

SALUS ALPHA SICAV
Société d'Investissement à Capital Variable

**Annual report, including Audited Financial Statements
For the year ended December 31, 2016**

SALUS ALPHA SICAV

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Subscriptions can only be received on the basis of the latest prospectus accompanied by the latest annual report as well as by the latest semi-annual report, if published after the latest annual report.

SALUS ALPHA SICAV

Organisation

Registered Office	2, rue de Canach L-5368 Schuttrange
Board of Directors	
Chairman	Oliver Prock Salus Alpha Capital Ltd
Directors	Günther Schneider Salus Alpha Financial Services (Europe) Ltd Duncan McKay Independent Director
Conducting Officers	Thierry André Alberto Cavadini
Depositary and Central Administration Agent	Caceis Bank Luxembourg (until December 31, 2016) Caceis Bank, Luxembourg Branch (since January 1, 2017) 5, Allée Scheffer L-2520 Luxembourg
Investment Manager	Salus Alpha Capital Ltd Wegacker 42 FL-9493 Mauren
Global Distributor	Salus Alpha Capital Ltd Wegacker 42 FL-9493 Mauren
<i>Cabinet de révision agréé</i>	KPMG Luxembourg, Société cooperative 39, avenue John F. Kennedy L-1855 Luxembourg
Luxembourg Legal Advisors	MMS Avocats 14a, rue des Bains L-1212 Luxembourg

SALUS ALPHA SICAV

Annual directors' report For the year ending December 31, 2016

Organisational structure

Salus Alpha SICAV ("the Fund") is organized as a société anonyme under the laws of the Grand Duchy of Luxembourg and qualifies as an open-ended société d'investissement à capital variable - (a "SICAV Type I"). The Fund was incorporated in Luxembourg on February 15, 2013 as an umbrella SICAV and added to the CSSF official list on December 15, 2015.

Sub-funds during 2016

The R shares class sub-funds SALUS ALPHA SICAV - Salus Alpha Directional Markets and SALUS ALPHA SICAV - Salus Alpha Special Situations have been launched on July 29, 2016 by absorbing the Austrian Salus Alpha Directional Markets and Salus Alpha RN Special Situations fund. Comments therefore referring to periods before the merger date are references made to the absorbed fund's strategy which was after the merger date as announced unchanged.

Market Review

The period began on a relatively weak note due to investors' concerns about slowing global growth and sluggish commodity prices. The renewed instability in the Chinese market (following weaker economic data and currency devaluation move) and a further deterioration in the oil prices weighed on investors' sentiment, led to equity market sell-offs. However, the tone reversed sharply mid-February amid the steady US economy and easier global monetary policy, including the Federal Reserve (the "Fed") softening its rate-hiking stance. The European Central Bank (the "ECB") announced a fresh monetary policy easing in early March amid slow Eurozone growth and below-target inflation. The measures included expanding asset purchases to EUR 80 bn a month (from EUR 60 bn) and to include some corporate bonds in the purchases, exceeded market expectations. The ECB further cut its deposit rate to -0.40% and announced a new series of targeted longer-term refinancing operations to support bank lending.

Consequently, Global markets in aggregate continued to advance during April and May supported by some recovery in commodity prices and continuation of the risk-on sentiment. However, equities were unable to rally further, with the UK's Brexit vote (referendum on European Union membership) in June, had negatively influenced to many developed equity markets. Britain's vote to leave the EU sent shock waves around global financial markets. The immediate market reaction was extreme and led to a sharp sell-off in major equity markets. The Eurozone equities fell sharply as investors were concerned about political and economic uncertainties following the vote. However, markets rebounded in July with an anticipation of accommodative monetary policy by the Bank of England (the "BoE"). Finally, in early August, the BoE cut its benchmark interest rate to 0.25% from 0.5%. The central bank announced a stimulus package to buy government and corporate bonds to stimulate economy after a Brexit vote.

Despite periods of volatility, global equity markets performed strongly during the second half of 2016. Macroeconomic data remained resilient in the summer months and activity in the Eurozone maintained its modest but steady expansion, supported mainly by the ECB's accommodative monetary policy and improved credit conditions. Sentiment towards the asset class was also enhanced by improved commodity prices and reluctance from the US Federal Reserve to raise US interest rates. Fears over a sharp downturn in China were allayed by the release of encouraging data in the world's second largest economy. The US presidential election was the most significant event of November and President-elect Donald Trump's had impressive effects on both equity and bond markets. Trump's pro-growth, deregulation and reflationary policy stance renewed investors' risk-on sentiment, leading to further markets gains. The key driver of economic growth is expected to shift from monetary policy to fiscal policy, under Trump's presidency. The market's increase in inflation and fiscal deficit expectations have led to bond market sell-off, with the US Treasury 10-year yield surged to 2.60%. Finally in December, the US Federal Reserve increased its Fed Funds rate by 0.25% to a range of 0.50% to 0.75%. However, the prospect of three more hikes in US interest rates next year has sent the US dollar to a 14-year high and caused a selloff on most Asian markets during December.

SALUS ALPHA SICAV

Annual directors' report (continued) For the year ending December 31, 2016

SALUS ALPHA SICAV - Salus Alpha Directional Markets

To achieve its investment objective the sub-fund is actively managed and invests long and short across the world via high-volume exchange-listed futures based on the fund manager's assessment of economic conditions, the situation on the capital markets and the outlook of risk assets. The weighting of all assets is flexible and can vary. When implementing the sub-fund's strategy, the sub-fund is positioned depending on the direction of the expected return (price forecast) of each investment in the portfolio and the quality of the price forecast. Low risk assets having a good forecast quality are geared to achieve the target volatility level of the fund whilst high risk assets having a bad forecast quality are weighted less to achieve the target volatility level of the fund (risk parity).

	Return
SALUS ALPHA SICAV - Salus Alpha Directional Markets R EUR (1.1.2016–31.12.2016)	1.04%
SALUS ALPHA SICAV - Salus Alpha Directional Markets R EUR (29.07.2016-31.12.2016)	-0.14%
Long-Only Equity Indices:	
Dow Jones EuroStoxx 50	0.70%
Stoxx Europe 50 Index	-2.89%
Hedge Fund Indices:	
HFRX Macro Index	-2.93%
Dow Jones Credit Suisse All Hedge Managed Futures Index	-8.78%
HFRX Equity Market Neutral Index	-5.08%
HFRX Absolute Return Index	0.31%
HFRX Macro: Systematic Diversified CTA Index	-1.44%

Sub-fund review

Q1'16

SALUS ALPHA SICAV - Salus Alpha Directional Markets returned 0.77% return in Q1'16 outperforming almost all major indices including DAX 30, S&P 500 and FTSE 100. In Q1, the sub-fund's profit came mainly from Bonds especially the Bund Future (1.08%) wherein the S&P 500 futures position resulted in a loss.

