

# Finles Global Opportunities Fund B.V.

The Netherlands

ANNUAL REPORT

**for the year ended 30 June 2014**

[Utrecht, 13 May 2015]

---

## Table of contents

	<b>Page(s)</b>
General information	1
Historical multi-year overview	2
Report of the Fund Manager	3
Financial statements	
Balance sheet as at 30 June	4
Income statement	5
Statement of cash flows	6
Notes to the financial statements	
General information	7
Significant accounting principles and policies	7
Notes for individual balance sheet items	
Investments	9
Cash and cash equivalents	9
Short term loan	9
Accrued expenses and other payables	10
Share capital	10
Notes for individual income statement items	
Dividend income	11
Interest expense	11
Costs	12
Relevant contracts	13
Related party transactions	14
Financial investments and associated risks	14
Other information	
Independent Auditor's report	16
Provision of information	18
Events after the reporting date	18
Date of authorisation	18

## General information

Director and Fund Manager	Finles N.V. Euclideslaan 151 3584 BS Utrecht The Netherlands
Administrator	TMF FundAdministrators B.V. Westblaak 89 3001 HC Rotterdam The Netherlands
Independent Auditor	Crowe Horwath Foederer Accountants B.V. Paasheuvelweg 16 P.O. Box 22866 1100 DJ Amsterdam The Netherlands
Investment Advisor	Arunvill Capital UK Ltd. 20 <sup>th</sup> Floor 125 Old Broad Street London United Kingdom
Legal Advisor	Greenberg Traurig LLP Strawinskylaan 3127 The Atrium 8 <sup>th</sup> Floor 1077 ZX Amsterdam The Netherlands
Broker	ED&F Man Capital Markets Ltd. Cottons Centre Hay's Lane London, SE1 2QE United Kingdom
Bank	ING Nederland Bijlmerplein 88 1102 MG Amsterdam The Netherlands
Tax Advisor	Deloitte Tax Lawyers Orlyplein 10 P.O. Box 58120 1040 HC Amsterdam The Netherlands

## Historical multi-year overview

### Key figures

	<b>2014</b>	<b>2013</b>
	<b>EUR</b>	<b>EUR</b>
Equity at the beginning of the year	201,554,401	(119)
Issue of participations	-	2,313,200
Direct investment result	100,089,556	199,931,061
Indirect investment result	(1,188,668)	(16,028)
	<u>300,455,289</u>	<u>202,228,114</u>
Redemption of participations	-	(20,000)
Expenses	(571,845)	(627,652)
Distributions	(299,287,381)	(26,061)
Equity at the end of the year	<b><u>596,063</u></b>	<b><u>201,554,401</u></b>
Investments	391,758	1,480,427
Cash and cash equivalents	242,206	24,975,561
Other assets and liabilities	(37,901)	175,098,413
	<b><u>596,063</u></b>	<b><u>201,554,401</u></b>
Number of participations	2,000,000	2,000,000
Participation per share	0.30	100.78

## Report of the Fund Manager

According to the investment mandate of Finles Global Opportunities Fund B.V., the Fund can invest in a number of asset classes including equities (both listed and unlisted), fixed income and currencies. Here it may invest in physical positions in these asset classes or may obtain exposure through derivatives (both exchange traded and over-the counter contracts). The Fund may also invest in short term money market instruments for cash management purposes or may have cash on deposit.

During the fiscal year there have been no changes in the composition of the portfolio of the Fund. As at 30 June 2014, the Fund's portfolio consists of three positions which include: Teston Finance, SBM Offshore and TNT Express. During the year, the investment in Teston Finance of EUR 1.2 million was devalued to EUR Nil. The investment thesis behind the positions varies from each other but generally match one or more of the following characteristics: a catalyst or an event is expected, stable or growing earnings, stable or growing dividends combined with an interesting pay-out ratio.

Next to these positions the Fund had, during the fiscal year, a cash balance of between 0.5% and 40% of the AUM of the Fund.

All investments are or were denominated in EUR so there has been no impact from currency movements.

