

Probus Opportunities SA, SICAV-FIS

société d'investissement à capital variable – fonds d'investissement spécialisé

sous forme de société anonyme

FINANCIAL STATEMENTS INCLUDING THE REPORT OF THE REVISEUR D'ENTREPRISES AGREE

For the year ended 31 December 2016

R.C.S. Luxembourg B 189099

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if published thereafter.

Probus Opportunities SA, SICAV-FIS

CONTENTS

ORGANIZATION	3
ACTIVITY REPORT	4
REPORT OF THE REVISEUR D'ENTREPRISES AGREE	11
COMBINED STATEMENT OF NET ASSETS	13
COMBINED STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS.....	14
PROBUS OPPORTUNITIES SA, SICAV-FIS – MEKONG FUND	
- STATEMENT OF NET ASSETS	15
- STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS.....	16
- STATISTICAL INFORMATION.....	17
- STATEMENT OF INVESTMENTS AND OTHER NET ASSETS.....	18
- INDUSTRIAL AND GEOGRAPHICAL CLASSIFICATION OF INVESTMENTS IN PERCENTAGE OF NET ASSETS.....	19
PROBUS OPPORTUNITIES SA, SICAV-FIS – GREATER INDIA BEST-IN-CLASS EQUITY FUND	
- STATEMENT OF NET ASSETS	20
- STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS.....	21
- STATISTICAL INFORMATION.....	22
- STATEMENT OF INVESTMENTS AND OTHER NET ASSETS.....	23
- INDUSTRIAL AND GEOGRAPHICAL CLASSIFICATION OF INVESTMENTS IN PERCENTAGE OF NET ASSETS.....	24
NOTES TO THE FINANCIAL STATEMENTS	25
ADDITIONAL INFORMATION (UNAUDITED).....	32

Probus Opportunities SA, SICAV-FIS

ORGANIZATION

As of 31 December 2016

Registered Office of the Company

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Grand-Duchy of Luxembourg

Board of Directors

Philippe Toussaint, Chairman, Luxembourg
Bernard Bonvin, Director, Dubai
Andrew Ranken, Director, Bangkok
Kim Müller, Director, Geneva

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Probus Opportunities SA, SICAV-FIS

ACTIVITY REPORT

PROBUS OPPORTUNITIES SA, SICAV-FIS – MEKONG FUND

Dear Investors,

Performance. Class A USD NAV per share closed up 8.7% for calendar 2016. Over the past five years, the Fund (Class A USD) and the predecessor fund has returned 12.4% p.a. (annualised, net).

The Fund's performance is typically compared with MSCI's Southeast Asia index (0.8% pa over 5 years, including monthly dividend re-investment). Our mandate does not include all Southeast Asian markets, so this is not an apple-to-apple comparison. Local indices (Thailand, Cambodia, Laos, Vietnam) are also not representative. Comparison and replication is difficult due to (to varying degrees) data availability, capitalisation weighting, lack of float adjustment, and lack of invest-ability due to float or foreign ownership restrictions. Vietnam's Ho Chi Minh Index (VNI) is a good example: (1) five stocks (a dairy company whose foreign ownership restrictions were lifted at end July, a state-controlled bank, a beer company with only 6% free float that listed in December, and a property developer) made up around 45% of the index at end 2016, (2) fully 14% of the index's 17% US\$ return in 2016 was explained by these stocks. Given issues such as these and our concentrated bottom-up approach, we make no attempt to match or track an index.

Two stocks drove performance during the year - Group Lease (positively) and Donaco International (negatively). Over the past year, these stocks have been the topic of a significant amount of introspection and internal discussion - we are our own harshest critics. At issue is a common dilemma for investors like us who focus on valuation - we tend to buy too early and sell too soon.

Group Lease. Our investment in Group Lease will be well known to many investors. The Fund first invested in consumer finance company Group Lease in March 2013 when its market capitalisation was just \$200 million. We liked its focussed founder/CEO with more than half of the equity, its long-term potential in regional markets (especially in partnership with market-leader Honda), a superior data-driven, centralised credit approach which had been proven over many years in Thailand, consistently high loan yields at 2% per month, a strong balance sheet to support regional expansion, and a lack of institutional coverage and sponsorship in the Thai market. The Fund continued to buy through to the beginning of 2015 as the price declined amid concerns over a weakening Thai economy and low earnings from Cambodia as Group Lease invested in network roll-out, sacrificing short term profit for long term growth. The company was "discovered" by the broader market and brokerage community in early 2015 and the price doubled on strong earnings, stabilisation in Thailand, Cambodia build-out completion, and further regional expansion into Laos. The Fund started exiting at this point, selling roughly half of our position at roughly double our cost. We continued to exit through 2016 as the stock price increased more quickly than profits. Our average exit price of THB25 was equivalent to 50x 2015 earnings and 36x annualised 2016 earnings - hardly cheap. Following our last exit at THB44 per share, the stock price continued on its upward trajectory, hitting THB57.25 (more than 80x trailing earnings and forward earnings) at end 2016, up more than 3x for the year. In hindsight, we sold too soon - the Fund would have been much better off holding on to our shares through 2015 and 2016. As a friend quipped, "have we had our Munger moment"? In other words, are we now holders of our investments regardless of price? There is no need for inoculation here - we go into most investments with the expectation of holding for the long-term provided the business continues to deliver and management continues to do the right thing. We will sell, however, when the market offers us a ridiculous price, especially when we have other opportunities on the plate. 50x earnings (let alone 80x) assumes a tremendous amount of profitable growth and is quite difficult to justify, especially for a company earning good but not great returns on its equity in the mid teens and significant complexity and execution risk as the company pushes further afield (Indonesia, Sri Lanka, and now Africa and Eastern Europe) and away from its core rural Mekong motorcycle and agricultural equipment finance business. In light of other opportunities on our plate through the end of 2016 (including GTNFoods, Kido, and Saigon General Service), we think we made the right move in selling.

Donaco International. Donaco International is a ca. US\$250MM market capitalisation ASX-listed Mekong region gaming roll-up run by grandchildren of Genting's KT Lim with main assets being a new 428 key, 40 table and 136 EGM facility on Vietnam-China border and recently acquired 385 key, 109 table, 1,264 EGM facility on the Cambodia-Thai border. The acquisition, which closed 1 July 2015 (on the first day of the FY16 financial year), increased pro-forma trailing EBITDA by more than 5 times and diversified business away from Chinese visitation risk. The founders continue to hold a significant position and the Cambodian vendor took significant part of consideration in shares at prices well above the current share price. The Fund first identified the opportunity in early 2014 and bought in Q3 2014 and following based on (1) lack of visibility (given location of listing vs location of operations), (2) mis-pricing of earnings power of Vietnamese facility, (3) short-term concerns over Vietnam-China relations and the Vietnam tax regime negatively impacting price, (4) pending spin-off of the legacy gaming technology business, and (5) a potential regional acquisition. While these have more or less proven out in our favour, the stock price has continued to trade down. The stock price declined from A\$0.77 at end 2015 (78x trailing earnings, 7.8x forward and 1.4x book) to A\$0.37 at the end of 2016 (3.9x trailing earnings, 4.5x forward and 0.6x book). This was in spite of reporting FY16 (June year end) results up 675% following consolidation of its Star Vegas acquisition and initiating a maiden dividend (important in the dividend-obsessed Australian market). In hindsight, as in most of

ACTIVITY REPORT (continued)

our investments, we bought Donaco International too early and continued to buy as the price declined, convinced that downside was far less than upside. We have not changed this view and believe that, ultimately, Mr Market will see value, though we have no crystal ball and therefore no expectation as to when this might be and note the price may well decline further before this proves out. As we stated in our December 2016 monthly commentary, "The question for us is - and this is a question we ask whenever we see material market moves against us - has the thesis or business been impaired or, in other words, would we initiate a new position at current depressed price levels? We do not believe the thesis has been impaired. At the current market valuation (below book and at around 4 times earnings and less than half any kind of reasonable multiple for this kind of business), given continued deleveraging, improving operating results at both properties and the vendor earnings guarantee in place for one of them, and increasing returns of capital to shareholders, we would be investors at this level if we did not already have a significant position."

