

Alken Capital Fund, FCP-FIS

*Fonds Commun de Placement - Fonds
d'Investissement Spécialisé Luxembourg (FCP-FIS)*

Annual report, including audited financial statements,
as at December 31, 2023

Alken Capital Fund, FCP-FIS

Fonds Commun de Placement - Fonds d'Investissement Spécialisé Luxembourg (FCP-FIS)

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No subscriptions can be received on the basis of these financial statements. Subscriptions are only valid if made on the basis of the current Issuing Document accompanied by the latest annual report, including audited financial statements.

ALKEN CAPITAL FUND, FCP-FIS

Table of contents

Organisation of the Fund	4
General information	5
Management report	6
Report of the Réviseur d'Entreprises Agréé / Auditor's report	10
Financial statements	
Statement of net assets	13
Statement of operations and changes in net assets	14
Number of units outstanding and net asset value per unit	15
- Geographical and industrial classification of investments	16
Notes to the financial statements	17
Other information to Unitholders (unaudited appendix)	23

ALKEN CAPITAL FUND, FCP-FIS

Organisation of the Fund

Alternative
Investment Fund
Manager ("AIFM")
and Risk
Management Agent

AFFM S.A., 3, boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg

Members of the
Board of Directors of
the AIFM

Mr Philipp GREGOR, Managing Director, 3, boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg

Mrs Amélie GUITTET-GARREAU, Independent Director, ICFO S.A., 3, rue Belle-Vue, L-1227 Luxembourg, Grand Duchy of Luxembourg

Mr Jean-Christoph ARNTZ, Independent Certified Director, 5, rue de Gabriel Lippmann, L-5365 Munsbach, Grand Duchy of Luxembourg (until March 31, 2024)

Mr Randall DUX, Director, Bannatyne Plantation House, 17030 Christ Church, Barbados

Central
Administrative,
Registrar, Transfer
and Domiciliation
Agent

FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Depository Bank

Bank Pictet & Cie (Europe) AG, *succursale de Luxembourg* (formerly Pictet & Cie (Europe) S.A., until May 25, 2023), 15A, avenue J.-F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Delegated
Investment Manager

Alken Asset Management Ltd, 25 Savile Row, London W1S 2ER, United Kingdom

*Cabinet de Révision
Agréé / Auditor*

Deloitte Audit, *Société à responsabilité limitée*, 20, boulevard de Kockelscheuer, L-1821 Luxembourg, Grand Duchy of Luxembourg

Counterparties on
Contracts for
Difference (note 8)

UBS AG London
Merrill Lynch International London

ALKEN CAPITAL FUND, FCP-FIS

General information

The financial year of Alken Capital Fund, FCP-FIS (the "Fund") begins on January, 1 of each year and ends on December, 31 of the same year. The accounts of the Fund are maintained in EUR.

Annual reports, including audited financial statements, are mailed free of charge by the Alternative Investment Fund Manager ("AIFM") to the Unitholders at their request. In addition, such reports are available at the registered office of the AIFM.

Any other financial information concerning the Fund or the AIFM, including the periodic calculation of the Net Asset Value ("NAV") per Unit, the issue and the redemption prices, are made available at the registered office of the AIFM and the Depositary Bank. Any other substantial information concerning the Fund may be published in such newspaper(s) and notified to Unitholders in such manner as may be specified from time to time by the AIFM.

A detailed schedule of changes in the investments of the Fund for the financial year ended December 31, 2023 is available free of charge upon request at the registered office of the AIFM and the Depositary Bank.

ALKEN CAPITAL FUND, FCP-FIS

Management report

Equity Market Review and outlook

Two local banks in the US failed in the first quarter 2023, which caused Credit Suisse to go bankrupt and sparked fears of a global banking crisis. The news dominated the markets and made investors choose quality. Large-cap stocks that can withstand market shocks did better than others. Central banks kept raising interest rates, showing trust in the financial system's resilience, and focusing on keeping inflation under control.

In the second quarter of 2023, Equity markets struggled, as economic data was mixed, prices kept rising and China's economy slowed down. Technology stocks did well, especially those related to artificial intelligence, as investors were optimistic about their future.