## Financial Statements

### BALANCE SHEET

(As at 30 June)

(Before appropriation of result)

	<i>Note</i>	<b>2014</b> <b>EUR</b>	<b>2013</b> <b>EUR</b>
<b>Assets</b>			
<b>Investments</b>			
Equities	3	391,758	1,480,427
		<u>391,758</u>	<u>1,480,427</u>
<b>Current assets</b>			
Cash and cash equivalents	4	242,206	24,975,561
		<u>242,206</u>	<u>24,975,561</u>
<b>Intangible assets</b>			
Deferred incorporation costs		55,298	73,730
		<u>55,298</u>	<u>73,730</u>
<b>Other assets</b>			
Dividend receivable	8	-	175,255,000
Prepaid expenses		-	10,890
		<u>-</u>	<u>175,265,890</u>
<b>Total assets</b>		<b><u>689,262</u></b>	<b><u>201,795,608</u></b>
<b>Current liabilities</b>			
Short term loan	5	-	(100,000)
Accrued expenses and other payables	6	(93,199)	(141,207)
		<u>(93,199)</u>	<u>(241,207)</u>
<b>Total liabilities</b>		<b><u>(93,199)</u></b>	<b><u>(241,207)</u></b>
<b>Total assets minus total liabilities</b>		<b><u>596,063</u></b>	<b><u>201,554,401</u></b>
<b>Shareholder's equity</b>			
Contribution of participants		2,313,200	2,313,200
Unappropriated (loss)/profit		(1,717,137)	199,241,201
<b>Total shareholder's equity</b>	7	<b><u>596,063</u></b>	<b><u>201,554,401</u></b>

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

## Financial Statements

### INCOME STATEMENT

(For the year ended 30 June)

(Before appropriation of result)

		<b>2014</b>	<b>2013</b>
		<b>EUR</b>	<b>EUR</b>
	<i>Note</i>		
<b>Investment income</b>			
<i>Direct investment result</i>			
Dividend income	8	100,083,942	199,927,152
Other income		5,614	3,909
		<b>100,089,556</b>	<b>199,931,061</b>
<i>Indirect investment result</i>			
Realised gains on investments		-	5,640
Unrealised losses on investments		(1,188,668)	(21,668)
		<b>(1,188,668)</b>	<b>(16,028)</b>
<b>Total income</b>		<b>98,900,888</b>	<b>199,915,033</b>
<b>Expenses</b>			
Management fee	11	(370,956)	(366,158)
Audit fee	11	(14,035)	(24,500)
Administration fee	11	(52,809)	(48,500)
Incorporation costs		(18,433)	(18,433)
Bank charges		(1,150)	(449)
Legal fee		3,133	(12,535)
Interest expense	9	-	(2,121)
Tax advisory fee		(115,636)	(153,295)
Custody fee		-	(66)
Other general expenses		(1,959)	(1,595)
<b>Total expenses</b>	10	<b>(571,845)</b>	<b>(627,652)</b>
<b>Net income</b>		<b>98,329,043</b>	<b>199,287,381</b>

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

## Financial Statements

### STATEMENT OF CASH FLOWS (For the year ended 30 June)

	<i>Note</i>	<b>2014</b> <b>EUR</b>	<b>2013</b> <b>EUR</b>
<b>Cash flows from operating activities</b>			
Payments for purchase of investments		(99,999)	(3,741,655)
Proceeds from sales of investments		-	2,245,200
Dividend received		245,433,942	24,672,152
Interest paid		(1,099)	(1,010)
Management fee paid		(433,839)	(303,275)
Administration fee paid		(57,809)	(36,897)
Audit fee paid		(12,645)	-
Audit tax fee paid		(80,150)	(149,671)
Custody fee paid		-	(66)
Legal fee paid		(1,867)	(7,535)
Incorporation costs paid		-	(92,163)
Bank charges paid		(1,150)	(449)
Other income		5,605	3,910
Other general expenses paid		(1,962)	-
<b>Net cash flows generated from operating activities</b>		<b><u>244,749,027</u></b>	<b><u>22,588,541</u></b>
<b>Cash flows from financing activities</b>			
Proceeds from sales of participations		-	2,313,200
Payments on redemptions of participations		-	(20,000)
Loans and borrowings proceeds		(100,000)	100,000
Distributions		(269,382,382)	(26,061)
<b>Net cash flows (used in)/generated from financing activities</b>		<b><u>(269,482,382)</u></b>	<b><u>2,367,139</u></b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(24,733,355)</b>	<b>24,955,680</b>
Cash and cash equivalents at the beginning of the year		24,975,561	19,881
<b>Cash and cash equivalents at the end of the year</b>	<i>4</i>	<b><u>242,206</u></b>	<b><u>24,975,561</u></b>

