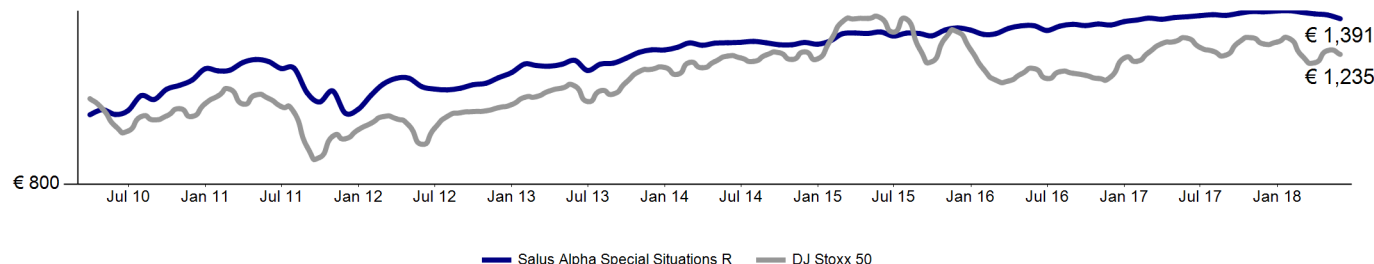
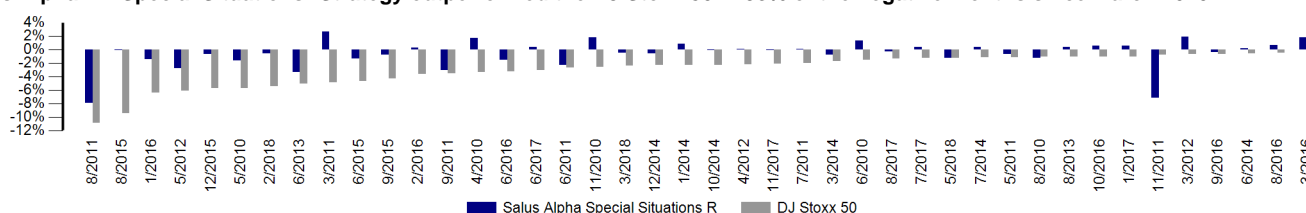


Investment Approach

Salus Alpha Special Situations R EUR is a Multi-Asset sub-fund of Salus Alpha SICAV, investing across the full range of eligible instruments like bonds, equity and cash. It combines an opportunistic core portfolio of selected, fundamentally attractively valued top companies (10% - 30% exposure) with positions in short- and medium-term special situations (0% - 70% exposure). Employing a traditional stock-picker approach, the fund targets to achieve an absolute return independent of the development of the overall equity market. Special situations are for example acquisitions and bidding wars, changes in the capital structure, management changes, share buybacks, director's dealings, IPOs, capital increases, index changes or earning surprises.



Salus Alpha RN Special Situations* Strategy outperformed the DJ Stoxx 50 in 93% of the negative months since March 2010*:**



Performance since inception of the fund

	39%
Year To Date	-2.6%
May 2018	-1.3%

Fund Inception*

22-Mar-2010

Target Return

7% p.a. (net of fees)

Recommended Holding Period

3 - 5 years

Synthetic Risk/Reward Indicator (SRRRI according to KID)

4

Currency	ISIN	NAV	Min. Initial Investment	Registered In
EUR	LU1280956597	13.8563	1,000	LU, AT, DE
USD	LU1280956670	10.0000	1,000	LU
GBP	LU1280956910	10.0000	1,000	LU
CHF	LU1280956753	10.0000	1,000	LU
SEK	LU1280957058	100.0000	10,000	LU

Correlations Since 2010*****

	DJ Stoxx 50	HFRX ED: Special Situations Index	Bonds**, 50% DJ Stoxx 50)	Bonds**
Salus Alpha Special Situations R	0.58	0.53	0.53	-0.01
DJ Stoxx 50		0.64	0.96	-0.07
HFRX ED: Special Situations Index			0.58	-0.16
Benchmark (50% Bonds**, 50% DJ Stoxx 50)				0.21

* Salus Alpha RN Special Situations (AT000A0GZ08) was merged into Salus Alpha Special Situations R EUR (LU1280956597) on 1-Aug-2016. Actual fund performance since inception.

** iBoxx Sovereign Bond Index.

*** The Benchmark had 42 negative months since March 2010.

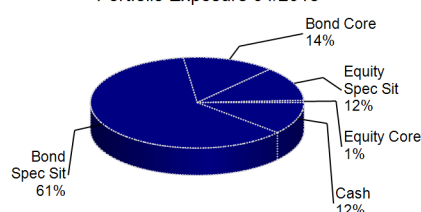
**** Correlation denotes one asset's dependence on the movements of a reference asset. Correlations of +1 imply that the assets move in tandem, correlations of -1 imply that they move exactly in opposing directions.

