

ANNUAL REPORT

Savin Multi-Strategy Arbitrage Fund N.V.

Year ended 31 December 2023

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General information

Registered office

Savin Multi-Strategy Arbitrage Fund N.V.
Financial Offices 26th Floor
Gustav Mahlerplein 3
1082 MS Amsterdam
The Netherlands

Fund Manager

Privium Fund Management B.V.
Financial Offices 26th Floor
Gustav Mahlerplein 3
1082 MS Amsterdam
The Netherlands

Administrator

Bolder Fund Services (Netherlands) B.V.
Smallepad 30F
3811 MG Amersfoort
The Netherlands

Depository

Apex Depository Services B.V.
Van Heuven Goedhartlaan 935A
1181 LD Amstelveen
The Netherlands

STAK

Stichting Administratiekantoor Savin Multi-Strategy Arbitrage Fund
Financial Offices 26th Floor
Gustav Mahlerplein 3
1082 MS Amsterdam
The Netherlands

Legal and Tax Counsel

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

Prime Broker

ABN AMRO Clearing Bank N.V.
Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands

Custodian

ABN AMRO Clearing Bank N.V.
Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands

Auditor

Ernst & Young Accountants LLP
Antonio Vivaldistraat 150
1083 HP Amsterdam
The Netherlands

Key figures

(all amounts in EUR x 1,000)	2023	2022	2021 ¹
Net Asset Value			
Net Asset Value Class A EUR	15,250	18,247	29,886
Net Asset Value Class F EUR	12,544	18,777	24,836
Net Asset Value Class I EUR	7,281	14,906	16,141
Net Asset Value Class I USD	98	129	-
Net Asset Value Class A USD	-	920	690
Total Net Asset Value	35,173	52,979	71,553
Outstanding Units			
Outstanding Units Class A EUR	146,586	179,228	239,247
Outstanding Units Class F EUR	118,848	182,443	197,806
Outstanding Units Class I EUR	70,942	148,844	131,751
Outstanding Units Class I USD	1,250	1,656	-
Outstanding Units Class A USD	-	11,759	7,778
Total Outstanding Units	337,626	523,930	576,582
Result			
Result from investments	634	(268)	(94)
Changes in value	3,676	(10,138)	13,312
Other results	(642)	513	(1,542)
Costs	(2,872)	(3,710)	(4,950)
Net result	796	(13,603)	6,726

¹ The reported results cover the period from 1 February 2021 through 31 December 2021.

	2023	2022	2021
Per Unit²			
Net Asset Value per Unit Class A EUR	104.03	101.81	124.92
Net Asset Value per Unit Class F EUR	105.54	102.92	125.56
Net Asset Value per Unit Class I EUR	102.64	100.14	122.51
Net Asset Value per Unit Class I USD	86.84	83.38	-
Net Asset Value per Unit Class A USD	-	83.78	100.79
Performance Class A EUR	2.18%	(18.50%)	24.92%
Performance Class F EUR ³	2.55%	(18.03%)	25.56%
Performance Class I EUR	2.50%	(18.26%)	22.51%
Performance Class I USD	4.15%	(16.62%)	-
Performance Class A USD	-	(16.88%)	0.79%

² The result per Unit is calculated using the number of outstanding Units as per the end of the period.

³ Unitholders of Class F received a management fee rebate of EUR 167,758 during the reporting period.

Fund Manager report

Investment objective

The Fund is using a number of arbitrage investment strategies, including “multi class” arbitrage, volatility arbitrage, and other kinds of arbitrage strategies and corporate event strategies. In order to pursue these investment strategies, the Fund invests in a diversified portfolio of instruments both long and short, including equities, convertible securities, debt securities, warrants, options, swaps (including credit default swaps and credit default index swaps), futures contracts, forwards or other types of derivative instruments. Instruments can be traded through various exchanges Globally, including exchanges in Europe, the United States and Asia.

The Fund Manager tactically allocates the Fund’s assets across arbitrage and alternative investment strategies with positive anticipated returns based on market conditions. Besides the arbitrage strategies the Fund runs a tail risk strategy to ensure capital preservation in unsettled markets.

Review 2023

The Savin Multi-Strategy Arbitrage Fund realized a 2023 return of +2.2% (EUR Class A units).

The year started with a consensus “tough year ahead” for high-risk assets; interest rates rose, recession loomed, and inflation stayed high. Instead, returns have been skewed almost overwhelmingly toward the riskiest parts of the market, with a spectacular outperformance for Big Tech, aka The Magnificent Seven.

With rates peaking (for now), investors are rushing back into bonds and equities again. What is notable about the moves in equities and bonds we have seen in 2023, is the positive correlation between the two. With higher interest rates, bonds are getting more attractive from an income perspective. But with the positive correlation we are noticing, the reliable diversifying effect of bonds is simply not there. Leaving traditional investment portfolios more exposed to equity market risk than investors might think.

With bonds not providing the diversification you might expect, investors should take a closer look at portfolio building blocks delivering on uncorrelated and asymmetric return profiles. The exact return profile we are aiming for within the Savin Multi-Strategy Arbitrage Fund.

As the world around us and the economic data coming in becomes more volatile, looking into the future has never been harder. This year we have been surprised to the upside, next year might be different. To optimize the risk and return profile of investment portfolios diversification is key, and perhaps more important than ever.

We are in a fast-changing world, marked by rapid advancements in AI, significant demographic shifts, an energy transition, regionalization vs globalization, higher interest rates and multiple wars just to name a few. Uncertainty and volatility will remain dominating themes.

Against this backdrop, we have entered a new investment landscape. Navigating these challenging circumstances emphasizes the importance of managing risk, adaptability and resilience.

In a world where market direction is becoming a less reliable return source, our strategies have the potential to capitalize on new and differentiated opportunities that are surfacing in the current environment. Strategies that are designed to outperform in market circumstances when other asset classes will struggle to perform.

Outlook 2024

The performance of US and European equity markets has been spectacular in 2023. Looking forward to 2024, return expectations feel to be somewhat asymmetrical from this point. A lot has to go well to maintain the current strength in equity and bond markets. As uncertainty abounds, there is still ample room for surprises either way, inducing market volatility.

In 2023, the hedges were a drag on performance, while some upside potential in other strategies did not yet materialize. We set up trades with limited downside while maintaining attractive upside potential. There always is uncertainty in timing regarding the materialization of profits, or when prices converge. Currently, most strategies benefit directly from declining asset prices, while a further rise in asset prices does not overly hurt them.

So yes, nothing gained and nothing lost this year, but always with the optionality in place to profit from sudden market drawdowns and with that protect the assets of the Fund. Unlike traditional asset classes, relative value and volatility strategies see an increase in their return potential from increased market volatility and dispersion of stock returns. In times of uncertainty and heightened volatility, these are strategies that can help provide a durable return stream that's disconnected from the ups and downs of the overall market.

The team looks forward to 2024, where we aim to continue the trend of the last 6 months of 2023, whilst always being prepared for stormy markets or even the perfect storm.

Sustainable Finance Disclosure Regulation (SFDR)

As per 10 March 2021, the EU Sustainable Finance Disclosure Regulation (SFDR) has come into force. In the context of the Sustainable Finance Disclosure Regulation (SFDR), the Fund has been classified as an Article 6 fund. The investments of the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

Considering the broad scope of the Fund's investment policy, it is not possible to pre-define which sustainability risks will likely be material. Additionally, the estimated sensitivity of the Fund to specific sustainability risks will depend on the sector diversification. The broader the diversification across economic sectors, the lower the sensitivity. Additionally, it can be challenging to identify specific sustainability risks that the Fund may be exposed to, especially when the underlying position does not have a clearly identifiable exposure to sustainability risks. The position may have no directional long exposure causing no long exposure to any sustainability risk. Also, as the Fund may take positions over a short time frame it may not be materially exposed to sustainability risks.

If an investment of the Fund has a clearly and material identifiable sustainability risk and, carries long material directional exposure, the Fund Manager's ESG risk policy applies and the material ESG risk exposure will be analyzed.

