

Annual report including audited financial statements as at 30th September 2016

ATCM II

Investment Fund (F.C.P.), Luxembourg

R.C.S. Luxembourg K6

Notice

The sole legally binding basis for the purchase of units of the Fund described in this report is the latest valid sales prospectus with its terms of contract.

ATCM II

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ATCM II

Organisation

Alternative Investment Fund Manager
(AIFM)

SEB Fund Services S.A.
4, rue Peternelchen
L-2370 Howald

Board of Directors of
the AIFM

Chairman
Gustaf UNGER
Head of Investor Services, Transaction Banking
Skandinaviska Enskilda Banken AB (publ), Sweden

Directors
Göran FORS
Head of Sales and Market Development
Asset Servicing
Skandinaviska Enskilda Banken AB (publ), Sweden

Marie JUHLIN
Managing Director
SEB Fund Services S.A., Luxembourg
(since 29th March 2016)

Jonas LINDGREN
Client Executive, Hedge Fund Coverage
Skandinaviska Enskilda Banken AB (publ), Sweden

Erika LUNDQUIST
Managing Director
Skandinaviska Enskilda Banken S.A., Luxembourg

Magnus WALLBERG
Deputy Managing Director, CFO/ COO
Skandinaviska Enskilda Banken S.A., Luxembourg
(until 29th March 2016)

Depositary

Skandinaviska Enskilda Banken S.A.
4, rue Peternelchen
L-2370 Howald
Luxembourg

Portfolio Manager

Skandinaviska Enskilda Banken AB (publ)
Kungsträdgårdsgatan 8
SE-106 40 Stockholm
Sweden

**Sub-Administrator including the
Registrar and Transfer Agent**

European Fund Administration S.A.
2, rue d'Alsace
L-1122 Luxembourg

ATCM II

Organisation (continued)

Auditor

PricewaterhouseCoopers, Société coopérative
2, rue Gerhard Mercator
L-2182 Luxembourg

Distributor

Skandinaviska Enskilda Banken AB (publ)
Kungsträdgårdsgatan 8
SE-106 40 Stockholm
Sweden

ATCM II

General information

ATCM II (the "Fund") is organised as an umbrella FCP ("*Fonds Commun de Placement*") under Part II of the amended law of 17th December 2010 (the "2010 Law") relating to Undertakings for Collective Investment as an open-ended mutual investment fund and qualifies as Alternative Investment Fund ("AIF") in accordance with the law of 12th July 2013 (the "2013 Law") on Alternative Investment Fund Managers. The Fund is managed by SEB Fund Services S.A. (the "Management Company"), a management company incorporated under chapter 15 of the 2010 Law, relating to Undertakings for Collective Investment and having its registered office in Luxembourg. The Management Company also acts as Alternative Investment Fund Manager (the "AIFM") in accordance with the provisions of Chapter 2 of the 2013 Law.

The Fund is registered with the Luxembourg Register of Commerce ("RCS") under the number K6.

The Management Regulations for the Fund have been signed by the Management Company and the Depositary as of 22nd July 2014. Notice of their deposit at the "Registre de Commerce et des Sociétés" of Luxembourg was published in the "Mémorial" on 14th August 2014. Publications made after 1st June 2016 are available on the new platform called "Recueil électronique des sociétés et associations ("RESA")" accessible through the website of the RCS.

The Management Company may on behalf of the Fund issue one or several classes of Units which are related to specific pools of assets (each a "Sub-Fund") established within the Fund.

The assets of each Sub-Fund are the joint property of the Unitholders, which shall have equal rights in proportion to the number of Units held by them.

At the date of the report, the following Sub-Fund is open:

- ATCM II - TRUE MARKET NEUTRAL FUND expressed in SEK.

The Sub-Fund currently offers:

- Class - EUR Units,
- Class - EUR R Units,
- Class - SEK Units,
- Class - SEK R Units,
- Class - NOK Units,
- Class - USD Units,
- Class - DKK Units,
- Class - CHF Units.

At the date of the report only Class - SEK Units, Class - EUR Units and Class - SEK R Units are issued.

The accounting year of the Fund ends on 30th September of each year. Financial reports of the Fund are published annually and semi-annually. At the date of the report, one Sub-Fund is offered for sale. As a consequence, the financial statements of the Sub-Fund ATCM II - TRUE MARKET NEUTRAL FUND reflect also the global situation of the Fund.