The third quarter of 2023 saw a lot of variation and difference in how risky assets performed. Growth-oriented sectors dropped in September because of inflation worries, problems in China's property market, and central banks being stricter. Higher oil prices and conflict in the Middle East caused a big drop in October. Inflation data improved and investors hoped for a break in interest rate hikes, which led to a recovery in November. Growth sectors recovered while energy and financials stayed strong. The equity market bounced back strongly in the last quarter after a rough period. Inflation data was positive, and investors anticipated a halt in monetary tightening, which increased investor confidence and helped growth sectors.

The market outlook is unclear due to low predictability on the state of economies, geopolitical risks, and possible earnings surprises. However, there is a big gap in valuation between different parts of the market, so we still see opportunities, especially in smaller companies that have been overlooked because of a wrong perception of their fundamentals and risk profile.

Performance Review 2023

Investment Objective

Alken Capital Fund, FCP-FIS - One Sub-Fund (the "sub-fund") aims to provide capital gains for investors by investing in the European equity market through a concentrated portfolio and a three-to-five-year investment horizon. The fund can take both long and short positions but will retain a long bias in most situations. The fund can make use of moderate leverage.

Investment Universe

The fund will invest mainly in European equities. The fund may also when called for invest in other products such as international equities, fixed income, commodities, and ETFs.

Investment Process

Alken Capital Fund, FCP-FIS - One Sub-Fund's investment policy concentrates on the following philosophies:

- Undervalued companies over intrinsic value
- High profitability and growth potential
- Focus investments on the stocks with the most potential.
- The avoidance of market excesses

Past performance is not an indicator of current or future returns.

ALKEN CAPITAL FUND, FCP-FIS

Management report (continued)

- Humble, focused, and motivated management with a good track record

Risk control is an integral part of the investment process. The performance and risk profile of the sub-fund is reviewed continuously.

Performance Review 2023

In 2023 Alken Capital Fund, FCP-FIS - One Sub-Fund (Class J, ISIN: LU0360936099) was up 9.2%. Since inception in July 2008 the fund increased by 463.6%.

Performance since inception compared to benchmark.



Past performance is not an indicator of current or future returns.

ALKEN CAPITAL FUND, FCP-FIS

Management report (continued)

Key Statistics Q4 2023

Key Contributors	Exposure	Contribution
Energy (Single Stock)	7.5%	1.5%
C. Services (Single Stock)	7.9%	1.3%
Utilities (Single Stock)	4.9%	0.8%

Key Detractors	Exposure	Contribution
Materials (Single Stock)	3.4%	-1.0%
Energy (Single Stock)	4.7%	-0.6%
Energy (Single Stock)	6.1%	-0.4%

Contribution	QTD	YTD
Index	0.0%	0.0%
Longs	-0.3%	9.2%
Shorts	0.0%	0.0%
Bonds	0.0%	0.0%

Top 5 Holdings	Exposure
C. Services (Single Stock)	7.9%
Energy (Single Stock)	7.5%
Energy (Single Stock)	6.1%
Financials (Single Stock)	5.8%
Utilities (Single Stock)	4.9%

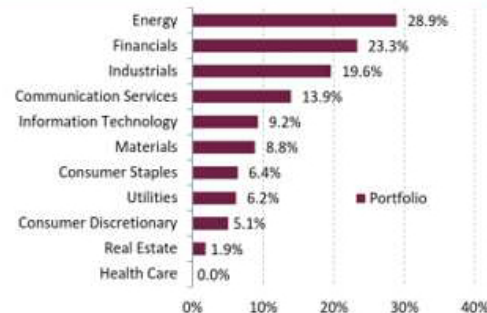
Portfolio Breakdown	Fund
Top 10 Holdings	53.7%
Number of Holdings	65
Long Exposure	129.6%
Short Exposure	0.0%
Net Exposure	129.6%
Gross Exposure	129.6%

Market Capitalisation¹



(1) Mega Cap > €50 bn, Large Cap <€50 bn, Mid Cap <€10bn, Small Cap <€2 bn

Sector Breakdown



Exposure: end of month exposures

Regional Breakdown



Qualitative ESG statement

The sub-fund considers sustainability risks when making investment decisions. The investment product is classified by the Alternative Investment Fund Manager AFFM SA as appropriate with Article 6 SFDR (Regulation (EU) 2019/2088). The sub-fund does not promote environmental or social characteristics and does not have as objective sustainable investment (as provided by Articles 8 or 9 of SFDR).

