

Still Equity Fund

The Netherlands

UNAUDITED INTERIM FINANCIAL STATEMENTS

for the period from 1 January 2020 to 30 June 2020

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General information

| | |
|-----------------------------|--|
| Registered Office | Gustav Mahlerplein 3 Symphony Offices, 26 th Floor 1082 MS Amsterdam The Netherlands |
| Fund Manager | Privium Fund Management B.V. Gustav Mahlerplein 3 Symphony Offices, 26 th Floor 1082 MS Amsterdam The Netherlands |
| Delegate/Investment Advisor | Mpartners B.V. Koningslaan 52 1075 AE Amsterdam The Netherlands |
| Depository | Darwin Depository Services B.V. Barbara Strozziilaan 101 1083 HN Amsterdam The Netherlands |
| Title Holder | Stichting Juridisch Eigendom Still Equity Fund Woudenbergsesweg 11 3953 ME Maarsbergen The Netherlands |
| Custodian | ABN AMRO Clearing Bank N.V. Gustav Mahlerlaan 10 1082 PP Amsterdam The Netherlands |
| Payment Bank | ABN AMRO Bank N.V. Gustav Mahlerlaan 10 1082 PP Amsterdam The Netherlands |
| Administrator | Apex Fund Services (Netherlands) B.V. Van Heuven Goedhartlaan 935A 1181 LD Amstelveen The Netherlands |
| Independent Auditor * | Ernst & Young Accountants LLP Antonio Vivaldistraat 150 1083 HP Amsterdam The Netherlands |

**The interim financial statements are neither audited nor reviewed by the Independent Auditor.*

General information *(continued)*

Legal Advisor

Van Campen Liem
J.J. Viottastraat 52
1071 JT Amsterdam
The Netherlands

Fiscal Advisor

STP Tax Lawyers
Claude Debussylaan 42
1082 MD Amsterdam
The Netherlands

Profile

Still Equity Fund (the “Fund”) is an open-ended fund for joint account (*“fonds voor gemene rekening”*). Under Dutch law, the Fund is not a legal entity but an agreement *sui generis* between the Fund Manager, the Title Holder and each of the unitholders. The Fund is managed by Privium Fund Management B.V. (the “Fund Manager”). The Fund was incorporated on 23 January 2015 and commenced operations on 1 April 2015.

The Fund’s investment objective is to outperform the MSCI Europe index on a rolling five year basis.

The unitholders’ equity per unit as at 30 June 2020, 31 December 2019 and 30 June 2019 are as follows:

| | 30 June 2020 | 31 December 2019 | 30 June 2019 |
|--|--------------|------------------|--------------|
| Adjusted unitholders’ equity attributable to holders of units in accordance with Dutch GAAP¹ | | | |
| Class A Units | 66.74 | 89.52 | 83.94 |
| Class B Units | 74.92 | - | - |
| Unitholders’ equity attributable to holders of units in accordance with the Prospectus¹ | | | |
| Class A Units | 66.74 | 89.52 | 83.99 |
| Class B Units | 74.92 | - | - |

¹ The unitholders’ equity per unit is calculated in accordance with Dutch GAAP. Refer to note 16 of these interim financial statements for the reconciliation between the unitholders’ equity calculated in accordance with the Prospectus and the unitholders’ equity calculated in accordance with Dutch GAAP.

Interim financial statements

BALANCE SHEET

| | Note(s) | 30 June 2020 EUR | 31 December 2019 EUR |
|---|---------|------------------------|----------------------------|
| Assets | | | |
| Investments | | | |
| Equities | 3 | 12,066,643 | 7,939,158 |
| | | 12,066,643 | 7,939,158 |
| Current assets (fall due in less than 1 year) | | | |
| Cash | 4 | 151,111 | 6,973,924 |
| Net dividend receivable | | 15,950 | - |
| Withholding tax reclaimable | | 33,667 | 24,890 |
| Prepaid expenses | | 3,479 | - |
| Interest receivable | | - | 39 |
| | | 204,207 | 6,998,853 |
| Total assets | | 12,270,850 | 14,938,011 |
| Current liabilities (fall due in less than 1 year) | | | |
| Accrued expenses and other payables | 5 | (43,707) | (40,464) |
| Subscriptions received in advance | 6 | (103,900) | (5,986,100) |
| | | (147,607) | (6,026,564) |
| Total liabilities | | (147,607) | (6,026,564) |
| Total assets minus total liabilities | | 12,123,243 | 8,911,447 |
| Unitholders' equity | | | |
| Contributions of unitholders | | 16,655,380 | 9,629,198 |
| Unappropriated loss | | (4,532,137) | (717,751) |
| Total unitholders' equity | 7 | 12,123,243 | 8,911,447 |

