

# Principia Fund N.V.

The Netherlands

UNAUDITED INTERIM FINANCIAL STATEMENTS

**for the period from 1 January 2024 to 30 June 2024**

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## General information

Registered Office	Gustav Mahlerplein 3 Symphony Offices, 26 <sup>th</sup> Floor 1082 MS Amsterdam The Netherlands
Fund Manager	Privium Fund Management B.V. Gustav Mahlerplein 3 Symphony Offices, 26 <sup>th</sup> Floor 1082 MS Amsterdam The Netherlands
Foundation	Stichting Administratiekantoor Principia Luna Arena Herikerbergweg 238 P.O. Box 23393 1101 CM Amsterdam The Netherlands
Administrator	Apex Fund Services (Netherlands) B.V. Van Heuven Goedhartlaan 935A 1181 LD Amstelveen The Netherlands
Independent Auditor*	Ernst & Young Accountants LLP Antonio Vivaldistraat 150 1083 HP Amsterdam The Netherlands
Payment Bank	ABN AMRO 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

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

## General information *(continued)*

Depository

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

Fiscal Advisor (UK)

Rawlinson & Hunter  
8<sup>th</sup> Floor  
6 New Street Square  
New Fetter Lane  
London EC4A 3AQ  
United Kingdom

## Profile

Principia Fund N.V. (the “Fund”) is structured as an open-ended investment fund and was established in Amsterdam in April 2014. The Fund is a public company limited by shares (*naamloze vennootschap*) and is a legal entity under the laws of the Netherlands. The Fund is managed by Privium Fund Management B.V. (the “Fund Manager”).

The investment objective of the Fund is to earn a higher return than the average of the world’s developed equity markets, as represented by iShares MSCI World UCITS ETF.

The unitholders’ equity per unit are as follows:

	<b>30 June 2024</b>	<b>31 December 2023</b>	<b>31 December 2022</b>	<b>31 December 2021</b>	<b>31 December 2020</b>
Class A	228.11	219.26	188.19	170.94	137.50
Class B	249.44	239.53	205.23	186.06	148.81

## Interim financial statements

### BALANCE SHEET

	<i>Note</i>	<b>30 June 2024 EUR</b>	<b>31 December 2023 EUR</b>
<b>Assets</b>			
<b>Investments</b>			
Equities		29,431,115	26,106,232
<b>Total investments</b>	3	<u>29,431,115</u>	<u>26,106,232</u>
<b>Receivables</b>			
Due from brokers		6,518	1,765,234
Other receivables	5	90,448	102,556
<b>Total receivables</b>		<u>96,966</u>	<u>1,867,790</u>
<b>Other assets</b>			
Cash	4	279,908	303,618
		<u>279,908</u>	<u>303,618</u>
<b>Total assets</b>		<u>29,807,989</u>	<u>28,277,640</u>
<b>Liabilities</b>			
<b>Unitholders' equity</b>			
Contribution of unitholders		13,041,141	12,576,147
Unappropriated gain		16,668,636	15,543,075
<b>Total unitholders' equity</b>	8	<u>29,709,777</u>	<u>28,119,222</u>
<b>Other liabilities</b>			
Due to brokers		-	3,254
Subscriptions received in advance	6	41,433	100,000
Accrued expenses and other payables	7	56,779	55,164
<b>Total other liabilities</b>		<u>98,212</u>	<u>158,418</u>
<b>Total liabilities</b>		<u>29,807,989</u>	<u>28,277,640</u>

## Interim financial statements

### INCOME STATEMENT

(For the periods ended 30 June 2024 and 2023)

