

INTERIM FINANCIAL STATEMENTS

Windmill Trend Evolution Fund

Period ended 31 December 2022

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General information

Registered office

Gustav Mahlerplein 3
Symphony Offices, 26th Floor
1082 MS Amsterdam
The Netherlands

Fund Manager

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

Administrator

Apex Fund Services (Netherlands) B.V.
Van Heuven Goedhartlaan 935A
1181 LD Amstelveen
The Netherlands

Legal Owner

TMF Bewaar B.V.
Herikerbergweg 238
1101 CM Amsterdam Zuidoost
The Netherlands

Depositary

Darwin Depositary Services B.V.
Barbara Strozziilaan 101
1083 HN Amsterdam
The Netherlands

Independent auditor

Ernst & Young Accountants LLP
Wassenaarseweg 80
2596 CZ Den Haag
The Netherlands

Legal and Tax Counsel

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

Bank

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

Delegate/Investment Advisor

Oakk Capital Partners B.V.
Beurs-World Trade Center, 19th Floor
Beursplein 37
3011 AA Rotterdam
The Netherlands

These interim financial statements have not been audited by the independent auditor.

Key figures

	31 December 2022	30 June 2022	30 June 2021	30 June 2020	30 June 2019
(all amounts in EUR x 1)					
Total for the Fund					
Net Asset Value	60,347,047	58,551,832	31,640,216	30,365,164	42,423,387
Number of Participations	353,260.85	325,455.43	205,276.81	230,010.90	309,928.32
Class A (in EUR)					
Net Asset Value per share	172.27	181.37	157.50	134.25	139.03
Number of Participations	336,454.24	308,648.82	188,065.69	212,670.40	289,822.57
Performance per share	(5.02)%	15.16%	17.32%	(3.44)%	8.05%
Class B (in USD)					
Net Asset Value per share	151.95	160.32	139.08	117.46	120.38
Number of Participations	16,806.61	16,806.61	17,211.12	17,340.50	20,105.75
Performance per share	(5.22)%	15.72%	18.40%	(2.43)%	11.26%

Interim financial statements

Balance sheet

(all amounts in EUR)	Notes	31-12-2022	30-06-2022
Assets			
Investments			
Investee funds	1	59,693,071	52,263,878
Forward contracts		-	22,403
Total of investments		59,693,071	52,286,281
Receivables			
Pending investments	2	500,000	5,000,000
Other receivables	3	1,509	4,901
Total of receivables		501,509	5,004,901
Other assets			
Cash	4	850,858	1,911,770
Total of other assets		850,858	1,911,770
Total assets		61,045,438	59,202,952
Liabilities			
Net asset value			
Contribution of participants	5	45,236,034	40,392,306
Unappropriated profit		15,111,013	18,159,526
Total net asset value		60,347,047	58,551,832
Investments			
Forward contracts	1	11,524	-
Total of investments		11,524	-
Other liabilities			
Subscriptions received in advance	6	615,726	590,499
Accrued expenses and other payables	7	71,141	60,621
Total other liabilities		686,867	651,120
Total liabilities		61,045,438	59,202,952

Profit and loss statement

(For the period ended 31 December)

(all amounts in EUR)	Notes	<u>2022</u>	<u>2021</u>
Revaluation of investments	8		
Realised results		44,443	1,386,607
Unrealised results		(2,885,177)	336,308
Total changes in value		<u>(2,840,734)</u>	<u>1,722,915</u>
Other results			
Interest income		149	9
Foreign currency translation	9	24,764	19,939
Total other results		<u>24,913</u>	<u>19,948</u>
Operating expenses			
Management fee	10	(155,303)	(96,332)
Administration fees	11	(22,963)	(16,906)
Depositary fees	12	(14,174)	(10,365)
Interest expenses		(5,444)	-
Brokerage fees and other transaction costs		(3,731)	(1,960)
Audit fees		(12,059)	(11,669)
Legal fees		(9,801)	(10,149)
Other expenses		(9,217)	(12,175)
Total operating expenses		<u>(232,692)</u>	<u>(159,556)</u>
Net result for the period		<u>(3,048,513)</u>	<u>1,583,307</u>