ATCM II

General information (continued)

The Net Asset Value per unit of the Sub-Fund is calculated as of the last Business Day of each calendar month (the "Valuation Day").

The accounts of the Fund are maintained in Swedish Krona (SEK).

The Management Regulations, the Articles of Incorporation of the Management Company, the Depositary Agreement and the latest financial reports are available for inspection at the registered office of the Management Company of the Fund during normal office hours.

ATCM II

Report from the Portfolio Manager

Equity markets as measured by the MSCI World Net TR USD Index gained +11.3% between 30th September 2015 and 30th September 2016. The ATCM II - True Market Neutral Fund rose +1.16% (Class SEK Unit) during the past 12 months subject to an annualized volatility of 1.0% leaving a realized Sharp ratio exceeding 1. The absolute level of performance is below our annualized return since inception of 3.5% but satisfactory from a risk adjusted perspective given the challenging environment for market neutral strategies manifested by the HFRX Market Neutral Index which was down -3.0% for the period. OMRX T-Bill Index declined -0.6%.

7 out of 12 months were positive for the portfolio where monthly gains varied between +0.52% and -0.51%. Volatility decreased and monthly performance deviations are small where a majority of returns during the past 12 months are between -0.30% and +0.30%. 7 out of 8 managers contributed with positive returns but for a majority of these managers gains were small, in the range of +1 to +3%. Our best performing managers for the period was our fundamental Healthcare specialist and our fundamental UK generalist being up +11.6% and +7.9% respectively. Both these managers have a bottom up driven Value tilt which leads them to go short momentum driven names and they benefitted on the crash of the sentiment driven market mid/end of 2015. The only manager that delivered negative returns for the period, being down -8.3%, was our quantitative manager with a global multi strategy approach. In contrast to the winners our quantitative manager looks to identify medium to long term themes across sentiment, fundamental and macro insights. Since mid-2015 the environment for these signals has been muted, explaining the negative performance. During the fall of 2015 their faster term liquidity provisioning strategies mitigated losses but for the most part of 2016 these signals has struggled as well in the current low market volatility. Following subscription inflows we added to our managers with lower weightings but we did not invest in any new managers during the year nor did we divest any manager. We continuously evaluate potential new managers that will enhance and add uncorrelated returns to our existing portfolio of market neutral managers.

Luxembourg, 25th October 2016

The Portfolio Manager

Note: The information in this report represents historical data and is not an indication of future results.



Audit Report

To the Unitholders of
ATCM II

We have audited the accompanying financial statements of ATCM II, which comprise the statement of net assets and the statement of investments and other net assets as at 30th September 2016 and the statement of operations and the statement of changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory notes to the financial statements.

Responsibility of the Board of Directors of the Management Company for the financial statements

The Board of Directors of the Management Company 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 Management Company 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 judgment 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 Management Company, as well as evaluating the overall presentation of the financial statements.

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*Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)
R.C.S. Luxembourg B 65 477 - TVA LU25482518*



Audit Report (continued)

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 ATCM II as of 30th September 2016, and of the results of its operations and changes in its net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements.

Other matters

Supplementary information included in the annual report has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. However, we have no observation to make concerning such information in the context of the financial statements taken as a whole.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 12th January 2017

A handwritten signature in blue ink, appearing to read 'TB', with a long horizontal flourish extending to the right.

Thierry Blondeau

ATCM II - TRUE MARKET NEUTRAL FUND

Statement of net assets (in SEK)

as at 30th September 2016

Assets

Investments

| | |
|--------------------------------------|------------------|
| Securities portfolio at market value | 1,566,793,844.58 |
| | <hr/> |
| | 1,566,793,844.58 |

Cash and cash equivalents

| | |
|-------------------------------|----------------|
| Deposits on futures contracts | 13,440,000.00 |
| Cash at banks | 96,751,028.77 |
| | <hr/> |
| | 110,191,028.77 |

Receivables

| | |
|---|--------------|
| Interest receivable on bank accounts | 238.05 |
| Other income receivable | 180,623.87 |
| Unrealised gain on forward foreign exchange contracts | 5,400,503.22 |
| Equalisation | 788,744.07 |
| Prepaid expenses | 14,861.95 |
| | <hr/> |
| | 6,384,971.16 |

Other assets

| | |
|-------------------------|-----------|
| Formation expenses, net | 62,460.58 |
| | <hr/> |
| | 62,460.58 |