	<i>Note(s)</i>	<b>2024</b> <b>EUR</b>	<b>2023</b> <b>EUR</b>
<b>Investment income</b>			
Dividend income	<i>10</i>	640,922	516,994
		<b>640,922</b>	<b>516,994</b>
<b>Change in value</b>			
Realised results	<i>3, 12</i>	1,205,832	1,726,730
Unrealised results	<i>3, 12</i>	(403,207)	(279,815)
		<b>802,625</b>	<b>1,446,915</b>
<b>Other result</b>			
Subscription and redemption fees		12,045	1,553
Foreign currency translation	<i>11</i>	(9,185)	(4,471)
Interest income on bank accounts	<i>9</i>	6,365	896
		<b>9,225</b>	<b>(2,022)</b>
<b>Expenses</b>			
Management fee	<i>14, 15</i>	(160,286)	(136,108)
Administration fee	<i>14</i>	(17,249)	(12,252)
Depositary fee	<i>14</i>	(12,864)	(12,393)
Other operational costs		(16,886)	(15,848)
Audit fee		(8,739)	(8,080)
Bank charges		(9,832)	(9,190)
Custody fee	<i>14</i>	(5,310)	(4,156)
Interest expense		(391)	(61)
Legal fee		-	(254)
<b>Total expenses</b>	<i>13</i>	<b>(231,557)</b>	<b>(198,342)</b>
<b>Net profit before tax</b>		<b>1,221,215</b>	<b>1,763,545</b>
Withholding tax on dividend income		(95,654)	(81,036)
<b>Net profit after tax</b>		<b>1,125,561</b>	<b>1,682,509</b>

## Interim financial statements

### STATEMENT OF CASH FLOWS (For the periods ended 30 June 2024 and 2023)

	<i>Note</i>	<b>2024</b> <b>EUR</b>	<b>2023</b> <b>EUR</b>
<b>Cash flows from operating activities</b>			
Purchases of investments	3	(10,679,156)	(12,793,370)
Proceeds from sale of investments	3	9,904,605	12,865,706
Return of capital		7,755	-
Interest received		6,365	896
Dividend received		563,015	450,573
Management fee paid		(161,678)	(135,776)
Interest paid		(391)	(61)
Operating expenses paid		(73,512)	(55,501)
<b>Net cash flows (used in)/provided by operating activities</b>		<b>(432,997)</b>	<b>332,467</b>
<b>Cash flows from financing activities</b>			
Proceeds from sales of units – class A units	8	4,239,417	351,472
Proceeds from sales of units – class B units	8	513,672	118,630
Payments on redemptions of units – class A units	8	(336,370)	(104,492)
Payments on redemptions of units – class B units	8	(3,951,725)	(548,520)
Subscriptions received in advance		(58,567)	(76,288)
Subscription and redemption fees		12,045	1,553
<b>Net cash flows provided by/(used) in financing activities</b>		<b>418,472</b>	<b>(257,645)</b>
<b>Net increase/(decrease) in cash</b>		<b>(14,525)</b>	<b>74,822</b>
Cash at the beginning of the period		303,618	110,856
Foreign currency translation of cash positions		(9,185)	(4,471)
<b>Cash at the end of the period</b>	4	<b>279,908</b>	<b>181,207</b>

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## Notes to the interim financial statements

### 1. GENERAL INFORMATION

Principia Fund N.V. (the “Fund”) is structured as an open-ended investment fund and was established in Amsterdam in April 2014. The Fund is a public company limited by shares (*naamloze vennootschap*) and is a legal entity under the laws of the Netherlands. The Fund is registered at the commercial register of the Chamber of Commerce of the Netherlands under number 60521945. The Fund commenced operations on 22 May 2014. The Fund has a registered office at Gustav Mahlerplein 3, Symphony Offices, 26th Floor, 1082 MS Amsterdam, The Netherlands.

The shares of the Fund are divided in two series (“shareclasses”), Shareclass A and Shareclass B. The investment policy and risk profile of the Fund are equal for both shareclasses. Investors can invest in the Fund by obtaining depository receipts (“units”) representing an interest in Shareclass A (“A units”) or Shareclass B (“B units”). Units will be issued by the Foundation, who will be the legal owner of the shares represented by the units. The units of the Fund will be issued in two series (“unitclasses”), Unitclass A and Unitclass B. The units in Unitclass B are only available for subscription by persons working for the Fund Manager or related to the Fund and to investors that invest a minimum of EUR 1,000,000 at the ultimate beneficial owner level. All other persons can subscribe for units in Unitclass A. As at 30 June 2024 and 31 December 2023, both Unitclass A and Unitclass B units are in issue.

The investment objective of the Fund is to earn a higher return than the average of the world’s developed equity markets, as represented by iShares MSCI World UCITS ETF.

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”).

The Fund had no employees during the period ended 30 June 2024 and the year ended 31 December 2023.

