

JABCAP (LUX)

Société d'Investissement à Capital Variable

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Annual Report and Audited Financial Statements

**For the Year Ended
December 31, 2017**

JABCAP (LUX)

Audited Financial Statements For the year ended December 31, 2017

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JABCAP (LUX)

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JABCAP (LUX)

Management and Service Providers (Continued)

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**Report of the Board of Directors
Convertible Bonds Sub-Fund**

Global equity performance was positive in January, with the S&P500 rising +1.8% in the month that saw President Trump sworn in and which brought the post-US election rally to +9.3%. The US macro data released for the period of December was supportive of a continued expansion of the US economy in Q4, with a strong Manufacturing PMI prints for December and an even better preliminary number for January. The December non-farm payroll was also worth noting. While the headline number came below expectations the November number was significantly revised higher and the average hourly earnings rose month-on-month faster than expected. US equity markets seem to have taken a wait-and-see approach to Donald Trump's presidency and reacted calmly to his first week in office. In Europe, while December had seen the DAX play catch-up with the S&P500, its performance in January was more muted with the DAX only rising +0.5%. The preliminary reading of Eurozone Q4 GDP was above expectations while Manufacturing PMI numbers remained encouraging for the January preliminary numbers. Despite the above good macro data, some form of consolidation was to be expected given how strong European equity markets had rallied in December. In Japan, the Topix index closed the month +0.2% higher. The Fund started the year with a strong monthly return (+1.77%) both on an absolute and relative basis. All regions contributed positively with Asia and Japan being the main drivers. Likewise, all sectors contributed positively with the exception of the Utilities sector where small losses were incurred due to the exposure to electric power companies in Japan. Basic materials was the best performing sector.

February was yet another positive month for global equity markets, with the S&P 500 rising a further +3.7%. By sector, Utilities, Real Estate and Consumer Staples were particularly strong as US 10YR rates fell lower for the greater part of the month. Despite a slightly disappointing read of Q4 GDP, other macro indicators such as nonfarm payrolls or ISM Manufacturing remained firmly positively oriented. On the policy front, the main event for the month was President Trump's speech to Congress which was seen as more presidential but lacked any concrete details or timeline for his tax reform, repeal of ObamaCare or infrastructure spending plans. This did put somewhat of a dampener on the post-Trump reflation trade in the immediate aftermath of the speech. In Europe, February saw equity markets play catch up with their US counterpart after a muted performance the previous month. The DAX rose +2.6%. While uncertainties surrounding the upcoming French elections increased over the month as Francois Fillon's presidential run unravelled, macro data remained well into positive territory with Manufacturing PMI printing 55.2 and German IFO business climate coming in at 111.0. In addition, the reporting season had been strong so far, with the STOXX EUROPE 600 index reporting a 7% net beat at month-end after 84% of its constituents reported. Management comments gleaned through the various result calls were generally positive as to the Europe's prospect with a caveat for the UK where macro and micro data was more mixed ahead of article 50 being in all likelihood triggered next month. In Japan, the TOPIX index ended +0.9% for the month against the backdrop provided by disappointing macro numbers such as Industrial Production for January coming in at -0.8% MoM or preliminary Q4 GDP coming in at +0.2% QoQ. The Fund continued to outperform global convertible bond indices in February posting a 1.68% monthly return. All regions contributed positively with Asia ex Japan and North America being the main drivers. Financials was the best performing sector, followed by Consumer Non-cyclical and Industrial. Only Consumer Cyclical, Energy and Communications exposures produced losses.

**Report of the Board of Directors (Continued)
Convertible Bonds Sub-Fund**

March saw the S&P 500 index broadly flat for the month. This capped five months of consecutive growth that had seen the S&P 500 appreciate +13% in the immediate aftermath of the US election. On the policy front, the main event for the month was President Trump's inability to push forward his American Health Care Act in the face of the opposition of his own Republican party. This put a further stop to the Trump reflation trade that had propelled the S&P 500 since his election, with the market reassessing his ability to pass the awaited tax reform and infrastructure package. On the macro front, data remained on the whole positively oriented though one may notice some erosion in the forward looking metrics from the height recorded in January. In Europe, March saw the DAX rise +4.0% in a broad rally that carried along all sectors except basic resources. The defeat of the extreme right during the Dutch election was the main catalyst. On the macro front, the Euro area composite PMI came at 56.7, its highest level since April 2011. In Japan, the TOPIX index fell -1.0%. In credit space, the FED hiked rates in March as had been widely telegraphed. This and a strong macro data sent 10YR Treasury yields +23bp wider, while lower oil prices on the back of higher than expected US inventories pushed HY spreads higher as Oil and Oil Services company are an important part of the US credit indices. That said, the reassessment of the Trump reflation trade led to treasury yields retracing back their move in the second half of the month to end broadly unchanged at 2.36%, with US HY markets generating a slight negative return for the month. In Europe, bund yields followed a similar pattern with 10YR bunds widening +28bp to 0.48% following good macro data and hawkish comments from the ECB (higher growth and inflation projections) before tightening back to 0.32% after ECB sources said that chairman Draghi's comments had been over-interpreted and general scepticism as to President Trump policies. The Fund underperformed global convertible bond indices in March, posting its first negative return (-1.91%) since July 2016. The Fund's overweight exposure to Japan explains most of March's underperformance with a disappointing equity performance and lower theoretical valuations. The North American portfolio was another source of negative PnL (where losses incurred in Financial, Consumer Non-cyclical and Communications sectors). Europe and the Technology sector made positive contributions.

In April, the first round of the French elections that will pit Emmanuel Macron against Marine Le Pen was the main event. While the far-right candidate did make it to the second round, the market reacted positively to the news that she would be running against the centre-left candidate. The DAX index fell -2.5% over the first half of the month as the election date neared, before rallying +3.6% post results. In the US, the S&P500 index rose +0.9% in April. The Trump administration released early details as to its proposed tax reform package which consists in reducing individual tax brackets from 7 to 3 (10%, 25% and 35%) and taking down the corporate tax rate to 15% (amongst other things). Doubt subsists as to President Trump's ability to get this legislation through congress given the opposition from the democrats and from some republicans. Macro data remained weakly positioned with decelerating PMI numbers, weaker than expected non-farm payroll and a weak preliminary read of Q1 GDP. Despite the weak data, hawkish comments from Fed officials lead to the market assigning a near zero odd of a hike in May but increasing the odds of a hike in June from 57% to 70%. US 10YR was little changed at 2.28%. Japan on the other hand was more volatile. TOPIX fell initially -3.5% over the course of the month before rallying +5.0% as risk sentiment improved. The Fund turned in a positive performance in April (+0.71%) although it slightly lagged the broader convertible and equity markets. The relative underperformance was explained by the risk reduction strategy - before the first round, the global delta exposure was kept below 70%.

**Report of the Board of Directors (Continued)
Convertible Bonds Sub-Fund**

The month of May saw Emmanuel Macron elected as France's President and the European market continue on its upward trajectory. The DAX index initially rose +2.9% before giving back some of its gains and closing up +1.4% for the month. May saw reporting season come to a close in Europe with companies generally reporting one of the strongest second quarter on record and macro data remaining resolutely positive. The only two clouds on the horizon were Italy looking to head toward early elections and the Eurogroup (the finance ministers of the Euro area member states) failing to reach an agreement on extra debt relief for Greece but this did not negatively affect the positive mood. In the US, news flow was dominated by Trump surprise decision to fire FBI chief James Comey and the subsequent disclosure of Mr Comey's memo. With questions being raised as to President Trump's ability to put in place its much-awaited fiscal stimulus, the S&P500 index nevertheless recovered from the drop post James Comey's termination and ended the month up +1.2% thanks to a strong earnings season. On the macro front, a better than expected non-farm payroll led the market to price a near certainty of a rate hike in June. That said, forward looking US macro data continued to be decelerating (lower ISM and core PCE inflation) and the timing of the expected third Fed hike was being reassessed. US 10YR tightened by -6bp to end the month at 2.20%. In Japan, the Topix index rose +2.4% due to strong earnings and good macro. The Fund posted a small positive performance in May (+0.31%). The underperformance compared to the broader convertible bond market was mainly due to the exposure to US banks warrants. Europe and Japan were the main drivers of profits whereas the US portfolio contributed negatively. Asia ex Japan and Emerging remained flat for the month. All sectors were positive contributors to the PnL with the exception of Financial and Energy where gains in Europe were offset by losses in North America.

The first three weeks of June were relatively quiet with volatility meaningfully picking up in the last week of the month following comments from central bankers. The DAX index rose a further +1.2% for the better part of the month as European equity markets continued on their upward trajectory and risks surrounding Greece or early Italian elections failed to materialise. Investors also had their first taste of the new rules under the European Bank Recovery and Resolution Directive with the winding down of Banco Popular in Spain, an event that left markets unfazed. Volatility had steadily declined over June until Chairman Draghi spoke during the ECB's annual conference in Sintra in the last few days of the month. He highlighted during his speech that there was a diminishing need for accommodative monetary policy in the face of a resurgent Eurozone economy. Some market participants took this as a sign that the ECB may tighten its monetary stance faster than expected. With the ECB's quantitative easing program keeping spreads on eurozone bonds artificially low, 10yr Bunds reacted negatively and widened violently, a move not seen since 2015. US yields are in part supported by treasury buying from yield deprived European and Japanese investors. On the equity side, the S&P 500 index only rose +0.48% with the market hinting at signs of a rotation outside growth (tech names) into value (financials). Amazon's acquisition of Whole Foods has brought pressure on the rest of the retail food sector given Amazon's track record at disrupting traditional businesses. US banks looks to be the key beneficiaries of the Fed's decision to authorise higher capital payouts and a steeper yield curve. In Japan, the Topix index rose +2.8% and delivered the third consecutive month of improvement. Earnings season has started and while the BOJ did not deliver any policy change in June, it nonetheless revised up its assessment of private consumption.

**Report of the Board of Directors (Continued)
Convertible Bonds Sub-Fund**

The Fund finished the second quarter on a strong note, posting a positive absolute and relative performance in June (+0.7%). North America and Japan were the main drivers of profits whereas the European portfolio produced a small loss and Asia ex remained flat. Financial and Consumer (both cyclical and non-cyclical) exposures made the strongest profit contributions, followed by Industrials. Energy and Technology recorded modest losses.

July started on the heels of the volatility seen in the last week of June. Bund yields continued on their upward trajectory in the wake of Chairman Draghi's June comments. While bund yields have in essence tripled since their mid-June tights, their sell-off has however failed to spill into the rest of the fixed income market. The XOVER index initially widened +9bps to an intra-month high of 257bp but rallied back some 23bp to end the month close to two-year tights and some 34bps tighter from where it started the year. Meanwhile, cash bonds held well as we had expected them to. While the Sintra speech might have had unintended consequences from the ECB's perspective, the monthly conference was the occasion for Chairman Draghi to set the record straight and strike a dovish tone by reiterating the ECB's commitment to increasing the pace of central bank bond buying if a fragile Eurozone recovery began to sputter. Outside of markets, European macro data remains positively oriented with the German IFO business climate at a 10 year high. In the US, 10YR Treasuries moved sideways to end the month at 2.29% while the S&P index rose +2% in part fuelled by a weaker USD. Beyond a few headlines on the Russian investigation, there seem to be very little actual progress to report on the repeal of Obamacare or fiscal reform. On the macro front, ISM Manufacturing and Non-Farm Payrolls came ahead of expectations. Meanwhile in Japan, the TOPIX index rose a further +0.4% despite the electoral upset suffered by Prime Minister Abe's LDP party at the Tokyo Assembly. The Bank of Japan pushed its 2% inflation target from 2017 to 2018 and rose its GDP forecast for 2017 by 20bps to 1.8%. The Fund had a strong performance in July and returned +1.19% for the month. Europe and especially North America were the main contributors to performance. Japan was otherwise flat. By industries, Technology names were the best performers while Utilities were the worst. We had increased the global delta exposure of the Fund to take advantage of strong equity markets. Both Japan and Europe allocations saw further risk additions. By industry, we increased our exposure to Industry and Technology. The net equity market exposure ended the month at 120% and we participated in 3 new deals.

Central bankers' behaviour remained the key discussion topic amongst investors with the annual Jackson Hole summit having taken place at the end of August. The Dax index fell -0.5% while 10YR bunds tightened a further -18bp to end at 36bp. The Euro rose against the US Dollar to reach \$1.19 while the Pound fell further to €1.09 after having touched an 8-year low. News flow was dominated by terrorist attacks in both Barcelona and Paris as well as the on-going Brexit negotiations which seem to be making little headway. In the US, the S&P 500 Index ended the month virtually unchanged at 2,472 but this hides significant intra-month volatility on the back of nuclear tensions with North Korea and rioting in Charlottesville. Hurricane season is in full swing, with Hurricane Harvey making landfall in Texas at the end of the month. On the macro front, US Q2 GDP was revised upward to 3%, which shows that the US economy is gaining steam despite President Trump failing to deliver any meaningful stimulus so far. In Japan, the Topix Index fell -0.07% thus putting an end to a 5-month run of sequential improvement. While the macro data remained positively oriented albeit to a lower extent than what seen in Europe or the US, the proximity to the on-going nuclear crisis between the US and North Korea had its toll.

**Report of the Board of Directors (Continued)
Convertible Bonds Sub-Fund**

The Fund posted a negative return in August, underperforming the broader convertible bond index. This disappointing performance was due to our over-exposure to Japan and to US Financials. Japan suffered from lower theoretical valuations and underperforming equity (the Nikkei index underperformed global equities by 1.4%). Asia-ex was a positive contributor whereas Europe was slightly negative. Basic materials and Utilities were the only positive sectors in August. Biggest PnL detractors were Industrial and Financial sectors. Trading activity in both primary and secondary markets was modest in August. The Fund reduced its exposure to Europe and North America by taking profit in some well-performing names. We decided to maintain our risk stable in Japan given the low theoretical valuations of convertible bonds and our positive view on Japanese equity market. We participated in 4 new deals in the primary market. In Europe, September was dominated by the German election that saw a victory for Chancellor Merkel's CDU/CSU but also a surge from anti-immigration populist AFD party. French President Macron made a high-profile speech calling for further EU integration. Faced with a strengthening EUR, the ECB meeting was rather uneventful with chairman Draghi postponing any announcement regarding the future of the central bank's QE programme to a later stage. Against this backdrop of mixed political news flow, macro data remained however positively oriented and helped carry equity markets along. In the US, the S&P500 Index rose +1.9% over September. Meanwhile, 10YR treasuries ended the month +20bp wider to 2.36% but not before having touched YTD tights of 2.04. The initial rally of US Treasuries in the first week of the month was very much driven by risk-off trade triggered by the escalating rhetoric between the US and North Korea and weak non-farm payroll. In Japan, the TOPIX Index rose +3.5% despite the negative sentiment induced by North Korea. The macro picture remained good with underlying inflation, real exports and CPI all improving. The Fund turned in a solid positive performance in September, both in terms of absolute and relative performance compared to the broader convertible and equity markets. The Fund recovered from last month's disappointing performance. Japan and Europe were the main drivers of performance helped by strong underlying equity performance and higher theoretical valuations. Our long-term overweight in Japan finally paid off and half of the month's performance came from this region. All sectors but Consumer Cyclical and Basic Materials made a positive contribution to the overall performance with Technology, Financial and Industrial being the main drivers. Trading activity was relatively modest in September with a similar level of net delta exposure. No meaningful adjustments to the Fund's overall positioning in terms of sectors and regions were made.

The markets enjoyed a strong month against a backdrop of sustained economic and corporate growth. In Europe, the DAX Index rose a further +3.1% and 10YR bunds tightened -9bp to 0.36%. The EUR weakened significantly against the USD ending the month at 1.16. The ECB once again took centre stage when it announced its plan to taper its QE programme. The announcement was on the dovish side, with the ECB only reducing its asset purchases from €60bn to €30bn per month from next year onward and leaving the program open ended. Furthermore, Chairman Draghi stressed that the ECB stood ready to re-increase at short notice its purchases should the situation warrant it and went to great length to stress that it will continue to re-invest maturities into the programme as they fall due. With the exception of the UK, Europe continued to report strong macro data over October culminating with Q3 GDP coming in above expectations at +0.6% QoQ and Q2 GDP being revised upward. In the US, the S&P500 Index rose +2.2% while the 10YR treasuries rose +4bp to end the month at 2.38%. The main drivers behind the treasury move were further expectation of a rate hike by the FED in December as well as the publication of further details surrounding President Trump's tax plan. Macro data was equally strong with Q3 GDP also coming in above expectations at +3.0% QoQ annualised. Earnings season was in full swing and the data coming out of the US was good with 77% of the S&P500 coming in above and 18% below on EPS. In Japan, the TOPIX index rose +5.4% over October on the back of the electoral victory of the ruling LDP party and positive macro data.

Report of the Board of Directors (Continued)
Convertible Bonds Sub-Fund

The Fund turned in a solid positive performance in October, both in terms of absolute and relative performance compared to the broader convertible and equity markets. After a strong month of September, the Fund continued to strongly outperform the market thanks to our overweight in Japan. Indeed, this region contributed to more than 40% of total PnL followed by North America and Europe. All regions contributed positively as well as all sectors but Energy. The top performing sectors were Industrial, Consumer Cyclical and Technology. The Fund slightly added to its exposure in North America during the month, mostly via the primary market, while Japan was reduced in order to crystallise some of the gains. This led to a decrease in the net delta exposure from 116.7% at the end of September to 108.2%. Japan was still our biggest exposure with approximately 50% of net delta exposure.

November saw the DAX Index decline -1.5% after having risen +6% the previous month. November was relatively quiet in term of ECB announcements. Political risks did not disappear, such as the failure of Chancellor Merkel to form a coalition or the Brexit negotiations but they failed to meaningfully move markets against the backdrop of extremely strong macro data with Eurozone Manufacturing PMI at 17-year highs and President Macron making good progress on his reform agenda in France. The S&P 500 Index recorded one of its strongest months this year as it rose +2.4% fuelled by strong macro data, M&A fuelled sentiment and progress on President Trump's tax plan. Jerome Powell was selected to replace Janet Yellen as chairman of the FED, a decision widely interpreted by the market as conducive to the continuation of the current FED policy. Despite the above, US credit markets were nonetheless quite volatile in November with spreads on the CDX Index widening +27bp before retracing back -20bp to end the month at 318bp. In Japan, the Topix Index rose +1.5% for November against strong quarterly earnings. The Fund continued to produce a solid positive performance in November, both in terms of absolute and relative performance compared to the broader convertible market. Our overweight in Japan continued to perform well even after posting strong performance in September and October. All regions contributed positively to the overall performance with North America and Japan being the main drivers. The top performing sectors were Financial and Consumer Non-cyclical while only Technology and Utilities incurred losses. The Fund slightly added to its exposure in Japan, Asia ex Japan and North America during the month, mostly via the primary market, while some profits were taken in Europe. Japan was still our biggest exposure with 53.1% of net delta exposure.

December saw the DAX Index decline -0.8% to end an otherwise strong year (up 12.5%). In terms of macro, December was a continuation of the previous month with more strong data coming out of Europe and the coalition talks rumbling on in Germany. The Catalan vote delivered a win for the Separatists but this did little to dampen the positive sentiment surrounding the strength of the European economy. Brexit talks moved to the next stage following the EU's go-ahead. The ECB meeting was a non-event with only upward revisions to projections of growth and inflation. In the US, the S&P 500 Index rose +0.9% to end the year up 19.4%. The key event was President Trump signing his tax plan. The plan called for the reduction of most personal income tax brackets and slashes the corporate tax rate to 21% from 2018 onwards, would gradually allow for the immediate expensing of short-lived capital investment and aimed to facilitate the repatriation of foreign earnings by taxing repatriated cash balances at 15.5% and reinvested earnings at 8%. December also saw the FED hike for the third-time this year but this was widely expected. 10y treasury yields finished December flat on the month at 2.4% that however hides significant intra-month volatility with the 10y briefly touching 2.50% late in the month. In Japan, the Topix Index rose 1.4% for December to end the year up +19.6% with macro data remaining positively oriented.

Report of the Board of Directors (Continued)
Convertible Bonds Sub-Fund

The Fund ended the year on a good note, posting a small positive return in December. In 2017 overall, the Fund strongly outperformed the global convertible bond market with a total performance of 10.0% (class R USD) versus 6.0% for the UBS Global Hedge Convertible Bond Index and with only 2 down months out of 12. All regions contributed positively in December with the exception of Japan where small losses incurred. The top performing sectors were Financial and Consumer Cyclical whereas Utilities and Communications were among the top detractors. On a year-to-date basis, Europe was the main driver of PnL followed by Asia ex Japan, North America and Japan in that order. Trading activity was relatively low in December as one could expect ahead of the holiday period and with market participants busy implementing MIFID II regulation for 2018. We participated in only one new deal in the primary market and slightly increased our exposure to the US and decreased our Japanese exposure.

**Report of the Board of Directors
Global Balanced Sub-Fund**

Global equity performance was positive in January, with the S&P500 rising +1.8% in the month that saw President Trump sworn in and which brought the post-US election rally to +9.3%. The US macro data released for the period of December was supportive of a continued expansion of the US economy in Q4, with a strong Manufacturing PMI prints for December and an even better preliminary number for January. The December non-farm payroll was also worth noting. While the headline number came below expectations, the November number was significantly revised higher and the average hourly earnings rose month-on-month faster than expected. US equity markets seem to have taken a wait-and-see approach to Donald Trump's presidency and reacted calmly to his first week in office. In Europe, while December had seen the DAX play catch-up with the S&P500, its performance in January was more muted with the DAX only rising +0.5%. The preliminary reading of Eurozone Q4 GDP was above expectations while Manufacturing PMI numbers remained encouraging for the January preliminary numbers. Despite the above good macro data, some form of consolidation was to be expected given how strong European equity markets had rallied in December. In Japan, the Topix index closed the month +0.2% higher. January was another strong month for the Fund +2.36% vs MSCI World Index +1.29%. From a risk and sector allocation perspective the Fund made few changes as the focus and momentum remains unchanged since the US election. In USD terms, while energy stocks lagged in January, once again reflation trades overall continued to outperform the MSCI with Materials, Industrials and Banks notable highlights as inflation expectations continue to edge higher supported by continued improvements in global earnings expectations.