Total assets

1,683,432,305.09

Liabilities

Payables

| | |
|---|--------------|
| Interest payable on bank overdrafts | 170.69 |
| Unrealised loss on forward foreign exchange contracts | 332,909.02 |
| Expenses payable | 4,266,608.12 |
| | <hr/> |
| | 4,599,687.83 |

Borrowings

| | |
|-----------------|---------------|
| Bank overdrafts | 19,791,619.56 |
| | <hr/> |
| | 19,791,619.56 |

Other liabilities

| | |
|-----------------------|---------------|
| Prepaid subscriptions | 77,990,264.18 |
| Equalisation | 80,387.08 |
| | <hr/> |
| | 78,070,651.26 |

Total liabilities

102,461,958.65

Total net assets at the end of the year

1,580,970,346.44

| | |
|---|-------------|
| Number of Class - EUR Units outstanding | 183,825.709 |
| Net asset value per Class - EUR Unit | EUR 120.93 |

| | |
|---|---------------|
| Number of Class - SEK Units outstanding | 5,155,650.165 |
| Net asset value per Class - SEK Unit | 129.06 |

| | |
|---|---------------|
| Number of Class - SEK R Units outstanding | 6,556,082.505 |
| Net asset value per Class - SEK R Unit | 107.01 |

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

ATCM II - TRUE MARKET NEUTRAL FUND

Statement of operations (in SEK)

from 1st October 2015 to 30th September 2016

Income

Investment income

| | |
|---------------------------|-----------|
| Interest on bank accounts | 12,310.13 |
| | <hr/> |
| | 12,310.13 |

Realised gain on investments

| | |
|---|----------------|
| - on securities portfolio | 2,686,875.22 |
| - on forward foreign exchange contracts | 98,705,178.88 |
| - on foreign exchange | 5,450,339.91 |
| | <hr/> |
| | 106,842,394.01 |

Appreciation of unrealised results on investments

| | |
|---|----------------|
| - on securities portfolio | 127,565,592.15 |
| - on forward foreign exchange contracts | 6,848,827.17 |
| | <hr/> |
| | 134,414,419.32 |

Other income

256,467.72

Total income

241,525,591.18

Expenses

Investment advisory or management fees

| | |
|------------------|---------------|
| Management fees | 14,534,426.63 |
| Performance fees | 2,678,176.04 |
| | <hr/> |
| | 17,212,602.67 |

Other expenses

| | |
|---|--------------|
| Depository fees | 612,133.28 |
| Banking charges and other fees | 66,465.32 |
| Transaction fees | 705.31 |
| Central administration costs | 1,044,320.18 |
| Professional fees | 249,503.47 |
| Other administration costs | 270,627.86 |
| Subscription duty ("taxe d'abonnement") | 337,310.98 |
| Interest paid on bank overdrafts | 138,548.59 |
| Equalisation | 85,964.42 |
| Other fees | 33,710.58 |
| | <hr/> |
| | 2,839,289.99 |

Realised loss on investments

| | |
|---|----------------|
| - on securities portfolio | 294,787.47 |
| - on forward foreign exchange contracts | 164,912,624.19 |
| | <hr/> |
| | 165,207,411.66 |

Depreciation of unrealised results on investments

| | |
|---|---------------|
| - on securities portfolio | 31,475,712.14 |
| - on forward foreign exchange contracts | 3,943,447.58 |
| | <hr/> |
| | 35,419,159.72 |

Total expenses

220,678,464.04

Net income

20,847,127.14

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

ATCM II - TRUE MARKET NEUTRAL FUND

Statement of changes in net assets (in SEK) from 1st October 2015 to 30th September 2016

| | |
|---|--------------------------------|
| Net income | 20,847,127.14 |
| Subscriptions | 500,250,036.40 |
| Redemptions | -113,491,636.08 |
| Total changes in net assets | 407,605,527.46 |
| Total net assets at the beginning of the year | 1,173,364,818.98 |
| <u>Total net assets at the end of the year</u> | <u>1,580,970,346.44</u> |

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

ATCM II - TRUE MARKET NEUTRAL FUND

Statistical information (in SEK)

as at 30th September 2016

Total net assets

| | |
|--------------------|------------------|
| - as at 30.09.2016 | 1,580,970,346.44 |
| - as at 30.09.2015 | 1,173,364,818.98 |
| - as at 30.09.2014 | 1,091,261,510.88 |

