

LANG CAPITAL FUND

(Constituted under a Trust Deed in the Republic of Singapore)

FINANCIAL STATEMENTS

For the half-year ended 30 June 2016

LANG CAPITAL FUND

FINANCIAL STATEMENTS

For the half-year ended 30 June 2016

General Information

Investment Manager

Atlas Asset Management Pte. Ltd.
80 Raffles Place
#57-01, UOB Plaza 1
Singapore 048624

Trustee, Administrator and Custodian

Asiaciti Trust Singapore Pte. Ltd.
163 Penang Road
#02-03 Winsland House II
Singapore 238463

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LANG CAPITAL FUND

INVESTMENT MANAGER'S REPORT

For the half-year ended 30 June 2016

The Directors of Atlas Asset Management Pte. Ltd., the Investment Manager of Lang Capital Fund (the "Fund"), present their report for the half-year ended 30 June 2016.

Principal Activities

The Fund is a Singapore private unit trust.

The Fund has been established to pursue investment opportunities in listed securities and private equity through the investment strategies highlighted in the Information Memorandum. The Fund aims to achieve steady capital appreciation in the medium to long-term through investments in a diversified portfolio of listed securities and private equity on a global basis with emphasis on Europe and the emerging markets for the private equity investments.

Directors

The Directors of Atlas Asset Management Pte. Ltd. at the date of this report are:

Roland Bernhard Knecht
Will Alston Beinhorn

Investment Management Fees

In accordance with the Information Memorandum, the management fees are paid to the Investment Manager.

Review and Results of Operations

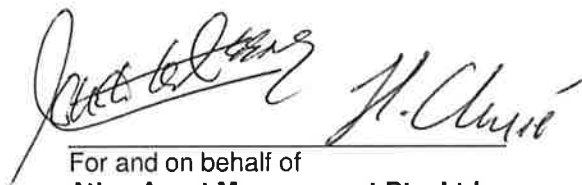
The Fund engaged in its principal activities, the results of which are disclosed in the attached financial statements.

LANG CAPITAL FUND

STATEMENT BY THE INVESTMENT MANAGER

For the half-year ended 30 June 2016

In the opinion of the directors of Atlas Asset Management Pte. Ltd., the accompanying financial statements set out on pages 4 to 17, comprising the Statement of Total Return, Statement of Financial Position, Statement of Movements in Unitholder's Funds, Statement of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position of Lang Capital Fund (the "Fund") as at 30 June 2016 and the total return and changes in unitholder's funds for the half-year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that the Fund will be able to meet its financial obligations as and when they materialise.



For and on behalf of
Atlas Asset Management Pte. Ltd.
As Investment Manager of
Lang Capital Fund

Date: 15/8/2016

LANG CAPITAL FUND**STATEMENT OF TOTAL RETURN***For the half-year ended 30 June 2016*

	Notes	01/01/2016 to 30/06/2016 US\$	11/12/2014 to 30/06/2015 US\$
Income			
Interest income on loan receivable	3	498,630	-
Interest income on sale purchase agreement		331,784	-
Bank interest income		2,037	7,198
		<u>832,451</u>	<u>7,198</u>
Expenses			
Management fees	7	514,618	363,454
Legal fees		156,162	87,629
Other professional fees		51,294	45,395
Trustee, administrator and custodian fees	7	36,071	35,147
Bank charges		2,110	1,347
Listing fees		1,884	12,839
Loss on foreign currency transactions - net		1,621	638
Others		3,084	255
		<u>766,844</u>	<u>546,704</u>
Net income/(expense)		65,605	(539,506)
Net loss on value of investments		(130,141)	-
Net loss for the period		(64,534)	(539,506)

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

LANG CAPITAL FUND

STATEMENT OF FINANCIAL POSITION

As at 30 June 2016

	Notes	30 June 2016 US\$	31 December 2015 US\$
ASSETS			
Current assets			
Cash at bank		12,906,506	15,538,975
Financial assets at fair value through profit or loss	3	35,150,963	32,773,947
Receivables	4	804,878	455,834
Prepayments		1,883	300
Total assets		48,864,230	48,769,056
LIABILITY			
Payables	5	271,810	221,105
EQUITY			
Net assets attributable to unitholders		48,592,420	48,547,951