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

Interim financial statements

INCOME STATEMENT

(For the periods ended 30 June 2020 and 2019)

| | <i>Note(s)</i> | 2020 EUR | 2019 EUR |
|---|----------------|---------------------------|---------------------------|
| Investment result | | | |
| <i>Direct investment result</i> | | | |
| Interest income | 8 | 101 | 453 |
| Dividend income | 9 | 77,951 | 81,067 |
| Other income | | - | 750 |
| | | <u>78,052</u> | <u>82,270</u> |
| <i>Indirect investment result</i> | | | |
| Realised losses on investment in equities | 3, 10 | (748,760) | (339,092) |
| Unrealised (losses)/gains on investment in equities | 3, 10 | (3,037,474) | 912,123 |
| Foreign currency gains/(losses) on translation | 11 | 3,621 | (185) |
| | | <u>(3,782,613)</u> | <u>572,846</u> |
| Total investment (loss)/income | | <u>(3,703,561)</u> | <u>655,116</u> |
| Expenses | | | |
| Management fee | 13, 14 | (51,312) | (55,216) |
| Administration fee | 13 | (11,500) | (11,500) |
| Depository fee | 13 | (10,252) | (9,983) |
| Audit fee | | (7,567) | (7,986) |
| Interest expense | | (6,911) | (8,627) |
| FATCA fees | | (3,000) | (3,000) |
| Custody fee | 13 | (3,000) | (3,000) |
| Legal fee | | (3,623) | - |
| Legal owners fee | | (3,479) | - |
| Other operational costs | | (2,567) | (5,171) |
| Bank charges | | (2,128) | (2,472) |
| Total expenses | 12 | <u>(105,339)</u> | <u>(106,955)</u> |
| Net (loss)/profit for the period before tax | | (3,809,900) | 548,161 |
| Withholding tax on dividend income | | (4,486) | (4,980) |
| Net (loss)/profit for the period after tax | | <u>(3,814,386)</u> | <u>543,181</u> |

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

Interim financial statements

STATEMENT OF CASH FLOWS

(For the periods ended 30 June 2020 and 2019)

| | <i>Note(s)</i> | 2020 EUR | 2019 EUR |
|--|----------------|---------------------------|---------------------------|
| Cash flows from operating activities | | | |
| Net payments from investments | 3 | (7,913,719) | (1,226,895) |
| Interest received | | 140 | 480 |
| Interest paid | | (7,331) | (8,118) |
| Dividend received | | 62,001 | 65,389 |
| Management fee paid | | (52,550) | (53,538) |
| Audit fee paid | | (8,978) | (8,467) |
| Administration fee paid | | (12,500) | (9,000) |
| Custody fee paid | | (916) | (4,991) |
| Bank charges paid | | (2,128) | (2,472) |
| Legal owner fees paid | | (6,958) | (2,666) |
| Legal fee paid | | (3,623) | (2,765) |
| Depository fee paid | | (10,252) | (9,983) |
| Redemption fee received | | - | 750 |
| Withholding tax paid | | (13,263) | 6,908 |
| Other general expenses paid | | (339) | (6,344) |
| Net cash flows used in operating activities | | <u>(7,970,416)</u> | <u>(1,261,712)</u> |
| Cash flows from financing activities | | | |
| Proceeds from sales of units | 6, 7 | 7,437,100 | 2,970,000 |
| Subscriptions received in advance | | (5,986,100) | (1,500,000) |
| Payments on redemptions of participations | 7 | <u>(307,018)</u> | <u>(1,091,300)</u> |
| Net cash flows provided by financing activities | | <u>1,143,982</u> | <u>378,700</u> |
| Net decrease in cash | | (6,826,434) | (883,012) |
| Cash at the beginning of the period | | 6,973,924 | 2,544,543 |
| Foreign currency losses/(gains) on translation of cash positions | | 3,621 | (185) |
| Cash at the end of the period | 4 | <u>151,111</u> | <u>1,661,346</u> |
| Analysis of cash | | | |
| Cash at bank | | 115,705 | 140,970 |
| Due from custodian | | 35,406 | 2,070,377 |
| Due to custodian | | - | (550,001) |
| Total cash | 4 | <u>151,111</u> | <u>1,661,346</u> |