February was yet another positive month for global equity markets, with the S&P 500 rising a further +3.7%. Despite a slightly disappointing read of Q4 GDP, other macro indicators such as nonfarm payrolls or ISM Manufacturing remained firmly positively oriented. On the policy front, the main event for the month was President Trump's speech to Congress which was seen as more presidential but lacked any concrete details or timeline for his tax reform, repeal of ObamaCare or infrastructure spending plans. This did put somewhat of a dampener on the post-Trump reflation trade in the immediate aftermath of the speech. In Europe, February saw equity markets play catch up with their US counterpart after a muted performance the previous month. The DAX rose +2.6%. While uncertainties surrounding the upcoming French elections increased over the month as Francois Fillon's presidential run unravelled, macro data remained well into positive territory with Manufacturing PMI printing 55.2 and German IFO business climate coming in at 111.0. In addition, the reporting season had been strong, with the STOXX EUROPE 600 index reporting a 7% net beat at month-end after 84% of its constituents reported. Management comments gleaned through the various result calls were generally positive as to the Europe's prospect with a caveat for the UK where macro and micro data was more mixed ahead of article 50 being in all likelihood triggered next month. In Japan, the TOPIX index ended +0.9% for the month against the backdrop provided by disappointing macro numbers such as Industrial Production for January coming in at -0.8% MoM or preliminary Q4 GDP coming in at +0.2% QoQ.

The Fund's exposure was broadly stable during the month towards the upper end of the risk limits but the Fund ended the month underperforming the MSCI World Index (0.68% vs. 3.10%). This was a result of the Fund giving back much of its gains in the second half of the month.

**Report of the Board of Directors (Continued)
Global Balanced Sub-Fund**

March saw the S&P 500 index broadly flat for the month. This capped five months of consecutive growth that had seen the S&P 500 appreciate +13% in the immediate aftermath of the US election. On the policy front, the main event for the month was President Trump's inability to push forward his American Health Care Act in the face of the opposition of his own Republican party. This put a further stop to the Trump reflation trade that had propelled the S&P 500 since his election, with the market reassessing his ability to pass the awaited tax reform and infrastructure package. On the macro front, data remained positively oriented though one may notice some erosion in the forward-looking metrics from the height recorded in January. In Europe, March saw the DAX index rise +4.0% in a broad rally that carried along all sectors except basic resources. The defeat of the extreme right during the Dutch election was the main catalyst. On the macro front, the Euro area composite PMI came at 56.7, its highest level since April 2011. In Japan, the TOPIX index fell -1.0%. In credit space, the FED hiked rates in March as had been widely telegraphed. This and a strong macro data sent 10YR Treasury yields +23bp wider, while lower oil prices on the back of higher than expected US inventories pushed HY spreads higher as Oil and Oil Services company are an important part of the US credit indices. That said, the reassessment of the Trump reflation trade led to treasury yields retracing back their move in the second half of the month to end broadly unchanged at 2.36%, with US HY markets generating a slight negative return for the month. In Europe, bund yields followed a similar pattern with 10YR bunds widening +28bp to 0.48% following good macro data and hawkish comments from the ECB (higher growth and inflation projections) before tightening back to 0.32% after ECB sources said that chairman Draghi's comments had been over interpreted and general scepticism as to President Trump policies. In March, the MSCI World Index returned +0.96% while the Fund posted a return of 0.02%. Looking at the returns across the portfolio then these can best be summarised by the impact of the Trump administration's failure to repeal Obama's Affordable Care Act.

In April, the first round of the French elections that will pit Emmanuel Macron against Marine Le Pen was the main event. While the far-right candidate did make it to the second round, the market reacted positively to the news that she would be running against the centre-left candidate. The DAX index fell -2.5% over the first half of the month as the election date neared, before rallying +3.6% post results. In the US, the S&P500 index rose +0.9% in April. The Trump administration released early details as to its proposed tax reform package which consists in reducing individual tax brackets from 7 to 3 (10%, 25% and 35%) and taking down the corporate tax rate to 15% (amongst other things). Doubt subsists as to President Trump's ability to get this legislation through congress given the opposition from the democrats and from some republicans. Macro data remained weakly positioned with decelerating PMI numbers, weaker than expected non-farm payroll and a weak preliminary read of Q1 GDP. Despite the weak data, hawkish comments from Fed officials led to the market assigning a near zero odd of a hike in May but increasing the odds of a hike in June from 57% to 70%. US 10YR was little changed at 2.28%. Japan on the other hand was more volatile. TOPIX fell initially -3.5% over the course of the month before rallying +5.0% as risk sentiment improved. April was very much about the French elections and the Q1 earnings season. Volatility was seen during the month. Exposures into the French elections was initially decreased, then increased once the worst-case scenario of Le Pen/Melenchon had been removed and as the market consequently began to reduce the political risk premium. This led to a slight underperformance of the Fund vs. the index (+0.42% vs. 1.15%).

**Report of the Board of Directors (Continued)
Global Balanced Sub-Fund**

The month of May saw Emmanuel Macron elected as France's President and the European market continued its upward trajectory. The DAX index initially rose +2.9% before giving back some of its gains and closing up +1.4% for the month. May saw reporting season come to a close in Europe with companies generally reporting one of the strongest second quarter on record and macro data remaining resolutely positive. The only two clouds on the horizon were Italy looking to head toward early elections and the Eurogroup (the finance ministers of the Euro area member states) failing to reach an agreement on extra debt relief for Greece but this did not negatively affect the positive mood. In the US, news flow was dominated by Trump surprise decision to fire FBI chief James Comey and the subsequent disclosure of Mr Comey's memo. With questions being raised as to President Trump's ability to put in place its much-awaited fiscal stimulus, the S&P500 index nevertheless recovered from the drop post James Comey's termination and ended the month up +1.2% thanks to a strong earnings season. On the macro front, a better than expected non-farm payroll led the market to price a near certainty of a rate hike in June. That said, forward looking US macro data continued to be decelerating (lower ISM and core PCE inflation) and the timing of the expected third Fed hike was reassessed. US 10YR tightened by -6bp to end the month at 2.20%. In Japan, the Topix index rose +2.4% due to strong earnings and good macro. This month saw the Fund outperforming the MSCI World Index (1.64% vs. 1.48%). Perhaps the key theme of note in May was a change in interest rate expectations following the meeting of OPEC and central bank commentary. After solid gains for markets in the first three weeks of May, broadly unchanged indices in the last days of the month masked what was a strong rotation out of inflationary sectors including materials, banks and financials into more domestically focussed parts of the market and tech. Geographically, Asia and Europe were the strongest performers in May versus the MSCI Index and these regions remain our largest geographic over-weights.

The first three weeks of June were relatively quiet with volatility meaningfully picking up in the last week of the month following comments from central bankers. The DAX index rose a further +1.2% for the better part of the month as European equity markets continued on their upward trajectory and risks surrounding Greece or early Italian elections failed to materialise. Investors also had their first taste of the new rules under the European Bank Recovery and Resolution Directive with the winding down of Banco Popular in Spain, an event that left markets unfazed. Volatility had steadily declined over June until Chairman Draghi spoke during the ECB's annual conference in Sintra in the last few days of the month. He highlighted during his speech that there was a diminishing need for accommodative monetary policy in the face of a resurgent Eurozone economy. Some market participants took this as a sign that the ECB may tighten its monetary stance faster than expected. With the ECB's quantitative easing program keeping spreads on eurozone bonds artificially low, 10yr Bunds reacted negatively and widened violently a move not seen since 2015. Meanwhile, the FED did not disappoint and hiked rates in June for the second time this year. This failed however to meaningfully move treasury spreads, with 10YR yields initially falling a further -7bp to 2.14% as macro data remains underwhelming (weaker than expected non-farm payroll at 138k) before shooting back +16bp to end the month to end at 2.30% following Chairman Draghi's comment. The macro impact on equities was rotations out of large index weight bond proxy like sectors such as utilities, telecoms and also technology shares (which had become a consensus overweight for investors) into yield curve winners such as Banks, Insurance and Basic Resources. This rotation helped the Fund to significantly outperform the MSCI index (2.54% vs. 0.02%) especially given financials remains the largest sector overweight. As of June 30th, the Fund was up 7.88% for the year to date (performance for the P EUR share class).

Report of the Board of Directors (Continued)
Global Balanced Sub-Fund

July saw the start of the much anticipated Q2 earnings season. However it was the events in the market at the end of June that created the real opportunity. The sharp sell-off in tech stocks towards the end of the June driven primarily by quantitative funds caused many names to overshoot in our view and created entry points, or opportunities to add. We also increased our exposures to the upper end of our risk limits as we believed solid Q2 earnings season lay ahead and retained this level of risk through the majority of July. While we were only half way through the Q2 earnings season, this was coming to pass. All regions contributed positively to our PnL but unsurprisingly it was our technology positions that contributed the bulk of the month's outperformance. The continued weakness in the USD and the US 10YR on muted inflation readings and continued political gridlock in Washington only added to the strong tech rebound boosting tech valuations but also boosting the traditional weak USD beneficiaries such as Emerging Markets and commodity sectors with crude oil +8.90%.

The MSCI World Index ended the month broadly flat but this masked some significant underlying volatility. With the Q2 earnings season having largely completed, the market returned to being dominated by macro events in August which focussed primarily on the impact of US Hurricane Harvey, the Jackson Hole meeting of central bankers and also the actions in North Korea. Texas is a key hub for US refiners and the Hurricane caused a shut down in much of this capacity consequently reducing the demand for crude and caused a sharp fall in the oil price which impacted our US oil names. This and muted US inflationary readings this month, which again came in below consensus expectations, as well as risk off around the North Korean missile test over Japan, combined to cause the USD to weaken again in August and for the US 10YR yield to rally to a low of 2.11%. Indeed bond yields globally had significant moves lower in August. In the absence of corporate news flow there was a high correlation between the US 10YR, the German Bund and financials and this caused our holdings in the financial sectors to underperform the MSCI World Index this month. The continued USD weakness also acted as headwinds to European and Japanese markets to which we were overweight and the lower liquidity in markets in August only accentuated these moves. Given our fundamental outlook our exposures remained broadly unchanged during the month as we saw much of this weakness as more short term in nature.

Report of the Board of Directors (Continued)
Global Balanced Sub-Fund

In Europe, September was dominated by the German election that saw a victory for Chancellor Merkel's CDU/CSU but also a surge from anti-immigration populist AFD party. This left Chancellor Merkel in the need to build a new ruling coalition, which might prove to be a long and arduous process. The two key fears the market focussed on in August did indeed prove to be transitory. Firstly President Trump agreed a 3 month debt ceiling extension with Democrats to December 08 that put off fears around a political impasse and had been in part behind the continued rally in US bond yields. In addition, the slowdown that many had been looking for in global activity reversed as first global PMI readings in fact reaccelerated and then we began to get feedback from the pre-third quarter conference season confirming our view the Q3 earnings season would be strong especially in the cyclical sectors (Financials, Energy, Materials) where the Fund was exposed. The monthly survey data across the globe including European PMIs and US durable goods orders all beat consensus expectations and for the first time in months we also began to see evidence of a stabilisation in US core inflation. This combination of better data and cautious positioning in the market was powerful. It caused the USD to stabilise and for US 10YR to move from a low of +2.0% to +2.36% (a -17.0% move). We had held our exposure stable much of the third quarter and focussed on a bottom up stock selection process in what had been overall a positive macro back drop. The combination of rising yields, a stronger USD and stronger evidence of growth played to our overweight in Banks, Insurance, Industrials and Technology. Overlaying our sector exposures, we remained overweight Japan and Europe versus the US which were the two strongest regions for the month as FX added an additional tailwind. Combined this meant the Fund delivered significant outperformance +9.02% vs +2.32% for the MSCI World Index. In the more traditional cyclical sectors we benefitted from our holdings in chemicals company where the US Hurricanes have taken significant capacity off-line of their key products boosting pricing. Our consistent levels of exposure and strong convictions in our bottom up fundamental single stock selection means for Q3 Global Balanced has delivered +7.69% vs the MSCI World Index +3.94%.

October was another strong month for the Fund, returning +5.9% versus the MSCI World Index +2.54%. The global economic data that began to re-accelerate in late August continued to come in ahead of consensus expectations especially in the US. This caused another strong month for the US Dollar, which having troughed in September had since moved +4.45% versus the Euro but importantly now +6.64% versus the Yen. Equities in Japan were trading at what looked depressed valuations and hence we maintained our exposures. October provided a powerful combination of investors being positioned underweight Japan, with firstly a US Dollar catalyst and then a very strong earnings season where Japan had in fact the best earnings revisions of any region in Q3 so far. While this was in-line to our fundamental analysis it proved a surprise to the consensus and Japan rose +6.77% and Asia +3.4%, the two strongest markets in the month. We came into October overweight both these regions and it explained much of our higher than normal level of market risk that we carried through the month. The move in the USD/EUR also was positive to Europe especially sectors such as Tech and Autos. Technology remained a focus for the Fund particularly around 3D facial recognition technology.

Report of the Board of Directors (Continued)
Global Balanced Sub-Fund

As earnings season completed, the market moved back into being dominated more by macro variables in November. One of the key drivers was the move in the USD versus the Euro and the Yen. The European earnings season, while robust, was broadly in-line to consensus expectations versus strong beats in the US and Japan and thus displayed less near-term earnings momentum. As a result, the additional impact of a weakening of the US Dollar versus the Euro, with at one point the Euro rallying +3.52%, caused weakness in the European markets as it further encouraged investors to chase the more visible earnings momentum in other regions. This largely explained the underperformance of Europe in November with the EuroStoxx50 Index -2.83% for the month vs the MSCI World Index +1.57%. The moves in FX were compounded further by an acceleration in belief for US tax reform being passed that caused the S&P500 Index to rally +2.93% from the 16th November following the US House of Representatives passing its version of tax reform. This rally was driven by a rotation into domestically focussed tax names at the expense of more internationally focussed stocks including Tech. Given the extended investor positioning in long tech vs short US retail, for example, it caused a strong short squeeze in retail names at the expense of some of our Tech related holdings. This we viewed as transitory as the growth outlook for tech remained unchanged. Japan delivered another decent month as investors chased strong earnings momentum and Yen weakness. In summary November was, despite what we see as some transitory positioning related impacts on our holdings in the US and Europe, a solid month for the Fund being up +0.18% for the month.

While expectations for tax reform had been building since the House of Representatives passed its version in mid-November the confirmation from the Senate in early December meant analysts began to put through the upgrades and investors began to price in more of the expected earnings uplifts. As a result, the S&P500 Index was one of the strongest indexes in December and given our expectations that tax reform would pass it is no surprise that our US exposure represented the bulk of the Fund's PnL this month. Secondly, the confirmation of Jerome Powell as the next FED chair increased the probability of a slow normalisation in monetary policy and a continuation in the approach pursued by Janet Yellen. This helped the US Dollar to weaken against major currencies, again supporting US equities. However this combination of a weaker US Dollar with a back-drop of continued strong global economic data also caused a strong rally in commodity prices which tend to benefit from a weaker USD. Oil was +5.24% for the month and Energy and Basic Resources were amongst the top performing sectors globally reflected in the FTSE Index +4.93% driven by its heavy commodity exposure. The flip side of this was in Europe where after a strong start to the month and a strong Euro in the second half of December meant Europe gave back much of the gains in the last trading days of the month while the Nikkei Index ended the month broadly flat again due to the moves in the USD. We retained a fairly constant exposure at the upper end of our risk limits and ended the month +0.47%. (R USD share class)

The Fund ended the year on a positive note consolidating an exceptional year with an overall return of 25.9% (R USD share class) vs the MSCI World Index 18.5% for the same period.

Report of the Board of Directors European Credit Opportunities Sub-Fund

January started on a reasonably positive note for European higher yielding credit (EHY), with the Bank of America Merrill Lynch European B-rated (BAML) Index returning +0.65% for the month. However, only +0.18% of this came from price appreciation, with the remaining +0.47% from interest. This was not a surprise, given equities struggled and Bund yields were sharply higher. This showed how EHY income could cushion price volatility – arising from either weaker risk sentiment or rising rates. The average coupon for the BAML Index was 6%, or 0.5% per month. The Fund returned a performance of +0.83% during the month.

February was a strong month for risky assets. European, US and emerging market equity and credit markets all posted positive returns. In high yield, performance has been strongest amongst lower-rated issues in both Europe and the US, with CCC index producing returns of 2.7% and 5.8%, respectively, compared to 1.2% and 2.8% for B indices (source: Bank of America Merrill Lynch on Bloomberg). The ECB's bond buying program had seen investment grade bond yields drop significantly. This had, in turn, led many investors to reach into high yield, in order to capture additional income.

Despite this reach for yield, investors had been reluctant to take on idiosyncratic risk and had therefore been slower to extend these investments into lower-rated issues. In addition, flows suggested most investors had stuck to passive, index-benchmarked funds, who were themselves constrained in what they can buy. The result had been a widening spread between high- and low-rated high yield issuers.

The Fund again returned a positive performance of 0.53%.

After a very strong start to the month of March, risky assets lost ground to risk-free bonds in the second half of March, as the “Reflation Trade” came under pressure. US equities, the dollar and commodities were weaker over this period, while government bonds rallied sharply, with 10 year US Treasury and German Bund yields both dropping by around 30 bps. High yield was moderately weaker in March: the Bank of America Merrill Lynch European and US single B-rated indices were both down around -0.2%, equivalent to a price loss of around -0.7% before the offsetting effect of income.

The Fund's outperformance for the month (+0.77%) was due in large part to long positions in the Liquid Distressed and Levered Equity book.

In April risky assets delivered strong returns with low volatility. We were also happy with the Fund's first year returns. Although caution, hedging and shorts reduced volatility, most notably over the Brexit vote, they had been a net cost to performance with the Fund being up +0.32%. However, looking only at the aggregate numbers masks the significant upheavals that took place over this period. In addition to the familiar politics, it's easier to forget some of the other pressure points markets had to endure:

- High volatility in emerging markets, currencies, interest rates and commodities.
- A severe drop in the oil price
- The near need for a rescue of Deutsche Bank
- The consensus view that the secular bull market in bonds was ending, and that interest rates would rise accordingly.

May was another positive month for risky assets: the Merrill Lynch European B-rated Index returned 1.1% (year-to-date 3.4%) and the Euro Stoxx 50 posted a 1.3% (year-to-date 10.5%) return.

**Report of the Board of Directors (Continued)
European Credit Opportunities Sub-Fund**

There were signs of weakness late in the month. The oil price dropped 9%, giving up all its recent rebound; risk-free Bund yields similarly reversed most of their April-May rise; and European equities fell around 2.5%. Credit outperformed, posting small positive returns over this period. The European credit cycle was relatively supportive in 2017. While aggregate yields were low, credit quality was good and defaults were (plausibly) forecast to remain very low. The primary volatility risks to credit markets in 2017 have been political and, so far, these too have had investor-friendly outcomes. The Fund posted a performance of 0.77%.

June ended the first half of 2017 on a mixed note for risky assets: European equities were weaker, high yield managed a small gain and commodities continued to exhibit high volatility, with the oil price extending May's sell-off before retracing half its losses. The main story, however, was in "risk-free" assets, as comments by central bankers were perceived to indicate a hawkish shift, sending rates sharply higher. Ten-year bund yields doubled to 0.46% in four days (and had continued to move higher). US and UK yields rose a similar amount, though this was much less dramatic in percentage terms. The Fund posted a small negative return for the month (-0.34%). Losses came from oil and retail exposed issuers.

After a few months of relative weakness in European markets, July saw them post broadly positive returns. The Eurostoxx 50 equity index began the month on a strong note and, despite losing most of its early gains, finished up +0.31%. Conversely, the Bank of America Merrill Lynch European High Yield B-rated index began with a continuation of June's late selloff but subsequently recovered to finish at +0.77%. Despite July's market performance, the Eurostoxx Index remained -5.7% below its high in early May and the BAML index was a relatively lacklustre -12 basis points tighter over the same period. In addition, while volatility had been low in many financial assets, there has been significant volatility in commodities, currencies and interest rates. The above combination of lacklustre performance in equity and credit markets and volatility in macroeconomic input prices had caused us to become more cautious. In addition several of the Fund's core long positions passed their price targets and we felt that they no longer offered total returns in line with our 7-10%+ aggregate return target. Against this backdrop, the Fund was flat for the month. This backdrop had led us to reduce our net and gross exposures in recent months, and to increase our hedging book. At the same time, we had continued to evaluate investment opportunities and have added several new positions.

After showing signs of a potential rebound in July, August saw a return to the weak tone that had characterised European markets since mid-May. For the month, the Eurostoxx equity Index dropped -0.81%, to finish -6.1% below its May 16th high. European credit fared marginally better, posting positive returns for the month, thanks to income generation and a drop in government bond yields, but credit spreads widened. The Fund posted a small negative return for August. Our long/short nature and targeted low exposure to market risk had been a disadvantage recently, as this meant our returns were more reliant on capital appreciation (or depreciation in our shorts) and benefitted less from income. In addition, hedges had been a cost. Sentiment drivers had been varied: From a broad risk perspective, North Korea, hurricanes and central banks had probably had the most focus. On a more granular level, the feed-through to lower government bond yields had put pressure on financial issuers and concerns over upcoming Italian elections had weighed on that country's spreads and prices.

**Report of the Board of Directors (Continued)
European Credit Opportunities Sub-Fund**

September saw markets rebound after nearly four months of relatively weak performance. The Euro Stoxx equity index rallied over 5% in the month and the Bank of America Merrill Lynch European high yield index tightened over 30bps -but returned only 0.7%, as around half of the tightening was absorbed by the rise in bund yields. Counter-intuitively, this rally came as a broad onset of central bank tightening seemed imminent. Expectations had grown that the ECB would announce a tapering of its monthly quantitative easing (QE) purchases in October, as the US Fed and UK Bank of England were also tightening policy. However, as the relative performance of equities, bunds and credit suggested, this environment was one in which growth could outperform, even as duration underperforms. The Fund benefited from these trends in September, posting a monthly return of 1.2% in its R EUR share class. Outperformance on the long side was driven by holdings in equity-like investments -more reliant on earnings growth and capital appreciation than yield; and, on the short side, was helped by the Fund's low duration, including interest rate hedges, which offset the rise in bund yields.