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

LANG CAPITAL FUND

STATEMENT OF MOVEMENTS IN UNITHOLDER'S FUNDS

For the half-year ended 30 June 2016

	Note	01/01/2016 to 30/06/2016 US\$	11/12/2014 to 30/06/2015 US\$
Net assets attributable to unitholder at beginning of period		48,547,951	-
Unitholder's contribution			
Subscription of units	6	-	50,000,000
Operations			
Change in net assets attributable to unitholder resulting from operations		(64,534)	(539,506)
Adjustments to net assets		109,003	-
Total increase in net assets attributable to unitholder		44,469	49,460,494
Net assets attributable to unitholder at end of period		48,592,420	49,460,494

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

LANG CAPITAL FUND

STATEMENT OF PORTFOLIO

As at 30 June 2016

Primary

	Holdings at 30 June 2016	Fair value at 30 June 2016	Percentage of total net assets attributable to unitholder at 30 June 2016
		US\$	%
By geography			
Unquoted			
Debt securities			
Isle of Man			
Secap Holdings Limited		9,850,425	20.27
British Virgin Islands			
Perlake Investments Ltd		2,000,000	4.12
Samoa			
Brest Holdings Limited		1,050,000	2.16
Hong Kong			
Kluisberg Investment Holdings Limited		66,667	.14
		<u>12,967,092</u>	<u>26.69</u>
Equities			
Hong Kong			
Kluisberg Investment Holdings Limited	19,634,715	19,832,196	40.81
United Kingdom			
Data Cloud Limited	1,081,081	1,339,000	2.75
United States of America			
Movencorp Inc.	229,211	859,664	1.77
Sweden			
Tinitell AB	38,300	139,130	.29
Luxembourg			
Real Holding S.a.r.l	1,250	13,880	.03
Samoa			
Brest Holdings Limited	1	1	*
		<u>22,183,871</u>	<u>45.65</u>
Portfolio of investments		35,150,963	72.34
Other net assets		13,441,457	27.66
Net assets attributable to unitholder		<u>48,592,420</u>	<u>100.00</u>

*below 0.01%

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

LANG CAPITAL FUND**STATEMENT OF PORTFOLIO***As at 30 June 2016***Primary (continued)**

	Percentage of total net assets attributable to unitholder at 30 June 2016
By geography (summary)	%
Unquoted/Private	
Hong Kong	40.95
Isle of Man	20.27
British Virgin Islands	4.12
United Kingdom	2.75
Samoa	2.16
United States of America	1.77
Sweden	.29
Luxembourg	.03
Portfolio of investments	72.34
Other net assets	27.66
Net assets attributable to unitholder	100.00

Secondary

	Fair value at 30 June 2016	Percentage of total net assets attributable to unitholder at 30 June 2016
By industry	US\$	%
Investment holding companies with equities in:		
Manufacturing	19,898,863	40.95
Hospitality	3,050,001	6.28
Investment holding	9,864,305	20.30
Business and domestic software development	1,339,000	2.75
Financial services	859,664	1.77
Technology	139,130	.29
Portfolio of investments	35,150,963	72.34
Other net assets	13,441,457	27.66
Net assets attributable to unitholder	48,592,420	100.00

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

LANG CAPITAL FUND**STATEMENT OF PORTFOLIO***As at 31 December 2015***Primary**

	Holdings at 31 December 2015	Fair value at 31 December 2015	Percentage of total net assets attributable to unitholder at 31 December 2015
By geography		US\$	%
Unquoted			
Debt securities			
Hong Kong			
Kluisberg Investment Holdings Limited		19,701,381	40.58
Isle of Man			
Secap Holdings Limited		10,000,000	20.60
British Virgin Islands			
Perlake Investments Ltd		2,000,000	4.12
		<u>31,701,381</u>	<u>65.30</u>
Equities			
United States of America			
Movencorp Inc.	229,211	999,999	2.06
Sweden			
Tinitell AB	38,300	72,565	0.15
Samoa			
Brest Holdings Limited	1	1	*
Hong Kong			
Kluisberg Investment Holdings Limited	1	1	*
		<u>1,072,566</u>	<u>2.21</u>
Portfolio of investments		32,773,947	67.51
Other net assets		15,774,004	32.49
Net assets attributable to unitholder		<u>48,547,951</u>	<u>100.00</u>

below 0.01%The accompanying notes form an integral part of these financial statements.*