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

Notes to the interim financial statements

1. GENERAL INFORMATION

Still Equity Fund (the “Fund”) is an open-ended fund for joint account (*“fonds voor gemene rekening”*). Under Dutch law, the Fund is not a legal entity but an agreement *sui generis* between the Fund Manager, the Title Holder and each of the unitholders. The Fund was incorporated on 23 January 2015 and commenced operations on 1 April 2015. The Fund is registered at the commercial register of the Chamber of Commerce of the Netherlands under number 34268930. The most recent Prospectus of the Fund was issued in March 2018.

As at 30 June 2020 the Fund was offering two classes of units, Class A Units and Class B Units (31 December 2019: one class of units, Class A Units). The units of the Fund are not listed on any stock exchange.

The investment objective of the Fund is to outperform the MSCI Europe index on a rolling five year basis.

The Fund’s investment activities are managed by Privium Fund Management B.V. (the “Fund Manager”), with the administration delegated to Apex Fund Services (Netherlands) B.V. (the “Administrator”). Certain Portfolio Manager responsibilities have been delegated to Mpartners B.V. (the “Delegate” and “Investment Advisor”).

The Fund had no employees during the period ended 30 June 2020 and the year ended 31 December 2019.

The Fund Manager is subject to supervision by the AFM (Stichting Autoriteit Financiële Markten) and DNB (Central Bank of the Netherlands). On 22 July 2014, the AFM licence of the Fund Manager was automatically converted into an Alternative Investment Fund Managers Directive (“AIFMD”) licence by the AFM.

The unaudited interim financial statements have been authorised for issue by the Fund Manager on 12 August 2020.

2. SIGNIFICANT ACCOUNTING PRINCIPLES AND POLICIES

Basis of preparation

The interim financial statements of the Fund have been prepared in accordance with the reporting principles generally accepted in the Netherlands (“Dutch GAAP”) including the statutory provisions contained in Part 9, Book 2 of the Dutch Civil Code and Dutch Accounting Standard 394. The interim financial statements have also been prepared in accordance with the requirements of the Dutch Financial Supervision Act (“FSA”).

The interim financial statements are prepared on a fair value basis for financial investments, except those for which a reliable measure of fair value is not available. Other financial assets and liabilities and non-financial assets and liabilities are stated at amortised cost or historical cost.

Below and overleaf is a summary of the accounting policies of the Fund.

Functional currency

The interim financial statements are presented in Euro (“EUR”), which is the Fund’s functional currency.

Recognition and measurement

An asset is recognised in the balance sheet when it is probable that future economic benefits of the asset will flow to the Fund and the amount of the asset can be reliably measured. A liability is recognised in the balance sheet when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably. Income is recognised in the income statement when an increase in future economic benefit related to an increase in an asset or decrease in a liability has arisen that can be measured reliably.

Notes to the interim financial statements

2. SIGNIFICANT ACCOUNTING PRINCIPLES AND POLICIES (*CONTINUED*)

Recognition and measurement (*continued*)

Expenses (including value added tax ("VAT"), where applicable) are recognised in the income statement when a decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably.

Estimates

The preparation of interim financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Fund's accounting policies. If necessary, for the purposes of providing the view required under Section 362, subsection 1, Book 2 of the Dutch Civil Code, the nature of these estimates and judgements, including related assumptions, is disclosed in the notes to the interim financial statements in question.

Foreign exchange

Assets and liabilities denominated in currencies other than the EUR are converted to EUR at the exchange rates prevailing on the balance sheet date. Transactions in foreign currency are converted at the rates prevailing on the date of the transaction. Foreign currency exchange differences arising on translation and realised gains and losses on disposal or settlement of monetary assets and liabilities are recognised in the income statement.