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



---

## Notes to the financial statements

### 1. GENERAL INFORMATION

Finles Global Opportunities Fund B.V. (the “Fund”) is structured as a private limited company (besloten vennootschap, B.V.) under Dutch law, and was established on 15 June 2012. The Fund is a non-listed open-ended collective investment scheme. The Fund’s principal office is located at Euclideslaan 151, 3584 BS Utrecht, The Netherlands.

The Fund may invest in equities (both listed and unlisted), fixed income and currencies. The Fund may invest in physical positions in these asset classes or may obtain exposure through derivatives (both exchange traded and over-the counter (“OTC”) contracts). The Fund may also invest in short term money market instruments for cash management purposes or hold cash on deposit. The Fund’s objective is to create positive return for investors through capital appreciation as well as from income generated by the Fund’s assets. It is expected that the Fund’s core investment strategy will be taking long positions in equities.

The Fund’s investment activities are managed by Finles N.V. (the “Fund Manager”), with the administration delegated to TMF FundAdministrators B.V. (the “Administrator”).

The Fund Manager is subject to supervision by the AFM (Stichting Autoriteit Financiële Markten) and DNB (De Nederlandsche Bank N.V.). As the participations of the Fund have only been offered to qualified investors, the Fund Manager is subject to supervision from the AFM under the lightened regulatory regime.

The Fund commenced operations on 15 June 2012.

The Fund had no employees during the years ended 30 June 2014 and 30 June 2013.

The financial statements have been authorised for issue by the Fund Manager on 13 May 2015.

#### **Tax position**

The Fund has claimed for status of a fiscal investment institution (“FBI”). This implies that the Fund is not subject to corporate income tax. Dividend distributions made by the Fund to its participants are in principle subject to 15% Dutch dividend withholding tax, which may be reduced or eliminated under relevant tax treaties and/or the European Union Parent-Subsidiary Directive.

#### **Distribution Policy**

The Fund, consistent with its status as an FBI, makes distributions from net income, less any re-investment reserve, within 8 months of each reporting date. These distributions will be made on a specified pre-determined date. The Fund may make distributions more frequently.

### 2. SIGNIFICANT ACCOUNTING PRINCIPLES AND POLICIES

#### **Basis of preparation**

The financial statements of the Fund have been prepared in accordance with reporting principles generally accepted in The Netherlands (“Dutch GAAP”) and the statutory provisions concerning annual accounts contained in Part 9, Book 2 of the Dutch Civil Code.

The financial statements are prepared on a fair value basis for financial investments, except those for which a reliable measure of fair value is not available. Other financial assets and liabilities and non financial assets and liabilities are stated at historical cost.

#### **Functional currency**

The financial statements are presented in Euro (“EUR”), which is the Fund’s functional currency.

---

## Notes to the financial statements

### 2. SIGNIFICANT ACCOUNTING PRINCIPLES AND POLICIES (*CONTINUED*)

#### **Recognition and measurement**

An asset is recognised in the balance sheet when it is probable that future economic benefits of the asset will flow to the Fund and the amount of the asset can be reliably measured. A liability is recognised in the balance sheet when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

Income is recognised in the income statement when an increase in future economic benefit related to an increase in an asset or decrease in a liability has arisen that can be measured reliably.

