DUTCH VENTURE INITIATIVE S.A. SICAR

Société d'investissement en capital à risque
R.C.S. Luxembourg B 179 637

Registered office: 5, rue Guillaume Kroll, L-1882 Luxembourg

Audited financial statements for the year ended March 31, 2018

DUTCH VENTURE INITIATIVE S.A. SICAR

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DUTCH VENTURE INITIATIVE S.A. SICAR

Management and Administration

Registered Office (until 31.05.2018)
5, Allée Scheffer
L-2520 Luxembourg
Grand-Duchy of Luxembourg

Registered Office (since 01.06.2018)
5, rue Guillaume Kroll
L-1882 Luxembourg
Grand-Duchy of Luxembourg

Board of Directors
John A. Holloway
Elze Tjeerd Meijer (until 10.01.2018)
Wendy De Jong (since 10.01.2018)
Frederik Van Beuningen (until 14.07.2017)
Leendert Meijaard (since 14.07.2017)

Adviser
European Investment Fund
37B, Avenue J.F. Kennedy
L-2968 Luxembourg
Grand-Duchy of Luxembourg

Depositary (until 31.05.2018)
CACEIS Bank, Luxembourg Branch
5, Allée Scheffer
L-2520 Luxembourg
Grand-Duchy of Luxembourg

Depositary (since 01.06.2018)
Alter Domus Depositary Services S.à r.l.
5, rue Guillaume Kroll
L-1882 Luxembourg
Grand-Duchy of Luxembourg

Administrative, Registrar, Transfer Agent (until 31.05.2018)
CACEIS Bank, Luxembourg Branch
5, Allée Scheffer
L-2520 Luxembourg
Grand-Duchy of Luxembourg

DUTCH VENTURE INITIATIVE S.A. SICAR

Administrative, Registrar, Transfer Agent (since 01.06.2018)
Alter Domus Alternative Asset Fund Administration S.à r.l.
5, rue Guillaume Kroll
L-1882 Luxembourg
Grand-Duchy of Luxembourg

Legal Advisor
Allen & Overy Luxembourg
33, Avenue J.F Kennedy
L-1855 Luxembourg
Grand-Duchy of Luxembourg

Auditor
KPMG Luxembourg, Société coopérative
39, Avenue John F. Kennedy
L-1855 Luxembourg
Grand-Duchy of Luxembourg

DUTCH VENTURE INITIATIVE S.A. SICAR

Board of Directors’ report

For the year ended March 31, 2018

The Dutch Venture Initiative S.A. SICAR ("DVI" or "the Company") was incorporated on August 7, 2013 as a risk capital investment company (Société d'Investissement en Capital à Risque) established as a public limited liability company (Société Anonyme) subject to the Luxembourg 15 June 2004 Act on SICAR. The Company was approved by the Luxembourgish financial sector supervision authority, the Commission de Surveillance du Secteur Financier ("CSSF") and entered on the official list of SICARs with effect as of August 7, 2013.

The fund’s first closing took place on August 12, 2013 at an amount of EUR 150m with PPM Oost and EIF committing EUR 100m each, but ElF's commitment being capped at one third of the total fund size (i.e. EUR 50m at the first closing size). On December 10, 2014 the Brabantse Ontwikkelings Maatschappij B.V., via one of their investment vehicles Innovatiefonds Brabant B.V., announced its entry into the capital of DVI with EUR 5m bringing the total commitments into DVI to EUR 157.5m as this commitment released an additional EUR 2.5m in commitments from EIF. On July 16, 2015 the total commitments to DVI increased once again. PPM Oost committed an additional EUR 30m, which automatically released additional commitments of EUR 15m from the side of the EIF. This allowed DVI to subscribe EUR 45m into the Dutch business angel initiative European Angels Fund S.C.A. SICAR – EAF Netherlands (“EAF Netherlands” or “EAF NL”). As a result of this EUR 45m capital increase, the Fund held a final closing of EUR 202.5m.

In the year ended March 31, 2018 the Investment Committee did not approve any new transactions, as DVI was already fully committed at the end of 2015 when it approved SET Fund II for an amount of EUR 6m. It can be considered a great success that DVI managed to complete its investment programme roughly 30 months after inception, which has been one of the main reasons for the launch of a successor fund-of-funds initiative. With the signature of Keen Venture Partners, DVI managed to successfully close its final transaction on October 10, 2016. The total amount of signed transactions has reached EUR 193m, representing 95.3% of the DVI fund size. As of the reporting date, DVI had made commitments to 14 different funds: Prime Ventures IV, Gilde Healthcare III, Newion Investments II, Karmijn Kapitaal I, Aglaia Oncology Fund II, Life Science Partners V, Forbion Capital Fund III, Gilde Healthcare Services II, henQ III, Endeit Fund II, European Angels Fund – EAF Netherlands, HPE Fund II, SET Fund II and the Keen Venture Partners Fund. These 14 signed funds have so far made 130 investments, of which 63 are based in The Netherlands. The total amount of capital called from investors since the incorporation of the Fund climbed to EUR 82.3m, representing 42.2% of the total commitments.

It is again interesting to note that new successes in DVI’s underlying company portfolio have been realised. During the reporting period, a total of seven new exits have been announced, which brings the total of successful exits in the underlying DVI company portfolio to 15. LSP V announced two company exits, it agreed to sell its stake in Neuravi to a Johnson&Johnson company in April 2017. Shortly afterwards, in May 2017, Luxendo was sold to the Bruker corporation. Endeit II announced its first exit in August 2017, when it agreed to sell its stake in Contorion to the German Hoffmann Group, only 13 months after the fund made its first investment in the company. Forbion III also realised two successful exits during the reporting period, it announced to sell its stake in Rigontec in September 2017 and in March 2018 portfolio company Prexton was sold to Lundbeck A/S in a structured transaction. Forbion III will receive in upfront payments, representing a 2.5x return. Prime IV realised its first successful exit in December 2017, when it agreed to sell its stake in Forcare to Philips NV. Gilde Healthcare III realised its 6th successful exit in February 2018 when it announced to sell portfolio company STAT-Dx to Qiagen NV.

