.02         |
| Laboratory Corp of America Holdings | USD | (341,024)           | 6,906                      | 0.02         |
| Twenty-First Century Fox            | USD | (569,529)           | (1,354)                    | (0.00)       |
| Discovery Communications            | USD | (572,570)           | (6,274)                    | (0.02)       |
| Healthscope                         | AUD | (742,776)           | (11,374)                   | (0.03)       |
| Quest Diagnostics                   | USD | (382,854)           | (11,664)                   | (0.03)       |
| Diageo                              | USD | (411,312)           | (14,003)                   | (0.04)       |
| Hancock Holding                     | USD | (373,550)           | (24,446)                   | (0.07)       |
| Ascena Retail Group                 | USD | (392,651)           | (27,065)                   | (0.07)       |
| Health Care Select Sector SPDR Fund | USD | (2,173,486)         | (34,249)                   | (0.09)       |
| ASML Holding                        | EUR | (355,245)           | (37,111)                   | (0.10)       |
| Aspen Pharmacare Holdings           | ZAR | (11,369,592)        | (57,576)                   | (0.16)       |

The accompanying notes to the financial statements form an integral part of these financial statements. The percentage of net assets in the schedule of investments and in the geographical split is subject to rounding. Please note that the geographical split in the schedule of investments is based on market values as per local GAAP and does not include derivatives exposures.

|                              | Ccy | Underlying exposure | Unrealised gain/(loss) USD | % Net Assets  |
|------------------------------|-----|---------------------|----------------------------|---------------|
| Frost Bankers                | USD | (423,493)           | (68,417)                   | (0.19)        |
| PKN ORLEN                    | PLN | (1,277,214)         | (82,308)                   | (0.23)        |
| Lennox International         | USD | (605,880)           | (89,638)                   | (0.25)        |
| Rockwell Automation          | USD | (645,853)           | (92,134)                   | (0.25)        |
| Wm Morrison Supermarkets     | GBP | (478,044)           | (95,038)                   | (0.26)        |
| Bekaert                      | EUR | (392,755)           | (97,118)                   | (0.27)        |
| Campbell Soup                | USD | (426,168)           | (101,955)                  | (0.28)        |
| Eni                          | EUR | (713,146)           | (104,721)                  | (0.29)        |
| Scripps Networks Interactive | USD | (654,145)           | (106,687)                  | (0.29)        |
| CLMB Group Holdings          | USD | (477,342)           | (129,599)                  | (0.36)        |
| Glencore                     | GBP | (251,726)           | (179,859)                  | (0.49)        |
|                              |     |                     | <b>(386,195)</b>           | <b>(1.06)</b> |

|  | Ccy | Underlying exposure | Unrealised gain/(loss) USD | % Net Assets |
|--|-----|---------------------|----------------------------|--------------|
|  |     |                     |                            |              |

Forward Foreign Exchange Contracts

|   | Ccy | Underlying exposure | Unrealised gain/(loss) USD | % Net Assets  |
|---|-----|---------------------|----------------------------|---------------|
| Bought EUR Sold USD at 0.88844 16/06/2016 |     | 511,009             | 7,276                      | 0.02          |
| Bought EUR Sold USD at 0.89311 16/06/2016 |     | 185,868             | 3,638                      | 0.01          |
| Bought EUR Sold USD at 0.89219 16/06/2016 |     | 192,784             | 3,571                      | 0.01          |
| Bought EUR Sold USD at 0.89321 16/06/2016 |     | 138,825             | 2,733                      | 0.01          |
| Bought EUR Sold USD at 0.88199 16/06/2016 |     | 382,089             | 2,630                      | 0.01          |
| Bought NOK Sold USD at 8.34259 16/06/2016 |     | 21,576              | 227                        | 0.00          |
| Bought NOK Sold USD at 8.32529 16/06/2016 |     | 21,140              | 178                        | 0.00          |
| Bought USD Sold NOK at 0.11667 16/06/2016 |     | 22,166              | (816)                      | (0.00)        |
| Bought GBP Sold USD at 0.69233 16/06/2016 |     | 749,640             | (3,166)                    | (0.01)        |
| Bought USD Sold EUR at 1.12986 16/06/2016 |     | 1,071,961           | (11,017)                   | (0.03)        |
| Bought USD Sold NOK at 0.11673 16/06/2016 |     | 382,031             | (13,856)                   | (0.04)        |
| Bought USD Sold GBP at 1.42109 16/06/2016 |     | 4,950,609           | (59,235)                   | (0.16)        |
| Bought USD Sold EUR at 1.10498 16/06/2016 |     | 2,479,551           | (79,541)                   | (0.22)        |
|   |     |                     | <b>(147,378)</b>           | <b>(0.40)</b> |