Portfolio. 2016 was a relatively busy year for the portfolio:

- The Fund exited its position in Group Lease for valuation reasons.
- The Fund initiated a position in Vietnamese agribusiness firm GTNFoods via a discounted private placement.
- The Fund initiated a position in Saigon General Service, the leading Vietnamese auto retailer.
- The Fund re-initiated a position in Kido (formerly Kinh Do), the Vietnamese consumer franchise.
- The Fund took a small position in the leading CVS/pharmacy chain in Vietnam via unlisted convertible securities.
- The Fund exited its position in Vietnamese water park operator Dam Sen for valuation reasons.
- The Fund exited its position in Thai telecommunications outfit Symphony Communications due to a loss in confidence in new management following the loss of a major customer and some questionable capital management decisions.
- The Fund added to its positions in regional gaming roll-up Donaco International, Vietnamese third-party logistics company Digiworld, Thai food company S. Khonkaen via a discounted rights issue, and Vietnamese technology and telecom company FPT.

With the sale of Group Lease and the addition of GTNFoods and Kido, the Fund saw some turnover in its top-5 holdings. This level of activity is unusual and while we might hope for the market to present us with opportunities to exit our positions at ridiculous valuations, we do not expect a similar level of activity in 2017. The top 5 holdings (53% of NAV) at the end of 2016 were EDL-Gen (12%), GTNFoods (11%), Saigon General Service (11%), Donaco International (9%), and Kido Group (9%). We have discussed our rationale for investing in (and holding onto) Donaco above, so we provide more detail on the other top holdings below.

EDL-Generation. Power demand in the rapidly growing Mekong region is expected to grow at better 10% per year to 2020, with half of all new capacity being hydropower. Laos, at the heart of the region with 25% of the Mekong River catchment area and 35% of the total flow, is ideally positioned to supply low-cost and reliable base load capacity to Laos and the region. EDL-Generation (EDL-Gen), a ca. US\$1BN market capitalisation hydropower company in Laos, was established in late 2010 and listed in early 2011 in order to implement two main state policy goals: (1) to attract private capital to the Laos hydropower sector and (2) to develop the local capital markets. The state retained a 75% stake post listing and has significant incentive to see EDL-Generation succeed. The company owns around 1.1GW of nameplate equity capacity, held through both wholly-owned hydropower plants and a portfolio of equity interests in IPPs. Earnings are underpinned by long-term concessions and PPAs, modelled on the successful Thai version. The majority of current capacity is sold to the Laos market, with EDL-Gen supplying more than half of local demand. The company expects equity capacity to approximately double to 1.8GW by 2018 to service growing domestic and regional demand. Predictable earnings are expected by management to grow as projects in construction come on-line from an estimated LAK 460 per share in 2016 to around LAK 650 per share in 2018. Following a 14.5% decline in the market price in 2016, the stock represents even better value than it did last year - value has arguably increased (book value plus dividends up around 8% for the year) and price has decreased. The price is now below our conservative estimate of replacement value and less than 4x estimated 2016 earnings after adjusting for cash and advance payments for assets under development. Despite the clear value proposition, the market has not yet recognised this. We continue to engage with regulators and other participants to push along implementation of global custody arrangements and other regulatory changes to allow larger and less nimble foreign institutions (Thai pension funds and UCITS funds, for example) to invest in the market. The changes will happen - it is a matter of when and not if. Based on recent discussions with policy makers and regulators, we believe that such changes will be implemented within the first half of the year (note we have been wrong about this before) and anticipate that such changes and associated foreign investment will drive valuations closer to the levels of regional comparables. The Laotians have meaningful incentive to make this happen: (1) continuing need for foreign investment capital to both sustain development and to support market prices and the value of retail investors' holdings and (2) regional competition on both the demand and supply sides from both frontier markets like Myanmar and Vietnam and more developed markets like Thailand which now allow foreign entities to list.

GTNFoods. We participated in a discounted placement in GTNFoods to finance working capital and acquisitions. The company is a Vietnamese agricultural and consumer products business that aims to invest in and turn around underperforming state-owned assets. The company currently has three main investments: (1) 95% of the former state tea company VinaTea, (2) 35% of the leading local wine producer LadoFoods, and (3) 65% of Vilico, the majority owner of dairy concern Moc Chau Milk. At the price we paid (VND 14k per share vs. an end of year market price of VND16.6k), this is a case (a recurring theme in our portfolio) of buying on assets with the goal of selling on earnings as an experienced

ACTIVITY REPORT (continued)

management with skin in the game: (1) turns around existing underperforming consumer businesses by improving product quality, introducing better product branding and portfolio management, and streamlining supply chains and (2) deploys excess capital into new capacity and complementary business lines. Our downside is protected by the market value of its tea plantations (~4,700 Ha), commercial property, non-core assets currently being divested, and net cash worth conservatively 90% of our purchase price. To get a high level sense of the long-term upside potential, consider that the company is trading on 6 times management's guidance for 2021 net income (which implies a mid-teens return on equity) as compared to other regional and Vietnamese consumer names trading at north of 20 times.

Saigon General Service. In March, we started acquiring a meaningful position in Vietnamese nano-cap Saigon General Service (SVC), the leading Vietnamese auto retailer with a consistent 8-10% market share over a number of franchises, including market leader Toyota. The stock had sold off earlier in the year as a result of the general market sell-off and investor concerns over slowing growth in the auto sector after a stellar couple of years. Despite the anticipated drop in sector growth, Toyota still forecasts above 10% growth for 2016. This is in line with long term expectations for the market: analysis of emerging markets suggests that motorisation (which is around 20 automobiles per 1,000 people in Vietnam vs more than 200 for Thailand and 650-800 for developed markets) should grow at least at around twice GDP for the next decade. At our acquisition price, after backing out cash and property (most of which is expected to be divested) worth half the price, the implied growth rate was negative and the stock was trading at around 5x look-through trailing earnings. The stock is up some 60% since our initial purchase, but we still see significant upside from: (1) continued growth in auto sales, (2) margin expansion through exploitation of the currently underdeveloped and higher gross margin parts and service business, and (3) potential buy-out of minority partners in its dealership network.