Board of Directors' report (continued)

For the year ended March 31, 2018

The Company can look back on a dynamic investment activity since inception about five years ago. DVI has had important incremental and catalytic effects as it allowed EIF, via DVI and other mandates it is advising or managing, to invest larger amounts and also to catalyse additional capital from other investors towards funds active on the Dutch market. This can be demonstrated by the fact that the total size of the combined 14 underlying DVI funds has reached an amount of over EUR 1.5 billion. As the investment activity across these funds reaches its operational capacity, DVI has been able to demonstrate successfully its role to strengthen the capital base of Dutch innovative SMEs.

John A. Holloway
Chairman of the Board

LUXEMBOURG, 18 JULY 2018

KPMG

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To the Shareholders of the
Dutch Venture Initiative S.A. SICAR
5, rue Guillaume Kroll
L-1882 Luxembourg
Grand Duchy of Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Opinion

We have audited the financial statements of the Dutch Venture Initiative S.A. SICAR (the "Company"), which comprise the statement of financial position as at March 31, 2018, and the statement of comprehensive income, statement of changes in net assets and statement of cash flows for the year then, and 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 Company as at March 31, 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs are further described in the « Responsibilities of "Réviseur d'Entreprises agréé" for the audit of the financial statements » section of our report. We are also independent of the Company 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 is responsible for the other information. The other information comprises the information stated in the Board of Directors' 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.

Responsibilities of the Board of Directors of the Company for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs as adopted by the European Union, and for such internal control as the Board of Directors 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 is responsible for assessing the Company'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 either intends to liquidate the Company 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

The objectives of our audit 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 "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 23 July 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 23 July 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 Company'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.

— Conclude on the appropriateness of Board of Directors' 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 Company'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 Company 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.

Luxembourg, July 19, 2018

KPMG Luxembourg
Société coopérative
Cabinet de révision agréé

V. Ehx

DUTCH VENTURE INITIATIVE S.A. SICAR

Statement of financial position

As at March 31, 2018

	Notes	As at March 31, 2018 EUR	As at March 31, 2017 EUR
Assets			
Financial assets at fair value through profit or loss	5	83 361 387	52 232 325
		83 361 387	52 232 325
Other receivables	6	1 271 899	-
Cash and cash equivalents	9	5 666 488	3 375 801
		6 938 387	3 375 801
Deferred charges	10	12 497	12 221
Total assets		**90 312 271**	**55 620 347**
Liabilities			
Current liabilities			
Other payables and accrued expenses	7	537 797	69 884
Other debts	8	27 099	7 272
Total liabilities (excluding net assets attributable to holders of redeemable shares)		**564 896**	**77 156**
Net assets attributable to holders of redeemable shares		**89 747 375**	**55 543 191**
Represented by:			
Number of Ordinary shares outstanding	11	30 423 905	21 941 936
Number of Class A shares outstanding	11	1	1
Number of Class B shares outstanding	11	54 553 210	39 344 163

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

DUTCH VENTURE INITIATIVE S.A. SICAR

Statement of comprehensive income

For the year ended March 31, 2018

	Notes	Year ended March 31, 2018 EUR	Year ended March 31, 2017 EUR
Income			
Interest income	12	117 963	9 774
Fair value adjustment on financial assets at fair value through profit or loss	5	11 375 040	-
Total income		**11 493 003**	**9 774**
Expenses			
Administration and custody fees	13	(120 475)	(100 905)
Professional fees	13	(1 324 741)	(1 208 262)
Other operating fees	14	(33 509)	(34 351)
Interest charges	15	(7 409)	(12 778)
Taxes			
Income tax	16	(5 350)	(3 210)
Fair value adjustment on financial assets at fair value through profit or loss	5	-	(1 188 443)
Total operating expenses		**(1 491 484)**	**(2 547 949)**
Total comprehensive profit/(loss) for the year		**10 001 519**	**(2 538 175)**

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

DUTCH VENTURE INITIATIVE S.A. SICAR

Statement of changes in net assets attributable to holders of redeemable shares

For the year ended March 31, 2018

	Year ended March 31, 2018 EUR	Year ended March 31, 2017 EUR
Net assets attributable to holders of redeemable shares at the beginning of the year	55 543 191	35 831 266
Proceeds from redeemable shares issued	29 376 000	22 250 100
Distributions to holders of redeemable shares (finance cost)	(5 173 335)	-
Net increase from share transactions	**24 202 666**	**22 250 100**
Total comprehensive profit/(loss), excluding finance cost	10 001 519	(2 538 175)
Increase/(decrease) in net assets attributable to holders of redeemable shares from operations	**10 001 519**	**(2 538 175)**
Net assets attributable to holders of redeemable shares at the end of the year	**89 747 375**	**55 543 191**

Number of redeemable shares outstanding at the beginning of the year	61 286 100	39 036 000
Number of redeemable shares issued during the year	29 376 000	22 250 100
Number of redeemable shares sold during the year	(5 684 984)	-
Number of redeemable shares outstanding at the end of the year	**84 977 116**	**61 286 100**