A-ACC Shares (EUR) (Euro / USD hedged)

|   | Ccy | Underlying exposure | Unrealised gain/(loss) USD | % Net Assets |
|---|-----|---------------------|----------------------------|--------------|
| Bought EUR Sold USD at 0.89961 12/04/2016 |     | 10,530,918          | 261,994                    | 0.72         |
| Bought USD Sold EUR at 1.12071 12/04/2016 |     | 2,086,878           | (33,961)                   | (0.09)       |
|   |     |                     | <b>228,033</b>             | <b>0.63</b>  |

Y-ACC Shares (EUR) (Euro / USD hedged)

|   | Ccy | Underlying exposure | Unrealised gain/(loss) USD | % Net Assets |
|---|-----|---------------------|----------------------------|--------------|
| Bought EUR Sold USD at 0.89961 12/04/2016 |     | 4,468,723           | 111,175                    | 0.31         |
|   |     |                     | <b>111,175</b>             | <b>0.31</b>  |

|  | Ccy | Contracts | Market Value USD | % Net Assets  |
|--|-----|-----------|------------------|---------------|
| Written Put Hong Kong Exchanges 29/04/2016 | HKD | (17,810)  | (38)             | (0.00)        |
| Written Put Accor 18/06/2016               | EUR | (89)      | (1,926)          | (0.01)        |
| Written Call LVMH 18/06/2016               | EUR | (70)      | (13,793)         | (0.04)        |
|  |     |           | <b>(15,757)</b>  | <b>(0.04)</b> |

Other Assets and Liabilities

11,593,737 31.83

Net Assets

**36,436,197 100.00**

GEOGRAPHICAL SPLIT

| Country                   | Country Code | % Net Assets |
|---------------------------|--------------|--------------|
| USA                       | US           | 33.98        |
| Switzerland               | CH           | 13.32        |
| UK                        | GB           | 5.66         |
| France                    | FR           | 5.24         |
| Netherlands               | NL           | 4.51         |
| Belgium                   | BE           | 3.21         |
| Luxembourg                | LU           | 1.83         |
| Norway                    | NO           | 1.01         |
| Cash and other net assets |              | 31.24        |

## Statement of Net Assets as at 31 March 2016

| NAME  | Combined           | SharpeR Funds:      | Alpha Funds:      |
|---|--------------------|---------------------|-------------------|
|   |                    | SharpeR Europe Fund | Global Alpha Fund |
| CURRENCY  | USD                | EUR                 | USD               |
| <b>ASSETS</b>   |                    |                     |                   |
| Investments in securities at market value             | 92,506,946         | 59,223,484          | 25,052,582        |
| Cash at banks and Brokers                             | 23,269,213         | 10,385,669          | 11,440,144        |
| Receivables on investments sold                       | 1,003,584          | 669,699             | 240,810           |
| Receivables on fund Shares issued                     | 18,732             | 16,446              | -                 |
| Dividends and interest receivable                     | 410,176            | 357,000             | 3,560             |
| Unrealised gain on contracts for difference           | 1,794,823          | 709,782             | 986,395           |
| Unrealised gain on forward foreign exchange contracts | 1,167,215          | 679,374             | 393,422           |
| <b>Total Assets</b>                                   | <b>120,170,689</b> | <b>72,041,454</b>   | <b>38,116,913</b> |
| <b>LIABILITIES</b>                                    |                    |                     |                   |
| Payables on investments purchased                     | 988,780            | 836,961             | 35,498            |
| Expenses payable                                      | 154,670            | 87,416              | 55,105            |
| Unrealised loss on contracts for difference           | 1,976,694          | 530,390             | 1,372,590         |
| Unrealised loss on forward foreign exchange contracts | 209,910            | 7,303               | 201,592           |
| Unrealised loss on futures                            | 21,012             | 18,448              | -                 |
| Unrealised loss on swaps                              | 1,039,296          | 912,480             | -                 |
| Written options at market value                       | 61,049             | 39,765              | 15,757            |
| Other payables  | 245                | 62                  | 174               |
| <b>Total Liabilities</b>                              | <b>4,451,656</b>   | <b>2,432,825</b>    | <b>1,680,716</b>  |
| NET ASSETS as at 31.03.16                             | 115,719,033*       | 69,608,629          | 36,436,197        |
| NET ASSETS as at 30.09.15                             | 86,010,832         | 51,353,290          | 28,690,290        |
| NET ASSETS as at 30.09.14                             | 21,343,867**       | 16,902,552          | -                 |
| <b>COST OF INVESTMENTS</b>                            | <b>94,504,188</b>  | <b>61,434,559</b>   | <b>24,531,454</b> |