Past performance is not an indicator of current or future returns.

ALKEN CAPITAL FUND, FCP-FIS

Management report (continued)

Responsible investing is an essential part of good corporate citizenship as well as being a key component of long-term value creation. The sub-fund's investments abide by the ESG integration policy of the delegated Investment Manager Alken Asset Management Ltd. (the "Investment Manager"). The Investment Manager ensures that pecuniary ESG factors are integrated into the investment research process, focusing on those considered most likely to have a material impact on the performance of the sub-fund. ESG factors are analysed alongside other indicators at multiple stages throughout the investment process. The ESG integration policy and further ESG sources can be found on <http://www.alken-am.com/esg> and on <http://affm.lu/esg.aspx>.

The Investment Manager signed the UN Principles for Responsible Investments back in 2013 and has since been committed to integrating ESG factors into its investment analysis, decision making processes and active ownership practices.

For integrating ESG, the Investment Manager's investment process is supported by its proprietary ESG analysis approach and all information gathered from external ESG providers. It remains understood that even if the Investment Manager includes ESG factors alongside other indicators during its usual screening of the potential investment universe, this assessment is not systematically considered as the Sub-Fund does not pursue any ESG objective.

The investments underlying the sub-fund do not consider the EU criteria for environmentally sustainable economic activities.

The Alternative Investment Fund Manager does not consider for this sub-fund principal adverse impacts of investment decisions on sustainability factors in accordance with article 7 paragraph 2 of the of the SFDR.

Information on environmental and/or social characteristics and/or sustainable investments are available under the section Other information to Unitholders (unaudited appendix) of the annual report.

May 2024

Established by the Delegated Investment Manager

Approved by the Board of Directors of the AIFM

Report of the Réviseur d'Entreprises Agréé / Auditor's report

To the Unitholders of
Alken Capital Fund, FCP-FIS
Fonds Commun de Placement Luxembourg (FCP-FIS)
3, boulevard Royal
L-2249 Luxembourg, Grand Duchy of Luxembourg

Opinion

We have audited the financial statements of Alken Capital Fund, FCP-FIS (the "Fund") and its sub-fund, which comprise the statement of net assets and the statement of investments and other net assets as at December 31, 2023, and the statement of operations and changes in net assets for the year then ended, 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 Fund as at December 31, 2023, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for Opinion

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

Other information

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

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

Report of the Réviseur d'Entreprises Agréé / Auditor's report

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

Responsibilities of the Board of Directors of the Fund's Management Company for the Financial Statements

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

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

Responsibilities of the "réviseur d'entreprises agréé" for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund's Management Company.



Report of the Réviseur d'Entreprises Agréé / Auditor's report

- Conclude on the appropriateness of the Board of Directors of the Fund's Management Company use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

For Deloitte Audit, *Cabinet de Révision Agréé*

Nicolas Hennebert, *Réviseur d'Entreprises Agréé*
Partner

June 6, 2024

Alken Capital Fund, FCP-FIS

Statement of net assets as at December 31, 2023

Alken Capital Fund, FCP-FIS - One Sub-Fund

EUR

	EUR
ASSETS	
Investments in securities at acquisition cost (note 2.d)	111,816,075.22
Net unrealised gain on investments	20,192,019.07
Investments in securities at market value (note 2.b)	132,008,094.29
LIABILITIES	
Bank overdraft	27,786,635.96
Management fees payable (note 4)	197,549.40
"Taxe d'abonnement" payable (note 3)	2,491.43
Other fees payable (note 7)	29,530.87
	28,016,207.66
TOTAL NET ASSETS AS AT DECEMBER 31, 2023	103,991,886.63
TOTAL NET ASSETS AS AT DECEMBER 31, 2022	93,634,127.78
TOTAL NET ASSETS AS AT DECEMBER 31, 2021	86,578,137.30

