

# Mediolanum Specialities SICAV-SIF

*Société d'Investissement à Capital Variable*  
Luxembourg

R.C.S. Luxembourg B 133 351

Annual Report, including Audited Financial Statements  
for the year ended December 31, 2021

# Mediolanum Specialities SICAV-SIF

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\* Sub-Fund name changed. Please refer to Note 1.

# Mediolanum Specialities SICAV-SIF

## Management and Administration

### **Registered Office**

11/13 boulevard de la Foire  
L-1528 Luxembourg  
Grand-Duchy of Luxembourg

### **Directors**

#### **Chairman:**

Furio Pietribiasi  
Mediolanum International Funds Limited  
4<sup>th</sup> Floor, The Exchange, George's Dock, IFSC  
Dublin 1,  
Ireland

#### **Members:**

Paul Guillaume  
370 route de Longwy  
L-1940 Luxembourg  
Grand-Duchy of Luxembourg

Fabio Morvilli  
45 Boulevard Grande Duchesse Charlotte  
L-1331 Luxembourg  
Grand-Duchy of Luxembourg

### **Administrator, Depositary, Transfer and Paying Agent and Domiciliation agent**

RBC Investor Services Bank S.A.  
14 Porte de France  
L-4360 Esch-sur-Alzette  
Grand-Duchy of Luxembourg

### **Alternative Investment Fund Manager and Global Distributor**

Mediolanum International Funds Limited  
4<sup>th</sup> Floor, The Exchange, George's Dock, IFSC  
Dublin 1,  
Ireland

### **Cash Manager and Portfolio Manager**

Mediolanum International Funds Limited  
4<sup>th</sup> Floor, The Exchange, George's Dock, IFSC  
Dublin 1,  
Ireland

### **Securities Lending Agent <sup>(1)</sup>**

Goldman Sachs International Bank  
Peterborough Court  
133 Fleet Street  
London  
EC4A 2BB  
United Kingdom

### **Auditor**

PricewaterhouseCoopers  
*Société coopérative*  
2, Rue Gerhard Mercator  
B.P. 1443, L-1014 Luxembourg  
Grand-Duchy of Luxembourg

<sup>(1)</sup> Effective December 31, 2021, Goldman Sachs Group, Inc. no longer acts as Securities Lending Agent.

# Mediolanum Specialities SICAV-SIF

## Management and Administration (continued)

### *Legal Adviser*

Arendt & Medernach S.A.  
41A avenue J.F. Kennedy  
L-2082 Luxembourg  
Grand-Duchy of Luxembourg

# Mediolanum Specialities SICAV-SIF

## Management Report

### Mediolanum Specialities SICAV-SIF – Diversified Equity Fund\*

**Performance\*\***      **31/12/2020 - 31/12/2021**      **17.59%**

**\*\* Performance is stated in EUR, net of management fee, performance fee and cost, and reflects the reinvestment of dividends.**

The Fund's investment objective is to generate medium-term to long-term capital appreciation. It is structured to have exposure to global developed world equity markets through direct equity holdings. The Fund is diversified with a relatively balanced split between regions and sectors. This Fund changed positioning from a European income fund to a global balanced fund at the end of June. The Manager believe that a global blend will offer superior long term returns to a narrower focus of European income.

Global equities had a strong year (+18.5% in local currency) as the post-pandemic recovery resulted in strong corporate earnings growth. Returns were even stronger for Euro-denominated investors (+27.5%) due to appreciation in the US Dollar. The US was the best performing major market (+28.7%) and was followed by Europe (25.1%). The weakest returns were posted by the Japanese stock market (+2.5%). Countries that adopted a zero-tolerance approach to COVID generally lagged those that chose to live with impact of the pandemic. Those markets that were early in the reopening of their economies generally posted the largest equity returns. Equities produced robust returns during the year despite the rise in energy prices, major supply disruptions and the prospect of rising interest rates due to widespread inflationary pressures.

The Fund was actively managed over the past twelve months to navigate the large style shifts that unfolded once the vaccines were approved. The Fund was positioned at the beginning of the year for the re-opening rally in value stocks in line with the MIFL house view. After the strong value rally in Q1, we implemented a barbell strategy between value and quality which contributed positively to performance.

The market experienced several major style rotations from value to growth during the year as confidence levels in a post COVID world fluctuated. The growth focused technology sector exposure was modest as banks, healthcare and industrial sectors were preferred. Towards the end of the year, growth exposure came under pressure as inflationary pressures intensified.

The Fund was restructured at the end of June to align with the new global blend mandate.

Equity exposure moved to a more pro cyclical stance as expectations improved of a post COVID recovery in economic activity. The Fund was positioned for increased inflationary expectations as the year developed. This was expressed through holdings in US interest rate sensitive financials. The Fund had a value and cyclical style bias in the second half of the year to reflect the more confident medium-term outlook for the global economy.

During the year, more emphasis was placed on increasing exposure to companies that benefit from strong pricing power. This will help companies protect profit margins despite the deterioration in the cost outlook for higher freight cost, commodity input costs, supply chain disruption and higher wage inflation.

The Fund's exposure to the Japanese market was modest during the year as the outlook for economic and corporate profits growth is less attractive.

We continue to believe that there is further to run in the current economic and business cycle, but that volatility will increase in 2022 and the return environment will become more challenging.

### Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund\*

**Performance\*\***      **31/12/2020 - 31/12/2021**      **8.80% Net**

**\*\* Performance is stated in EUR, net of management fee, performance fee and cost, and reflects the reinvestment of dividends.**

The Fund's investment objective is to generate income for periodic distribution while also aiming for medium-term to long-term capital appreciation. It is structured to have a relatively balanced split between global equities and fixed income, primarily through ETFs (Exchange Traded Funds) and with asset allocation managed tactically to adjust risk exposures across asset classes.

Global equities had a strong year (+18.5% in local currency) as the post-pandemic recovery resulted in strong corporate earnings growth. Returns were even stronger for Euro-denominated investors (+27.5%) due to appreciation in the US Dollar. The US was the best performing major market (+28.7%) and was followed by Europe (25.1%). Fixed income returns were modestly negative for the year. If the effects of currencies are taken out, Bloomberg Global Aggregate, a broad global market index for government and corporate bonds, returned -2.2%, which was in fact the poorest in 20 years. Government bonds were the worst performing segment (-2.7%) with returns from corporate bonds slightly better but still negative (-1.7%).

The Fund was actively managed over the past twelve months to navigate the large style shifts that unfolded once the vaccines were approved.

The Fund was positioned at the beginning of the year for the re-opening rally in value stocks in line with the MIFL house view. After the strong value rally in Q1, we implemented a barbell strategy between Value and Quality which contributed positively to performance.

\* Sub-Fund name changed. Please refer to Note 1.

# Mediolanum Specialities SICAV-SIF

## Management Report (continued)

We implemented an overweight position to equities in October in line with the MIFL House View and we remained underweight sovereign bonds throughout 2021. In Fixed Income we held inflation linked bonds earlier in the year expecting a pick-up in inflation which ultimately transpired, but we were early in selling our position as inflation proved less transitory than we previously thought. We also held positions in Chinese sovereign bonds which added to the Fund's total return.

Equity exposure within the Fund was increased during the year, which had a positive effect. This proportion rose from 50% to 55% during the year. Within this area, a key change was the increase in the exposure to the MSCI World Quality ETF, which focuses on companies with strong balance sheets and more predictable earnings growth. Quality as an equity style tends to outperform as the economic cycle matures, which the portfolio manager thinks is the case at present. Fixed income exposure was reduced in the High Yield space towards the end of the year.

The Fund will continue to be managed in line with the MIFL House View. We continue to believe that there is further to run in the current economic and business cycle, but that volatility will increase in 2022 and the return environment will become more challenging.

### Market Outlook

We expect the global economy to grow by 4–4.5% in 2022, which should provide a supportive backdrop for financial markets. However, the prospect of monetary tightening combined with a reduction in fiscal impetus looks set to withdraw a fair amount of the liquidity that has supported asset prices thus far.

Against this backdrop, we expect the investment environment to be more challenging, and we expect volatility to pick up for both equities and bonds. The biggest challenge for financial markets is inflation, which is running at its fastest rate in decades.