Risk management and willingness to take risks

There have been no risk breaches during the year 2023. To accommodate the growing volatility dispersion strategy of the fund, the maximum allowed leverage number (measured by the gross method) was increased during 2023. Here a one-month term was applicable before this change became effective on May 1, 2023. The investment objective (s) of the Fund didn't change during the reporting period.

Reference to the investment objective (s), risk profile and the investment restrictions of the Fund is made in the Prospectus of the Fund and the Key Information Document.

In the table below we list the various risk to which investors in the Fund are exposed and we discuss the measures applied to manage these risks and their potential impact on the Fund's NAV's.

Sorts of risks	Risk hedged	Measures applied and expected effectiveness	Impact on 2023 NAV	Expected impact on 2024 NAV if risk materializes	Adjustments made or expected adjustments to risk management in 2023 or 2024
Price/Market Risk	No	Despite the Fund's objective to maintain a low correlation to equity markets, market circumstances might occur during which correlations or sensitivities to equity markets are higher than expected. Close monitoring on the arbitrage positions is taking place to reduce this risk as much as possible.	The Fund gained +2.2% in 2023 (EUR Class A units). The Fund does not have a benchmark. Global Equities, measured by the MSCI World Index (EUR) gained +16.3% in 2023, bonds measured by the Vanguard Global Bond Index Fund (EUR) gained +4.7% in 2023 and hedge funds measured by the HFRX Hedge Fund Index (in EUR) gained +1.04%.	Investments are selected after a thorough due diligence process and thereafter close monitoring takes place. The occurrence of this risk will also largely depend on general market circumstances.	No. The Fund Manager is comfortable with the risk exposure currently in place.
Arbitrage risk	No	Employing arbitrage and alternative strategies involves the risk that anticipated opportunities may not play out as planned, resulting in potentially reduced returns or losses to the Fund as it unwinds failed trades. Close monitoring on the arbitrage positions is taking place to reduce this risk as much as possible.	The Fund outperformed most hedge fund indices during the reporting period. Hedge funds, measured by the HFRX Hedge Fund Index (in EUR), gained +1.04%.	Investments are selected after a thorough due diligence process and thereafter close monitoring takes place. The occurrence of this risk will also largely depend on general market circumstances. Much will also depend on the actual positioning of the fund.	No. The Fund Manager is comfortable with the risk exposure currently in place.
Interest rate risk	No	The Fund has no interest bearing financial instruments except for cash at bank (including prime broker). Therefore the Fund is not exposed to significant interest rate risk.	None	None	No. The Fund Manager is comfortable with the risk exposure currently in place.
Foreign Exchange risk	Partially	Direct FX risk of the share classes is mostly hedged by using swaps.	Most of the underlying investments are denominated in USD and the USD exposure is mostly hedged through swaps.	This will largely depend on FX movements.	No. The Fund Manager is comfortable with the risk exposure currently in place.
Liquidity risk	No	Liquidity risk mostly has been mitigated by investing in positions that offer sufficient liquidity.	None	We deem this risk to be limited but this will depend on actual market circumstances.	No. The Fund Manager is comfortable with the risk exposure currently in place.
Derivatives risk and short sale risk	Partially	Derivatives may be used when setting up arbitrage positions. The Fund will also utilize short positions when setting up arbitrage positions. Close monitoring on the arbitrage positions is taking place to reduce this risk as much as possible.	None	We deem the risk to be limited.	No. The Fund Manager is comfortable with the risk exposure currently in place.
Credit risk	No	Spare cash is maintained at ABN AMRO. ABN AMRO has an A credit rating (S&P credit rating) and we would reconsider the relationship if this changes.	None	We deem the risk to be limited.	No. The Fund Manager is comfortable with the risk exposure currently in place.
Operational risk	No	As part of operational risk, the AIFM is periodically assessing risk factors like legal risk, compliance risk and outsourcing risk. This risk is mostly mitigated by having rigid operational procedures in place. Next to that duties and responsibilities are clearly divided between Privium employees. The same is applicable at the service providers of the various Privium Funds.	None	None	No. The Fund Manager is comfortable with the risk exposure currently in place.
Counterparty Risk	No	This risk is mostly mitigated by selecting and maintaining relationships with top tier counterparties and service providers.	None	None	No. The Fund Manager is comfortable with the risk exposure currently in place.
Leverage Risk	No	The Fund may employ leverage in executing its arbitrage investment strategies. Here leverage may be obtained through cash borrowings or by the use of derivatives. As of December 31, 2023 the leverage calculations according to the Gross method and Commitment method are as follows: Gross method: 680.68% and Commitment method: 601.24%.	None	None	No. The Fund Manager is comfortable with the risk exposure currently in place.
Fraud Risk	No	The Fund Manager is aware of the possibility of fraud which might affect the assets of the Fund. Because of this the Fund Manager applies a range of measures and procedures to mitigate the fraud risk. These procedures are part of the Handbook of the Fund Manager. Due to the segregation of duties and responsibilities among people the risk of fraud is mitigated further.	No	This will depend on the scope and composition of the Fraud taking place.	No

Risk management

Privium Fund Management B.V. has a clear and elaborate Risk Management framework, in line with current legislation, such as the Alternative Investment Fund Manager Directive (AIFMD). The Risk Management function within Privium is performed by an independent Risk Management team. Privium has a Risk Management Committee which meets at least on a monthly basis.

The Risk Management framework consists of several individual components, whereby Risk Monitoring is being performed on an ongoing basis.

Under the AIFM Directive, the Fund Manager is required to establish and maintain a permanent risk management function. This function should have a primary role in shaping the risk policy of each Alternative Investment Fund ("AIF"), risk monitoring and risk measuring in order to ensure that the risk level complies on an ongoing basis with the AIF's risk profile.

The risk management function performs the following roles:

- Implement effective risk management policies and procedures in order to identify, measure, manage and monitor risks;
- Ensure that the risk profile of an AIF is consistent with the risk limits set for the AIF;
- Monitor compliance with risk limits; and
- Provide regular updates to senior management concerning:
 - The consistency of stated profile versus risk limits;
 - The adequacy and effectiveness of the risk management process; and the current level of risk of each AIF and any actual or foreseeable breaches of risk limits.

To identify the Risk Profile and main risks, and ensure the right measurement, management and monitoring of these risks, the Fund Manager has a rigid Risk Onboarding Process. It ensures that the Investment Process is properly documented and the Product itself is properly reviewed.

As described by the AIFM Directive quantitative risk limits are, where possible, constructed for various risk categories: market risk, liquidity risk, credit risk, counterparty risk and operational risk. These risk limits should be in agreement with the Risk Profile of the fund.

The risk management function is fully independent from Portfolio Management. The Risk Management team has full authority to close positions or the authorization to instruct the closing of positions on his behalf in case of a risk breach.

To ensure that all risk management tasks are executed correctly and timely, the Fund Manager uses an automated system (CM) that registers all risk tasks, keeps a list of all pending risk tasks, and escalates risk tasks that have not been executed or report a violation of a risk rule. The system produces an audit log that can be verified by the internal auditor, the external auditor, the management board, the regulator or other stake holders. Not all risk variables have limits but to identify any new relevant risks, every variable that is reported in the CM system flows through a sanity check. The sanity check will raise an exception if the variable falls outside its "normal" boundaries. Risk Management is notified of these exceptions and will make an assessment whether the situation is stable or whether further escalation is needed.

The positions of the fund are administered and reconciled using SS&C Eze Investment Suite and risk metrics such as value at risk, stress scenarios and portfolio liquidity are obtained through Bloomberg.

The CM system is responsible for monitoring of the pre-defined risk limits. The limits can either be configured as notification limits, soft limits or hard limits. In case of a breach of any of the limits, the escalation procedures are followed as described in the Global Risk Management Framework (Annex 17) of the Privium Handbook.

On a monthly basis the Risk Committee of the Fund Manager meets to discuss the performances and risks of the Fund. Any breaches are thoroughly discussed during these meetings. Additionally, a yearly Risk Evaluation and Product Review is conducted.

In 2016 Privium's senior management team decided to engage an external party in the annual evaluation of the internal processes. This audit primarily focusses on risk management and compliance processes. In Q4 2023 and during the first two months of 2024 this audit was performed and the findings were reported to Privium's management. The audit did not demonstrate any material deviations.