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

Alken Capital Fund, FCP-FIS

Statement of operations and changes in net assets for the year ended December 31, 2023

Alken Capital Fund, FCP-FIS - One Sub-Fund

EUR

NET ASSETS AT THE BEGINNING OF THE YEAR	93,634,127.78
INCOME	
Dividends, net (note 2.i)	4,506,189.98
Interest on bonds, net (note 2.i)	136,430.14
Bank interest	209,380.90
	4,852,001.02
EXPENSES	
Management fees (note 4)	802,376.32
Depository fee, bank charges and interest (note 6)	1,596,513.96
Professional fees, audit fees and other expenses	36,398.76
Administration fees (note 6)	77,527.05
"Taxe d'abonnement" (note 3)	8,872.92
Transaction fees (note 2.j)	403,462.50
	2,925,151.51
NET INVESTMENT INCOME	1,926,849.51
Net realised gain on sales of investments (notes 2.c, 9)	6,397,033.30
Net realised gain on foreign exchange (note 2.k)	35,668.79
Net realised loss on options (note 2.h)	-11,250.00
Net realised loss on forward foreign exchange contracts (note 2.e)	-9,082.58
Net realised gain on CFD (notes 2.f, 2.g, 2.h)	604,658.81
NET REALISED GAIN	8,943,877.83
Change in net unrealised appreciation:	
- on investments (note 10)	106,967.09
INCREASE IN NET ASSETS AS A RESULT OF OPERATIONS	9,050,844.92
Proceeds from subscriptions of units	1,606,677.64
Cost of units redeemed	-299,763.71
NET ASSETS AT THE END OF THE YEAR	103,991,886.63

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

ALKEN CAPITAL FUND, FCP-FIS

Number of units outstanding and net asset value per unit

Sub-Fund Class	Currency	Number of units outstanding 31.12.2023	Net asset value per unit	Net asset value per unit	Net asset value per unit
			31.12.2023	31.12.2022	31.12.2021
ALKEN CAPITAL FUND, FCP-FIS - One Sub-Fund					
Class J	EUR	199.32	140,893.24	128,980.61	106,324.41
Class S	EUR	380.31	199,600.79	181,882.85	149,251.36

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

Alken Capital Fund, FCP-FIS - One Sub-Fund

Geographical and industrial classification of investments as at December 31, 2023

Geographical classification

(in % of net assets)	
France	49.02
United Kingdom	16.03
Germany	15.30
Netherlands	8.58
Luxembourg	8.21
Italy	7.00
Australia	4.47
Spain	4.10
Ireland	2.37
Sweden	2.14
Brazil	1.72
Undefined	1.50
Norway	1.35
Bermuda	1.02
Canada	0.98
South Africa	0.92
Austria	0.62
Greece	0.61
Finland	0.55
Jersey	0.35
Denmark	0.10
	126.94

Industrial classification

(in % of net assets)	
Electronics and electrical equipment	15.99
Oil	10.68
Holding and finance companies	10.62
Banks and credit institutions	9.62
Construction of machines and appliances	9.13
Mining and steelworks	8.76
Units of investment funds	8.76
Automobiles	8.41
Publishing and graphic arts	6.02
Insurance	5.65
Utilities	5.16
Chemicals	5.02
Public utilities	4.94
Transport and freight	4.57
Retail and supermarkets	3.45
Aeronautics and astronautics	2.65
Miscellaneous trade	2.43
Real Estate Shares	1.89
Environmental conservation and waste management	1.23
Miscellaneous consumer goods	1.02
Miscellaneous	0.47
Metals and minings	0.35
Communications	0.10
Gastronomy	0.02
	126.94

ALKEN CAPITAL FUND, FCP-FIS

Notes to the financial statements as at December 31, 2023

NOTE 1

GENERAL

Alken Capital Fund, FCP-FIS (the "Fund") is a FCP ("Fonds Commun de Placement") managed by AFFM S.A. a public limited liability company (*société anonyme*) organised under the laws of Luxembourg and having its registered office at 3, boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg. The Fund is established under the provisions of the amended Law of February 13, 2007 on Specialised Investment Funds (the "2007 Law") and is governed by the Management Regulations effective as of January 26, 2018 and which have been deposited with the *Registre de Commerce et des Sociétés* ("RCS").

