

**PRIVIUM FUND MANAGEMENT B.V.,
AMSTERDAM**

Annual Report 2012
June 4, 2013



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FINANCIAL REPORT



To the Board of Directors of
Privium Fund Management B.V.
Gustav Mahlerplein 3, 26 floor
1082 MS Amsterdam

<i>Reference</i>	<i>Processed by</i>	<i>Date</i>
10000665	JdH	June 4, 2013

Subject

Annual report of 2012

Dear Board of Directors,

We hereby send you the report regarding the financial statements for the year 2012 of Privium Fund Management B.V.

1 INTRODUCTION

In accordance with your instructions we have compiled the annual account 2012 of Privium Fund Management B.V. , including the balance sheet with counts of € 270,314 and the profit and loss account with a negative post-tax result of € 5,618.

For the independent auditor's report we refer to the chapter "other information" on page 20 of this report.

Privium Fund Management B.V. in Amsterdam

2 APPROPRIATED RESULTS**2.1 Development of income and expenses**

The result after taxation for 2012 amounts to negative € 5,618 compared to € 28,915 for 2011. The results for both years can be summarized as follows:

	2012		2011	
	€	%	€	%
Nett turnover	58,101	100.0	55,439	100.0
Gross margin	58,101	100.0	55,439	100.0
Expenses				
Cost of subcontracted work and other external charges	8,109	14.0	-	-
Employee expenses	25,426	43.8	13,869	25.0
Amortisation and depreciation	223	0.4	226	0.4
Other operating expenses	27,747	47.7	3,301	6.0
	61,505	105.9	17,396	31.4
Operating result	-3,404	-5.9	38,043	68.6
Financial income and expenses	-1,592	-2.7	-8,614	-15.5
Result on ordinary activities before tax	-4,996	-8.6	29,429	53.1
Taxation on result of ordinary activities	-	-	-	-
Extraordinary expenses	-622	-1.1	-514	-0.9
Result after taxation	-5,618	-9.7	28,915	52.2

Privium Fund Management B.V. in Amsterdam

3 FINANCIAL POSITION

The balance sheets can be summarized as follows:

	12/31/2012	12/31/2011
	€	€
Long term funds:		
Equity	146,124	-45,086
Long term investments:		
Tangible fixed assets	-	223
Working capital	<u>146,124</u>	<u>-45,309</u>
This amount is applied as follows:		
Trade and other receivables	38,583	59,185
Cash and cash equivalents	<u>231,731</u>	<u>22,241</u>
	270,314	81,426
Less: Short term liabilities	<u>124,190</u>	<u>126,735</u>
Working capital	<u><u>146,124</u></u>	<u><u>-45,309</u></u>

Privium Fund Management B.V. in Amsterdam

4 FISCAL POSITION

4.1 Fiscal unity

For purposes of corporate income tax, Cleardown B.V. forms a fiscal unity with its subsidiaries:

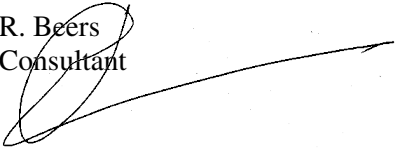
- Privium Fund Management B.V.

The corporate income tax of the subsidiaries is calculated as if the subsidiary is independently tax liable.

We will gladly provide further explanations upon request.

Sincerely yours,
Bacom Consultancy Groep

R. Beers
Consultant



Directieverslag - Jaarverslag Privium Fund Management B.V.

Resultaat

Privium Fund Management B.V. (hierna Privium), heeft het boekjaar 2012 afgesloten met een verlies van Euro 5.618,-. Het jaar 2012 was het eerste jaar waarin Privium actief was. Het eerste beleggingsfonds dat Privium als beheerder heeft, het Strategy One Fund, is gestart per 1 mei 2012.

Personeel

In het jaar 2012 hebben zich 3 personen rechtstreeks activiteiten verricht voor Privium. De derde persoon, naast de twee directieleden, is Hein Jurgens. Hein Jurgens is de portefeuillemanager van het Strategy One Fund. Privium maakt verder gebruik van de diensten van Darwin Platform, vooral op het gebied van administratieve afhandeling.

Toezicht

Gedurende het jaar is de AFM vergunningsaanvraag voorbereid, welke begin 2013 is ingediend en inmiddels is toegekend. Het een vergunning als beleggingsinstelling als bedoeld in artikel 2:65, eerste lid, sub a van de Wet op het financieel toezicht (Wft).