Q2'16

SALUS ALPHA SICAV - Salus Alpha Directional Markets continued the trend in the second quarter of 2016 with a positive performance of 0.05% outperforming DAX 30 by 2.92% and other equity indices. In Q2, the sub-fund's Bund Future position contributed positively wherein US 10-year bond's position resulted in loss.

Q3'16

In the third quarter stocks rebounded and the US dollar fell against the Euro and the Yen. Global fixed income indices experienced gains as well, adding to what has already been strong year-to-date performance. SALUS ALPHA SICAV - Salus Alpha Directional Markets returned -0.40% in this period whereby bond futures contributed negatively to performance.

Q4'16

SALUS ALPHA SICAV - Salus Alpha Directional Markets returned 0.62% in the fourth quarter outperforming HFRX Macro/CTA Index by 2.93%. European stocks declined modestly as political risk worries rose throughout Europe after the unexpected election of Donald Trump to the US presidency and Great Britain's vote in June to leave the European Union. However, US stocks rallied after the surprise US presidential election result. The sub-fund's short bond future positions and long Equity indices positions did perform nicely during the quarter.

SALUS ALPHA SICAV

Annual directors' report (continued) For the year ending December 31, 2016

Outlook

Over the next six months, we expect the sub-fund SALUS ALPHA SICAV - Salus Alpha Directional Markets strategy to develop according to the following scenario:

Amid uncertainties, risk assets supported by better than expected GDP data mainly from the USA and accommodative monetary policies across the globe. We expect the economic data to remain stable or improving in most regions mainly in the Eurozone. The debate will centre on the number of Fed rate hikes in 2017. President Trump is the credible sign of brightened prospects for tax cuts, infrastructure spending and an easier regulatory environment resulting in US Dollar strength in medium to long term. On the other side, there is an expectation of extending the USD 60 bn quantitative easing by the ECB amid the rising inflation. The central bank of China signals its intention to protect sustainable level of economic growth which could support commodity markets. A strong Dollar and low energy prices are likely to support consumer spending and spur economic growth in the emerging markets. In this scenario, we expect the market sentiment to improve further which will support risk assets.

In this scenario we expect the sub-fund SALUS ALPHA SICAV - Salus Alpha Directional Markets to excel with good performance due to its ability to balancing risks on a long-short basis.

SALUS ALPHA SICAV

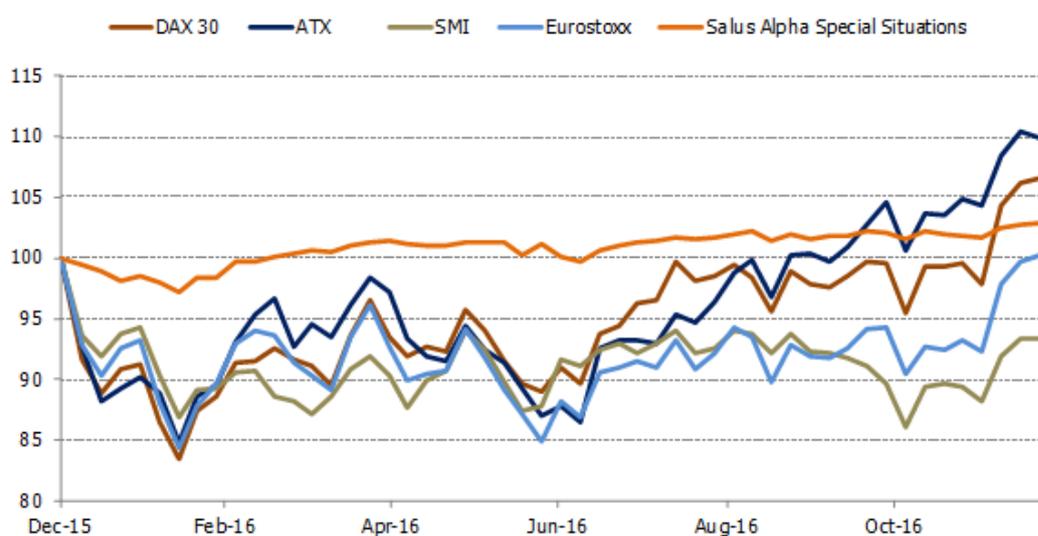
Annual directors' report (continued) For the year ending December 31, 2016

SALUS ALPHA SICAV - Salus Alpha Special Situations

The sub-fund targets to achieve an absolute return independent of the development of the overall equity markets. The sub-fund invests across the capital structure of companies. SALUS ALPHA SICAV - Salus Alpha Special Situations combines a portfolio of selected, fundamentally attractive valued situations (0% - 30% exposure) with positions in stocks and/ or bonds in short- and medium-term special situations (0% - 70% exposure). Special situations are for example acquisitions and bidding wars, privatization, Spin-Offs, changes in the capital structure, management changes, share buybacks, director's dealings, IPOs, capital increases, index changes or earnings surprises.

	Return
SALUS ALPHA SICAV - Salus Alpha Special Situations R EUR (1.1.2016–31.12.2016)	+2.87%
SALUS ALPHA SICAV - Salus Alpha Special Situations R EUR (29.07.2016-31.12.2016)	+1.52%
Long-Only Equity Indices:	
ATX	+9.24%
DAX 30	+6.87%
Swiss Market Index SMI	-6.78%
Dow Jones EuroStoxx 50	+0.70%
Hedge Fund Indices:	
Dow Jones Credit Suisse All Hedge Event Driven Index USD*	-0.63%
HFRX Event Driven Index USD	+11.12%
HFRX Special Situations Index USD	+8.53%
Lyxor Special Situations Tracker Fund USD	+0.41%

Sub-fund performance review

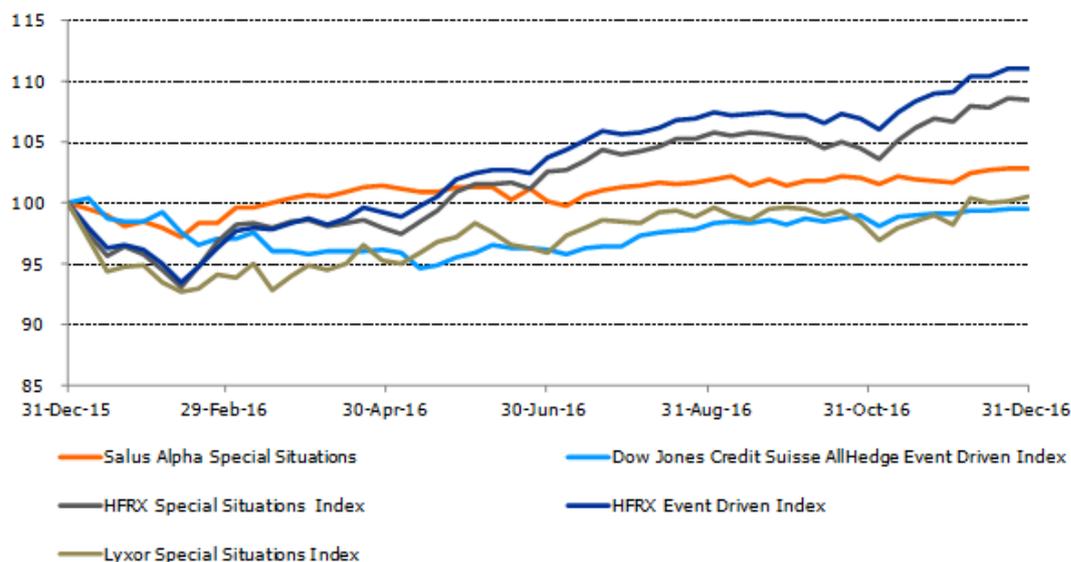


(Period: 1.1.2016 to 31.12.2016. Source: Salus Alpha, Bloomberg)