The Fund is an umbrella Fund and as such provides investors with the choice of investment in a range of several separate sub-funds each of which relates to a separate portfolio of assets permitted by law with specific investment objectives.

Since September 21, 2016, in accordance with the Luxembourg Law of May 27, 2016, the Fund is registered at the Trade and Companies Register of Luxembourg under the number K1112.

The Alternative Investment Fund Manager ("AIFM") is registered in the Luxembourg Trade and Companies Register under N° B221009.

AFFM S.A., a public limited company (*société anonyme*) with registered office at 3, boulevard Royal, L-2449 Luxembourg, was appointed AIFM of the Fund as of January 15, 2018. It is an AIFM within the meaning of chapter 15 of the Law of December 17, 2010, as amended and of chapter 2 of the Law of July 12, 2013 (the "2013 Law"), as amended.

The investment objective of Alken Capital Fund, FCP-FIS - One Sub-Fund is to provide capital growth primarily through dynamic investment in a growth/value style biased portfolio of equity securities of undervalued European companies with a high growth potential and investments in Securities of European companies or companies with European issues which the Alternative Investment Fund Manager believes are undervalued and conversely by selling or selling short those Securities which the Alternative Investment Fund Manager believes are overvalued.

a) Sub-fund in activity

As at December 31, 2023, Alken Capital Fund, FCP-FIS includes one sub-fund:

- Alken Capital Fund, FCP-FIS - One sub-fund, denominated in Euro (EUR).

b) Significant events and material changes

No significant event occurred during the financial year.

c) Share classes

There are two institutional or professional Classes of Units available for investing:

- Class J: Minimum investment twenty five thousand EUR (EUR 25,000);
- Class S: Minimum investment twenty five thousand EUR (EUR 25,000).

ALKEN CAPITAL FUND, FCP-FIS

Notes to the financial statements as at December 31, 2023 (continued)

The Class S Units shall be closed to new investors for subscriptions but remains open for existing investors. The AIFM at its sole discretion can authorise on a case by case basis subscriptions from new investors given that such investors will meet the criteria of a well-informed person, and will be able to obtain an appraisal from a bank, an investment advisory firm or a management company (all of these with European passporting rights) certifying that they have the appropriate expertise, experience and knowledge to adequately understand the investment made in the Fund.

NOTE 2

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) General

The financial statements of the Fund are established in accordance with the Luxembourg legal and regulatory requirements and generally accepted accounting principles concerning specialised investment funds.

b) Valuation of assets

1) Units or shares of open-ended collective investment schemes are valued at their last determined and available Net Asset Value ("NAV") or, if such price is not representative of the fair market value of such assets, then the price shall be determined by the AIFM on a fair and equitable basis. Units or shares of a closed-ended collective investment scheme listed on a stock exchange or dealt with on a Regulated Market are valued at their last available stock market value, whereas Units or shares of a closed-ended collective investment scheme which are not listed on a stock exchange or dealt with on a Regulated Market are determined by the AIFM on a fair and equitable basis.

2) The value of any cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true face value thereof.

3) Securities and other assets listed or dealt in on a stock exchange or another regulated market are valued at the last available price; where such securities or other assets are listed or dealt in one or by more than one stock exchange or any other regulated market, the Board of Directors of the AIFM shall make regulations for the order of priority in which stock exchanges or other regulated markets are used for the provisions of prices of securities or assets.