Cash flow statement

(For the period ended 31 December)

(all amounts in EUR)	Notes	2022	2021
Cash flow from operating activities			
Purchases of investments		(16,212,877)	(4,850,000)
Proceeds from sales of investments		10,476,878	100,273
Interest received		140	-
Management fee paid		(153,960)	(92,730)
Interest paid		(5,608)	(638)
Operating expenses paid		(59,204)	(79,005)
Net cash flow from operating activities		(5,954,631)	(4,922,100)
Cash flow from financing activities			
Proceeds from subscriptions to participations		6,576,576	6,587,031
Payments for redemption of participations		(1,707,621)	(1,015,360)
Net cash flow from financing activities		4,868,955	5,571,671
Net cash flow for the period		(1,085,676)	649,571
Cash at beginning of the period		1,911,770	1,044,299
Foreign currency translation		24,764	19,939
Cash at the end of the period	4	850,858	1,713,809

Notes to the financial statements

General information

Windmill Trend Evolution Fund (the "Fund") is structured as a contractual fund with an open-ended redemption structure under Dutch law. The Fund is a closed fund for joint account for Dutch tax purposes (besloten fonds voor gemene rekening) and is not a legal entity but a contractual arrangement sui generis between the Fund Manager, the Legal Owner and the participants. The Fund commenced operations on 1 April 2014. The Fund is managed by Privium Fund Management B.V. as the Alternative Investment Fund Manager (AIFM) of the Fund. The Fund Manager is responsible for the entire management of the Fund in accordance with the provisions of the Fund Documents and applicable laws. The Fund Manager is also responsible for maintaining records and furnishing or causing to be furnished all required records or other information of the Fund to the extent such records, reports and other information are not maintained or furnished by the Administrator, the Legal Owner, the Depositary or other service providers.

Privium Fund Management B.V. is a private limited liability company (besloten vennootschap met beperkte aansprakelijkheid) incorporated under the laws of the Netherlands having its official seat (zetel) in Amsterdam, the Netherlands and its principal offices at Gustav Mahlerplein 3, Symphony Offices, 26th floor, 1082 MS Amsterdam, the Netherlands. The Fund Manager is registered in the Dutch trade register (handelsregister) under file number 34268930.

The investment objective of the Fund is to achieve medium-term capital gains for the participants. To achieve the Fund Objective, it is expected that the Fund will primarily invest in trend-following funds mainly focused on innovative systematic strategies that invest outside the mainstream markets. However, the Fund may invest in non-trend-following strategies as well. The Fund may also hold cash and cash equivalents.

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 Windmill Trend Evolution Fund do not take into account the EU criteria for environmentally sustainable economic activities.

The Fund may issue Class A and Class B participations. As at 31 December 2022 and at 30 June 2022, both Class A and Class B participations are in issue. Prospective participants can subscribe for Class A participations in EUR and for Class B participations in USD.

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"). Oakk Capital Partners B.V. has been appointed as Delegate/Investment Advisor.

The Fund had no employees during the periods ended 31 December 2022 and 31 December 2021.

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 Fund qualifies as a transparent or "closed" fund for joint-account for Dutch tax purposes. This implies that the Fund is not subject to corporate income tax. Distributions made by the Fund are not subject to Dutch dividend withholding tax.

The interim financial statements have been authorised for issue by the Fund Manager on 28 February 2023.

Accounting policies

The interim financial statements are prepared in accordance with Part 9, Book 2 of the Dutch Civil Code. The accounting principles used to prepare this interim financial statements are the same as the accounting principles used for the annual report 2022.

All figures in this interim financial statements are denoted in euro's, unless stated otherwise. The reporting period extends from 1 July 2022 through 31 December 2022.