SALUS ALPHA SICAV

Annual directors' report (continued) For the year ending December 31, 2016

Sub-fund performance review (cont'd)



(Period: 1.1.2016 to 31.12.2016. Source: Salus Alpha, Bloomberg)

Over this volatile period, we remained cautious and retained our defensive investment strategy and in the overall sub-fund portfolio. We attributed much of our performance to strong selection of special situations, with an optimal allocation and efficient risk management.

Core portfolio

We continued to hold our core position in Mayr-Melnhof (Europe's leading manufacturer of cartonboard and packaging boxes) as it continues to offer a defensive business model with a reliable return profile. Mayr-Melnhof has a solid historical track record of good profitability, dividend payments and strong balance sheet. The company is expanding its footprint into emerging markets via selected add-on acquisitions.

During mid-February, we purchased a new position in Andritz AG, an Austrian plant engineering group, as the share price fell more than 20% since December 2015. Subsequently we sold it after price recovery and thus, attributed positively to the Fund's performance. Andritz has established itself as a leading player in its markets over the last decade, with an excellent track record of growth.

Our Core position in a German automotive engineering company, Daimler AG remains on a growth track with deliveries. Revenues as well as earnings kept on increasing throughout year. We expect the year 2016 will likely be the best for Daimler based on positive model momentum and cost efficiencies.

The Fund's position in Oesterreichische Post AG (the leading logistics and postal services provider in Austria) produces strong cash flows and pays decent dividends, thus, it has been seen by investors as bond proxy to a certain extent. However, we sold the entire position in autumn (with decent profits) as the current low-interest environment cycle seemed to be at an end.

Special Situations

Within the Fund's Special Situations bucket, our Special Situation position in Kuka AG (German robotics specialist) has made significant performance for the sub-fund. During summer, we bought a medium-sized position in Kuka AG (at about EUR 107.0) after the Chinese home-appliance maker, Midea Group launched a takeover bid for Kuka. Midea had offered EUR 115.0 per Kuka share, a premium of nearly 30%. During August, the German ministry had already approved the proposed takeover deal. While in December, Kuka sold its Systems US-Aerospace-Business to Advanced Integration Technology to satisfy demands from US regulators. This move made the US authorities (CFIUS and DDTC) to give their ok to the deal.

Annual directors' report (continued) For the year ending December 31, 2016

Special Situations (cont'd)

During November, we have initiated a Special Situation position in German roof tile maker, Braas Monier Building Group. Following a hostile bid from Standard Industries, Braas Monier announced that it intended to implement a capital increase by issuing 3.9 million new shares to its shareholders, which would make it more expensive for the US group to take over Braas. This is an unusual tactic to force the buyer to increase its offer. The planned capital increase would effectively raise the bid price to EUR 28.13 per share from EUR 25.0 per share. During September, Standard Industries had offered EUR 25.0 per share for Braas, but Braas opposed the offer by saying it does not include a premium and significantly undervalues the company's future prospects.

The Strategies' position in Austrian insurer, UNIQA Versicherungen has made profits for the sub-fund during the period. We see potential for attractive upside to the UNIQA story. However, after a strong price performance (+16.0% since we bought it at end of January), we sold our position in May.

Our medium-sized Special Situation position in Palfinger AG was among the major performers during the period under review. The Austrian crane manufacturer continues with strong earnings momentum with higher guidance for FY2016. Palfinger is a well-run, well-positioned company with a strong track record. However, we sold our position in October after the stock has achieved our price target (+18% since we bought the position in February 2016). Palfinger currently trades on multiples that are not cheap, but also not overly ambitious compared to selected engineering/crane peers.

We sold our position in the German retailer Metro AG, after the company's announcement of "demerger" plan during March that it would spin-off its businesses into two independent and sector focused listed companies, aiming to give each firm full control over their corporate strategies. Furthermore, as a strong performance of overall markets during Q2 2016, we posted good profits in our shorter-term holdings like Erste Group Bank AG and Pfeiffer Vacuum Technology AG.

Meanwhile, we sold our existing position in Polytec Holding AG at attractive price levels, as the stock has achieved price target. The general market environment of the Automobile industry remains positive with strong registration figures for both passenger cars as well as commercial vehicles in Europe. Furthermore, we also sold our remaining position in Austria Technologie & Systemtechnik AG (AT&S) at EUR 13.62, in March. We acknowledge that the Chongqing project could enhance the group's long-term earnings potential, but it once again illustrates the capital intensity of the business model.

Our allocations to Hybrid banking bonds have made significant profits for our sub-fund. The 8.875% Erste Group Bank and 5.250% Erste Finance 6 have delivered strong performance during Q4 2016. In early August, the Austrian bank announced that it has decided to grant consent to optional redemption of hybrid capital bonds. The announcement is credit positive. Erste continues to build its capital base, achieving a CET1 (Basel 3 phased-in) of 13.30% that is comfortably above regulatory requirements (of 11.50% in 2019). At the end of May, we had bought a position in the newly issued Erste Bank 8.875% bond as we realized bank's commitment to reduction of risk costs and to improve its capital ratios.

During the period, we also posted profits in our Austrian real estate holdings, S-Immo, Conwert and Immofinanz AG. However, during summer we sold all our Real estate investments (convertible bonds and equity positions) as a measure of risk reduction in the overall portfolio. Thus, the sub-fund did position early for the sector change from Real-estate into Financials. The Fed's normalization of its monetary policy is on its way and it was our opinion that the interest rate cycle was going to turn at year end.

Therefore, during autumn, the major move we made was to increase our risk exposure to the Financials due to changing market conditions (consistent sector rotation, away from defensive sector into Financials). Financials was the best performing sector during the last quarter of the year. Better than expected earnings posted by a number of European banks, combined with rising bond yields, lead to a significant improvement in sentiment towards European Financials. The Strategies' equity positions in UNIQA Versicherungen, Vienna Insurance and Raiffeisen Bank International AG have contributed positively for the sub-fund during Q4 2016. The Strategies' hybrid banking bond position in 6.875% UNIQA Insurance Group AG, 8% Vienna Insurance Group AG, 5.169% RZB Capital Finance and 4.75% Allianz SE contributed positively to the sub-fund's annual performance. Our bond positions in 5.125% CA Immobilien Anlagen AG and 5.25% Erste Finance (Jersey) Limited perpetual bonds were redeemed by issuers on 22 September 2016 and 23 September 2016 at par.