The rebound in risky assets continued in October: the EURO STOXX equity index returned over 2% and the BAML European high yield index returned 1% for the month.

Unlike September, government bonds were a tailwind to credit returns in October, thanks to a relatively dovish tapering announcement from the ECB. In fact, the high yield index tightened around 30bps in each of the last two months, but in September bund yields rose, absorbing returns, while in October they fell, adding to index performance. Also unlike September, when the Fund outperformed the BAML index, this month the Fund posted a more modest return of approximately 0.5%. As is often the case with our strategy, returns were largely idiosyncratic. The Fund's conservative market exposure and hedges were also a drag on performance, however, with, notably, our Bund hedge reversing last month's gains.

November began pretty much as October ended, with European equity and credit markets rallying strongly. This quickly reversed, however, with the Euro Stoxx index losing almost 5% and the Bank of America Merrill Lynch (BAML) single-B bond index dropping as much as 2% in price. It was difficult to pin down a particular catalyst for this move: worries over US tax reform, a sell-off in commodities, heavy new issue supply, idiosyncratic worries in high yield bonds, and simply profit taking, all weighed on investor sentiment in credit and in risk assets more broadly. Markets did manage a bounce into month-end but still finished down -2.7% in the equity index and -1.3% for the high yield bond index. The Fund was not immune to these pressures, posting losses of between 0.4%-0.5%. In our long book, we were indirectly hit by the rise in idiosyncratic risk, as a couple of our positions were in sectors that suffered from individual credit events.

2017 was a mixed year for European credit. The Bank of America Merrill Lynch B-rated European High Yield (BAML) index tightened from +422 bps (basis points above similar duration bund yields) to +291bps through the end of October, only to subsequently widen sharply and end the year where it started, at exactly +422bps.

European equities were similarly indecisive, with the Euro Stoxx (SX5E) index price rallying 10% through May, then trending down 8% to September, then repeating the cycle in the last quarter, ending on a -5% downswing.

Despite these moves, the BAML index generated a total return for the year of +5.8% and the SX5E +9.9%. Fund returns ranged from +3.7% (€ R shares) to +6.2% (\$ I shares), with the share class differences coming from fees and currency hedging costs (we systematically hedge currency risk).

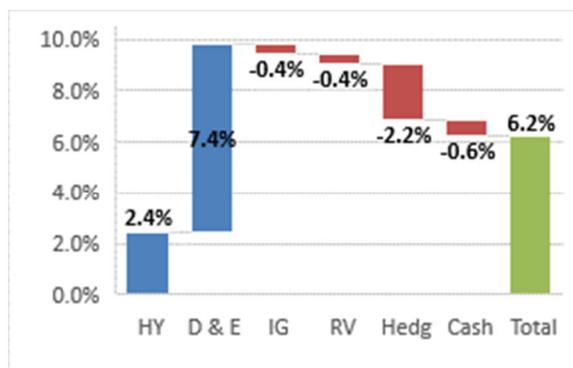
Report of the Board of Directors (Continued) European Credit Opportunities Sub-Fund

Fund returns were achieved with cautious positioning, with average net and gross exposures of 41% and 104%, respectively, across the year. Credit shorts and portfolio hedges were a net cost but helped dampen volatility, particularly in November, when we posted a loss of 0.5%, while the BAML index lost 1.5% and the SX5E dropped 4.5%.

Below we break down Fund returns (\$ I shares) by trading strategy:

Lower-rated Bonds Perform

2017 Performance by Trading Strategy



High Yield (HY): opportunities in aggregate looked rich to us as higher-rated issuers (BB makes up around 65% of the European high yield index) were indirectly squeezed by ECB buying. A relatively low (compared to historical and to Distressed and Equity) average allocation of 45% reflected this. We did have several high yield credit shorts in 2017. These were a net cost on performance, though a couple of them, in Netflix and in Swiss baker Aryzta, were successful and one of our UK retail shorts is now starting to perform.

Distressed and Equity (D&E): by far the largest contributor to returns. This has been the case in the past, but usually when markets are emerging from a default cycle. In 2017, although European credit began the year strongly in aggregate, lower-rated issuers lagged the market by a historically wide margin. As we discussed at the time, we felt this was a compelling opportunity. Average allocation to this strategy across the year was a relatively high 25%, with only one short position.

Investment Grade (IG) and Relative Value (RV): 2017 wasn't a particularly active year for these strategies, which tend to perform well in years with higher levels of idiosyncratic risk. These strategies were a modest cost to performance.

Hedging: we spent around 2% on hedging in 2017, in the middle of the range relative to past years. The Fund had a consistent duration hedge on, as the correlation between government bonds and high yield has been atypically high. Our use of Equity index options was also relatively high in 2017, as the Fund's lower-rated bond exposure gave it a higher correlation to equities. We also occasionally hedged with the Itraxx Xover Index and options on this index.

Report of the Board of Directors (Continued)
European Credit Opportunities Sub-Fund

Cash: relatively high levels of cash, invested primarily in Bunds at negative yields, cost the Fund around 60bps in 2017.

Looking forward to 2018, we see an ageing credit cycle but one in which, reflecting a post-crisis mindset, issuers and investors are still being cautious. We think the typical late-cycle behaviour of expanding the balance sheet in favour of shareholders, via dividends, share buybacks, M&A, etc., will be less aggressive than in past cycles. In broad terms, we think this backdrop should be supportive of credit fundamentals.

On the other hand, this conservatism might also result in less forbearance for stressed credits. We are potentially already seeing this in the uptick in idiosyncratic risk since November, a period in which a handful of issuers have seen bond prices plummet, including Altice, the largest high yield issuer in the market.

Finding shorts that might face such stresses could prove profitable and potentially less costly than in the past. Even though, in aggregate spread terms, the high yield index ended the year exactly where it started, the distribution is very different, with lower-rated bonds generally trading at much tighter valuations. Technological disruption remains a key driver.

On the long side, we still see pockets of value out there in riskier bonds, but in smaller subsets of the market or individual credits. Among these, we still have a significant – but more selective – allocation to subordinated financials, preferring those with upside via ongoing balance sheet repair or the potential for early tenders above market prices.

At the same time, healthier credits have more leeway to pursue some of the late cycle, balance sheet expanding strategies we mentioned. As a result, we think shorts at the higher end of the credit spectrum, either outright or versus equity, could prove productive in 2018.

In aggregate, despite our broadly supportive view of fundamentals, we think the last quarter demonstrates that sentiment is fragile, leaving credit susceptible to an increase in volatility. Potential triggers are not hard to find: European politics, withdrawal of central bank stimulus, inflation concerns, China... and, more recently, strength in the Euro and the oil price.

This will require ongoing hedging of rate, credit and equity risk. It is also an environment that can reward more active trading, being disciplined about taking profits and setting shorts when valuations are high and –given our broadly supportive view– adding risk and covering shorts when they are low.

Report of the Board of Directors Emerging Markets Sub-Fund

The Fund ended the month of January up 0.87%. The January performance was attributable mainly to stock-picking in Russia (TMT and Financials), despite the MSCI Russia Index falling 0.3% in the month (as Ruble depreciated 2.2% against the US Dollar). Turkey was the key detractor this month for the following reasons: i) potential for referendum in 1Q to change the constitution in favor of a presidential system (changes would give the President the power to control budgets, appoint more top judges and resume leadership of the AKP while scrapping the post of Prime Minister), ii) growing current account deficit, which is not helped by the strengthening US dollar, and iii) geopolitical risk that has impacted the economy and tourism in particular (raising the risk of NPLs in the banking system). The equity market remained very resilient, staging a c.11% all this while the Turkish lira depreciated by 7%.

Elsewhere, it is worth mentioning that Poland was an important positive contributor to monthly performance. Political risks for Banks (incremental taxation and forced FX loan conversion) were adequately reflected in valuations. Moreover, inflation returning's thesis was supported by a CPI print of +0.8% YoY in December (vs 0% in November). This had led to market expectations of rate hikes coming through towards the end of this year, which would be incrementally supportive for bank earnings via net interest margin expansion.

The Fund ended the month of February down 118bps. It was a disappointing month given the MSCI EM Index was up 3.06%. Russian equities, the main overweight, were the key detractor in the month. Russia continued to underperform as an asset class despite the relative stability of the Ruble at c58 against the US Dollar. With RTSI Index now -4.6% in US Dollar terms year-to-date, it was worth briefly refreshing on the market:

- Incoming economic data continued to be supportive of the recovery thesis for 2017, driven by consumption. Real wage growth on 22nd February came in at +3.1% YoY for January (vs 2.4% previously, and expectations of just +2%), and retail sales on the same day came in at -2.3% YoY for January (vs -5.9% previously, and expectations of -5.1%).
- The market continued to offer an attractive valuations at 5.7x forward PE vs 7.0x LT average, with earnings growth forecast to rise +9.2% this year based on Consensus estimates. Recent corporate earnings releases had also been supportive.
- The forward dividend yield for Russia at 5.1% based on Consensus data was another pillar of support relative to GEM at 2.8%.
- Lastly, the market underperformance was a function of outflows/capitulation from a group of investors who were expecting a very quick resolution on geopolitical issues post the Trump election victory.

The Fund ended the month of March down 28bps compared to the MSCI EMEA TR Index up 52bps. The first quarter of 2017 had been a challenging one not only for the Fund but also for the EEMEA equities asset class, especially when compared with the broader EM universe. The constructive view on EM at the beginning of 2017 in light of the EM-DM growth differential tilting back in favor of EM amidst a relatively benign Fed hiking cycle. This view was also further supported by a positive outlook for oil prices. While the broader EM asset class responded favourably to these dynamics (MSCI EM TR Index was up 11.4% in 1Q17), the EEMEA sub-group failed to react in a similar way. Instead, a plethora of new political risks hampered EEMEA equities' performance, thus ending the quarter up only 2.7%. The equity performance was even less impressive when adjusted for the positive effect of EMEA FX against the dollar.

**Report of the Board of Directors (Continued)
Emerging Markets Sub-Fund**

Looking back at the Fund's March performance, many of the political risks which plagued EEMEA at the beginning of the year spilling over in March (and even April), thus putting a drag on the Fund's return. In Russia, for instance, the deterioration in US-Russia relations was one clear source of downside risk that overwhelmed the positive fundamentals of Russian equities. The downward trend of the RTS Index carried on until the 9th of March when it bottomed out and staged a 6.4% rally until the end of the month. Throughout the month the exposure to Russian equities remained fairly stable at c.20%. Nevertheless, this risk remains very much alive and has even evolved in April following the surprise military attack by the US on the Russian-backed Syrian regime.

The Fund ended the month of April up 58bps. Russia had been an overweight in the Fund since Q3 2016. After a very good start to the year, the Russian equity market had turned. This had obviously impacted the Fund's performance. Whilst, macroeconomic factors such as interest rate easing, which continued at a faster pace than market expectations (CBR cut rates by 50bps on 28 April), and equity market valuations (Russia's forward dividend yield is now above 5.5%), led to remain constructive on Russia, two factors in particular continued to challenge a bullish view. First, WTI crude price unexpectedly dipped below \$50/bbl into month-end, and second, lower clarity on how geo-political tensions with the West will be resolved. Russia exposure was reduced towards 15% in favour of other markets, and focusing on five high conviction bottom-up ideas.

The Fund's capital activity was suspended on 22 May 2017 and the liquidation took effect on 9 June 2017(the liquidation date).

Independent auditor's report

To the Shareholders of JABCAP (LUX)
Carré Bonn
20, rue de la Poste
L-2346 Luxembourg

Opinion

We have audited the financial statements of JABCAP (LUX) (the "Fund") and of each of its sub-funds, which comprise the statements of assets and liabilities and the portfolios of investments as at December 31, 2017, and the statements of operations and changes in net assets for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund and of each of its sub-funds as at December 31, 2017, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for Opinion

We conducted our audit in accordance with the Law of July 23, 2016 on the audit profession (the "Law of July 23, 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under those Law and standards are further described in the "responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements" section of our report. We are also independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of the "réviseur d'entreprises agréé" thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Fund and those charged with governance for the financial statements

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

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the “réviseur d’entreprises agréé” for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “réviseur d’entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund.
- Conclude on the appropriateness of the Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the “réviseur d’entreprises agréé” to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the “réviseur d’entreprises agréé”. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young
Société anonyme
Cabinet de révision agréé



Michael Ferguson

Luxembourg, March 27, 2018

JABCAP (LUX)

Schedule of Investments Convertible Bonds As at December 31, 2017

<i>Quantity/ nominal value</i>	<i>Currency</i>	<i>Security description</i>	<i>Market value EUR</i>	<i>Percentage of net assets</i>
TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS ADMITTED TO OFFICIAL EXCHANGE LISTING				
SHARES AND WARRANTS				
		Canada		
69,803	CAD	Detour Gold	683,623	2.19 %
		Hong Kong		
200,300	HKD	Esprit Holdings Limited	89,253	0.29 %
		Japan		
37,000	JPY	Advantest	571,884	1.83 %
30,000	JPY	NTT	1,175,524	3.77 %
			1,747,408	5.60 %
		United States of America		
260,140	USD	Bank of America Warrants 28.10.18	463,723	1.49 %
6	USD	Boston Private Financial Holdings	77	0.00 %
3,540,000	USD	Citigroup Warrants 04.01.19	295,172	0.95 %
124,911	USD	TCF Financial Warrants 14.11.18	405,792	1.30 %
			1,164,764	3.74 %
		Total Shares and Warrants	3,685,048	11.82 %
BONDS				
		Austria		
200,000	USD	AMS AG - 0.875% 28.09.22	195,584	0.63 %
		Belgium		
400,000	EUR	Bekaert - 0.000% - 06.09.21	408,000	1.31 %
		China		
200,000	EUR	China Yangtze Power - 0.000% - 09.11.21	213,300	0.69 %
2,000,000	HKD	Kingsoft - 3.000% - 23.07.18	334,303	1.07 %
1,500	USD	SoftBank - 5.750% - 01.06.19	243,474	0.78 %
2,000,000	HKD	Zhongsheng Group - 0.000% - 25.10.18	218,853	0.70 %
			1,009,930	3.24 %
		France		
8,462	EUR	Figeac Aero - 1.125% - 18.10.22	215,231	0.69 %
14,504	EUR	Genfit - 3.500% - 16.10.22	438,021	1.40 %
3,300	USD	Louis Vuitton Moet Hennessy - 0.000% - 16.02.21	840,655	2.70 %
9,620	EUR	Pierre & Vacances - 2.000% - 01.04.23	581,770	1.87 %
66,330	EUR	Vallourec - 4.125% - 04.10.22	495,485	1.59 %
			2,571,162	8.25 %
		Germany		
800,000	EUR	Deutsche Post AG - 0.050% - 30.06.25	847,800	2.72 %
500,000	EUR	SGL Carbon - 3.500% - 30.09.20	531,425	1.70 %
			1,379,225	4.42 %
		Hong Kong		
4,000,000	HKD	ASM Pacific Technology - 2.000% - 28.03.19	521,709	1.67 %
3,000,000	HKD	Haier - 0.000% - 21.11.22	317,886	1.02 %
			839,595	2.69 %
		Italy		
700,000	EUR	Aabar UCG - 1.000% - 27.03.22	597,660	1.92 %

JABCAP (LUX)

Schedule of Investments (Continued)

Convertible Bonds

As at December 31, 2017

<i>Quantity/ nominal value</i>	<i>Currency</i>	<i>Security description</i>	<i>Market value EUR</i>	<i>Percentage of net assets</i>
TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS ADMITTED TO OFFICIAL EXCHANGE LISTING (CONTINUED)				
BONDS (CONTINUED)				
Japan				
10,000,000	JPY	Nagoya Railroad - 0.000% - 03.10.23	108,734	0.35 %
200,000	USD	Yamaguchi Financial Group - 0.000% - 20.12.18	191,212	0.61 %
			<u>299,946</u>	<u>0.96 %</u>
Netherlands				
300,000	EUR	BE Semiconductor Industries - 0.500% - 06.12.24	307,050	0.98 %
300,000	EUR	Fugro - 4.500% - 02.11.24	339,375	1.09 %
			<u>646,425</u>	<u>2.07 %</u>
Portugal				
200,000	EUR	Espirito Santo Financial Group - 3.125% - 02.12.18	4,000	0.01 %
South Africa				
400,000	USD	Sibanye Gold - 1.875% - 26.09.23	330,696	1.06 %
Spain				
200,000	EUR	NH Hoteles - 4.000% - 08.11.18	258,800	0.83 %
Taiwan				
500,000	USD	Wisdom Marine Lines Co. Ltd. - 0.000% - 10.04.20	431,070	1.39 %
United Kingdom				
1,200,000	USD	Sequa Petroleum - 5.000% - 29.04.20	59,975	0.19 %
United States of America				
600,000	USD	Wayfair - 0.375% - 01.09.22	523,532	1.68 %
Total Bonds			<u>9,555,600</u>	<u>30.65 %</u>
Total Transferable Securities and Money Market Instruments Admitted to Official Exchange Listing			<u>13,240,648</u>	<u>42.47 %</u>

JABCAP (LUX)
**Schedule of Investments (Continued)
 Convertible Bonds
 As at December 31, 2017**

<i>Quantity/ nominal value</i>	<i>Currency</i>	<i>Security description</i>	<i>Market value EUR</i>	<i>Percentage of net assets</i>
TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET				
BONDS				
		China		
1,200,000	USD	Ctrip.com - 1.250% - 15.09.22	1,024,572	3.28 %
		Israel		
300,000	USD	Nice Systems Ltd. - 1.250% - 15.01.24	308,466	0.99 %
		United States of America		
550,000	USD	AMAG Pharmaceutical - 3.250% - 01.06.22	394,575	1.27 %
600,000	USD	BioMarin - 0.599% - 01.08.24	499,792	1.60 %
200,000	USD	Citrix Systems - 0.500% - 15.04.19	216,057	0.69 %
300,000	USD	Cleveland-Cliffs - 1.500% - 15.01.25	273,323	0.88 %
400,000	USD	Cypress Semiconductor - 2.000% - 01.02.23	346,316	1.11 %
400,000	USD	Expedia - 1.000% - 30.06.47	331,529	1.06 %
400,000	USD	IAC FinanceCo - 0.875% - 01.10.22	353,813	1.14 %
200,000	USD	II-VI - 0.250% - 01.09.22	200,333	0.64 %
200,000	USD	Ionis Pharmaceuticals - 1.000% - 15.11.21	175,865	0.56 %
300,000	USD	Liberty Interactive - 1.750% - 30.09.46	289,100	0.93 %
500,000	USD	Lumentum - 0.250% - 15.03.24	464,390	1.49 %
500,000	USD	Medicines - 2.500% - 15.01.22	441,745	1.42 %
200,000	USD	Neurocrine Biosciences - 2.250% - 15.05.24	213,661	0.69 %
300,000	USD	PRA Group - 3.500% - 01.06.23	250,366	0.80 %
500,000	USD	Quotient Technology - 1.750% - 01.12.22	408,684	1.31 %
300,000	USD	Rambus - 1.375% - 01.02.23	249,741	0.80 %
500,000	USD	Sarepta Therapeutics - 1.500% - 15.11.24	448,251	1.44 %
900,000	USD	Sunpower - 4.000% - 15.01.23	649,417	2.08 %
200,000	USD	Team - 5.000% - 01.08.23	167,014	0.54 %
200,000	USD	Teradyne - 1.250% - 15.12.23	238,859	0.77 %
400,000	USD	Time Warner - 2.250% - 30.09.46	347,355	1.11 %
450,000	USD	Veeco - 2.700% - 15.01.23	327,520	1.05 %
400,000	USD	Workday - 0.250% - 01.10.22	330,281	1.06 %
300,000	USD	Wright Medical Group Inc. - 2.000% - 15.02.20	256,143	0.82 %
			7,874,130	25.26 %
Total Bonds			9,207,168	29.53 %
Total Transferable Securities Dealt In On Another Regulated Market			9,207,168	29.53 %
Total Investments in Securities			22,447,816	72.00 %
Other Assets Less Liabilities			8,729,277	28.00 %
Total Net Assets			31,177,093	100.00 %

JABCAP (LUX)

Schedule of Investments (Continued) Convertible Bonds As at December 31, 2017

Open forward foreign exchange contracts (Please refer to Note 3(f))*

<i>Settlement date</i>	<i>Currency</i>	<i>Amount purchased</i>	<i>Currency</i>	<i>Amount sold</i>	<i>Counterparty</i>	<i>Unrealised gain/(loss) EUR</i>
PORTFOLIO HEDGING						
Jan 31, 2018	HKD	13,870,000	EUR	1,489,798	UBS	12,765
Jan 31, 2018	JPY	802,420,000	EUR	5,969,302	UBS	39,807
Jan 31, 2018	USD	12,320,000	EUR	10,345,560	UBS	99,782
Total Unrealised Gains						152,354
PORTFOLIO HEDGING						
Jan 31, 2018	CAD	1,010,000	EUR	661,682	UBS	(6,767)
SHARE CLASS HEDGING						
Jan 31, 2018	CHF	367,413	EUR	315,322	CBN**	(1,078)
Jan 31, 2018	GBP	761,079	EUR	859,321	CBN**	(3,267)
Jan 31, 2018	USD	22,157,275	EUR	18,694,762	CBN**	(267,934)
						(272,279)
Total Unrealised Losses						(279,046)
Total Open Forward Foreign Exchange Contracts						(126,692)

* Please refer to Note 9 for collateral disclosure.