US CPI reached 7.5% year over year in January, its highest level since 1981 (i.e., for over 40 years) and Euro-area inflation is 5%. While a large part of this is driven by soaring oil & gas prices, we expect it to take time before inflation gets back to pre-pandemic levels, with the figure likely to remain elevated in the 4–5% range for a large part of 2022.

Consequently, the market is expecting the US Federal Reserve (Fed) to raise interest rates 5-7 times this year, while the European Central Bank (ECB) will take a more cautious approach. Ultimately this change from ultra-supportive monetary policy to a tighter financial approach is one of the main challenges we see investors facing in 2022.

The full-scale invasion of Ukraine by Russia toward the end of February, took financial markets by surprise and sent markets lower. While the world was aware of the large build-up of Russian troops on Ukraine's border, the general belief pre-invasion was that Russia may move to annex the Donbas region in the South-East of the country and that a full invasion was not expected.

The actions from Russia have resulted in a large-scale human tragedy and the largest migration of people in Europe since the second world war. Nations around the world have responded with severe economic sanctions on Russia including the freezing of assets and the removal of Russian Institutions from SWIFT. Authorities have also banned the purchase of Russian government bonds and other assets as part of the sanctions on Moscow.

Of course, the crisis is unfolding with Europe amid an energy-supply crunch that had already sent energy prices to record levels. Germany's announcement that it was halting certification of the Nord Stream 2 gas pipeline from Russia helped push oil above \$100 a barrel. Russia is the continent's biggest gas supplier, with about a third of those flows typically crossing through Ukraine. In addition to oil and gas, agricultural commodity prices have soared since the invasion as Ukraine and Russia are the worlds largest producers of the likes of wheat, and this will push inflation even higher from current levels in the coming months.

Given the seriousness of the situation markets may remain volatile until some resolution is found to de-escalate the conflict. In terms of the economic impact, it is too early to tell what the full extent will be, but it will have a negative impact on global growth particularly in Europe. Given the fluidity of the situation we continue to monitor the situation closely.

### Equities:

The key challenge for equities (alongside any new Covid-19 variant that may emerge) is the prospect of higher interest rates and the impact they may have on equities. Set against a backdrop of an expanding global economy, this would not necessarily mean negative returns, though in 2022 we look set enter a more mature stage of this cycle where returns tend to be lower than at the early stage, which we have just come through.

On inflation specifically, history has shown that equities are one of the main assets that can protect wealth from the impact of inflation, so equity investors should not be unduly concerned about higher inflation, in our view.

However, we do expect investors to be nervous about rate hikes. Such hikes are normal, though it will likely prove a challenge for equity sentiment to remain as strong as it has been. Given the strong gains in recent years and higher valuations, we believe equity investors should expect lower returns going forward.

# Mediolanum Specialities SICAV-SIF

## Management Report (continued)

In terms of our equity strategy, we continue to favour a barbell approach, focusing on those industries that stand to benefit the most from further re-opening (value). In terms of value as an investment style, the factor continues to trade at historically low valuations relative to the rest of the market.

Nonetheless, in a higher rate environment we also aim to adopt a strategy that focuses on quality such as those companies and industries that have greater pricing power and can pass higher input costs on to end consumers (quality).

The area of the market most at risk in our view, is the most expensive end of the Growth and Technology sector, as investors factor in the impact higher interest rates could have on their business models.

### **Fixed Income:**

The biggest challenge for fixed income in 2022 is dealing with the withdrawal of monetary accommodation that is front and centre in terms of the prognosis for markets. The Federal Open Market Committee (FOMC) has signalled that it will start raising rates, and this could accelerate as further economic progress is made, putting higher policy rates on the cards for the second half of 2022.

Policymakers understand that they need to continue supporting their economies, but it is becoming clear that inflation is less transitory than previously thought, and most of the world's central banks (apart from the ECB) have pivoted to a tighter monetary policy stance.

### **Duration**

One dynamic that looks likely to prevail is volatility being higher in fixed income assets, especially at the front end of the yield curve. The world is coming out of a decade of financial repression that has held down yields and suppressed volatility across asset classes, and as this unwinds, the risk attached to short term rates will increase, in our view.

### **Emerging Markets**

Elsewhere, many emerging markets have been proactive in defending against inflation and continue to tighten policy so that real rates remain positive. Meanwhile, developed economies such as the UK and Europe are relying on high vaccination rates to allow their economies to reopen, but are also withdrawing support at a rapid pace. The outlook is different in EM, with the likes of China for example easing monetary conditions to help support the economy which should support EM fixed income markets. The main risk to EM comes from a much stronger dollar but we think a lot of this has already been priced in by the market.

### **Peripheral Yields**

The driving force behind the outlook for peripheral yields centres on the prospect of the potential withdrawal of stimulus by the ECB. During COVID all peripheral markets enjoyed ongoing support from the European Central Bank (ECB) asset purchase programmes and the longer-term forward guidance from the ECB will likely determine the fate of peripheral spreads and yields.

That said the one exception in relation to aggressive tightening monetary policy comes from the ECB, which continues to expect inflation pressures to be transitory, and in turn does not expect to be compelled to move rates to aggressively.

While this is also our expectation, the balance of risks skews the possibility towards tighter policy sooner rather than later, and as such, the market looks likely to continue challenging the dovish stance adopted by the ECB's governing council.

### **Credit**

The prospect of higher interest rates is likely to challenge the credit market in our view. The credit default cycle was suppressed over the last two years due to the amount of liquidity and support provided during the pandemic but as this is gradually removed credit could come under pressure. High Yield bonds in particular look vulnerable to higher rates with idiosyncratic risk also emerging in the HY space with the likes of China property coming under pressure and the escalation of tensions between Russia and Ukraine.

### **FX**

FX markets saw continued USD strength and Euro weakness in 2021 due to a more hawkish pivot by the Fed toward the end of the year. Looking ahead currency markets are likely to be driven by diverging interest rate policies with the Federal Reserve and Bank of England taking a more aggressive stance while the ECB will be more patient in making any rate adjustment.

# Mediolanum Specialities SICAV-SIF

## Management Report (continued)

### **Summary**

Our central scenario remains one where 2022 is essentially a recovery/inflation story and in turn this should dominate the investment themes for the year ahead. The biggest uncertainty faced by markets is the threat of inflation and how aggressive different central banks are in addressing it with tighter monetary policy.

However, unless there is a policy mistake by the world's central banks, against a backdrop of above trend global GDP growth and the unblocking of some of the supply chain bottle necks that hindered the recovery in 2021 it should continue to be supportive of risk assets like equities while real assets like bonds will remain under pressure.

### **Key Risks**

Given the unprecedented nature of the COVID-19 pandemic and the current inflation environment, the outlook is more uncertain than usual. Among other considerations the key risks to the outlook we see are as follows:

- COVID-19 variants make vaccines less effective.
- Excessive rise of inflationary pressure when economies open.
- Structural economic scarring from the pandemic lasts longer than expected.
- Central Banks and government withdraw monetary and fiscal support too soon.

The Board of Directors of the Fund

Luxembourg, May 13, 2022

The figures stated in the management report are historical and not necessarily indicative of future performance.



## Audit report

To the Shareholders of  
**Mediolanum Specialities SICAV-SIF**

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### Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Mediolanum Specialities SICAV-SIF (the “Fund”) and of each of its sub-funds as at 31 December 2021, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

#### *What we have audited*

The Fund’s financial statements comprise:

- the combined statement of net assets for the Fund and the statement of net assets for each of the sub-funds as at 31 December 2021;
- the combined statement of operations and changes in net assets for the Fund and the statement of operations and changes in net assets for each of the sub-funds for the year then ended;
- the statement of investments as at 31 December 2021; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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### Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements” section of our report.

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

We are independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

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### Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our audit report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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*Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)  
R.C.S. Luxembourg B 65 477 - TVA LU25482518*



In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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#### **Responsibilities of the Board of Directors of the Fund for the financial statements**

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's and each of its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or close any of its sub-funds or to cease operations, or has no realistic alternative but to do so.