Omgevingsfactoren

Het klimaat voor startende en kleine beleggingsfondsen is te omschrijven als lastig, maar aan de beterende hand. Waar na de kredietcrisis de aandacht bijna enkel uitging naar de groep allergrootste fondsen daalt de ondergrens van fondsen die tot deze groep behoren gestaag.

Toenemende wet- en regelgeving speelt een grote rol bij zowel aanbieders van beleggingsfondsen als bij de beleggers daar in (o.a. verzekeraars en pensioenfondsen). Dit is niet enkel een aandachtspunt voor Privium, het geeft ook veel kansen. Het bieden van actief beheerde beleggingsoplossingen in een gereguleerde omgeving is immers waar beleggers naar op zoek zijn en naar op zoek moeten.

Aanbod

Momenteel is het Strategy One Fund het enige fonds dat Privium aanbiedt. Het fonds krijgt meer aandacht van potentiële investeerders, geholpen door het goede rendement en met name ook de verhouding tussen risico en rendement.

Naar verwachting zal Privium eind 2013 actief zijn met een groter aanbod aan beleggingsfondsen. De directie ziet het komende jaar optimistisch tegemoet.

Amsterdam, 4 juni 2013

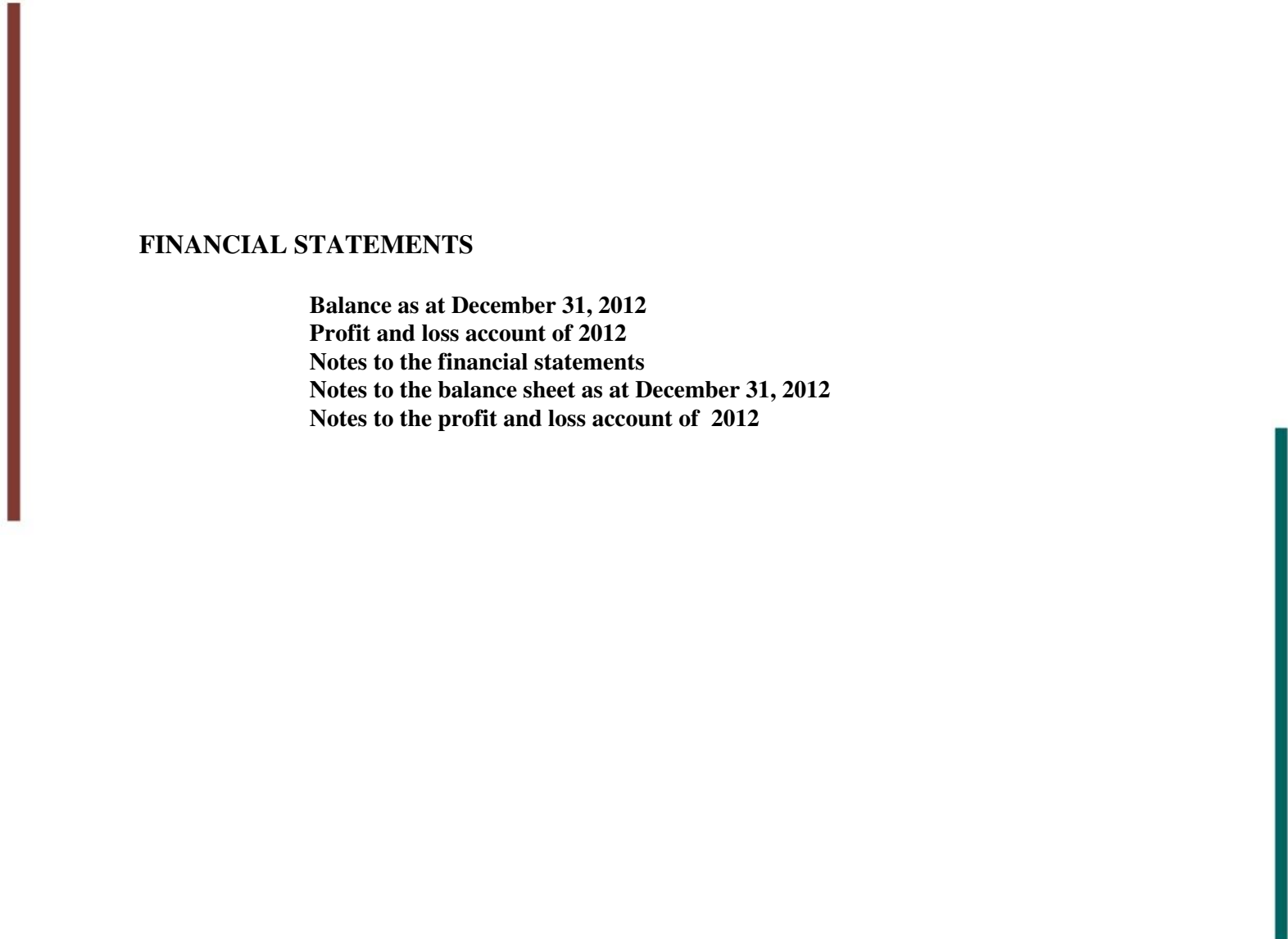
De directie van Privium Fund Management B.V.:

Clayton Heijman

Mark Baak

FINANCIAL STATEMENTS

Balance as at December 31, 2012
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Notes to the financial statements
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Notes to the profit and loss account of 2012



Privium Fund Management B.V. in Amsterdam

1 BALANCE AS AT DECEMBER 31, 2012

(after appropriation of result)

		December 31, 2012		December 31, 2011	
		€	€	€	€
ASSETS					
Fixed assets					
Tangible fixed assets	(1)		-		223
Current assets					
Trade and other receivables	(2)	38,583		59,185	
Cash and cash equivalents	(3)	231,731		22,241	
			270,314		81,426
			<u>270,314</u>		<u>81,649</u>
LIABILITIES					
Group equity					
Issued capital	(4)	150,000		18,000	
Share premium reserve		64,829		-	
Other reserves		-68,705		-63,086	
			146,124		-45,086
Current liabilities	(5)		124,190		126,735
			<u>270,314</u>		<u>81,649</u>

Privium Fund Management B.V. in Amsterdam

2 PROFIT AND LOSS ACCOUNT OF 2012

		2012		2011	
		€	€	€	€
Nett turnover	(6)		58,101		55,439
Expenses					
Cost of subcontracted work and other external charges	(7)	8,109		-	
Employee expenses	(8)	25,426		13,869	
Depreciation of tangible fixed assets		223		226	
Other operating expenses	(9)	27,747		3,301	
			61,505		17,396
Operating result			-3,404		38,043
Interest and similar income	(10)	866		1,771	
Interest and similar expenses	(11)	-2,458		-10,385	
Financial income and expenses			-1,592		-8,614
Result on ordinary activities before tax			-4,996		29,429
Taxation on result of ordinary activities			-		-
Result on ordinary activities after tax			-4,996		29,429
Extraordinary expenses	(12)		-622		-514
Result after tax			-5,618		28,915

3 NOTES TO THE FINANCIAL STATEMENTS**GENERAL****GENERAL ACCOUNTING PRINCIPLES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS**

The financial statement have been prepared in accordance with Title 9 Book 2 of the Dutch Civil Code.

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention. Unless presented otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are presented at nominal value.

PRINCIPLES OF VALUATION OF ASSETS AND LIABILITIES**Tangible fixed assets**

Tangible fixed assets are presented at cost less accumulated depreciation and, if applicable, less impairments in value. Depreciation is based on the estimated useful life and calculated as a fixed percentage of cost, taking into account any residual value. Depreciation is provided from the date an asset comes into use. Land is not depreciated.

Trade and other receivables

Upon initial recognition the receivables on and loans to participations and other receivables are valued at fair value and then valued at amortised cost, which equals the face value, after deduction of any provisions.

Cash and cash equivalents

The cash is measured at face value. If cash equivalents are not freely disposable, then this has been taken into account upon measurement.

Liabilities

Liabilities are valued at nominal value, unless disclosed differently.

PRINCIPLES FOR THE DETERMINATION OF THE RESULT**General**

The result is defined as the difference between the revenue from services performed and the costs and expenses for that year, valued at historical costs.

Privium Fund Management B.V. in Amsterdam

Determination of the result

The result is determined based upon the difference between the nett turnover and the costs and other expenses taking into account the accounting principles mentioned before.