Number of Class - EUR Units

| | |
|--|-------------|
| - outstanding at the beginning of the year | 197,521.229 |
| - issued | 113.480 |
| - redeemed | -13,809.000 |
| - outstanding at the end of the year | 183,825.709 |

Net asset value per Class - EUR Unit

| | |
|--------------------|------------|
| - as at 30.09.2016 | EUR 120.93 |
| - as at 30.09.2015 | EUR 119.10 |
| - as at 30.09.2014 | EUR 114.64 |

Number of Class - SEK Units

| | |
|--|---------------|
| - outstanding at the beginning of the year | 4,323,659.212 |
| - issued | 990,372.942 |
| - redeemed | -158,381.989 |
| - outstanding at the end of the year | 5,155,650.165 |

Net asset value per Class - SEK Unit

| | |
|--------------------|--------|
| - as at 30.09.2016 | 129.06 |
| - as at 30.09.2015 | 127.58 |
| - as at 30.09.2014 | 122.78 |

Number of Class - SEK R Units

| | |
|--|---------------|
| - outstanding at the beginning of the year | 3,795,214.798 |
| - issued | 3,487,646.427 |
| - redeemed | -726,778.720 |
| - outstanding at the end of the year | 6,556,082.505 |

Net asset value per Class - SEK R Unit

| | |
|--------------------|--------|
| - as at 30.09.2016 | 107.01 |
| - as at 30.09.2015 | 105.81 |
| - as at 30.09.2014 | 101.86 |

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

ATCM II - TRUE MARKET NEUTRAL FUND

Statement of investments and other net assets (in SEK) as at 30th September 2016

| Currency | Number / nominal value | Description | Cost | Market value | % of total net assets |
|--|---------------------------|---|-------------------------|--------------------------------|-----------------------------|
| <u>Investments in securities</u> | | | | | |
| <u>Open-ended investment funds</u> | | | | | |
| Investment funds (UCITS) | | | | | |
| EUR | 107,779.9261 | Pictet Total Return Agora I Cap | 111,914,970.82 | 121,111,466.53 | 7.66 |
| Total investment funds (UCITS) | | | <u>111,914,970.82</u> | <u>121,111,466.53</u> | <u>7.66</u> |
| Investment funds (UCI) | | | | | |
| EUR | 79,431.7343 | Abaco Financials Fd Ltd (The) EUR | 149,177,665.09 | 180,626,718.46 | 11.43 |
| EUR | 7,090.521891 | ABCA Reversion Fd Plc A EUR Ser 01-16 | 97,782,616.22 | 119,905,321.61 | 7.58 |
| EUR | 1,114.964123 | ABCA Reversion Fd Plc A EUR Ser 03-16 | 18,745,296.90 | 18,742,242.90 | 1.19 |
| EUR | 117,933.538099 | Sector Gamma Inv Funds Plc Healthcare A In | 152,795,554.72 | 214,297,673.36 | 13.55 |
| | | | <u>418,501,132.93</u> | <u>533,571,956.33</u> | <u>33.75</u> |
| GBP | 148,804.655 | CZ Enhanced Fd Ltd Voting Sterling Shares | 192,054,686.07 | 209,528,123.78 | 13.25 |
| JPY | 198,705.2085 | Marshall Wace Fds Plc Japan Market Neutral Fd A JPY | 194,883,352.20 | 268,711,264.28 | 17.00 |
| USD | 16,091.9995 | Blackrock Eos Ltd B USD | 147,699,636.73 | 211,831,273.25 | 13.40 |
| USD | 1,000 | Jefferies Str Alp Fd B (C) Ltd Ser S Sub 03-16 | 8,548,800.00 | 8,732,957.00 | 0.55 |
| USD | 5,000 | Jefferies Str Alp Fd B (C) Ltd Ser S Sub 05-16 | 40,471,750.05 | 43,166,940.37 | 2.73 |
| USD | 15,930.310991 | Jefferies Str Alp Fd B (C) Ltd Ser S Sub 06-13 | 126,972,558.67 | 170,139,863.04 | 10.76 |
| | | | <u>323,692,745.45</u> | <u>433,871,033.66</u> | <u>27.44</u> |
| Total investment funds (UCI) | | | <u>1,129,131,916.65</u> | <u>1,445,682,378.05</u> | <u>91.44</u> |
| Total investments in securities | | | <u>1,241,046,887.47</u> | <u>1,566,793,844.58</u> | <u>99.10</u> |
| Cash and cash collateral received at banks | | | | 96,751,028.77 | 6.12 |
| Bank overdrafts | | | | -19,791,619.56 | -1.25 |
| Other net assets/ (liabilities) | | | | -62,782,907.35 | -3.97 |
| Total | | | | <u><u>1,580,970,346.44</u></u> | <u><u>100.00</u></u> |