Kido. This is our second trip to the rodeo with Kido (formerly Kinh Do). The Fund first identified the stock in early 2011 and invested in mid-2012. KDC was at that point a confectionery, snack and ice cream business with majority of revenues coming from the seasonal sales of Moon Cakes and some non-core property assets. To us, their most important asset was their relationships with wholesalers and logistics network that gave them around 150,000 points of sale. Having seen the success of competitor Masan, KDC embarked on a strategy to improve growth and profitability by bringing in and incentivising consumer goods specialists to drive growth in existing brands and leveraging their distribution network. When we bought, the stock was trading at just 1.2 times book value. By the middle of 2014 rumours were circulating that KDC would sell its confectionery and snack business and the stock reacted accordingly and traded up to better than 2x book and twice our entry price. By November, the company had announced the sale of 80% (with a put for the remainder that has subsequently been exercised) of its confectionery and snack business for an estimated 30x earnings and 6.5x book to Mondelez International. A lot of founders would have knocked back this offer, but to their credit, the KDC founders took the extraordinarily good offer. Even better, they commenced a buyback program and distributed a large portion of the sale proceeds via a special dividend. Good capital allocators are rare in the Mekong. Following the sale to Mondelez, the market did not seem to understand the strategy of the business. This, despite the fact that the company still had: (1) the number one market share ice cream business (the old Unilever/Wall's business) earnings gross margins in excess of 60% and returns on capital well above cost despite investment in distribution and cold-chain logistics and (2) a number of new ventures in seasonings, edible oils, and instant noodles. Importantly, the company was progressing with a strategy of buying - at good prices - poorly run state-owned enterprises and turning them around using their consumer goods expertise and distribution network. Sell-side firms withdrew coverage and many investors lost interest, driving the price to below liquidation value. We continued to add through 2016.

Outlook. As at end 2016, the Fund's investments (excluding net cash balances and debt instruments) were trading cheaply on market at a little over half of our conservatively assessed fair value and 1.2x book, the cheapest it has ever been. We expect to continue to find opportunities to upgrade our portfolio in unloved and under-followed corners of our markets which are most prone to unreflective selling (for reasons other than value) and asset mis-pricing. We continue to direct our search efforts in: (1) markets, such as Laos and Myanmar (which should become investable by foreigners within 2017), which are not generally investable due to size or regulation by larger funds, (2) un-researched and under-owned smaller capitalisation companies, (3) broken IPOs following several years of frothy markets for new listings, both in Thailand and Vietnam, (4) continued privatisation of Vietnamese SOEs and investment alongside parties able to drive efficiency gains in such companies, and (5) acquisition and expansion within the region.

Probus Opportunities SA, SICAV-FIS

ACTIVITY REPORT (continued)

PROBUS OPPORTUNITIES SA, SICAV-FIS – GREATER INDIA BEST-IN-CLASS EQUITY FUND

Dear investors,

On the 17th of June 2016, Probus Group launched the Greater India Best-in-Class Equity Fund, a sub-fund of the Probus Opportunities SICAV-FIS. The Fund takes the form of a fund-of-funds, investing in Best-In-Class equity funds in the Greater India region. Probus Middle East operates as investment manager and manages the trading operations, while Prisminvest functions as investment advisor and ensures an optimal selection of Best-In-Class managers by providing detailed data and analysis. Investment committees are regularly scheduled with members of both teams to decide on the managers and cash allocation.

Performance

From inception to the end of the year, the Fund's Class A NAV declined 2.23% while the Class B NAV lost 2.49%. The Fund is benchmarked to the MSCI India 10/40 Net Total Return, which we believe represents the best comparable index as it takes into account UCITS constraints and the reinvestment of dividends. The benchmark fell by 1.13% during the same period, leading to Class A and Class B underperforming by 110 and 136 basis points, respectively.

Market review

2016 was a hell of a ride for equities across the globe and the Greater India region was no exception. At the beginning of the year, Indian indices followed the slump in global markets that was triggered by the renminbi devaluation. The unexpected shock affected emerging markets, with Indian stocks losing nearly 15% during the first quarter. Furthermore, general sentiment was also spoiled by delays in Indian reforms, most notably regarding the Good and Sales Tax (GST), which was intended to unify the tax system. However, during the second quarter, the Indian stock market got back on track as the USD stabilized and was eventually lifted by the approval of the GST in August. The indices topped at the end of the third quarter as everyone was on standby for the U.S election. In November, the Indian equity market was hit simultaneously by the Trump election and by the Indian demonetization, which took all investors by surprise. Prime Minister Modi had unexpectedly announced the ban of 1,000 and 500 rupee notes, in an effort to curb corruption and tax evasion. As those notes accounted for 86% of the cash in circulation, Indian equity indices crashed under the assumption of lower corporate earnings within the next quarter or two. Finally, the indices stayed range bound until the end of the year.

Pakistan on the other hand didn't follow the same path as India. The country's benchmark KSE100 Index has rallied 46 percent to become Asia's best-performing equity market in 2016. The market received a boost in June when MSCI announced that it would reclassify Pakistan as part of its emerging market index, widely tracked as a benchmark. Investors have been pushing prices higher in anticipation of its inclusion in May 2017. Moreover, sentiment was also lifted by Chinese investments plans estimated at \$46 billion. The Chinese government plans major infrastructure investments such as power plants, roads and a port across Pakistan, linking southwestern China to the Arabian Sea.

Managers' allocation

We believe it is extremely difficult for a single manager or a single organization to understand and invest successfully (i.e. to generate alpha) in all asset classes and/or countries. Especially in emerging markets, deferring to locally based managers adds value over time. By being on the field, local managers have a better perception of political, social and financial issues.

In order to select Best-in-Class managers with different managing styles, a three-step selection methodology is used by Prisminvest comprising quantitative and qualitative analysis. After a thorough selection process, funds and/or dedicated portfolios are assembled into a core-satellite model to both provide stability and specific opportunities. Indian managers are to be set in the core of the project while other Greater India markets as well as specific investments remain as satellite investments.

For the launch of the Fund, Prisminvest has selected eight different managers in which we have decided to invest. From inception to November, the Fund performed well, outperforming the benchmark by more than 200bps. As the market was mainly driven by midcaps during the second and third quarters, the Fund benefited from its overweight on this segment. The activity throughout this phase consisted mainly in rebalancing the subscriptions between the eight initial funds.

ACTIVITY REPORT (continued)

At the end of October, Prisminvest proposed to add a new fund, Franklin India. The proposition to invest in Franklin India was unanimously accepted during the Investment Committee. Investing in Franklin India Fund provided more exposure to the large cap sector. This was a viable approach to moderate the Fund's over allocation to relatively overvalued midcaps. As a consequence, we decided to reduce our exposure to Gam Star India and Sundaram in order to subscribe to the Franklin India.

However, since demonetization, high sector rotations have drastically increased the volatility of the market and proved to be difficult to run by our managers. Indeed, swings in technology and our underweight in this sector, along with our heavy allocation in financials and industrials, weighed on the performance. Banks, which were supposed to be the main beneficiaries of the demonetization with huge inflows on deposit accounts, were amongst the laggards. The mid and small cap segments fell more than the large cap, which did not help either. We continued to run the portfolio in a more conservative way and diversify the Fund's exposure to other countries in the region, such as Pakistan.

Top 5 holdings at inception

First State – Indian Subcontinent (core profile)

Investment style

Pure bottom-up, with a long-term investment time horizon. The focus is on quality companies with sustainable and predictable growth. They are benchmark-aware but not constrained. They can deviate substantially from it and focus rather on preserving the downside. Invests also in Sri Lanka, Bangladesh and Pakistan time to time.

Strengths

- Institutional set-up with strong branding, especially in emerging markets
- Exceptional track record
- Stable team with disciplined investment process
- Part of our core funds

Performance

From inception to the end of the year, the fund has returned 79 bps, outperforming the benchmark by 197 bps.