Expenses are recognised in the income statement when a decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably.

#### **Foreign exchange**

##### *Transactions and balances*

Transactions in foreign currencies are translated at the rates of exchange prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the reporting date at the exchange rate at that date. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates from the date the fair value was determined.

Resulting exchange differences on the financial assets and financial liabilities at fair value through profit or loss in foreign currencies are recorded in the income statement. Realised and unrealised exchange differences on other assets and liabilities are also recorded in the income statement and disclosed within foreign currency translation.

#### **Basis of valuation – Balance sheet**

Financial investments which are listed on the stock exchange are valued at the official closing rate of the previous dealing day or, if no rating took place, at the average of the bid and ask rate of the previous business day of the value as determined by the Fund Manger.

##### *Classification of participations*

The participations of the Fund are classified as equity. These participations are recognised and measured at the redemption amount. Any distribution of equity is recognised through equity.

##### *Receivables and prepayments*

The value of accounts receivable and prepaid expenses will be deemed to be the full amount unless it is unlikely to be paid or received in full. Appropriate allowances for estimated irrecoverable amounts are recognised in the income statement when there is objective evidence that the asset is impaired.

##### *Payables and accruals*

Payables and accruals and deferred income are included at fair value.

#### **Cash and cash equivalents**

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

#### **Principles for determining the result**

The Fund recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument. A regular way purchase and sale of investments is recognised using trade date accounting.

Gains and losses arising from changes in value of investments are recognised in the income statement as 'realised gains on investments' or 'unrealised gains/(losses) on investments'.

Expenses are accounted for in the income statement on the accrual basis.

## Notes to the financial statements

### NOTES FOR INDIVIDUAL BALANCE SHEET ITEMS

#### 3. INVESTMENTS

As at 30 June, the Fund held the following positions:

Equities	2014		2013	
	EUR	% of NAV	EUR	% of NAV
SBM Offshore NV	168,526	28.27%	184,828	0.09%
Teston Finance S.a.r.l. - B Shares	-	0.00%	1,101,005	0.55%
TNT Express NV	223,232	37.45%	194,594	0.10%
	<b>391,758</b>	<b>65.72%</b>	<b>1,480,427</b>	<b>0.74%</b>

#### *Movement in schedule of investments*

(All amounts in EUR)

	2014	2013
<b>Investments in equities</b>		
As at 1 July	1,480,427	-
Purchases	99,999	3,741,655
Sales	-	(2,245,200)
Realised	-	5,640
Unrealised	(1,188,668)	(21,668)
<b>As at 30 June</b>	<b>391,758</b>	<b>1,480,427</b>

#### 4. CASH AND CASH EQUIVALENTS

As at 30 June 2014, cash and cash equivalents comprise of balances held with ING Nederland amounting to EUR 134,921 (2013: EUR 26,217). As at 30 June 2014 and 30 June 2013, no restrictions in the use of this balance exist.

As at 30 June 2014, cash and cash equivalents also include amounts held with ED&F Man Capital Markets Ltd., equal to EUR 107,285 (2013: EUR 24,949,344).

#### 5. SHORT TERM LOAN

On the 13 July 2012, the Fund entered into a loan agreement with Arunvill Capital Limited. The Fund borrowed EUR 100,000 from Arunvill Capital Limited in order to finance the start up and formation costs of the Fund. The Fund is specifically prohibited from using the proceeds of the loan to make investments.

The loan is subject to interest of 3 month Euribor plus 2% per annum and payable quarterly on the 30 of September, December, March and June. The loan was due on the 13 July 2013 and repaid on the 18 July 2013. Interest for the period from 1 July 2013 to 13 July 2013 was waived.