General principles of remuneration policy Privium Fund Management B.V. (' Privium ')

Privium Fund Management B.V ("Privium") has a careful, controlled and sustainable remuneration policy which meets all requirements included in the Alternative Investment Fund Managers Directive (AIFMD) and the guidelines on sound remuneration policies under the AIFMD (ESMA Guidelines). In line with the Sustainable Finance Disclosure Regulation (SFDR) the remuneration policy of Privium takes into account sustainability risks. The remuneration policy is consistent with and contributes to a sound and effective risk management framework and does not encourage risk taking beyond what is acceptable for Privium.

The Board of Privium is responsible for establishing the Remuneration policy. The Board of Privium reviews the Remuneration policy at least once a year and the policy may be amended if circumstances warrant that. Remunerations at Privium may consist out of a fixed salary (this may include a payment to cover certain expenses of staff members) and a variable remuneration.

Privium may reclaim all or part of the variable remuneration paid if (i) this payment was made on the basis of incorrect information, (ii) in the event of fraud by the employee, (iii) in the event of serious improper behaviour by the employee or serious negligence in the performance of his tasks, or (iv) in the event of behaviour that has resulted in considerable losses for the fund or Privium.

Remuneration policy 2023

This overview is based on the situation as of December 31, 2023. The financial year of Privium ends on December 31 of any year. For some of the funds the compensation consists of both a management and a performance fee. Amounts reflect remuneration related to funds managed by Privium, for the time Privium was the Fund Manager of those funds.

The two tables below offer an overview of the remuneration at the level of Privium. The first table shows the remuneration overview as of December 31, 2022 and the second table shows the remuneration overview as of December 31, 2023.

Information per fund is not available. The Board of Privium is being described as Identified Staff in senior management roles. All other staff members are categorized as identified staff outside senior management roles.

Overview as December 31, 2022

	Identified staff in senior management roles	Identified staff outside senior management roles	Total staff
Number of staff	3	38	41
Total fixed remuneration	€ 279,397	€ 9,303,709	€ 9,583,106
Total variable remuneration	€ 0	€ 479,953	€ 479,953
Total remuneration	€ 279,397	€ 9,783,663	€ 10,063,059

Overview as December 31, 2023

	Identified staff in senior management roles	Identified staff outside senior management roles	Total staff
Number of staff	3	36	39
Total fixed remuneration	€ 313,990	€ 8,753,783	€ 9,067,773
Total variable remuneration	€ 0	€ 1,677,298	€ 1,677,298
Total remuneration	€ 313,990	€ 10,431,081	€ 10,745,071

Variable payments to both identified staff members in senior management roles and identified staff outside senior management depend on financial and non-financial performance indicators, such as; positive results of and the effort of employees to the profitability of the company, the performance of the funds, extraordinary commitment to the firm, customer satisfaction, work according best practice ethical standards, compliance with risk management policies, compliance with internal and external rules among them sustainability (risks). The variable payments are for at least 50% based on non-financial performance indicators and variable payments are not granted when the non-financial performance criteria- such as having taken into account the set (sustainability) risks – are not met.

In 2023 no variable remuneration specifically related to the Savin Multi-Strategy Arbitrage Fund has been paid to any Identified Staff of Privium.

Privium has delegated certain portfolio management duties of some of its funds to outside investment advisers ('delegates'). Remuneration of identified staff of delegates is not included in the table. The delegates are subject to regulatory requirements on remuneration policies and disclosures that are comparable with the requirements applicable to Privium. Reference to the remuneration of the delegates is included in the Prospectus and annual report of the funds concerned. Since no delegates for portfolio management have been assigned for the Savin Multi-Strategy Arbitrage Fund this is not applicable to the Savin Multi-Strategy Arbitrage Fund.

Privium Fund Management B.V., the Fund Manager of the various funds, does not charge any employee remuneration fees to the funds.

Employee remuneration is paid out of the management and performance fees (if applicable). In total 39 staff members were involved during (some part of) the year 2023 (2022: 41), including consultants and including both part-time and full-time staff.

One staff member earned more than Euro one million in relation to the performance results during the year 2023 (2022: zero).

Control Statement

The Board of Privium Fund Management B.V. declares to have an AO/IB (Handbook) that meets the requirements of the "Wet op het financieel toezicht and the 'Besluit gedragstoezicht financiële ondernemingen ('Bgfo')". During 2023 we assessed the various aspects of the Privium operations as outlined in the AO/IB (Handbook). We have not identified any internal control measures that do not meet the requirements of Article 121 of the Bgfo and as such we declare that the operations in the year 2023 functioned effectively as described. During 2023 a number of independent service providers have conducted checks on Privium's operations as part of their ongoing responsibility and investor demand. No errors have been signaled.

Privium is updating its AO/IC (Handbook) on a regular basis as required by law. The 2023 update was completed in November 2023. During the fourth quarter of 2023 and the first two months of 2024 the external audit officer performed its annual due diligence on a number of internal procedures at the Fund Manager. These are related to Compliance and Risk Management. The external audit officer has reported his findings to the Fund Manager in a report. No meaningful errors have been signalled.

Voting rights

The Fund Manager of the Fund does not intend to attend the general meetings of shareholders/limited partners/members of the Investee Companies and any relevant sole class or category meetings and to exercise the voting rights attached to such Investee Companies Interests.

Financial statements

Balance sheet as at 31 December

(Before appropriation of result)

(all amounts in EUR)	Notes	2023	2022
Assets			
Investments long			
Equity securities	1	30,888,003	60,137,390
Bonds		21,669,956	8,906,556
Derivatives		36,550,265	35,928,781
Forward contracts		219,767	991,536
Total of investments long		89,327,991	105,964,263
Intangible assets			
Deferred organisational costs	2	100,833	149,233
Total intangible assets		100,833	149,233
Receivables			
Due from broker	3	999,709	6,814,448
Other receivables	4	435,790	188,124
Total of receivables		1,435,499	7,002,572
Other assets			
Cash	5	10,308,038	4,398,665
Total of other assets		10,308,038	4,398,665
Total assets		101,172,361	117,514,733
Equity and Liabilities			
Equity			
Share capital	6	45,000	45,000
Share premium		41,210,091	59,811,954
Legal reserve		100,833	149,233
Other reserve		(6,978,419)	6,576,398
Undistributed results		795,818	(13,603,217)
Total Equity		35,173,323	52,979,368
Investments short			
Equity securities	1	35,147,629	23,919,246
Derivatives		18,497,037	25,154,210
Forward contracts		-	5,440
Total of investments short		53,644,666	49,078,896

Balance sheet as at 31 December (continued)

(all amounts in EUR)	Notes	2023	2022
Short-term liabilities	7		
Bank overdrafts	5	9,498,396	7,011,436
Due to broker		2,658,594	7,533,868
Subscriptions received in advance		6,106	545,970
Other liabilities		191,276	365,195
Total short-term liabilities		12,354,372	15,456,469
Total Equity and Liabilities		101,172,361	117,514,733

Profit and loss statement

(For the year ended 31 December)

(all amounts in EUR)	Notes	2023	2022
Investment result			
Dividend income		514,841	280,726
Interest income		940,325	95,960
Dividend expenses		(821,102)	(644,354)
Total investment result		634,064	(267,668)
Revaluation of investments	8		
Realised results		12,188,805	(8,375,370)
Unrealised results		(8,513,223)	(1,762,278)
Total changes in value		3,675,582	(10,137,648)
Other results			
Fee income from redemptions and subscriptions		9,512	10,970
Foreign currency translation	9	(651,776)	502,158
Total other results		(642,264)	513,128
Operating expenses			
Management fee	10	(675,494)	(997,748)
Performance fee	11	-	-
Administration fees	12	(39,782)	(53,690)
Depositary fees	13	(24,529)	(22,300)
Interest expenses	15	(508,681)	(1,170,333)
Brokerage fees and other transaction costs	16	(1,165,508)	(1,196,648)
Audit fees	14	(23,857)	(22,668)
Supervision fees		(17,247)	(13,247)
Legal fees		-	(842)
Organisational expenses	2	(48,400)	(48,400)
Other expenses		(149,174)	(146,235)
Total operating expenses		(2,652,672)	(3,672,111)
Result for the year before tax		1,014,710	(13,564,299)
Withholding tax		(218,892)	(38,918)
Net result for the year after tax		795,818	(13,603,217)