\* For comparison purposes, the combined net assets total as at 31 March 2016, translated in EUR at the foreign exchange rate as of 31 March 2016, is EUR 101,598,828.

\*\* Please note that the values disclosed for the Net Assets as at 30 September 2014 are unaudited.

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

## Statement of Net Asset Value per Share as at 31 March 2016

| Name - Currency                          | Shares outstanding<br>as at 31.03.16: | Net Asset Value<br>per share<br>as at 31.03.16: | Net Asset Value<br>per share<br>as at 30.09.15: | Net Asset Value<br>per share<br>as at 30.09.14*: | Net Asset Value<br>per share<br>as at 30.09.13: |
|--|---------------------------------------|---|---|--|---|
| <b>SharpeR Funds</b>                     |                                       |   |   |  |   |
| <b>SharpeR Europe Fund - EUR</b>         |                                       |   |   |  |   |
| - A-ACC Shares (EUR)                     | 1,596,233                             | 10.44   | 10.60   | 10.04  | -   |
| - Y-ACC Shares (EUR)                     | 4,860,459                             | 10.53   | 10.67   | 10.04  | -   |
| - Y-DIST Shares (EUR)                    | 75,815                                | 10.53   | 10.67   | 10.04  | -   |
| <b>Alpha Funds</b>                       |                                       |   |   |  |   |
| <b>Global Alpha Fund - USD</b>           |                                       |   |   |  |   |
| - A-ACC Shares (USD)                     | 836,976                               | 9.81  | 10.35   | -  | -   |
| - A-ACC Shares (EUR) (Euro / USD hedged) | 790,307                               | 9.75  | 10.33   | -  | -   |
| - I-ACC Shares (USD)                     | 500                                   | 9.90  | 10.40   | -  | -   |
| - Y-ACC Shares (USD)                     | 1,494,759                             | 9.86  | 10.38   | -  | -   |
| - Y-ACC Shares (EUR) (Euro / USD hedged) | 421,894                               | 9.80  | 10.35   | -  | -   |

\* Please note that the Net Asset Values per share as at 30 September 2014 are unaudited.  
The accompanying notes to the financial statements form an integral part of these financial statements.