Classification of units

The units of the Fund are classified as equity. These units are recognised and measured at the redemption amount. Any distribution of equity is recognised through equity.

Basis of valuation - policies in preparing the balance sheet

Financial investments are initially measured at fair value which is the fair value of the consideration given or received. Financial investments are subsequently re-measured at fair value.

The Fund measures the fair value of any security which is listed or quoted on any securities exchange or similar electronic system and regularly traded thereon using its last traded price on the relevant business day. If no trades occurred on such day, it will be valued at the closing price on the previous business day.

Gains and losses arising from fair value changes are calculated based on historical cost and recognised in the income statement as 'realised losses on investment in equities' or 'unrealised (losses)/gains on investment in equities'.

Forward currency contracts

The Fund may use forward currency contracts to hedge the currency exposure. A forward currency contract involves an obligation to purchase or sell a specific currency at a future date, at a price set at the time the contract is made. Forward currency contracts are valued by reference to the forward price at which a new forward currency contract of the same size and maturity could be undertaken at the valuation date. The unrealised gain or loss on open forward currency contracts is calculated as the difference between the contract rate and this forward price.

Receivables and prepayments

The value of accounts receivable and prepayments, if any, will be deemed to be the full amount unless it is unlikely to be paid or received in full. Appropriate allowances for estimated irrecoverable amounts are recognised in the income statement when there is objective evidence that the asset is impaired. Cash is carried at face value.

Dividend income

Dividend income relating to equity securities are recognized in the statements of comprehensive income on the ex-dividend date. Dividend income is presented gross of any non-recoverable withholding taxes, which are disclosed separately in the statement of comprehensive income.

Payables and accruals

Payables and accruals are included at fair value.

Notes to the interim financial statements

2. SIGNIFICANT ACCOUNTING PRINCIPLES AND POLICIES (*CONTINUED*)

Basis of valuation - policies in preparing the balance sheet (*continued*)

Interest income and interest expense

Interest income and interest expense are recognised in the statement of comprehensive income as they accrue, using the historical effective interest rate of the asset. Interest income includes the amortisation of any discount or premium, transaction costs (in the case of financial instruments other than those classified at fair value through profit or loss) or other differences between the initial carrying amount of an interest-bearing instrument and its amount at maturity calculated on an effective interest rate basis.

Cash

Cash comprises cash on hand and demand deposits. Cash also includes short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Statement of cash flows

The statement of cash flows is prepared according to the direct method. The statement of cash flows shows the Fund's cash flows for the period divided into cash flows from operating and financing activities and how the cash flows have affected cash funds.

For the purposes of the statement of cash flows, financial instruments at fair value through profit or loss are included under operating activities. Cash flows from financing activities include proceeds from subscriptions and payments for redemptions of units of the Fund. As the nature of the Fund is to invest in financial instruments, all cash flows related to investments are classified as cash flows from operating activities.

Unitholders' equity

All references to net asset value ("NAV") throughout the interim financial statements are equivalent to unitholders' equity.

Principles for determining the result

The Fund recognises financial assets and liabilities on the date it becomes a party to the contractual provisions of the instrument. A regular way purchase and sale of investments is recognised using trade date accounting.

The changes in the value of the investments held by the Fund are accounted for in the income statement. The Fund may use forward currency contracts to limit the exchange rate risk. Forward currency contracts are accounted for as currency transactions. The change in value of forward currency contracts are also accounted for in the income statement.

Dividend income related to exchange-traded equity investments is recognised in the income statement on the ex-dividend date. Dividend withholding tax is presented gross in the income statement.

Interest income and expense are accounted for in the income statement on the accrual basis. Transaction costs in relation to equities are capitalised while transaction costs in relation to forward currency contracts are expensed immediately.

Tax position

The Fund has the status of a fiscal investment institution ("FBI"), pursuant to Article 28 of the Dutch Corporate Income Tax Act 1969. The status of a FBI results in the Fund not being subject to corporate income tax.

Dividend distributions of the Fund are subject to 15% Dutch dividend withholding tax on dividends paid to the unitholders. However, the Fund can apply a remittance reduction on this dividend tax.