Cash flow statement

(For the year ended 31 December)

(all amounts in EUR)

	Notes	<u>2023</u>	<u>2022</u>
Cash flow from operating activities			
Purchases of investments		(1,887,582,192)	(1,618,593,331)
Proceeds from sales of investments		1,913,057,746	1,593,251,031
Dividend received		317,505	220,426
Interest received		1,011,489	119,057
Performance and management fee paid		(648,429)	(2,659,361)
Interest paid		(508,681)	(1,170,333)
Dividend paid		(918,947)	(543,380)
Operating expenses paid		(1,522,087)	(1,397,177)
Net cash flow from operating activities		<u>23,206,404</u>	<u>(30,773,068)</u>
Cash flow from financing activities			
Proceeds from subscriptions to redeemable units		2,308,525	8,866,964
Payments for redemption of redeemable units		(21,450,252)	(16,053,387)
Fee income from redemptions and subscriptions		9,512	10,970
Net cash flow from financing activities		<u>(19,132,215)</u>	<u>(7,175,453)</u>
Net cash flow for the year		<u>4,074,189</u>	<u>(37,948,521)</u>
Cash at beginning of the year		(2,612,771)	34,833,592
Foreign currency translation		(651,776)	502,158
Cash at the end of the year	5	<u>809,642</u>	<u>(2,612,771)</u>

Notes to the financial statements

General information

The Fund is a public limited liability company (“naamloze vennootschap”), which is a legal entity (“rechtspersoon”). Under the laws of the Netherlands, the Fund is a legal entity (rechtspersoon). The Fund is registered in the Trade Register (handelsregister) of the Netherlands under file number 81195834. The Fund has an open-ended structure. The relationship between the Fund, the STAK, the Fund Manager and the Unitholders is governed by the Terms and Conditions, the Prospectus and the Subscription Agreement. By executing the Subscription Form, a Unitholder represents and warrants to have reviewed the Terms and Conditions and agrees to be bound thereby. A Unitholder is admitted to the Fund by the issuance of Units by the STAK to the Unitholder. The Fund was incorporated on February 1, 2021.

Fund Manager is in possession of an AFM license as referred to in article 2:65 (1)(a) FSA, and as a consequence may offer the Fund to professional and non-professional investors within The Netherlands. The Fund’s office address is that of the Fund Manager, being Gustav Mahlerplein 3, 26th floor, 1082 MS Amsterdam, The Netherlands.

The Fund’s objective is to achieve a multi-year average annual return of 8%, net of fees with a volatility that is expected to be lower than equity markets and with a correlation to equity markets that is expected to be low. Market neutrality is to be achieved through hedging of residual risk factor exposure to equities, interest rates, credit and commodities. Daily and ad hoc stress tests and other risk management processes are conducted to maintain our objective for consistent positive returns with low volatility and low correlation to equity markets.

The Fund has eleven (11) classes of Units (EUR Class A, EUR Class A2, EUR Class F, EUR Class I, EUR Class I2, USD Class A, USD Class A2, USD Class I, USD Class I2, CHF Class A and CHF Class I). Class A Units and Class A2 Units will be the lead Classes, Class F Units will be the founder’s Class and Class I Units and Class I2 Units will be the institutional Classes. All Classes provide exposure to the same Investment Objective and Investment Strategy.

Accounting policies

General

The financial statements are prepared in accordance with Part 9, Book 2 of the Dutch Civil Code. The accounting principles of the Fund are summarized below. These accounting principles have all been applied consistently throughout the reporting period.

Basis of accounting

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention. Unless presented otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are valued according to the cost model.

Going concern

The financial statements of the Fund have been prepared on a going concern basis as the management has no indications that the activities cannot be continued in the near future.

Judgement, estimates, assumptions and uncertainties

The management of the Fund makes various judgments and estimates when applying the accounting policies and rules for preparing the financial statements. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the consolidated financial statements in future periods. There are no significant estimates and assumptions.

Measurement currency

The amounts included in the financial statements are denominated in euro, which is the functional and presentation currency.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Investments

Recognition and basis of measurement

All investment securities are initially recognized at fair value.

After initial recognition, financial instruments are valued in the manner described below:

- Equity securities are valued at the last price on the largest recognized market on which they are traded.
- Bonds are valued at the last price on the largest recognized market on which they are traded.
- The derivative contracts that the Fund holds include warrants and options. Warrants are valued at the last price on the largest recognized market on which they are traded. Options are valued at their mid-price. The mid-price is determined by averaging the bid and ask price.
- Forward contracts are valued at fair value on the balance sheet date and calculated based on exchange rates at the end of the reporting period.

Organisational costs

Organisational costs are the set-up costs which constitute costs of advisors and other costs and fees directly connected with the incorporation, out-of-pocket expenses and costs connected with pre establishment preparatory and research activities up to the initial closing. Valuation takes place at cost and will be amortised over a period of 60 months after inception.

Receivables and short-term liabilities

Upon initial recognition the receivables and short-term liabilities are recorded at fair value and then valued at amortised cost. The fair value and amortised cost equal the face value. Possible provisions deemed necessary for the risk of doubtful accounts are deducted. These provisions are determined by individual assessment of the receivables.

Cash

For the purpose of presentation in the balance sheet and the cash flow statement, cash is defined as cash at banks and brokers. The cash at bank and brokers is valued at face value. Cash being maintained at the Prime Broker which is not being freely disposable, including a margin liability, will be taken into account upon valuation.

Short positions in financial instruments

When the Fund sells a security short, it borrows the security from a third party and sells it at the then current market price. The Fund is then obligated to buy the security on a later date so that it can return the security to the lender.

As long as the short position is open, the Fund incurs dividend expenses, which the Fund needs to accrue in order to pay to the legal owner of the 'borrowed' financial instruments. These expenses will be reflected in the corresponding account "dividend expenses" in the income statement.

Derivative financial instruments

Derivative financial instruments including foreign exchange contracts, stock market indexes and interest rate futures, forward rate agreements, currency and interest rate swaps, currency and interest rate options (both written and purchased) and other derivative financial instruments are initially recognized in the balance sheet at cost and subsequently are remeasured at their fair value. Fair values are obtained from quoted market prices. All derivative financial instruments are carried in assets when amounts are receivable by the Fund and in liabilities when amounts are payable by the Fund. Changes in fair values of derivatives are included in the profit and loss statement.

Equity

Equity is presented in the balance sheet, classified into various components, such as share capital, share premium, legal reserves other reserves and undistributed results.

Share capital

Share capital is stated at the nominal value of the issued and paid-up shares.

Share premium

The share premium account represents the amount received in excess of the nominal value of the issued shares. Costs directly attributable to the issuance of new shares are deducted from the share premium account.

Legal reserves

Legal reserves are those reserves that are required to be maintained according to Dutch law. These reserves are not available for distribution to shareholders. The legal reserve has been formed due to the capitalisation of the organisational costs.

Other reserves

Other reserves include all other types of reserves which are not categorized under share premium or legal reserve and the cumulative results from prior periods within the Fund after distribution.

Undistributed result

Undistributed result represent the undistributed result from current year's result.

Dividend and interest income

Dividends are recorded on the date that the dividends are declared, gross of applicable withholding taxes. Interest income is recognized on accrual basis.

Fee income from redemptions and subscriptions

This includes the surcharge received from the participations holders upon fee income from redemptions and subscriptions incurred by the Fund in connection with the proceeds and/or redemptions of units.

Revaluation of investments

Gains and losses are treated as realised for financial statement purposes on the trade date of the transaction closing or offsetting the open position against the historical cost price. Unrealised gains and losses are the difference between the value initially recognized and the fair value of open positions. All gains and losses are recognized in the profit and loss account.

Cost of investment securities sold is determined on a FIFO method.