Fund Performance*

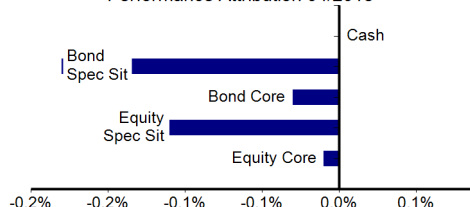
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD**
2010			0.9%	1.7%	-1.6%	1.3%	5.1%	-1.3%	3.5%	1.3%	1.8%	3.8%	17.6%
2011	-0.7%	0.2%	2.6%	1.0%	-0.7%	-2.3%	0.1%	-7.9%	-3.0%	3.8%	-7.2%	1.3%	-12.7%
2012	4.8%	3.8%	1.9%	0.0%	-2.8%	-0.8%	-0.3%	0.6%	1.2%	0.5%	1.9%	1.7%	13.1%
2013	2.9%	-0.5%	-0.2%	0.6%	1.3%	-3.3%	2.2%	0.3%	1.6%	2.0%	0.9%	0.0%	7.9%
2014	0.9%	1.5%	-0.8%	0.7%	0.1%	0.1%	0.3%	-0.5%	-0.6%	0.0%	0.8%	-0.6%	1.5%
2015	1.2%	2.4%	0.3%	-0.1%	0.5%	-1.4%	1.0%	-0.1%	-0.8%	1.9%	0.7%	-0.7%	4.9%
2016	-1.4%	0.2%	1.8%	0.8%	0.0%	-1.6%	1.5%	0.6%	-0.4%	0.5%	-0.3%	1.1%	2.9%
2017	0.5%	0.6%	-0.4%	0.6%	0.3%	0.3%	0.3%	-0.3%	0.7%	0.6%	-0.1%	0.3%	3.6%
2018	0.1%	-0.5%	-0.5%	-0.3%	-1.3%								-2.6%

* Salus Alpha RN Special Situations (AT0000A0GZ08) was merged into Salus Alpha Special Situations R EUR (LU1280956597) on 1-Aug-2016. Actual fund performance since inception.

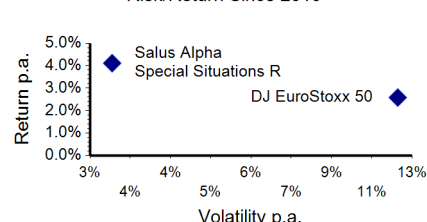
Portfolio Exposure 04/2018



Performance Attribution 04/2018



Risk/Return Since 2010



Product Details

Manager	Salus Alpha Capital Ltd
Mutual Fund Company	Salus Alpha SICAV
Custodian	CACEIS Bank Luxembourg
Legal Structure	UCITS
Fund Domicile	Luxembourg
Sales Fee	3.00%
Redemption Fee	None
Management Fee	1.90%
Performance Fee	20%

Availability

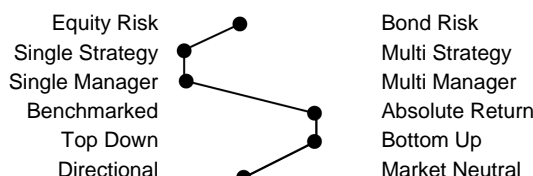
Order Routing	Caceis Bank Luxembourg
Order Cutoff	3:00 p.m.
Units / Amounts	Both
Liquidity	Daily
Manager Contact	invest@salusalphabet.com
Web	www.salusalphabet-sicav.com

Fund Performance*

	Fund	22-Mar-10 Benchmark
Fund Inception		
Total Return	39.1%	23.5%
Outperformance	+15.6%	
Annual Mean Return	4.11%	2.58%
Outperformance (p.a.)	+1.5%	
Annual Volatility	3.44%	11.76%
Mod. Sharpe Ratio (0%)	1.19	0.22
Best Month	5.13%	8.05%
Worst Month	-7.9%	-10.9%
% Positive Months	63%	58%
Maximum Drawdown	-16.4%	-20.4%
Max. Drawdown Date	Nov-11	Sep-11
Sortino Ratio (0%)	0.68	0.31
Calmar Ratio	0.56	-0.21

Fund Category

Fund Strategy	Mixed Asset Moderate
Target Return	7% p.a. (net of fees)
Target Volatility	4% - 6% p.a.
Target Correlation To Stocks	ca. 0.5
Target Correlation To Bonds	<0.2



* Salus Alpha RN Special Situations (AT0000A0GZ08) was merged into Salus Alpha Special Situations R EUR (LU1280956597) on 1-Aug-2016. Actual fund performance since inception.