Notes to the interim financial statements

NOTES FOR INDIVIDUAL BALANCE SHEET ITEMS

3. Investments

Movement in schedule of investments

| <i>(All amounts in EUR)</i> | 1 January to 30 June 2020 | 1 January to 30 June 2019 |
|--|--------------------------------------|--------------------------------------|
| Investment in equities | | |
| Opening balance | 7,939,158 | 4,985,398 |
| Purchases | 8,912,104 | 3,430,168 |
| Sales | (998,385) | (2,203,273) |
| Realised loss | (795,463) | (274,322) |
| Realised gain/(loss) on foreign exchange differences | 46,703 | (64,770) |
| Unrealised (loss)/gain | (2,821,178) | 826,366 |
| Unrealised (loss)/gain on foreign exchange differences | (216,296) | 85,757 |
| As at 30 June | <u>12,066,643</u> | <u>6,785,324</u> |

4. Cash

As at 30 June 2020, cash comprises of balances held with ABN AMRO Bank N.V. amounting to EUR 115,705 (31 December 2019: EUR 293,207). As at 30 June 2020 and 31 December 2019, no restrictions in the use of these balances exist.

Cash also includes amounts due from ABN AMRO Clearing Bank N.V. of EUR 35,406 (31 December 2019: EUR 6,680,717). As at 30 June 2020 and 31 December 2019 there were no amounts due to ABN AMRO Clearing Bank N.V.

5. Accrued expenses and other payables

As at 30 June 2020 and 31 December 2019, accrued expenses and other payables consist of the following:

| <i>(All amounts in EUR)</i> | 30 June 2020 | 31 December 2019 |
|--|-------------------------|-----------------------------|
| Audit fee payable | (11,415) | (12,826) |
| Management fee payable | (8,541) | (9,779) |
| Custody fee payable | (7,285) | (5,201) |
| Administration fee payable | (7,000) | (8,000) |
| Tax preparation fee payable | (5,295) | (3,530) |
| FATCA fees payable | (3,000) | - |
| Regulator fee payable | (979) | (516) |
| Other payables | (170) | (170) |
| Interest payable | (22) | (442) |
| Total accrued expenses and other payables | <u>(43,707)</u> | <u>(40,464)</u> |

6. Subscriptions received in advance

Subscriptions received in advance represent the amounts received from unitholders for subscription to units of the Fund for the first business day of the next month. Unitholders are required to deposit the amounts with the Fund prior to the issuance of units.

As at 30 June 2020, the subscriptions received in advance amounts to EUR 103,900 (31 December 2019: EUR 5,986,100). On 1 July 2020, the Fund issued 689.1809 Class A Units and 772.7242 Class B Units to the subscribing unitholders.

Notes to the interim financial statements

NOTES FOR INDIVIDUAL BALANCE SHEET ITEMS (CONTINUED)

7. Share capital

Structure of the Fund's capital

The Fund is an open-ended fund for joint account ("*fonds voor gemene rekening*") and was established in Amsterdam in January 2015. The units of the Fund are available for subscription to unitholders on each monthly dealing day. The unitholders are economically entitled to the NAV of the Fund in proportion to the number of units held.

The movement of equity in the units during the periods are as follows:

| <i>(All amounts in EUR)</i> | 1 January to 30 June 2020 | 1 January to 30 June 2019 |
|--|--------------------------------------|--------------------------------------|
| <i>Contributions of unitholders</i> | | |
| Balance at the beginning of the period | 9,629,198 | 7,781,494 |
| Issue of Class A Units | 110,000 | 2,820,000 |
| Issue of Class B Units | 7,223,200 | - |
| Redemption of Class B Units | (307,018) | (1,091,300) |
| Total contributions at the end of the period | <u>16,655,380</u> | <u>9,510,194</u> |
| <i>Unappropriated loss</i> | | |
| Balance at the beginning of the period | (717,751) | (1,763,586) |
| Net (loss)/profit for the period after tax | (3,814,386) | 543,181 |
| Total undistributed loss at the end of the period | <u>(4,532,137)</u> | <u>(1,220,405)</u> |
| Equity at the end of the period | <u>12,123,243</u> | <u>8,289,789</u> |

Subscriptions and redemptions

The Fund issues units on each transaction day at the NAV per unit on the preceding valuation day subject to ten business days notice by the subscribing unitholder. The minimum initial subscription amount for each unitholder is EUR 10,000 with the minimum subsequent subscription amounts being EUR 1,000. The units were issued at an initial subscription price of EUR 100 per unit and thereafter at the NAV per unit. The minimum subscription amounts can be lowered at the sole discretion of the Fund Manager. No subscriptions fees are charged to the unitholders of the Fund.