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

ATCM II - TRUE MARKET NEUTRAL FUND

Industrial and geographical classification of investments as at 30th September 2016

Industrial classification

(in percentage of net assets)

| | |
|------------------|----------------|
| Investment funds | 99.10 % |
| Total | <u>99.10 %</u> |

Geographical classification

(by domicile of the issuer)
(in percentage of net assets)

| | |
|----------------|----------------|
| Cayman Islands | 52.12 % |
| Ireland | 39.32 % |
| Luxembourg | 7.66 % |
| Total | <u>99.10 %</u> |

ATCM II

Notes to the financial statements

as at 30th September 2016

Note 1 - Significant accounting policies

a) Presentation of the financial statements

The financial statements of the Fund are established in accordance with the Luxembourg legal and regulatory requirements concerning Undertakings for Collective Investment.

b) Valuation

- 1) Securities listed on a stock exchange or traded on any other regulated market are valued at the last available price on such stock exchange or market. If a security is listed on several stock exchanges or markets, the last available price at the stock exchange or market which constitutes the main market for such securities, is determining.
- 2) Securities not listed on any stock exchange nor traded on a regulated market are valued at their last available market price.
- 3) Securities for which the price referred to the above paragraphs is not representative of the fair market value, are valued prudently, and in good faith on the basis of their reasonably foreseeable sale price.
- 4) Cash and other liquid assets are valued at their face value with interest accrued to the end of the preceding day.
- 5) Shares or units in open-ended investment funds ("UCIs"), including the shares or units of UCIs in which a Sub-Fund may be allowed to invest substantially all of its total assets, are valued at their last available calculated Net Asset Value or at their latest unofficial Net Asset Values (i.e. which are not generally used for the purposes of subscription and redemption of shares of the UCIs) as provided by the relevant administrators or portfolio managers if more recent than their official Net Asset Values.

If events have occurred which may have resulted in a material change of the Net Asset Value of such shares or units in such UCIs since the day on which the latest official Net Asset Value is calculated, the value of such shares or units may be adjusted in order to reflect, in the reasonable opinion of the Management Company, such change of value.

c) Realised gain/(loss) on sales of securities

The realised gain/ (loss) on sales of securities is determined on the basis of the average cost of securities sold.

d) Cost of securities

The acquisition cost of a security denominated in a currency other than that of the Sub-Fund is converted to the Sub-Fund's currency at the exchange rate prevailing on the date of purchase.

ATCM II

Notes to the financial statements (continued)

as at 30th September 2016

e) Exchange translation

Bank balances, other assets and liabilities and the value of securities held that are denominated in other currencies than the Sub-Fund's currency are converted at the prevailing exchange rate of the closing day. Income and expenses incurred in currencies other than the Sub-Fund's currency are converted at the prevailing exchange rate of the day of each transaction.

At the date of the report, the prevailing exchange rates on the closing day were as follows:

| | | | | | |
|---|-----|---|------------|-----|----------------|
| 1 | SEK | = | 0.1038630 | EUR | Euro |
| | | | 0.0898603 | GBP | Pound Sterling |
| | | | 11.8172060 | JPY | Japanese Yen |
| | | | 0.1167420 | USD | US Dollar |
| | | | 0.1131054 | CHF | Swiss Franc |

f) Formation expenses

Expenses incurred in connection with the establishment of the Fund and the creation of the Sub-Funds are amortised over a period of five years.

Formation expenses are included in the caption "Other fees" in the statement of operations.