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

DUTCH VENTURE INITIATIVE S.A. SICAR

Statement of cash flows

For the year ended March 31, 2018

	Notes	Year ended March 31, 2018 EUR	Year ended March 31, 2017 EUR
Cash flows from operating activities			
Operating profit/(loss)		10 001 519	(2 538 175)
Adjustment for:			
Net changes in fair value of financial assets at fair value through profit or loss	5	(11 375 040)	1 188 443
Operating loss before working capital changes		**(1 373 521)**	**(1 349 732)**
Increase in other receivables	6	(1 271 899)	-
Increase in deferred charges	10	(276)	-
Increase/(Decrease) in other payables and accrued expenses	7	467 913	(2 566 503)
Increase in other debts	8	19 827	3 211
Net cash used in operating activities		**(2 157 956)**	**(3 913 024)**
Cash flows from investing activities			
Financial assets acquisition	5	(19 754 022)	(20 323 386)
Net cash used in investing activities		**(19 754 022)**	**(20 323 386)**
Cash flows from financing activities			
Capital contributions from shareholders	11	29 376 000	22 250 100
Distributions paid to shareholders	11	(5 173 335)	-
Net cash from financing activities		**24 202 665**	**22 250 100**
Net increase/(decrease) in cash and cash equivalents		**2 290 687**	**(1 986 310)**
Cash and cash equivalents at the beginning of the year		3 375 801	5 362 111
Cash and cash equivalents at the end of the year		**5 666 488**	**3 375 801**

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

Notes to the financial statements

For the year ended March 31, 2018

1. General information

Dutch Venture Initiative S.A. SICAR (the "Company") was incorporated on August 7, 2013 as a Luxembourg investment company in risk capital (Société d'Investissement en Capital à Risque) with variable capital governed by the 2004 Act, the Companies Act and the Articles of Incorporation and has adopted the form of a public limited liability company (Société Anonyme). The registered office of the Company is established in 5, rue Guillaume Kroll, L-1882 Luxembourg. The company is registered with the Luxembourg trade and companies register under the number B.179.637.

The Company's investment objective is to invest in assets representing risk capital over a long investment horizon (on average 10 to 15 years). The Company intends to achieve its objectives through the construction of a balanced portfolio of Portfolio Funds that invest their assets in private equity or venture capital. All participation in, or commitments to portfolio funds will have to qualify as risk capital within the meaning of article 1 of the 2004 Act and CSSF Circular 06/241.

Portfolio Company will target as part of their investment objectives to invest in innovative SMEs with above-average future growth prospects and a strong competitive position in their sector.

The Company has been set up for a limited duration and will be automatically put into liquidation on August 7, 2030, or if earlier, the date on which all investments have been disposed or with supermajority resolution. At any time, the Board may, upon proposal of the adviser, elect to extend the term for up to two consecutive additional one-year periods.

The fiscal year will begin on April 1 of each year and ends on March 31 of the next year.

As at March 31, 2018, the Company is held by European Investment Fund ("EIF"), by Ontwikkelingsmaatschappij Oost Nederland NV ("Oost NL") and by Innovatiefonds Brabant B.V.. Ordinary shares are held by EIF and Innovatiefonds Brabant B.V., Class A shares are held by EIF and Class B shares are held by Oost NL.

Notes to the financial statements (continued)

For the year ended March 31, 2018

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the year presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of Dutch Venture Initiative S.A. SICAR have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.5.

The Company's financial statements have been authorized for issue by the Board of Directors on July 18, 2018.

(a) Standards issued and effective

The accounting policies adopted are consistent with those of the previous financial year.

(b) Standards issued but not effective

The following IFRS and IFRIC interpretations applicable to the Company were issued but are not yet effective. The Company has chosen not to early adopt these standards and interpretations. The Company plans to adopt them at the date of endorsement by the European Union.

IFRS 9 – Financial instruments:

This standard sets out requirements on the classification and measurement of financial instruments, a new credit loss model for calculating impairment on financial asset, and replaces IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 also tackles hedge accounting which is not applicable to the Company. The standard is effective for annual reporting periods beginning on or after 1 January 2018. IFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which assets are managed and their cash flow characteristics. IFRS 9 contains three principal classification categories for financial assets: measured at Amortised Cost (AC), Fair Value through OCI (FVOCI) and Fair Value Through Profit or Loss (FVTPL). The standard eliminates the existing IAS 39 categories of held to maturity, Loans and Receivables (L&R) and Available For Sale (AFS).

As the Company already classifies its investments in private equity funds and equity securities as FVTPL, the adoption of IFRS 9 is not expected to have a significant impact on the financial statements of the Company.

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

IFRS 15 – Revenue from contracts with customers:

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. This standard will replace existing revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes. IFRS 15 will be effective for annual reporting periods beginning on or after 1 January 2018. The adoption of IFRS 15 is unlikely to have a material impact on the Company's operations given the nature of the Company's income.

2.2 Investment entities' consolidation exemption

The Investment entities' consolidation exemption (Amendments to IFRS 10, IFRS 12 and IAS 27) is applicable for the periods commencing on January 1, 2014. The Company qualifies as an investment entity since it meets the below criteria under IFRS 10:

- Obtain funds from one or more investors for the purpose of providing those investors with investment management services;
- Commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- Measures and evaluates the performance substantially all of its investment on a fair value basis.

Since the Company meets the definition of an investment entity, it is not required to consolidate the investment. As a result, the Company has accounted its investments at fair value through profit or loss (FVTPL).

2.3 Foreign currency translation

(a) Functional and presentation currency

The Company's investors are mainly from the Eurozone, with the subscriptions and redemptions of the shares denominated in Euro. The performance of the Company is measured and reported to the investors in Euro.
The Board of Directors considers the Euro as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Euro, which is the Company's functional and presentation currency.

2. Summary of significant accounting policies (continued)

2.3 Foreign currency translation (continued)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the statement of financial position date. Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

Foreign exchange gains and losses relating to cash and cash equivalents, if any, are presented in the statement of comprehensive income within 'net foreign currency gains or losses on cash and cash equivalents'.
Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the statement of comprehensive income within 'Fair value adjustment on financial assets at fair value through profit or loss'.

2.4 Financial assets and financial liabilities

(a) Classification

The Company classifies its investments in debt and equity securities, and derivatives, as financial assets or financial liabilities at fair value through profit or loss.