LANG CAPITAL FUND**STATEMENT OF PORTFOLIO***As at 31 December 2015***Primary (continued)**

	Percentage of total net assets attributable to unitholder at 31 December 2015
By geography (summary)	%
Unquoted/Private	
Hong Kong	40.58
Isle of Man	20.60
British Virgin Islands	4.12
United States of America	2.06
Sweden	0.15
Samoa	*
Portfolio of investments	67.51
Other net assets	32.49
Net assets attributable to unitholder	100.00

Secondary

	Fair value at 31 December 2015	Percentage of total net assets attributable to unitholder at 31 December 2015
By industry	US\$	%
Investment holding companies with equities in:		
Manufacturing	19,701,382	40.58
Hospitality	2,000,001	4.12
Investment holding	10,000,000	20.60
Financial services	999,999	2.06
Technology	72,565	0.15
Portfolio of investments	32,773,947	67.51
Other net assets	15,774,004	32.49
Net assets attributable to unitholder	48,547,951	100.00

below 0.01%The accompanying notes form an integral part of these financial statements.*

LANG CAPITAL FUND

NOTES TO THE FINANCIAL STATEMENTS

As at 30 June 2016

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

Lang Capital Fund (the “Fund”) is an open-ended Singapore unit trust constituted by a Deed of Trust dated 11 December 2014 (and as amended, restated and supplemented from time to time) (thereafter referred to as “Trust Deed”). The Trust Deed is governed in accordance with the laws of the Republic of Singapore. The Investment Manager of the Fund is Atlas Asset Management Pte. Ltd. (the “Investment Manager”) and the Trustee is Asiaciti Trust Singapore Pte. Ltd. (the “Trustee”).

The Fund has been established to pursue investment opportunities in listed securities and private equity through the investment strategies highlighted in the Information Memorandum. The Fund aims to achieve steady capital appreciation in the medium to long-term through investments in a diversified portfolio of listed securities and private equity on a global basis with emphasis on Europe and the emerging markets for the private equity investments.

On 31 March 2015, the Fund was listed on the official list of Singapore Stock Exchange (“SGX”). The Fund will not be traded on SGX as the securities are not Central Depository eligible and hence unable to be settled through Central Depository.

As at 30 June 2016 and 31 December 2015, Grafton Consultancy Limited held 100% of the Fund’s units.

2. Significant accounting policies

2.1 Basis of preparation

The condensed semi-annual financial report for the half-year ended 30 June 2016 has been prepared in accordance with the recommendations of Statement of Recommended Accounting Practice 7 “Reporting Framework for Unit Trusts” issued by the Institute of Singapore Chartered Accountants.

This condensed financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and investing activities of the entity as the full financial report.

The financial report is prepared on the basis of fair value measurements of assets and liabilities except where otherwise stated.

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NOTES TO THE FINANCIAL STATEMENTS

As at 30 June 2016

2.2 Recognition of income

Income is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the income can be reliably measured. Income is measured at the fair value of consideration received or receivable.

Interest income is based on effective interest rate.

2.3 Cash at bank

As at the end of the financial period/year, the carrying amount of cash at bank approximates its fair value.