Notes to the balance sheet

1. Investments

(all amounts in EUR)

	31-12-2022	30-06-2022
Investee funds	59,693,071	52,263,878
Forward contracts	(11,524)	22,403
Position as per reporting date	59,681,547	52,286,281

The market value of the investments is based on quoted market prices. The movements for the period 1 July through 31 December of the investments are as follows:

(all amounts in EUR)

	2022	2021
<i>Investee funds</i>		
Opening balance	52,263,878	31,377,013
Purchases	16,212,877	5,852,342
Sales	(6,012,877)	(1,002,342)
Realised investment result	80,442	1,286,334
Unrealised investment result	(2,851,249)	357,252
Balance at the end of the period	59,693,071	37,870,599
<i>Forward contracts</i>		
Opening balance	22,403	11,378
Sales and expirations	35,999	(100,273)
Realised investment result	(35,999)	100,273
Unrealised investment result	(33,927)	(20,945)
Balance at the end of the period	(11,524)	(9,567)

2. Pending investments

During the period ended 31 December 2022, the Fund made investments which were to be settled after the reporting date. The nature of these investments requires payment in advance of the settlement date. The pending investments amount to EUR 500,000 (30 June 2022: EUR 5,000,000) and represent the amounts paid in advance for these investments.

3. Other receivables

(all amounts in EUR)

	31-12-2022	30-06-2022
Prepaid professional fees	1,500	-
Prepaid legal owner fees	-	4,901
Interest receivable	9	-
Balance at the end of the period	1,509	4,901

4. Cash and cash equivalents

As at 31 December 2022, cash and cash equivalents comprise of balances held with ABN AMRO Bank N.V. amounting to EUR 677,184 (30 June 2022: EUR 1,797,572). As at 31 December 2022 and 30 June 2022, no restrictions in the use of these balances exist.

As at 31 December 2022, cash and cash equivalents also include amounts held at Saxo Bank amounting to EUR 173,674 (30 June 2022: EUR 114,198). This amount includes margin requirements. Margin represents cash deposited with the broker transferred as collateral against currency hedging contracts.

5. Net asset value

The movement of net asset value during the period ended 31 December is as follows:

(all amounts in EUR)

	2022	2021
Contributions of participants		
Opening balance	40,392,306	19,640,274
Issue of participations	6,551,349	6,119,524
Redemption of participations	(1,707,621)	(1,015,360)
Closing balance	45,236,034	24,744,438
Unappropriated profit		
Opening balance	18,159,526	11,999,942
Result current period	(3,048,513)	1,583,307
Closing balance	15,111,013	13,583,249
Total net assets value at 31 December	60,347,047	38,327,687

The movement of participations during the period ended 31 December is as follows:

(in number of participations)

	2022	2021
Participations		
Opening balance	325,455	287,154
Issue of participations	39,521	37,837
Redemption of participations	(11,715)	(6,403)
Participations at 31 December	353,261	318,587

6. Subscriptions received in advance

Subscriptions received in advance represent the amounts received from participants for subscriptions to participations of the Fund for the first possible dealing date. Participants are required to deposit the amounts with the Fund prior to the issuance of participations.

As at 31 December 2022, the subscriptions received in advance amount to EUR 615,726 (30 June 2022: EUR 590,499). On 2 January 2023, the Fund issued EUR 615,726 (1 July 2022: EUR 3,255,768) participations of Class A to the subscribing participants.

7. Other liabilities

(all amounts in EUR)

	31-12-2022	30-06-2022
Management fee payable	26,369	25,026
Interest payable	196	360
Administration fee (including annual report fee) payable	14,170	14,197
Audit fee payable	24,500	16,289
Other liabilities	5,906	4,749
Balance at the end of the period	71,141	60,621

Notes to the profit and loss statement

8. Revaluation of investments

(For the period ended 31 December)

(all amounts in EUR)

	2022	2021
<i>Realised results</i>		
Realised gains on investee funds	114,073	1,288,676
Realised losses on investee funds	(33,631)	(2,342)
Realised gains on forward contracts	-	100,273
Realised losses on forward contracts	(35,999)	-
Total realised result	44,443	1,386,607
<i>Unrealised results</i>		
Unrealised gains on investee funds	729,200	2,009,222
Unrealised losses on investee funds	(3,580,450)	(1,651,970)
Unrealised losses on forward contracts	(33,927)	(20,944)
Total unrealised result	(2,885,177)	336,308
Total revaluation of investments	(2,840,734)	1,722,915

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 gain of EUR 24,764 (2021: a gain of EUR 19,939).