** Citco Bank Nederland N.V.

Schedule of Investments (Continued)
Convertible Bonds
As at December 31, 2017

Open purchased options contracts at market value (Please refer to Note 3(h))*

<i>Expiration date</i>	<i>Number of contracts</i>	<i>Purchased option description</i>	<i>Currency</i>	<i>Counterparty</i>	<i>Market value EUR</i>
Mar 17, 2018	600,000	Advanced Semiconductor Engineering, Call Option (Ascot)	USD	Citibank	24,724
Mar 23, 2018	150,000,000	Chugoku Electric Power Company, Call Option (Ascot)	JPY	Mizuho	–
Mar 23, 2018	100,000,000	Chugoku Electric Power Company, Call Option (Ascot)	JPY	Mizuho	–
Apr 26, 2018	130,000,000	Park 24, Call Option (Ascot)	JPY	Mizuho	42,776
May 18, 2018	600,000	United Microelectronics, Call Option (Ascot)	USD	HSBC	48,323
Jun 5, 2018	100,000,000	Sankyo, Call Option (Ascot)	JPY	Deutsche Bank	11,086
Jul 7, 2018	100,000,000	U-Shin, Call Option (Ascot)	JPY	Deutsche Bank	51,246
Jul 25, 2018	200,000	Bank of Iwate, Call Option (Ascot)	USD	Deutsche Bank	1,636
Jul 25, 2018	400,000	Bank of Iwate, Call Option (Ascot)	USD	Merrill Lynch & Co.	3,176
Jul 26, 2018	40,000,000	Paramount Bed Holdings, Call Option (Ascot)	JPY	Merrill Lynch & Co.	109,465
Aug 2, 2018	30,000,000	Nikkiso, Call Option (Ascot)	JPY	Nomura Holdings	2,744
Aug 24, 2018	50,000,000	Sumitomo Forestry, Call Option (Ascot)	JPY	Nomura Holdings	35,900
Sep 22, 2018	800,000	CP All, Call Option (Ascot)	USD	Mizuho	65,834
Dec 3, 2018	240,000,000	Tohoku Electric Power, Call Option (Ascot)	JPY	Mizuho	1,117
Dec 6, 2018	50,000,000	Musashi Seimitsu Industry, Call Option (Ascot)	JPY	Nomura Holdings	50,195
Dec 11, 2018	200,000,000	Takashimaya, Call Option (Ascot)	JPY	DAIWA Capital Markets Europe Ltd.	18,779
Dec 11, 2018	100,000,000	Takashimaya, Call Option (Ascot)	JPY	Nomura Holdings	8,677
Dec 12, 2018	80,000,000	Teijin, Call Option (Ascot)	JPY	DAIWA Capital Markets Europe Ltd.	144,752
Dec 12, 2018	60,000,000	Teijin, Call Option (Ascot)	JPY	Nomura Holdings	108,778
Dec 20, 2018	200,000	Yamaguchi Financial, Call Option (Ascot)	USD	DAIWA Capital Markets Europe Ltd.	29,331
Dec 20, 2018	100,000	Yamaguchi Financial, Call Option (Ascot)	USD	DAIWA Capital Markets Europe Ltd.	14,666
Dec 28, 2018	60,000,000	Press Kyogo, Call Option (Ascot)	JPY	Deutsche Bank	79,483
Jan 25, 2019	60,000,000	Taiyo Yuden, Call Option (Ascot)	JPY	DAIWA Capital Markets Europe Ltd.	48,634
Feb 5, 2019	750,000	China Railway Construction, Call Option (Ascot)	USD	J.P. Morgan	71,668
Feb 12, 2019	90,000,000	Onoken, Call Option (Ascot)	JPY	Mizuho	143,213
Mar 1, 2019	50,000,000	Asics Corporation, Call Option (Ascot)	JPY	Mizuho	3,186
Mar 1, 2019	20,000,000	Asics Corporation, Call Option (Ascot)	JPY	Nomura Holdings	1,976
Mar 13, 2019	90,000,000	GS Yuasa Corporation, Call Option (Ascot)	JPY	Deutsche Bank	13,418
Mar 13, 2019	80,000,000	GS Yuasa Corporation, Call Option (Ascot)	JPY	Mizuho	11,206
Mar 13, 2019	50,000,000	GS Yuasa Corporation, Call Option (Ascot)	JPY	Mizuho	7,229
Mar 14, 2019	100,000,000	Advantest Corporation, Call Option (Ascot)	JPY	Mizuho	238,789
Mar 29, 2019	50,000,000	Hazama Ando Corporation, Call Option (Ascot)	JPY	Nomura Holdings	127,869
Jun 26, 2019	1,300,000	Zhen Ding Technology, Call Option (Ascot)	USD	Mizuho	63,036
Jun 28, 2019	80,000,000	Yamada Denki, Call Option (Ascot)	JPY	Mizuho	113,385
Jul 23, 2019	100,000,000	Casio Computer, Call Option (Ascot)	JPY	Mizuho	33,135
Sep 13, 2019	75,000,000	Aeon Financial Service, Call Option (Ascot)	JPY	Mizuho	64,878
Oct 3, 2019	50,000,000	Edion, Call Option (Ascot)	JPY	Nomura Holdings	181,060
Oct 31, 2019	500,000	Siliconware Precision Industries, Call Option (Ascot)	USD	J.P. Morgan	76,068

JABCAP (LUX)

Schedule of Investments (Continued) Convertible Bonds As at December 31, 2017

Open purchased options contracts at market value (Please refer to Note 3(h))* (Continued)

<i>Expiration date</i>	<i>Number of contracts</i>	<i>Purchased option description</i>	<i>Currency</i>	<i>Counterparty</i>	<i>Market value EUR</i>
Dec 12, 2019	50,000,000	Kyodo Printing, Call Option (Ascot)	JPY	Mizuho	14,260
Dec 18, 2019	800,000	Oita Bank, Call Option (Ascot)	USD	Nomura Holdings	63,442
Jan 24, 2020	180,000,000	Chugoku Electric Power, Put Option (Ascot)	JPY	Deutsche Bank	50,994
Mar 4, 2020	120,000,000	Lixil Toyo Sash Shoji, Call Option (Ascot)	JPY	Mizuho	39,556
Mar 31, 2020	250,000,000	Kyushu Electric Power, Call Option (Ascot)	JPY	Mizuho	62,973
Apr 30, 2020	100,000,000	Nifco, Call Option (Ascot)	JPY	Credit Suisse	296,767
Jun 5, 2020	200,000,000	T&D Holdings, Call Option (Ascot)	JPY	DAIWA Capital Markets Europe Ltd.	80,235
Jun 18, 2020	130,000,000	IIDA Group Holdings, Call Option (Ascot)	JPY	DAIWA Capital Markets Europe Ltd.	75,843
Jun 18, 2020	170,000,000	IIDA Group Holdings, Call Option (Ascot)	JPY	Mizuho	99,179
Jul 23, 2020	120,000,000	Sankyo, Call Option (Ascot)	JPY	Deutsche Bank	20,196
Aug 3, 2020	100,000,000	Mitsumi Electric, Call Option (Ascot)	JPY	Deutsche Bank	241,357
Sep 25, 2020	140,000,000	Unicharm, Call Option (Ascot)	JPY	Deutsche Bank	270,101
Oct 16, 2020	90,000,000	Shimizu, Call Option (Ascot)	JPY	Mizuho	75,173
Oct 22, 2020	100,000,000	Iwatani, Call Option (Ascot)	JPY	Deutsche Bank	69,935
Oct 22, 2020	60,000,000	Iwatani, Call Option (Ascot)	JPY	Nomura Holdings	45,758
Dec 22, 2020	70,000,000	Trans Cosmos, Call Option (Ascot)	JPY	Deutsche Bank	20,026
Mar 8, 2021	60,000,000	Nissha Printing, Call Option (Ascot)	JPY	Mizuho	226,561
Aug 31, 2021	40,000,000	Toray Industries, Call Option (Ascot)	JPY	Nomura Holdings	99,513
Dec 1, 2021	70,000,000	ResortTrust, Call Option (Ascot)	JPY	Mizuho	44,641
Mar 28, 2022	150,000,000	Senko, Call Option (Ascot)	JPY	DAIWA Capital Markets Europe Ltd.	100,117
Mar 30, 2022	150,000,000	Mitsubishi Chemical, Call Option (Ascot)	JPY	Deutsche Bank	156,349
Sep 14, 2022	60,000,000	SBI Holdings, Put Option (Ascot)	JPY	DAIWA Capital Markets Europe Ltd.	210,520
Sep 30, 2022	90,000,000	Sony, Call Option (Ascot)	JPY	Deutsche Bank	177,910
Nov 6, 2022	1,400,000	Hon Hai Precision Industry, Call Option (Ascot)	USD	Citibank	98,413
Jan 30, 2024	100,000,000	Ezaki Glico, Call Option (Ascot)	JPY	Mizuho	63,119
Sep 19, 2024	100,000,000	Nagoya Railroad, Call Option (Ascot)	JPY	Deutsche Bank	97,117
Nov 15, 2024	80,000,000	HIS, Put Option (Ascot)	JPY	Deutsche Bank	81,572

Total Open Purchased Options Contracts

4,933,065

* Please refer to Note 9 for collateral disclosure.

JABCAP (LUX)

Schedule of Investments (Continued) Convertible Bonds As at December 31, 2017

Outstanding contracts for difference (Please refer to Note 3(j))*

	<i>Security description</i>	<i>Holdings</i>	<i>Unrealised gain EUR</i>
UNREALISED GAINS			
DEUTSCHE BANK			
Euro	Adler Real Estate 2.500% 19.07.21	29,500	9,440
	Archer Obligations 0.000% 31.03.23	600,000	18,600
	Bayer 0.050% 15.06.20	200,000	23,978
	CA Immobilien Anlagen 0.750% 04.04.25	200,000	4,354
	GN Store Nord 0.000% 31.05.22	200,000	6,106
	Kloeckner & Co Financial Services 2.000% 08.09.23	1,100,000	12,146
	Remy Cointreau 0.125% 07.09.26	5,500	41,825
	Salzgitter 0.000% 05.06.22	300,000	40,290
	Symrise 0.238% 20.06.24	600,000	9,094
United States Dollar	Acorda Therapeutics 1.750% 15.06.21	200,000	7,659
	Brenntag Finance 1.875% 02.12.22	500,000	4,895
	EnSCO 3.000% 31.01.24	400,000	9,191
	Fortescue Metals 0.000% 15.11.21	600,000	17,992
	Horizon Pharma Investment 2.500% 15.03.22	500,000	16,896
	Hubspot 0.250% 01.06.22	400,000	9,042
	Inphi 0.750% 01.09.21	400,000	7,578
	Marriott Vacations Worldwide 1.500% 15.09.22	700,000	26,944
	Michelin 0.000% 10.01.22	600,000	6,664
	Nuance Communications 1.250% 01.04.25	500,000	27,016
	Pacira Pharmaceuticals 2.375% 01.04.22	300,000	6,494
	Radius Health 3.000% 01.09.24	500,000	23,393
	Restoration Hardware 0.000% 15.06.19	200,000	21,794
	Servicenow 0.000% 01.06.22	400,000	11,580
	STMicroelectronics 0.250% 03.07.24	200,000	277
	Synaptics 0.500% 15.06.22	500,000	9,770
	Vinci 0.375% 16.02.22	600,000	40
	Weibo 1.250% 15.11.22	100,000	3,130
			376,188
Morgan Stanley			
United States Dollar	United Microelectronics	(365,000)	7,904
UBS			
Japanese Yen	Minebea	(7,000)	685
	Nissha Printing	(13,800)	34,315
	Park24	(23,000)	28,658
	SBI Holdings	(15,000)	7,445
	Unicharm	(35,000)	3,467
	Yamaguchi Financial Group	(21,500)	1,636
			76,206
Total Unrealised Gains			460,298

* Please refer to Note 9 for collateral disclosure.

JABCAP (LUX)

Schedule of Investments (Continued) Convertible Bonds As at December 31, 2017

Outstanding contracts for difference (Please refer to Note 3(j))* (Continued)

	<i>Security description</i>	<i>Holdings</i>	<i>Unrealised loss EUR</i>
UNREALISED LOSSES			
DEUTSCHE BANK			
Euro	Fresenius 0.000% 31.01.24	2,600,000	(16,250)
	MTU Aero Engines 0.125% 17.05.23	400,000	(1,967)
	RAG-Stiftung 0.000% 18.02.21	600,000	(6,150)
	Suez Environment 0.000% 27.02.20	30,000	(1,350)
	Ubisoft Entertainment 0.000% 27.09.21	3,850	(7,315)
United States Dollar	Air Transport Services 1.125% 15.10.24	300,000	(1,726)
	BASF 0.925% 09.03.23	750,000	(6,634)
	Cemex 3.720% 15.03.20	500,000	(8,086)
	Chesapeake Energy 5.500% 15.09.26	700,000	(27,985)
	Dexcom 0.750% 15.05.22	600,000	(34,409)
	Dish Network 2.375% 15.03.24	600,000	(10,597)
	Horizon Pharma Investment 2.500% 15.03.22	300,000	(5,241)
	Liberty Media Corp 1.000% 30.01.23	300,000	(24,233)
	Microchip Technology 1.625% 15.02.27	300,000	(17,044)
	Qiagen 0.500% 13.09.23	600,000	(4,956)
	Valeo 0.000% 16.06.21	200,000	(2,582)
	Viavi Solutions 1.000% 01.03.24	800,000	(65,146)
UBS			
Japanese Yen	Edion	(19,000)	(1,851)
	IIDA Group Holdings	(8,000)	(3,792)
	Iwatani	(10,000)	(537)
	Mitsubishi Chemical	(19,000)	(19,822)
	Nagoya Railroad	(21,600)	(15,322)
	Nifco	(13,200)	(13,365)
	Onoken	(20,700)	(8,509)
	Paramount Bed Holdings	(9,600)	(9,143)
	Teijin Ltd	(40,000)	(29,945)
	T&D Holdings	(14,000)	(8,971)
Yamada Denki	(45,000)	(4,065)	
United States Dollar	TCF Financial	(23,400)	<u>(44,075)</u>
			<u>(159,397)</u>
Total Unrealised Losses			<u>(401,068)</u>
Total Outstanding Contracts For Difference			<u>59,230</u>

* Please refer to Note 9 for collateral disclosure

JABCAP (LUX)

Schedule of Investments Global Balanced As at December 31, 2017

<i>Quantity/ nominal value</i>	<i>Currency</i>	<i>Security description</i>	<i>Market value EUR</i>	<i>Percentage of net assets</i>
TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS ADMITTED TO OFFICIAL EXCHANGE LISTING				
SHARES AND WARRANTS				
Canada				
80,932	CAD	Detour Gold	792,616	1.35 %
206,566	CAD	Trevali Mining	208,051	0.35 %
			<u>1,000,667</u>	<u>1.70 %</u>
China				
11,613	USD	Alibaba Group Holding	1,667,996	2.83 %
16,301	USD	Ctrip.com	598,812	1.02 %
353,555	HKD	Haitong Securities	427,400	0.73 %
39,947	USD	Vipshop Holdings	389,987	0.66 %
			<u>3,084,195</u>	<u>5.24 %</u>
Hong Kong				
1,256,750	HKD	Cosco Shipping Development	214,355	0.37 %
1,114,933	HKD	Esprit Holdings	496,809	0.84 %
			<u>711,164</u>	<u>1.21 %</u>
Japan				
127,600	JPY	Advantest	1,972,228	3.35 %
23,090	JPY	GMO Internet	327,188	0.56 %
336,400	JPY	GS Yuasa	1,394,991	2.37 %
159,950	JPY	Meidensha	550,963	0.94 %
14,362	JPY	Mitsui Chemicals	384,836	0.65 %
7,050	JPY	Nissha Printing	170,929	0.29 %
156,287	JPY	Orient	207,944	0.35 %
212,877	JPY	Rakuten	1,624,693	2.76 %
69,060	JPY	Sanken Electric	415,021	0.71 %
22,986	JPY	Subaru	608,783	1.03 %
17,265	JPY	TDK	1,147,305	1.95 %
69,360	JPY	Toray Industries	544,742	0.93 %
			<u>9,349,623</u>	<u>15.89 %</u>
United States of America				
16,126	USD	Activision Blizzard	850,561	1.45 %
110,793	USD	Advanced Micro Devices	948,731	1.61 %
3,468	USD	Alexion Pharmaceuticals	345,471	0.59 %
939	USD	Alphabet	818,467	1.39 %
11,336	USD	AMAG Pharmaceuticals	125,116	0.21 %
30,856	USD	Bank of America Warrants 16.01.19	451,338	0.77 %
6,560,800	USD	Citigroup Warrants 04.01.19	547,052	0.93 %
34,672	USD	Coty	574,449	0.98 %
4,859	USD	Facebook	714,218	1.21 %
37,442	USD	FireEye	442,879	0.75 %
1,697	USD	Illumina	308,853	0.52 %
12,718	USD	Lumentum Holdings	518,043	0.88 %
3,911	USD	NVIDIA	630,386	1.07 %
17,752	USD	Qualcomm	946,675	1.61 %
96,468	USD	Southwestern Energy	448,389	0.76 %
17,769	USD	Teradyne	619,732	1.05 %
16,533	USD	The Mosaic	353,383	0.60 %
124,509	USD	Viavi Solutions	906,463	1.54 %
20,810	USD	Wells Fargo	1,051,681	1.79 %
			<u>11,601,887</u>	<u>19.71 %</u>

JABCAP (LUX)

Schedule of Investments (Continued) Global Balanced As at December 31, 2017

<i>Quantity/ nominal value</i>	<i>Currency</i>	<i>Security description</i>	<i>Market value EUR</i>	<i>Percentage of net assets</i>
TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS ADMITTED TO OFFICIAL EXCHANGE LISTING (CONTINUED)				
SHARES AND WARRANTS (CONTINUED)				
		South Korea		
12,100	KRW	Samsung C&T	1,189,780	2.02 %
1,425	KRW	Samsung Electronics	2,324,191	3.95 %
			<u>3,513,971</u>	<u>5.97 %</u>
		Taiwan		
770,345	TWD	Hon Hai Precision Industries	2,054,572	3.49 %
		India		
13,962	USD	MakeMyTrip	347,160	0.59 %
		Russia		
46,157	USD	Yandex	1,259,177	2.14 %
Total Shares and Warrants			<u>32,922,416</u>	<u>55.94 %</u>
BONDS				
		Germany		
1,400,000	USD	Deutsche Bank - 7.500% - 30.04.25	1,230,612	2.09 %
Total Bonds			<u>1,230,612</u>	<u>2.09 %</u>
Total Transferable Securities and Money Market Instruments Admitted to Official Exchange Listing			<u>34,153,028</u>	<u>58.03 %</u>
Total Investments in Securities			<u>34,153,028</u>	<u>58.03 %</u>
Other Assets Less Liabilities			<u>24,703,046</u>	<u>41.97 %</u>
Total Net Assets			<u>58,856,074</u>	<u>100.00 %</u>

JABCAP (LUX)

Schedule of Investments (Continued) Global Balanced As at December 31, 2017

Open forward foreign exchange contracts (Please refer to Note 3(f))*

<i>Settlement date</i>	<i>Currency</i>	<i>Amount purchased</i>	<i>Currency</i>	<i>Amount sold</i>	<i>Counterparty</i>	<i>Unrealised gain/(loss) EUR</i>
PORTFOLIO HEDGING						
Jan 31, 2018	AUD	125,000	EUR	81,355	UBS	174
Jan 31, 2018	HKD	15,560,000	EUR	1,671,133	UBS	14,130
Jan 31, 2018	JPY	1,599,860,000	EUR	11,868,592	UBS	46,402
Jan 31, 2018	USD	20,620,000	EUR	17,315,378	UBS	167,006
Feb 2, 2018	KRW	1,729,916,636	EUR	1,350,970	UBS	6,375
Total Unrealised Gains						234,087
PORTFOLIO HEDGING						
Jan 16, 2018	KRW	3,420,808,000	EUR	2,658,464	UBS	(2,489)
Jan 31, 2018	CAD	1,440,000	EUR	943,389	UBS	(9,647)
Jan 31, 2018	CHF	180,000	EUR	153,463	UBS	(488)
Jan 31, 2018	DKK	940,000	EUR	126,296	UBS	(138)
Jan 31, 2018	GBP	170,000	EUR	191,194	UBS	(20)
Jan 31, 2018	SEK	930,000	EUR	93,142	UBS	(1,529)
						(14,311)
SHARE CLASS HEDGING						
Jan 31, 2018	CHF	9,498,351	EUR	8,151,684	CBN**	(27,869)
Jan 31, 2018	GBP	1,518,233	EUR	1,714,210	CBN**	(6,518)
Jan 31, 2018	USD	35,891,897	EUR	30,283,077	CBN**	(434,018)
						(468,405)
Total Unrealised Losses						(482,716)
Total Open Forward Foreign Exchange Contracts						(248,629)

* Please refer to Note 9 for collateral disclosure.

** Citco Bank Nederland N.V.

JABCAP (LUX)

Schedule of Investments (Continued)
Global Balanced
As at December 31, 2017

Open futures contracts (Please refer to Note 3(g))*

<i>Expiration date</i>	<i>Number of contracts</i>	<i>Future description</i>	<i>Currency</i>	<i>Counterparty</i>	<i>Notional value EUR</i>	<i>Unrealised gain/(loss) EUR</i>
Jan 2018	(46)	Hang-Seng Index Future	HKD	UBS	(7,346,142)	(51,044)
Mar 2018	(115)	Topix Index Future	JPY	UBS	(15,565,047)	(21,850)
Total Unrealised Losses						(72,894)
Total Open Futures Contracts						(72,894)

Open purchased options contracts at market value (Please refer to Note 3(h))*

<i>Expiration date</i>	<i>Number of contracts</i>	<i>Purchased option description</i>	<i>Currency</i>	<i>Counterparty</i>	<i>Market value EUR</i>
Jan 19, 2018	1,155	Rite Aid, Call Option, Strike Price 2.5	USD	Morgan Stanley	4,811
Jan 19, 2018	585	Pernod Ricard, Call Option, Strike Price 135	EUR	UBS	35,100
Total Open Purchased Options Contracts					39,911

* Please refer to Note 9 for collateral disclosure.