If the launch of a Sub-Fund occurs after the launch date of the Fund, the formation expenses related to the launch of the new Sub-Fund is charged to such Sub-Fund alone and may be amortised over a maximum of five years with effect as from the Sub-Fund's launch date.

g) Investment income

Dividend income is recognised on an ex-dividend basis and is recorded net of withholding tax.

h) Forward foreign exchange contracts

Forward foreign exchange contracts are valued at forward market rates for the remaining period from valuation date to the maturity of the contracts. Unrealised gains and losses are recorded in the statement of net assets. Realised gains and losses, appreciation and depreciation of unrealised results are recorded in the statement of operations.

i) Transaction fees

Transaction costs disclosed under the item "Transactions fees" in the statement of operations are mainly composed of broker fees incurred by the Fund relating to purchases or sales of securities, of fees relating to liquidation of transactions paid to the Depositary and of commissions on financial and on derivatives instruments.

Note 2 - Subscription, redemption and conversion fees

No subscription, redemption or conversion fees are charged.

ATCM II

Notes to the financial statements (continued)

as at 30th September 2016

Note 3 - Distribution Policy

The dividends so declared (if any) shall be paid in cash as soon as practicable after the declaration, and considering that all units of the Sub-Fund are entitled to participate equally in the profits made and dividends paid in respect of the Sub-Fund. Dividends of less than SEK 500 per Unit are automatically reinvested.

Entitlement to dividends and allocations not claimed within 5 years of the due date is forfeited and the corresponding assets revert to the relevant Sub-Fund.

No dividend distribution was made during the period covered by the report.

Note 4 - Management fees

For its services, the Management Company, SEB Fund Services S.A., is entitled to a management fee p.a. payable monthly and calculated on the Sub-Fund's average Net Asset Value during the relevant month.

At the date of the report, the effective rate is of 0.05% p.a. with a minimum annual fee of the equivalent of EUR 15,000. The Management Company is further entitled to a fixed fee not exceeding EUR 9,000 p.a. The Portfolio Manager, Skandinaviska Enskilda Banken AB (publ), is entitled to receive a fee p.a. payable monthly and calculated on the Sub-Fund's average Net Asset Value during the relevant month.

At the date of the report, the effective rate is of 1% for all issued classes of units.

The Portfolio Manager may in its absolute discretion waive charges and/ or fees and may rebate any fees payable to it to an investor or a distributor or to any other person or entity in the discretion of the Portfolio Manager.

SEB Fund Services S.A. is entitled to an additional fixed fee not exceeding EUR 9,000 p.a. in relation to its services as AIFM.

Note 5 - Trailer fees

Management fee retrocessions received by the Fund in relation to its investments in certain target funds are disclosed as "Other income" in the statement of operations.

Note 6 - Performance fee

The Portfolio Manager is entitled to receive a Performance Fee payable out of the assets of the Sub-Fund.

The Performance Fee is calculated annually. The Performance Fee is deemed to accrue on a monthly basis as at each Valuation Date.

ATCM II

Notes to the financial statements (continued)

as at 30th September 2016

For Class - SEK R (only):

For each Calculation Period, the Performance Fee in respect of this Class is equal to 10% of the appreciation in the Net Asset Value per Unit of this Class during the Calculation Period above the Base Net Asset Value per Unit. The Base Net Asset Value per Unit is the greater of the Net Asset Value of that Unit at the time of issue of that Unit plus the Index hurdle rate for each Class of Units, as per the table below, and the highest Net Asset Value of that Unit achieved as of the end of any previous Calculation Period (if any) during which such Unit was in issue plus the Index hurdle rate.

A Performance Fee is only accrued when the Net Asset Value per Unit is above the previous Base Net Asset Value per Unit increased by the prevailing hurdle rate.

The Performance Fee is subject to the crystallization principle. When a redemption is accepted the corresponding amount of Performance Fee accrued (if any) to be borne by the redeemed Units becomes due and is paid to the Portfolio Manager at the end of the quarter. When a subscription is accepted, the Performance Fee calculation is adjusted in order to neutralize the impact of the subscription on the Performance Fee calculation. The appreciation of the Net Asset Value per Unit above the Base Net Asset Value per Unit until the date of the subscription is not taken into consideration in the Performance Fee calculation from subscription date, for the part of the total Net Asset Value newly subscribed.

| Class of Units | Benchmark hurdle rate |
|----------------|---|
| Class - SEK R | OMRX T-Bill Index (Bloomberg Ticker: RXVX Index) |

For the other Unit Classes:

For each Calculation Period, the Performance Fee in respect of each Unit is equal to 10% of the appreciation in the Net Asset Value per each Unit during the Calculation Period above the Base Net Asset Value per each Unit.