GAM Star India (satellite)

Investment style

The portfolio is 40% invested in deep value stocks and 60% in compounding machines (stable business with predictable earnings where stock price fell => reversion to the mean). The companies they focus on should perform independently of Indian GDP growth. Benchmark-agnostic. Buy and hold strategy and the fund tends to be sometimes contrarian.

Strengths

- Strong experience of the PM
- Transparency of the PM
- Deep research
- Impressive track

Performance

From inception to the end of the year, the fund lost 93 bps, outperforming the benchmark by 26 bps.

Probus Opportunities SA, SICAV-FIS

ACTIVITY REPORT (continued)

IEOF India Entrepreneur (satellite)

Investment style

The fund only invests in entrepreneurial businesses of size, superior quality and high growth at fair value. The owner must have more than a 25% stake in the company. This number allows the shareholder to block resolution. The fund excludes investments in foreign companies. The portfolio is concentrated in a maximum of 20 positions (5% each) and they focus on earnings growth with a minimum of 20-25% over the next 3 to 5 years without capital dilution and trading at a 20% discount (margin of safety). Mainly buy and hold strategy.

Strengths

- Best track record due to a very strong stock picking
- Proven investment process
- Original stocks and philosophy

Performance

From inception to the end of the year, the fund has returned 100 bps outperforming the benchmark by 213 bps.

Goldman Sachs India Equity Portfolio

Investment style

Pure bottom up with a long term investment time horizon. The focus is on sound businesses with substantial discounts to intrinsic value. Targets a balanced portfolio of stocks that will outperform over a full market cycle.

Strengths

- Institutional set-up with strong branding, especially in emerging markets
- Experienced Research Analysts with a sector focus
- Part of our core funds

Performance

From inception to the end of the year, the fund has lost 183 bps, underperforming the benchmark by 64 bps.

UTI International India Dynamic Equity Fund (satellite)

Investment style

The fund focuses on growth stocks; it targets industries with stable and secular growth prospects, high revenue and profit growth. Predictability and stability of earnings and capital efficiency are key.

Strengths

- Pioneer of the asset management industry in India
- Extremely long term orientation, hence very low portfolio turnover
- Concentrate on a few good ideas rather than trying to do a lot of things
- Emphasis on selection of mid and small cap stocks

Performance

From inception to the end of the year, the fund lost 282 bps, underperforming the benchmark by 164 bps.

Probus Opportunities SA, SICAV-FIS

ACTIVITY REPORT (continued)

Fund TER

The Fund's performance has been negatively impacted by the Total Expense Ratio (TER) at the fund level. Since inception, the Fund's TER is close to 4% annualized as the seed capital was unfortunately too low at the inception (around USD 3.5m). The high TER is due to the gradual increase of the Fund's assets which lead to a low average net asset. It explains the lower performance of the Fund compared to the constituent funds. The Funds should have been fully invested from the beginning to prevent the proportionately higher expenses and to impact the performance.

Finally, using Prisminvest's methodology described earlier, the selected fund allocation has shown promising backtesting results. The performance of the allocation has been simulated since 2014, date at which all funds have a common track record. The portfolio performed well, achieving a cumulative return of 40.98% while the benchmark returned only 14.58% and with a lower risk (standard deviation 16.98% vs 18.81%). These results support our view that the Fund should outperform the benchmark over the long run.

Outlook

Looking into next year, with elections scheduled in a large Indian state in early 2017, the Modi government will probably be keen on rolling out measures that will mitigate the fallout from the demonetization drive. However, quarterly results and commentaries, key state elections in February-March, and the Budget in early February are likely to influence market behavior over the near term. Finally, the implementation of the GST will also be closely monitored, as it will have a significant impact on the economy.

Our Thanks. We are fortunate to have investors and partners that understand our long-term investment approach based on fundamental analysis, that short-term movement in security prices have little bearing on business valuation and that, ultimately, fundamental valuation will out. We thank our investors and partners for their ongoing trust and support - it is truly a pleasure to go to work each day on your behalf.



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To the Shareholders of
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REPORT OF THE REVISEUR D'ENTREPRISES AGREE

We have audited the accompanying financial statements of Probus Opportunities SA, SICAV-FIS (the "SICAV") and each of its Sub-Funds, which comprise the statement of net assets and the statement of investments and other net assets as at 31 December 2016 and the statement of operations and changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors of the SICAV responsibility for the financial statements

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

Responsibility of the Réviseur d'Entreprises agréé

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

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

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

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



Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Probus Opportunities SA, SICAV-FIS and each of its Sub-Funds as of 31 December 2016, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements.

Other information

The Board of Directors of the SICAV is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of Réviseur d'Entreprises agréé thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Luxembourg, June 26, 2017

KPMG Luxembourg
Société coopérative
Cabinet de révision agréé
39, Avenue John F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

A handwritten signature in blue ink, appearing to read 'Pascale Leroy', written over a faint circular stamp or watermark.

Pascale Leroy

Probus Opportunities SA, SICAV-FIS

COMBINED STATEMENT OF NET ASSETS

As at 31 December 2016
(in USD)

		31 December 2016
	Notes	USD
<u>ASSETS</u>		
Investment portfolio at market value	2.b, 7	46,432,666
Cash at bank	2.b	2,826,960
Receivable from sale of securities		1,716,824
Formation expenses	2.g	125,067
Interests receivable on loans		7,500
Prepayments		29,045
Other assets		94,996
TOTAL ASSETS		51,233,058
<u>LIABILITIES</u>		
Due to broker		2,693
Administration fee payable		15,396
Formation expense payable		6,296
Management Company fee payable	3	22,306
Investment Management fee payable	3	71,952
Depository fee payable		3,673
Subscriptions pending	8	1,220,000
Other payables		50,055
TOTAL LIABILITIES		1,392,371
<u>NET ASSETS</u>		49,840,687

Probus Opportunities SA, SICAV-FIS

COMBINED STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

For the year ended 31 December 2016
(in USD)

		31 December 2016
INCOME	Notes	USD
Interest on bank accounts	2.i	92
Interest on loans	2.i	7,500
Dividends income, net	2.i	292,423
Other income		56,761
TOTAL INCOME		356,776
EXPENSES		
Administration fee		67,616
Depository fee		28,989
Management Company fee	3	75,443
Investment Management fee	3	597,536
Performance fees	3	555,024
Banking charges and other fees		54,072
Legal fee		22,161
Amortization of formation expenses	2.g	30,346
Subscription tax ("taxe d'abonnement")	4	8,111
Interest expense		112
Other expenses		133,362
TOTAL EXPENSES		1,572,772
NET INVESTMENT LOSS		(1,215,996)
NET REALISED GAINS/(LOSSES)		
- on equities	2.c, 6	6,776,637
- on funds	2.c, 6	19,871
- on options	2.c, 6	176,723
- on foreign currency transactions	2.e, 6	(10,915)
NET REALISED GAINS FOR THE YEAR/PERIOD		5,746,320
CHANGE IN NET UNREALISED (DEPRECIATION)/ APPRECIATION FOR THE YEAR/PERIOD		
- on equities	6	(2,625,999)
- on funds	6	(441,822)
- on foreign currency transactions	2.e, 6	(194,167)
RESULT OF OPERATIONS FOR THE YEAR/PERIOD		2,484,332
Subscriptions		18,313,920
Redemptions		(2,935,962)
TOTAL CHANGES IN NET ASSETS		17,862,290
TOTAL NET ASSETS at the beginning of the year/period		31,978,397
TOTAL NET ASSETS at the end of the year/period		49,840,687