The Fund Manager is subject to the supervision of the Netherlands Authority for the Financial Markets (“AFM”). 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.

As per 10 March 2021 the EU Sustainable Finance Disclosure Regulation (SFDR) came into force. In the context of the SFDR, the Fund is classified as an Article 6 fund. Additional SFDR related disclosures can be found in the Prospectus of the Fund.

The interim financial statements have been authorised for issue by the Fund Manager on 22 August 2024.

## **Notes to the interim financial statements**

### **2. SIGNIFICANT ACCOUNTING PRINCIPLES AND 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 2023.

All figures in this interim financial statements are denoted in euro's, unless stated otherwise. The reporting period extends from 1 January 2024 through 30 June 2024.

## Notes to the interim financial statements

### NOTES FOR INDIVIDUAL BALANCE SHEET ITEMS

#### 3. Investments

##### Movement in schedule of investments

<i>(All amounts in EUR)</i>	<b>1 January to 30 June 2024</b>	<b>1 January to 30 June 2023</b>
<b>Investment in equities</b>		
Opening balance	26,106,232	22,419,212
Purchases	10,675,902	10,782,438
Sales	(8,145,889)	(10,853,771)
Return of capital	(7,755)	-
Realised results	1,205,832	1,726,730
Unrealised results	(403,207)	(279,815)
<b>As at 30 June</b>	<b><u>29,431,115</u></b>	<b><u>23,794,794</u></b>

#### 4. Cash

As at 30 June 2024, cash comprises of balances held with ABN AMRO Bank N.V and ABN AMRO Clearing Bank N.V. amounting to EUR 47,129 and EUR 232,779 (31 December 2023: EUR 106,508 and EUR 197,110). As at 30 June 2024 and 31 December 2023, no restrictions in the use of these balances exist.

#### 5. Other receivables

As at 30 June 2024 and 31 December 2023, other receivables consist of the following:

<i>(All amounts in EUR)</i>	<b>30 June 2024</b>	<b>31 December 2023</b>
Dividend receivable	84,174	101,921
Prepaid professional fees	6,274	635
<b>Total other receivables</b>	<b><u>90,448</u></b>	<b><u>102,556</u></b>

#### 6. Subscriptions received in advance

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

As at 30 June 2024, the subscriptions received in advance amount to EUR 41,433 (31 December 2023: EUR 100,000).

## Notes to the interim financial statements

### NOTES FOR INDIVIDUAL BALANCE SHEET ITEMS (CONTINUED)

#### 7. Accrued expenses and other payables

As at 30 June 2024 and 31 December 2023, accrued expenses and other payables consist of the following:

<i>(All amounts in EUR)</i>	<b>30 June 2024</b>	<b>31 December 2023</b>
Audit fee payable	13,983	17,478
Tax preparation fee	6,750	4,500
Management fee payable	25,659	27,051
Administration fee payable	2,478	2,346
Other payables	7,137	3,102
Custody fee payable	772	687
<b>Total accrued expenses and other payables</b>	<b>56,779</b>	<b>55,164</b>

#### 8. Share capital

##### *Structure of the Fund's capital*

The Fund is structured as an open-ended investment fund and was established in Amsterdam in April 2014. The shares of the Fund are divided in two series ("shareclasses"), Shareclass A and Shareclass B. The investment policy and risk profile of the Fund are equal for both shareclasses. Investors can invest in the Fund by obtaining depository receipts ("units") representing an interest in Shareclass A ("A units") or Shareclass B ("B units"). Units will be issued by the Foundation, who will be the legal owner of the shares represented by the units. The units of the Fund will be issued in two series ("unitclasses"), Unitclass A and Unitclass B. The units in Unitclass B are only available for subscription by persons working for the Fund Manager or related to the Fund and to investors that invest a minimum of EUR 1,000,000 at the ultimate beneficial owner level. All other persons can subscribe for units in Unitclass A. As at 30 June 2024 and 30 June 2023, both Unitclass A and Unitclass B units were in issue.