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#### **Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the financial statements**

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. 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.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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;
- obtain 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;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund;



- conclude on the appropriateness of the Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's or any of its sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Fund or any of its sub-funds to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

PricewaterhouseCoopers, Société coopérative  
Represented by

Luxembourg, 13 May 2022

Laurent Butticè

# Mediolanum Specialities SICAV-SIF

## Combined Statement of Net Assets as at December 31, 2021

EUR	Notes	December 31, 2021
<b>ASSETS</b>		
Investments in securities at market value	(3)	121,243,797
Cash at bank	(3)	1,925,248
Amounts receivable on subscriptions		128,708
Dividend receivable, net		73,632
Other assets		2,367
<b>TOTAL ASSETS</b>		<b>123,373,752</b>
<b>LIABILITIES</b>		
Bank overdraft	(3)	27,816
Amounts payable on purchase of investments		7,012
Amounts payable on redemptions		3,591
Interest payable, net		1,120
Management and cash management fees payable	(6)	170,798
Performance fees payable	(6)	1,027,557
Taxes and other expenses payable		208,292
<b>TOTAL LIABILITIES</b>		<b>1,446,186</b>
<b>TOTAL NET ASSET VALUE</b>		<b>121,927,566</b>

The accompanying notes form an integral part of these financial statements.

# Mediolanum Specialities SICAV-SIF

## Combined Statement of Operations and Changes in Net Assets for the year ended December 31, 2021

EUR	Notes	December 31, 2021
<b>NET ASSETS AT THE BEGINNING OF THE YEAR</b>		<b>66,636,101</b>
<b>INCOME</b>		
Dividend income, net	(3)	1,023,656
Securities lending commission	(13)	25,546
Other income	(4,16)	5,116
<b>Total Income</b>		<b>1,054,318</b>
<b>EXPENSES</b>		
Management fees	(6)	1,418,391
Cash management fees	(6)	8,084
Performance fees	(6)	1,221,589
Depositary fees	(6,16)	48,367
Domiciliation, administration and transfer agent fees and paying agent fees	(6)	78,223
Professional fees	(6)	101,076
Subscription tax	(4)	8,087
Bank charges and correspondent fees		20,162
Bank interest expense		11,585
Other expenses		36,951
<b>Total Expenses</b>		<b>2,952,515</b>
<b>NET INCOME / (LOSS) FROM INVESTMENTS</b>		<b>(1,898,197)</b>
Net realised gain / (loss) on disposal of investments	(3,15)	6,835,693
Net realised gain / (loss) on forward foreign exchange contracts	(3,15)	5,538
Net realised gain / (loss) on futures contracts	(3,15)	(13,064)
Net realised gain / (loss) on foreign exchange	(3,15)	(27,575)
<b>NET REALISED GAIN / (LOSS)</b>		<b>4,902,395</b>
Change in net unrealised appreciation / (depreciation) on:		
- investments	(3,15)	5,765,260
<b>NET INCREASE / (DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS</b>		<b>10,667,655</b>
<b>CHANGES IN SHARE CAPITAL</b>		
Proceeds from issue of shares		102,895,814
Proceeds from redemption of shares		(57,541,198)
Dividend distribution	(14)	(730,806)
<b>NET ASSETS AT THE END OF THE YEAR</b>		<b>121,927,566</b>

The accompanying notes form an integral part of these financial statements.

# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Diversified Equity Fund\*

### Statement of Net Assets as at December 31, 2021

EUR	Notes	December 31, 2021
<b>ASSETS</b>		
Investments in securities at market value	(3)	78,212,877
Cash at bank	(3)	1,392,427
Amounts receivable on subscriptions		64,499
Dividend receivable, net		71,331
Other assets		2,367
<b>TOTAL ASSETS</b>		<b>79,743,501</b>
<b>LIABILITIES</b>		
Bank overdraft	(3)	27,816
Amounts payable on purchase of investments		7,012
Amounts payable on redemptions		1,820
Interest payable, net		574
Management and cash management fees payable	(6)	104,388
Performance fees payable	(6)	676,374
Taxes and other expenses payable		117,132
<b>TOTAL LIABILITIES</b>		<b>935,116</b>
<b>TOTAL NET ASSET VALUE</b>		<b>78,808,385</b>
<b>Net Asset Value per Share</b>		
Distributing Shares		2.016
<b>Number of shares outstanding</b>		
Distributing Shares		39,096,202

\* Sub-Fund name changed. Please refer to Note 1.

The accompanying notes form an integral part of these financial statements.

# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Diversified Equity Fund\*

### Statement of Operations and Changes in Net Assets for the year ended December 31, 2021

EUR	Notes	December 31, 2021
<b>NET ASSETS AT THE BEGINNING OF THE YEAR</b>		<b>33,502,929</b>
<b>INCOME</b>		
Dividend income, net	(3)	847,946
Securities lending commission	(13)	25,518
Other income	(4,16)	5,116
<b>Total Income</b>		<b>878,580</b>
<b>EXPENSES</b>		
Management fees	(6)	709,994
Cash management fees	(6)	4,278
Performance fees	(6)	690,427
Depository fees	(6,16)	25,272
Domiciliation, administration and transfer agent fees and paying agent fees	(6)	39,201
Professional fees	(6)	50,520
Subscription tax	(4)	5,173
Bank charges and correspondent fees		11,983
Bank interests expense		4,990
Other expenses		18,650
<b>Total Expenses</b>		<b>1,560,488</b>
<b>NET INCOME / (LOSS) FROM INVESTMENTS</b>		<b>(681,908)</b>
Net realised gain / (loss) on disposal of investments	(3,15)	4,305,985
Net realised gain / (loss) on futures contracts	(3,15)	(24,118)
Net realised gain / (loss) on foreign exchange	(3,15)	(27,983)
<b>NET REALISED GAIN / (LOSS)</b>		<b>3,571,976</b>
Change in net unrealised appreciation / (depreciation) on:		
- investments	(3,15)	3,838,860
<b>NET INCREASE / (DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS</b>		<b>7,410,836</b>
<b>CHANGES IN SHARE CAPITAL</b>		
Subscription of shares		70,214,600
Redemption of shares		(31,589,174)
Dividend distribution	(14)	(730,806)
<b>NET ASSETS AT THE END OF THE YEAR</b>		<b>78,808,385</b>

\* Sub-Fund name changed. Please refer to Note 1.

The accompanying notes form an integral part of these financial statements.

# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Diversified Equity Fund\*

### Statement of Changes in the Number of Shares for the year ended December 31, 2021

December 31, 2021

<b>Distribution Shares</b>	
Number of shares outstanding at the beginning of the year	19,429,243
Number of shares issued	36,951,564
Number of shares redeemed	(17,284,605)
Number of shares outstanding at the end of the year	39,096,202

## Statistics

	December 31, 2019 EUR	December 31, 2020 EUR	December 31, 2021 EUR
<b>Net Asset Value</b>	50,791,165	33,502,929	78,808,385
<b>Net Asset Value per Share</b>			
Distribution Shares	2.003	1.724	2.016

\* Sub-Fund name changed. Please refer to Note 1.

# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Diversified Equity Fund\*

### Statement of Investments

as at December 31, 2021

(expressed in EUR)

Description	Quantity	Currency	Cost	Market Value	% Net Assets
<b>Transferable Securities Admitted to an Official Stock Exchange Listing or Traded on a Regulated Market</b>					
<b>Listed Securities: Shares</b>					
<b>France</b>					
Axa Sa	30,610	EUR	722,936	804,584	1.02
Credit Agricole Sa. Paris	83,159	EUR	1,073,237	1,048,136	1.33
Lvmh Act.	1,100	EUR	714,718	803,000	1.02
Pernod-Ricard	5,884	EUR	1,126,427	1,247,408	1.58
Total Sa	17,150	EUR	771,582	770,035	0.98
<b>Total France</b>			<b>4,408,900</b>	<b>4,673,163</b>	<b>5.93</b>
<b>Germany</b>					
Deutsche Post Ag	21,253	EUR	1,146,433	1,201,644	1.52
Rwe	11,590	EUR	379,248	413,995	0.53
Sap Se	9,182	EUR	1,133,294	1,146,832	1.46
Siemens Ag /Nam.	6,616	EUR	936,026	1,010,131	1.28
Volkswagen Ag /Vorzug.	4,217	EUR	774,928	748,433	0.95
<b>Total Germany</b>			<b>4,369,929</b>	<b>4,521,035</b>	<b>5.74</b>
<b>Great Britain</b>					
Anglo American Plc	22,440	GBP	787,915	807,069	1.02
Astrazeneca Plc	18,120	GBP	1,734,363	1,871,891	2.38
Vodafone Group Plc	927,142	GBP	1,263,332	1,241,047	1.57
<b>Total Great Britain</b>			<b>3,785,610</b>	<b>3,920,007</b>	<b>4.97</b>
<b>Ireland</b>					
Accenture Plc	1,839	USD	658,541	671,638	0.85
Crh Plc	18,550	EUR	783,375	871,108	1.11
Dole Rg	53,625	USD	691,354	620,916	0.79
Flutter Entertainment Plc	6,126	GBP	792,962	854,815	1.08
Medtronic Holdings Limited	10,216	USD	1,107,981	941,899	1.20
<b>Total Ireland</b>			<b>4,034,213</b>	<b>3,960,376</b>	<b>5.03</b>
<b>Italy</b>					
Moncler S.P.A.	6,094	EUR	380,394	390,138	0.49
<b>Total Italy</b>			<b>380,394</b>	<b>390,138</b>	<b>0.49</b>
<b>Japan</b>					
Asahi Group Hd - Shs	22,200	JPY	955,823	761,199	0.97
Bandai Namco Holdings Inc.	11,000	JPY	781,771	758,219	0.96
Panasonic Corp /Sadr	47,537	USD	509,641	461,483	0.58
Sony Grp Sp Sadr	12,043	USD	1,084,356	1,338,324	1.70
<b>Total Japan</b>			<b>3,331,591</b>	<b>3,319,225</b>	<b>4.21</b>
<b>Portugal</b>					
Edp-Energias De Portugal Sa	186,920	EUR	901,537	904,319	1.15
<b>Total Portugal</b>			<b>901,537</b>	<b>904,319</b>	<b>1.15</b>