Probus Opportunities SA, SICAV-FIS – Mekong Fund

STATEMENT OF NET ASSETS

As at 31 December 2016
(in USD)

		31 December 2016
	Notes	USD
<u>ASSETS</u>		
Investment portfolio at market value	2.b, 7	38,212,725
Cash at bank	2.b	2,701,605
Receivable from sale of securities		1,716,824
Formation expenses	2.g	101,785
Interests receivable on loans		7,500
Prepayments		27,786
Other assets		94,996
TOTAL ASSETS		42,863,221
<u>LIABILITIES</u>		
Due to broker		2,693
Administration fee payable		3,822
Management Company fee payable	3	11,030
Investment Management fee payable	3	52,117
Depository fee payable		2,304
Subscriptions pending	8	1,140,000
Other payables		14,051
TOTAL LIABILITIES		1,226,017
<u>NET ASSETS</u>		41,637,204

Probus Opportunities SA, SICAV-FIS – Mekong Fund

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

For the year ended 31 December 2016
(in USD)

		31 December 2016
INCOME	Notes	USD
Interest on bank accounts	2.i	92
Interest on loans	2.i	7,500
Dividends income, net	2.i	277,532
Other income		56,761
TOTAL INCOME		341,885
EXPENSES		
Administration fee		42,624
Depository fee		22,283
Management Company fee	3	57,614
Investment Management fee	3	562,037
Performance fees	3	555,024
Banking charges and other fees		53,527
Legal fee		20,412
Amortization of formation expenses	2.g	27,447
Subscription tax ("taxe d'abonnement")	4	7,767
Interest expense		112
Other expenses		88,208
TOTAL EXPENSES		1,437,055
NET INVESTMENT LOSS		(1,095,170)
NET REALISED GAINS/(LOSSES)		
- on equities	2.c, 6	6,776,637
- on options	2.c, 6	176,723
- on foreign currency transactions	2.e, 6	(10,791)
NET REALISED GAINS FOR THE YEAR		5,847,399
CHANGE IN NET UNREALISED (DEPRECIATION)/ APPRECIATION FOR THE YEAR		
- on equities	6	(2,625,999)
- on foreign currency transactions	2.e, 6	(194,463)
RESULT OF OPERATIONS FOR THE YEAR		3,026,937
Subscriptions		9,469,920
Redemptions		(2,838,050)
TOTAL CHANGES IN NET ASSETS		9,658,807
TOTAL NET ASSETS at the beginning of the year		31,978,397
TOTAL NET ASSETS at the end of the year		41,637,204

Probus Opportunities SA, SICAV-FIS – Mekong Fund

STATISTICAL INFORMATION

As at 31 December 2016
(in USD)

Share Classes	Class A	Class P
- outstanding at the beginning of the year	313,034	450
- issued	88,501	-
- redeemed	(26,572)	-
- outstanding at the end of the year	374,963	450
Net asset value per share		
- as at 31.12.2016	110.91	110.91
- as at 31.12.2015	102.01	102.01
- as at 31.12.2014	92.20	92.20

Probus Opportunities SA, SICAV-FIS – Mekong Fund

STATEMENT OF INVESTMENTS AND OTHER NET ASSETS

As at 31 December 2016
(in USD)

Currency	Nominal/ Quantity	Description	Cost	Market Value	% of total net assets
TRANSFERABLE SECURITIES LISTED ON AN OFFICIAL STOCK EXCHANGE OR ON ANOTHER REGULATED MARKET:					
Equities					
AUD	15,000,000	DONACO INTL LTD	7,224,891	3,946,380	9.48%
THB	1,389,657	S KHONKAEN FOODS PCL-FOREIGN	2,843,102	2,375,233	5.70%
THB	6,813,000	UNION AUCTION PCL-FOREIGN	1,456,770	1,996,275	4.79%
VND	2,140,015	DIGIWORLD CORP	2,802,941	1,523,142	3.66%
VND	1,391,600	FPT CORP	2,635,125	2,690,145	6.46%
VND	6,550,000	GTNFOODS JSC	4,111,732	4,777,031	11.47%
VND	2,278,610	KIDO GROUP CORP	2,986,048	3,639,009	8.74%
VND	3,363,920	LICOGI 16 JSC	1,000,264	586,739	1.41%
VND	2,300,000	NAM LONG INVESTMENT CORPORATION	1,867,565	2,243,311	5.39%
VND	2,113,250	SAIGON GENERAL SERVICE JSC	3,478,138	4,456,571	10.70%
VND	732,449	THIEN LONG GROUP CORP	1,657,484	3,250,180	7.81%
LAK	1,365,776	BANQUE POUR LE COMMERCE EXTE	1,304,508	917,860	2.20%
LAK	8,283,598	EDL-GENERATION PCL	6,845,835	5,060,849	12.16%
Total equities			40,214,403	37,462,725	89.97%
TOTAL TRANSFERABLE SECURITIES LISTED ON AN OFFICIAL STOCK EXCHANGE OR ON ANOTHER REGULATED MARKET:				37,462,725	89.97%
Convertible loan					
USD		MAROON BELLS JOINT STOCK COMPANY	750,000	750,000	1.80%
INVESTMENT PORTFOLIO AT MARKET VALUE				38,212,725	91.77%
Cash at bank				2,701,605	6.49%
Other net assets / (liabilities)				722,874	1.74%
Total				41,637,204	100.00%

Probus Opportunities SA, SICAV-FIS – Mekong Fund

INDUSTRIAL AND GEOGRAPHICAL CLASSIFICATION OF INVESTMENTS IN PERCENTAGE OF NET ASSETS

As at 31 December 2016
(in USD)

Industrial classification	% of net assets
Communications	11.47%
Consumer, cyclical	4.79%
Consumer, non-cyclical	34.62%
Financial	10.07%
Industrial	3.66%
Utilities	17.54%
Technology	7.82%
TOTAL	89.97%

Geographical classification*	% of net assets
Australia	9.48%
Laos	14.35%
Thailand	10.49%
Vietnam	55.65%
TOTAL	89.97%

* The geographical classification is based on the market exchange listing location.

Probus Opportunities SA, SICAV-FIS – Greater India Best-In-Class Equity Fund

STATEMENT OF NET ASSETS

As at 31 December 2016
(in USD)

	Notes	31 December 2016 USD
<u>ASSETS</u>		
Investment portfolio at market value	2.b	8,219,941
Cash at bank	2.b	125,355
Formation expenses	2.g	23,282
Prepayments		1,259
TOTAL ASSETS		8,369,837
 <u>LIABILITIES</u>		
Administration fee payable		11,574
Formation expense payable		6,296
Management Company fee payable	3	11,276
Investment Management fee payable	3	19,835
Depository fee payable		1,369
Subscriptions pending	8	80,000
Other payables		36,004
TOTAL LIABILITIES		166,354
 <u>NET ASSETS</u>		 8,203,483

Probus Opportunities SA, SICAV-FIS – Greater India Best-In-Class Equity Fund

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

For the period from 17 June 2016 (date of inception) to 31 December 2016
(in USD)