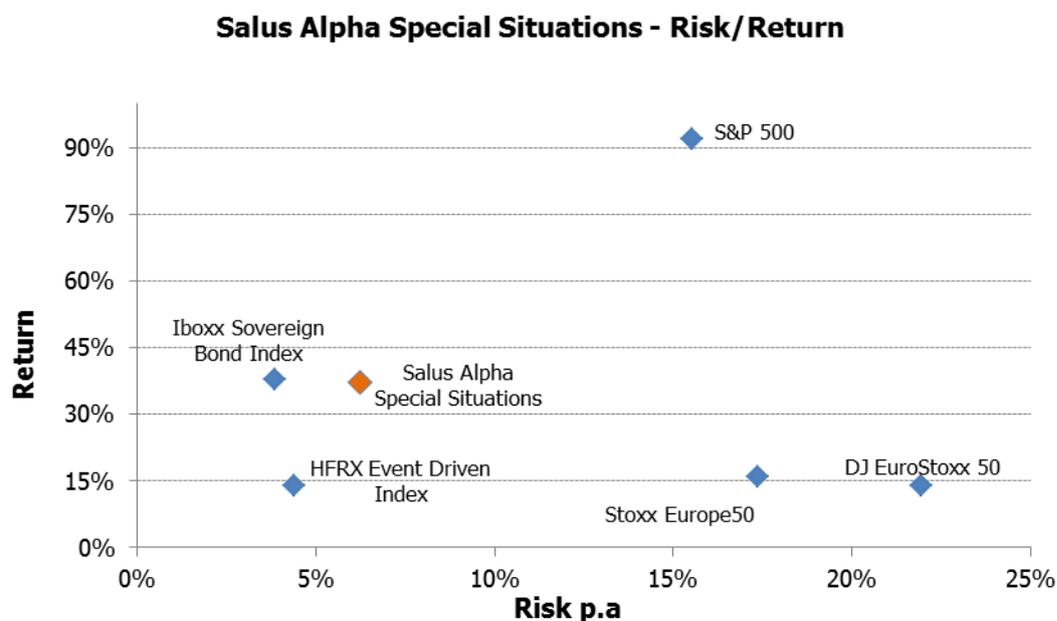
On the downside, our Fixed-income portfolio weighed on the sub-fund's performance at the end of period. Trump's fiscal policies are expected to lead to higher interest rates and inflation in the US. While for corporate bond markets, the combination of a stronger global economic outlook, the potential for more fiscal support and mounting inflationary pressure pushed up yields across the Eurozone. As a result, our Fixed-income portfolio underperformed at the end of year.

SALUS ALPHA SICAV

Annual directors' report (continued) For the year ending December 31, 2016

Special Situations (cont'd)

The graph below shows the compelling long term risk/reward profile of the SALUS ALPHA SICAV - Salus Alpha Special Situations sub-fund in comparison with other hedge fund indices, government bonds and long only Equities benchmarks:



(Period: 22.3.2010 to 31.12.2016. Source: Salus Alpha, Bloomberg.)

Outlook

After recent strong gains, we think equities are overbought and vulnerable to a pull-back at least in the short term. In the year ahead, the ECB has scaled back its quantitative easing program from EUR 80bn to EUR 60bn a month from April 2017 and will extend it to the end of next year. However, we continue to anticipate equities to be only slightly higher in 2017. The global cyclical upswing looks set to run further into the beginning of 2017, supported by pro-active fiscal policies from the new US president. On the other side, the Eurozone's macroeconomic data remained resilient, with improving domestic demand, supported by falling unemployment, low inflation, rising credit supply and favourable interest rates. Nevertheless, European politics (elections in France, the Netherlands and Germany), China's slowdown, a slump in commodity prices and tighter financing conditions in some emerging countries will remain downside risks to the global recovery. Thus, we continue to be cautiously positioned and are trying to use market corrections for buying opportunities in the core and special situations bucket.

Our investment process will continue to focus on high-quality companies which are easy-to-understand and characterized by successfully established business models. We are confident in the fundamental strength of our portfolio and believe that it will serve our investors well in the current environment. We believe our discerning investment approach and focus on quality should continue to reward our investors over the long term. On the Special Situations side, we acknowledge a strong improvement in the global M&A activity, a fact, which we hope will continue to offer investment opportunities with excellent risk/reward profile.

SALUS ALPHA SICAV

Annual directors' report (continued) For the year ending December 31, 2016

Risk Management

The Fund is exposed to a variety of financial risks as a result of its activities. These risks include market risk, liquidity risk, counterparty risk, operational risk, credit risk, compliance risk and concentration risk. For a description of other relevant risk factors, we refer to the current prospectus of the Fund.

The Fund is required by applicable laws and regulations to ensure that the sub-funds' global exposure relating to derivative instruments does not exceed the total net value of its portfolio. The risk exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions. According to ESMA Guideline 10-788, the global exposure may be calculated through the commitment approach or through the Value-at-Risk ("VaR") methodology. The commitment approach is based, in part, on the principle of converting the exposure to derivative instruments into equivalent positions of the underlying assets and quantifying the exposure in absolute value of the total commitments (which may account for coverage and netting). VaR provides a measure of the potential loss that could arise over a given time interval under normal market conditions, and with a given probability, defined as confidence level. Please refer to the relevant appendix to see which methodology each sub-fund uses to calculate its global exposure.

Remuneration

The remuneration policy can be found on www.salusalphabet-sicav.com.

The Board of Directors

April 18, 2017



To the Shareholders of
SALUS ALPHA SICAV
2, rue de Canach
L-5368 Schuttrange

REPORT OF THE *RÉVISEUR D'ENTREPRISES AGRÉE*

We have audited the accompanying financial statements of SALUS ALPHA SICAV (hereafter the “Fund”) and each of its sub-funds, which comprise the statement of net assets and the securities portfolio as at December 31, 2016 and the statement of operations and changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors of the Fund’s responsibility 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 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.

Responsibility of the Réviseur d'Entreprises agréé

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the judgement of the *Réviseur d'Entreprises agréé*, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the *Réviseur d'Entreprises agréé* considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the Fund, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements give a true and fair view of the financial position of SALUS ALPHA SICAV and each of its sub-funds as of December 31, 2016, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements

Other information

The Board of Directors of the 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 *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.