2.4 Financial assets at fair value through profit or loss ("FVTPL")

Investments are classified as financial assets held at FVTPL. Purchases of investments are recognised on trade date. Investments are recorded initially at fair value excluding any transaction costs that are directly attributable to the acquisition. Transaction costs on financial assets held at FVTPL are expensed immediately. Subsequent to initial recognition, investments are carried at fair value. The fair values of Subsidiaries are based on their net asset values ("NAV") while the fair value of financial assets at FVTPL is determined with reference to a valuation performed by an independent third party. The valuation methodology used by the independent third party was either price of recent investment, comparable company/bond or cost approach. Net changes in fair value of investments are included in the statement of total return in the period in which they arise.

Investments are derecognised on the trade date of disposal. The resultant realised gains and losses on the sales of investments are taken up in the statement of total return.

Interest income on debt securities at fair value through profit or loss is recognised in the Statement of Total Return.

2.5 Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are recognised initially at fair value. They are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment.

As at the end of the financial period, the carrying amount of the receivables approximates its fair value.

2.6 Payables

Payables are initially recognised at their fair values, and subsequently carried at amortised cost, using the effective interest method.

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NOTES TO THE FINANCIAL STATEMENTS

As at 30 June 2016

2.7 Foreign currencies

Functional currency

Items included in the accounts of the Fund are measured using the currency of the primary economic environment in which the fund operates ("functional currency").

The Fund's functional and reporting currency is United States Dollar ("US\$").

Transactions and balances

Transactions in foreign currencies are measured in the Fund's functional currency and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in the statement of total return.

2.8 Related parties

Parties are considered to be related to the Fund if the Fund has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Fund and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

3. Financial assets at FVTPL

	30 June 2016 US\$	31 December 2015 US\$
Equities:		
Subsidiaries	19,846,077	2
Unquoted/private	2,337,794	1,072,564
	22,183,871	1,072,566
Debt securities:		
Third party	9,850,425	10,000,000
Subsidiaries	3,116,667	21,701,381
	12,967,092	31,701,381
	35,150,963	32,773,947

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NOTES TO THE FINANCIAL STATEMENTS

As at 30 June 2016

Equities

Name of subsidiary	Principal activity	Country of incorporation/ place of business	Equity holdings	30 June 2016 US\$	31 December 2015 US\$
Kluisberg Investment Holdings Limited	Investment holding	Samoa	100%	19,832,196	1
Real Holding S.a.r.l	Investment holding	Hong Kong	100%	13,880	-
Brest Holdings Limited	Investment holding	Luxembourg	100%	1	1
				<u>19,846,077</u>	<u>2</u>

Debt securities

Loan to third party

The loan is non-trade, secured by shares, bears interest at 10% per annum and payable twelve months after utilisation date of 24 July 2015. The interest is due every six months starting from the utilisation date. On 13 May 2016, the maturity of the loan was extended to 24 July 2017.

As at 30 June 2016 and 31 December 2015 interest accrued on the loan amounted to US\$428,615 and US\$441,096, respectively (see Note 4). For the half-year ended 30 June 2016 and 2015, interest earned on the loan amounted to US\$498,630 and nil, respectively.

As at 30 June 2016, the fair value of the loan amounted to US\$9,850,425 based on a valuation performed by an independent third party. As at 31 December 2015, the carrying amount of the loan approximates its fair value.

Loans to Subsidiaries

Kluisberg Investment Holdings Limited

The amount as at 31 December 2015 is composed of two loans. The first loan amounting to US\$19,634,714 is non-trade, unsecured, interest-free and payable on demand. The second loan amounting to US\$66,667 is repayable on pari passu basis.

On 23 December 2015, the Fund entered into an agreement whereby the first loan shall be converted into the shares of the subsidiary within 60 days after the agreement date, subject to certain conditions. Further, after the conversion, 1/3 of the shares will be sold to a third party.

On 13 January 2016, it was resolved that the consideration for the sale of shares shall be paid in full no later than 31 March 2016.

On 12 February 2016, the first loan was converted into the shares of the subsidiary.