\* Sub-Fund name changed. Please refer to Note 1.

The accompanying notes form an integral part of these financial statements.

# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Diversified Equity Fund\*

### Statement of Investments as at December 31, 2021 (continued)

(expressed in EUR)

Description	Quantity	Currency	Cost	Market Value	% Net Assets
<b>Sweden</b>					
Ericsson Tel.-B-	112,693	SEK	1,149,005	1,097,013	1.39
Volvo -B-	51,077	SEK	997,090	1,044,595	1.33
<b>Total Sweden</b>			<b>2,146,095</b>	<b>2,141,608</b>	<b>2.72</b>
<b>Switzerland</b>					
Nestle Ag /Act Nom.	15,420	CHF	1,700,254	1,897,992	2.41
Te Connectivity /Reg Shs	5,480	USD	795,954	776,660	0.98
<b>Total Switzerland</b>			<b>2,496,208</b>	<b>2,674,652</b>	<b>3.39</b>
<b>Taiwan</b>					
Taiwan Semiconduct.Manuf/Sadr	7,285	USD	793,922	774,212	0.98
<b>Total Taiwan</b>			<b>793,922</b>	<b>774,212</b>	<b>0.98</b>
<b>United States</b>					
Agilent Technologies	6,894	USD	917,885	978,825	1.24
Aig	19,242	USD	978,378	963,543	1.22
Alphabet Inc -C-	948	USD	2,199,272	2,443,039	3.10
Amazon Com Inc	869	USD	2,663,079	2,586,746	3.28
Apple Inc	20,022	USD	2,574,004	3,148,813	4.00
Bank Of America Corp	38,960	USD	1,516,522	1,531,100	1.94
Baxter Intl Inc	11,422	USD	783,223	871,443	1.11
Biomarin Pharmaceutical Inc	13,576	USD	907,354	1,067,293	1.35
Blackrock Inc	1,503	USD	1,170,421	1,212,057	1.54
Booking Holdings Inc	376	USD	748,225	795,045	1.01
Bristol Myers Squibb Co	14,097	USD	764,543	777,817	0.99
Broadcom Inc	880	USD	371,663	516,521	0.66
Charles Schwab Corp	15,884	USD	1,086,647	1,184,256	1.50
Conocophillips	12,649	USD	675,020	806,875	1.02
Crocs Inc	3,721	USD	401,309	421,556	0.53
Crown Holdings Inc	8,254	USD	730,893	796,699	1.01
Dollar Tree Inc	6,188	USD	804,770	771,493	0.98
Dun & Bradstreet Holdings Inc	27,987	USD	456,127	501,894	0.64
Entegris Inc	6,906	USD	735,112	842,543	1.07
Intercont Exch	9,988	USD	1,112,653	1,205,682	1.53
Iqvia Holdings Inc	3,373	USD	803,478	841,270	1.07
Jacobs Engineer.Group	9,681	USD	1,103,197	1,186,138	1.51
Jpmorgan Chase & Co	9,496	USD	1,344,015	1,328,149	1.69
Lowe S Companies Inc.	5,292	USD	1,011,917	1,197,437	1.52
Mastercard Inc. Shs-A-	1,751	USD	526,871	557,844	0.71
Mckesson Corp	8,296	USD	1,511,654	1,822,323	2.31
Meta Platforms Registerd Shs A	6,080	USD	1,820,958	1,847,771	2.34
Microsoft Corp.	14,211	USD	3,524,478	4,255,650	5.40
Netflix Inc	3,041	USD	1,672,720	1,642,720	2.08
Nike Inc -B-	5,644	USD	755,237	834,272	1.06
Pepsico Inc	3,866	USD	576,241	589,129	0.75
Pfizer Inc.	16,481	USD	788,103	849,431	1.08
Quanta Services Inc	3,983	USD	413,919	396,613	0.50
Salesforce Com Inc	4,424	USD	1,145,176	996,893	1.26
Teledyne Technologies Inc	2,457	USD	906,396	943,986	1.20
Textron Inc.	14,059	USD	886,724	957,491	1.22

\* Sub-Fund name changed. Please refer to Note 1.

The accompanying notes form an integral part of these financial statements.

# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Diversified Equity Fund\*

### Statement of Investments as at December 31, 2021 (continued)

(expressed in EUR)

Description	Quantity	Currency	Cost	Market Value	% Net Assets
<b>United States (continued)</b>					
Thermo Fisher Scientific Inc	1,414	USD	737,414	830,418	1.05
T-Mobile Us Inc	13,730	USD	1,489,638	1,411,775	1.79
Transunion	7,586	USD	758,151	797,765	1.01
Uber Tech - Registered Shs	18,392	USD	652,898	692,439	0.88
Unitedhealth Group Inc	4,524	USD	1,659,427	2,013,981	2.56
Visa Inc -A	5,415	USD	1,043,521	1,041,184	1.32
Walmart Inc	3,769	USD	458,329	476,223	0.60
<b>Total United States</b>			<b>47,187,562</b>	<b>50,934,142</b>	<b>64.63</b>
<b>Total Listed Securities: Shares</b>			<b>73,835,961</b>	<b>78,212,877</b>	<b>99.24</b>
<b>Total Transferable Securities Admitted to an Official Stock Exchange Listing or Traded on a Regulated Market</b>			<b>73,835,961</b>	<b>78,212,877</b>	<b>99.24</b>
<b>TOTAL INVESTMENTS</b>			<b>73,835,961</b>	<b>78,212,877</b>	<b>99.24</b>
<b>Cash</b>				<b>1,392,427</b>	<b>1.77</b>
<b>Other Net Liabilities</b>				<b>(796,919)</b>	<b>(1.01)</b>
<b>Total</b>				<b>78,808,385</b>	<b>100.00</b>

\* Sub-Fund name changed. Please refer to Note 1.

The accompanying notes form an integral part of these financial statements.

# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund\*

### Statement of Net Assets as at December 31, 2021

EUR	Notes	December 31, 2021
<b>ASSETS</b>		
Investments in securities at market value	(3)	43,030,920
Cash at bank	(3)	532,821
Amounts receivable on subscriptions		64,209
Dividend receivable, net		2,301
<b>TOTAL ASSETS</b>		<b>43,630,251</b>
<b>LIABILITIES</b>		
Amounts payable on redemptions		1,771
Interest payable, net		546
Management and cash management fees payable	(6)	66,410
Performance fees payable	(6)	351,183
Taxes and other expenses payable		91,160
<b>TOTAL LIABILITIES</b>		<b>511,070</b>
<b>TOTAL NET ASSET VALUE</b>		<b>43,119,181</b>
<b>Net Asset Value per Share</b>		
Class B Distributing Shares		4.370
<b>Number of shares outstanding</b>		
Class B Distributing Shares		9,866,364

\* Sub-Fund name changed. Please refer to Note 1.