Translation of foreign currency

Monetary assets and liabilities denominated in foreign currencies are translated into Euro at the rates of exchange prevailing at yearend. Transactions in foreign currencies are translated at the rates of exchange prevailing at the date of the transaction. Realised and unrealised gains and losses on foreign currency transactions are charged or credited to the profit and loss account as foreign currency gains and losses except where they relate to investments where such amounts are included within realised and unrealised gains and losses on investments.

The foreign exchange rates applied as at the balance sheet data were as follows (in equivalents of EUR):

FX rates	2023	2022
CAD	1.46061	0.45065
CHF	0.92885	0.99010
DKK	7.45520	7.43690
GBP	0.86685	0.88496
SEK	11.13750	11.15710
USD	1.10390	1.07050

Brokerage/expenses

Commissions payable on opening and closing positions are recognized when the trade is entered into the Fund. Expenses are recorded in the period in which they originate. Transaction costs are borne by the Fund and be brought at the charge of the Fund's profit and loss account. Expenses on disposal of investments are deducted from the proceeds of disposal.

Cash flow statement

The cash flow statement is prepared using the direct method. The cash flow statement shows the Fund's cash flows for the period divided into cash flows from operations and financing activities.

Due to the nature of the Fund's operations, cash flows related to the financial instruments are included under operating activities. Cash flows from financing activities include proceeds from subscriptions and payments for redemptions of Units of the Fund.

Bank overdrafts that are repayable on demand form an integral part of the Fund's cash management and are a component of cash.

Ongoing charges figure (OCF)

The ongoing charges figure contains all costs that have been charged to the Fund during the year excluding the transaction costs, interest costs and performance fees. The ongoing charges figure is calculated by dividing all the costs of the period with the average net asset value. The average net asset value is calculated by adding all the monthly net asset values and divide them by the number of month's used.

Turnover ratio (TOR)

The turnover ratio is calculated the following way: the sum of all purchases of investments plus the sum of all the sales of investments minus the sum for the subscriptions and redemptions. The total of this number will be divided by the average net asset value of the Fund and multiplied by 100.

Notes to the balance sheet

1. Investments

(all amounts in EUR)

	2023	2022
<i>Investments long</i>		
Equity securities long	30,888,003	60,137,390
Bonds	21,669,956	8,906,556
Derivative long	36,550,265	35,928,781
Forward contract long	219,767	991,536
Total of investments long	89,327,991	105,964,263
<i>Investments short</i>		
Equity securities short	(35,147,629)	(23,919,246)
Derivative short	(18,497,037)	(25,154,210)
Forward contract short	-	(5,440)
Total of investments short	(53,644,666)	(49,078,896)
Position as per 31 December	35,683,325	56,885,367

	2023		2022	
Derivatives	Exposure	Fair Value	Exposure	Fair value
Equity warrants	89,840,639	30,618,850	72,928,714	25,470,284
Equity options long	(2,675,248)	5,931,415	(22,487,160)	10,458,497
Equity options short	(43,203,182)	(18,497,037)	(41,982,529)	(25,154,210)
Total	43,962,209	18,053,228	8,459,025	10,774,571

As of 31 December 2023, all options mature within 3 years.

Forward contracts 2023

Currency	Bought	Currency	Sold	Settlement date	Fair value
EUR	27,828,017	USD	30,500,000	22-01-2024	219,069
USD	108,000	EUR	97,030	31-01-2024	697
Total					219,766

Forward contracts 2022

Currency	Bought	Currency	Sold	Settlement date	Fair value
EUR	25,253,696	USD	26,000,000	20-01-2023	991,536
USD	1,120,000	EUR	1,049,766	31-01-2023	(5,440)
Total					986,096

The movement of the financial instruments is as follows:

(all amounts in EUR)

	2023	2022
<i>Equity securities (long)</i>		
Opening balance	60,137,390	32,134,179
Purchases	782,268,077	733,441,483
Sales	(819,140,615)	(743,546,768)
Realised investment result	12,334,387	31,174,090
Unrealised investment result	(4,711,236)	6,934,406
Closing balance	30,888,003	60,137,390
<i>Bonds</i>		
Opening balance	8,906,556	-
Purchases	23,992,295	18,571,998
Sales	(10,193,478)	(9,657,416)
Realised investment result	176,043	116,328
Unrealised investment result	(1,211,460)	(124,354)
Closing balance	21,669,956	8,906,556
<i>Derivatives (long)</i>		
Opening balance	35,928,781	50,454,141
Purchases	113,424,087	128,936,494
Sales	(70,799,020)	(67,094,437)
Realised investment result	(58,122,871)	(76,088,827)
Unrealised investment result	16,119,288	(278,590)
Closing balance	36,550,265	35,928,781
<i>Equity securities (short)</i>		
Opening balance	23,919,246	23,864,658
Purchases	(954,022,452)	(699,458,050)
Sales	975,341,614	695,881,147
Realised investment result	(15,258,489)	4,759,073
Unrealised investment result	5,167,710	(1,127,582)
Closing balance	35,147,629	23,919,246
<i>Derivatives (short)</i>		
Opening balance	25,154,210	16,956,423
Purchases	(8,494,393)	(43,374,113)
Sales	30,564,114	85,569,317
Realised investment result	(41,502,670)	(44,256,150)
Unrealised investment result	12,775,776	10,258,733
Closing balance	18,497,037	25,154,210

(all amounts in EUR)

	2023	2022
<i>Futures</i>		
Opening balance	-	-
Sales	498,536	(304,731)
Realised investment result	(498,536)	304,731
Closing balance	-	-
<i>Contracts for difference</i>		
Opening balance	-	-
Sales	(253,022)	(121,182)
Realised investment result	253,022	121,182
Closing balance	-	-
<i>Forward contracts</i>		
Opening balance	986,096	148,685
Sales	(1,285,601)	3,499,951
Realised investment result	1,285,601	(3,499,951)
Unrealised investment result	(766,329)	837,411
Closing balance	219,767	986,096

Portfolio breakdown to valuation methods

(all amounts in EUR)

	2023	2022
Quoted prices long investments	89,327,991	105,964,263
Quoted prices short investments	(53,644,666)	(49,078,896)
Balance at 31 December	35,683,325	56,885,367

2. Deferred intangible assets

The Fund has deferred the costs of setting up the organisation of the Fund. The total organisational costs amount to EUR 200,000 (excluding VAT) and these are expensed in a period of 60 months.

(all amounts in EUR)	2023	2022	Cumulative
Opening balance	149,233	197,633	-
Deferred organisational costs	-	-	242,000
Amortization	(48,400)	(48,400)	(141,167)
Position as per 31 December	100,833	149,233	100,833

3. Due from brokers

The amount for due from broker consists of balances at brokers on which no restrictions on the use exist at 31 December 2023 and 31 December 2022.

4. Receivables

(all amounts in EUR)	2023	2022
Receivables		
Dividends receivable	1,367	22,923
Interest receivable	392,750	153,179
Prepaid administration fee	-	1,013
Rebates receivable	41,673	11,009
Position as per 31 December	435,790	188,124

5. Cash

(all amounts in EUR)	2023	2022
Cash		
ABN AMRO Clearing Bank N.V.	10,019,081	3,748,736
ABN Amro Nederland	288,957	649,929
	10,308,038	4,398,665
Bank overdrafts		
ABN AMRO Clearing Bank N.V.	9,498,396	7,011,436
	9,498,396	7,011,436
Total cash	809,642	(2,612,771)

As of 31 December 2023 and 31 December 2022, no restrictions on the use of cash exist other than the restrictions that have been agreed with the Prime Broker. Here any margin liability of the Fund towards the Prime Broker is secured by the assets of the Fund. As of 31 December 2023 this liability amounted to EUR 14,659,835 (2022: EUR 19,568,290).

As of 31 December 2023, the Fund has a cash facility to borrow money from the Prime Broker amounting to EUR 50,000,000 (2022: EUR 50,000,000).