JABCAP (LUX)**Schedule of Investments (Continued)
Global Balanced
As at December 31, 2017**

Outstanding contracts for difference (Please refer to Note 3(j))*

	<i>Security description</i>	<i>Holdings</i>	<i>Unrealised gain EUR</i>
UNREALISED GAINS			
DEUTSCHE BANK			
Euro	Accor	16,268	37,233
	Banco Santander	230,980	1,386
	Bankia 6.000% 18.07.22	400,000	24,776
	CMA CGM 6.500% 15.07.22	220,000	14,233
	Commerzbank	116,900	66,183
	Daimler	14,133	1,555
	Direct Energie	24,308	43,143
	Hermes International	2,370	31,832
	Kering	2,370	60,033
	L'Oréal	4,715	19,918
	Louis Vuitton Moet Hennessy	3,768	61,019
	Michelin	4,695	2,308
	Phillips Lighting	45,980	25,749
	Thyssenkrupp	21,205	2,438
	Ubisoft Entertainment	4,696	20,228
	Vallourec 2.250% 30.09.24	1,000,000	32,213
	Vallourec 6.625% 15.10.22	500,000	13,370
	Vivendi	57,780	133,983
United States Dollar	Banco Bilbao Vizcaya Argentaria 6.125% 16.11.27	800,000	22,481
	Softbank 5.125% 19.09.27	800,000	14,585
	UBS 7.125% 19.02.20	400,000	11,721
			<u>640,387</u>
MORGAN STANLEY			
Hong Kong Dollar	Wuxi Biologics Cayman	218,405	76,972
Swiss Franc	Landis+Gyr	15,921	77,107
	Lonza Group	1,808	67,435
United States Dollar	Tiffany & Co	15,080	<u>83,005</u>
			304,519
UBS			
British Pounds	Imperial Brands	26,579	23,362
	Sophos	85,771	18,451
Euro	Deutsche Bank	105,595	77,167
	Evonik Industries	17,578	42,777
Hong Kong Dollar	Ping An	92,560	58,150
	Tencent	34,430	78,355
Japanese Yen	Astellas Pharma	194,565	8,508
	IHI	34,740	54,492
	Japan Airport Terminal	48,701	54,087
	Macromill	114,844	5,243
	Nomura Holdings	231,000	32,507
	Panasonic	92,480	2,131
	Seibu	64,680	121,012
	Yahoo! Japan	251,790	6,722

JABCAP (LUX)

Schedule of Investments (Continued) Global Balanced As at December 31, 2017

Outstanding contracts for difference (Please refer to Note 3(j))* (Continued)

	<i>Security description</i>	<i>Holdings</i>	<i>Unrealised gain/(loss) EUR</i>
UNREALISED GAINS (CONTINUED)			
UBS (CONTINUED)			
United States Dollar	Grupo Televisa	69,600	3,479
			<u>586,443</u>
Total Unrealised Gains			<u>1,531,349</u>
UNREALISED LOSSES			
DEUTSCHE BANK			
Euro	Bayer	11,620	(12,782)
	BNP Paribas	13,918	(36,393)
	CMA CGM 5.250% 15.01.25	600,000	(2,300)
	Compagne de Saint Gobain	23,240	(43,587)
	Covestro	20,053	(9,223)
	Deutsche Telekom	116,601	(70,053)
	E.ON	103,933	(88,338)
	Electricite de France	68,972	(45,683)
	Royal Dutch Shell Group plc	34,648	(520)
	SAP	13,620	(26,289)
	Societe Generale	29,029	(80,635)
	STMicroelectronics	61,533	(124,084)
United States Dollar	Revlon Consumer Products 6.250% 01.08.24	1,500,000	(325,770)
	Stillwater Mining 6.125% 27.06.22	900,000	(18,514)
Swedish Krona	Ericsson	244,412	(3,732)
			<u>(887,903)</u>
MORGAN STANLEY			
Swiss Franc	AMS	4,620	(2,524)
UBS			
British Pounds	Lonmin	145,725	(27,253)
Danish Krone	AP Moeller - Maersk A-S	586	(96,454)
Euro	Ryanair Holdings	70,892	(25,586)
Hong Kong Dollar	ASM Pacific Technology	167,765	(12,837)
	BYD	102,825	(52,661)
	China Galaxy Securities	1,382,400	(115,446)
	China Life Insurance	808,500	(175,722)
	Haitong Securities	403,200	(24,386)
	Q Technology	323,680	(61,060)
	Sunny Optical Technology	122,006	(222,196)

JABCAP (LUX)**Schedule of Investments (Continued)
Global Balanced
As at December 31, 2017**

Outstanding contracts for difference (Please refer to Note 3(j))* (Continued)

	<i>Security description</i>	<i>Holdings</i>	<i>Unrealised loss EUR</i>
UNREALISED LOSSES (CONTINUED)			
UBS (CONTINUED)			
Japanese Yen	Aiful	255,200	(5,971)
	Calbee	52,664	(50,789)
	Fujitsu	231,400	(64,825)
	Japan Tobacco	47,451	(38,960)
	Mizuho Financial Group	690,600	(5,918)
	Nintendo	6,960	(98,121)
	Renesas Electronics	126,610	(408)
	Softbank	44,156	(228,348)
			<u>(1,306,941)</u>
Total Unrealised Losses			<u>(2,197,368)</u>
Total Outstanding Contracts For Difference			<u>(666,019)</u>

* Please refer to Note 9 for collateral disclosure.

JABCAP (LUX)

Schedule of Investments (Continued) Global Balanced As at December 31, 2017

Outstanding total return swaps (Please refer to Note 3(i))*

<i>Counterparty</i>	<i>Description</i>	<i>Notional amount</i>	<i>Maturity date</i>	<i>Currency</i>	<i>Unrealised gain EUR</i>
Morgan Stanley	Receive performance on basket of securities Pay EURO EONIA AVERAGE +45bps	33,514,645	29/09/2018	EUR	5,039,163
Total Outstanding Total Return Swaps					5,039,163

The asset, sector and geographical breakdown of the underlying basket securities is as follows:

	<i>Percentage of basket market value</i>
ASSET CLASS BREAKDOWN	
Equities	67.87 %
Options	0.82 %
Cash and other	31.31 %
Total	100.00 %
SECTOR BREAKDOWN	
Information Technology	18.51 %
Consumer Discretionary	14.00 %
Financials	12.59 %
Telecommunication Services	10.10 %
Industrials	5.36 %
Health Care	3.96 %
Government	2.23 %
Utilities	2.11 %
Materials	1.27 %
Other	29.87 %
Total	100.00 %
GEOGRAPHIC BREAKDOWN	
Eurozone	98.65 %
China	5.20 %
United Kingdom	3.08 %
Italy	2.85 %
Cayman Islands	2.46 %
Russia	2.24 %
Canada	1.79 %
Bermuda	0.16 %
Sweden	0.04 %
Singapore	(0.04) %
Switzerland	(0.07) %
Norway	(0.10) %
Japan	(0.27) %
United States of America	(2.57) %
Hong Kong	(13.42) %
Total	100.00 %

* Please refer to Note 9 for collateral disclosure.

JABCAP (LUX)

Schedule of Investments European Credit Opportunities As at December 31, 2017

<i>Quantity/ nominal value</i>	<i>Currency</i>	<i>Security description</i>	<i>Market value EUR</i>	<i>Percentage of net assets</i>
TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS ADMITTED TO OFFICIAL EXCHANGE LISTING				
BONDS				
Canada				
1,000,000	USD	Ithaca Energy - 8.125% - 01.07.19	843,399	2.37 %
430,000	USD	Bank of Nova Scotia - 1.500% - 31.08.85	311,619	0.87 %
			<u>1,155,018</u>	<u>3.24 %</u>
Germany				
1,000,000	EUR	Deutsche Bank - 1.750% - 27.06.18 (floating rate)	915,000	2.57 %
250,000	EUR	Deutsche Postbank - 0.806% - 02.06.18 (floating rate)	220,700	0.62 %
4,000,000	EUR	German Treasury Bill - 0.000% - 14.03.18	4,007,780	11.25 %
			<u>5,143,480</u>	<u>14.44 %</u>
Ireland				
1,000,000	EUR	Ballsbridge Repackaging - 5.249% - 01.03.20	1,079,450	3.03 %
Luxembourg				
250,000	EUR	Kleopatra Holdings - 8.500% - 30.06.23	255,638	0.72 %
500,000	EUR	Picard Bondco - 5.500% - 30.11.24	509,500	1.43 %
2,000,000	EUR	Mitsubishi UFJ Investor - 15.12.50 (floating rate)	1,340,000	3.76 %
1,500,000	GBP	GFKL Financial Services - 11.000% - 01.11.23	1,824,154	5.12 %
			<u>3,929,292</u>	<u>11.03 %</u>
Marshall Islands				
2,000,000	USD	Global Ship Lease - 9.875% - 15.11.22	1,734,027	4.87 %
Netherlands				
1,490,000	EUR	Hema Bondco - 8.500% - 15.01.23	1,534,775	4.31 %
1,000,000	EUR	Nyrstar Netherlands Holdings - 6.875% - 15.03.24	1,062,500	2.98 %
			<u>2,597,275</u>	<u>7.29 %</u>
Spain				
1,500,000	EUR	Grupo Aldesa - 7.250% - 01.04.21	1,417,950	3.98 %
1,000,000	EUR	Obrascon Huarte Lain - 5.500% - 15.03.23	1,029,700	2.89 %
			<u>2,447,650</u>	<u>6.87 %</u>
United Kingdom				
1,000,000	GBP	Mclaren Finance - 5.000% - 01.08.22	1,115,259	3.13 %
285,000	GBP	Premier Oil - 6.500% - 31.05.21	314,143	0.88 %
2,000,000	USD	HSBC - 1.475% - 15.06.18 (floating rate)	1,482,716	4.16 %
			<u>2,912,118</u>	<u>8.17 %</u>
United States				
4,000,000	USD	Treasury Bill - 0.000% - 29.03.18	3,321,130	9.32 %
Total Bonds			<u>24,319,440</u>	<u>68.26 %</u>
Total Transferable Securities and Money Instruments Admitted in Official Exchange Listing			<u>24,319,440</u>	<u>68.26 %</u>

JABCAP (LUX)

**Schedule of Investments (Continued)
European Credit Opportunities
As at December 31, 2017**

<i>Quantity/ nominal value</i>	<i>Currency</i>	<i>Security description</i>	<i>Market value EUR</i>	<i>Percentage of net assets</i>
TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET				
BONDS				
		United Kingdom		
1,500,000	USD	Tullow Oil - 6.250% - 15.04.22	<u>1,257,163</u>	<u>3.53 %</u>
		United States of America		
2,000,000	USD	Central Euro Distribution Corp. - 10.000% - 31.12.22	<u>1,499,375</u>	<u>4.21 %</u>
Total Bonds			<u>2,756,538</u>	<u>7.74 %</u>
Total Transferable Securities Dealt In On Another Regulated Market			<u>2,756,538</u>	<u>7.74 %</u>
Total Investments In Securities			<u>27,075,978</u>	<u>76.00 %</u>
Other Assets Less Liabilities			<u>8,549,508</u>	<u>24.00 %</u>
Total Net Assets			<u>35,625,486</u>	<u>100.00 %</u>

JABCAP (LUX)

Schedule of Investments (Continued) European Credit Opportunities As at December 31, 2017

Open forward foreign exchange contracts (Please refer to Note 3(f))*

<i>Settlement date</i>	<i>Currency</i>	<i>Amount purchased</i>	<i>Currency</i>	<i>Amount sold</i>	<i>Counterparty</i>	<i>Unrealised gain/(loss) EUR</i>
PORTFOLIO HEDGING						
Jan 31, 2018	USD	13,000,000	EUR	10,916,581	UBS	105,290
Total Unrealised Gains						105,290
PORTFOLIO HEDGING						
Jan 31, 2018	CHF	60,000	EUR	51,154	UBS	(163)
Jan 31, 2018	GBP	3,500,000	EUR	3,936,353	UBS	(411)
						(574)
SHARE CLASS HEDGING						
Jan 31, 2018	GBP	1,207,845	EUR	1,363,757	CBN**	(5,185)
Jan 31, 2018	USD	14,910,722	EUR	12,579,305	CBN**	(178,984)
						(184,169)
Total Unrealised Losses						(184,743)
Total Open Forward Foreign Exchange Contracts						(79,453)

Open futures contracts (Please refer to Note 3(g))*

<i>Expiration date</i>	<i>Number of contracts</i>	<i>Future description</i>	<i>Currency</i>	<i>Counterparty</i>	<i>Notional value EUR</i>
Mar 2018	(20)	Eurex Euro-Bund	EUR	UBS	(3,259,200)
					25,600
Total Unrealised Gain					25,600
Total Open Futures Contracts					25,600

* Please refer to Note 9 for collateral disclosure.

** Citco Bank Nederland N.V.

JABCAP (LUX)

Schedule of Investments (Continued) European Credit Opportunities As at December 31, 2017

Outstanding credit default swaps (Please refer to Note 3(k))*

<i>Counterparty</i>	<i>Security description</i>	<i>Notional amount</i>	<i>Maturity date</i>	<i>Currency</i>	<i>Market value EUR</i>
	Valeant Pharmaceuticals International				
Barclays	610bps	(1,000,000)	20/06/2019	USD	(38,072)
J.P. Morgan	Stena 436bps	(1,000,000)	20/06/2020	EUR	(39,656)
					<u>(77,728)</u>
Total Outstanding Credit Default Swaps					<u>(77,728)</u>

Outstanding contracts for difference (Please refer to Note 3 (j))*

	<i>Security description</i>	<i>Holdings</i>	<i>Unrealised gain/(loss) EUR</i>
UNREALISED GAINS			
Deutsche Bank			
Euro	Europcar 5.750% 15.06.22	(1,000,000)	<u>3,555</u>
UBS			
British Pounds	Mondi	50,000	62,073
Euro	Green REIT	500,000	79,455
	Hibernia REIT	500,000	102,500
	Smurfit Kappa Group	25,728	96,409
			<u>340,437</u>
Total Unrealised Gains			<u>343,992</u>
UNREALISED LOSSES			
Deutsche Bank			
British Pounds	Debenhams 5.250% 15.07.21	(500,000)	<u>(20,263)</u>
UBS			
Euro	Alpha Bank	300,000	(96,107)
Euro	Banco Santander	300,000	(63,600)
Euro	UniCredit	90,000	(127,011)
			<u>(286,718)</u>
Total Unrealised Losses			<u>(306,981)</u>
Total Outstanding Contracts For Difference			<u>37,011</u>

* Please refer to Note 9 for collateral disclosure.

JABCAP (LUX)

Statement of Net Assets As at December 31, 2017

	Note	Combined EUR	Convertible Bonds EUR	Global Balanced EUR	European Credit Opportunities EUR	Emerging Markets* USD
Assets						
Investments in securities, at market value		83,676,822	22,447,816	34,153,028	27,075,978	–
Acquisition cost:		84,918,918	23,270,280	34,880,067	26,768,571	–
Cash at bank		15,893,458	2,607,841	6,954,651	6,330,966	–
Restricted cash	9	19,127,949	2,795,333	12,958,533	3,374,083	–
Amounts receivable on sale of investments		2,014,880	415,436	1,599,444	–	–
Interest and dividends receivable		465,994	60,084	102,378	303,532	–
Cost of establishment	3e	105,833	873	–	104,960	–
Unrealised gain on futures contracts	3g	25,600	–	–	25,600	–
Unrealised gain on forward foreign exchange contracts	3f	491,731	152,354	234,087	105,290	–
Unrealised gain on contracts for difference	3j	2,335,639	460,298	1,531,349	343,992	–
Options contracts, at market value	3h	4,972,976	4,933,065	39,911	–	–
Unrealised gain on swap contracts	3i	5,039,163	–	5,039,163	–	–
Other receivables, prepaid expenses and other assets		28,212	11,665	–	16,547	–
Total assets		134,178,257	33,884,765	62,612,544	37,680,948	–
Liabilities						
Amounts payable on purchase of investments		725,857	–	725,571	286	–
Interest and dividends payable		79,323	33,872	40,616	4,835	–
Subscriptions received in advance		2,890,468	1,665,973	–	1,224,495	–
Investment management fee payable	4a	160,523	47,169	91,873	21,481	–
Depositary and administration fee	4c	47,951	15,352	17,989	14,610	–
Performance fee payable	4b	356,897	202,843	38,044	116,010	–
Taxe d'abonnement payable	6	15,190	3,656	7,424	4,110	–
Unrealised loss on futures contracts	3g	72,894	–	72,894	–	–
Unrealised loss on forward foreign exchange contracts	3f	946,505	279,046	482,716	184,743	–
Unrealised loss on contracts for difference	3j	2,905,417	401,068	2,197,368	306,981	–
Credit default swaps, at market value	3k	77,728	–	–	77,728	–
Other liabilities		240,851	58,693	81,975	100,183	–
Total liabilities		8,519,604	2,707,672	3,756,470	2,055,462	–
Total net assets		125,658,653	31,177,093	58,856,074	35,625,486	–
Historical total net assets						
December 31, 2016		–	35,183,121	45,090,636	22,533,196	19,598,381
December 31, 2015		–	40,105,410	54,555,682	–	20,286,015

* JABCAP (LUX) - Emerging Markets Sub-Fund was liquidated on June 9, 2017.

The accompanying notes form an integral part of these Financial Statements

JABCAP (LUX)

Statement of Operations and Changes in Net Assets For the year ended December 31, 2017

	Note	Combined EUR	Convertible Bonds EUR	Global Balanced EUR	European Credit Opportunities EUR	Emerging Markets* USD
Net assets at the beginning of the year/period		121,441,903	35,183,121	45,090,636	22,533,196	19,598,381
Income						
Dividend income, net	3c	1,577,729	–	1,398,694	124,237	59,259
Interest on bonds, net	3c	1,233,583	252,819	111,607	848,935	21,868
Bank interest		40,587	3,887	16,221	–	22,146
Interest on contracts for difference	3j	670,168	222,872	444,432	–	3,097
Other income		3,562	–	1,279	2,283	–
Total income		<u>3,525,629</u>	<u>479,578</u>	<u>1,972,233</u>	<u>975,455</u>	<u>106,370</u>
Expenses						
Investment management fee	4a	1,867,804	587,832	1,012,006	145,553	132,378
Depositary and administration fee	4c	614,408	178,662	184,400	153,545	105,762
Management company fee	4d	91,431	26,167	26,167	26,167	13,982
Audit and professional fee		177,328	49,647	48,290	32,900	50,276
Directors' fee	8b	42,480	12,771	12,771	11,709	5,655
Taxe d'abonnement	6	58,540	15,243	27,943	13,913	1,558
Amortisation of cost of establishment	3e	70,082	3,216	–	31,992	37,713
Bank and broker interest		50,840	21,044	59,186	16,897	13,949
Interest on contracts for difference	3j	754,822	326,179	260,353	71,091	40,496
Interest on total return swaps	3i	30,483	–	31,048	–	–
Interest on credit default swaps	3k	108,681	–	–	108,681	–
Dividend expense, net		51,375	51,375	–	–	–
Other fees	4e	587,579	133,191	197,189	109,097	160,158
		<u>4,505,853</u>	<u>1,405,327</u>	<u>1,859,353</u>	<u>721,545</u>	<u>561,927</u>
Expenses reimbursed by related parties	4c	93,274	11,665	–	16,548	70,357
		<u>4,412,579</u>	<u>1,393,662</u>	<u>1,859,353</u>	<u>704,997</u>	<u>491,570</u>
Performance fee	4b	592,905	203,975	54,178	334,447	330
Total expenses		<u>5,005,484</u>	<u>1,597,637</u>	<u>1,913,531</u>	<u>1,039,444</u>	<u>491,900</u>
Net investment gain/(loss)		(1,479,855)	(1,118,059)	58,702	(63,989)	(385,530)

* JABCAP (LUX) - Emerging Markets Sub-Fund was liquidated on June 9, 2017.

The accompanying notes form an integral part of these Financial Statements

JABCAP (LUX)
**Statement of Operations and Changes in Net Assets (Continued)
For the year ended December 31, 2017**

	Note	Combined EUR	Convertible Bonds EUR	Global Balanced EUR	European Credit Opportunities EUR	Emerging Markets* USD
Net realised gain/(loss) on sale of investments		8,784,485	2,353,521	4,969,271	763,226	755,324
Net realised gain/(loss) on forward foreign exchange contracts	3f	7,566	(4,275)	131,755	(11,982)	(116,718)
Net realised gain/(loss) on futures contracts	3g	(6,754,038)	(100,682)	(6,555,619)	(133,537)	38,714
Net realised gain/(loss) on foreign exchange	3d	(304,058)	(3,239)	(235,666)	(71,089)	6,419
Net realised gain/(loss) on options contracts	3h	(261,555)	1,220,771	(1,187,727)	(294,599)	–
Net realised gain/(loss) on contracts for difference	3j	10,914,725	(447,975)	10,448,933	914,301	(578)
Net realised gain/(loss) on credit default swaps	3k	(100,109)	–	–	(100,109)	–
Net realised gain/(loss) for the year/period		12,287,016	3,018,121	7,570,947	1,066,211	683,161
Net change in unrealised gain/(loss) on investments		(4,025,345)	(1,578,233)	(2,023,466)	(309,138)	(123,829)
Net change in unrealised gain/(loss) on forward foreign exchange contracts	3f	(356,618)	(65,537)	(216,015)	(64,122)	(11,835)
Net change in unrealised gain/(loss) on futures contracts	3g	(68,854)	–	(87,378)	18,524	–
Net change in unrealised gain/(loss) on foreign exchange	3d	(661,404)	(64,208)	(84,109)	(12,682)	12,356
Net change in unrealised gain/(loss) on options contracts	3h	(456,914)	(217,701)	(239,213)	–	–
Net change in unrealised gain/(loss) on contracts for difference	3j	(1,844,141)	646,755	(2,136,838)	(264,469)	(96,882)
Net change in unrealised gain/(loss) on credit default swaps	3k	(23,324)	–	–	(23,324)	–
Net change in unrealised gain/(loss) on total return swaps	3i	5,039,163	–	5,039,163	–	–
Net change in unrealised gain/(loss) for the year/period		(2,397,437)	(1,278,924)	252,144	(655,211)	(220,190)
Increase in net assets as a result of operations		8,409,724	621,138	7,881,793	347,011	77,441
Movements in share capital						
Subscriptions		38,182,060	4,336,596	20,075,818	13,312,289	494,587
Redemptions		(42,375,098)	(8,963,762)	(14,192,173)	(567,074)	(20,170,409)
Equalisation		64	–	–	64	–
Increase/(decrease) in net assets as a result of movements in share capital		(4,192,974)	(4,627,166)	5,883,645	12,745,279	(19,675,822)
Net assets at the end of the year/period		125,658,653	31,177,093	58,856,074	35,625,486	–

* JABCAP (LUX) - Emerging Markets Sub-Fund was liquidated on June 9, 2017.