## Notes to the financial statements

### NOTES FOR INDIVIDUAL BALANCE SHEET ITEMS *(CONTINUED)*

#### 6. ACCRUED EXPENSES AND OTHER PAYABLES

At 30 June 2014 and 30 June 2013, the accrued expenses and other payables consist of the following:

<i>(All amounts in EUR)</i>	<b>2014</b>	<b>2013</b>
Management fee payable	(20,000)	(82,883)
Tax advisory fee payable	-	(14,514)
Audit fee payable	(15,000)	(24,500)
Audit tax fees payable	(50,000)	-
Administration fee payable	(8,000)	(13,000)
Legal fee	-	(5,000)
Interest payable	-	(1,110)
Other fees payable	(199)	(200)
<b>Total</b>	<b><u>(93,199)</u></b>	<b><u>(141,207)</u></b>

#### 7. SHARE CAPITAL

##### *Structure of the Fund's capital*

Finles Global Opportunities Fund B.V. is a private limited company which is subject to Dutch law. The Fund's authorised capital, amounts to EUR 100,000 divided into 10,000,000 participations with a par value of EUR 0.01 each.

As at 30 June 2014 and 30 June 2013, two million participations are in issue.

##### *Subscriptions and redemptions*

The Fund is an open ended structure, open to qualified investors only. The minimum subscription is EUR 10,000 per participation. The Fund Manager may in its sole discretion resolve to accept subscriptions for lower amounts. Participations will be able to subscribe at least on a weekly basis.

Participations may be redeemed as of the last business day of every week, pursuant to written notice, which must be received by the administrator at least 1 business day prior to the redemption day.

Redemptions are subject to a redemption charge of 0.10% of the total redemption price, which is due and payable to the Fund. The Fund Manager will at least annually review and assess, and where appropriate amend the redemption charge. The Fund Manager may waive the redemption charge in its reasonable discretion.

## Notes to the financial statements

### NOTES FOR INDIVIDUAL BALANCE SHEET ITEMS *(CONTINUED)*

#### 7. SHARE CAPITAL *(CONTINUED)*

##### *Subscriptions and redemptions (continued)*

Movement of shareholder's equity for the participations during the year is as follows:

	<b>2014</b>	<b>2013</b>
	<b>EUR</b>	<b>EUR</b>
<i>Contributions of participants</i>		
Balance at the beginning of the year	2,313,200	20,000
Issue of participations	-	2,313,200
Redemption of participations	-	(20,000)
<b>Total contributions at the end of the year</b>	<b><u>2,313,200</u></b>	<b><u>2,313,200</u></b>
<i>Unappropriated profit</i>		
Balance at the beginning of the year	199,241,201	(20,119)
Distributions of profit in the year	(299,287,381)	(26,061)
Net income	98,329,043	199,287,381
<b>Total undistributed profit at the end of the year</b>	<b><u>(1,717,137)</u></b>	<b><u>199,241,201</u></b>
<b>Equity at the end of the year</b>	<b><u>596,063</u></b>	<b><u>201,554,401</u></b>

##### *Rights and obligations*

Each participation is entitled to one vote in the meeting of participants.

##### *Capital management*

The Fund's objectives when managing capital are to safeguard the Fund's ability to continue as a going concern in order to provide returns for participants and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

### NOTES FOR INDIVIDUAL INCOME STATEMENT ITEMS

#### 8. DIVIDEND INCOME

For the year ended 30 June 2014, dividend income amounted to EUR 100,083,942 (2013: EUR 199,927,152) and relates to dividend income on the Teston Finance investment.

#### 9. INTEREST EXPENSE

Interest expense relates to the interest on the short term loan. Please refer to note 5 for further details.

## Notes to the financial statements

### NOTES FOR INDIVIDUAL INCOME STATEMENT ITEMS *(CONTINUED)*

#### 10. COSTS

The Fund makes use of various parties for management, administration and custody services. The table below provides a breakdown of expenses.