6. Equity**Movement schedule of equity**

(all amounts in EUR)

	2023	2022
Share capital		
Opening balance	45,000	45,000
Issue of shares	-	-
Repurchase of shares	-	-
Closing balance	45,000	45,000
<p>The authorised capital is EUR 45,000, divided into share A, share F and share I with a nominal value of each share of EUR 15,000. All shares are held by Stichting Administratiekantoor Savin Multi-Strategy Arbitrage Fund. Stichting Administratiekantoor Savin Multi-Strategy Arbitrage Fund ("STAK") is a foundation (stichting) under the laws of the Netherlands and is the sole shareholder of the Savin Multi-Strategy Arbitrage Fund. The STAK issues or redeems Units to/from Unitholders. Up to and including the Closing Date, being February 5, 2021, Units were offered at a price of EUR 100 per Unit for each Unit Class. After the Closing Date, the Units are offered at a price based on the Net Asset Value per Unit for each Unit Class.</p>		
Share premium		
Opening balance	59,811,954	64,782,158
Mutation shareholder transactions STAK	(18,601,863)	(4,970,204)
Closing balance	41,210,091	59,811,954
Legal reserve		
Opening balance	149,233	197,633
Amortization	(48,400)	(48,400)
Closing balance	100,833	149,233
<p>The organisational costs have been capitalised and are amortised over a 5-year period. For a corresponding amount, a legal reserve has been formed. At 31 December 2023, the legal reserve amounts to EUR 100,833, which amount is not available for distribution.</p>		
Other reserves		
Opening balance	6,576,398	-
Change in legal reserve	48,400	(149,233)
Addition from undistributed result	(13,603,217)	6,725,631
Closing balance	(6,978,419)	6,576,398
Undistributed result		
Opening balance	(13,603,217)	6,725,631
Addition to undistributed result prior years	13,603,217	(6,725,631)
Result current year	795,818	(13,603,217)
Closing balance	795,818	(13,603,217)
Total Equity at 31 December	35,173,323	52,979,368

Movement schedule of Units

(in number of Units)

	2023	2022
Outstanding Units		
Opening balance	523,930	576,582
Subscriptions to redeemable Units	28,278	94,359
Redemption of redeemable Units	(214,582)	(147,012)
Outstanding Units at 31 December	337,626	523,930

Movement schedule of per class**Savin Class A**

	2023		2022	
(all amounts in EUR)	Amounts	No. of shares	Amounts	No. of shares
Net assets value at beginning of year	18,246,825	179,228	29,886,150	239,247
Proceeds from shares issued	499,900	4,910	2,526,607	20,664
Redemption of shares	(3,787,306)	(37,552)	(8,827,620)	(80,683)
Net change from transactions with participation holders	(3,287,406)	(32,642)	(6,301,013)	(60,019)
Result for the year	290,314		(5,338,312)	
Net assets value at end of year	15,249,733	146,586	18,246,825	179,228

Savin Class F

	2023		2022	
(all amounts in EUR)	Amounts	No. of shares	Amounts	No. of shares
Net assets value at beginning of year	18,777,358	182,443	24,836,273	197,806
Proceeds from shares issued	-	-	-	-
Redemption of shares	(6,481,267)	(63,595)	(1,694,805)	(15,363)
Net change from transactions with participation holders	(6,481,267)	(63,595)	(1,694,805)	(15,363)
Result for the year	247,693		(4,364,110)	
Net assets value at end of year	12,543,784	118,848	18,777,358	182,443

Savin Class I	2023		2022	
	Amounts	No. of shares	Amounts	No. of shares
(all amounts in EUR)				
Net assets value at beginning of year	14,905,836	148,843	16,140,931	131,751
Proceeds from shares issued	2,348,489	23,369	8,049,823	68,058
Redemption of shares	(10,238,974)	(101,270)	(5,530,962)	(50,966)
Net change from transactions with participation holders	(7,890,485)	(77,901)	2,518,861	148,843
Result for the year	266,148		(3,753,956)	
Net assets value at end of year	7,281,499	70,942	14,905,836	148,843

Savin Class A USD	2023		2022	
	Amounts	No. of shares	Amounts	No. of shares
(all amounts in EUR)				
Net assets value at beginning of year	920,376	11,760	689,435	7,778
Proceeds from shares issued	-	-	399,810	3,982
Redemption of shares	(912,631)	(11,760)	-	-
Net change from transactions with participation holders	(912,631)	(11,760)	399,810	3,982
Result for the year	(7,745)		(168,869)	
Net assets value at end of year	-	-	920,376	11,760

Savin Class I USD	2023		2022	
	Amounts	No. of shares	Amounts	No. of shares
(all amounts in EUR)				
Net assets value at beginning of year	128,973	1,656	-	-
Proceeds from shares issued	-	-	106,943	1,656
Redemption of shares	(30,074)	(406)	-	-
Net change from transactions with participation holders	(30,074)	(406)	106,943	1,656
Result for the year	(592)		22,030	
Net assets value at end of year	98,307	1,250	128,973	1,656

7. Short-term liabilities

The short-term liabilities as at 31 December consist of the following items:

(all amounts in EUR)

	2023	2022
Bank overdrafts	9,498,396	7,011,436
Due to broker	2,658,594	7,533,868
Subscriptions received in advance	6,106	545,970
	12,163,096	15,091,274
<i>Other liabilities</i>		
Management fees payable	107,522	80,457
Dividend payable	31,880	129,725
Supervision fees payable	17,247	-
Administration fees payable	640	-
Audit fees payable	23,856	23,856
Bank and brokerage fees payable	536	58,003
Other liabilities	9,595	73,154
Total other liabilities	191,276	365,195
Balance at 31 December	12,354,372	15,456,469

Notes to the profit and loss statement

8. Revaluation of investments

(all amounts in EUR)

	2023	2022
Net realised result on financial assets and liabilities at fair value through profit or loss		
Realised gains on equity	81,047,650	94,500,806
Realised gains on bonds	801,921	140,375
Realised gains on derivatives	87,127,724	102,345,355
Realised gains on futures	5,556,603	730,824
Realised gains on forward contracts	2,905,089	975,340
Realised gains on CFDs	2,617,810	155,918
Realised losses on equity	(53,454,774)	(68,085,789)
Realised losses on bonds	(625,878)	(24,047)
Realised losses on derivatives	(103,747,925)	(134,178,032)
Realised losses on futures	(6,055,139)	(426,093)
Realised losses on forward contracts	(1,619,488)	(4,475,291)
Realised losses on CFDs	(2,364,788)	(34,736)
Total realised result	12,188,805	(8,375,370)
Net unrealised result on financial assets and liabilities at fair value through profit or loss		
Unrealised gains on equity	5,060,238	11,390,015
Unrealised gains on bonds	939,310	97,826
Unrealised gains on derivatives	30,765,536	38,060,110
Unrealised gains on forward contracts	225,207	838,736
Unrealised losses on equity	(14,939,184)	(3,328,027)
Unrealised losses on bonds	(2,150,770)	(222,180)
Unrealised losses on derivatives	(27,422,024)	(48,597,433)
Unrealised losses on forward contracts	(991,536)	(1,325)
Total unrealised result	(8,513,223)	(1,762,278)
Total revaluation of investments	3,675,582	(10,137,648)

9. Foreign currency translation

Realised and unrealised exchange differences consist of realised and unrealised translation gains (losses) on assets and liabilities other than financial instruments at fair value through profit or loss and amount to a loss of EUR 651,776 (2022: a gain of EUR 502,158).

10. Management fee

The Fund Manager is entitled to an annual Management Fee equal to:

- 1.80% of the Net Asset Value (i.e. 180 basis points) of the Class A Units and Class A2 Units;
- 2.00% of the Net Asset Value (i.e. 200 basis points) of the Class F Units; and
- 1.50% of the Net Asset Value (i.e. 150 basis points) of the Class I Units and Class I2 Units,

excluding (i.e. before deduction of) the Management Fee, as at the last Business Day of each calendar month, payable monthly in arrears out of the Fund Assets. Any changes to the Management Fee are subject to the prior approval of the Fund and the Fund Manager. The Management Fee shall be calculated for each Class separately and applied against the Net Asset Value of the Units in the relevant Class.

The management fee for the year 2023 amounts to EUR 675,494 (2022: EUR 997,748).