10. Management fee

Privium Fund Management B.V. acts as the Fund Manager to the Fund. The Fund Manager is entitled to a management fee of 0.55% of the NAV of the Fund (before deduction of management fee), as at the last calendar day of each month. The management fee is subject to a minimum of EUR 50,000 per annum and is payable monthly in arrears. The Fund Manager pays a delegation fee to the Delegate from the management fee.

The management fee for the period from 1 July 2022 through 31 December 2022 amounts to EUR 155,303 (2021: EUR 96,332).

11. Administration fees

The Fund has entered into an administration agreement with Apex Fund Services (Netherlands) B.V. The Administrator charges a fee based on 0.08% of the NAV of the Fund up to EUR 30 million, 0.06% of the NAV between EUR 30 million and EUR 50 million, 0.04% of the NAV between EUR 50 million and EUR 100 million and 0.02% of the NAV above EUR 100 million, to be calculated monthly and paid quarterly in arrears and with a minimum annual fee of EUR 15,000 per annum.

The Administrator also charges a fee of EUR 5,000 per annum for the preparation of the Fund's annual and interim report.

The Administrator provides certain trading duties for the Fund and charges a fee of EUR 250 per initial trade, EUR 175 per subsequent trade and EUR 75 per tax document required for an underlying investment.

The Administrator also provides FATCA services for the Fund and charges an annual fee of USD 4,000.

12. Depositary fees

Darwin Depositary Services B.V. charges a fee of 1.4 basis points of the assets under management. This fee is subject to a minimum of EUR 16,500 per annum and is payable quarterly in advance.

13. Ongoing charges figure (OCF)

The ongoing charges ratio is the ratio of the total costs (excluding costs of transactions on financial instruments and interest costs) to the average net assets of the Fund. The average net assets are based on the Fund's net assets at each calculation of the NAV. The ongoing charges ratio includes performance fees.

For the period ended 31 December 2022, the ongoing charges ratio for the Fund is as follows:

Ongoing charges ratio (annualised)	0.75%
Ongoing charges ratio including expenses of underlying funds (annualised)	1.90%

For the period ended 31 December 2021, the ongoing charges ratio for the Fund is as follows:

Ongoing charges ratio (annualised)	0.95%
Ongoing charges ratio including expenses of underlying funds (annualised)	1.95%

14. Turnover ratio (TOR)

This ratio demonstrates the rate at which the Fund's portfolio is turned over. For the period ended 31 December 2022, the turnover factor for the Fund is 23.46%. For the period ended 31 December 2021, the turnover factor for the Fund is (0.83)%. The turnover factor is calculated by adding total purchases and sales, subtracting total subscriptions plus total redemptions and dividing the total by the average NAV. The turnover ratios are not annualised.

15. Related parties

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 is considered a related party.

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

Transactions from 1 July 2022 to 31 December 2022

	Paid EUR	Balance EUR
Management fee	153,960	26,369

Transactions from 1 July 2021 to 31 December 2021

	Paid EUR	Balance EUR
Management fee	92,730	17,912

The Delegate/Investment Advisor is also considered a related party.

16. Financial investments and associated risks

The Fund's investment objective is to achieve medium-term capital gains for the participants.

The Fund attempts to accomplish its objective by primarily investing in AHL shares issued from the AHL Fund and may acquire interests in other investee funds established worldwide mainly focused on similar innovative systematic strategies that invest outside the mainstream markets.

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

The investee funds, to which the fund subscribes, may also indirectly expose the Fund to the financial risks as detailed above and because of this indirect exposure the financial risks discussed herein may not fully indicate the total exposure of the Fund.

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.

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 31 December 2022, price risk arises on the Fund's investment in investee funds.

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 bank which is subject to normal market related short-term interest rates. Therefore, the Fund is not exposed to significant interest rate risks.

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.

As at 31 December 2022, 100% (30 June 2022: 100%) of the assets and liabilities of the Fund are denominated in the functional currency and therefore the Fund is not exposed to currency risk from its assets and liabilities as at the reporting dates.