4) All other securities and other assets, including debt securities, restricted securities and securities for which no market quotation is available, are valued on the basis of dealer-supplied quotations or by a pricing service approved by the AIFM or, to the extent such prices are not deemed to be representative of their fair market values, such securities and other assets shall be valued at fair value as determined in good faith pursuant to procedures established by the AIFM. Money market instruments held by the sub-fund with a remaining maturity of twelve months or less are valued at their nominal value increased by any interest accrued thereon, if any, such global value being amortised pursuant to the amortised costs method.

ALKEN CAPITAL FUND, FCP-FIS

Notes to the financial statements as at December 31, 2023 (continued)

5) The liquidating value of forward and options contracts not traded on regulated markets, stock exchanges in another state or on other Regulated Markets is their net liquidating value determined, pursuant to the policies established in good faith by the AIFM, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward and options contracts traded on regulated markets, stock exchanges in another state or on other Regulated Markets is based upon the last available settlement prices of these contracts on regulated markets, stock exchanges in another state and other Regulated Markets on which the particular futures, forward or options contracts are traded by the sub-fund; provided that if a futures, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the AIFM may deem fair and reasonable.

6) For the sub-fund, securities whose value is expressed in a currency other than the reference currency of that sub-fund is converted into that reference currency at the average rate between the last available buy/sell rate in Luxembourg or, failing that, in a financial centre which is most representative for those securities.

7) Any other security, instrument or asset is valued, prudently and in good faith, on the basis of their estimated sale prices by the AIFM.

c) Net realised gain/loss on sales of investments

The net realised gain/loss on sales of investments is calculated on the basis of the weighted average cost of the investments sold.

d) Acquisition cost of investment securities

Cost of investment denominated in currencies other than the base currency of the sub-fund is converted into the base currency of the sub-fund at the exchange rate prevailing at the acquisition date.

e) Valuation of Forward foreign exchange contracts

The net unrealised gain or loss resulting from outstanding forward foreign exchange contracts are determined on the valuation day on the basis of the forward rates applicable at year end and are recorded in the statement of net assets.

The realised gains or losses resulting from forward foreign exchange contracts are recorded in the statement of operations and change in net assets.

f) Valuation of Contracts For Difference

Contracts for difference ("CFD") are valued on the basis of the difference between the price of their underlying on the valuation date and on the acquisition date.

g) Recognition of CFD

At the time of each NAV calculation, the margin call on CFD is recorded directly in the realised capital gains and losses accounts relating to CFDs by the bank account counterparty.

ALKEN CAPITAL FUND, FCP-FIS

Notes to the financial statements as at December 31, 2023 (continued)

h) Accounting of CFD and options

Unrealised appreciations and depreciations on CFD and options are settled daily through the reception/payment of a cash amount corresponding to the daily increase/decrease of the market value of each opened CFD and options. Such cash amount is recorded under the caption "Cash at banks" in the statement of net assets and the corresponding amount is recorded under the caption "Net realised gains/losses on CFD" and "Net realised gains/losses on options" in the statement of operations and changes in net assets.

i) Income

Dividends are recorded net of withholding tax at ex-date. Interest is recorded on an accrual basis.

j) Transaction fees

The transaction fees represent the costs incurred by the sub-fund in connection with purchases and sales of investments and derivatives.

Transaction fees include brokerage fees as well as bank commissions, foreign tax, depositary fees and other transaction fees, and are included in the statement of operations and changes in net assets under the caption "Transaction fees".

k) Conversion of foreign currencies

Cash at banks, other net assets as well as the market value of the investment portfolio in currencies other than the base currency of the sub-fund are converted into the base currency of the sub-fund at the exchange rate prevailing at the closing date.

Income and expenses in currencies other than the base currency of the sub-fund are converted into the base currency of the sub-fund at the exchange rate prevailing at the transaction date.

Resulting gains and losses are included in the statement of operations and changes in net assets.

NOTE 3

"TAXE D'ABONNEMENT"

The Fund is liable in Luxembourg to a tax ("*taxe d'abonnement*") of 0.01% per annum of its NAV, such tax being payable quarterly on the basis of the value of the aggregate net assets of the sub-fund at the end of the relevant calendar quarter, as the Fund is reserved to institutional investors, professional investors and well-informed investors within the meaning of the 2007 Law. In case some sub-funds are invested in other Luxembourg Investment Funds, which in turn are subject to the subscription tax provided for by the Luxembourgish Laws, no subscription tax is due from the Fund on the portion of assets invested therein.