# Statement of Operations and Changes in Net Assets

for the period ended 31 March 2016

| NAME   | SharpeR Funds: |                     | Alpha Funds:      |
|--|----------------|---------------------|-------------------|
|  | Combined       | SharpeR Europe Fund | Global Alpha Fund |
| CURRENCY   | USD            | EUR                 | USD               |
| <b>INVESTMENT INCOME</b>   |                |                     |                   |
| Net dividend and interest income   | 1,065,369      | 834,364             | 115,045           |
| Derivative income  | 219,576        | 85,507              | 122,185           |
| Net income   | 1,284,945      | 919,871             | 237,230           |
| <b>EXPENSES</b>  |                |                     |                   |
| Investment management fee  | 499,265        | 263,632             | 198,993           |
| Administration expenses  | 169,222        | 98,579              | 56,942            |
| Government taxes   | 24,155         | 14,066              | 8,134             |
| Custody fees   | 19,571         | 12,722              | 5,081             |
| Distribution fees  | 245            | 215                 | -                 |
| Other expenses   | 206,496        | 119,896             | 69,937            |
| Total expenses   | 918,954        | 509,110             | 339,087           |
| Interest paid on swaps   | 294,524        | 258,586             | -                 |
| Derivative expenses  | 407,582        | 72,854              | 324,603           |
| Finance costs on contracts for difference  | 134,045        | 93,167              | 27,930            |
| Broker expense reimbursements  | (3,351)        | (1,747)             | (1,361)           |
| Fees waived  | (152,158)      | (89,939)            | (49,719)          |
| Net expenses   | 1,599,596      | 842,031             | 640,540           |
| NET INVESTMENT INCOME / (LOSS)   | (314,651)      | 77,840              | (403,310)         |
| Net realised gain / (loss) on securities   | (1,569,255)    | (1,502,140)         | 141,652           |
| Net realised gain / (loss) on foreign currencies   | 86,986,100     | 51,262,174          | 28,599,512        |
| Net realised gain / (loss) on contracts for difference                                       | 1,586,610      | 1,668,144           | (313,373)         |
| Net realised gain / (loss) on forward foreign exchange contracts                             | 859,216        | 684,995             | 79,020            |
| Net realised gain / (loss) on options  | 109,521        | 86,966              | 10,468            |
| Net realised gain / (loss) on futures  | 26,081         | 235,378             | (242,010)         |
| Net realised gain / (loss) on swaps  | 453,350        | 398,032             | -                 |
| Net change in unrealised appreciation / (depreciation) on securities                         | (1,432,655)    | (2,010,074)         | 856,779           |
| Net change in unrealised appreciation / (depreciation) on foreign currencies                 | (2,286)        | (4,166)             | 2,459             |
| Net change in unrealised appreciation / (depreciation) on contracts for difference           | (1,837,817)    | (158,933)           | (1,656,795)       |
| Net change in unrealised appreciation / (depreciation) on forward foreign exchange contracts | 957,393        | 674,879             | 188,719           |
| Net change in unrealised appreciation / (depreciation) on options                            | 15,364         | (16,192)            | 33,806            |
| Net change in unrealised appreciation / (depreciation) on futures                            | (539,947)      | (377,777)           | (109,667)         |
| Net change in unrealised appreciation / (depreciation) on swaps                              | (312,388)      | (274,270)           | -                 |
| RESULTS OF OPERATIONS  | 84,984,636     | 50,744,856          | 27,187,260        |
| <b>CAPITAL SHARE TRANSACTIONS</b>  |                |                     |                   |
| Proceeds from fund Shares issued   | 40,370,088     | 25,046,452          | 11,842,680        |
| Payment for fund Shares redeemed   | (9,583,385)    | (6,181,376)         | (2,542,921)       |
| Equalisation   | (52,306)       | (1,303)             | (50,822)          |
| Increase / (decrease) derived from capital share transactions                                | 30,734,397     | 18,863,773          | 9,248,937         |
| NET INCREASE / (DECREASE)  | 115,719,033    | 69,608,629          | 36,436,197        |
| <b>NET ASSETS</b>  |                |                     |                   |
| Beginning of period  | 86,010,832*    | 51,353,290          | 28,690,290        |
| End of period  | 115,719,033**  | 69,608,629          | 36,436,197        |

\* The combined net assets total at the beginning of the period has been translated at the foreign exchange rates as of 30 September 2015, recalculated from an original amount of USD 86,010,832 using the foreign exchange rates as of 30 September 2015.

\*\* For comparison purposes, the combined net assets total as at 31 March 2016, translated in EUR at the foreign exchange rate as of 31 March 2016, is EUR 101,598,828. The accompanying notes to the financial statements form an integral part of these financial statements.

## 1. General

The Company was incorporated in Luxembourg as a SICAV on 23 July 2014.

The Company is governed under part I of the Luxembourg Law of 17 December 2010, as amended, relating to undertakings for collective investment, which implements Directive 2009/65/EC ("UCITS IV Directive").

The Company applied for entry into the new UK 'reporting fund' regime in respect of all sub-funds and Share classes which are registered in the United Kingdom. All sub-funds and Share classes have been certified as "UK reporting funds" by HM Revenue & Customs for the accounting period commencing at the launch of the first Sub-fund or Share class or, if later, the date on which the sub-fund or Share class was first registered for distribution to UK Shareholders. Reporting fund status will apply to all future accounting periods subject to compliance with the annual reporting requirements set out in tax UK legislation. Reportable income figures are generally available six months after the year end date.

As at 31 March 2016, the Company consisted of 2 sub-funds. The Directors may from time to time close sub-funds and classes of Shares as well as add further sub-funds and classes of Shares with different investment objectives, subject to the approval of the CSSF.

## 2. Significant Accounting Policies

The Financial Statements are prepared in accordance with the Luxembourg legal and regulatory requirements relating to undertakings for collective investments.