Income and expenses are accounted for on accrual basis. Profit is only included when realized on the balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Nett turnover

The nett turnover consists of revenue from during the reporting period nett of discounts, rebates and value added taxes.

Gross margin

The gross operating profit and loss comprises nett turnover by the entity, other operating income and cost of outsourced work and other external charges.

Amortisation and depreciation

The depreciation on tangible fixed assets is calculated by using a fixed rate on the acquisition cost or cost of conversion.

Gains and losses on disposal of tangible fixed assets are recorded under amortisation/depreciation, gains only to the extent that the gain is not capitalised deducted from replacement investments.

Financial income and expenses

Financial income and expenses comprise interest income and expense of loans for the current reporting period.

Taxation

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes, and with which deferred tax assets (if applicable) are only valued insofar as their realisation is likely.

Extraordinary income and expense

Extraordinary income and expense comprises income and expenses who differ highly from ordinary operations and have therefore an extremely incidental character.

4 NOTES TO THE BALANCE SHEET AS AT DECEMBER 31, 2012

ASSETS

FIXED ASSETS

	<u>12/31/2012</u>	<u>12/31/2011</u>
	€	€
1. Tangible fixed assets		
Furniture	-	223
	<u> </u>	<u> </u>
		<u>Furniture</u>
		€
<i>Book value as per January 1, 2012</i>		
Purchase price		1,127
Accumulated depreciation		-904
		<u> </u>
		<u> </u>
<i>Changes</i>		
Depreciation		-223
		<u> </u>
<i>Book value as per December 31, 2012</i>		
Purchase price		1,127
Accumulated depreciation		-1,127
		<u> </u>
Book value as per December 31, 2012		<u> </u>
		<u> </u>
<i>Depreciation rates</i>		%
Furniture		20

CURRENT ASSETS

	12/31/2012	12/31/2011
	€	€
2. Trade and other receivables		
Trade debtors	14,000	-
Receivable group companies	24,383	58,985
Other receivables, prepayments and accrued income	200	200
	<u>38,583</u>	<u>59,185</u>
Trade debtors		
Trade debtors	<u>14,000</u>	<u>-</u>
Receivable group companies		
Darwin Financial Platform B.V.	<u>24,383</u>	<u>58,985</u>
An interest rate of 2,1 % (Euribor 1,1 % + 1%) has been calculated.		
Prepayments and accrued income		
Deposit	<u>200</u>	<u>200</u>
3. Cash and cash equivalents		
ABN AMRO 24.93.56.228 USD	20,086	15,245
ABN AMRO 24.91.02.218	211,645	6,996
	<u>231,731</u>	<u>22,241</u>

EQUITY AND LIABILITIES

4. Group equity

	12/31/2012	12/31/2011
	€	€
Issued capital		
Subscribed and paid up 150,000 ordinary shares at par value € 1.00	150,000	18,000
The statutory share capital amounts to € 150,000.00. The shareholders of the company are as follows: - Cleardown B.V.		
		Common shares
		€
Book value as per January 1, 2012		18,000
Shares issued per December 20, 2012 (numbers: 18.001 until 150.000)		132,000
Book value as per December 31, 2012		150,000
Statutory share capital		150,000
Shares issued		150,000
Nominal value		1.00
	2012	2011
	€	€
Share premium reserve		
Book value as per January 1	-	-
Allocation per December 20, 2012	64,829	-
Book value as per December 31	64,829	-
Other reserves		
Book value as per January 1	-63,086	-92,001
Appropriation of the nett result	-5,619	28,915
Book value as per December 31	-68,705	-63,086

Privium Fund Management B.V. in Amsterdam

	12/31/2012	12/31/2011
	€	€
5. Current liabilities		
Trade creditors	453	781
Loans from group companies	114,392	124,138
Taxes and social securities	1,167	316
Accrued liabilities	8,178	1,500
	<u>124,190</u>	<u>126,735</u>
Trade creditors		
Trade creditors	<u>453</u>	<u>781</u>
Loans from group companies		
Cleardown B.V.	<u>114,392</u>	<u>124,138</u>
An interest rate of 2,1 % (Euribor 1,1 % + 1%) has been calculated.		
Taxes and social securities		
VAT	1,470	8
Pay-roll tax	-303	308
	<u>1,167</u>	<u>316</u>
Accrued liabilities		
Accounting costs	1,500	1,500
Auditing costs	1,050	-
Consultancy charges	5,628	-
	<u>8,178</u>	<u>1,500</u>