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

<i>(All amounts in EUR)</i>	<b>1 January to 30 June 2024</b>	<b>1 January to 30 June 2023</b>
<i>Contributions of unitholders</i>		
Balance at the beginning of the period	12,576,147	10,709,932
Issue of units – class A units	4,239,417	351,472
Issue of units – class B units	513,672	118,630
Redemption of units – class A units	(336,370)	(104,492)
Redemption of units – class B units	(3,951,725)	(548,520)
<b>Total contributions at the end of the period</b>	<b>13,041,141</b>	<b>10,527,022</b>
<i>Unappropriated gain</i>		
Balance at the beginning of the period	15,543,075	11,757,566
Net gain after tax	1,125,561	1,682,509
<b>Total undistributed gain at the end of the period</b>	<b>16,668,636</b>	<b>13,440,075</b>
<b>Equity at the end of the period</b>	<b>29,709,777</b>	<b>23,967,097</b>

## Notes to the interim financial statements

### NOTES FOR INDIVIDUAL BALANCE SHEET ITEMS (CONTINUED)

#### 8. Share capital (continued)

##### *Subscriptions and redemptions*

The Fund enables the Foundation to issue units on the first business day of each calendar month at the Net Asset Value per Unit on the preceding Valuation Day, plus an anti-dilution levy of maximum 0.15% of the subscription amount. The minimum initial subscription for each unitholder is EUR 20,000 with the minimum subsequent subscription amounts being EUR 1,000. The Unitclass A and Unitclass B units were issued at an initial subscription price of EUR 100 per unit and thereafter at the unitholders' equity per unit. The minimum subscription amount can be lowered at the sole discretion of the Fund Manager.

The Fund enables the Foundation to redeem units of the unitholders' equity on the last day of each calendar month, less a fee (the "anti-dilution levy") of maximum 0.15% of the redemption amount. The minimum value of units which may be subject of one redemption request will be EUR 1,000. The Fund Manager may decide to lower this amount in individual cases.

The movement of the units during the period ended 30 June 2024 was as follows:

	Units at the beginning of the period	Units issued	Units redeemed	Units at the end of the period
Unitclass A	49,746.5846	19,192.1417	(1,486.2156)	67,452.5107
Unitclass B	71,854.5377	2,114.9378	(16,550.3931)	57,419.0824
<b>Total</b>	<b>121,601.1223</b>	<b>21,307.0795</b>	<b>(18,036.6087)</b>	<b>124,871.5931</b>

The movement of the units during the period ended 30 June 2023 was as follows:

	Units at the beginning of the period	Units issued	Units redeemed	Units at the end of the period
Unitclass A	44,783.7565	1,722.4826	(521.7420)	45,984.4971
Unitclass B	68,407.5889	565.8774	(2,517.0909)	66,456.3754
<b>Total</b>	<b>113,191.3454</b>	<b>2,288.3600</b>	<b>(3,038.8329)</b>	<b>112,440.8725</b>

##### *Capital management*

The Fund's objectives when managing capital are to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Fund does not intend to pay dividends. All earnings will normally be retained for investments.

### NOTES FOR INDIVIDUAL INCOME STATEMENT ITEMS

#### 9. Interest income

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

#### 10. Dividend income

Dividend income relates to dividends from equity instruments.

## Notes to the interim financial statements

### NOTES FOR INDIVIDUAL INCOME STATEMENT ITEMS (CONTINUED)

#### 11. Foreign currency translation

Realised and unrealised exchange differences consist of realised and unrealised translation gains and losses on assets and liabilities other than investment assets and liabilities. For the period ended 30 June 2024, this amounted to a loss of EUR 9,185 (2023: loss of EUR 4,471). The following average and closing rates have been applied in the preparation of these interim financial statements (the equivalent of one Euro is shown):

	30 June 2024		30 June 2023	
	Average	Closing	Average	Closing
<i>(Showing the equivalent of 1 Euro)</i>				
Swiss Franc	0.9617	0.9709	0.9855	0.9771
Great Britain Pound	0.8545	0.8458	0.8759	0.8592
Hong Kong Dollar	8.4547	8.4697	8.4746	8.5507
Japanese Yen	164.55	174.21	145.7896	157.4857
Norwegian Krone	11.5015	11.4312	11.3122	11.7190
United States Dollar	1.0813	1.0840	1.0811	1.0912
Australian Dollar	1.6424	1.6061	1.5990	1.6376
Canadian Dollar	1.4684	1.4732	1.4565	1.4443
Singapore Dollar	1.4562	1.4616	-	-

#### 12. Investment return

<i>(All amounts in EUR)</i>	2024		2024	2023
	Profit	Loss	Total	Total
<b>Equities</b>				
Realised result	1,580,357	(374,525)	1,205,832	1,726,730
Unrealised result	1,460,821	(1,864,028)	(403,207)	2,328,59
<b>Total result</b>	<b>3,041,178</b>	<b>(2,238,553)</b>	<b>802,625</b>	<b>1,446,915</b>

#### 13. Costs

The Fund makes use of various parties for management, administration and custody services. The table below provides a breakdown of expenses for the periods ended 30 June 2024 and 2023.