The accompanying notes form an integral part of these financial statements.

# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund\*

### Statement of Operations and Changes in Net Assets for the year ended December 31, 2021

EUR	Notes	December 31, 2021
<b>NET ASSETS AT THE BEGINNING OF THE YEAR</b>		<b>33,133,172</b>
<b>INCOME</b>		
Dividend income, net	(3)	175,710
Securities lending commission	(13)	28
<b>Total Income</b>		<b>175,738</b>
<b>EXPENSES</b>		
Management fees	(6)	708,397
Cash management fees	(6)	3,806
Performance fees	(6)	531,162
Depositary fees	(6,16)	23,095
Domiciliation, administration and transfer agent fees and paying agent fees	(6)	39,022
Professional fees	(6)	50,556
Subscription tax	(4)	2,914
Bank charges and correspondent fees		8,179
Bank interests expense		6,595
Other expenses		18,301
<b>Total Expenses</b>		<b>1,392,027</b>
<b>NET INCOME / (LOSS) FROM INVESTMENTS</b>		<b>(1,216,289)</b>
Net realised gain / (loss) on disposal of investments	(3,15)	2,529,708
Net realised gain / (loss) on forward foreign exchange contracts	(3,15)	5,538
Net realised gain / (loss) on futures contracts	(3,15)	11,054
Net realised gain / (loss) on foreign exchange	(3,15)	408
<b>NET REALISED GAIN / (LOSS)</b>		<b>1,330,419</b>
Change in net unrealised appreciation / (depreciation) on:		
- investments	(3,15)	1,926,400
<b>NET INCREASE / (DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS</b>		<b>3,256,819</b>
<b>CHANGES IN SHARE CAPITAL</b>		
Subscription of shares		32,681,214
Redemption of shares		(25,952,024)
<b>NET ASSETS AT THE END OF THE YEAR</b>		<b>43,119,181</b>

\* Sub-Fund name changed. Please refer to Note 1.

The accompanying notes form an integral part of these financial statements.

# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund\*

### Statement of Changes in the Number of Shares for the year ended December 31, 2021

December 31, 2021

<b>Class B Distributing Shares</b>	
Number of shares outstanding at the beginning of the year	8,275,315
Number of shares issued	7,739,119
Number of shares redeemed	(6,148,070)
Number of shares outstanding at the end of the year	9,866,364

## Statistics

	<b>December 31, 2019</b>	<b>December 31, 2020</b>	<b>December 31, 2021</b>
	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
<b>Net Asset Value</b>	19,695,509	33,133,172	43,119,181
<b>Net Asset Value per Share</b>			
Class B Distributing Shares	3.988	4.004	4.370

\* Sub-Fund name changed. Please refer to Note 1.

# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund\*

### Statement of Investments

as at December 31, 2021

(expressed in EUR)

Description	Quantity	Currency	Cost	Market Value	% Net Assets
<b>Transferable Securities Admitted to an Official Stock Exchange Listing or Traded on a Regulated Market</b>					
<b>Investment Funds</b>					
<b>France</b>					
Muf Lyx Msci Em -Acc-Eur	67,145	EUR	867,194	845,960	1.96
<b>Total France</b>			<b>867,194</b>	<b>845,960</b>	<b>1.96</b>
<b>Ireland</b>					
Hsbc Msci China Usd Shs Etf	55,300	USD	433,610	411,663	0.95
Ish Iv Edg Qty Accum Usd Etf	51,742	EUR	2,152,170	2,680,236	6.22
Ishs Gl Co Bn Hedged Eur -Etf	347,597	EUR	1,674,398	1,713,479	3.97
Ishs Glb Agg Bd Hedged Eur /Cap	1,160,019	EUR	6,075,274	6,088,940	14.12
Ishs Msci Wd Eur-Ac Acc Etf	23,483	EUR	1,568,862	1,847,408	4.28
Ssga Glb Agg Bd Hdg Eur/Dis	204,819	EUR	6,406,094	6,263,775	14.53
Ssga Sp Us Fin Etf Usd /Cap	12,364	USD	426,245	477,631	1.11
Ssga World Tech Etf Usd /Cap	9,887	EUR	888,041	1,121,383	2.60
Xtr Msci Ac Wld-Acc-1C- Eur	257,769	EUR	6,656,648	8,212,520	19.05
<b>Total Ireland</b>			<b>26,281,342</b>	<b>28,817,035</b>	<b>66.83</b>
<b>Luxembourg</b>					
Dbxt2 Glob Agg -5C -Hdg -Eur /Cap	218,795	EUR	4,931,939	4,984,150	11.56
Mul Ly M Acw Ac	13,414	EUR	4,336,780	5,158,756	11.97
Mul Ly W Heal C - -C-Eur- Cap	3,133	EUR	1,203,869	1,389,486	3.22
<b>Total Luxembourg</b>			<b>10,472,588</b>	<b>11,532,392</b>	<b>26.75</b>
<b>United States</b>					
Ishs Russell 2000 - Shs	2,242	USD	389,999	441,099	1.02
Spdr S&P500 Etf Trust S.1	2,276	USD	827,832	956,438	2.22
Vanguard Index Fds /Value Etf	3,375	USD	400,900	437,996	1.02
<b>Total United States</b>			<b>1,618,731</b>	<b>1,835,533</b>	<b>4.26</b>
<b>Total Investment Funds</b>			<b>39,239,855</b>	<b>43,030,920</b>	<b>99.80</b>
<b>Total Transferable Securities Admitted to an Official Stock Exchange Listing or Traded on a Regulated Market</b>			<b>39,239,855</b>	<b>43,030,920</b>	<b>99.80</b>
<b>TOTAL INVESTMENTS</b>			<b>39,239,855</b>	<b>43,030,920</b>	<b>99.80</b>
<b>Cash</b>				<b>532,821</b>	<b>1.24</b>
<b>Other Net Liabilities</b>				<b>(444,560)</b>	<b>(1.04)</b>
<b>Total</b>				<b>43,119,181</b>	<b>100.00</b>

\* Sub-Fund name changed. Please refer to Note 1.

The accompanying notes form an integral part of these financial statements.

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2021

### Note 1 - General Information

Mediolanum Specialities SICAV-SIF (the "Fund") is an open-ended investment company incorporated under the laws of the Grand Duchy of Luxembourg as a Société d'Investissement à Capital Variable ("SICAV").

The Fund has been incorporated on November 6, 2007, for an unlimited period. The Fund is governed by the Law of August 10, 1915 on commercial companies, as amended, and by the Law of February 13, 2007, as amended relating to the specialised investment funds (the "2007 Law"). The Articles of Incorporation have been published on November 26, 2007 in the *Mémorial C, Recueil des Sociétés et Associations*.

The Fund qualifies as an alternative investment fund (the "AIF") within the meaning of the directive 2011/61/EU of the European Parliament and of the Council of June 8, 2011 on alternative investment fund managers and amending directives 2003/41/EC and 2009/65/EC and regulations (EC) n°1060/2009 and (EU) n°1095/2010 (the "Directive 2011/61/EU") and the articles 1 (39) and 4 of the amended law of July 12, 2013 on alternative investment fund managers (the "2013 Law").

The registered office of the Fund is established at 11/13, boulevard de la Foire, L-1528 Luxembourg. The Fund is recorded at the Luxembourg Trade and Companies Register ("Registre de Commerce et des Sociétés") under the number B 133 351.

With effect as of May 31, 2021, the names of the Sub-Funds were changed from Mediolanum Specialities SICAV-SIF – Equity Income Fund and Mediolanum Specialities SICAV-SIF – Diversified Income Fund to Mediolanum Specialities SICAV-SIF – Diversified Equity Fund and Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund respectively.

As at December 31, 2021, the following Sub-Funds (collectively the "Sub-Funds") were offered to investors:

Mediolanum Specialities SICAV-SIF – Diversified Equity Fund  
Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund

As at December 31, 2021 the Sub-Funds offer the following active share classes:

Sub-Fund	Currency	Class
Mediolanum Specialities SICAV-SIF – Diversified Equity Fund	EUR	Distribution Share
Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund	EUR	B Distributing Share

### Note 2 - Alternative Investment Fund Manager

The Fund has appointed Mediolanum International Funds Limited with registered office at 4<sup>th</sup> Floor, The Exchange, George's Dock, IFSC, Dublin 1, Ireland as its Alternative Investment Fund Manager (the "AIFM") in compliance with article 4 (1) of the 2013 Law.