This category has two sub-categories: financial assets or financial liabilities held for trading; and those designated at fair value through profit or loss at inception.

(i) Financial assets and liabilities held for trading

A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term or if on initial recognition is part of a portfolio of identifiable financial investments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking. Derivatives are also categorized as held for trading. The Company does not classify any derivatives as hedges in a hedging relationship.

(ii) Financial assets and liabilities designated at fair value through profit or loss at inception

Financial assets and financial liabilities designated at fair value through profit or loss at inception are financial instruments that are not classified as held for trading but are managed, and their performance is evaluated on a fair value basis in accordance with the Company's documented investment strategy.

The Company's policy requires the Adviser and the Board of Directors to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

Notes to the financial statements (continued)

For the year ended March 31, 2018

2. Summary of significant accounting policies (continued)

2.4 Financial assets and financial liabilities (continued)

(b) Recognition, derecognition and measurement

Purchases and sales of investments are recognised on the trade date – the date on which the Company commits to purchase or sell the investment. Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the statement of comprehensive income within Fair value adjustment on financial assets at fair value through profit or loss in the year in which they arise.

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income within dividend income when the Company's right to receive payments is established.

Capital repayment from financial assets at fair value through profit or loss is recognized in the statement of financial position as a decrease of the financial assets and until the initial cost is fully reimbursed.

2.5 Fair value consideration

Under the valuation technique, the fair value of private equity (PE) funds is achieved by applying the aggregated Net Asset Value (NAV) method after, based on the information obtained from the respective administrators and fund managers, as adjusted where deemed necessary.

This valuation method implicitly assumes that if the NAVs of underlying funds can be considered as equivalent to the fair value as determined under IFRS 13, then the aggregation of the NAVs of all funds will itself be equivalent to the fair value as determined under IFRS 13.

In accordance with this method, the PE funds are internally classified into three categories:

- Category A – funds that have adopted the fair value requirements of IFRS 13.
- Category B – funds that have adopted valuation guidelines (such as the former 2001 EVCA) or standards that can be considered as a practical expedient for fair value measurements under IFRS 13.
- Category C – funds that depart from fair value requirements of IFRS 13.

Although it is assumed for category A and B that the NAV is a reliable estimation of the fair value and specific review is performed, it must be stated that underlying investments have been estimated in the absence of readily ascertainable market values. Because of the inherent uncertainty of valuation and current market conditions, actual results in the future could differ from the fund manager's estimate of values and the difference may be material to the financial statements.

As far as category C funds are concerned, adjustments to the NAV may be required to comply with the Company's valuation policy.

2. Summary of significant accounting policies (continued)

2.5 Fair value consideration (continued)

The fair value attributable NAV is determined through applying either the Company's percentage ownership in the underlying vehicle to the net asset value reflected in the most recent report or, to the extent available, the precise share value at the same date, submitted by the respective fund manager. In order to bridge the interval between the last available NAV and the year-end reporting year, a subsequent event review is performed and if necessary the reported NAV is adjusted.

The fair value of co-investments that are not quoted in an active market is determined by using valuation techniques, similarly to the fair value of PE funds.

2.6 Critical accounting estimates and judgments

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment when applying the Company's policy. Use of available information and application of judgment are inherent in the formation of estimates. Actual results in future could differ from such estimates and the differences may be material to the financial statements.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are described in notes 2.4 and 3.

Judgments and estimates are made in the determination of fair values of equity investments and on the determination and disclosures of unconsolidated structured entities and investment entities in which the Company has an interest as described in note 18.

2.7 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when the Company currently has a legally enforceable right to set-off the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.8 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position includes cash in hand, deposits held at call with banks and other short-term investments in an active market with residual maturities of three months or less.

2.9 Other payables and accrued expenses

Other payables and accrued expenses are not interest bearing and are stated at their nominal value which approximates their fair value because of their short term to cash payment.

Notes to the financial statements (continued)

For the year ended March 31, 2018

2. Summary of significant accounting policies (continued)

2.10 Shares

The Company is a closed-ended SICAR; consequently investors are not entitled to request redemption of their Shares, except the European Investment Fund. The Company issues ordinary, class A and class B shares for which the Management of the Company decided to recognize them as a financial liability according to the definition of IAS 32.

Shares may be redeemed at the initiative of the Company in some circumstances. The Company may in particular decide to:

- redeem Shares of any Class, on a pro rata basis among shareholders in order to distribute net distributable cash.
- redeem Shares held by Restricted Person, or in case of admission of subsequent investors or redeem shares held by an investor who fails to make required contributions or other payments.

2.11 Transaction costs

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognised in statement of comprehensive income.

2.12 Distributions payable to shareholders

Proposed distributions to shareholders are recognised in the statement of changes in net assets attributable to holders of redeemable shares when they are appropriately authorised and no longer at the discretion of the Company. This typically occurs when proposed distribution is ratified at the Annual General Meeting. The distribution on the shares is recognised as a finance cost in the statement of changes in net assets attributable to holders of redeemable shares.

2.13 Increase/decrease in net assets attributable to holders of redeemable shares from operations

Income not distributed is included in net assets attributable to holders of redeemable shares. Movements in net assets attributable to shareholders are recognised in the statement of changes in net assets attributable to holders of redeemable shares as finance costs.

2.14 Taxation

According to the 2004 Act, the Company is subject to Luxembourg income tax. However, income arising from securities held by the Company, as well as income arising from the sale, contribution or liquidation of securities held by the Company, does not constitute taxable income.

Income arising from liquid assets pending their investment in capital risk also does not constitute taxable income under the 2004 Act. This exemption only applies to the twelve month year immediately prior to the investment of such assets in risk capital assets.

The Company is not subject to net wealth tax and the activity of rendering services relating to the management of a SICAR is exempt from VAT, no stamp duty or other tax is due on the issue or transfer of the Shares.