**Security Valuation.** Investments in securities traded on any stock exchange are valued at the last available price at the time when the valuation is carried out on the principal stock exchange on which such security is traded. Securities dealt on any over the counter market are valued in the same manner. The valuation of short-dated debt transferable securities and money market instruments not traded on a regulated exchange is determined by means of the amortised cost method. Under this method, amortised cost is determined by valuing the security at original cost and thereafter accreting (amortising) the discount (premium) to its nominal value at a constant rate until maturity. All other assets are valued in such manner as the Directors of the Company consider appropriate. All holdings owned by the Company are quoted on a regulated market, except where otherwise distinguished in a sub-fund's Schedule of Investments.

**Fair Value Adjustments Policy.** Fair value adjustments may be implemented to protect the interests of Shareholders against market timing practices. Accordingly if a sub-fund invests in markets that are closed for business at the time the sub-fund is valued, the Directors may, by derogation from the provisions above under security valuation, allow for the securities included in a particular portfolio to be adjusted to reflect more accurately the fair value of the sub-fund's investments at the point of valuation.

**Cash at Banks and Brokers.** Cash at banks and brokers is carried at face value.

**Investment Security Transactions.** Investment security transactions are accounted for on the date securities are purchased or sold. The computation of the cost of sales of securities is made on the basis of average cost.

**Futures.** Futures are accounted for on the date of opening or closing of the contract. Subsequent payments are made or received by the portfolio each day, dependent on the daily fluctuations in the value of the underlying index or security which are recorded for financial reporting purposes as unrealised gains or losses by the portfolio. The unrealised gains or losses resulting from futures are included in the Statement of Net Assets and in the Schedule of Investments. The realised gain and loss is based on the First In – First Out method.

**Forward Foreign Exchange Contracts.** Forward foreign exchange contracts are valued on the basis of forward exchange rates prevailing at the closing date and applicable to the remaining period until the expiration date. The unrealised gains or losses resulting from forward foreign exchange contracts are included in the Statement of Net Assets and in the Schedule of Investments.

**Interest Rate Swaps.** Interest receivable and payable on interest rate swap contracts is accrued on a daily basis, and future commitments under the swap are valued at market rates. Interest rate swap contracts are disclosed in the Statement of Net Assets and in the Schedule of Investments.

**Credit Default Swaps.** Premiums paid and received on credit default swap contracts to buy or sell protection against a credit event are accrued on a daily basis and reflected as net income. Future commitments under the swap are valued at market rates. Credit default swap contracts are disclosed in the Statement of Net Assets and the Schedule of Investments.

**Option Contracts.** Options purchased are recorded as investments at their realisable market value; options written or sold are recorded as liabilities based on the cost to close the position. When the exercise of an option results in a cash settlement, the difference between the premium and the settlement proceeds is accounted for as a realised gain or loss. When an option is closed, the difference between the premium and the cost to close the position is accounted for as a realised gain or loss. When an option expires, the premium is accounted for as a realised gain for options written or as realised loss for options purchased.

**Contracts for Difference.** Contracts for difference are contracts entered into between a broker and the Company under which the parties agree to make payments to each other so as to replicate the economic consequences of holding a long or short position in the underlying security. Contracts for difference also mirror any corporate actions that take place. When a contract is closed, the Company records a realised gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. The valuation of contracts for difference is based on the underlying security and they are disclosed in the Statement of Net Assets and the Schedule of Investments.

**Foreign Exchange.** The Directors determine the designated currency of each sub-fund. All transactions denominated in foreign currencies during the period are translated into the sub-fund's designated currency at the exchange rate prevailing on the day of transaction. Assets and liabilities as at 31 March 2016 have been translated at the prevailing exchange rates on that date.

**Securities in Escrow.** Securities included in the Schedule of Investments can be used as collateral against open derivative exposures. Where this is the case, securities will be escrowed to prevent them from being traded.

**Fund Share Transactions.** The issue and redemption price per Share of each sub-fund is the Net Asset Value per Share on the date of trade, subject to the price adjustment policy.

**Price Adjustment Policy.** The Board of Directors of the Company implemented a price adjustment policy in order to protect the interests of the Company's Shareholders. The purpose of the price adjustment is to allocate the costs associated with large inflows and outflows to investors transacting that day, thereby protecting the long-term Shareholder from the worst effects of dilution. It achieves this purpose by adjusting the price at which deals in a sub-fund are transacted. In other words, sub-fund prices may be adjusted up or down depending on the level and type of investor transactions on a particular day. In this way the existing and remaining Shareholders do not suffer an inappropriate level of dilution. The Company will only trigger an adjustment in the price when there are significant flows likely to have a material impact on existing and remaining Shareholders. The adjustment will be based on the normal dealing costs for the particular assets in which a sub-fund is invested and is not expected to exceed 2% of the price. However the Board of Directors of the Company may decide to have the adjustment exceed 2% of the price in exceptional circumstances to protect Shareholders' interests. Once an adjustment is made to a Share class' price that price is the official price for that Share class for all deals that day.