The AIFM was incorporated in Ireland on March 27, 1997 as a private company limited by shares under Irish law and has its registered office at 4<sup>th</sup> Floor, The Exchange, George's Dock, IFSC, Dublin 1, Ireland. The status of AIFM has been approved by the CSSF in accordance with the provisions of Chapter 2 of the 2013 Law with effect as of July 29, 2019.

Pursuant to the terms of the Alternative Investment Fund Management services agreement (the "AIFM Agreement"), the AIFM, subject to the overall supervision, approval and direction of the Board of Directors, provides the services listed under Annex I of the 2013 Law.

### Note 3 - Significant Accounting and Valuation Principles

The Fund's financial statements are prepared in conformity with legal and regulatory requirements and presented in accordance with the generally accepted accounting principles in Luxembourg relating to Specialised Investment Funds (SIF) under the going concern basis of accounting.

The Net Asset Value per Share of each Class within the relevant Sub-Fund is expressed in the share currency of such Class or in the Reference Currency of the Sub-Fund and shall be determined as of any Valuation Day by dividing the net assets of the Fund attributable to the relevant Sub-Fund, being the value of the portion of assets less the portion of liabilities attributable to such Class within such Sub-Fund, as of any such Valuation Day, by the number of Shares then outstanding, in accordance with the valuation rules set forth below. The Net Asset Value per Share may be rounded up or down to the nearest unit of the relevant currency as the Fund shall determine. If since the time of determination of the Net Asset Value there has been a material change in the quotations in the markets on which a substantial

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2021 (continued)

### Note 3 - Significant Accounting and Valuation Principles (continued)

portion of the investments attributable to the relevant Sub-Fund are dealt in or quoted, the Fund may, in order to safeguard the interests of the shareholders and the Fund, cancel the first valuation and carry out a second valuation for all applications received in relation to the relevant Valuation Day.

The Net Asset Value per Share of each Class and the issue and redemption prices per Share of each Sub-Fund may be obtained during business hours at the registered office of the Fund.

#### Investment Valuation

The value of such assets is determined as follows:

- a) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.
- b) The value of assets, which are listed or dealt in on any stock exchange, is based on the closing price of the preceding business day on the stock exchange, which is normally the principal market for such assets. The net unrealised gain / (loss) is presented in the statement of net assets and net realised gain / (loss) and change in net unrealised appreciation / (depreciation) in the statement of operations and changes in net assets.
- c) The value of assets dealt in on any other Regulated Market is based on the closing price of the preceding business day.
- d) In the event that any assets are not listed or dealt in on any stock exchange or on any other Regulated Market, or if, with respect to assets listed or dealt in on any stock exchange, or other Regulated Market as aforesaid, the price as determined pursuant to sub-paragraph (b) or (c) is not representative of the fair market value of the relevant assets, the value of such assets is based on the reasonably foreseeable sales price determined prudently and in good faith by the Board of Directors of the Fund.
- e) Units or shares of open-ended underlying funds are valued at their last determined and available net asset value or, if such price is not representative of the fair market value of such assets, then the price shall be determined by the Board of Directors on a fair and equitable basis and in good faith.
- f) All other securities and other assets are valued at fair market value as determined in good faith pursuant to the procedures established by the Board of Directors or the AIFM.
- g) Money market instruments held by the Fund with a remaining maturity of ninety days or less are valued by the amortized cost method which approximates market value.

The net asset value of these Sub-Funds is struck as at December 31, 2021, with the valuation point for these annual financial statements at December 30, 2021. If the net asset value had been calculated using closing prices as at December 31, 2021, the NAV of the following Sub-Funds would have increased/decreased as follows:

Sub-Fund	% NAV impact
Mediolanum Specialities SICAV-SIF – Diversified Equity Fund*	(0.55%)
Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund*	(0.07%)

The Board of Directors of the Fund, in its discretion, may permit some other method of valuation to be used if it considers that such valuation better reflects the fair value of any asset of the Fund.

\* Sub-Fund name changed. Please refer to Note 1.

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2021 (continued)

### **Note 3 - Significant Accounting and Valuation Principles (continued)**

#### **Valuation of Forward Foreign Exchange Contracts**

Outstanding forward foreign exchange contracts are valued at the forward exchange rate applicable at the closing date for the remaining period until maturity.

The unrealised gain / (loss) on the outstanding forward foreign exchange contracts is calculated on the valuation date at the forward exchange rate applicable at the valuation for the remaining period until maturity. The net unrealised gain / (loss) is presented in the statement of net assets and net realised gain / (loss) and change in net unrealised appreciation / (depreciation) in the statement of operations and changes in net assets.

#### **Valuation of Options Contracts**

Outstanding options traded on a regulated market are valued at the last available market price on the valuation date. The change in net unrealised appreciation / (depreciation) arising at the time of reporting from the valuation of options trades is taken into account in the statement of operations and changes in net assets.

#### **Valuation of Futures Contracts**

Outstanding futures contracts are valued by reference to the last available settlement price on the relevant market. Upon entering into a future contract, the Sub-Fund is required to deposit, with the Broker, cash and securities in an amount equal to a certain percentage of the contract amount which is referred to as the "Margin accounts". Subsequent payments are made and received by the Sub-Fund periodically and are based on changes in the market value of the open contracts. The net unrealised gain / (loss) is presented in the Statement of Net Assets and net realised gain / (loss) and change in net unrealised appreciation / (depreciation) in the statement of operations and changes in net assets.

#### **Contracts For Differences**

At each valuation date the difference between the opening price and the current market price of the underlying security to the contract of difference is recorded as unrealised gain / (loss) on contracts for difference in the Statement of Net Assets. When the Sub-Fund enters a closing transaction, the difference between the opening notional amount and the closing notional amount of the underlying security is recorded as a net realised gain / (loss) and change in net unrealised appreciation / (depreciation) in the statement of operations and changes in net assets.

#### **Valuation of Swaps Contracts**

Credit default swaps will be valued at their present value of future cash flows by reference to standard market conventions, where the cash flows are adjusted for default probability. Interest rate swaps will be valued at their market value established by reference to the applicable interest rates' curve. Other swaps will be valued at fair market value as determined in good faith pursuant to the procedures established by the Board of Directors of the AIFM and recognised by the Auditor of the Fund.

#### **Acquisition of Investments and Net Realised Gain / (Loss) on Disposal of Investments**

Investments are initially recognised at cost, which is the amount paid for the acquisition of investments, including transaction costs. Net realised gain / (loss) on disposal of investments are determined on the basis of the average cost of investment sold and are recognised in the statement of operations and changes in net assets.

#### **Foreign Currency Translation**

The accounting and financial statements of the Fund are expressed in Euro (EUR). The value of all assets and liabilities not expressed in EUR are converted into EUR at rates effective at the year-end date. Income and expenses expressed in currencies other than EUR are converted into EUR at the prevailing exchange rate at transaction date. Net realised gain / (loss) on foreign exchange is included in the statement of operations and changes in net assets. The cost of securities denominated in currencies other than EUR is converted at the exchange rate prevailing at the date of acquisition.

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2021 (continued)

### Note 3 - Significant Accounting and Valuation Principles (continued)

The closing exchange rates as at December 31, 2021 were as follows:

1 EUR=	1.562142	AUD
	1.448951	CAD
	1.035370	CHF
	7.436308	DKK
	0.839551	GBP
	23.221642	MXN
	9.978688	NOK
	1.657185	NZD
	10.251144	SEK
	1.133100	USD

### Income Recognition

Dividend income is accounted for on an ex-dividend basis, net of withholding tax. Interest income is recognised on an accrual basis.

The Sub-Funds may enter into securities lending transactions. All revenues arising from securities lending transactions, net of direct and indirect operational costs and fees, will be returned to the respective Sub-Fund. Details of securities lending are disclosed in Note 13.

Other income comprises of tax reclaims.

### Combined Financial Statements

The combined financial statements are denominated in EUR. The combined statements of net assets and the combined statement of operations and changes in net assets equal the sum of the corresponding items in the statements of net assets and the statement of operations and changes in net assets of each Sub-Fund.