5 NOTES TO THE PROFIT AND LOSS ACCOUNT OF 2012

	2012	2011
	€	€
6. Nett turnover		
Net turnover	58,101	55,439
7. Cost of subcontracted work and other external charges		
Work contracted	8,109	-
8. Employee expenses		
Wages and salaries	13,340	13,340
Social security charges	460	519
Other employee expenses	11,626	10
	<u>25,426</u>	<u>13,869</u>
<i>Wages and salaries</i>		
Gross wages	9,200	9,182
Wages 30% ruling	4,140	4,158
	<u>13,340</u>	<u>13,340</u>
<i>Social security charges</i>		
Social costs	460	519
<i>Other employee expenses</i>		
Travelling expenses	11,626	-
Expense allowances	-	10
	<u>11,626</u>	<u>10</u>
Staff		
Bij de vennootschap waren in 2012 gemiddeld 1 personeelsleden werkzaam (2011: 1).		
Amortisation and depreciation		
9. Other operating expenses		
Office expenses	2,002	121
Selling and distribution expenses	2,611	190
General expenses	23,134	2,990
	<u>27,747</u>	<u>3,301</u>

Privium Fund Management B.V. in Amsterdam

	2012	2011
	€	€
<i>Office expenses</i>		
Office supplies	1,573	-
Automation costs	59	-
Contributions and subscriptions	370	121
	<u>2,002</u>	<u>121</u>
<i>Selling and distribution expenses</i>		
Representation costs	2,398	-
Travelling expenses	213	190
	<u>2,611</u>	<u>190</u>
<i>General expenses</i>		
Accounting costs	3,345	2,990
Consultancy fees	19,755	-
Other general expenses	34	-
	<u>23,134</u>	<u>2,990</u>
Financial income and expenses		
10. Interest and similar income		
Interest receivable Darwin Financial Platform B.V.	<u>866</u>	<u>1,771</u>
11. Interest and similar expenses		
Interest and costs Tax Administration	-	-3,500
Interest payable	-35	-74
Exchange rate differences	56	-2,136
Interest payable Cleardown B.V.	-2,479	-4,675
	<u>-2,458</u>	<u>-10,385</u>
12. Extraordinary expenses		
Extraordinary expenses	<u>-622</u>	<u>-514</u>

OTHER INFORMATION

OTHER INFORMATION**1 Statutory appropriation of profit**

Based on article 19 of the Articles of Association the result is at the disposal of the General Shareholders Meeting.

2 Recognition of the loss for 2012

The Board of Directors proposes to deduct the 2012 result from the other reserves for an amount of € 5,618. The General Meeting of Shareholders Shareholders will be asked to approve the appropriation of the 2012 result, this proposition is already recognised in the financial statements.

3 Independent auditor's report

The independent auditor's report is stated on page 21.

To the Board of Director's of Privium Fund Management B.V.
Gustav Mahlerplein 3, 26 floor
1082 MS Amsterdam

Accountantskantoor Adfiscass
Oosteinderweg 568
1432 BS Aalsmeer
Telefoon: 020-5456010 / 06-53160586
E-mail: a.griffioen@adfiscass.nl

Independent auditor's report

Report on the financial statements

We have audited the accompanying financial statements 2012 of Privium Fund Management B.V., Aerdenhout. The financial Statements comprise the balance sheet as at December 31, 2012, and the profit and loss account for the year 2012 and the notes, comprising a summary of the accounting policies and other explanatory information.

Administrator's responsibility

The administrator of the investment pool is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code and with the law on financial supervision. Furthermore the administrator is responsible for the preparation of the report of the administrator in accordance with Part 9 of Book 2 of the Dutch Civil Code. The administrator is also responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, 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 auditor 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 administrator, 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 audit opinion.

Opinion with respect to the financial statements

In our opinion, the financial statements give a true and fair view of the financial position of Privium Fund Management B.V. as at December 31, 2012, and of its result for the year 2012 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under Section 2:393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the administrator's report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2:392 sub 1 at b-h has been annexed. Further we report that the administrator's report, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Dutch Civil Code.

Aalsmeer, June 4, 2013

Accountantskantoor Adfiscass



drs. A. Griffioen RA