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NOTES TO THE FINANCIAL STATEMENTS

As at 30 June 2016

On 26 April 2016, a Deed of Variation was entered into between the Fund and the third party buyer stating that, effective 31 March 2016, the consideration for the sale of the 1/3 shares shall be the payment of the sum of EUR 5,917,077 ("principal") plus the amount equal to the interest of 10% per annum accrued (on a daily basis) on the principal amount from 1 January 2016 to the date when the payment in full of the entire principal and related interest is received. The aforementioned consideration shall be paid on or prior to 30 June 2016. On 11 July 2016, a further Deed of Variation was entered into to extend the payment date to on or prior to 31 December 2016, effective 29 June 2016.

As at 30 June 2016, interest accrued on the sale of the 1/3 shares amounted to US\$331,784 (see Note 4).

Perlake Investments Ltd

The loan to Perlake Investments Ltd, being a wholly owned subsidiary of Brest Holdings Limited, amounted to US\$2,000,000. The loan is non-trade, unsecured, interest-free and payable on demand.

Brest Holdings Limited

On 28 April 2016 and 24 February 2016, the fund granted loans to the subsidiary totalling to US\$1,050,000. The loans are non-trade, unsecured, interest-free and payable on demand.

The carrying amount of the loans approximate its fair value as at the end of the reporting date due to its short-term nature.

The Fund's financial assets at FVTPL are denominated in the following currencies:

	30 June 2016 US\$	31 December 2015 US\$
United States Dollar	33,658,953	32,701,382
British Pound	1,339,000	-
Swedish Krona	139,130	72,565
Euro	13,880	-
	<u>35,150,963</u>	<u>32,773,947</u>

4. Receivables

	30 June 2016 US\$	31 December 2015 US\$
Interest on loans receivable (Note 3)	428,615	441,096
Interest on sale purchase agreement (Note 3)	331,784	-
Others	44,479	14,738
	<u>804,878</u>	<u>455,834</u>

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NOTES TO THE FINANCIAL STATEMENTS

As at 30 June 2016

The Fund's receivables are denominated in the following currencies:

	30 June 2016 US\$	31 December 2015 US\$
United States Dollar	473,064	455,834
Euro	331,784	-
	804,878	455,834

5. Payables

	30 June 2016 US\$	31 December 2015 US\$
Management fees payable (Note 7)	172,122	173,601
Accruals	37,080	35,335
Trustee, administrator and custodian fees payable (Note 7)	12,064	12,168
Others	50,544	1
	271,810	221,105

The Fund's payables are denominated in the following currencies:

	30 June 2016 US\$	31 December 2015 US\$
United States Dollar	208,537	185,770
Singapore Dollar	63,273	35,335
	271,810	221,105

6. Units in issue

	Number of Units	US\$
Balance at 11 December 2014	-	-
Issued on 19 December 2014	25,000,000	25,000,000
Issued on 29 May 2015	25,252,525	25,000,000
Balance at 31 December 2015 and 30 June 2016	50,252,525	50,000,000

LANG CAPITAL FUND

NOTES TO THE FINANCIAL STATEMENTS

As at 30 June 2016

Net assets attributable to unitholder as at 30 June 2016	US\$48,592,420
NAV per unit as at 30 June 2016	.97

Net assets attributable to unitholder as at 31 December 2015	US\$48,547,951
NAV per unit as at 31 December 2015	.97

7. Related party transactions

Related parties include the Investment Manager, the Trustee and parties by reason of their relationship with the Investment Manager and the Trustee.

The management fees paid to the Investment Manager and the trustee, administrator and custodian fees charged by the Trustee are shown in the Statement of Total Return.

The Investment Manager is entitled to receive a management fee equivalent to 2% per annum of the NAV of the Fund (subject to a maximum of 3% of the NAV of the Fund), calculated monthly in arrears.

A single administration, trustee and custodian fee equivalent to 0.15% per annum of the NAV of the Fund for the first US\$50 million, 0.10% per annum of the NAV of the Fund on the next US\$50 million, and 0.05% of the NAV of the Fund thereafter (subject to a maximum of US\$150,000 per annum and a minimum of US\$65,000 per annum) is calculated monthly in arrears and payable to the parties acting as Administrator, Trustee and Custodian of the Fund.

Other related-party transactions during the period are disclosed in Note 3.