11. Performance fee

The Fund Manager is entitled to an annual variable performance fee of:

- 20% of the Net Capital Appreciation during such year with respect to Class A Units and Class A2 Units;
- 20% of the Net Capital Appreciation during such year with respect to Class F Units; and
- 15% of the Net Capital Appreciation during such year with respect to Class I Units and Class I2 Units.

The Performance Fee shall be subject to a High Watermark principle that Performance Fee is only payable to the extent that the end value of the relevant year is higher than the end value of any previous year during the life of the relevant Class, ensuring that the Fund Manager only receives Performance Fee in so far as any decrease of net asset value during the life of the Fund has been recovered through a subsequent increase of net asset value. Where the closing date or the dissolution date of the Fund occurs during a calendar month, the Performance Fee shall be pro rata for the relevant portion of the month that the Fund was managed. The performance fee is calculated and measured as at the last business day of each calendar month, and payable annually after the end of the financial year of the Fund or at redemption, as applicable. The Performance Fee shall be calculated for each Class separately and applied against the net asset value of the units in the relevant class. The performance fee in respect of the relevant outstanding Units shall be payable to the Fund Manager within one (1) month after the end of the relevant financial year.

The performance fee for the year 2023 amounts to EUR nil (2022: EUR nil).

12. Administration fees

The Fund will pay the Administrator in remuneration for its services to the Fund, an annual fee equal to 0.08% of the Net Asset Value (i.e. 8 basis points) up to a Net Asset Value of EUR 50 million as of the last calendar day of each month, subject to an annual minimum fee of EUR 30,000 (excluding VAT). When the Net Asset Value of the Fund exceeds EUR 50 million the Fund will pay the Administrator as remuneration for its services to the Fund, an annual fee equal to 0.06% of the Net Asset Value (i.e. 6 basis points). When the Net Asset Value of the Fund exceeds EUR 100 million the Fund will pay the Administrator as remuneration for its services to the Fund, an annual fee equal to 0.04% of the Net Asset Value (i.e. 4 basis points). Administration fees are exclusive of a fixed office surcharge of 7.5% per year.

For the preparation of the annual statements, the Administrator will charge an annual fixed fee of EUR 4,000.

For FATCA and CRS related services the Administrator will charge the Fund an annual fixed fee of EUR 2,500. For Annex IV reporting related services, the Administrator will charge the Fund an annual fixed fee of EUR 2,000 per report.

13. Depositary fees

The Fund will pay to the Depositary in remuneration of its service to the Fund, limited to AIFMD depositary duties, an annual fee equal to 0.014% of the Net Asset Value (i.e. 1.4 basis points), subject to a minimum of EUR 16,945 (excluding VAT). The annual remuneration is subject to an annual indexation based on the CPI, published by CBS.

14. Audit fees

The audit fees relates solely to the audit of the annual financial statements. The Independent Auditor also provides assurance on the prospectus (including the terms and conditions of administration) of the Fund. The Independent Auditor does not provide any other audit or non-audit services to the Fund.

15. Interest expenses

The interest expenses relate solely to the cash at banks. The interest expenses for the year ended 31 December 2023 amounts to EUR 1,283,031 and the interest income amounts to EUR 774,350. This resulting in a net interest expenses of EUR 508,681.

16. Brokerage fees and other transaction costs

Brokerage fees and other transaction costs are related to trades executed by the Fund and paid direct to the brokers. The brokerage fees and other transaction costs for the year ended 31 December amounts to EUR 1,165,508 (2022:EUR 1,196,648).

17. Related parties

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 making financial or operational decisions.

All services rendered by the Fund from the Fund Manager therefore qualify as related party transactions. During the year, the Fund paid management fees of EUR 648,429 (2022: EUR 1,025,715) to the Fund Manager.

18. Income and withholding tax

The Fund, as an investment fund ("beleggingsinstelling") as referred to in article 1:1 of the FSA, has filed an application with the Dutch tax authorities to obtain the status of an exempt investment institution ("vrijgestelde beleggingsinstelling") and this application has been approved by the Dutch Tax authority.

Other notes

Risk management

The Fund's financial risks are managed by diversification of the financial instruments at fair value through profit or loss. For further explanation of the investment objectives, policies and processes, refer to the General section of the notes to the financial statements.

Market risk

Market risk is the risk that the value of a financial instrument fluctuates 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. Market risk contains market price risk, currency risk and interest rate risk. Where non-monetary financial instruments – for example, equity securities – are denominated in currencies other than the EUR, the price initially expressed in foreign currency and then converted into EUR also fluctuates because of changes in foreign exchange rates. The paragraph 'Currency risk' sets out how this component of price risk is managed and measured.

The total market risk that the Fund bears at 31 December 2023 is the total net financial assets and liabilities at fair value through profit or loss in the amount of EUR 36,683,325 (2022: EUR 56,885,371). If the prices had risen/fallen by 5%, the total financial assets and liabilities at fair value through profit or loss would have increased/decreased by EUR 1,834,166 (2022: EUR 2,844,269).

Currency risk

The Net Asset Value of the Units may be affected by exchange rate fluctuations.

As certain of the Fund Assets may be denominated in currencies other than the EUR while the Fund's accounts will be denominated in EUR, returns on certain Fund Assets may be significantly influenced by currency risk. The Fund Manager may not always succeed in realizing hedges under acceptable conditions and consequently the Fund may be subject to the risk of changes in relation to the EUR of the value of the currencies in which any of its assets are denominated.

The currency exposure of the Fund's portfolio at 31 December 2023 is as follows (all amounts in EUR):

	2023			
(all amounts in EUR)	Gross fair value	Swaps	Net fair value	% of NAV
31 December 2023				
Canadian dollar	64	-	64	0.00
Swiss franc	80,407	-	80,407	0.23
Swedish krona	(114,721)	-	(114,721)	(0.33)
Danish krona	14,008	-	14,008	0.04
Pound sterling	76,092	-	76,092	0.22
United States dollar	28,084,615	(27,531,479)	553,136	1.57
Total			608,986	1.73

The currency exposure of the Fund's portfolio at 31 December 2022 is as follows (all amounts in EUR):

	2022			
(all amounts in EUR)	Gross fair value	Swaps	Net fair value	% of NAV
31 December 2022				
Canadian dollar	13	-	13	0.00
Swiss franc	(79,095)	-	(79,095)	(0.15)
Swedish krona	75,899	-	75,899	0.14
Danish krona	19,562	-	19,562	0.04
Pound sterling	71,490	-	71,490	0.13
United States dollar	26,262,564	(23,241,476)	3,021,088	5.70
Total			3,108,957	5.86

Interest rate risk

Interest rate risk is the risk that prices of fixed income securities generally increase when interest rates decline and decrease when interest rates increase. The Fund may lose money if short-term or long term interest rates rise sharply or otherwise change in a manner not anticipated by the Fund Manager.

The Fund's exposure to market risk for changes in interest rates relates to the Fund's financial instruments at fair value through profit or loss. Except for cash at banks, the Fund maintains a number of interest bearing financial assets or financial liabilities which may be subject to interest rates changes. The assets are often part of a certain arbitrage strategy. Any residual interest rate risk is expected to be low.

Credit risk

The Fund could lose money if the issuer of an underlying fixed income security or money market instrument, the counterparty or clearing house of a derivatives contract or repurchase agreement, a Custodian or Prime Broker at which a deposit or other assets are held, or the counterparty in a securities lending agreement does not honor his obligations. Issuers of fixed income instruments and other counterparties are subject to varying degrees of credit risks which are reflected in their credit ratings. The Fund's investment restrictions have been designed to limit the credit risk to any counterparty but this offers no guarantee that a credit event will not occur.

At 31 December 2023, the Fund is exposed to credit risk arises from the Fund's investments in debt securities. The following table shows the composition of the credit rating at 31 December:

(all amounts in EUR)

	2023		2022	
	Amount	% of NAV	Amount	% of NAV
A-	2,706,332	7.69	-	-
BB+	795,262	2.26	-	-
B	1,670,428	4.75	-	-
BBB+	1,137,306	3.23	-	-
BBB	6,487,725	18.45	6,083,175	11.48
BB-	-	-	738,083	1.39
B-	442,925	1.26	986,464	1.86
CCC+	2,266,506	6.44	831,705	1.57
CCC	3,966,235	11.28	-	-
CCC-	2,111,767	6.00	267,130	0.50
NR	85,469	0.24	-	-
Total	21,669,956	61.61	8,906,556	16.81

The Fund is also exposed to credit risk on its cash which are held at ABN AMRO Bank. The Standard & Poor's credit rating for this bank is A (2022: A).