<i>(All amounts in EUR)</i>	<b>2014</b>	<b>2013</b>
<b>Expenses accruing to Fund Manager</b>		
Management fee	(370,956)	(366,158)
<b>Other expenses</b>		
Tax advisory fee	(115,636)	(153,295)
Administration fee	(52,809)	(48,500)
Incorporation costs	(18,433)	(18,433)
Audit fee	(14,035)	(24,500)
Other and general expenses	(1,959)	(1,595)
Bank charges	(1,150)	(449)
Legal fee	3,133	(12,535)
Interest expense	-	(2,121)
Custody fee	-	(66)
<b>Total</b>	<b><u>(571,845)</u></b>	<b><u>(627,652)</u></b>

The basis on which various costs are charged to the Fund are disclosed in detail in the Investment Memorandum. It is a Dutch regulatory requirement to disclose any differences between actual costs and the costs disclosed in the Investment Memorandum.

During the financial year ended 30 June 2014, all costs actually charged to the Fund were in accordance with the costs disclosed in the Investment Memorandum. During the year, the Fund also incurred costs such as bank charges of EUR 1,150 and other general expenses of EUR 1,963 which are not detailed in the Investment Memorandum.

#### *Ongoing charges ratio (formerly the total expense ratio "TER")*

The TER was replaced by the ongoing charges ratio. The calculation of the ongoing charges ratio differs from the calculation of the TER. The ongoing charges ratio is the ratio of the total costs to the average net assets of the Fund. The average net assets are based on the Fund's net assets at each calculation of the NAV i.e., weekly.

For the year ended 30 June 2014, the ongoing charges ratio for the Fund is as follows:

	<b>2014</b>
Ongoing charges ratio	2.29%

For the year ended 30 June 2013, the TER for the Fund is as follows:

	<b>2013</b>
Total expense ratio	2.34%

#### *Turnover factor*

For the year ended 30 June 2014, the turnover factor for the Fund is 0.40% (2013: 13.64%). The turnover factor is calculated by adding total purchases and sales, subtracting total subscriptions plus total redemptions and dividing the total by the average NAV.

## Notes to the financial statements

### NOTES FOR INDIVIDUAL INCOME STATEMENT ITEMS (*CONTINUED*)

#### 11. RELEVANT CONTRACTS

##### Fund Manager

###### *Management agreement*

Finles N.V. acts as the Fund Manager to the Fund. The Fund Manager is entitled to a management fee equal to 50 bps of AUM. This will be charged on a monthly basis, but calculated on a weekly basis with a minimum of EUR 40,000 per month. Up to 1 July 2013, the minimum amount charged by the Manager was EUR 20,000 per month. From 1 January 2014, management fees were fixed to EUR 20,000 per month.

Details of management fees charged for the year are disclosed in the income statement.

##### Administration fee

The Fund has entered into an administration agreement with TMF FundAdministrators B.V. (“the Administrator”). The Administrator is entitled to a one-off payment of EUR 10,000 excluding VAT for services relating to the set-up of the Fund. The Administrator is also entitled to the following monthly fees which are calculated as follows and payable in arrears:

- | <b>Notional Dividend</b> | <b>Basis points per month</b> |
|--------------------------|-------------------------------|
| - Up to EUR 5 million    | 10                            |
| - Above EUR 5 million    | 8                             |
- A monthly fee of EUR 500 for the preparation of audited annual accounts and assistance with the audit process.

The administration fee will be subject to a minimum of EUR 3,500 per month and a maximum of EUR 8,000 per month.

Details of administration fees charged for the year are disclosed in the income statement.

##### Independent Auditor

The Fund appointed Crowe Horwath Foederer Accountants B.V. as the Independent Auditor. For the year ended 30 June 2014, the Independent Auditor’s remuneration amounts to EUR 15,000, including VAT (2013: EUR 10,450).

## Notes to the financial statements

### NOTES FOR INDIVIDUAL INCOME STATEMENT ITEMS (*CONTINUED*)

#### 12. RELATED PARTY TRANSACTIONS

Related party transactions are transfers of resources, services or obligations between related parties and the Fund, regardless of whether a price has been charged. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The Fund Manager is considered a related party.