No stamp duty or other tax is payable in Luxembourg on the issue of Units.

No Luxembourg tax is payable on the realised capital appreciation of the assets of the Fund.

ALKEN CAPITAL FUND, FCP-FIS

Notes to the financial statements as at December 31, 2023 (continued)

Dividends and interests received by the AIFM on behalf of the Fund on its investments may be subject to non-recoverable withholding or other taxes in the countries of origin.

NOTE 4 MANAGEMENT FEES

In consideration for its services rendered to the sub-fund, the AIFM is entitled to receive an annual management fee calculated on the basis of the NAV of the sub-fund as of the latest valuation day, and payable quarterly in arrears as follows:

Class J: up to 1.25% per annum, applied on the total average net assets of this Class,
Class S: up to 0.75% per annum, applied on the total average net assets of this Class.

The Investment Manager is paid by the AIFM out of its own fee.

NOTE 5 PERFORMANCE FEES

The AIFM is also entitled to receive a performance fee (the "Performance Fee") applicable to the Classes of Units J and S. The Performance Fee may be levied only in case there is a difference in favour of the Unitholders relative to the evolution of the NAV.

For Class of Units J, the Performance Fee by Unit outstanding is equivalent to 15.00% of the positive excess of the net return of the sub-fund (i.e. the outperformance) in respect of each performance year subject to the fact that the NAV has reached a new all-time-high (the all-time-high NAV is the greater of 1) the last highest NAV per unit on which a performance fee has been paid; and 2) the initial subscription price).

For Class of Units S, the Performance Fee by Unit outstanding will not exceed 5.00% of the positive excess of the net return of the sub-fund (i.e. the outperformance) in respect of each performance year subject to the fact that the NAV has reached a new all-time-high.

The high water mark is defined as the greater of the following two figures:

- The last highest Net Asset Value per Share on which a performance fee has been paid and;
- The initial NAV per share.

ISIN code	Share class	Class currency	Performance fees	% of net assets*
LU0360936099	Class J	EUR	-	-
LU0360936172	Class S	EUR	-	-

* Based on the average of the Net Assets of the Class for the year ended December 31, 2023.

For the year ended December 31, 2023, the sub-fund Alken Capital Fund, FCP-FIS - One sub-fund did not pay any performance fee.

NOTE 6 DEPOSITARY BANK AND ADMINISTRATION FEES

The Depositary Bank and the Central Administrative Agent are entitled to receive, out of the average net assets of the sub-fund, a fee in accordance with customary practice in the Luxembourg financial market of up to 0.50% annually, payable quarterly in arrears.

ALKEN CAPITAL FUND, FCP-FIS

Notes to the financial statements as at December 31, 2023 (continued)

NOTE 7 OTHER FEES PAYABLE

As at December 31, 2023, the other fees payable include mainly administration, audit, and depositary fees.

NOTE 8 CONTRACTS FOR DIFFERENCE ("CFD")

The Fund had CFD outstanding as at December 31, 2023 as follows:

ALKEN CAPITAL FUND, FCP-FIS - One Sub-Fund

Description	Quantity	Currency	Commitment in EUR
Banca Ifis	243,014	EUR	3,815,319.80
Carrefour	78,011	EUR	1,292,252.21
Sixt	4,861	EUR	491,933.20

NOTE 9 DETAILS OF THE NET REALISED GAIN/LOSS ON SALES OF INVESTMENTS

Details of the net realised gain/loss on sales of investments for the year ended December 31, 2023 were as follows:

		Realised gain	Realised loss	Net realised gain
ALKEN CAPITAL FUND, FCP-FIS - One Sub-Fund	EUR	11,576,407.05	-5,179,373.75	6,397,033.30

NOTE 10 DETAILS OF THE CHANGE IN NET UNREALISED APPRECIATION/DEPRECIATION ON INVESTMENTS

Details of the change in net unrealised appreciation/depreciation on investments for the year ended December 31, 2023 were as follows:

		Change in unrealised appreciation	Change in unrealised depreciation	Change in net unrealised appreciation/ depreciation
ALKEN CAPITAL FUND, FCP-FIS - One Sub-Fund	EUR	14,682,547.87	-14,575,580.78	106,967.09

NOTE 11 EVENTS AFTER THE YEAR-ENDED

No significant event occurred after the year end.