The Base Net Asset Value per each Unit is the greater of the Net Asset Value of that Unit at the time of issue of that Unit plus the applicable benchmark hurdle rate set out hereafter and the highest Net Asset Value of that Unit achieved as of the end of any previous Calculation Period (if any) during which such Unit was in issue plus the applicable benchmark hurdle rate. A Performance Fee is only accrued when the Net Asset Value per each Unit is above the previous Base Net Asset Value per each Unit increased by the prevailing hurdle rate. The Performance Fee in respect of each Calculation Period is calculated by reference to the Net Asset Value attributable to the Unit before making any deduction for accrued Performance Fees.

The applicable benchmark hurdle rate for each Unit Class is the following:

| Class of Units | Benchmark hurdle rate |
|----------------|--|
| Class - EUR | EUR 1 Month Libor (Bloomberg Ticker: EE0001M Index) |
| Class - SEK | OMRX T-Bill Index (Bloomberg Ticker: RXVX Index) |

The Performance Fee is normally payable in arrears within 30 days of the end of each Calculation Period. However, in the case of Units redeemed during a Calculation Period, the accrued Performance Fee in respect of those Units is normally payable within 30 days after the end of each Calculation Period.

ATCM II

Notes to the financial statements (continued)

as at 30th September 2016

If the Investment Management Agreement is terminated before the end of a Calculation Period, the Performance Fee in respect of the then current Calculation Period is calculated and paid as though the date of termination were the end of the relevant period.

If an investor subscribes for Units at a time when the Net Asset Value per Unit is other than the Peak Net Asset Value per Unit, certain adjustments are made to reduce inequities that could otherwise result to the Subscriber or the Portfolio Manager. The Peak Net Asset Value per Unit is the greater of the price at which the Units were issued on the expiry of the Initial Offering Period and the greater of the Net Asset Value per each Unit in effect immediately after the end of each Calculation Period in respect of which a Performance Fee was charged. The Peak Net Asset Value is adjusted at the Valuation Date with the applicable benchmark hurdle prorata temporis.

At the date of the report, a performance fee was recorded for the Sub-Fund and amounted to SEK 2,678,176.04.

Note 7 - Central administration cost

The Management Company is entitled to an administration fee not exceeding 0.045% p.a. based on the Sub-Fund's net assets under management and a fixed administration fee of EUR 30,000 p.a.

Note 8 - Depositary fees

The Depositary is entitled to a depositary fee of 0.045% calculated monthly on the Total Assets and payable monthly in arrears.

Note 9 - Subscription duty ("*taxe d'abonnement*")

The Fund is governed by Luxembourg law.

Pursuant to the legislation and regulations which are prevailing, the Fund is subject to an annual subscription duty ("*taxe d'abonnement*") of 0.05% which is payable quarterly and calculated on the basis of the net assets of each Sub-Fund on the last day of each quarter.

The rate of this tax is reduced to 0.01% of the value of the net assets for Classes of Units reserved for institutional investors.

According to Article 175 (a) of the amended Law of 17th December 2010, the net assets invested in Undertakings for Collective Investment already subject to the "*taxe d'abonnement*" are exempt from this tax.

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Notes to the financial statements (continued)

as at 30th September 2016

Note 10 - Forward foreign exchange contracts

As at 30th September 2016, the Sub-Fund is committed by the following forward foreign exchange contracts with Skandinaviska Enskilda Banken AB (publ), London:

ATCM II - TRUE MARKET NEUTRAL FUND

| Currency | Purchases | Currency | Sales | Maturity | Unrealised result (in SEK) |
|---|----------------|----------|------------------|------------|-------------------------------|
| Forward foreign exchange contracts | | | | | |
| SEK | 655,295,723.10 | EUR | 68,100,000.00 | 31.10.2016 | -332,909.02 |
| SEK | 208,887,228.00 | GBP | 18,700,000.00 | 31.10.2016 | 946,051.04 |
| SEK | 269,858,825.27 | JPY | 3,169,000,000.00 | 31.10.2016 | 1,759,564.75 |
| SEK | 436,289,977.50 | USD | 50,700,000.00 | 31.10.2016 | 2,586,362.02 |
| | | | | | <u>4,959,068.79</u> |
| Forward foreign exchange contracts linked to Class EUR Units | | | | | |
| EUR | 22,200,000.00 | SEK | 213,620,632.20 | 31.10.2016 | 108,525.41 |
| | | | | | <u>108,525.41</u> |

Note 11 - Equalisation

The Sub-Fund ATCM II - TRUE MARKET NEUTRAL FUND invests in some Alternative Investment Funds which use equalisation for the calculation of their performance fees. Equalisation is a method which is designed to ensure that not only the investment manager is paid the correct performance fee but also that the performance fees are fairly allocated between each in the Fund.