Luxembourg, April 18, 2017

KPMG Luxembourg,
Société coopérative
Cabinet de révision agréé

Patrice Perichon
Partner

SALUS ALPHA SICAV
Combined
Financial Statements as at 31/12/16

Statement of net assets as at 31/12/16

Expressed in EUR

Assets		14,688,344.94
Securities portfolio at market value	Note 2.2	11,769,428.62
Cash at banks and other liquid assets		2,473,174.59
Interest receivable	Note 2.4	151,954.30
Formation expenses	Note 2.5	23,542.89
Brokers receivable		262,901.31
Subscriptions receivable		4,404.80
Dividends receivable	Note 2.4	2,393.60
Unrealised gain on futures contracts	Note 2.7, 6	544.83
Liabilities		383,940.04
Bank overdrafts		4,905.93
Brokers payable		268,969.35
Unrealised loss on futures contracts	Note 2.7, 6	10,750.00
Other liabilities		99,314.76
Net assets		14,304,404.90

SALUS ALPHA SICAV Combined

Statement of operations and changes in net assets from 01/01/16 to 31/12/16

Expressed in EUR

Income		238,665.88
Net dividends	Note 2.4	5,093.60
Net interest on bonds	Note 2.4	160,400.20
Other income	Note 7	73,172.08
Expenses		403,323.73
Amortisation of formation expenses	Note 2.5	13,539.07
Management fees	Note 3	99,146.18
Depositary fees		3,791.94
Taxe d'abonnement	Note 4	3,317.07
Administrative expenses		10,353.03
Performance fees	Note 3	47,086.25
Professional fees		35,456.78
Bank interest on overdrafts		3,971.68
Legal fees		13,847.59
Transaction fees	Note 2.6	15,831.40
Other expenses	Note 5	156,982.74
Net loss from investments		-164,657.85
Net realised gain / loss on:		
- securities portfolio	Note 2.3	168,968.54
- futures contracts	Note 2.7	21,412.33
- foreign exchange	Note 2.8	-891.09
Realised result		24,831.93
Movement in net unrealised gain / loss on:		
- securities portfolio	Note 2.9	168,947.73
- futures contracts	Note 2.9	-10,205.17
Increase in net assets as a result of operations		183,574.49
Subscription capitalisation shares		15,577,926.71
Redemption capitalisation shares		-1,757,096.30
Increase in net assets		14,004,404.90
Net assets at the beginning of the year		300,000.00
Net assets at the end of the year		14,304,404.90

SALUS ALPHA SICAV - Salus Alpha Global Risk Parity

Financial statements as at 31/12/16

Statement of net assets as at 31/12/16

Expressed in EUR

Assets		105,093.67
Cash at banks and other liquid assets		100,125.94
Formation expenses	Note 2.5	4,967.73
Liabilities		8,622.75
Other liabilities		8,622.75
Net assets		96,470.92

Changes in number of shares outstanding from 01/01/16 to 31/12/16

	Shares outstanding as at 01/01/16	Shares issued	Shares redeemed	Shares outstanding as at 31/12/16
F Shares				
Capitalisation shares	10,000.000	0.000	0.000	10,000.000

Key figures

	<i>Year/Period ending as at:</i>	31/12/2016	31/12/2015
Total Net Assets	EUR	96,470.92	100,000.00
F Shares		EUR	EUR
Capitalisation shares			
Number of shares		10,000.000	10,000.000
Net asset value per share		9.65	10.00

SALUS ALPHA SICAV - Salus Alpha Global Risk Parity
Statement of operations and changes in net assets from 01/01/16 to 31/12/2016

Expressed in EUR

Income		24,953.40
Other income	Note 7	24,953.40
Expenses		28,482.48
Amortisation of formation expenses	Note 2.5	4,297.62
Professional fees		171.75
Bank interest on overdrafts		223.68
Legal fees		3,801.65
Transaction fees	Note 2.6	26.67
Other expenses	Note 5	19,961.11
Net loss from investments		-3,529.08
Realised result		-3,529.08
Decrease in net assets as a result of operations		-3,529.08
Decrease in net assets		-3,529.08
Net assets at the beginning of the year		100,000.00
Net assets at the end of the year		96,470.92

SALUS ALPHA SICAV - Salus Alpha Directional Markets

Financial statements as at 31/12/16

Statement of net assets as at 31/12/16

Expressed in EUR

Assets		1,374,517.00
Securities portfolio at market value	Note 2.2	1,213,010.61
Cash at banks and other liquid assets		135,907.48
Interest receivable	Note 2.4	14,749.78
Formation expenses	Note 2.5	5,899.50
Subscriptions receivable		4,404.80
Unrealised gain on futures contracts	Note 2.7, 6	544.83
Liabilities		21,047.78
Bank overdrafts		4,905.93
Other liabilities		16,141.85
Net assets		1,353,469.22

Changes in number of shares outstanding from 01/01/16 to 31/12/16

	Shares outstanding as at 01/01/16	Shares issued	Shares redeemed	Shares outstanding as at 31/12/16
F Shares				
Capitalisation shares	10,000.000	0.000	0.000	10,000.000
R Shares				
Capitalisation shares	0.000	144,096.929	10,743.296	133,353.633

Key figures

	<i>Year/Period ending as at:</i>	31/12/2016	31/12/2015
Total Net Assets	EUR	1,353,469.22	100,000.00
F Shares		EUR	EUR
Capitalisation shares			
Number of shares		10,000.000	10,000.000
Net asset value per share		10.10	10.00
R Shares		EUR	EUR
Capitalisation shares			
Number of shares		133,353.633	0.000
Net asset value per share		9.39	0.00

SALUS ALPHA SICAV - Salus Alpha Directional Markets

Securities portfolio as at 31/12/16

Expressed in EUR

Quantity	Denomination	Quotation currency	Market value	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			1,213,010.61	89.62
Shares			156,855.00	11.59
<i>Austria</i>				
17,000.00	UNIQA VERSICHERUNG AG	EUR	122,400.00	9.04
<i>Germany</i>				
300.00	KUKA - AKT.Z.VERKAUF EINGEREICHTE AKT	EUR	34,455.00	2.55
Bonds			1,056,155.61	78.03
<i>Portugal</i>				
1,000.00	PORTUGAL 2.20 15-22 17/10A	EUR	564,413.81	41.70
1,000.00	PORTUGAL 3.85 05-21 15/04A	EUR	988.28	0.07
180,000.00	PORTUGAL 4.35 07-17 16/10A	EUR	1,082.00	0.08
175,000.00	PORTUGAL 4.45 08-18 15/06A	EUR	186,561.00	13.78
171,000.00	PORTUGUESE OT'S 4.75 09-19 14/06A	EUR	186,334.75	13.77
1,000.00	PORTUGUESE OT'S 4.80 10-20 15/06A	EUR	188,330.85	13.92
<i>Germany</i>				
100,000.00	DEUTSCHE PFANDBRIEF 1.125 16-20 27/04A	EUR	1,116.93	0.08
100,000.00	VW LEASING GMBH 2.125 14-22 04/04A	EUR	208,517.00	15.41
100,000.00	VW LEASING GMBH 2.125 14-22 04/04A	EUR	101,938.00	7.53
<i>Russia</i>				
100,000.00	RUSSIAN FEDERAT REGS 3.625 13-20 16/09A	EUR	106,579.00	7.88
<i>Italy</i>				
100,000.00	ITALIE 0.45 16-21 01/06S	EUR	111,000.00	8.20
100,000.00	ITALIE 0.45 16-21 01/06S	EUR	111,000.00	8.20
<i>France</i>				
20,000.00	MFINANCE FRANCE 2.00 14-21 26/11A	EUR	99,938.00	7.38
50,000.00	MFINANCE FRANCE EMTN 2.375 14-19 01/04A	EUR	72,286.80	5.34
50,000.00	MFINANCE FRANCE EMTN 2.375 14-19 01/04A	EUR	20,488.80	1.51
50,000.00	MFINANCE FRANCE EMTN 2.375 14-19 01/04A	EUR	51,798.00	3.83
Total securities portfolio			1,213,010.61	89.62