Currency risk arises from the Fund's share classes. Class B participations are denominated in a currency other than EUR and are therefore exposed to currency fluctuations. It is the Fund's intention to hedge the currency exposure of USD participants to the Fund's base currency through the utilisation of forward currency contracts. Any profits or losses of currency hedges shall be allocated to the Class B participations. The tables below outline the USD exposure of the Class B participations as at 31 December 2022 and 30 June 2022 and the notional amount of the forward currency contracts used to mitigate the risk.

(all amounts in EUR)	Net position	Notional amount	Net currency exposure	% NAV
31 December 2022				
United States Dollar	39,808	2,360,938	2,400,746	3.98
Total			2,400,746	3.98
Participations in USD			(2,386,043)	(3.95)
Total currency exposure			14,703	0.03
30 June 2022				
United States Dollar	5,776,309	2,548,017	8,324,326	14.22
Total			8,324,326	14.22
Participations in USD			(2,570,238)	(4.39)
Total currency exposure			5,754,088	9.83

The forward currency contracts mature within 1 month of the reporting date.

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. The carrying values of financial assets (excluding any investments in investee funds) best represent the maximum credit risk exposure as at the reporting date and amounts to EUR 852,367 (30 June 2022: EUR 1,916,671).

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 bi-monthly creation and cancellation of participations and it is therefore exposed to the liquidity risk of meeting participants redemptions. To manage this liquidity risk the Fund has a ten day notice period for the participants. In addition, the Fund has eleven business days after the release of the NAV of the applicable redemption date to pay the redemption proceeds to the participants. The Fund's assets will be sufficiently liquid to, under normal circumstances, allow the Fund to redeem participations as requested by its participants for at least 10% of the assets managed.

The Legal Owner and the Fund Manager may limit the redemption of participations on a redemption date to an aggregate total redemption price of ten per cent (10%) (or more, as long as such higher gate is not to the detriment of the remaining participants) of the Net Asset Value on the valuation date prior to the redemption date. In this case, the number of participations to be redeemed per participant will be pro rata the total number of participations offered for redemption. Any participations included in a redemption request that have not been redeemed as a result of such scale down of a redemption request are deemed to be offered for redemption on the following redemption date on a pro rata basis alongside subsequent redemption requests (but not compulsory redemptions) and shall be subject to the same limitations.

The Fund is exposed to liquidity risk as the investments of the Fund in investee funds cannot immediately be converted into cash. The liquidity risk involved with the investee funds will be dependent on the redemption policies of the individual investee funds. Some of the investee funds may be or become illiquid, and the realisation of investments from them may take considerable time and/or be costly. The Fund's investments in such investee funds may not be readily realisable and their marketability may be restricted, in particular because the investee funds may have restrictions that allow redemptions only at specific infrequent dates with considerable notice periods, and apply lock-ups and/or redemption fees.

As at 31 December 2022 and 30 June 2022, the Fund invests in the AHL Fund. The Fund may redeem their investment in the AHL Fund on a monthly dealing day, provided 30 calendar days notice is given before the relevant dealing day. Payments are ordinarily made by the AHL Fund within 10 business days of the valuation day.

Sustainability risk

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

If the investments of the underlying funds have a clearly and material identifiable sustainability risk and carry material long directional exposure, the Fund Manager's ESG risk policy applies and the underlying fund's material ESG risk exposure will be analysed.

17. Events after balance sheet date

The Russian invasion in Ukraine is continuing. 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.

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

18. Personnel

The Fund did not employ personnel during the period.

19. 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.

20. Date of authorisation

The interim financial statements have been authorised for issue by the Fund Manager in Amsterdam on 28 February 2023.

Other information

Personal holdings

As at 31 December 2022, employees and/or Directors of the Fund Manager held 130.2561 (1 July 2022: 43.6062) Class A shares in the Fund.

As at 31 December 2022, the Delegate/Investment Advisor and/or its employees held 5,147.9326 (1 July 2022: 4,604.3753) Class A shares in the Fund and 361.2885 (1 July 2022: 317.3486) Class B shares in the Fund.