Notes to the financial statements (continued)

For the year ended March 31, 2018

3. Financial risks

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

The Company's overall risk management programme seeks to maximise the returns derived for the level of risk to which the Company is exposed and seeks to minimise potential adverse effects on the Company's financial performance. The Company's policy allows it to use derivative financial instruments to both moderate and create certain risk exposures.

The management of these risks is carried out by the Adviser under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, the use of derivative financial instruments and non-derivative financial instruments and the investment of excess liquidity.

The Company's use of leverage and borrowings can increase the Company's exposure to these risks, which in turn can also increase the potential returns the Company can achieve. The Company will have the power to borrow money (directly or at the level of intermediary vehicles) through loans, repurchase obligations or otherwise, and to secure those borrowings with liens or other security interests in, or mortgages on, the assets of the Company provided that the Company will not, at any point in time, incur a level of borrowing in excess of an amount equivalent to the lower of 20% of the aggregate commitments and the aggregate amount of undrawn commitments at such date. Investments and lending in loan are limited to a maximum of 20% of the aggregate commitments.

The Company uses different methods to measure and manage the various types of risk to which it is exposed; these methods are explained below.

3.1 Market risk

(a) Price Risk

The Company is exposed to equity securities price risk. This arises from investments held by the Company for which prices in the future are uncertain. Where non-monetary financial instruments – for example, equity securities – are denominated in currencies other than the euro, the price initially expressed in foreign currency and then converted into euros will also fluctuate because of changes in foreign exchange rates. Paragraph 'Foreign exchange risk' below sets out how this component of price risk is managed and measured.

The Company's policy is to manage price risk through diversification and selection of securities and other financial instruments within specified limits set by the Board of Directors.

The Company will not invest more than 15% of the aggregate commitments in one single portfolio fund; however, the Company may invest up to 20% of aggregate commitments in any one single portfolio fund subject to the unanimous consent of all members of the investment committee.

The Company will seek to take participations of between 10% to 40% of a portfolio fund's aggregate commitments, up to a maximum of 49.9%; to assess such 49.9% limit, participations in the relevant portfolio fund held by the adviser (whether in its own name or as manager/agent/trustee/adviser for others) will be added to the Company's participation; provided however that the Company may with the unanimous consent of the members of the Investment Committee take a participation representing up to 100% of the aggregate commitments to EAF Netherlands.

Notes to the financial statements (continued)

For the year ended March 31, 2018

3. Financial risks (continued)

3.1 Market risk (continued)

(a) Price Risk (continued)

The Company will exclusively enter into loan or other similar type of arrangements as lender alongside, or for the preparation of, investments and lending will be limited to a maximum of 20% of the aggregate commitments at any point in time. Where lending structures are used to take equity risks, such funding will be considered as equity (convertible bonds and warrants etc.).

The Company may (but is not under an obligation to) use financial instruments to hedge the Company's exposure to currency exchange rate fluctuations resulting from participations or commitments in portfolio funds not denominated in Euro between the date of the commitment and the date on which such commitment is being drawn down. The Company will not seek any form of hedging for any other risk of currency fluctuations and such risk will be borne entirely by the Investors.

As at March 31, 2018, the fair value of the investments per sector in which the Company invests was as follows:

	March 31, 2018				March 31, 2017		
	% Owner-ship	**Cost**	**Fair value**	**Unrealised gain/(loss) (in EUR)**	**Cost**	**Fair value**	**Unrealised gain/(loss) (in EUR)**
Generalist	10.72%	26 938 925	27 482 306	543 381	16 387 049	16 162 081	(224 968)
ICT	14.8%	32 628 103	36 765 764	4 137 661	25 139 429	23 781 263	(1 358 166)
Life Science	6.55%	11 599 131	19 113 317	7 514 186	9 885 658	12 288 981	2 403 323
Total investments		**71 166 159**	**83 361 387**	**12 195 228**	**51 412 136**	**52 232 325**	**820 189**

3. Financial risks (continued)

3.1 Market risk (continued)

(a) Price Risk (continued)

Price Sensitivity Analysis

Using the most conservative beta from the three listed PE indices, LPX Europe Price Index, LPX Venture Price Index and LPX Buyout Price Index, and assuming market price movements of ±10 %, the final sensitivity (i.e. beta x ±10 %) is applied to the net asset value to give an adjusted net asset value, which is then compared to the net paid in.

The PE investment value would be impacted as follows:

As at March 31, 2018

Public market risk: ALL PRIVATE EQUITY	
+10%	**-10%**
Retained Beta 0.904	**Retained Beta 0.904**
Final Sensitivity: +9.04%	**Final Sensitivity: -9.04%**
Total effect on Net assets	Total effect on Net asstes
(EUR)	(EUR)
7 535 869	(7 535 869)

As at March 31, 2017

Public market risk: ALL PRIVATE EQUITY	
+10%	**-10%**
Retained Beta 0.673	**Retained Beta 0.673**
Final Sensitivity: +6.73%	**Final Sensitivity: -6.73%**
Total effect on Net assets	Total effect on Net assets
(EUR)	(EUR)
3 426 013	(3 426 013)

(b) Foreign exchange risk

Foreign currency risk, as defined in IFRS 7, arises as the value of future transactions, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates. IFRS 7 considers the foreign exchange exposure relating to non-monetary assets and liabilities to be a component of market price risk not foreign currency risk. However, management monitors the exposure on all foreign currency denominated assets and liabilities.

As at March 31, 2018 and at March 31, 2017, there is no foreign exchange risk as all the transactions have been made in the functional currency, EUR.

(c) Interest rate risk

Interest rates are determined by factors of supply and demand in the international money markets, which are influenced by macro-economic factors, speculation and central bank and government intervention.