SALUS ALPHA SICAV - Salus Alpha Directional Markets
Statement of operations and changes in net assets from 01/01/16 to 31/12/2016

Expressed in EUR

Income		38,487.19
Net interest on bonds	Note 2.4	13,521.65
Other income	Note 7	24,965.54
Expenses		69,300.58
Amortisation of formation expenses	Note 2.5	4,350.15
Management fees	Note 3	9,648.27
Depositary fees		293.04
Taxe d'abonnement	Note 4	318.15
Administrative expenses		2,024.09
Performance fees	Note 3	3,580.74
Professional fees		2,906.90
Bank interest on overdrafts		324.76
Legal fees		4,032.45
Transaction fees	Note 2.6	980.62
Other expenses	Note 5	40,841.41
Net loss from investments		-30,813.39
Net realised gain / loss on:		
- futures contracts	Note 2.7	22,599.83
- foreign exchange	Note 2.8	-891.09
Realised result		-9,104.65
Movement in net unrealised gain / loss on:		
- securities portfolio	Note 2.9	9,422.95
- futures contracts	Note 2.9	544.83
Increase in net assets as a result of operations		863.13
Subscription capitalisation shares		1,353,073.22
Redemption capitalisation shares		-100,467.13
Increase in net assets		1,253,469.22
Net assets at the beginning of the year		100,000.00
Net assets at the end of the year		1,353,469.22

SALUS ALPHA SICAV - Salus Alpha Special Situations

Financial statements as at 31/12/16

Statement of net assets as at 31/12/16

Expressed in EUR

Assets		13,208,734.27
Securities portfolio at market value	Note 2.2	10,556,418.01
Cash at banks and other liquid assets		2,237,141.17
Interest receivable	Note 2.4	137,204.52
Formation expenses	Note 2.5	12,675.66
Brokers receivable		262,901.31
Dividends receivable	Note 2.4	2,393.60
Liabilities		354,269.51
Brokers payable		268,969.35
Unrealised loss on futures contracts	Note 2.7, 6	10,750.00
Other liabilities		74,550.16
Net assets		12,854,464.76

Changes in number of shares outstanding from 01/01/16 to 31/12/16

	Shares outstanding as at 01/01/16	Shares issued	Shares redeemed	Shares outstanding as at 31/12/16
F Shares				
Capitalisation shares	10,000.000	0.000	0.000	10,000.000
R Shares				
Capitalisation shares	0.000	1,050,995.002	121,878.622	929,116.380

Key figures

	<i>Year/Period ending as at:</i>	31/12/2016	31/12/2015
Total Net Assets	EUR	12,854,464.76	100,000.00
F Shares		EUR	EUR
Capitalisation shares			
Number of shares		10,000.000	10,000.000
Net asset value per share		10.27	10.00
R Shares		EUR	EUR
Capitalisation shares			
Number of shares		929,116.380	0.000
Net asset value per share		13.72	0.00

SALUS ALPHA SICAV - Salus Alpha Special Situations

Securities portfolio as at 31/12/16

Expressed in EUR

Quantity	Denomination	Quotation currency	Market value	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			10,556,418.01	82.12
Shares			1,588,874.35	12.36
<i>Austria</i>				
6,000.00	ERSTE GROUP BANK AG	EUR	1,091,204.35	8.49
1,046.00	MAYR-MELNHOF KARTON AG	EUR	166,950.00	1.30
6,000.00	PALFINGER	EUR	105,332.20	0.82
3,363.00	STRABAG SE	EUR	171,600.00	1.33
43,126.00	UNIQA VERSICHERUNG AG	EUR	113,164.95	0.88
10,500.00	VIENNA INSURANCE GROUP AG	EUR	310,507.20	2.42
			223,650.00	1.74
<i>Germany</i>				
2,000.00	KUKA - AKT.Z.VERKAUF EINGEREICHTE AKT	EUR	229,700.00	1.79
			229,700.00	1.79
<i>Jersey Island</i>				
40,000.00	ATRIUM EUROPEAN REAL ESTATE	EUR	157,200.00	1.22
			157,200.00	1.22
<i>Luxembourg</i>				
4,400.00	BRAAS MONIER BUILDING GROUP S.A.	EUR	110,770.00	0.86
			110,770.00	0.86
Bonds			3,920,619.66	30.50
<i>Austria</i>				
350,000.00	ALPINE HOLDING GMB 6.00 12-17 22/05A	EUR	3,072,540.66	23.90
100,000.00	BEST IN PARKING KONZ 3.375 16-23 02/02A	EUR	3,570.00	0.03
500,000.00	BOREALIS AG 5.375 10-17 30/04A	EUR	101,779.00	0.79
200,000.00	CA IMM ANLAGEN 1.875 16-21 12/07A	EUR	508,335.00	3.96
350,000.00	CA IMM ANLAGEN 2.75 15-22 17/02A	EUR	204,824.00	1.59
300,000.00	CONSTANTIA FLEX GRP 4.25 12-17 25/05A	EUR	372,095.50	2.89
250,000.00	CROSS INDUSTRIES A 4.625 12-18 05/10A	EUR	302,668.50	2.35
250,000.00	PORR AG 3.875 14-19 28/10A	EUR	264,562.50	2.06
150,000.00	S IMMO AG 3.00 14-19 03/10A	EUR	265,340.00	2.06
100,000.00	TELEKOM FINANZ 3.125 13-21 03/12A	EUR	156,705.00	1.22
750,500.00	UBM DEVELOPMENT AG 4.875 14-19 09/07A	EUR	113,402.00	0.88
			779,259.16	6.07
<i>Germany</i>				
500,000.00	FRESENIUS US FIN REGS 4.25 12-19 15/04S	EUR	545,280.00	4.24
			545,280.00	4.24
<i>Finland</i>				
300,000.00	NESTLE OIL 4.00 12-17 28/03A	EUR	302,799.00	2.36
			302,799.00	2.36
Floating rate bonds			5,046,924.00	39.26
<i>Austria</i>				
400,000.00	ERSTE GROUP BANK AG FL.R 16-XX 15/10S	EUR	3,830,961.00	29.80
200,000.00	OMV SUB FL.R 15-XX 09/12A	EUR	431,676.00	3.36
650,000.00	PORR AG FL.R 14-49 28/10A	EUR	219,942.00	1.71
200,000.00	RAIFFEISEN BANK FL.R 14-25 21/02A	EUR	714,187.50	5.56
350,000.00	UNICREDIT BK AUSTRIA FL.R 14-20 15/09Q	EUR	199,550.00	1.55
300,000.00	UNIQA INSU GR AG EMTN FL.R 13-43 31/07A	EUR	360,430.00	2.80
200,000.00	VIENNA INS GRP AGW FL.R 13-43 09/10A	EUR	336,432.00	2.62
450,000.00	VIENNA INSURANCE G FL.R 08-49 12/09A	EUR	220,572.00	1.72
772,000.00	VOESTALPINE AG FL.R 13-49 31/10A	EUR	503,410.50	3.92
			844,761.00	6.56
<i>Germany</i>				
200,000.00	ALLIANZ SE FL.R 13-XX 24/10A	EUR	628,764.00	4.89
400,000.00	BAYER SUB FL.R 14-75 01/07A	EUR	221,280.00	1.72
			407,484.00	3.17
<i>France</i>				
300,000.00	TOTAL CAPITAL SA FL.R 14-20 19/03Q	EUR	300,627.00	2.34
			300,627.00	2.34
<i>The Netherlands</i>				
300,000.00	SUEDZUCKER INT FINANCE FL.R 05-XX 30/06A	EUR	286,572.00	2.23
			286,572.00	2.23
Total securities portfolio			10,556,418.01	82.12

