

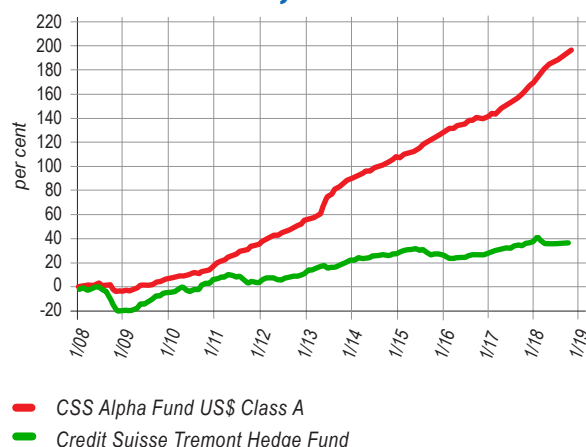


CSS ALPHA FUND LTD

CLASS A Discussion of investment strategy and performance September 2018

CSS Alpha Class A (%)	Sep 2018	2018 YTD	2017	2016	2015	2014	2013	2012	2011	2010
US\$ Series	0.99	9.60	11.68	8.03	9.56	9.38	21.97	13.91	16.72	13.30
£ Series	0.74	12.17	3.22	29.10	15.76	16.26	19.76	8.84	24.97	-

PERFORMANCE SINCE JANUARY 2008



RISK STATISTICS

CSS Alpha Risk Statistics Sep 2018	Class A
Monthly volatility annualised	2.55%
Sharpe ratio	5.05
Correlation to S&P	0.07

FUND OPEN TO NEW SUBSCRIBERS

The Fund is open to new subscribers. We seek to achieve a target of 1% per month NAV appreciation in Class A with reasonable consistency.

TRANSPARENCY AND DUE DILIGENCE

The Fund's NAV is calculated by the Administrator, the global accounting firm Pricewaterhouse Coopers Ltd.

The Fund's auditor is KPMG and the audited financial statement of the Fund as at December 2017 is now available upon request.

The Fund maintains its bank accounts with Natwest Bank in London and securities accounts are maintained with IB Brokers, Canaccord in London and Forex Capital Management Ltd.

Our information memorandum and subscription agreement are available upon request. We are approved by CySEC as an Alternative Investment Fund with limited number of persons.

NAV

The NAV for the Class A Variable Participating Preference Shares was approved by Pricewaterhouse Coopers Ltd, the Administrators of the Fund.

5 October 2018

REVIEW OF SEPTEMBER 2018

Class A – Credit strategy

The US\$ Class produced 0.99% for the month and is up 9.6% year to date. The Fund benefited from some realised gains this month. The US\$ Class had a 23% net exposure to sterling and the strengthening of sterling boosted our results marginally this month. The Sterling Class produced 0.74% for the month. The Sterling Class was approximately 6.0% exposed to the US\$. We have 14 open loan positions at month end and we opened one new loan at the beginning of October. Our cash balances stand at 20.7% of the Fund and cash and near cash stand at 25.1%. Our increase in liquidity is due to one substantial loan repayment and to new subscriptions.

The overall core yield on our loan assets, in September, prior to costs, fees and balance sheet and currency movements is shown below.

September 2018 Yield on Loan Portfolio	2.6%
September 2018 Yield on Total Assets	1.8%

SEPTEMBER 2018 IN THE MARKETS

Below we show a summary of the performance of certain key indices and benchmarks for the year to date.

FTSE Sep 2018 YTD	1.51%
DJIA Sep 2018 YTD	9.01%
NASDAQ Sep 2018 YTD	17.07%
CSSFB Tremont Index September 2018 YTD	1.05%
CSSFB Tremont Multi Strat September 2018 YTD	2.17%

DISCLAIMER: This monthly valuation sheet is not an offer of securities which may only be made pursuant to the Fund's information memorandum and subscription agreement. An investment in the Fund is only suitable for sophisticated investors. Past performance is not indicative of future performance.



CSS ALPHA FUND LTD CLASS A

SEPTEMBER 2018

CSS Alpha Class A is a credit fund which invests in short term private loans, trade financing transactions, bridge loans and special situation debt transactions. Our initial target horizon is typically under 360 days.