ALKEN CAPITAL FUND, FCP-FIS

Other information to Unitholders (unaudited appendix)

1. Remuneration of the members of the Alternative Investment Fund Manager ("AIFM")

The AIFM has adopted a remuneration policy, which is in accordance with the principles established by the law of July 12, 2013 (the "2013 Law").

The table below shows the total amount of the remuneration for the financial year ended as at December 31, 2023, split into fixed and variable remuneration, paid by the AIFM to its staff. The table has been prepared taking into consideration point 162 of section 14.1 of the European Securities and Market Authority ("ESMA") remuneration guidelines relating to the confidentiality and data protection in presenting the remuneration information.

In promoting sound and effective risk management and not encouraging excessive risk-taking with respect to the risk profiles, management regulations or instruments of incorporation of the Funds, the remunerations set by the Management Company are composed of fixed remuneration received in cash on a periodic basis, based on the competences of the employees of the Management Company and guaranteed irrespective of their performance and variable remuneration, linked to risk and therefore tied to performance measures on an individual basis as well as on a collective basis in accordance to predefined financial as well as non-financial criteria.

Remuneration for the financial year 2023

	Number of beneficiaries	Total remuneration (EUR)	Fixed remuneration (EUR)	Variable remuneration (target or discretionary bonuses, parts remuneration) (EUR)
Total remuneration paid by the Management Company during the financial year	12	1,245,628	665,074	1,910,701

Additional explanation:

- The figures are provided on the basis of present employees on December 31, 2023.
- Information on fixed and variable remuneration paid excludes staff that left before December 31, 2023.
- Information on remuneration is exclusive of social charges.
- Fixed remuneration is the salary paid during the exercise.
- Variable Remuneration is the one attributed in 2023 on the basis of the performance of the year 2022. It is composed of discretionary total variable pay (including immediate cash and deferred remuneration) and discretionary long-term incentives.
- The beneficiaries reported are composed of the risk takers (including the 3 Conducting Officers based in Luxembourg) and the staff of the AIFM dedicated to AIFM activities for all the Funds under management, remunerated by the AIFM. In addition, the AIFM did not remunerate directly the staff of the Investment Manager, but rather ensured that the Investment Manager complies with the remuneration policy requirements itself.
- The benefits have been attributed according to criteria such as level of seniority, hierarchic level, or other eligibility criteria, not taking into account performance criteria, and are thus excluded from the fixed or variable remuneration figures provided above.

ALKEN CAPITAL FUND, FCP-FIS

Other information to Unitholders (unaudited appendix) (continued)

- More information on the determination of the variable remuneration is set out in the qualitative disclosure on the remuneration policy, which is available on the website of the company. Under the supervision of the Chairman of the Board of the Management Company a remuneration committee reviews the remuneration policy and its application. No significant issues were found and there were no significant changes in the remuneration policy in 2023.

2. Securities Financing Transactions Regulation ("SFTR")

As at December 31, 2023, the Fund is in the scope of the requirements of the Regulation (EU) 2015/2365 on transparency of Securities Financing Transactions and of Reuse. Nevertheless, no corresponding transactions were carried out during the year referring to the financial statements.

3. Sustainable Finance Disclosure Regulation ("SFDR")

Within the meaning of SFDR (regulation EU 2019/2088 of November 27, 2019 on sustainability-related disclosures in the financial services sector), the sub-fund does not promote environmental and/or social characteristics nor has a sustainable investment as its objective.

For the purpose of the "taxonomy" regulation (regulation EU 2020/852 of June 18, 2020 on the establishment of a framework to facilitate sustainable investment, and amending the EU regulation 2019/2088), the investments underlying the sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