The Fund's maximum exposure to counterparty risk in the event that counterparties fail to perform their obligations at 31 December 2023 in relation to the assets, is the carrying amount of EUR 33,413,493 (2022: EUR 20,307,793) as indicated in the statement of financial position.

Custody risk

The Fund's assets are held at ABN AMRO Clearing Bank N.V. All long positions and regular cash accounts are segregated and therefore their counterparty risk should be negligible. The short positions and margin accounts do result in counterparty risk to the custodian. To manage the counterparty risk the credit rating of the custodian is monitored. The Standard & Poor's credit rating for this bank is A (2022: A).

Liquidity risk

The Fund may experience difficulty in selling illiquid investments in a timely manner at the price that it believes the investments are worth. In addition, market conditions may cause the Fund to experience temporary mark-to-market losses, especially in less liquid positions, even in the absence of any selling of investments by the Fund.

Sustainability risk

Sustainability risk in the context of the Fund is defined as the risk of a decrease in the value of an investment of the Fund due to an environmental, social or governance (ESG) related event. Such an event may have a direct negative impact on the financials of the investment or a longer-term impact on the operations or earnings capacity of the investment. The Fund has identified multiple sustainability risks which may impact the value of its investments to a varying degree.

Leverage risk

The Fund employs leverage in executing its arbitrage investment strategies, in such amounts and subject to such terms and conditions as the Fund Manager may determine in its sole and absolute discretion. The use of leverage increases both the possibility for gain and the risk of loss. Leverage employed by the Fund may be secured by the Fund Assets. Under certain circumstances, a lender may demand an increase in the collateral that secures such obligations, and if the Fund is unable to provide additional collateral, the lender could liquidate assets of the Fund to satisfy such obligations. Liquidation in that manner could have extremely adverse consequences. In addition, the amount of the Fund's borrowing and the interest rates on that borrowing, both of which will fluctuate, may have an effect on the Fund's profitability.

19. Ongoing charges figure (OCF)

(all amounts in EUR)

	<u>2023</u>	<u>2022</u>
Average net asset value	42,336,872	65,336,389
Total ongoing expenses	978,483	1,305,130
Ongoing charges figure	2.31%	2.00%

20. Turnover ratio (TOR)

The turnover ratio for the Fund over the period 1 January 2023 until 31 December 2023 is 8,893 (2022: 4,891). This large figure is explained by the Fund's active trading policy.

21. Core business and delegation

The following key tasks have been delegated by the Fund:

Administration

The administration has been delegated to Bolder Fund Services (Netherlands) B.V, who carries out the administration of the Fund, including the processing of all investment transactions, processing of revenues and expenses and the preparation of the NAV. It also states, under the responsibility of the Manager, the interim report and the financial statements of the Fund. For information on the fees of the Administrator refer to note 12.

22. Events after balance sheet date

The Russian invasion in Ukraine continues to cause uncertainty. The Fund has no direct or indirect exposure to Ukraine, Belarus or Russia. On behalf of the Fund Manager, the Administrator of the Fund carries out ongoing sanctions screening on the investors of the Fund. Here, no hits have been identified. Further escalation of the conflict is expected to dampen global growth, especially in Europe. This might have an impact on the performance of the Fund.

Next to that that developments in the Middle East are causing uncertainties too. Further escalation of the conflict is expected to dampen global growth. This might have an impact on the performance of the Fund.

No other material events occurred after the balance sheet date that could influence the transparency of the financial statements.

23. Personnel

The Fund did not employ personnel during the year (2022: nil).

24. Appropriation of the result

As the primary Fund Objective of the Fund is to achieve capital growth, frequent and regular distributions of Net Proceeds (including profit distributions) by the Fund are not intended nor anticipated. However, the Fund Manager may, at its sole discretion and at any time, decide to distribute any Net Proceeds. It is expected that the Fund Manager will especially do so if the Fund Manager is of the opinion that there are no sufficient suitable investment opportunities to achieve the Fund Objectives. All distributions (including profit distributions) to the Unitholders will be made pro rata to the number of Units held by each Unitholder.

The result for the period ended 31 December 2023 will be added to the Other reserves of the Fund.

Amsterdam, 28 June 2024

Fund Manager
Privium Fund Management B.V.

Other information

Personal holdings of the Fund Manager

As of 31 December 2023 members of Investment team of the Fund also maintain an investment in the Fund. This represents 25,672.99 Units in the Class A Unit Class (2022: 19,885.27 Units in Class A).

Provisions on the appropriation of results

As the primary Fund Objective of the Fund is to achieve capital growth, frequent and regular distributions of Net Proceeds (including profit distributions) by the Fund are not intended nor anticipated. However, the Fund Manager may, at its sole discretion and at any time, decide to distribute any Net Proceeds. It is expected that the Fund Manager will especially do so if the Fund Manager is of the opinion that there are no sufficient suitable investment opportunities to achieve the Fund Objectives. All distributions (including profit distributions) to the Unitholders will be made pro rata to the number of Units held by each Unitholder.

Independent Auditor's report

The independent auditor's report has been attached at the end of this report.

Independent auditor's report

To: the shareholder and the director of Savin Multi-Strategy Arbitrage Fund N.V.

Report on the audit of the financial statements 2023 included in the annual report

Our opinion

We have audited the financial statements for the financial year ended 31 December 2023 of Savin Multi-Strategy Arbitrage Fund N.V. based in Amsterdam, the Netherlands.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Savin Multi-Strategy Arbitrage Fund N.V. as at 31 December 2023 and of its result for 2023 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- The balance sheet as at 31 December 2023
- The profit and loss statement for 2023
- The notes comprising a summary of the accounting policies and other explanatory information

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of Savin Multi-Strategy Arbitrage Fund N.V. (hereinafter: the Fund) in accordance with the

Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our focus on fraud and non-compliance with laws and regulations

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable

assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error.

Our audit response related to fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the Fund and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control, as well as the outcomes. We refer to the section "Risk management and willingness to take risks" of the annual report for management's risk assessment after consideration of potential fraud risks.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present. We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We addressed the risks related to management override of controls, as this risk is present in all companies. For these risks we have performed procedures among other things to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgment areas and significant accounting estimates as disclosed in the section Judgment, estimates, assumptions and uncertainties of the notes to the financial statements. We have also used data analysis to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions, including those with related parties. We did not identify a risk of fraud in revenue recognition, other than the risks related to management override of controls.

We considered available information and made enquiries of the director and relevant employees of the fund manager and service provider.

The fraud risk(s) we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

Our audit response related to risks of non-compliance with laws and regulations

We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with the director, reading minutes, and inspection of compliance reports, and performing substantive tests of details of classes of transactions, account balances or disclosures.

We have been informed by the director that there was no correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern

As disclosed in the section Going concern of the notes to the financial statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, the director made a specific assessment of the Fund's ability to continue as a going concern and to continue its operations for the foreseeable future.

We discussed and evaluated the specific assessment with the director exercising professional judgment and maintaining professional skepticism. We considered whether director's going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Based on our procedures performed, we did not identify material uncertainties about going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a Fund to cease to continue as a going concern.

Report on other information included in the annual report

The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The director is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the financial statements

Responsibilities of the director for the financial statements

The director is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the director is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the director is responsible for assessing the Fund's ability to continue as a going concern. Based on the financial reporting framework mentioned, the director should prepare the financial statements using the going concern basis of accounting unless the director either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so. The director should disclose events and circumstances that may cast significant doubt on the Fund's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The Information in support of our opinion section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtaining an understanding of internal control relevant to the audit 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 Fund's internal control
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication

We communicate with the director regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Amsterdam, 28 June 2024

Ernst & Young Accountants LLP

signed by R.R.H. Gosen