Fluctuations in short term and/or long term interest rates may affect the value of the Company. Interest rate risk is the risk resulting from changes in the level of interest rates, in the slope of the yield curve, in the shape of the yield curve, or in any other interest rate relationship.

The Company’s exposure to interest risk rate is limited to its cash and cash equivalents that have a maturity of less than one year. As at March 31, 2018 and at March 31, 2017, there is no significant interest rate risk.

3. Financial risks (continued)

3.2 Credit risk

The Company is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

For the Company, the greatest exposure in terms of credit risk relates to its cash and cash equivalents (Note 9).

The Company's policy is to minimize credit risk by entering into transactions only with leading financial institutions and reputable industrial companies. Any such temporary investments must be placed with reputable prime rated institutions such as CACEIS Bank Luxembourg ("CACEIS BL") for all its cash management and potential credit risk relative to cash and cash equivalents. CACEIS BL, a member of the Crédit Agricole Group, is a major actor in the asset servicing providers market and is one of the leaders in the French market. CACEIS BL is rated A by Standard & Poor's as at March 31, 2018.

As at March 31, 2018 and at March 31, 2017, there are no financial assets that are past due or impaired.

3.3 Liquidity risk

Liquidity risk is the risk that the Company may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous. Therefore, the liquidity risk relates to working capital on the short-term and underlying investments on the long term.

The objective of the Company in relation to the liquidity risk is to ensure on both short-term and long-term views that all financial liabilities will be met without impacting the return to its shareholders.

- Liquidity risk on payables

At the Company level, the liquidity risk may arise from the operating payables included in the statement of financial position as at the year end. The Company must ensure that it owns sufficient cash and cash equivalent to discharge itself from these short-term obligations.
As at March 31, 2018 and at March 31, 2017, the cash is sufficient to cover all the payables.

- Liquidity risk at exit date

The second component of risk relative to timely exit arises particularly from the fact that the Company invested 100% of its total assets in unquoted securities. As the Company invests most of its funds in illiquid assets, the liquidity risk must be considered as one of the key risk for the Company.

However, even if the illiquidity aspect of the assets may impact the value of the investments at exit date, it is not in the intent of the Company to implement an exit strategy over the short-term. The investment year of the Company is not yet ended as at March 31, 2018 and at March 31, 2017.

- Liquidity risk on defaulting shareholders

At the Company level, liquidity risk may also arise upon failure by a shareholder to make payment pursuant a capital call. Liquidity risk related to defaulting shareholder is mitigated by accepting commitments to the Company only from reputable, well-informed institutional and professional investors.

The advisor manages liquidity risk by ensuring that the Company has sufficient cash and cash equivalent at all times. In terms of liquidity risk at exit date, the advisor regularly monitors and simulates the exit strategies to ensure that the optimum exit strategy will be executed within the term of the Company.

3. Financial risks (continued)

3.3 Liquidity risk (continued)

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining year at the date of the statement of financial position to the contractual maturity date. The amounts in the tables are the contractual undiscounted cash flows.

March 31, 2018 **Financial liabilities**	**Less than 1 month**	**1 to 12 months**	**More than 12 months**	**No stated maturity**	**Total**
Other payables and accrued expenses	-	537 797	-	-	537 797
Other Debts	-	27 099			27 099
Net assets attributable to holders of redeemable shares	-	-	89 747 375	-	89 747 375
Contractual cash outflow	**-**	**564 896**	**89 747 375**	**-**	**90 312 271**

3.4 Capital risk management

The capital of the Company is represented by the net assets attributable to shareholders. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Company.

The investment advisor monitors capital on the basis of the value of net assets attributable to shareholders.

The Company is a closed-ended SICAR, consequently investors are not entitled to request redemption of their Shares, except for the ordinary and class A shares held by the European Investment Fund.

3.4.1 Fair Value Classification

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

(i) Level 1: Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1. Quoted prices for these instruments are not adjusted.

(ii) Level 2: Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2.

(iii) Level 3: Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. Pricing inputs are unobservable for the investment and includes situations where there is little, if any, market activity for the investment. All the investments held by the Company and classified as financial assets at fair value through profit or loss are included in this category. The inputs into the determination of fair value require significant management judgment or estimation.

3. Financial risks (continued)

3.4 Capital risk management (continued)

3.4.1 Fair Value Classification (continued)

The table below analyses financial instruments measured at fair value as at March 31, 2018 according to the level in the fair value hierarchy into which the fair value measurement is categorised:

Assets measured at fair value	**Level 3**	**Total balance as at March 31, 2018**
	EUR	**EUR**
Financial assets at fair value through profit or loss	83 361 387	83 361 387

The table below analyses financial instruments measured at fair value as at March 31, 2018 according to the level in the fair value hierarchy into which the fair value measurement is categorised:

Assets measured at fair value	**Level 3**	**Total balance as at March 31, 2017**
	EUR	**EUR**
Financial assets at fair value through profit or loss	52 232 325	52 232 325

The changes in Level 3 instruments for the year ended March 31, 2017 are disclosed in Note 5. There were no transfer between levels for the year ended March 31, 2018 (2017: none).

Please refer to Note 2.5 for further information on the determination of the fair value for level 3 instruments.

4. Dividend income

No dividend has been received during the year (2017: none).

Notes to the financial statements (continued)

For the year ended March 31, 2018

5. Financial assets at fair value through profit or loss

Financial fixed assets held by the Company as at March 31, 2018 can be detailed as follows. The fair value is the sum of acquisition costs of the investment and the cumulative fair value variations of the underlying investments since the acquisition date.