SALUS ALPHA SICAV - Salus Alpha Special Situations
Statement of operations and changes in net assets from 01/01/16 to 31/12/2016

Expressed in EUR

Income		175,225.29
Net dividends	Note 2.4	5,093.60
Net interest on bonds	Note 2.4	146,878.55
Other income	Note 7	23,253.14
Expenses		305,540.67
Amortisation of formation expenses	Note 2.5	4,891.30
Management fees	Note 3	89,497.91
Depositary fees		3,498.90
Taxe d'abonnement	Note 4	2,998.92
Administrative expenses		8,328.94
Performance fees	Note 3	43,505.51
Professional fees		32,378.13
Bank interest on overdrafts		3,423.24
Legal fees		6,013.49
Transaction fees	Note 2.6	14,824.11
Other expenses	Note 5	96,180.22
Net loss from investments		-130,315.38
Net realised gain / loss on:		
- securities portfolio	Note 2.3	168,968.54
- financial futures	Note 2.7	-1,187.50
Realised result		37,465.66
Movement in net unrealised gain / loss on:		
- securities portfolio	Note 2.9	159,524.78
- futures contracts	Note 2.9	-10,750.00
Increase in net assets as a result of operations		186,240.44
Subscription capitalisation shares		14,224,853.49
Redemption capitalisation shares		-1,656,629.17
Increase in net assets		12,754,464.76
Net assets at the beginning of the year		100,000.00
Net assets at the end of the year		12,854,464.76

SALUS ALPHA SICAV

Notes to the financial statements for the year ended December 31, 2016

Note 1 - General

SALUS ALPHA SICAV (the “Fund”) is a company organised as an open-ended investment company with variable capital (*société d’investissement à capital variable*) set up as a public limited liability company and registered in the Grand Duchy of Luxembourg as an Undertaking for Collective Investment in Transferable Securities (“UCITS”) pursuant to Part I of the Luxembourg law of December 17, 2010.

The Fund was incorporated on February 15, 2013 for unlimited duration and is registered with the *Registre de Commerce et des Sociétés*, Luxembourg under number RCS B175 421. It was registered in the official list of collective investment funds of the *Commission de Surveillance du Secteur Financier* with effective date on December 15, 2015.

The Fund is an umbrella fund and as such can operate separate sub-funds, each of which being represented by one or more classes of shares. As at December 31, 2015 the Fund has issued 30,000.00 F Shares classes (10,000.00 per sub-fund) and as at December 31, 2016, the R shares class for these two sub-funds are available for subscriptions:

- SALUS ALPHA SICAV - Salus Alpha Directional Markets (launched on July 29, 2016)
- SALUS ALPHA SICAV - Salus Alpha Special Situations (launched on July 29, 2016)

The Fund’s financial year starts on January 1st and ends on December 31st each year.

Note 2 - Summary of significant accounting policies

2.1 Presentation of the financial statements

The financial statements are prepared in accordance with legal and regulatory requirements relating to undertakings for collective investments and generally accepted accounting principles in Luxembourg.

2.2 Valuation of assets

The value of the cash in hand or on deposit, the bills and promissory notes payable at sight and the accounts receivable, the prepaid expenses, dividends and interest declared or due but not yet received shall consist of their nominal value, unless it proves unlikely that this value can be obtained. If this should be the case, the value of these assets will be determined by deducting an amount in good faith pursuant to the procedures established by the Board of Directors of the Fund;

Securities quoted on an official stock exchange or another regulated market which operates regularly and is recognised and open to the public, are valued on the basis of the latest available price known on the calculation date, unless said price is not representative; if the security in question is quoted on several markets, it is valued on the basis of the price on the main market. If the price is not representative, the valuation shall be based on the last known price, if this is also not representative, the valuation shall be determined prudently and in good faith pursuant to procedures established by the Board of Directors of the Fund;

All other securities not quoted on an official stock exchange or another regulated market which operates regularly and is recognised and open to the public, or any other asset that is quoted but its price is not representative, is valued at fair market value as determined in good faith pursuant to the procedures established by the Board of Directors of the Fund. If no fair values are available or only inadequate fair values are available, the value of the assets will be determined prudently and in good faith pursuant to procedures established by the Board of Directors of the Fund.

Investments in other UCITS are valued on the basis of the latest available net asset value.

2.3 Net realised gains losses on sales of securities

The net realised gains losses on sales of securities are determined on the basis of the average cost of the securities sold and are recorded in the statement of operations and changes in net assets.

2.4 Income

Dividends are accounted at the ex-date. Interest is accounted on a prorata temporis basis.

SALUS ALPHA SICAV

Notes to the financial statements (continued) for the year ended December 31, 2016

Note 2 - Summary of significant accounting policies (cont'd)

2.5 Formation expenses

Expenses in connection with the incorporation of the Fund and the launch of R shares class of various sub-funds are amortised on a straight line basis over maximum five years period.

2.6 Transaction fees

The transaction fees, i.e. fees charged by the brokers and the Depositary agent for securities transactions and similar transactions, are recorded separately in the statement of operations and other changes in net assets under the caption "Transaction fees".