The Fund redeems units of the unitholders' equity on each monthly dealing day at the NAV per unit as calculated on each monthly valuation day subject to ten business days notice by the redeeming unitholder. The minimum value of units which may be subject of one redemption request is EUR 1,000. The Fund Manager may decide to lower this amount in individual cases. No redemption fees are charged to the unitholders of the Fund. Additionally, the Fund has ten business days after the calculation of the NAV before redemption amounts have to be paid.

The movement of the units during the period ended 30 June 2020 was as follows:

| | Units at the beginning of the period | Units issued | Units redeemed | Units at the end of the period |
|---------------|---|-------------------------|---------------------------|---|
| Class A Units | 99,563.23 | 1,248.74 | - | 100,811.97 |
| Class B Units | - | 75,794.62 | (3,801.05) | 71,993.57 |
| Total | <u>99,563.23</u> | <u>77,043.36</u> | <u>(3,801.05)</u> | <u>172,805.54</u> |

Notes to the interim financial statements

NOTES FOR INDIVIDUAL BALANCE SHEET ITEMS (CONTINUED)

7. Share capital (continued)

Subscriptions and redemptions (continued)

The movement of the units during the period ended 30 June 2019 was as follows:

| | Units at the beginning of the period | Units issued | Units redeemed | Units at the end of the period |
|--------------|---|------------------|--------------------|-----------------------------------|
| Units | 76,789.50 | 34,071.33 | (12,105.95) | 98,754.88 |
| Total | 76,789.50 | 34,071.33 | (12,105.95) | 98,754.88 |

Capital management

The Fund's objectives when managing capital are to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Fund will make distributions to unitholders when required in connection with the fiscal status of the Fund as a fiscal investment institution ("*fiscal beleggingsinstelling*") or if there are no sufficient suitable investment opportunities to achieve the investment objective of the Fund. Distributions of the Fund will be made in the form of units. For the periods ended 30 June 2020 and 30 June 2019, no distributions were made.

NOTES FOR INDIVIDUAL INCOME STATEMENT ITEMS

8. Interest income

Interest income relates to the interest on bank and custodian balances.

9. Dividend income

Dividend income relates to dividend from equity instruments.

10. Investment return

| (All amounts in EUR) | Profit | 2020 Loss | 2020 Total | 2019 Total |
|----------------------|----------------|--------------------|--------------------|----------------|
| Equities | | | | |
| Realised result | 46,703 | (795,463) | (748,760) | (339,092) |
| Unrealised result | 514,218 | (3,551,692) | (3,037,474) | 912,123 |
| Total result | 560,921 | (4,347,155) | (3,786,234) | 573,031 |

Notes to the interim financial statements

NOTES FOR INDIVIDUAL INCOME STATEMENT ITEMS (CONTINUED)

11. Foreign currency gains/(losses) on translation

Realised and unrealised exchange differences consist of realised and unrealised translation gains and losses on assets and liabilities other than investment assets and liabilities. For the period ended 30 June 2020, this amounted to gains of EUR 3,621 (2019: losses of EUR 185). The following average and closing rates have been applied in the preparation of these interim financial statements (the equivalent of one Euro is shown):

| | 2020 | | 2019 | |
|---|---------|---------|---------|---------|
| | Average | Closing | Average | Closing |
| <i>Showing the equivalent of 1 Euro</i> | | | | |
| Danish Krone | 0.1341 | 0.1342 | 0.1340 | 0.1340 |
| Great Britain Pound | 0.8750 | 0.9059 | 1.1457 | 1.1166 |
| Swiss Franc | 1.0641 | 1.0641 | 0.8854 | 0.9006 |
| United States Dollar | 0.8910 | 0.8908 | 0.8854 | 0.8797 |