Name	Country	CCY	Total commitment (in EUR)	Drawn amount * (in EUR)	Undrawn commitment (in EUR)	Cost (in EUR)	Fair Value (in EUR)	Unrealised gain/(loss) (in EUR)
Generalist	Netherlands / Luxembourg	EUR	86 000 000	29 448 358	56 551 642	26 938 925	27 482 306	543 381
ICT	Netherlands / United Kingdom	EUR	69 000 000	33 781 379	35 218 621	32 628 103	36 765 764	4 137 661
Life Science	Netherlands	EUR	38 000 000	19 084 020	18 915 980	11 599 131	19 113 317	7 514 186
			193 000 000	**82 313 757**	**110 686 243**	**71 166 159**	**83 361 387**	**12 195 228**

** During the financial year, the capital repayments which were paid and which are not recallable are included in the amounts disclosed in the column "Drawn amount".*

Notes to the financial statements (continued)

For the year ended March 31, 2018

5. Financial assets at fair value through profit or loss (continued)

As at March 31, 2017, financial fixed assets held by the Company were as follows:

Name	Country	CCY	Total commitment (in EUR)	Drawn amount * (in EUR)	Undrawn commitment (in EUR)	Cost (in EUR)	Fair Value (in EUR)	Unrealised gain/(loss) (in EUR)
Generalist	Netherlands	EUR	86 000 000	18 834 094	67 165 906	16 387 049	16 162 081	(224 968)
ICT	Netherlands	EUR	69 000 000	25 311 533	43 688 467	25 139 429	23 781 263	(1 358 166)
Life Science	Netherlands	EUR	38 000 000	12 619 652	25 380 348	9 885 658	12 288 981	2 403 323
			193 000 000	**56 765 279**	**136 234 721**	**51 412 136**	**52 232 325**	**820 189**

** During the financial year, the capital repayments which were paid and which are not recallable are included in the amounts disclosed in the column "Drawn amount".*

5. Financial assets at fair value through profit or loss (continued)

Information concerning the name, address, amount of capital and reserves and profits and losses for the last financial year of the undertakings in which the Company holds at least twenty percent of the capital is not presented in accordance with article 67(1)b) of the amended law of December 19, 2002 on the register of commerce and companies and the accounting and annual accounts of undertakings.

5.1 Generalist sector

As at March 31, 2018 the Company held a weighted average of 10.72% of the Generalist sector for a total commitment of EUR 86 000 000.

At the end of the year, EUR 56 551 642 remains unfunded.

5.2 ICT sector

As at March 31, 2018, the Company held a weighted average of 14.8% of the ICT sector for a total commitment of EUR 69 000 000.

At the end of the year, EUR 35 218 621 remains unfunded.

5.3 Life Science sector

As at March 31, 2018, the Company held a weighted average of 6.55% of the Life Science sector for a total commitment of EUR 38 000 000.

At the end of the year, EUR 18 915 980 remains unfunded.

6. Other receivables

This item is mainly composed of an unsettled distribution of an investment for the amount of EUR 1 260 263.

Notes to the financial statements (continued)

For the year ended March 31, 2018

7. Other payables and accrued expenses

As at March 31, 2018, accrued expenses are composed as follows:

	As at March 31, 2018	As at March 31, 2017
	EUR	**EUR**
Administration fees	50 105	47 380
Audit fees	21 060	21 060
Other fees *	444 211	1 444
Legal fees	22 421	-
	537 797	**69 884**

** Other fees are composed of equalization interest and of accrued interest payables.*

8. Other debts

As at March 31, 2018, other debts are composed as follows:

	As at March 31, 2018	As at March 31, 2017
	EUR	**EUR**
VAT on foreign invoices	13 852	3 259
Corporate Income Tax	3 210	-
Net Wealth Tax	9 362	4 013
Other Debts	675	-
	27 099	**7 272**

9. Cash and cash equivalents

The position as at March 31, 2018 on cash account is as follows:

	As at March 31, 2018	As at March 31, 2017
	EUR	**EUR**
Cash at bank	5 666 488	3 375 801
	5 666 488	**3 375 801**

10. Deferred charges

During the year, the Company paid insurance fees for the year from August 2017 to August 2018 for EUR 26,000 (2017: EUR 30 420) and the annual CSSF fees for 2018 for EUR 4 000 (2017: EUR 3 000). To reflect only the expenses for the year ended on March 31, 2018, deferred charges for EUR 12 497 (2017: EUR 12 221) have been booked.

Notes to the financial statements (continued)

For the year ended March 31, 2018

11. Shares

As at March 31, 2018, the Company issued three types of shares. The movements in the number of shares are as follows:

Redeemable shares	**Class A**	**Class B**	**Ordinary**
As at April 1, 2017	**1**	**39 344 163**	**21 941 936**
Shares issued during the year	-	18 858 666	10 517 334
Shares redeemed during the year	-	(3 649 619)	(2 035 365)
Equalisation	-	-	-
As at March 31, 2018	**1**	**54 553 210**	**30 423 905**

As at March 31, 2017, the Company issued three types of shares. The movements in the number of shares are as follows:

Redeemable shares	**Class A**	**Class B**	**Ordinary**
As at April 1, 2016	1	25 060 148	13 975 851
Shares issued during the year	-	14 284 015	7 966 085
Shares redeemed during the year	-	-	-
Equalisation	-	-	-
As at March 31, 2017	**1**	**39 344 163**	**21 941 936**

European Investment Fund has subscribed one Class A share for EUR 1. This kind of share, limited to a maximum of one share, is reserved only for subscription by the EIF and grants its holder the right to receive preferred return and Carried interest.