Performance (after fees) %		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD %
2018	CSS Alpha Class A performance													
	Monthly performance US\$ Class	1.66	1.04	1.34	1.00	0.44	1.01	0.80	0.95	0.99				
	YTD 2018	1.66	2.72	4.09	5.13	5.59	6.66	7.51	8.53	9.60				9.60
	Monthly performance GB£ Class	0.03	2.45	0.36	2.03	1.92	1.30	1.37	1.39	0.74				
2017	CSS Alpha Class A performance													
	Monthly performance US\$ Class	1.20	-0.30	1.03	1.09	0.72	0.90	0.90	1.01	1.05	1.11	1.27	1.13	
	YTD 2017	1.20	0.89	1.93	3.04	3.78	4.71	5.65	6.74	7.86	9.05	10.44	11.68	11.68
	Monthly performance GB£ Class	-0.57	1.10	-0.25	-2.07	1.18	-0.16	-0.53	0.70	1.43	0.84	0.38	1.17	
2016	CSS Alpha Class A performance													
	Monthly performance US\$ Class	0.84	0.86	0.56	1.01	0.27	0.27	0.51	0.70	0.80	-0.11	-0.92	1.14	
	YTD 2016	0.84	1.71	2.28	3.31	3.58	3.86	4.38	5.11	5.95	5.84	6.81	8.03	8.03
	Monthly performance GB£ Class	4.39	3.02	-2.55	-0.52	1.37	9.02	0.99	1.39	2.09	5.88	-1.29	2.56	
2015	CSS Alpha Class A performance													
	Monthly performance US\$ Class	-0.40	1.29	0.51	0.35	0.76	0.98	1.21	0.95	0.73	0.75	0.92	1.13	
	YTD 2015	-0.40	0.88	1.40	1.75	2.53	3.54	4.79	5.78	6.56	7.36	8.35	9.57	9.57
	Monthly performance GB£ Class	3.04	-1.19	4.68	-2.88	0.93	-1.65	1.71	2.78	2.19	-1.23	3.31	3.36	
2014	CSS Alpha Class A performance													
	Monthly performance US\$ Class	3.04	1.81	6.58	3.51	4.47	2.75	4.51	7.41	9.77	8.42	12.01	15.77	15.77
	YTD 2014	3.04	1.81	6.58	3.51	4.47	2.75	4.51	7.41	9.77	8.42	12.01	15.77	15.77
	Monthly performance GB£ Class	3.04	1.81	6.58	3.51	4.47	2.75	4.51	7.41	9.77	8.42	12.01	15.77	15.77

NOTES: CSS Alpha commenced trading in April 2008. The results from February 2006 to March 2008 were from trading in a separate account. The Class A results for 2013 are after the effect of a capital restructuring resulting from Cyprus banking crisis related issues.

HISTORIC (%)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Class A (US\$)	-2.66	10.57	9.85	16.61	13.91	21.97	9.38	9.56	8.03	11.68
Class A (GB£)	-	-	-	24.97	8.84	19.76	16.26	15.76	29.10	3.22

RISK STATISTICS	Class A
Monthly volatility annualised (%)	2.55
Sharpe ratio	5.05
Correlation to S&P	0.07

NET ASSET VALUES	Class A US\$	Class A £
Results for the month (%)	0.99	0.74
Results YTD 2018 (%)	9.60	12.17
Net Asset Value (US\$)	2,5331	-
Net Asset Value (GB£)	-	3,1787

ISIN NUMBERS	Class A ISIN Code	Bloomberg
CSS Alpha Fund Ltd – Class A (US\$)	CYF000000408	CSSAFLT CY
CSS Alpha Fund Ltd – Class A (GB£)	CYF000000416	-

KEY INFORMATION ON CSS ALPHA FUND LTD	
Fund Manager	Charles Street Securities Europe LLP, London
Fund Domicile	Cyprus
Strategies	Short term secured debt financing Absolute return trading strategies – Discretionary and Systematic
Administrator	PricewaterhouseCoopers Ltd
Broker	Interactive Brokers LLC, Canaccord Genuity PLC, FXCM Ltd
Bankers	Natwest Bank PLC, London
Auditors	KPMG, Nicosia, Cyprus
Legal Advisers	Stelios Americanos, Nicosia, Cyprus
Personnel	
1984 (to present)	Gerard Mizrahi Founder and CEO Charles Street Securities Europe LLP
1973 – 1983	Chase Manhattan Bank
1970 – 1973	King's College, Cambridge, MA, Economics
2006 (to present)	Stephane Benichou Registered Trader with Charles Street Securities Europe LLP
1998 – 2006	Futures Trader and Technical Analysis with various firms
1994 – 1999	BA, MA, Phd (ex Thesis) in Finance, Paris, Sorbonne University

HISTORIC STATISTICS – CLASS A US\$ SINCE 2008	%
Best month	4.56
Worst month	-0.40
Average month	1.07
Annualised return Class A since Jan 2009	12.89

MARKET STATISTICS	%
FTSE Sep 2018 YTD	2.51
DJIA Sep 2018 YTD	9.01
NASDAQ Sep 2018 YTD	17.07
CSSFB Tremont Index Aug 2018 YTD	1.05
CSSFB Tremont Multi Strat Aug 2018 YTD	2.17

FUND INFORMATION	
Class A Fees	2% plus 20%
HWM	Yes
Redemption Class A	On quarter days
Minimum subscription	€125,000
Subscription	Monthly

FUND MANAGER
Charles Street Securities Europe LLP 1 Wilton Crescent London SW1X 8RN, UK Telephone: +44 (0)20 7235 7642 Email: gm@css-europe.co.uk Web: www.charlesstreetsecurities.co.uk
Authorised and regulated by the Financial Conduct Authority

IMPORTANT NOTICE
This performance statistics sheet is not an offer of securities in the Fund, which may only be made pursuant to the Fund's information memorandum and subscription agreement. An investment in the Fund is only suitable for sophisticated investors. Past performance is not indicative of future performance.