The accompanying notes form an integral part of these Financial Statements

JABCAP (LUX)**Statement of Changes in the Number of Shares
For the year ended December 31, 2017**

	Shares outstanding at the beginning of the year	Shares subscribed	Shares redeemed	Shares outstanding at the end of the year
JABCAP (LUX) - Convertible Bonds				
JABCAP (LUX) - Convertible Bonds Class I (EUR)	24,568.580	–	–	24,568.580
JABCAP (LUX) - Convertible Bonds Class R (CHF) - (Hedged)	3,555.150	–	336.650	3,218.500
JABCAP (LUX) - Convertible Bonds Class R (EUR)	134,695.780	6,896.440	69,216.370	72,375.850
JABCAP (LUX) - Convertible Bonds Class R (GBP) - (Hedged)	80.000	6,893.740	–	6,973.740
JABCAP (LUX) - Convertible Bonds Class R (USD) - (Hedged)	139,002.650	26,968.260	10,302.830	155,668.080
JABCAP (LUX) - Convertible Bonds Class Z (USD) - (Hedged)	27,408.700	–	–	27,408.700
JABCAP (LUX) - Global Balanced				
JABCAP (LUX) - Global Balanced Class N (EUR)	4,885.220	97,633.770	4,121.440	98,397.550
JABCAP (LUX) - Global Balanced Class N (GBP) - (Hedged)	616.770	–	–	616.770
JABCAP (LUX) - Global Balanced Class N (USD) - (Hedged)	25,931.320	–	–	25,931.320
JABCAP (LUX) - Global Balanced Class P (EUR)	88,637.600	8,864.850	74,354.940	23,147.510
JABCAP (LUX) - Global Balanced Class P (GBP) - (Hedged)	1,397.870	–	–	1,397.870
JABCAP (LUX) - Global Balanced Class P (USD) - (Hedged)	73,329.860	–	3,817.860	69,512.000
JABCAP (LUX) - Global Balanced Class R (CHF) - (Hedged)	83,016.610	3,354.010	1,084.410	85,286.210
JABCAP (LUX) - Global Balanced Class R (EUR)	39,992.260	7,961.700	12,789.630	35,164.330
JABCAP (LUX) - Global Balanced Class R (GBP) - (Hedged)	1,258.590	8,957.440	–	10,216.030
JABCAP (LUX) - Global Balanced Class R (USD) - (Hedged)	147,809.580	68,578.200	38,790.360	177,597.420
JABCAP (LUX) - Global Balanced Class Z (USD) - (Hedged)	27,019.430	342.070	–	27,361.500

JABCAP (LUX)

Statement of Changes in the Number of Shares (Continued) For the year ended December 31, 2017

	<i>Shares outstanding at the beginning of the year/period</i>	<i>Shares subscribed</i>	<i>Shares redeemed</i>	<i>Shares outstanding at the end of the year/period</i>
JABCAP (LUX) - European Credit Opportunities				
JABCAP (LUX) - European Credit Opportunities Class I (EUR) ^(a)	–	37,848.380	–	37,848.380
JABCAP (LUX) - European Credit Opportunities Class P (EUR) ^(b)	–	4,974.950	–	4,974.950
JABCAP (LUX) - European Credit Opportunities Class P (GBP) - (Hedged)	1,000.000	–	–	1,000.000
JABCAP (LUX) - European Credit Opportunities Class P-Dist. (USD) - (Hedged) ^(h)	–	41,736.130	–	41,736.130
JABCAP (LUX) - European Credit Opportunities Class R (EUR)	23,000.000	10,762.700	3,259.710	30,502.990
JABCAP (LUX) - European Credit Opportunities Class R (GBP) - (Hedged)	7,000.000	1,850.000	–	8,850.000
JABCAP (LUX) - European Credit Opportunities Class R (USD) - (Hedged)	3,000.000	39,433.750	785.000	41,648.750
JABCAP (LUX) - European Credit Opportunities Class Z (EUR)	127,499.100	–	–	127,499.100
JABCAP (LUX) - European Credit Opportunities Class Z (GBP) - (Hedged) ^(c)	–	2,481.870	1,204.890	1,276.980
JABCAP (LUX) - European Credit Opportunities Class Z (USD) - (Hedged)	53,999.820	–	–	53,999.820
JABCAP (LUX) - Emerging Markets⁽¹⁾				
JABCAP (LUX) - Emerging Markets Class P (EUR) - (Hedged) ^(g)	38,148.850	1,045.140	39,193.990	–
JABCAP (LUX) - Emerging Markets Class P (USD) ^(g)	27,103.160	–	27,103.160	–
JABCAP (LUX) - Emerging Markets Class R (CHF) - (Hedged) ^(e)	2,459.390	–	2,459.390	–
JABCAP (LUX) - Emerging Markets Class R (EUR) - (Hedged) ^(f)	2,379.650	–	2,379.650	–
JABCAP (LUX) - Emerging Markets Class R (GBP) ^{(d) (g)}	–	1,500.000	1,500.000	–
JABCAP (LUX) - Emerging Markets Class R (USD) ^(g)	117,425.550	2,058.360	119,483.910	–
JABCAP (LUX) - Emerging Markets Class Z (CHF) - (Hedged) ^(g)	1,059.270	–	1,059.270	–
JABCAP (LUX) - Emerging Markets Class Z (USD) ^(g)	9,357.050	–	9,357.050	–

(a) New share class launched on February 1, 2017.

(b) New share class launched on February 16, 2017.

(c) New share class launched on March 23, 2017.

(d) New share class launched on March 17, 2017.

(e) Share class redeemed on April 27, 2017.

(f) Share class redeemed on April 28, 2017.

(g) All share classes fully redeemed on June 9, 2017.

(h) New share class launched on November 30, 2017.

(1) JABCAP (LUX) - Emerging Markets Sub-Fund was liquidated on June 9, 2017.

JABCAP (LUX)

Statistical Information

Net asset value per share in share class currency

	December 31, 2017	December 31, 2016	December 31, 2015
Net asset value per share in share class currency			
JABCAP (LUX) - Convertible Bonds			
JABCAP (LUX) - Convertible Bonds Class I (EUR)	120.24	110.05	111.79
JABCAP (LUX) - Convertible Bonds Class R (CHF) - (Hedged)	113.48	104.81	108.44
JABCAP (LUX) - Convertible Bonds Class R (EUR)	119.35	109.81	112.72
JABCAP (LUX) - Convertible Bonds Class R (GBP) - (Hedged)	108.73	99.67	102.02
JABCAP (LUX) - Convertible Bonds Class R (USD) - (Hedged)	121.87	110.81	112.30
JABCAP (LUX) - Convertible Bonds Class Z (USD) - (Hedged)	114.59	103.06	102.38
JABCAP (LUX) - Global Balanced			
JABCAP (LUX) - Global Balanced Class N (EUR)	120.81	97.36	114.92
JABCAP (LUX) - Global Balanced Class N (GBP) - (Hedged)	122.63	98.11	115.72
JABCAP (LUX) - Global Balanced Class N (USD) - (Hedged)	125.08	98.89	115.23
JABCAP (LUX) - Global Balanced Class P (EUR)	117.52	95.17	112.89
JABCAP (LUX) - Global Balanced Class P (GBP) - (Hedged)	117.44	94.43	111.96
JABCAP (LUX) - Global Balanced Class P (USD) - (Hedged)	120.97	96.13	112.55
JABCAP (LUX) - Global Balanced Class R (CHF) - (Hedged)	112.09	91.28	109.04
JABCAP (LUX) - Global Balanced Class R (EUR)	118.27	95.79	113.62
JABCAP (LUX) - Global Balanced Class R (GBP) - (Hedged)	126.15	106.59	–
JABCAP (LUX) - Global Balanced Class R (USD) - (Hedged)	122.77	97.55	114.23
JABCAP (LUX) - Global Balanced Class Z (USD) - (Hedged)	102.13	79.54	91.30

JABCAP (LUX)

Statistical Information (Continued)

	<i>Net asset value per share in share class currency</i>		
	<i>December 31, 2017</i>	<i>December 31, 2016</i>	<i>December 31, 2015</i>
Net asset value per share in share class currency (Continued)			
JABCAP (LUX) - European Credit Opportunities			
JABCAP (LUX) - European Credit Opportunities Class I (EUR) ^(a)	103.61	–	–
JABCAP (LUX) - European Credit Opportunities Class P (EUR) ^(b)	101.86	–	–
JABCAP (LUX) - European Credit Opportunities Class P (GBP) - (Hedged)	108.93	104.51	–
JABCAP (LUX) - European Credit Opportunities Class P-Dist. (USD) - (Hedged) ^(g)	100.40	–	–
JABCAP (LUX) - European Credit Opportunities Class R (EUR)	107.83	104.01	–
JABCAP (LUX) - European Credit Opportunities Class R (GBP) - (Hedged)	108.93	104.51	–
JABCAP (LUX) - European Credit Opportunities Class R (USD) - (Hedged)	110.20	104.75	–
JABCAP (LUX) - European Credit Opportunities Class Z (EUR)	110.89	105.25	–
JABCAP (LUX) - European Credit Opportunities Class Z (GBP) - (Hedged) ^(c)	103.59	–	–
JABCAP (LUX) - European Credit Opportunities Class Z (USD) - (Hedged)	113.39	105.98	–
JABCAP (LUX) - Emerging Markets⁽¹⁾			
JABCAP (LUX) - Emerging Markets Class P (EUR) - (Hedged) ^(f)	–	96.23	93.49
JABCAP (LUX) - Emerging Markets Class P (USD) ^(f)	–	98.49	94.22
JABCAP (LUX) - Emerging Markets Class R (CHF) - (Hedged) ^(d)	–	96.01	93.85
JABCAP (LUX) - Emerging Markets Class R (EUR) - (Hedged) ^(e)	–	97.01	94.29
JABCAP (LUX) - Emerging Markets Class R (USD) ^(f)	–	98.30	94.08
JABCAP (LUX) - Emerging Markets Class Z (CHF) - (Hedged) ^(f)	–	99.48	95.30
JABCAP (LUX) - Emerging Markets Class Z (USD) ^(f)	–	101.19	95.20

^(a) New share class launched on February 1, 2017.

^(b) New share class launched on February 16, 2017.

^(c) New share class launched on March 23, 2017.

^(d) Share class redeemed on April 27, 2017.

^(e) Share class redeemed on April 28, 2017.

^(f) All share classes fully redeemed on June 9, 2017.

^(g) New share class launched on November 30, 2017.

⁽¹⁾ JABCAP (LUX) - Emerging Markets Sub-Fund was liquidated on June 9, 2017.

JABCAP (LUX)

Statistical Information (Continued)

	<i>Net asset value per share in share class currency</i>		
	<i>December 31, 2017</i>	<i>December 31, 2016</i>	<i>December 31, 2015</i>
Total net assets in share class currency			
JABCAP (LUX) - Convertible Bonds			
JABCAP (LUX) - Convertible Bonds Class I (EUR)	2,954,030	2,703,703	3,390,682
JABCAP (LUX) - Convertible Bonds Class R (CHF) - (Hedged)	365,221	372,598	133,881
JABCAP (LUX) - Convertible Bonds Class R (EUR)	8,638,048	14,791,209	19,860,982
JABCAP (LUX) - Convertible Bonds Class R (GBP) - (Hedged)	758,270	7,974	8,161
JABCAP (LUX) - Convertible Bonds Class R (USD) - (Hedged)	18,971,524	15,402,394	15,361,217
JABCAP (LUX) - Convertible Bonds Class Z (USD) - (Hedged)	3,140,793	2,824,752	2,806,130
JABCAP (LUX) - Global Balanced			
JABCAP (LUX) - Global Balanced Class N (EUR)	11,886,921	475,640	413,307
JABCAP (LUX) - Global Balanced Class N (GBP) - (Hedged)	75,636	60,514	221,873
JABCAP (LUX) - Global Balanced Class N (USD) - (Hedged)	3,243,549	2,564,411	3,675,800
JABCAP (LUX) - Global Balanced Class P (EUR)	2,720,398	8,435,711	10,699,162
JABCAP (LUX) - Global Balanced Class P (GBP) - (Hedged)	164,168	132,004	156,502
JABCAP (LUX) - Global Balanced Class P (USD) - (Hedged)	8,409,172	7,048,861	7,446,853
JABCAP (LUX) - Global Balanced Class R (CHF) - (Hedged)	9,559,850	7,577,487	7,963,051
JABCAP (LUX) - Global Balanced Class R (EUR)	4,158,816	3,830,844	7,224,569
JABCAP (LUX) - Global Balanced Class R (GBP) - (Hedged)	1,288,794	134,150	–
JABCAP (LUX) - Global Balanced Class R (USD) - (Hedged)	21,803,245	14,418,182	17,333,183
JABCAP (LUX) - Global Balanced Class Z (USD) - (Hedged)	2,794,392	2,148,990	2,377,200

JABCAP (LUX)

Statistical Information (Continued)

	<i>Net asset value in share class currency</i>		
	<i>December 31, 2017</i>	<i>December 31, 2016</i>	<i>December 31, 2015</i>
Total net asset in share class currency (Continued)			
JABCAP (LUX) - European Credit Opportunities			
JABCAP (LUX) - European Credit Opportunities Class I (EUR) ^(a)	3,921,326	–	–
JABCAP (LUX) - European Credit Opportunities Class P (EUR) ^(b)	506,744	–	–
JABCAP (LUX) - European Credit Opportunities Class P (GBP) - (Hedged)	108,934	104,510	–
JABCAP (LUX) - European Credit Opportunities Class P-Dist. (USD) - (Hedged) ^(g)	4,190,156	–	–
JABCAP (LUX) - European Credit Opportunities Class R (EUR)	3,289,067	2,392,246	–
JABCAP (LUX) - European Credit Opportunities Class R (GBP) - (Hedged)	964,065	731,567	–
JABCAP (LUX) - European Credit Opportunities Class R (USD) - (Hedged)	4,589,572	314,250	–
JABCAP (LUX) - European Credit Opportunities Class Z (EUR)	14,137,792	13,419,421	–
JABCAP (LUX) - European Credit Opportunities Class Z (GBP) - (Hedged) ^(c)	132,280	–	–
JABCAP (LUX) - European Credit Opportunities Class Z (USD) - (Hedged)	6,123,132	5,723,063	–
JABCAP (LUX) - Emerging Markets⁽¹⁾			
JABCAP (LUX) - Emerging Markets Class P (EUR) - (Hedged) ^(f)	–	3,671,223	2,647,374
JABCAP (LUX) - Emerging Markets Class P (USD) ^(f)	–	2,669,481	4,759,209
JABCAP (LUX) - Emerging Markets Class R (CHF) - (Hedged) ^(d)	–	236,119	358,547
JABCAP (LUX) - Emerging Markets Class R (EUR) - (Hedged) ^(e)	–	230,852	263,950
JABCAP (LUX) - Emerging Markets Class R (USD) ^(f)	–	118,543,108	11,043,135
JABCAP (LUX) - Emerging Markets Class Z (CHF) - (Hedged) ^(f)	–	105,380	100,952
JABCAP (LUX) - Emerging Markets Class Z (USD) ^(f)	–	946,799	860,635

(a) New share class launched on February 1, 2017.

(b) New share class launched on February 16, 2017.

(c) New share class launched on March 23, 2017.

(d) Share class redeemed on April 27, 2017.

(e) Share class redeemed on April 28, 2017.

(f) All share classes fully redeemed on June 9, 2017.

(g) New share class launched on November 30, 2017.

(1) JABCAP (LUX) - Emerging Markets Sub-Fund was liquidated on June 9, 2017.

Notes to the Financial Statements For the year ended December 31, 2017

1. ORGANISATION

JABCAP (LUX) (the “Company”) is an open-ended investment company incorporated under the laws of Luxembourg as a *Société d’Investissement à Capital Variable* (“SICAV”) in accordance with the provisions of Part I of the law of December 17, 2010 governing undertakings for collective investment, as may be amended (the “Law”). The Company was incorporated for an unlimited period on August 5, 2010 under the name of JABCAP (LUX). The Articles of the Company have been published in the *Mémorial C, Recueil Spécial des Sociétés et Associations* of the Grand Duchy of Luxembourg on August 30, 2010.

The Company is registered at the Registre du Commerce et des Sociétés under number B 155045.

As at December 31, 2017, the Company is comprised of three Sub-Funds:*

- JABCAP (LUX) - Convertible Bonds
- JABCAP (LUX) - Global Balanced
- JABCAP (LUX) - European Credit Opportunities

* JABCAP (LUX) - Emerging Markets Sub-Fund was liquidated on June 9, 2017.

At all times the Company’s capital will be equal to the Net Asset Value (“NAV”) of the Company and will not fall below the minimum capital required by Luxembourg law.

The following share classes were subscribed:

- Accumulation Share Class I (“Class I Shares”) in EUR
- Accumulation Share Class P (“Class P Shares”) in EUR, GBP, USD
- Accumulation Share Class N (“Class N Shares”) in EUR, GBP, USD
- Accumulation Share Class R (“Class R Shares”) in CHF, EUR, GBP, USD
- Accumulation Share Class Z (“Class Z Shares”) in CHF, EUR, GBP, USD
- Distribution Share Class P (“Class P-Dist. Shares”) in USD

2. INVESTMENT OBJECTIVE

Convertible Bonds Sub-Fund investment objective

The investment objective of the Sub-Fund is to seek capital growth in absolute terms by investing primarily in a diversified portfolio of convertible bonds. The Sub-Fund is expected to dynamically adjust its exposure to convertible bonds in response to market conditions.

Notes to the Financial Statements (Continued)
For the year ended December 31, 2017

2. INVESTMENT OBJECTIVE (Continued)

Global Balanced Sub-Fund investment objective

The investment objective of the Sub-Fund is to seek to achieve long term capital appreciation through a top down active asset allocation policy that seeks to invest in a diversified portfolio of global equities, equity-linked instruments, fixed income and other money market and foreign exchange instruments. The Sub-Fund is expected to dynamically adjust its exposures to equities, fixed income and cash in response to market conditions.

European Credit Opportunities Sub-Fund investment objective

The investment objective of the Sub-Fund is to produce consistent absolute returns with low volatility and risk in all market conditions, regardless of the direction of interest rates or default rates.

Emerging Markets Sub-Fund investment objective

Prior to liquidation, the investment objective of the Sub-Fund was to achieve long term capital appreciation on a risk-adjusted basis from a diversified portfolio of securities, primarily securities in, or securities related to, companies incorporated in, or whose principal operations were based in Emerging Market Countries globally. The term "Emerging Market Countries" refers to the constituents of the MSCI Emerging Markets Index, the MSCI Frontier Markets Index as well as the MSCI Gulf Cooperation Council ("GCC") Countries Index.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) General

The financial statements are prepared in accordance with Luxembourg GAAP and in accordance with Luxembourg regulations relating to Undertakings for Collective Investment in Transferable Securities ("UCITS").

(b) Investment valuation

In determining the value of the assets of the Company:

- (i) the value of any cash on hand or in deposits, bills, demand notes and accounts receivables, prepaid expenses, dividends and interests matured but not yet received shall be valued at the par-value of the assets except however if it appears that such value is unlikely to be received. In such a case, subject to the approval of the Board of Directors, the value shall be determined by deducting a certain amount to reflect the true value of these assets;
- (ii) the value of assets which are listed or dealt in on any stock exchange is based on the last available price on the stock exchange which is normally the principal market for such assets;
- (iii) the value of assets dealt in on any other regulated market is based on the last available price;

**Notes to the Financial Statements (Continued)
For the year ended December 31, 2017**

3. SIGNIFICANT ACCOUNTING POLICIES

(b) Investment valuation (continued)

- (iv) in the event that any assets are not listed or dealt in on any stock exchange or on any other regulated market, or if, with respect to assets listed or dealt in on any stock exchange, or other regulated market as aforesaid, the price as determined pursuant to sub-paragraph (ii) or (iii) is not representative of the fair market value of the relevant assets, the value of such assets will be based on the reasonably foreseeable sales price determined prudently and in good faith;
- (v) the market value of forward or options contracts not traded on exchanges or on other regulated markets shall mean their fair value determined, pursuant to the policies established by the Board of Directors, on a basis consistently applied for each different variety of contracts. The market value of futures or options contracts traded on exchanges or on other regulated markets shall be based upon the last available settlement prices of these contracts on exchanges and regulated markets on which the particular futures or options contracts are traded by the Company. Provided that if a futures, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board of Directors may deem fair and reasonable. Interest rate swaps will be valued at their market value established by reference to the applicable interest rate curve;
- (vi) all other securities and other assets will be valued at fair market value, as determined in good faith pursuant to procedures established by the Board of Directors.

(c) Investment transactions and investment income

Investment transactions are recorded on a trade date basis. Realised gains and losses on sales of investments are calculated using the first-in-first-out (“FIFO”) method.

Dividend income is accrued on the ex-dividend date. Interest income is recorded on the accrual basis.

(d) Conversion of foreign currencies

The books and records of the JABCAP (LUX) - Convertible Bonds, JABCAP (LUX) - Global Balanced and JABCAP (LUX) - European Credit Opportunities Sub-Funds are denominated in EUR. Amounts denominated in other currencies are translated into EUR on the following basis: (i) investment valuations and other assets and liabilities initially expressed in other currencies are converted each business day into EUR using currency exchange rates prevailing on each such business day and (ii) purchases and sales of foreign investments, income and expenses are converted into EUR using currency exchange rates prevailing on the respective dates of such transactions.

**Notes to the Financial Statements (Continued)
For the year ended December 31, 2017**

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Conversion of foreign currencies (continued)

The books and records of the JABCAP (LUX) - Emerging Markets Sub-Fund* are denominated in USD. Amounts denominated in other currencies are translated into USD on the following basis: (i) investment valuations and other assets and liabilities initially expressed in other currencies are converted each business day into USD using currency exchange rates prevailing on each such business day and (ii) purchases and sales of foreign investments, income and expenses are converted into USD using currency exchange rates prevailing on the respective dates of such transactions. As at December 31, 2017, there were no assets and liabilities for JABCAP (LUX) - Emerging Markets Sub-Fund*.

Net realised gains and losses on foreign exchange represent: (i) foreign exchange gains and losses from the holding and sale of foreign currencies, (ii) gains and losses between trade date and settlement date on securities transactions and (iii) gains and losses arising from the difference between amounts of dividends and interest recorded and the amounts actually received.