The following transactions occurred between the Fund and the Fund Manager during the reporting period

*Transactions and balances as at 30 June 2014*

	<b>Paid EUR</b>	<b>Balance EUR</b>
Management fee	(433,839)	(20,000)

*Transactions and balances as at 30 June 2013*

	<b>Paid EUR</b>	<b>Balance EUR</b>
Management fee	(303,275)	(82,883)

#### 13. FINANCIAL INVESTMENTS AND ASSOCIATED RISKS

The investment objective of the Fund is to create positive return for investors through capital appreciation as well as from income generated by the Fund assets. It is expected that the Fund's core investment strategy will be taking long positions in equities. The Fund may invest in equities (both listed and unlisted), fixed income and currencies. The Fund may invest in physical positions in these asset classes or may obtain exposure through derivatives (both exchange traded and over-the counter ("OTC") contracts). The Fund may also invest in short term money market instruments for cash management purposes or hold cash on deposit.

The Fund Manager is responsible for identifying and controlling risks and is ultimately responsible for the overall risk management approach within the Fund.

The Fund's activities expose it to a variety of financial risks: market risk (including market price risk, currency risk and interest rate risk), credit risk and liquidity risk.

##### **Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument fluctuates as a result of changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. Market risk comprises market price risk, currency risk and interest rate risk.

##### *Market price risk*

Price risk is the risk that the value of the instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

As at 30 June 2014 and 30 June 2013, price risk arises on the Fund's investments in equities.

##### *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

As at the reporting date, the Fund has no interest bearing financial instruments except for cash at bank, which is subject to normal market related short-term interest rates. Therefore the Fund is not exposed to significant interest rate risks.



---

## Notes to the financial statements

### 13. FINANCIAL INVESTMENTS AND ASSOCIATED RISKS (*CONTINUED*)

#### **Market risk** (*continued*)

##### *Currency risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk exposure arises from the Fund investing in financial instruments and entering into transactions which are denominated in currencies other than its functional currency.

At 30 June 2014 and 30 June 2013, all of the Fund's investments and transactions are traded in EUR. As the Fund's assets and liabilities are predominately denominated in the functional currency the Fund is not exposed to material currency risk.

##### **Credit risk**

Credit risk is the risk that counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. It arises from cash and cash equivalents and dividend receivable. The carrying values of financial assets (excluding any investments in equity instruments) best represent the maximum credit risk exposure at the reporting date and amount to EUR 297,504 (2013: EUR 200,304,291).

##### **Liquidity risk**

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its participations earlier than expected.

The Fund's listed securities are considered to be readily realisable as they are listed on recognised exchanges.

The Fund's other liabilities are short-term in nature.

## INDEPENDENT AUDITOR'S REPORT

To: the management and the general meeting of shareholders of Finles Global Opportunities Fund B.V.

### Report on the financial statements

We have audited the accompanying financial statements for the year ended June 30, 2014 of Finles Global Opportunities Fund B.V., Utrecht, which comprise the balance sheet as at June 30, 2014, the profit and loss account for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

#### Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements and for the preparation of the management board report, both in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is 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 management, 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 Finles Global Opportunities Fund B.V. as at June 30, 2014 and of its result for the year then ended 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 management board 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.

Amsterdam, May 13, 2015

Crowe Horwath Foederer Accountants B.V.

Originally signed by P.P.M. Lemmens RA

## **Other information**

### **PROVISION OF INFORMATION**

The financial statements and the Investment Memorandum of the Fund are available free of charge from the Fund Manager, or are available to download free of charge from the Fund Manager's website: [www.finlescapitalmanagement.nl](http://www.finlescapitalmanagement.nl)

The Manager of the Fund has no reason to believe that the continuity of the Fund is at stake. Currently the Dutch Tax Authorities are investigating the Fund. The results are not yet known, however, management are confident to the outcome of the investigation.

### **EVENTS AFTER THE REPORTING DATE**

There were no events after the reporting date which necessitate disclosure in these financial statements.

### **DATE OF AUTHORISATION**

The financial statements have been authorised for issue by the Fund Manager in Utrecht on 13 May 2015.