### Note 4 - Taxation

The Fund is currently not liable to any Luxembourg tax on profits or income, nor are distributions paid by the Fund liable to any Luxembourg withholding tax. The Fund is, however, liable in Luxembourg to a subscription tax (taxe d'abonnement) of 0.01% per annum of its Net Asset Value, such tax being payable quarterly on the basis of the value of the aggregate net assets of the Sub-Funds at the end of the relevant calendar quarter. In case some Sub-Funds are invested in other Luxembourg investment funds, which in turn are subject to the subscription tax relating to undertakings for collective investment, no subscription tax is due from the Fund on the portion of assets invested therein. Under the current law and practice, the Fund is not liable to Luxembourg taxes on income or capital gains, nor are dividends paid by the Fund liable to any Luxembourg withholding tax. Interests, dividends and capital gains on securities may be subject to withholding and capital gains taxes in certain countries.

### Note 5 - Contingent Liabilities

As at December 31, 2021, there are no contingent liabilities.

### Note 6 - Fees, Costs and Expenses

#### 1) Management Fees

The Alternative Investment Fund Manager (AIFM) is entitled to receive out of the assets of the Sub-Funds a management fee, accrued daily and payable monthly in arrears at the rate per annum of the Net Asset Value of the Sub-Fund. The management fee's rates are as follows:

Sub-Fund	December 31, 2021
Mediolanum Specialities SICAV-SIF – Diversified Equity Fund	Up to 1.6% p.a.
Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund	Up to 1.8% p.a.

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2021 (continued)

### Note 6 - Fees, Costs and Expenses (continued)

#### 1) Management Fees (continued)

The Alternative Investment Fund Manager (AIFM) is also entitled to be repaid all of its administration expenses out of the assets of the Sub-Funds, which include an annual fee, payable monthly in arrears of up to 0.045% per annum of the Net Asset Value of the Sub-Funds for which services are provided in relation to the provision of performance attribution, performance measurement, risk analyses and research services for the Sub-Funds. As at December 31, 2021, the actual rate charged was 0.045% annum. The management fees are reflected in the statement of operations and changes in net assets under the caption "Management fees".

#### 2) Performance Fees

The AIFM shall be entitled to a performance fee in respect of each Class of Shares in issue at the Valuation Day prior to the Calculation Date equal to a percentage of the amount by which the Net Asset Value per each Class of Shares (before the deduction of the applicable performance fee and adjustment for any distributions) exceeds the Performance Target Value as at the Valuation Day prior to the Calculation Date. Any such performance fee, where payable, will be subject to a cap of 1% of the Net Asset Value of the relevant Class of Shares at the end of the relevant Calculation Period. In any given Calculation Period, the Performance Target Value for each Class of Share is defined as being equal to the high-water mark (the "HWM") increased by the relevant hurdle rate ("Hurdle Rate") for that Calculation Period only. The HWM is described below and the relevant percentage and Hurdle Rate are as indicated in the table below.

The HWM of a Class of Shares will initially be set at either (i) the initial offer price of a Class of Shares on the creation of that Class of Shares or (ii) for an existing Class of Shares, the last Net Asset Value per Share prior to January 2, 2020. The initial HWM will remain unchanged until such time as a performance fee crystallises and becomes payable at the end of a subsequent Calculation Period. Upon such crystallisation and payment of a performance fee, the HWM will be adjusted upwards (i.e. on the outperformance of the Performance Target Value). The adjusted HWM will be equal to the Net Asset Value per Share of the Class of Shares at the end of that Calculation Period for which a performance fee crystallised and became payable. Where the Net Asset Value per Share does not outperform the Performance Target Value as at the Valuation Day prior to the Calculation Date, no performance fee is payable (even where the Net Asset Value per Share of the relevant Class of Shares exceeded the Performance Target Value during the Calculation Period) and the HWM remains unchanged from the end of the previous Calculation Period.

The performance fee is calculated on the first Valuation Day of January of each year (the "Calculation Date"). The Calculation Period is the 12 months period immediately preceding the Calculation Date (the "Calculation Period"). As noted above, either (i) the initial offer price of a Class of Shares on the creation of that Class of Shares or (ii) for an existing Class of Shares, the last Net Asset Value per Share prior to January 2, 2020, shall be used as the HWM for the purposes of the calculation of the performance fee in the first Calculation Period for a Class of Shares. For a new Class of Shares, the first Calculation Period will commence on the final day of the initial offer period for that Class of Shares and will conclude at the end of the first Calculation Period. For an existing Class of Shares, the first Calculation Period will commence on January 2, 2020 and will conclude at the end of the first Calculation Period. The performance fee shall accrue daily and will crystallise and be payable annually in arrears at the end of each Calculation Period. For the calculation of the performance fee, the total Net Asset Value of each Class of Shares in issue is taken into consideration.

The Net Asset Value per Share for a Class of Shares used for subscription or redemption purposes may include an allowance for performance fee accrual, where applicable. For determination of accruals, where applicable, the Calculation Period is defined as the period to the Valuation Day from the previous Calculation Date.

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2021 (continued)

### Note 6 - Fees, Costs and Expenses (continued)

#### 2) Performance Fees (continued)

In the event that a shareholders redeems during a Calculation Period, any performance fee accrued up until the time of their redemption will be payable on a pro rata basis. For purpose of the calculation of such performance fee, the Hurdle Rate set out in the table below will be applied on a pro rata basis up until the time of redemption during the Calculation Period.

Sub-Fund	Sub-Fund Type	Hurdle Rate*	Percentage to be applied on the amount by which the Net Asset Value per Class of Shares exceeds the performance target value
Mediolanum Specialities SICAV-SIF – Diversified Equity Fund	Equity Income	5%	20%
Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund	Multi-Assets	3%	20%

\* Where a performance fee is not payable at the end of a Calculation Period, the Hurdle Rate for the following Calculation Period will be applicable for that Calculation Period only at the rate set out in the table above and will not be a cumulative rate including the previous Calculation Period in which a performance fee was not payable. For example, if no performance fee is payable at the end of the first Calculation Period, the Hurdle Rate for the following Calculation Period will remain at 3% for that Calculation Period and will not be cumulative of both the first and second Calculation Periods (i.e. 10% for Mediolanum Specialities SICAV-SIF – Diversified Equity Fund and 6% for Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund).

The AIFM may waive, permanently or temporarily, some or all the performance fee accrued in respect of all or part of the assets under management attributable to the relevant Class(es) of Shares.

The performance fee shall be calculated by the Administrator and shall be due and payable 10 Business Days following the Calculation Date.

The AIFM is only entitled to and shall only be paid a performance fee if the percentage difference between the Net Asset Value per Class of Shares and the Performance Target Value is a positive figure as at the relevant Valuation Day at the end of the relevant Calculation Period.

Included in that calculation shall be net realised and unrealised capital gains plus net realised and unrealised capital losses as at the relevant Valuation Day at the end of the relevant Calculation Period. As a result, performance fees may be paid on unrealised gains which may subsequently never be realised.

The performance fees are not calculated using an equalisation or series accounting methodology. As a result, the impact of the performance fee on a shareholder will be different than if performance fees were individually calculated for each shareholder based on the performance of that shareholder's investment. Whether a shareholder is disadvantaged or advantaged by this will depend on the timing of investments by that shareholder and on the performance of the relevant Share Class.

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2021 (continued)

### Note 6 - Fees, Costs and Expenses (continued)

#### 2) Performance Fees (continued)

During the year ended December 31, 2021 performance fees were charged in the following Share Classes of the Sub-Funds:

Sub-Fund	Class	Performance fee charged (in EUR)	% based on the share class NAV
Mediolanum Specialities SICAV-SIF – Diversified Equity Fund	Distribution Share	690,427	0.88%
Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund	B Distributing Share	531,162	1.23%

#### 3) Cash Management Fees

The Cash Manager is entitled to receive out of the assets of the Sub-Funds an annual fee, accrued daily and payable monthly in arrears of 0.01% per annum of the Net Asset Value of the Sub-Funds.

#### 4) Depository Fees, Domiciliation, Administration Fees, Transfer and Paying Agent Fees

The Depository as well as the Administrator are entitled to receive out of the assets of the Sub-Fund the following fees:

##### *Depository:*

The Depository receives for its services (i) a fix fee amounting to up to 15,000 EUR p.a. (plus any applicable taxes) plus (ii) a variable fee amounting to up to 0.025% p.a. of the Net Asset Value of the Sub-Fund.