The resulting gains and losses on translation are included in “Net realised gain/(loss) on foreign exchange” in the Statement of Operations and Changes in Net Assets.

The accounts of the Company are maintained in EUR.

The EUR exchange rates applied as at December 31, 2017 are as follows:

1 EUR =	1.5373	AUD	1 EUR =	4.1780	ILS	1 EUR =	9.8241	SEK
1 EUR =	1.5091	CAD	1 EUR =	135.2843	JPY	1 EUR =	1.6039	SGD
1 EUR =	1.1696	CHF	1 EUR =	1281.4137	KRW	1 EUR =	39.1051	THB
1 EUR =	7.8114	CNY	1 EUR =	23.6006	MXN	1 EUR =	4.5597	TRY
1 EUR =	7.4514	DKK	1 EUR =	9.8491	NOK	1 EUR =	35.6945	TWD
1 EUR =	0.8884	GBP	1 EUR =	1.6913	NZD	1 EUR =	1.2005	USD
1 EUR =	9.3807	HKD	1 EUR =	59.8449	PHP	1 EUR =	14.8656	ZAR
1 EUR =	310.8215	HUF	1 EUR =	4.1827	PLN			

(e) Cost of establishment

The total costs and expenses of establishment for JABCAP (LUX) - Convertible Bonds, JABCAP (LUX) - Global Balanced, JABCAP (LUX) - European Credit Opportunities and JABCAP (LUX) - Emerging Markets* were €16,082, €296,506, €160,040 and US\$54,624, respectively. These costs and expenses are being amortised on a straight-line basis over a period of 5 years from the date on which each Sub-Fund commenced business. Total costs and expenses of establishment for JABCAP (LUX) - Global Balanced were fully written off as at December 31, 2017. As a result of the liquidation of JABCAP (LUX) - Emerging Markets*, unamortised costs of US\$37,713 were included in the “Other fees” line of the Statement of Operations and Changes in Net Assets for this year.

* JABCAP (LUX) - Emerging Markets Sub-Fund was liquidated on June 9, 2017.

Notes to the Financial Statements (Continued)
For the year ended December 31, 2017

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Forward foreign exchange contracts

Unrealised gains or losses on outstanding forward foreign exchange contracts are valued on the basis of currency exchange rates prevailing at the relevant valuation date. The changes in such amounts are included in the Statement of Operations and Changes in Net Assets under “Net change in unrealised gain/(loss) on forward foreign exchange contracts”. When a contract is closed, the realised gain or loss is recorded under “Net realised gain/(loss) on forward foreign exchange contracts” in the Statement of Operations and Changes in Net Assets. Unrealised gains or losses are recorded under “Unrealised gain/(loss) on forward foreign exchange contracts” in the Statement of Net Assets.

(g) Futures contracts

Regulated financial futures contracts are valued at the last available exchange settlement price for which the contracts are traded on. Initial margin deposits are made upon entering into the contracts and can be either in cash or securities. During the year the contracts are open, changes in the value of the contracts are recognised as unrealised gains or losses by “marking-to-market” on a daily basis to reflect the market value of the contracts at the end of each business day’s trading. Variation margin payments are made or received, depending upon whether losses or gains are incurred. When a contract is closed, the Company records a realised gain or loss equal to the difference between the proceeds from, or cost of, the closing transaction and the initial cost of the contract in “Net realised gain/(loss) on futures contracts” in the Statement of Operations and Changes in Net Assets. Unrealised gains or losses are recorded under “Unrealised gain/(loss) on futures contracts” in the Statement of Net Assets.

(h) Options contracts

Options are valued at the latest available settlement price of these contracts on exchanges and regulated markets on which they are traded. Options purchased are recorded as investments. 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 securities are acquired or delivered upon exercise of an option, the acquisition cost or sale proceeds are adjusted by the amount of the premium. 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 a realised loss for options purchased and is recorded under “Net realised gain/(loss) on options contracts” in the Statement of Operations and Changes in Net Assets. The market values are recorded under “Options contracts, at market value” in the Statement of Net Assets.

(i) Total return swaps

The Company may enter into swap contracts in which the Company and the counterparty agree to exchange payments where one or both parties pay the returns generated by a security, instrument, basket or index thereof. The payments made by the Company to the counterparty and vice versa are calculated by reference to a specific security, index, or instruments and an agreed upon notional amount. Any such underlying security or instrument must be a transferable security and any such index must be an index which meets the criteria as set out in the 2010 Law.

Notes to the Financial Statements (Continued)
For the year ended December 31, 2017

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Total return swaps (continued)

Total return swap contracts are valued by reference to the mark to market value based on the market value of the underlying asset. The relevant indices include, but are not limited to, currencies, interest rates, prices and total return on interest rates indices, fixed income indices and stock indices.

Financing costs are recorded under “Interest on swap transactions” in the Statement of Operations and Changes in Net Assets. Unrealised gains or losses are recorded under “Unrealised gain/(loss) on swap contracts” in the Statement of Net Assets. The changes in such amounts are included in the Statement of Operations and Changes in Net Assets under “Net change in unrealised gain/(loss) on total return swaps”. When a contract is closed, the realised gain or loss is recorded under “Net realised gain/(loss) on total return swaps” in the Statement of Operations and Changes in Net Assets.

As at December 31, 2017, JABCAP (LUX) - Global Balanced has entered into a total return swap on a basket of securities. The swap is comprised of positions in a diversified selection of stocks which is continuously monitored and amended by the Investment Manager. Further detail on this position can be found in the Schedule of Investments on page 42.

(j) Contracts for difference

Contracts for difference are valued based on the closing market price of the underlying security. Upon entering into contracts for difference, the Company may be required to pledge to the broker an amount of cash and or other assets equal to a certain percentage of the contract amount (“initial margin”). Subsequently, payments known as “variation margin” are made or received by the Company periodically, depending on fluctuations in the value of the underlying security. During the year contracts are open, changes in the value of contracts are recognised as unrealised gains and losses by “marking-to-market” at each valuation point in order to reflect the changes in the value of the underlying security. Realised gains or losses upon closure of the contract are 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 open contracts for difference are included in the Statement of Net Assets on the basis of the unrealised gain or loss attributable to each contract as at the end of the year.

The contracts are subject to a daily financing charge and income, usually applied at a previously agreed rate, which is accounted for as interest income for short contracts for difference, and as interest expense for long contracts for difference positions.

**Notes to the Financial Statements (Continued)
For the year ended December 31, 2017**

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Credit default swaps

Credit default swaps contracts in which the Company pays or receives an interest flow in return for the counterparty accepting all or part of the risk of default or failure to pay, of a reference entity on which the swap is written. Where the Company has bought protection the maximum potential loss is the value of the premium flows the Company is contracted to pay until maturity of the contract. Where the Company has sold protection the maximum potential loss is the nominal value of the protection sold, payable when a credit event of one or more referenced credits occurs. The nature of the credit event is established by the buyer and seller at the inception of the transaction and such events include bankruptcy, insolvency, rating agency downgrade and failure to meet payment obligations when due. Risks may arise from unanticipated movements in interest rates or the occurrence of a credit event whereby changes in the market values of the underlying financial instruments may be in excess of the amounts shown on the Statement of Net Assets.

(l) ASCOTS

ASCOTS are over-the-counter options contracts on convertible bonds with major multinational brokers that are used to separate a convertible bond into its two components: 1) a bond and 2) an option to acquire stock, which allow the Company to invest in the optionality component of a predetermined specific notional amount of a convertible bond.

4. FEES AND EXPENSES

(a) Investment management fee

In respect of each class of a Sub-Fund, the Investment Manager is entitled to receive a monthly investment management fee equal to the pro-rated annual rate per annum of the NAV of the shares of the relevant class (before deduction of any accrued but uncrystallised performance fee and tax d'abonnement). The investment management fee is calculated and accrued as of each Valuation Day and payable monthly in arrears.

The Investment Manager may from time to time and in its sole discretion and out of its own resources decide to rebate to some or all shareholders (including the Directors), their agents or to intermediaries, part or all of the investment management fee. The Investment Manager will also, out of its own resources and investment management fee, pay any fees payable to the Principal Distributor for its services to the Company.

During the year, the investment management fee amounted to the following percentage figures:

JABCAP (LUX) - Convertible Bonds

Share Class I	1.00 %
Share Class R	2.00 %
Share Class Z	0.00 %

JABCAP (LUX) - Global Balanced

Share Class N	1.50 %
Share Classes P and R	2.00 %
Share Class Z	0.00 %

**Notes to the Financial Statements (Continued)
For the year ended December 31, 2017**

4. FEES AND EXPENSES (Continued)

(a) Investment management fee (continued)

JABCAP (LUX) - European Credit Opportunities

Share Class I	1.00 %
Share Classes P and R	2.00 %
Share Class Z	0.00 %

JABCAP (LUX) - Emerging Markets*

Share Classes P and R	2.00 %
Share Class Z	0.00 %

(b) Performance fee

Each Sub-Fund pays to the Investment Manager a performance fee, which is calculated in respect of each six month period ending on June 30 and December 31 in each year (a “Calculation Period”). The performance fee is calculated and accrued as an expense of the relevant class at each Valuation Day and is payable to the Investment Manager in arrears within 14 days of the end of each Calculation Period after calculation of the performance fee by the Central Administration.

If redemption is made from the relevant class as of a date other than June 30 or December 31, a performance fee (if accrued as of the date of such redemption) shall be crystallised in respect of the shares being redeemed.

For the JABCAP (LUX) - Convertible Bonds and JABCAP (LUX) - Global Balanced Sub-Funds, the performance fee in respect of each share is equal to 20% of the appreciation in the NAV per share of the relevant class during that Calculation Period above the High Watermark of that class. The High Watermark is the greater of the Initial Offer Price of the relevant class and the highest NAV per share of the relevant class achieved as at the end of any previous Calculation Period (if any). The Sub-Funds do not operate performance fee equalisation and in certain circumstances a performance fee may be charged to shares which have not appreciated in value (for example, when an investor subscribes for shares at a time when the NAV per share of the relevant class is greater than the High Watermark of that class). Also, all holders of shares of the same class may not have the same amount of capital per share at risk in the Company and certain investors may get a “free ride” (for example, when an investor subscribes for shares at a time when the NAV per share of the relevant class is less than the High Watermark of that class).

For the JABCAP (LUX) - Emerging Markets Sub-Fund* and JABCAP (LUX) - European Credit Opportunities, the performance fee payable to the Investment Manager is calculated on a share by share basis so that each share is charged a performance fee which equates precisely with that share’s performance. For each Calculation Period, the performance fee in respect of each share will be equal to 20% of the appreciation in the NAV of that share during that Calculation Period above the Base NAV per share.

* JABCAP (LUX) - Emerging Markets Sub-Fund was liquidated on June 9, 2017.

**Notes to the Financial Statements (Continued)
For the year ended December 31, 2017**

4. FEES AND EXPENSES (Continued)

(b) Performance fee (continued)

The Base NAV per share is the greater of (1) the NAV per share of the relevant class at the time of issue of that share and (2) the highest NAV per share of that class achieved as at the end of any previous Calculation Period (if any) during which such share was in issue. Shares which are acquired in the secondary market will be treated as if they were issued on the date of the acquisition at the most recent Subscription Price for these purposes. The performance fee in respect of each Calculation Period will be calculated by reference to the NAV before deduction for any accrued performance fee.

This method of calculation ensures that (i) any performance fee is charged only to those shares which have appreciated in value, (ii) all holders of shares of the same class have the same amount of capital per share at risk in the Company and (iii) all shares of the same class have the same NAV per share.

For the avoidance of doubt, a performance fee shall be payable from the Company to the Investment Manager in respect of the Class Z Shares.

The performance fee will normally be payable to the Investment Manager in arrears within 14 calendar days of the end of each Calculation Period. However, in the case of shares redeemed during a Calculation Period, the accrued performance fee in respect of those shares is payable within 14 calendar days after the date of redemption. In the event of a partial redemption, shares will be treated as redeemed on a FIFO basis.

For JABCAP (LUX) - Convertible Bonds, the performance fee for the year ended December 31, 2017 was €203,975 of which €202,843 remained payable at year end.

For JABCAP (LUX) - Global Balanced, the performance fee for the year ended December 31, 2017 was €54,178 of which €38,044 remained payable at year end.

For JABCAP (LUX) - European Credit Opportunities, the performance fee for the year ended December 31, 2017 was €334,447 of which €116,010 remained payable at year end.

For JABCAP (LUX) - Emerging Markets*, the performance fee for the period ended June 9, 2017 was US\$3,166 of which US\$Nil remained payable at year end. Included in the US\$3,166 is US\$330 which was expensed through the Statement of Operations and Changes in Net Assets and US\$2,836 which was included in Redemptions in the Statement of Operations and Changes in Net Assets.

* JABCAP (LUX) - Emerging Markets Sub-Fund was liquidated on June 9, 2017.

(c) Depositary and administration fee

The Depositary and Central Administration fees are calculated based on the month end NAV of the relevant Sub-Fund, subject to minimums, accrued on each Valuation Day and paid out monthly in arrears.

Notes to the Financial Statements (Continued)
For the year ended December 31, 2017

4. FEES AND EXPENSES (Continued)

(c) Depositary and administration fee (continued)

It is not intended that the fees payable for the Depositary and Central Administration services out of each Sub-Fund's assets exceed 0.50% per annum of the relevant Sub-Fund's average assets calculated with reference to the same period. If, nevertheless, the fees for the Depositary and Central Administration services should exceed the cap of 0.50% of the average assets per annum, the Investment Manager will reimburse the exceeding amount to the Sub-Fund. The aforementioned cap is accrued on each Valuation Day and, if applicable, paid into the Sub-Fund by the Investment Manager annually in arrears.

The above mentioned cap of 0.50% per annum does not cover fees payable to the Central Administration or the Depositary for services other than Depositary and Central Administration services, such as (without being limited thereto) Company tax services, Company secretarial services, Company regulatory and compliance reporting services or fees for system access and reporting services.

For JABCAP (LUX) - Convertible Bonds, the depositary and administration fee for the year ended December 31, 2017 was €178,662 of which €15,352 remained payable at year end. Subject to the cap, as described above, the Investment Manager is due to reimburse €11,665 to the Sub-Fund.

For JABCAP (LUX) - Global Balanced, the depositary and administration fee for the year ended December 31, 2017 was €184,400 of which €17,989 remained payable at year end.

For JABCAP (LUX) - European Credit Opportunities, the depositary and administration fee for the year ended December 31, 2017 was €153,545 of which €14,610 remained payable at year end. Subject to the cap, as described above, the Investment Manager is due to reimburse €16,548 to the Sub-Fund.

For JABCAP (LUX) - Emerging Markets*, the depositary and administration fee for the period ended June 9, 2017 was US\$105,762 of which US\$Nil remained payable at year end. Subject to the cap, as described above, the Investment Manager reimbursed US\$70,357 to the Sub-Fund.

* JABCAP (LUX) - Emerging Markets Sub-Fund was liquidated on June 9, 2017.

(d) Management company fee

The Management Company will receive a management company fee for the provision of its services. The fee payable shall not exceed 0.04% per annum, subject to a minimum monthly fee per Sub-Fund of up to €2,250, calculated on the basis of the NAV attributable to the Company on the last Valuation Day of each month, and paid out monthly in arrears.

(e) Other fees

“Other fees” in the Statement of Operations and Changes in Net Assets consists of various professional fees including tax reporting services fees, financial statement preparation fees as well as banking fees, publication fees, registration fees and other miscellaneous fees.

**Notes to the Financial Statements (Continued)
For the year ended December 31, 2017**

5. DISTRIBUTION POLICY

Whether Accumulation or Distribution shares will be issued in relation to a particular Sub-Fund will be described in the relevant Prospectus. The Board of Directors reserves the right to introduce a distribution policy that may vary between Sub-Funds and different classes of shares in issue.

As at December 31, 2017, no dividends were distributed.

6. TAXATION

The Company is not liable to any Luxembourg tax on profits or income. The Company is, however, liable in Luxembourg to a *taxe d'abonnement* of 0.05% per annum of its NAV, such tax being payable quarterly on the basis of the value of the aggregate NAV of the Company at the end of the relevant calendar quarter. No such tax is payable on the value of assets which consist of units or shares of other Luxembourg funds that have already been subject to such tax. No stamp duty or other tax is payable in Luxembourg on the issue of shares. No Luxembourg tax is payable on the realised capital appreciation of the assets of the Company.

A reduced *taxe d'abonnement* rate of 0.01% per annum or an exemption of the *taxe d'abonnement* will be applicable to certain classes of shares reserved to institutional investors pursuant to article 174(2)c of the UCI Law of December 17, 2010 relating to Undertakings for Collective Investment.

The effective rate applicable to the classes of shares offered in the Convertible Bonds, Global Balanced and European Credit Opportunities Sub-Funds is as follows:

- Class I Shares - 0.01% per annum of the NAV payable quarterly
- Class N Shares - 0.05% per annum of the NAV payable quarterly
- Class P Shares - 0.05% per annum of the NAV payable quarterly
- Class R Shares - 0.05% per annum of the NAV payable quarterly
- Class Z Shares - 0.05% per annum of the NAV payable quarterly

The effective rate applicable to the classes of shares offered in the Emerging Markets Sub-Fund* was as follows:

- Class P Shares - 0.01% per annum of the NAV payable quarterly
- Class R Shares - 0.05% per annum of the NAV payable quarterly
- Class Z Shares - 0.05% per annum of the NAV payable quarterly

* JABCAP (LUX) - Emerging Markets Sub-Fund was liquidated on June 9, 2017.

7. STATEMENT OF CHANGES IN INVESTMENTS

A statement giving the changes in the portfolio of investments for the year under review can be obtained free of charge from the registered office of the Company.

**Notes to the Financial Statements (Continued)
For the year ended December 31, 2017**

8. RELATED PARTY TRANSACTIONS

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 or if both parties are under the control of a common entity.

The Investment Manager and the Directors are related parties to the Company.

(a) Investment Manager

The Company is managed by Jabre Capital Partners S.A. and Jabre Capital Partners S.A. receives from the Company an investment management fee and a performance fee as disclosed in Notes 4(a) and 4(b) respectively.

(b) Directors' interests

The Board of Directors are responsible for the overall management and control of the Company in accordance with the Articles. The Board of Directors are further responsible for the implementation of the Company's investment objective and policies as well as for oversight of the administration and operations of the Company. The total remuneration paid to Carne Global Financial Services (Luxembourg) S.à r.l and Gemini Governance & Advisory Solutions S.à r.l. for Directors' Services for the year ended December 31, 2017 were €36,484 and €5,996, respectively, inclusive of V.A.T. as well as out of pocket expenses of €521 for Carne Global Financial Services (Luxembourg) S.à r.l. This amount does not include Directors Insurance of €13,976 which is included within "Other fees" in the Statement of Operations and Changes in Net Assets.

The interests of the Directors and their interests in companies associated with the management, administration, promotion and marketing of the Company and the shares are set out below:

- Mr. Riachi and Mrs. Khazaneh are both employees of the Investment Manager.
- The Directors or companies of which they are officers or employees may subscribe for shares in the Company. Their applications for shares will rank pari passu with all other applications. As at December 31, 2017, none of the Directors owned any shares in the Company.
- Mr. Egan is an employee of companies under common ownership and control of the "Carne group". The Management Company, which receives a management company fee as disclosed in Note 4(d), is also part of the Carne group of companies.

9. COLLATERAL ON DERIVATIVES

The collateral associated with swaps, futures, forwards and options has been recorded in the Statement of Net Assets under "Restricted cash".