**Formation Costs.** Costs incurred in launching new sub-funds will be charged to current operating expenses.

**Income.** Dividends on equities are recognised when the security is quoted ex-dividend. Interest is accounted for on an accrual basis.

**Combined Accounts.** The combined Financial Statements have been presented in USD and represent the total Financial Statements of the different sub-funds. Sub-funds stated in currencies other than USD have been converted at exchange rates ruling at the period end.

### 3. Investment Management Fees and Other Transactions with the Investment Manager or its Affiliates

FIL Fund Management Limited ("FFML") earns a monthly investment management fee, calculated separately in respect of each sub-fund and accrued on each valuation date in the reference currency of the sub-fund, at an annual rate of up to 1.25% of the value of the net assets for A, E Shares, up to 0.85% for I, Y Shares for SharpeR Funds. The annual rate is up to 1.50% of the value of the net assets for A Shares and up to 1.00% for I, Y Shares for Alpha Funds.

In addition, FFML is entitled to receive an annual performance fee equivalent to the given performance fee rate multiplied by the increase in the Net Asset Value per Share of each class of Shares outstanding in respect of the Company's financial period subject to a high water mark, which is adjusted for the return of the relevant cash comparative index, plus a hurdle rate where applicable.

The basis for calculation of performance fees is fully explained in the Prospectus that all investors should read before investing.

The relevant performance fee rates, hurdle rates and comparative indices for each sub-fund are as follows:

| Sub-fund name       | Performance fee | Hurdle rate | Comparative Index   |
|---------------------|-----------------|-------------|---|
| SharpeR Europe Fund | 10%             | N/A         | For Euro Share classes: ICE LIBOR EUR overnight rate  |
| Global Alpha Fund   | 10%             | 2% (capped) | For Euro Share classes: ICE LIBOR EUR overnight rate<br>For USD Share classes: ICE LIBOR USD overnight rate |

The above mentioned comparative indices are solely used for performance fee calculation purposes and they should therefore under no circumstances be considered as indicative of a specific investment style.

FFML may waive any or all of its fees in respect of any sub-fund at its discretion from time to time. FFML bears all expenses incurred by it and its affiliates and advisers related to services performed by it for the Company. Brokerage commissions, transaction charges and other operating costs of the Company are payable by the Company. There were no transactions of the Company traded through connected brokers during the period.

There were no brokerage commissions paid to connected brokers during the period ended 31 March 2016. FFML from time to time executes certain portfolio transactions to selected brokers who agree to repay a portion of commissions from such transactions to offset Company expenses, but no such transactions were executed during the period.

### 4. Directors' Fees

All Directors are affiliated with FIL and have waived their fees for the period ended 31 March 2016, so no Directors' fees were charged for the period.

### 5. Securities Lending

As at 31 March 2016, there were no loaned securities outstanding.

### 6. Taxation

The Company is not liable to any Luxembourg taxes on income or on realised or unrealised capital gains, nor to any Luxembourg withholding tax. The sub-funds are subject to an annual subscription tax of 0.05%, calculated and payable quarterly on the net assets of the sub-funds on the last day of each calendar quarter. The reduced tax rate of 0.01% per annum of the net assets will be applicable to classes of Shares which are only sold or held by institutional investors within the meaning of Article 174 of the amended Law of 17 December 2010. Capital gains, dividends and interest on securities may be subject to capital gains and withholding taxes or other taxes imposed by the country of origin concerned and such taxes may not be recoverable by the Company or its Shareholders.

### 7. Equalisation

Income equalisation arrangements are applied to all Share classes across all sub-funds. These arrangements are intended to ensure that the income per Share which is distributed in respect of a distribution period is not affected by changes in the number of Shares in issue during that period. The calculation of equalisation is based on net investment income.