INCOME	Notes	31 December 2016 USD
Dividends income, net	2.i	14,891
TOTAL INCOME		14,891
EXPENSES		
Administration fee		24,992
Depository fee		6,706
Management Company fee	3	17,829
Investment Management fee	3	35,499
Banking charges and other fees		545
Legal fee		1,749
Amortization of formation expenses	2.g	2,899
Subscription tax ("taxe d'abonnement")	4	344
Other expenses		45,154
TOTAL EXPENSES		135,717
NET INVESTMENT LOSS		(120,826)
NET REALISED GAINS/(LOSSES)		
- on funds	2.c, 6	19,871
- on foreign currency transactions	2.e, 6	(124)
NET REALISED GAINS FOR THE PERIOD		(101,079)
CHANGE IN NET UNREALISED (DEPRECIATION)/ APPRECIATION FOR THE PERIOD		
- on funds	6	(441,822)
- on foreign currency transactions	2.e, 6	296
RESULT OF OPERATIONS FOR THE PERIOD		(542,605)
Subscriptions		8,844,000
Redemptions		(97,912)
TOTAL CHANGES IN NET ASSETS		8,203,483
TOTAL NET ASSETS at the beginning of the period		-
TOTAL NET ASSETS at the end of the period		8,203,483

Probus Opportunities SA, SICAV-FIS – Greater India Best-In-Class Equity Fund

STATISTICAL INFORMATION

As at 31 December 2016
(in USD)

Share Classes	Class A	Class B
- outstanding at the beginning of the period	-	-
- issued	73,863	11,067
- redeemed	-	(1,000)
- outstanding at the end of the period	73,863	10,067
Net asset value per share		
- as at 31.12.2016	97.77	97.51
- as at 31.12.2015	-	-
- as at 31.12.2014	-	-

Probus Opportunities SA, SICAV-FIS – Greater India Best-In-Class Equity Fund

STATEMENT OF INVESTMENTS AND OTHER NET ASSETS

As at 31 December 2016
(in USD)

Currency	Nominal/ Quantity	Description	Cost	Market Value	% of total net assets
Investment Funds / Undertaking for collective investment ("UCI")					
USD	93,016	FIRST STATE INDIAN SUBCONTINENT	1,842,090	1,781,248	21.71%
USD	36,820	FRANKLIN TEMPLETON INVESTMENT - FUNDS	1,400,000	1,248,202	15.22%
USD	137,771	GAM STAR FUND PLC - INDIA EQUI	1,421,154	1,323,982	16.14%
USD	63,170	GS INDIA EQUITY -I- USD/DIS	1,140,000	1,085,258	13.23%
USD	922,031	IEOF - INDIAN ENTREPRENEUR	990,186	922,031	11.24%
USD	16,267	KOTAK FUNDS - INDIA MIDCAP FUND	200,000	209,498	2.55%
USD	219,812	SUNDARAM INDIA MIDCAP FUND	258,331	255,642	3.12%
USD	8,194	TUNDRA PAKISTANFOND	300,000	352,819	4.30%
USD	112,084	UTI INDIAN DYN EQTY - USD INST	1,110,002	1,041,261	12.69%
Total Investment Funds / UCI			8,661,763	8,219,941	100.20%
TOTAL INVESTMENT FUNDS / UCI				8,219,941	100.20%
Cash at bank				125,355	1.53%
Other net assets / (liabilities)				(141,813)	(1.73%)
Total				8,203,483	100.00%

Probus Opportunities SA, SICAV-FIS – Greater India Best-In-Class Equity Fund

INDUSTRIAL AND GEOGRAPHICAL CLASSIFICATION OF INVESTMENTS IN PERCENTAGE OF NET ASSETS

As at 31 December 2016
(in USD)

Industrial classification	% of net assets
Funds	100.20%
TOTAL	100.20%

Geographical classification	% of net assets
Ireland	50.54%
Luxembourg	42.24%
Singapore	3.12%
Sweden	4.30%
TOTAL	100.20%

Probus Opportunities SA, SICAV-FIS

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2016

Note 1 - General Information

Probus Opportunities SA, SICAV-FIS (the "Company" or the "Fund") is a public limited liability company and has been incorporated on 18 July 2014 under the 2007 Act, the 1915 Act and the Articles as a *société d'investissement à capital variable – fonds d'investissement spécialisé* (investment company with variable capital – specialised investment fund).

The Company is registered with the Luxembourg trade and companies register under the number B189099. Its Articles were published in the Mémorial on 15 September 2014.

The Company has an umbrella structure consisting of one or several compartments. A separate portfolio of assets is maintained for each compartment and is invested in accordance with the investment objective and policy applicable to that compartment.

As of 31 December 2016 the following compartments are active:

- Probus Opportunities SA, SICAV-FIS - Mekong Fund
- Probus Opportunities SA, SICAV-FIS - Greater India Best-In-Class Equity Fund (launched on 17 June 2016)

The compartment, Probus Opportunities SA, SICAV-FIS - Greater India Best-In-Class Equity Fund, was launched on 17 June 2016.

As disclosed in the prospectus, investments may be made through Intermediary Vehicles. The Company will seek to fully control any such Intermediary Vehicle. As at 31 December 2016, Probus Opportunities SA, SICAV-FIS - Mekong Fund holds 100% of 2 Intermediary Vehicles, which are "Mekong Holding Inc." incorporated in Panama, and "CLMVT Holding Limited" incorporated in the United Arab Emirates. The financial statements of the Company show the investments held by the fully owned Intermediary Vehicle, Mekong Holding Inc., following the look through principle. As at 31 December 2016, no investment is held through CLMVT Holding Limited.

Three share classes can be issued in the Probus Opportunities SA, SICAV-FIS – Mekong Fund as follows:

- Class A share
- Class P share
- Class Z share

Four share classes can be issued in the - Probus Opportunities SA, SICAV-FIS - Greater India Best-In-Class Equity Fund as follows:

- Class A share
- Class B share
- Class P share
- Class Z share

The Reference Currency of the compartments is USD.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2016

Note 2 - Summary of most significant accounting policies

The financial statements have been prepared in accordance with generally accepted accounting principles in Luxembourg. The accounts of the Company are expressed in USD as the reference currency of both compartments is USD.

a) Calculation of the net asset value

The net asset value (The "Net Value Asset" or "NAV") per share of each compartment is calculated on the last business day of the month (hereinafter called "Valuation Day"). In this context, "business day" shall mean the usual bank business days (i.e. each day on which banks are opened during normal business hours) in Luxembourg with the exception of some non-regulatory holidays. The net asset value of a compartment is equal to the total assets of that compartment less its liabilities. The net asset value of each compartment will be expressed in the currency of the relevant compartment and shall be determined in respect of any Valuation Day by dividing the total net assets of the compartment by the number of its shares then outstanding.

The net asset value per share of each compartment is calculated on the basis of closing prices on the last business day of the month in Luxembourg, unless otherwise described.

b) Valuation principles

The value of the assets of the Company is determined as follows:

1. any transferable security and instrument (including any financial derivative instrument) negotiated or listed on a Regulated Market is valued on the basis of the last known price, unless this price is not representative, in which case the value of such a security or instrument is determined on the basis of its fair value estimated in good faith by the Company;
2. units, shares or interests of any undertaking for collective investment ("UCI") / investment funds are based on the last available value provided by the administrative agent, the manager or any other reliable party involved with that UCI;
3. the liquidating value of any financial derivative instruments which are not traded on a Regulated Market means their net liquidating value determined, pursuant to the policies established by the Company, on a basis consistently applied for each different variety of derivative;
4. unlisted securities or instruments not traded on a Regulated Market as well as listed securities or instruments listed on a market other than a Regulated Market, or securities or instruments whose quoted price is, in the opinion of the Company, not representative of actual market value, is valued at their last price known in Luxembourg or, in the absence of such price, on the basis of their fair value, as determined with prudence and in good faith by the Company, provided that private equity investments is estimated with due care and in good faith by taking into account International Private Equity and Venture Capital Valuation Guidelines (the IPEV Valuation Guidelines);
5. the value of any cash on 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 shall be deemed to be the full amount thereof, unless it is unlikely to be received in which case the value thereof shall be arrived at after making such discount as the Company may consider appropriate in such case to reflect the true value thereof.

c) Net realised gain / (loss) on sales of securities

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

d) Valuation of forward foreign exchange contracts

The unrealised gain/(loss) on outstanding forward foreign exchange contracts is valued on the basis of the forward exchange rates prevailing at valuation date and is presented in the statement of net assets. Realised and variations of unrealised gain/(loss) are presented in the statement of operations and changes in net assets.