Note 12 - Changes in the investment portfolio

The statement of changes in investment portfolio for the period covered by the report is available free of charge upon request from the registered office of the Management Company of the Fund.

ATCM II

Additional Information (unaudited)

as at 30th September 2016

Remuneration disclosure

SEB Fund Services S.A. (SEB) has implemented a Remuneration policy that is designed to encourage good performance and behavior, and seeks to achieve a balanced risk-taking that goes in line with unitholders' expectations.

In SEB, there is clear distinction between the criteria for setting fixed remuneration (e.g. base pay, pension and other benefits) and variable remuneration (e.g. short- and long-term variable remuneration). The individual total remuneration corresponds to requirements on task complexity, management and functional accountability and also related to the individual's performance.

SEB provides a sound balance between fixed and variable remuneration and aligns the payout horizon of variable pay with the risk horizon. This implies that certain maximum levels and deferral arrangements apply for different categories of employees.

The amount below represents the proportion of the total remuneration on calendar year 2015 and adjusted according to the number of full time employees during the year 2015 and identified staff (i.e. the aggregate amount of remuneration broken down by senior management and members of staff of the AIFM/ Management Company whose actions have a material impact on the risk profile of the funds). This amount is further proportioned to the total net asset value of each fund, taking into account UCITS and non-UCITS.

| | TNA as of 31st December 2015 * | % of total TNA managed by Management Company/ AIFM | Fixed Remuneration * | | Variable Remuneration * | | Number of beneficiaries (Average Full Time Equivalent) |
|---------|--------------------------------|--|----------------------|------------------|-------------------------|------------------|--|
| | | | All Employees | Identified Staff | All Employees | Identified Staff | All Employees |
| ATCM II | 130,802,182.08 | 1.29% | 23,128.20 | 7,099.28 | 445.53 | 94.97 | 17.58 |

* All amounts are in euro

Fixed Remuneration (incl. fixed salary, allowances, pension)

Variable Remuneration (incl. short term incentives and long term incentives")

Risk management disclosure

1) Risk Profile

The current risk profile of the Sub-Funds as disclosed in the Prospectus has not been amended throughout the reporting period. The AIFM monitors the overall risk profile of the Fund, including market, liquidity, counterparty as well as the level of the leverage.

No limits as set by the Board of Directors of the Fund or the AIFM as part of the risk profile have been exceeded or are likely to be exceeded by the Sub-Funds.

ATCM II

Additional Information (unaudited) (continued)

as at 30th September 2016

2) Risk Management systems

The risk monitoring is based on the risk management process adopted by the Board of the AIFM and is performed independently from the portfolio management. No changes have been applied to the risk management procedures.

3) Leverage

In accordance with the Law of 12 July 2013 (the “2013 Law”), the maximum level of leverage which the AIFM is entitled to employ on behalf of ATCM II - TRUE MARKET NEUTRAL FUND is 300% in accordance with the commitment and 500% in accordance with the gross method of the total assets.

The AIFM calculates the leverage on a gross and on a commitment method in accordance with Article 7 and Article 8 of the Commission Delegated Regulation EU/ 231/ 2013 (the “AIFM Regulation”) on a monthly basis. The gross method converts all positions on derivative financial instruments into equivalent positions in the underlying assets, while the commitment method applies the same while allowing netting and hedging arrangements.

The level of leverage during the reporting period is disclosed below:

| Fund | Internal Leverage -limit | Gross Method Leverage | | | |
|--|--------------------------|----------------------------|---------|---------|---------------|
| | | Minimum | Average | Maximum | At 30.09.2016 |
| ATCM II - TRUE MARKET NEUTRAL FUND | 500% (300% commitment) | 206.21% | 215.01% | 228.95% | 214.04% |
| | | Commitment Method Leverage | | | |
| | | Minimum | Average | Maximum | At 30.09.2016 |
| | | 99.19% | 102.36% | 107.00% | 104.83% |

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