<i>(All amounts in EUR)</i>	2024	2023
<b>Expenses accruing to the Fund Manager</b>		
Management fee	160,286	136,108
<b>Other expenses</b>		
Administration fee	17,249	12,252
Depositary fee	12,864	12,393
Other operational costs	16,886	15,848
Audit fee	8,739	8,080
Bank charges	9,832	9,190
Custody fee	5,310	4,156
Interest expense	391	61
Legal fees	-	254
<b>Total</b>	<b>231,557</b>	<b>198,342</b>

## Notes to the interim financial statements

### NOTES FOR INDIVIDUAL INCOME STATEMENT ITEMS (CONTINUED)

#### 13. Costs (continued)

The basis on which various costs are charged to the Fund are disclosed in detail in the Prospectus. It is a Dutch regulatory requirement to disclose any differences between actual costs and the costs disclosed in the Prospectus. During the period ended 30 June 2024, all costs actually charged to the Fund were in accordance with the costs disclosed in the Prospectus. During the period, the Fund also incurred expenses such as other operational costs of EUR 16,886 (2023: EUR 15,848), bank charges of EUR 9,832 (2023: EUR 9,190) and interest expense of EUR 391 (2023: EUR 61) which are not detailed in the Prospectus.

#### 14. RELEVANT CONTRACTS

##### Fund Manager

###### Management fee

Privium Fund Management B.V. acts as the Fund Manager to the Fund. The management fee is 1.25% per annum when the performance of the Fund is equal to the return of the benchmark over the five years ending on the date of the calculation. A maximum management fee of 1.5% is payable if the return of Shareclass A is superior to that of the benchmark by 20% over the five years ending on the date of the calculation. A minimum management fee of 1% is payable if the return of Shareclass A is below that of the benchmark by 20% over the five years ending on the date of the calculation. Please also see the Prospectus of the Fund for an additional explanation. The Shareclass A management fee is calculated monthly and payable monthly in arrears.

In accordance with the prospectus, the Fund Manager is entitled to an annual management fee on Shareclass B of 1% per annum when the performance of the Fund is equal to the return of the benchmark over the five years ending on the date of the calculation. A maximum fee of 1.25% is payable if the return of Shareclass B is superior to that of the benchmark by 20% over the five years ending on the date of the calculation. A minimum fee of 0.75% is payable if the return of Shareclass B is below that of the benchmark by 20% over the five years ending on the date of the calculation. Please also refer to the Prospectus of the Fund for an additional explanation. The Shareclass B management fee is calculated monthly and payable monthly in arrears.

The Fund Manager will not earn a management fee over the investment of another fund it manages or otherwise controls into a shareclass of the Fund that charges management fee. Any investment into the Fund by another fund managed by the Fund Manager or Affiliates of the Fund Manager shall not be subject to management fee either through investment into a zero management fee shareclass or via a rebate of the management fee charged by the Fund.

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

##### Administrator

The Fund has entered into an administration agreement with Apex Fund Services (Netherlands) B.V. The Administrator charges an annual fee, to be calculated and paid monthly in arrears on the basis of the unitholders' equity of the Fund before deduction of the management fee, and with a minimum of EUR 15,000 per annum. This annual fee is based on the following sliding scale:

- |  |                 |
|--|-----------------|
| ▪ Part up to EUR 30 million                      | 10 basis points |
| ▪ Part between EUR 30 million and EUR 50 million | 8 basis points  |
| ▪ Part above EUR 50 million                      | 6 basis points  |

The Administrator charges a fixed fee of EUR 6,000 per annum for the preparation of the annual report. No VAT has to be paid on these amounts.