Probus Opportunities SA, SICAV-FIS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2016

Note 2 - Summary of most significant accounting policies (continued)

e) Conversion of foreign currencies

Bank accounts, other net assets and the valuation of the investments in securities held denominated in currencies other than the reference currency of the compartment are converted at the closing spot rates on the valuation date.

Income and expenses denominated in currencies other than the currency of the compartment are converted at the mid closing spot rates at payment date. Gains or losses on foreign exchanges are included in the statement of operations and changes in net assets.

The cost of securities denominated in currencies other than the reference currency of the different compartments is converted at the mid closing spot rate prevailing on the day of acquisition.

As of 31 December 2016 the exchange rates were as follows:

1 USD	1.3876	AUD
	1.0172	CHF
	0.9508	EUR
	8,184.0027	LAK
	35.8350	THB
	22,761.0008	VND

f) Accounting of securities' portfolio transactions

The securities' portfolio transactions are accounted for the bank business day following the transaction dates.

g) Formation expenses

The expenditure involved in the initial launching and marketing of the Company, as well as the cost of launching new compartments and other extraordinary expenses may be written off over a period of up to five years. The costs of launching new compartments will be written off only by the respective compartment. The expenditure involved in establishing the Company still outstanding may only be written off by the compartments launched at the same time as the Fund was established.

h) Techniques and Instruments for Hedging Currency Risks

In order to protect its assets against the fluctuation of currencies, each compartment may enter into transactions the purpose of which is the sale of currency futures contracts, sale of call options or the purchase of put options in respect of currencies. The transactions referred to herein may only concern contracts which are traded on a regulated market, operating regularly, recognised and open to the public. For the same purpose each compartment may also sell currencies forward or exchange currencies on a mutual agreement basis with first class financial institutions specialising in this type of transactions. The hedging objective of the transactions referred to above presupposes the existence of a direct relationship between these transactions and the assets which are being hedged and implies that, in principle, transactions in a given currency cannot exceed the total valuation of assets denominated in that currency nor may the duration of these transactions exceed the period for which the respective assets are held.

i) Investment income

Dividend income is recorded at the ex-date, net of any withholding tax.

Interest income is accrued on a prorata temporis basis, net of any withholding tax.

Probus Opportunities SA, SICAV-FIS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2016

Note 3 - Fee Structure

MANAGEMENT COMPANY FEE

For its services as Management Company, Lemanik Asset Management S.A. receives a Management Company fee calculated as follows:

- 0.12% of the average assets per compartment per annum up to EUR 100,000,000;
- 0.10% of the average assets per compartment per annum from EUR 100,000,000 to EUR 250,000,000;
- 0.08% of the average assets per compartment per annum over EUR 250,000,000;

with a minimum of EUR 2,500 per compartment per month with commitment approach and additional fee of EUR 1,000 per compartment per month are charged for Value at Risk (VaR) calculation.

INVESTMENT MANAGEMENT FEE

Probus Opportunities SA, SICAV-FIS - Mekong Fund

The Investment Manager receives an Investment Management fee on a monthly basis for an amount equal to 1/12th of 1.5% of the monthly NAV of class A of the compartment. The Investment Management fee is levied under the supervision of the Management Company and paid monthly in arrears to the Investment Manager.

No Investment Management fee is charged with respect to Class P and Class Z.

The Investment Management fee for the year ending 31 December 2016 amounts to USD 562,037.

Probus Opportunities SA, SICAV-FIS - Greater India Best-In-Class Equity Fund

The Investment Manager receives an Investment Management fee on a weekly basis for an amount equal to 1/52th of 1.0% of the NAV of Class A and 1/52th of 1.5% of the NAV of Class B of the compartment. The Investment Management fee is levied under the supervision of the Management Company and paid monthly in arrears to the Investment Manager.

No Investment Management fee is charged with respect to Class P and Class Z.

The Investment Management fee for the period ending 31 December 2016 amounts to USD 35,499.

PERFORMANCE FEE

Probus Opportunities SA, SICAV-FIS - Mekong Fund

The Investment Manager may be entitled to receive incentive compensation including carried interest, performance fee or similar remuneration schemes.

The performance fee is calculated as follows:

a) If the Net New Appreciation achieved by each Class of the compartment during a relevant month (subject to the High Water Mark) is not greater than 0.833% (i.e., 1/12 of 10%), no performance fee is payable;

b) If the Net New Appreciation achieved by each Class of the compartment during a relevant month (subject to the High Water Mark) is greater than 0.833% (i.e., 1/12 of 10%) but less than or equal to 1.667% (i.e., 1/12 of 20%), the performance fee payable is equal to 10% of the excess over 0.833%;

c) If the Net New Appreciation achieved by each Class of the compartment of a relevant month (subject to the High Water Mark) is greater than 1.667% (i.e., 1/12 of 20%), the performance fee payable is equal to 10% of the excess over 0.833% (i.e., 1/12 of 10%) up to 1.667% (i.e., 1/12 of 20%) and 20% of the excess over 1.667% (i.e., 1/12 of 20%).

No performance fee is charged with respect to Class P and Class Z.

The performance fee for the year ending 31 December 2016 amounts to USD 555,024.

Probus Opportunities SA, SICAV-FIS - Greater India Best-In-Class Equity Fund

No performance fee is charged to the compartment.

Probus Opportunities SA, SICAV-FIS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2016

Note 3 - Fee Structure (continued)

OTHER FEES

Apart from the Management Company fee, Investment Management fee and Performance fee the compartments are subject to:

- Administrative charges and expenses due or accrued, including fees and expenses for the administrative agent, the depositary bank, legal and audit services;
- custody brokerage fees and commissions which are charged by other banks and brokers for securities transactions and similar transactions;
- costs for ordinary and extraordinary measures carried out in the interests of the shareholders, such as expert opinions and legal proceedings.

Note 4 - Subscription tax

The Company is governed by Luxembourg law.

The Company is liable to an annual subscription tax (taxe d'abonnement) which is presently set at 0.01% of the value of the Company's net assets. This subscription tax is payable quarterly based on the Company's net asset value as calculated at the end of each quarter. No ad valorem duty or tax is payable in Luxembourg in connection with the issue of Shares by the Company.

The value of the assets represented by units/shares held in the other Luxembourg UCIs is exempt from the subscription tax, provided that such UCIs have already been subject to subscription tax.

Note 5 – Transaction fees

Transaction costs incurred by the Company relating to purchases or sales of securities and of fees relating to liquidation of transactions paid to the depositary bank are taken into account in the acquisition cost or in the proceed of sale.

The amount of transaction costs paid to the depositary bank for the year ended 31 December 2016 equal to USD 4,502 for Greater India Best-In-Class Equity Fund and USD 48,670 for the Mekong Fund.