12. Expenses

The Fund makes use of various parties for management, administration and custody services. The table below provides a breakdown of expenses for the periods ended 30 June 2020 and 30 June 2019.

| <i>(All amounts in EUR)</i> | 2020 | 2019 |
|--|------------------|------------------|
| Expenses accruing to the Fund Manager | | |
| Management fee | (51,312) | (55,216) |
| Other expenses | | |
| Administration fee | (11,500) | (11,500) |
| Depositary fee | (10,252) | (9,983) |
| Audit fee | (7,567) | (7,986) |
| Interest expense | (6,911) | (8,627) |
| Legal fee | (3,623) | - |
| Legal owner fee | (3,479) | (2,666) |
| FATCA fees | (3,000) | (3,000) |
| Custody fee | (3,000) | (3,000) |
| Bank charges | (2,128) | (2,472) |
| Tax preparation fee | (1,765) | (1,765) |
| Other operational costs | (802) | (740) |
| Total | (105,399) | (106,955) |

The basis on which various expenses are charged to the Fund are disclosed in detail in the Prospectus. It is a Dutch regulatory requirement to disclose any differences between actual expenses and the expenses disclosed in the Prospectus. During the period ended 30 June 2020, all expenses actually charged to the Fund were in accordance with the expenses disclosed in the Prospectus. During the period, the Fund also incurred expenses such as legal fee of EUR 3,623 (2019: EUR Nil), interest expense of EUR 6,911 (2019: EUR 8,627), bank charges of EUR 2,128 (2019: EUR 2,472) and other operational costs of EUR 802 (2019: EUR 740) which are not detailed in the Prospectus.

Notes to the interim financial statements

13. RELEVANT CONTRACTS

Fund Manager

Management fee

Privium Fund Management B.V. acts as the Fund Manager to the Fund. The Fund Manager is entitled to an annual management fee of 1.25% of the NAV of the Fund. The management fee is calculated monthly and payable monthly in arrears.

Details of management fees charged for the periods are disclosed in the income statement. The Fund Manager has entered into a delegation agreement with MPartners. Certain portfolio management responsibilities have been delegated to MPartners. A certain part of the management fee is paid to MPartners for their work.

Administrator

The Fund has entered into an administration agreement with Apex Fund Services (Netherlands) B.V. The Administrator charges an annual fee, to be calculated monthly and paid quarterly in arrears on the basis of the NAV of the Fund before deduction of the management fee, and with a minimum of EUR 18,000 per annum. This annual fee is based on the following sliding scale:

- | | |
|--|-----------------|
| ▪ Part up to EUR 20 million | 10 basis points |
| ▪ Part between EUR 20 million and EUR 50 million | 8 basis points |
| ▪ Part above EUR 50 million | 6 basis points |

The Administrator also charges a fee of EUR 5,000 per annum in respect of the preparation of the Fund's annual report and EUR 6,000 for FATCA related services.

Details of administration fees charged for the periods are disclosed in the income statement.

Payment Bank/Custodian

ABN AMRO Clearing Bank N.V. acts as Custodian to the Fund. The Custodian is entitled to receive fees from the Fund in accordance with its customary charges.

Depository

The Fund has entered into a depository agreement with Darwin Depository Services B.V. The Depository charges an annual fee of EUR 16,500, payable quarterly in advance, for depository services provided to the Fund. Details of depository fees charged for the periods are disclosed in the income statement.

Independent Auditor

The Fund appointed Ernst & Young Accountants LLP as the Independent Auditor for the audit of the annual financial statements. The Independent Auditor does not provide any non-audit services or other audit services to the Fund.

Legal Owner

TCS Governance B.V. has been appointed as Management Board of the Legal Owner. The remuneration consists of an annual fixed fee of EUR 3,500 and variable remuneration of 0.0125%. The total remuneration is capped at EUR 6,500.

Notes to the interim financial statements

14. RELATED PARTY TRANSACTIONS

Related party transactions are transfers of resources, services or obligations between related parties and the Fund, regardless of whether a price has been charged. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions or is part of key management of the Fund. The following provides details on the related parties of the Fund and transactions with the related parties.

The Fund Manager and Delegate/Investment Advisor are considered related parties.