Class B Shares are reserved for subscription by Oost NL and grant their holders the right to receive preferred return.
Ordinary shares are reserved to eligible investors and have the same financial rights as the Class B.
The movements in the capital since the incorporation of the Company are as follows:

Notes to the financial statements (continued)

For the year ended March 31, 2018

As at March 31, 2018

	Commitment	Called commitment	Uncalled commitment
	EUR	EUR	EUR
Class A	1	1	-
Class B	130 000 000	58 202 830	71 797 170
Ordinary	72 499 999	32 459 269	40 040 730
	202 500 000	**90 662 100**	**111 837 900**

The Net Asset Value per share for each class is as follow:

	Net Asset Value per share As at March 31, 2018 EUR
Class A	1.06
Class B	1.06
Ordinary	1.06

As at March 31, 2017

	Commitment	Called commitment	Uncalled commitment
	EUR	EUR	EUR
Class A	1	1	-
Class B	130 000 000	39 344 163	90 655 837
Ordinary	72 499 999	21 941 936	50 558 063
	202 500 000	**61 286 100**	**141 213 900**

The Net Asset Value per share for each class is as follow:

	Net Asset Value per share As at March 31, 2017 EUR
Class A	0.91
Class B	0.91
Ordinary	0.91

Distribution payable to shareholders

Subject to the remaining provisions, all net distributable cash will be distributed to investors in accordance with the following waterfall:

(a) Firstly, 100% to all investors in repayment of their capital contributions;

(b) Secondly, 100% to all investors in proportion to their capital contributions until they have received distributions equal to a 5% per annum compound interest calculated annually (the preferred return) on the capital contributions at any time outstanding, from the date of payment of the same up to the date of reimbursement upon distributions;

(c) Thirdly (Catch Up), 100% to the holder of the class A Share until it has received in aggregate an amount equal to 11.111% of the preferred return

(d) Fourthly, 90% to all investors (including the holder of the class A share in such capacity) and 10% to the holder of the class A share.

For the year ended March 31, 2018, the total cash distribution amounts to EUR 5 173 335 (2017: EUR Nil).

12. Interest income

This item is composed of interests received on investments for EUR 117 963 (2017: EUR 9 774).

13. Administration and Professional fees

As at March 31, 2018, administration fees are as follows:

	As at March 31, 2018	As at March 31, 2017
	EUR	**EUR**
Accounting fees	48 917	40 478
Domiciliary Fees	13 000	15 000
Register and Transfer Agent fees	4 900	3 400
Custody and Supervisory Fees	21 228	15 812
Transaction Fees	4 400	5 300
Reporting fees	28 030	20 915
	120 475	**100 905**

As at March 31, 2018, professional fees are as follows:

	As at March 31, 2018	As at March 31, 2017
	EUR	**EUR**
Audit fees	27 624	24 848
Legal fees	95 916	4 596
Tax advisory fees	19 951	-
Advisory Fees *	1 181 250	1 178 818
	1 324 741	**1 208 262**

** An annual advisory fee equal to 0.75% of the aggregate investor commitments is paid in advance each quarter by the Company.*

Notes to the financial statements (continued)

For the year ended March 31, 2018

14. Other operating fees

As at March 31, 2018, other operating fees are as follows:

	As at March 31, 2018 EUR	As at March 31, 2017 EUR
Banking charges	40	80
Travel expenses	3 523	4 441
Insurance fees	26 474	26 000
Other fees	3 472	3 830
	33 509	**34 351**

15. Interest charges

In 2018 and 2017, this item is mainly composed of bank interests on cash account.

16. Taxes

In 2018, this item was only composed of the payment of the net wealth tax for the current year for EUR 5 350 (2017: EUR 3 210).

17. Related-party transaction

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.

As at March 31, 2018, the following transaction was carried out with related parties:

	Note	As at March 31, 2018 EUR	As at March 31, 2017 EUR
Advisory fees paid to EIF	13	**1 181 250**	**1 178 818**

18. Interest in unconsolidated structured entities and in investment entities

The Company has interest in entities that have been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only, or when the relevant activities are directed by means of contractual arrangements. The Company has interest in unconsolidated structured entities as described below.

Structured entities or investment entities may be established as corporations, trusts or partnerships. Structured entities or investment entities generally:

- subscribe to equity issued by SMEs in the context of Private Equity transactions

The table below describes the types of structured entities in which the Company concluded that it has an interest and no control:

Type of structured entity	Nature and purpose	Interest held by the Company
Limited Partnership in relation to Private Equity operations (see section 18.1)	Acquisition, holding, managing and disposal of participations in any enterprise subject to the conditions laid down in the Limited Partnership Agreement	• Investments in shares issued by the Limited Partnership • Capital and revenues repayments

18.1 Interest in structured entities in relation to Private Equity operations

Below is a description of the Company's involvement in unconsolidated structured entities by type. The Company concluded that it does not control and therefore should not consolidate any entity described in section 18.1 as the Company does not have power over the relevant activities of the entities.

18. Interest in unconsolidated structured entities and in investment entities (continued)

18.1 Interest in structured entities in relation to Private Equity operations (continued)

Operations are typically structured as follows:

- An investment fund is setup with a General Partner (hereafter "GP") and with a number of Limited Partners (hereafter "LPs"), who form together the Limited Partnership. In addition, the Limited Partnership Agreement discloses the investment strategy foreseen within the entity and agreed between the GP and the LPs;

- When financing is brought by the LPs, full authority and power is given to the GP, which could delegate the investment part to an investment manager;

- The use of voting rights by the LPs is often foreseen to revocate the GP either with a cause or without cause. Even if an investment board within the entity is setup, it should be noted that such an investment board has a consultative role only and is not therefore one of the decision-making bodies of the Limited Partnership.

The Company is an LP, it does not act as a GP and is from time to time a member of the consultative investment board. Commitments have been made to funds that focus on investments in innovative SMEs with above average future growth prospects and a strong competitive position in their sector.

As at the year end all investments in unconsolidated structured entities are recognised in assets at fair value through the profit or loss.

As at 31 March 2018, the Company's interest ranged from 5.5% to 26.1% and the maximum loss exposure from PE structured entities is limited to the amount of committed investments as disclosed in Note 5. The nature of these investments is further detailed in Note 5 and the risk exposure in Note 3.

19. Subsequent events

There is no material subsequent event to be mentioned.