JABCAP (LUX)

Notes to the Financial Statements (Continued) For the year ended December 31, 2017

9. COLLATERAL ON DERIVATIVES (Continued)

As at December 31, 2017, amounts held as collateral with brokers were as follows:

	<i>EUR equivalent</i>
JABCAP (LUX) - Convertible Bonds	
Cash of 7,708 AUD held as collateral by Morgan Stanley	5,014
Cash of 2,929 CHF held as collateral by Morgan Stanley	2,504
Cash of 9,645 EUR held as collateral by Citibank	9,645
Cash of 329 EUR held as collateral by Credit Suisse	329
Cash of (665,000) EUR received as collateral by Daiwa	(665,000)
Cash of 2,811,899 EUR held as collateral by Deutsche Bank	2,811,899
Cash of 304,032 EUR held as collateral by Morgan Stanley	304,032
Cash of (420,191) EUR received as collateral by Nomura Holdings	(420,191)
Cash of 320,425 EUR held as collateral by UBS	320,425
Cash of 9,530 GBP held as collateral by Deutsche Bank	10,727
Cash of 16,579 GBP held as collateral by UBS	18,662
Cash of (48,104) HKD received as collateral by UBS	(5,128)
Cash of 21,566,624 JPY held as collateral by Deutsche Bank	159,417
Cash of (39,000,042) JPY received as collateral by Mizuho	(288,282)
Cash of 12,987 JPY held as collateral by Morgan Stanley	96
Cash of (12,719,434) JPY received as collateral by UBS	(94,020)
Cash of 76,962 SEK held as collateral by Deutsche Bank	7,834
Cash of 206 SEK held as collateral by UBS	21
Cash of 12,537 SGD held as collateral by UBS	7,817
Cash of (12,681) TRY received as collateral by UBS	(2,781)
Cash of 3,244 USD held as collateral by Credit Suisse	2,702
Cash of 322,073 USD held as collateral by Deutsche Bank	268,282
Cash of (18,315) USD received as collateral by Morgan Stanley	(15,256)
Cash of 428,080 USD held as collateral by UBS	356,585
Total	<u>2,795,333</u>

JABCAP (LUX)

Notes to the Financial Statements (Continued) For the year ended December 31, 2017

9. COLLATERAL ON DERIVATIVES (Continued)

	<i>EUR equivalent</i>
JABCAP (LUX) - Global Balanced	
Cash of 967 AUD held as collateral by Deutsche Bank	629
Cash of (1,494) AUD received as collateral by Morgan Stanley	(972)
Cash of 263 AUD held as collateral by UBS	171
Cash of 646 CAD held as collateral by UBS	428
Cash of 38,900 CHF held as collateral by Deutsche Bank	33,258
Cash of 63,949 CHF held as collateral by Morgan Stanley	54,674
Cash of 31,745 CHF held as collateral by UBS	27,141
Cash of 29,731 DKK held as collateral by UBS	3,990
Cash of 8 EUR held as collateral by Credit Suisse	8
Cash of 4,876,286 EUR held as collateral by Deutsche Bank	4,876,286
Cash of (310,575) EUR received as collateral by Morgan Stanley	(310,575)
Cash of 4,767,044 EUR held as collateral by UBS	4,767,044
Cash of 68,344 GBP held as collateral by Deutsche Bank	76,929
Cash of 203,987 GBP held as collateral by UBS	229,611
Cash of 730,335 HKD held as collateral by Morgan Stanley	77,855
Cash of 9,144,388 HKD held as collateral by UBS	974,808
Cash of 9,094,636 HUF held as collateral by UBS	29,260
Cash of 33,101,374 JPY held as collateral by Morgan Stanley	244,680
Cash of 146,149,031 JPY held as collateral by UBS	1,080,310
Cash of 5,126 KRW held as collateral by Deutsche Bank	4
Cash of 69,594 NOK held as collateral by UBS	7,066
Cash of 6,532 NZD held as collateral by Morgan Stanley	3,862
Cash of 16,530 PLN held as collateral by Morgan Stanley	3,952
Cash of 320,685 PLN held as collateral by UBS	76,670
Cash of 1,880,628 SEK held as collateral by UBS	191,431
Cash of 18 TRY held as collateral by Morgan Stanley	4
Cash of 415 TRY held as collateral by UBS	91
Cash of 194,367 USD held as collateral by Deutsche Bank	161,905
Cash of 285,633 USD held as collateral by Morgan Stanley	237,928
Cash of 132,115 USD held as collateral by UBS	110,050
Cash of 520 ZAR held as collateral by UBS	35
Total	<u>12,958,533</u>

Notes to the Financial Statements (Continued)
For the year ended December 31, 2017

9. COLLATERAL ON DERIVATIVES (Continued)

	<i>EUR equivalent</i>
JABCAP (LUX) - European Credit Opportunities	
Cash of 53,167 CHF held as collateral by Deutsche Bank	45,456
Cash of 448,764 EUR held as collateral by Deutsche Bank	448,764
Cash of 239,644 EUR held as collateral by J.P. Morgan	239,644
Cash of 728,600 EUR held as collateral by Morgan Stanley	728,600
Cash of 1,341,850 EUR held as collateral by UBS	1,341,850
Cash of (7,688) GBP received as collateral by Deutsche Bank	(8,654)
Cash of 25,000 GBP held as collateral by Morgan Stanley	28,140
Cash of 452,847 GBP held as collateral by UBS	509,731
Cash of 6,268 USD held as collateral by Deutsche Bank	5,221
Cash of 22,539 USD held as collateral by Morgan Stanley	18,775
Cash of 19,875 USD held as collateral by UBS	16,556
Total	<u>3,374,083</u>

10. TRANSACTION COSTS

For the year ended December 31, 2017, the Company incurred transaction costs which have been defined as brokerage fees relating to purchase or sale of transferable securities, money market instruments or eligible assets.

JABCAP (LUX) - Convertible Bonds	€87,824
JABCAP (LUX) - Global Balanced	€1,464,980
JABCAP (LUX) - European Credit Opportunities	€4,768
JABCAP (LUX) - Emerging Markets*	US\$165,330

* JABCAP (LUX) - Emerging Markets Sub-Fund was liquidated on June 9, 2017.

11. SUBSEQUENT EVENT

No subsequent event has been recorded after the year ended December 31, 2017.

JABCAP (LUX)

Appendix I – Total Expense Ratios (Unaudited) As at December 31, 2017

The Total Expense Ratio (“TER”) represents the total operating cost charged to each class as a percentage of the Sub-Fund’s average net assets and includes the impact of expenses reimbursed by related parties. The total operating cost comprises expenses as summarised in the Statement of Operations and Changes in Net Assets. Overdraft interest, interest on contracts for difference and interest on swap transactions are excluded from the calculation.

Sub-Fund Name	<i>TER % excluding performance fee</i>	<i>TER % including performance fee</i>
JABCAP (LUX) - Convertible Bonds I (EUR)	2.16 %	2.90 %
JABCAP (LUX) - Convertible Bonds R (CHF) - (Hedged)	3.20 %	3.20 %
JABCAP (LUX) - Convertible Bonds R (EUR)	3.19 %	3.33 %
JABCAP (LUX) - Convertible Bonds R (GBP) - (Hedged)	3.24 %	3.71 %
JABCAP (LUX) - Convertible Bonds R (USD) - (Hedged)	3.20 %	3.99 %
JABCAP (LUX) - Convertible Bonds Z (USD) - (Hedged)	1.20 %	2.90 %
JABCAP (LUX) - Global Balanced N (EUR)	2.32 %	2.32 %
JABCAP (LUX) - Global Balanced N (GBP) - (Hedged)	2.35 %	2.35 %
JABCAP (LUX) - Global Balanced N (USD) - (Hedged)	2.34 %	2.34 %
JABCAP (LUX) - Global Balanced P (EUR)	2.84 %	2.84 %
JABCAP (LUX) - Global Balanced P (GBP) - (Hedged)	2.84 %	2.84 %
JABCAP (LUX) - Global Balanced P (USD) - (Hedged)	2.84 %	2.84 %
JABCAP (LUX) - Global Balanced R (CHF) - (Hedged)	2.84 %	2.84 %
JABCAP (LUX) - Global Balanced R (EUR)	2.84 %	2.84 %
JABCAP (LUX) - Global Balanced R (GBP) - (Hedged)	2.83 %	8.01 %
JABCAP (LUX) - Global Balanced R (USD) - (Hedged)	2.83 %	2.83 %
JABCAP (LUX) - Global Balanced Z (USD)	0.84 %	0.84 %
JABCAP (LUX) - European Credit Opportunities Class I (EUR) ^(a)	2.23 %	2.94 %
JABCAP (LUX) - European Credit Opportunities Class P (EUR) ^(b)	3.31 %	3.79 %
JABCAP (LUX) - European Credit Opportunities Class P (GBP) - (Hedged)	3.33 %	4.35 %
JABCAP (LUX) - European Credit Opportunities Class P-Dist. (USD) - (Hedged) ^(h)	2.33 %	2.64 %
JABCAP (LUX) - European Credit Opportunities Class R (EUR)	3.31 %	4.17 %
JABCAP (LUX) - European Credit Opportunities Class R (GBP) - (Hedged)	3.33 %	4.29 %
JABCAP (LUX) - European Credit Opportunities Class R (USD) - (Hedged)	3.28 %	4.18 %
JABCAP (LUX) - European Credit Opportunities Class Z (EUR)	1.33 %	2.61 %
JABCAP (LUX) - European Credit Opportunities Class Z (GBP) - (Hedged) ^(c)	1.31 %	2.43 %
JABCAP (LUX) - European Credit Opportunities Class Z (USD) - (Hedged)	1.33 %	2.95 %
JABCAP (LUX) - Emerging Markets Class P (EUR) - (Hedged) ^(g)	4.08 %	4.08 %
JABCAP (LUX) - Emerging Markets Class P (USD) ^(g)	4.43 %	4.45 %
JABCAP (LUX) - Emerging Markets Class R (CHF) - (Hedged) ^(e)	3.84 %	3.84 %
JABCAP (LUX) - Emerging Markets Class R (EUR) - (Hedged) ^(f)	3.87 %	3.87 %
JABCAP (LUX) - Emerging Markets Class R (GBP) ^{(d) (g)}	8.11 %	8.11 %
JABCAP (LUX) - Emerging Markets Class R (USD) ^(g)	4.70 %	4.70 %
JABCAP (LUX) - Emerging Markets Class Z (CHF) - (Hedged) ^(g)	2.90 %	2.90 %
JABCAP (LUX) - Emerging Markets Class Z (USD) ^(g)	2.92 %	3.24 %

- (a) New share class launched on February 1, 2017.
(b) New share class launched on February 16, 2017.
(c) New share class launched on March 23, 2017.
(d) New share class launched on March 17, 2017.
(e) Share class redeemed on April 27, 2017.
(f) Share class redeemed on April 28, 2017.
(g) All share classes fully redeemed on June 9, 2017.
(h) New share class launched on November 30, 2017.

JABCAP (LUX)

Appendix II – Calculation Method of the Risk Exposure (Unaudited) As at December 31, 2017

Global exposure using the VaR approach

Sub-Fund Name	Market Risk	Limit	Max usage of reg limit	Min usage of reg limit	Average usage of reg limit	Reference portfolio	Model	Confidence Interval	Holding Period	Effective Observation Period
JABCAP (LUX) - Convertible Bonds	Absolute	20%	8.17%	2.36%	5.72%	n/a	Mont Carlo Simulation/ Historical	99%	20 days	250 days
JABCAP (LUX) - Global Balanced	Absolute	20%	12.55%	4.07%	8.60%	n/a	Mont Carlo Simulation/ Historical	99%	20 days	250 days
JABCAP (LUX) - European Credit Opportunities	Absolute	20%	4.79%	0.67%	1.71%	n/a	Mont Carlo Simulation/ Historical	99%	20 days	250 days

Sub-Fund Name	Leverage*	
	Average	Max
JABCAP (LUX) - Convertible Bonds	318.77%	433.69%
JABCAP (LUX) - Global Balanced	312.44%	412.70%
JABCAP (LUX) - European Credit Opportunities	134.01%	235.84%

* Sum of notionals on a bi-monthly basis.

Global exposure is a fund's global exposure to general and specific market risks which might lead to a significant change in the fund's value. The Company has adopted a VaR approach in the quantification of its global exposure. This has been supplemented by the employment of scenario and stress tests in the evaluation of the portfolio's sensitivity to a range of factors, for example interest rate risk, volatility, credit spreads as well as predefined market scenarios as well as back tests to monitor the ongoing accuracy of the VaR model.

As the Sub-Funds are sophisticated users of FDIs, the Risk Unit utilises the internal model approach which relies on absolute VaR figures calculated on the Risk Metrics engine.

Up to the July 7th 2017 Risk Metrics was used to compute and report various types of Value-at-Risk, Sensitivities Exposure statistics, and Stress Testing statistics for a portfolio of financial instruments. The Risk Metrics methodology enables risk evaluation across asset classes, securities, geographical areas and risk horizons.

The Risk Metrics methodology is based on representing each security in terms of the risk factors that drive it. The factors cover all asset classes and all types of market risk, and include equity prices, commodity prices and curves, exchange rates, interest rate curves, and credit spread curves, together with implied volatility surfaces for multiple asset types.

From the 10th July 2017 Broadridge Paladyne was used to compute and report Value-at-Risk for the different portfolios as well as sensitivities, exposure statistics and Stress Testing statistics for a portfolio of financial instruments. The methodology used enables risk evaluation across asset classes, securities, geographical areas and risk horizons.

The Broadridge Paladyne methodology is based on representing each security in terms of the risk factors that drive it. The factors cover all asset classes and all types of market risk, and include equity prices, commodity prices and curves, exchange rates, interest rate curves, and credit spread curves, together with implied volatility surfaces for multiple asset types.

**Appendix II – Calculation Method of the Risk Exposure (Unaudited) (Continued)
As at December 31, 2017**

In accordance with the risk profile of the Sub-Funds, the absolute 20% VaR limit has been applied to each Sub-Fund. This has been justified on the basis that the Sub-Funds may extensively make use of derivatives and that the Sub-Funds do not actively track any benchmark or reference index. The VaR is calculated daily using a Monte Carlo approach with a full revaluation of the corresponding Sub-Fund portfolio.

Model's methodology

The standard Risk Metrics model is a factorial model which describes all factors simultaneously, using statistics estimated from historical time series data to predict the magnitude of their future movements. All securities in the portfolio can be treated at once in terms of the risk factors. This enables aggregation of risk across asset classes as well as the decomposition of aggregate risk numbers across multiple dimensions including risk type.

There is a full-valuation repricing simulation based on randomly generated market moves, assuming lognormal price distributions. Volatilities and correlations are calculated directly from time series data over user-specified start and end dates. Users may also specify an optional decay factor, as well as the number of simulations to perform in the analysis.

The standard Broadridge Paladyne model is a historical VaR method. All the factors driving the value of each instrument are used to reprice the position for every single business day in a 1 year window. The resulting price shocks are aggregated into a VaR number with a 99% confidence interval.

The full revaluation of the instruments takes place using historical market moves observed in a window of 1 year of all the factors driving the value of each of the instruments in the portfolio.

Mathematical assumptions and foundations

The VaR calculation determines the range of possible forward profit and loss for each scenario by revaluing each instrument using the agreed pricing model.

Using Risk Metrics VaR the values of the underlying factors are simulated based on multivariate normal distribution over 10,000 cycles. For each cycle, there is a full repricing of the instruments. The PnL is obtained by summing the repriced instruments and the distribution of the PnL is given by the values of these 10,000 simulated portfolios.

Using Broadridge Paladyne VaR the values of the underlying factors are simulated using a historical simulation over a one year horizon. For each day, there is a full repricing of the instruments. The simulated PnL is obtained by adding the repriced positions together.

The data relevant to the Sub-Funds for both VaR models are:

- Discount or yield curves
- Credit spread
- Spot currency rates
- Forward price curves
- Market index
- CDS spread curves
- Volatility surfaces

**Appendix II – Calculation Method of the Risk Exposure (Unaudited) (Continued)
As at December 31, 2017**

In calculating the VaR, the following parameters will be used:

- A confidence level of 99%
- A holding period of 20 business days
- A historical observation period of not less than 1 year
- The absolute VaR will not be greater than 20% of the NAV
- Quarterly data set updates, or more frequent when market prices are subject to material changes
- Daily calculation

Back testing

Back testing will be performed on a monthly basis for each business day and the model will be adapted/changed if the back testing results are not satisfactory. Backtesting results are communicated to the Management Company on a monthly basis and to the Board of Directors on a quarterly basis.

Stress testing

Stress tests will be performed daily based on specific scenarios. For the Company, a program of stress tests has been devised including some historical scenarios and combinations of percentage changes in equity, credit and volatility indicators. All instruments are repriced at each scenario. Stress testing results are communicated to the Management Company on a monthly basis. The stress runs on a daily basis after the close of the US markets.

Leverage

Leverage is calculated based on the sum of notionals approach as set out by the CSSF and in line with the ESMA Guidelines (2012/ESMA/429).

**Appendix III – Securities Financing Transactions Regulation (Unaudited)
As at December 31, 2017**

The Company is subject to the Regulation (EU) 2015/2365 on Transparency of Securities Financing Transactions and of Reuse and Amending Regulation (EU) No 648/2012 of the European Parliament (“SFTR”). The regulation was issued on November 25, 2015 effective for UCITS funds from January 12, 2016. The disclosure requirements accompanying this regulation are effective for annual reports published after January 13, 2017. This regulation has therefore been adopted for these financial statements dated December 31, 2017 due to the date the financial statements are available to be issued falling after this effective date.

A Securities Financing Transaction (“SFT”) is defined as per Article 3(11) of the SFTR as:

- a repurchase transaction;
- securities or commodities lending and securities or commodities borrowing;
- a buy-sell back transaction or sell-buy back transaction; or
- a margin lending transaction.

The regulation also covers transactions that are commonly referred to as total return swaps (“Swaps”). The Company has also included contracts for difference in its definition of Swaps as at December 31, 2017. At December 31, 2017, each of the Sub-Funds held Swaps.

As at December 31, 2017, the Company did not engage in any other SFT.

In implementing the investment strategy, the Company does not receive collateral as a result of its trading activities and therefore the disclosures in relation to collateral received, being those over concentration data and aggregate transaction data, are not applicable and have not been included.

Global data

The amount of securities and commodities on loan as a proportion of total lendable assets (excluding cash and cash equivalents) was 0% as at December 31, 2017.

The following table reflects the amount of assets engaged in each type of SFT or Swap expressed as an absolute amount in €/US\$ and as a percentage of each Sub-Funds’ net assets as at December 31, 2017:

Type of Asset	JABCAP (LUX) - Convertible Bonds Absolute Amount (€)	JABCAP (LUX) - Global Balanced Absolute Amount (€)	JABCAP (LUX) - European Credit Opportunities Absolute Amount (€)	JABCAP (LUX) - Emerging Markets* Absolute Amount (US\$)
Swaps	861,366	8,767,880	650,973	–
Type of Asset	JABCAP (LUX) - Convertible Bonds % of net assets	JABCAP (LUX) - Global Balanced % of net assets	JABCAP (LUX) - European Credit Opportunities % of net assets	JABCAP (LUX) - Emerging Markets* % of net assets
Swaps	2.76 %	14.90 %	1.83 %	– %

* JABCAP (LUX) - Emerging Markets Sub-Fund was liquidated on June 9, 2017.

JABCAP (LUX)

Appendix III – Securities Financing Transactions Regulation (Unaudited) (Continued) As at December 31, 2017

Concentration data

The following table reflects the top (up to) 10 counterparties of each type of SFT and Swap separately as at December 31, 2017, by name of counterparty and gross volume of outstanding transactions:

Counterparty	<i>JABCAP (LUX) - Convertible Bonds</i>	<i>JABCAP (LUX) - Global Balanced</i>	<i>JABCAP (LUX) - European Credit Opportunities</i>	<i>JABCAP (LUX) - Emerging Markets*</i>
	€	€	€	US\$
Deutsche Bank	617,860	1,528,290	23,818	–
Morgan Stanley	7,904	5,346,207	–	–
UBS AG	235,602	1,893,383	627,155	–

Maturity	<i>JABCAP (LUX) - Convertible Bonds</i>	<i>JABCAP (LUX) - Global Balanced</i>	<i>JABCAP (LUX) - European Credit Opportunities</i>	<i>JABCAP (LUX) - Emerging Markets*</i>
	€	€	€	US\$
<1 day	–	–	–	–
1 day to 1 week	–	–	–	–
1 month to 3 months	–	–	–	–
3 months to 1 year	–	5,039,163	–	–
>1 year	617,860	479,963	246,935	–
Open transactions	243,506	3,248,754	404,038	–

All trades open at the end of the year have been transacted with counterparties established in the United Kingdom through bilateral settlement.

Data on collateral reuse

As at December 31, 2017, the Company is not in receipt of collateral and therefore there is no collateral reuse. The Company's current prospectus does not specify a maximum percentage of collateral available for reuse. The proportion of collateral held in segregated accounts, in pooled accounts or any other accounts is 0%.

Safekeeping of collateral received and granted by the Company as part of SFT trading

The Company has no custody accounts in existence specifically for the safekeeping of collateral received. The Company has not elected to segregate collateral with 100% of collateral granted held in pooled accounts.

Data on return and cost for each type of SFT and Swap

The following table reflects the return and cost for each type of Swap for the year ended December 31, 2017:

Swaps	<i>JABCAP (LUX) - Convertible Bonds</i>	<i>JABCAP (LUX) - Global Balanced</i>	<i>JABCAP (LUX) - European Credit Opportunities</i>	<i>JABCAP (LUX) - Emerging Markets*</i>
	€	€	€	US\$
Swaps	198,780	13,351,258	649,832	(96,584)

* JABCAP (LUX) - Emerging Markets Sub-Fund was liquidated on June 9, 2017.

**Appendix IV – Remuneration Policy (Unaudited)
As at December 31, 2017**

The Management Company has designed and implemented a remuneration policy (the “Remuneration Policy”) in line with the provisions on remuneration as set out by the European Directive 2009/65/EC (“UCITS Directive”), as amended by Directive 2014/91/EU (“UCITS V Directive”) as implemented into Luxembourg in the Law of May 10, 2016 (the “2016 Law”).

The Management Company has developed and implemented remuneration policies and practices that are consistent with and promote a sound and effective risk management of the Fund, do not encourage risk-taking which is inconsistent with the risk profiles/rules governing the Fund, and do not impair compliance with the Management Company’s duty to act in the best interest of the Fund and ultimately its investors.

The Board of Directors of the Management Company is responsible for the design and implementation of the Remuneration Policy and reviews this on a regular basis as part of its supervisory function. In reviewing the Remuneration Policy, the Board of Directors of the Management Company will consider whether the remuneration framework operates as intended and that the risk profile, long-term objectives and goals of the Fund are adequately reflected. No material amendments were made to the Remuneration Policy and no irregularities were uncovered for the period under review.

Proportion of the total remuneration of the staff of the Management Company attributable to JABCAP (LUX), indicating the number of beneficiaries, as at December 31, 2017

The below table represents the proportion of the total remuneration of the staff of the Management Company attributable to all funds it manages, taking into account AIFs and UCITS.

The proportion allocated to JABCAP (LUX) has been calculated using time-weighted¹ based on the number of funds² managed by the Management Company.

	<i>Number of Beneficiaries³</i>	<i>Fixed Remuneration⁴ in % of Total</i>	<i>Variable Remuneration⁵ in % of Total</i>	<i>Carried Interest paid in % of Total</i>	<i>Total Remuneration⁶</i>
Staff ⁷	16	9.736%	1.308%	0%	€2,069,486
Senior Management	5	7.528%	1.826%	0%	€1,048,212
Risk Takers ⁸	5	7.528%	1.826%	0%	€1,048,212

¹Time-weighted = the proportion allocation takes into consideration the time when the fund was established or transferred to the Management Company (e.g. a fund that was live for 6 months during the financial year of the Management Company would get allocated 6/12 of the proportion that would be allocated to a fund that was live for the complete financial year of the Management Company).

²Funds = single funds and sub-funds of umbrella structures.

³Number of beneficiaries = average number of employees for the period of the Management Company’s financial year 2017.

⁴Fixed remuneration = consists of salaries paid during the Management Company financial year 2017 including employer social security, pension contribution, other non-monetary benefits like car allowance but excluding payments in relation to secondment services.

⁵Variable remuneration = consists of annual bonuses paid during the Management Company’s financial year 2017 in accordance with the remuneration policy.

⁶Total remuneration = sum of fixed remuneration and variable remuneration paid during the Management Company’s financial year 2017.

⁷Staff = including Senior Management and Risk Takers.

⁸Risk Takers = staff members of the Management Company whose actions might have a material impact on the risk profile of the UCITS, including Senior Management.