2.7 Futures contracts

Futures contracts are posted off-balance sheet and valued at their last known price on the stock exchanges or regulated markets for that purpose. The unrealised gain or loss is disclosed in the statement of net assets. Realised gains or losses and changes in unrealised gains or losses are disclosed in the statement of operations and changes in net assets.

2.8 Conversion of foreign currencies

Transactions in other currencies than currency of the sub-fund are recorded in the currency of the sub-fund based on the exchange rates in effect on the date of the transactions. Assets and liabilities denominated in other currencies than currency of the sub-fund are translated at the rate of exchange ruling at each balance sheet date. Exchange gains and losses are disclosed in the statement of operations and changes in net assets.

The following exchange rate was used by the Fund as at December 31, 2016:

$$1 \text{ EUR} = 1.05475 \text{ USD}$$

2.9 Movement in net unrealised gain/loss

In accordance with current practices, movement in net unrealised gain/loss at the end of the financial year is accounted for in the financial statements.

2.10 Combined statements

The various items appearing in the combined financial statements of the Fund are equal to the sum of the corresponding items in the financial statements of each sub-fund and are drawn up in EUR.

Note 3 - Management and performance fees

Management fees:

Salus Alpha Capital Ltd, the Investment Manager, is entitled to receive a management fee per annum, accrued on each Valuation Day and payable monthly in arrears out of the assets of each class of share. The management fee is based on the average net assets of each Sub-Fund at a maximum rate of 1.25% for the F Shares class and 1.90% for the R Shares class.

Performance fees:

In addition to the management fee, the Investment Manager is entitled to a performance fee which is calculated on each Valuation Date on the basis of the net asset value of the relevant class of share and paid quarterly. The performance fee may only be levied and set aside if the following criterion is fulfilled: the net asset value of a class of share used in the calculation of a performance fee must be greater than previous net asset values ("High Water Mark"). Each preceding decline in the net asset value per share of the relevant class of share must be offset by a further increase above the last maximum value at which a performance fee was incurred. Calculation of the performance fee and the necessary provisioning takes place on each Valuation Date. If, on the Valuation Date, the net asset value of a class of share is greater than the preceding net asset values (prior to deduction of the performance fee), a performance fee at the rate of 20% shall be deducted on the difference between the net asset value of the class of share and the High Water Mark.

For the year under review, the total performance fees amounted to EUR 47,086.25.

The Board of Directors of the Fund waived management fees and performance fees on F shares class for the 3 sub-funds in 2016.

SALUS ALPHA SICAV

Notes to the financial statements (continued) for the year ended December 31, 2016

Note 4 - Subscription tax ("taxe d'abonnement")

The Fund is subject in Luxembourg to a subscription tax levied at the rate of 0.05% per annum based on the net asset value of the Fund at the end of the relevant quarter, calculated and paid quarterly. The rate of this tax is reduced to 0.01% of the net assets for the sub-funds exclusively available to institutional investors.

Note 5 - Other expenses

The Other expenses are mainly composed of rent fees, salaries and related tax and social security.

Note 6 - Futures contracts

As at December 31, 2016, the following futures contracts are outstanding:

SALUS ALPHA SICAV - Salus Alpha Directional Markets

Purchase/Sale	Number of contracts	Denomination	Currency	Commitment (in EUR)	Unrealised result (in EUR)
Purchase	11	EURO SCHATZ 03/17	EUR	1,235,190.00	1,045.00
Sale	-2	DAX INDEX GE 03/17	EUR	-573,250.00	-1,000.00
Purchase	2	S&P 500 EMINI INDEX 03/17	USD	212,012.33	-1,744.49
Sale	-5	US 5 YEARS NOTE 03/17	USD	-557,781.76	96.29
Sale	-5	US 10 YEARS 03/17	USD	-589,150.27	2,148.03
					<u>544.83</u>

The futures contracts are dealt with the broker CACEIS BANK and the margin deposits as collateral paid amounted to EUR 24,222.52.

SALUS ALPHA SICAV - Salus Alpha Special Situations

Purchase/Sale	Number of contracts	Denomination	Currency	Commitment (in EUR)	Unrealised result (in EUR)
Sale	-5	EURO BUND FUT 03/17	EUR	-820,750.00	-10,750.00
					<u>-10,750.00</u>

The futures contracts are dealt with the broker CACEIS BANK and the margin deposits as collateral paid amounted to EUR 13,053.20.

Note 7 - Other income

The Other income is exclusively composed of reimbursement from the Investment Manager for expenses incurred by the 3 sub-funds until July 29, 2016.

Note 8 - Changes of the investment portfolio

Details of changes in the securities portfolio for the year referring to this report are available upon request - free of charge - at the registered office of the Fund.

Note 9 - Events

The Board of Directors of the Fund has decided to merge the Austrian sub-funds SALUS ALPHA DIRECTIONAL MARKETS and SALUS ALPHA RN SPECIAL SITUATIONS respectively into the R shares class of sub-funds of the Fund SALUS ALPHA SICAV - Salus Alpha Directional Markets (first NAV: EUR 9.405) and SALUS ALPHA SICAV - Salus Alpha Special Situations (first NAV: EUR 13.518), with effective date July 29, 2016, allowing the effective launch of these two sub-funds at the same date.

The R shares class for the sub-fund SALUS ALPHA SICAV - Salus Alpha Global Risk Parity has not yet received any subscription as at December 31, 2016 and it is not yet launched.

SALUS ALPHA SICAV

Notes to the financial statements (continued) for the year ended December 31, 2016

Note 10 - Subsequent events

With effect as of January 1, 2017, CACEIS Bank Luxembourg through a cross-border merger by way of absorption, became the Luxembourg branch of CACEIS Bank France. On the same date, CACEIS Bank Luxembourg was renamed CACEIS Bank, Luxembourg Branch and CACEIS Bank France was renamed CACEIS Bank.

SALUS ALPHA SICAV

Unaudited information

Risk Management Disclosure

The sub-fund SALUS ALPHA SICAV - Salus Alpha Directional Markets uses the absolute Value at Risk (VaR) approach in order to monitor and measure the global exposure. The VaR limit is set at 20%.

The utilisation of the VaR limit during the financial year was as follows:

- Lowest utilisation : 1.43%
- Highest utilisation : 6.09%
- Average utilisation : 3.75%

The VaR figures have been calculated based on the following input data:

- Model used: Historical Simulation
- Confidence level: 99%
- Holding period: 20 days
- Length of data history: 1 year

The average level of leverage calculated using the sum of notionals approach was 262.36%

The sub-fund SALUS ALPHA SICAV - Salus Alpha Special Situations uses the commitment approach in order to monitor and measure the global exposure.

Securities Financing Transactions and of Reuse Regulation (“SFTR”)

The Fund does not use any instruments falling into the scope of SFTR.