As of 1 January 2020, employees of the Delegate held 50 Class B Units in the Fund. As of 30 June 2020, employees of the Delegate held 50 Class B Units in the Fund.

The following transactions occurred between the Fund and the Fund Manager during the reporting periods.

Transactions from 1 January 2020 – 30 June 2020 and balances as at 30 June 2020

| | Paid EUR | Balance EUR |
|----------------|---------------------|------------------------|
| Management fee | (52,550) | (8,541) |

Transactions from 1 January 2019 – 30 June 2019 and balances as at 31 December 2019

| | Paid EUR | Balance EUR |
|----------------|---------------------|------------------------|
| Management fee | (53,538) | (9,779) |

15. FINANCIAL INVESTMENTS AND ASSOCIATED RISKS

The Fund's investment objective is to outperform the MSCI Europe index on a rolling five year basis.

The Fund's activities expose it to a variety of financial risks: market risk (including market price risk, interest rate risk and currency risk), credit risk and liquidity risk.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. There may be various reasons why markets fall, like recessions caused by a change in the economic business cycle or a pandemic. Market risk comprises market price risk, interest rate risk and currency risk. The Fund's market risk is managed through diversification of its investments.

Market price risk

Price risk is the risk that the value of the instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

As at 30 June 2020 and 31 December 2019, price risk arises on the Fund's investment in equities.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Fund has no interest bearing financial instruments except for cash at banks and amounts due from custodian which are subject to normal market related short-term interest rates. Therefore, the Fund is not exposed to significant interest rate risks.

Notes to the interim financial statements

15. FINANCIAL INVESTMENTS AND ASSOCIATED RISKS (CONTINUED)

Market risk (continued)

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk exposure arises from the Fund investing in financial instruments and entering into transactions which are denominated in currencies other than its functional currency. The Fund's exposure to foreign exchange movements as at 30 June 2020 and 31 December 2019 is as follows:

| | 30 June 2020 | | 31 December 2019 | |
|----------------------|-------------------|--------------------------------|-------------------|--------------------------------|
| | Fair value EUR | % of unitholders' equity | Fair value EUR | % of unitholders' equity |
| Currency | | | | |
| Danish Krone | 6,779 | 0.1% | 6,800 | 0.1 |
| Great Britain Pound | 2,684,929 | 22.1% | 3,007,189 | 33.7 |
| Swiss Franc | 10,614 | 0.1% | 518,412 | 5.8 |
| United States Dollar | 755,805 | 6.2% | 2,062 | 0.0 |

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. It arises from cash and other receivables. The carrying values of financial assets (excluding any investment in equities) best represent the maximum credit risk exposure as at the reporting dates and amounts to EUR 204,207 (31 December 2019: EUR 6,998,853).

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities.

The Fund's Prospectus provides for the monthly creation and cancellation of units and it is therefore exposed to the liquidity risk of meeting unitholders' redemptions. The Fund's policy only allows for redemptions on the first business day of each calendar month. Additionally, a 10 business days notice period must be provided by unitholders wishing to redeem their holding in the Fund.

The Fund's listed securities are considered to be readily realisable as they are listed on recognised exchanges.

The Fund's other liabilities are short-term in nature.

Notes to the interim financial statements

16. PROVISION OF INFORMATION

The interim financial statements and the Prospectus of the Fund are available free of charge from the Fund Manager or available for download free of charge from the Fund Manager's website: www.priviumfund.com.

17. EVENTS AFTER THE BALANCE SHEET DATE

Covid-19

At the time of writing this report the global economy continues to be under severe pressure caused by the effects of the COVID-19 pandemic (generally referred to as corona virus). Some recovery has occurred, but the outlook remains uncertain.

There is clear uncertainty about the extent of this economic downturn. As such, there might be a further downward pressure on prices of various asset classes. Governments and central banks have already intervened on a large scale and have announced large fiscal and monetary stimulus packages. It is expected that they will continue to do so.

Based on current available information there are no continuity issues for the Fund.

There were no other material subsequent events which necessitate revision of the figures or disclosures included in the unaudited condensed interim financial statements.

18. DATE OF AUTHORISATION

The unaudited interim financial statements have been authorised for issue by the Fund Manager in Amsterdam on 12 August 2020.