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

## Notes to the interim financial statements

### 14. RELEVANT CONTRACTS (CONTINUED)

#### Payment Bank/Custodian

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

#### Depository

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

#### Independent Auditor

The Fund appointed Ernst & Young Accountants LLP as the Independent Auditor for the audit of the annual financial statements.

### 15. RELATED PARTY TRANSACTIONS

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

The Fund Manager is considered a related party.

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

*Transactions from 1 January 2024 – 30 June 2024 and balances as at 30 June 2024*

	<b>Paid</b>	<b>Payable</b>
	<b>EUR</b>	<b>EUR</b>
Management fee	161,678	25,659

*Transactions from 1 January 2023 – 30 June 2023 and balances as at 30 June 2023*

	<b>Paid</b>	<b>Payable</b>
	<b>EUR</b>	<b>EUR</b>
Management fee	135,776	20,691

The units in Unitclass B have been issued to persons working for the Fund Manager or related to the Fund and investors that invest a minimum of EUR 1,000,000 at the beneficial owner level. As at 30 June 2024, Mr. Ryan Nicholas Dally, the portfolio manager of the Fund, holds 2,068.620 units (31 December 2023: 1,952.685 units) of Unitclass B.

### 16. FINANCIAL INVESTMENTS AND ASSOCIATED RISKS

The Fund's investment objective is to earn a higher return than the average of the world's developed equity markets, as represented by iShares MSCI World UCITS ETF.

The Fund attempts to achieve its objective by investing predominantly in global listed equities and is therefore exposed to all the risks and rewards associated with the equities selected. The Fund is actively managed and will likely differ materially from the benchmark in order to achieve its objective.

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

#### Market risk

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

## Notes to the interim financial statements

### 16. FINANCIAL INVESTMENTS AND ASSOCIATED RISKS (CONTINUED)

#### Market risk (continued)

##### Market price risk

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

As at 30 June 2024 and 31 December 2023, price risk arises on the Fund's investment in equities.

##### Interest rate risk

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

##### Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk exposure arises from the Fund investing in financial instruments and entering into transactions which are denominated in currencies other than its functional currency. The Fund's exposure to foreign exchange movements as at 30 June 2024 and 31 December 2023 is as follows:

	30 June 2024		31 December 2023	
	Fair value EUR	% of unitholders' equity	Fair value EUR	% of unitholders' equity
<b>Currency</b>				
United States Dollar	11,314,440	38.1	9,686,364	34.5
Great Britain Pound	6,154,866	20.7	5,821,869	20.7
Japanese Yen	3,795,357	12.8	4,509,876	16.0
Swiss Franc	1,335,856	4.5	1,210,683	4.3
Hong Kong Dollar	1,496,850	5.0	1,381,969	4.9
Canadian Dollar	1,408,391	4.7	1,054,754	3.8
Norwegian Krone	580,881	2.0	457,635	1.6
Australian Dollar	450,198	1.5	319,515	1.1
Singapore Dollar	416,687	1.4	339,003	1.2

#### Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. It arises from cash and other receivables. The carrying values of financial assets (excluding any investment in equities) best represent the maximum credit risk exposure as at the reporting dates and amounts to EUR 376,874 (31 December 2023: EUR 2,171,408).

#### Liquidity risk

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

The Fund's Prospectus provides for the monthly creation and cancellation of units and it is therefore exposed to the liquidity risk of meeting unitholders redemptions. The Fund's policy only allows for redemptions on the last day of each calendar month and notice of 10 business days must be provided.

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

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

## Notes to the interim financial statements

### 16. FINANCIAL INVESTMENTS AND ASSOCIATED RISKS (*CONTINUED*)

#### **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 a portfolio company or a longer-term impact on the operations or earnings capacity of the portfolio company.

### 17. PROVISION OF INFORMATION

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

### 18. EVENTS AFTER THE BALANCE SHEET DATE

The Russian invasion in Ukraine continues to cause uncertainty. The Fund has no active 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 the 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.

### 19. DATE OF AUTHORISATION

The interim financial statements have been authorised for issue by the Fund Manager in Amsterdam on 22 August 2024.

## **Other information**

### **Interests held by the Directors**

As at 30 June 2024 and 1 January 2024, the Board of Directors did not hold any shares in the Fund or in any of the underlying investment equities that the Fund holds.