** Year to date.

Performance Review for March 2018

Global equity markets delivered negative returns (for a second consecutive month) amid the technology correction (temporary price declines interrupting an uptrend) and concerns over a potential trade war between the US and China. The S&P 500 Index fell sharply -2.7% in March. The pressure on technology stocks in particular was driven by speculation about a regulatory crackdown related to data privacy and anti-trust concerns. Deeper regulatory scrutiny could alter the long-term prospects for the sector which propelled last year's rally. The US administration initially announced 25% tariff on steel and 10% tariff on aluminium imports. This was followed by a 25% tariff on USD 60 bn worth of Chinese imports. The Chinese, in response, have announced increased tariffs on USD 3 bn worth of US imports, which have sparked investor concerns about a looming global trade war and its negative implications for the global growth outlook. Meanwhile, the US Federal Reserve (Fed) raised interest rates from 1.5% to 1.75% in its March meeting. Central bank officials released upbeat projections about the US economy and inflation, supporting expectations that the central bank may raise interest rates three more times this year.

On the other side, Eurozone equities also saw negative returns in March with the EuroStoxx50, the DAX30, the ATX20 and the Swiss SMI20 Index were down by -2.3%, -2.7%, -1.4% and -1.9% respectively. March's sell-off was caused by global trade worries. However, European investors were somewhat relieved when the White House declared a temporary exemption for the European Union and other nations on the steel and aluminium levies. On the macroeconomic front, the Eurozone composite PMI Index fell to 56.6 in March from 58.6 in February. The Eurozone manufacturing boom has continued to slow from December's record high, but still remained relatively strong and expansion was still broad-based across the region. Eurozone's inflation rose to 1.4% in March from 1.1% in February. The unemployment rate in the Eurozone fell to 8.5% in February compared to 8.6% in January and 9.5% a year ago. The European Central Bank's (ECB) Chairman Mario Draghi reiterated that interest rates would not rise until well past the end of the quantitative easing programme. On the political front, Italy's election was inconclusive (no overall winner) but had limited impact on the equity market.

During March, government bonds outperformed corporate bonds, as an increase in equity market volatility and increased demand for the perceived stability of government bond markets. Oil prices rose on geopolitical tensions and a better supply-demand outlook. The OPEC-led alliance of major oil producers accelerated the time line for curbing a worldwide supply glut.

Salus Alpha Special Situations returned -0.5% in March 2018 and, thus outperformed the HFRX Special Situations Index and the HFRX Event Driven Index, which retreated -1.0% and -2.2% respectively. The Fund also showed better performance than the major equity indices, which slipped by about -2.0%. The Fund's market hedges with efficient risk management strategies proved successful during the month. In terms of portfolio positioning, we were already prepared for markets correction phase; our low risk profile and some appropriate-hedges (short position of S&P 500 Index and short position of Euro Bund Future) helped to in part hold our performance.

Special Situations:

Within the Fund's Special Situations Strategy, our market-hedges (the short position of S&P 500 Index) performed positively in March given the weaker equity markets. However, corporate bonds made negative total returns and underperformed government bonds. The Strategy's short position in Fixed income index hedges (the short positions of Euro Bund Future) was not sufficient to offset the negative returns incurred in the bond part of the portfolio. The Fund's exposure (11% to the total Fund's volume) to contingent capital (CoCo) bonds, the most junior debt issued by banks, detracted (approx. -0.20%) from the Fund's monthly performance.

The Strategy's Special Situation in an Austrian real estate company, Immofinanz AG rallied by 9% in March and was the top performer (0.11%) for the month. US private equity firm, Starwood Capital Group has announced its intention to acquire 26% of CA Immo at EUR 27.50 per share, and 5% of Immofinanz at EUR 2.10 per share. The two bids are independent of each other. During mid-March, we had bought a small position in CA Immo. In early March, we sold our positions in Raiffeisen Bank (RBI) and Vienna Insurance (VIG) as measures of risk reduction in the overall portfolio. Meanwhile, given a rebound in crude oil prices during March, we bought a small position in Austrian oil company, Schoeller-Bleckmann Oilfield Equipment AG (SBOE). During the month, we took advantage of share price weakness in Mayr-Melnhof Karton AG and Siemens Healthineers AG with small profit trades.

On the downside, our holdings in Voestalpine AG did show a negative performance (-0.10%) during the month. The share price of the specialty steelmaker plunged by -11% in March as the Trump Administration announcement to implement 25% tariff on steel imports which negatively impacted European steel stocks. We also closed our position in Polytec Holding AG as company's major shareholders (Capital Group Companies and NN Group/Delta Lloyd) reduced their stakes. The shares of the Austrian car supplier dropped -10% in March and thus, the position was among major detractors for the month (-0.11%).

Outlook:

Global market volatility is likely to remain high and further weakness is possible as US inflation and interest rates move up and the fear of a global trade war. The escalating tit-for-tat between China and the US has sent shockwaves across international markets, raising concerns that it would affect global growth. Major central banks are turning only gradually toward monetary tightening and thus, lower interest rates should keep investment returns favourable in Europe. However, ahead of the US mid-term elections, the return of political risk is another theme for 2018. Thus, we continue to be cautiously positioned and are trying to use market corrections for buying first class quality, but we don't shy away from selling again in order to lock-in profits.