### 8. Cash Balances held at Brokers

As at 31 March 2016, there were outstanding margin deposits and cash collateral amounts in the form of cash balances held at brokers which have been included in the Cash at banks and brokers shown in the Statement of Net Assets. The following table discloses the breakdown of such cash amounts held at brokers, by sub-fund, as at 31 March 2016:

| Sub-fund name     | Currency | Cash at brokers | Sub-fund name       | Currency | Cash at brokers |
|-------------------|----------|-----------------|---------------------|----------|-----------------|
| Global Alpha Fund | USD      | 124,573         | SharpeR Europe Fund | EUR      | 1,496,286       |

### 9. Commitments on Derivatives

The resulting amounts of commitments by category of financial derivative instruments as at 31 March 2016 amounts to:

| Sub-fund name       | Currency | Contracts for Difference | Forward Foreign Exchange Contracts | Futures    | Options | Credit Default Swaps | Interest Rate Swaps |
|---------------------|----------|--------------------------|------------------------------------|------------|---------|----------------------|---------------------|
| Global Alpha Fund   | USD      | 23,392,479               | 28,195,769                         | -          | 15,756  | -                    | -                   |
| SharpeR Europe Fund | EUR      | 10,235,100               | 23,891,840                         | 11,415,085 | 39,765  | 10,000,000           | -                   |

### 10. Statement of Changes in Investments

A list for each sub-fund, specifying for each investment the total purchases and sales which occurred during the period under review, may be obtained free of charge upon request from the Registered Office of the Company or from any of the companies registered as Distributors of the Company.

It is possible to receive information about the full holdings of the sub-funds in which you invest, at any point in time during the period. This is available upon request by contacting your usual Fidelity Representative.

### 11. Rates of Exchange

The USD exchange rates at 31 March 2016 are noted below.

| Currency                | Exchange rate | Currency                 | Exchange rate |
|-------------------------|---------------|--------------------------|---------------|
| Australian Dollar (AUD) | 1.30272791    | Polish zloty (PLN)       | 3.7267        |
| Canadian dollar (CAD)   | 1.29697       | Pound Sterling (GBP)     | 0.69543447    |
| Danish krone (DKK)      | 6.5423        | South African rand (ZAR) | 14.7131       |
| Euro (EUR)              | 0.87797854    | Swedish krona (SEK)      | 8.09676       |
| Hong Kong dollar (HKD)  | 7.7568        | Swiss franc (CHF)        | 0.95822       |
| Norwegian krone (NOK)   | 8.25269       |                          |               |

## **Portfolio Turnover Ratio** for the 12 month period ended 31 March 2016

Includes all sub-funds registered in Switzerland as at 31 March 2016

### **Portfolio Turnover (%)**

#### **SharpeR Funds**

SharpeR Europe Fund

91.72

#### **Alpha Funds**

Global Alpha Fund

107.27



## Total Expense Ratios for the 12 month period ended 31 March 2016

Includes all classes of Shares registered in Switzerland as at 31 March 2016

|                      | Class of Shares                        | TER (%)* | Performance Fee (%) |
|----------------------|--|----------|---------------------|
| <b>SharpeR Funds</b> |  |          |                     |
| SharpeR Europe Fund  | A-ACC Shares (EUR)                     | 1.76     | -                   |
| SharpeR Europe Fund  | Y-ACC Shares (EUR)                     | 1.71     | 0.35                |
| SharpeR Europe Fund  | Y-DIST Shares (EUR)                    | 2.09     | 0.73                |
| <b>Alpha Funds</b>   |  |          |                     |
| Global Alpha Fund    | A-ACC Shares (USD)                     | 2.21     | 0.19                |
| Global Alpha Fund    | A-ACC Shares (EUR) (Euro / USD hedged) | 2.17     | 0.13                |
| Global Alpha Fund    | I-ACC Shares (USD)                     | 1.45     | 0.25                |
| Global Alpha Fund    | Y-ACC Shares (USD)                     | 1.69     | 0.17                |
| Global Alpha Fund    | Y-ACC Shares (EUR) (Euro / USD hedged) | 1.74     | 0.21                |

\*Total Expense Ratio (TER) is calculated as the Total expenses per the Statement of Operations and Changes in Net Assets, excluding custody transaction fees, divided by the average net assets of the sub-fund, expressed as a percentage.

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**Management Company**

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**Investment Manager**

**FIL Fund Management Limited**

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**Custodian & Depository**

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**General Distributor**

**FIL Distributors**

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**Auditor**

**PricewaterhouseCoopers, Société coopérative**

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