Probus Opportunities SA, SICAV-FIS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2016

Note 6 – Split of the unrealised/realised gain and loss

Probus Opportunities SA, SICAV-FIS - Mekong Fund

The realised gains/(losses) on equities disclosed in the statement of operations and changes in net assets is composed of:

Gain: USD 7,433,416

Loss: USD 656,779

The realised gains/(losses) on options disclosed in the statement of operations and changes in net assets is only composed of realised gain of USD 176,723.

The realised gains/(losses) on foreign currency transactions disclosed in the statement of operations and changes in net assets is composed of:

Gain: USD 26,955

Loss: USD 37,746

The change in unrealised gains/(losses) on equities disclosed in the statement of operations and changes in net assets is composed as follows:

Unrealised gain: USD 5,596,979

Unrealised loss: USD 8,222,978

The change in unrealised gains/(losses) on foreign currency transactions disclosed in the statement of operations and changes in net assets is composed of:

Unrealised gain: USD 63,459

Unrealised loss: USD 257,922

Probus Opportunities SA, SICAV-FIS - Greater India Best-In-Class Equity Fund

The realised gains/(losses) on funds disclosed in the statement of operations and changes in net assets is only composed of realised gain of USD 19,871.

The realised gains/(losses) on foreign currency transactions disclosed in the statement of operations and changes in net assets is only composed of realised loss of USD 124.

The change in unrealised gains/(losses) on funds disclosed in the statement of operations and changes in net assets is composed as follows:

Unrealised gain: USD 62,317

Unrealised loss: USD 504,139

The change in unrealised gains/(losses) on foreign currency transactions disclosed in the statement of operations and changes in net assets is composed as follows:

Unrealised gain: USD 1,297

Unrealised loss: USD 1,001

Note 7 – Convertible loan

Probus Opportunities SA, SICAV-FIS - Mekong Fund has entered into the convertible loan agreement with Maroon Bells Joint Stock Company (“Borrower”) on 27 October 2016. Aggregate principle amount of the loan is USD 750,000 (the “Commitment Amount”). The term of the loan is 12 months commencing from the disbursement date. Parties may agree to extend the term of the loan for an additional period of 6 months. The loan bears interest at a fixed rate equal to 6% p.a. calculated on the actual number of days elapsed from the disbursement date until the maturity date on this basis of 365-day year. To the extent that the loan is not repaid in full on the maturity date, the outstanding loan shall bear the default interest at the rate per annum equal to 150% of the interest rate calculated on the actual number of days elapsed from the maturity date until the date of actual payment on the basis of 365-day year.

Probus Opportunities SA, SICAV-FIS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2016

Note 8 – Subscriptions pending

A sale of the shares to an investor wishing to subscribe is completed on the first business day of each calendar month (the “subscription date”), based on the prior month’s transaction price. To be accepted, the full amount of the subscription must be paid in advance at least two business days prior to first business day of each calendar month. A subscription for shares will not be processed and shares will not be allotted until receipt of notification that a prospective investor’s funds have been cleared in the full amount of the subscription. If a subscription is not accepted only in part, the amount paid on the subscription or the balance thereof will be returned to the prospective shareholder.

Note 9 – Subsequent events

There were no material post-balance sheet date events which necessitate the revision of the figures or disclosures included in these audited financial statements.

Probus Opportunities SA, SICAV-FIS

ADDITIONAL INFORMATION (UNAUDITED)

REMUNERATION

In accordance with the law of 12 July 2013 relating to Alternative Investment Fund Managers implementing Directive 2011/61/EU, the Company is qualifying as an externally managed alternative investment fund (“AIF”) according to articles 1 (39) and 4 of the law of 12 July 2013. The Company has appointed Lemanik Asset Management S.A., as its alternative investment manager (“AIFM”) authorised under Chapter 2 of the Law of 12 July 2013 relating to alternative funds managers.

Lemanik Asset Management S.A. (“the AIFM”) has implemented a Remuneration Policy that is designed as not to encourage taking excessive risks. The AIFM has implemented a series of safeguards that refrain to staff taking undue risk compared to the activity profile.

The governance structure of the Remuneration Policy aims at preventing internal conflicts of interest. The Policy is formulated by Executive Management and approved by the Board of Directors. The Policy follows a defined process establishing the principles, the approval, communication, implementation, review and update of the Policy which involves the Board of Directors, Executive Management, Human Resources, Internal Audit and other control functions.

The Remuneration Policy includes fixed and variable components of salaries and applies to those categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that falls within the remuneration bracket of senior management and risk takers whose professional activities have a material impact on the risk profiles of the AIFM, the Company or the compartments.

In particular, the Remuneration Policy will ensure that:

- a) the staff engaged in control functions are compensated in accordance with the achievement of the objectives linked to their functions, independently of the performance of the business areas that they control;
- b) the fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component;
- c) the measurement of performance used to calculate variable remuneration components or pools of variable remuneration components includes a comprehensive adjustment mechanism to integrate all relevant types of current and future risks;

Details of the Remuneration Policy, including the persons in charge of determining the fixed and variable remunerations of staffs, a description of the key remuneration elements and an overview of how remuneration is determined, is available on the website http://www.lemanikgroup.com/management-company-service_substance_governance.cfm

A paper copy of the summarised Remuneration Policy is available free of charge to the Shareholders upon request.

Probus Opportunities SA, SICAV-FIS

ADDITIONAL INFORMATION (UNAUDITED) (CONTINUED)

Staff expenses split into fixed and variable remuneration

Wages and salaries

- a. Fixed
- b. Variable

Staff expenses broken down by categories of staff subject to pay rules :

Staff code	Fixed remuneration in EUR	Variable Remuneration in EUR	Total in EUR
S	1,311,683	371,596	1,683,279
R	585,312	74,500	659,812
C	306,644	14,500	321,144
O	91,000	6,000	97,000

S = Senior Management

R = Risk takers, which includes staff members whose professional activities can exert material influence on UCITS or AIFs managed by LAM

C= Staff engaged in control functions (other than senior management) responsible for risk management, compliance, internal audit and similar functions

O= Any other staff member receiving total remuneration that takes them into the same remuneration bracket as senior management and risk-takers, whose professional activities have a material impact on LAM's risk profile.

Risk Management

The Fund and its compartments did not have any assets that were subject to special arrangements arising from their illiquid nature in the year 2016. No new arrangements have been made for managing the liquidity of the Fund and each of its compartments in the year 2016 and liquidity were managed in accordance with current legislation.

The current risk profile of the Fund and its compartments is medium risk profile: Mekong Fund mainly invests in Equity (around 92.63% of the total net assets "NAV") in the Mekong Region and mainly in Vietnam, and Greater India Best-In-Class Equity Fund mainly invests in open funds (underlying equities) in the Indian region. The risk management systems employed by Lemanik Asset Management S.A. is compliant with current legislation.

No leverage has been used during the year 2016 but the Fund is allowed to do so (throughout borrowing, short selling, derivatives and credit facilities).

No new changes were made to the risk management systems employed by Lemanik Asset Management S.A., where the risk management system has been evaluated in accordance law of 12 July 2013.

ADDITIONAL INFORMATION (UNAUDITED) (CONTINUED)

Securities Financing Transactions

The Company does not engage in securities financing transactions (as defined in Article 3 of Regulation (EU) 2015/2365 (the “Regulation”), securities financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). Accordingly, disclosures required by Article 13 of the Regulation are not applicable for the year ended 31 December 2016.