##### *Administrator:*

For its administrative agency and fund accounting services, the Administrator receives a fee of 33,000 EUR p.a. (plus any applicable taxes).

In addition, the Administrator receives an annual fee for its services as Transfer Agent amounting to (i) up to 3,300 EUR (maintenance fee for the register on Fund level) plus (ii) up to 2,700 EUR (maintenance fee for the register on Sub-Fund level) plus (iii) up to 1,800 EUR (maintenance fee for the register per Class) plus (iv) a variable amount for transactions depending on the actual number of transactions (each plus any applicable taxes, if any).

For its compliance monitoring services, the Administrator receives an annual fee of up to 6,500 EUR (plus any applicable taxes). Additional fees may be charged in case of investment breaches.

These fees are accrued daily and payable monthly. In addition, these service providers are entitled to be reimbursed by the Fund for their reasonable out-of-pocket expenses (and disbursements and for the charges of any correspondents).

#### 5) Professional Fees

Professional fees consist of legal fees, audit fees, and publication expenses. The professional fees are reflected in the statement of operations and changes in net assets under the caption "Professional fees".

### Note 7 - Valuation of Forward Foreign Exchange Contracts

As at December 31, 2021, there are no outstanding forward foreign exchange contracts.

### Note 8 - Futures Contracts

As at December 31, 2021, there are no outstanding futures contracts.

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2021 (continued)

### Note 9 - Contract For Difference (CFD)

As at December 31, 2021, there are no outstanding CFD.

### Note 10 - Options Contracts

As at December 31, 2021, there are no outstanding options contracts.

### Note 11 - Outstanding Swap Contracts

As at December 31, 2021, there are no outstanding swap contracts.

### Note 12 - Changes in Securities Portfolio

A detailed schedule of securities portfolio movements for the year ended December 31, 2021 is available free of charge upon request at the registered office of the Fund.

### Note 13 - Securities Lending

Goldman Sachs International Bank had been appointed as "Securities Lending Agent" for Mediolanum Specialities SICAV-SIF. Effective December 31, 2021, Goldman Sachs Group, Inc. no longer acts as Securities Lending Agent for the Fund.

The Sub-Funds Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund and Mediolanum Specialities SICAV-SIF – Diversified Equity Fund were in the scope of this agreement.

Until April 23, 2010, the collateral could only be created in the form of cash or in form of G10 government bonds in accordance with the applicable law and agreement. As from April 23, 2010, the collateral can only be created in the form of U.S., U.K. and Eurozone government securities or cash which is not to be reinvested in accordance with the applicable law and agreement.

As at December 31, 2021, there were no securities on loan.

As at December 31, 2021, there was no collateral held.

The net income earned from the securities lending program during the financial year ended December 31, 2021 is reflected net of cost in the statement of operations and changes in net assets under the caption "Securities lending commission".

The following table is a breakdown by each Sub-Fund for the year ended December 31, 2021.

Sub-Fund	(expressed in EUR)		
	Gross Revenue	Costs	Net Revenue
Mediolanum Specialities SICAV-SIF – Diversified Equity Fund	28,353	2,835	25,518
Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund	31	3	28
Total	28,384	2,838	25,546

### Note 14 - Dividend Distribution

For the year ended December 31, 2021, the Sub-Fund Mediolanum Specialities SICAV-SIF – Diversified Equity Fund distributed the following dividends:

Sub-Fund	Ex-Date	Currency	Dividend per Share	Number of Shares Distributed	Total Amount Distributed
Mediolanum Specialities SICAV-SIF – Diversified Equity Fund Class Distribution Shares	06/12/2021	EUR	0.0197	37,096,742	730,806

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2021 (continued)

### Note 15 - AIFM 2011/61/EU Directive requirements

As at December 31, 2021, the split between the realised gain and realised loss on sale of investments and the split between the change in unrealised appreciation and unrealised depreciation on investments are as follow:

SICAV-SIF	Sub-Funds	Currency	Realised gain on sale of Investments	Realised loss on sale of Investments	Change in unrealised appreciation on Investments	Change in unrealised depreciation on Investments
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Equity Fund	EUR	8,488,595	(4,182,610)	3,871,781	(32,921)
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund	EUR	3,271,011	(741,303)	1,926,400	-

As at December 31, 2021, the split between the realised gain and realised loss on sale of options and the split between the change in unrealised appreciation and unrealised depreciation on options are as follow:

SICAV-SIF	Sub-Funds	Currency	Realised gain on sale of options	Realised loss on sale of options	Change in unrealised appreciation on options	Change in unrealised depreciation on options
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Equity Fund	EUR	-	-	-	-
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund	EUR	-	-	-	-

As at December 31, 2021, the split between the realised gain and realised loss on forward foreign exchange contracts and the split between the change in unrealised appreciation and unrealised depreciation on forward foreign exchange contracts are as follow:

SICAV-SIF	Sub-Funds	Currency	Realised gain on sale of forward foreign exchange contracts	Realised loss on sale of forward foreign exchange contracts	Change in unrealised appreciation on forward foreign exchange contracts	Change in unrealised depreciation on forward foreign exchange contracts
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Equity Fund	EUR	-	-	-	-
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund	EUR	12,156	(6,618)	-	-

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2021 (continued)

### Note 15 - AIFM 2011/61/EU Directive requirements (continued)

As at December 31, 2021, the split between the realised gain and realised loss on sale of futures contracts and the split between the change in unrealised appreciation and unrealised depreciation on futures contracts are as follow:

SICAV-SIF	Sub-Funds	Currency	Realised gain on sale of futures contracts	Realised loss on sale of futures contracts	Change in unrealised appreciation on futures contracts	Change in unrealised depreciation on futures contracts
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Equity Fund	EUR	54,518	(78,636)	-	-
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund	EUR	11,054	-	-	-

As at December 31, 2021, the split between the realised gain and realised loss on sale of swap contracts and the split between the change in unrealised appreciation and unrealised depreciation on swap contracts are as follow:

SICAV-SIF	Sub-Funds	Currency	Realised gain on sale of swap contracts	Realised loss on sale of swap contracts	Change in unrealised appreciation on swap contracts	Change in unrealised depreciation on swap contracts
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Equity Fund	EUR	-	-	-	-
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund	EUR	-	-	-	-

As at December 31, 2021, the split between the realised gain and realised loss on sale of contract for differences and the split between the change in unrealised appreciation and unrealised depreciation on contract for differences are as follow:

SICAV-SIF	Sub-Funds	Currency	Realised gain on sale of contract for differences	Realised loss on sale of contract for differences	Change in unrealised appreciation on contract for differences	Change in unrealised depreciation on contract for differences
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Equity Fund	EUR	-	-	-	-
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund	EUR	-	-	-	-

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2021 (continued)

### Note 15 - AIFM 2011/61/EU Directive requirements (continued)

As at December 31, 2021, the split between the realised gain and realised loss on foreign exchange and the split between the change in unrealised appreciation and unrealised depreciation on foreign exchange are as follow:

SICAV-SIF	Sub-Funds	Currency	Realised gain on foreign exchange	Realised loss on foreign exchange	Change in unrealised appreciation on foreign exchange	Change in unrealised depreciation on foreign exchange
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Equity Fund	EUR	141,269	(169,252)	-	-
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund	EUR	55,485	(55,077)	-	-

### Note 16 - Tax reclaim

Since 2015, Withholding Tax claims have been filed in respect of the withholding tax applied on dividends paid during the recent years in selected European countries. The decision to file a claim is taken by the Board of Directors of the Alternative Investment Fund Manager (AIFM) based on the analysis of costs to be borne and maximum potential amount refunded. The refunds are recorded under "Other income" and the costs under "Depository fees" in the statement of operations and changes in net assets.

Income received by the Fund may be liable to withholding taxes in the country of origin and is thus collected by the Fund after deduction of such tax in "Other income".

### Note 17 - Transaction Costs

For the year ended December 31, 2021, the Fund incurred transaction costs (i.e. broker fees and included as part of the securities cost amounts) relating to purchase or sale of transferable securities, money market instruments, derivatives or other eligible assets are as follows:

Mediolanum Specialities SICAV-SIF – Diversified Equity Fund	EUR	191,074
Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund	EUR	5,832

### Note 18 - Events Occurred During the Year

#### Change in performance fee methodology

Effective January 1, 2021, the Performance Fees calculation methodology has been slightly amended to reflect that in calculating the Performance Target Value, adjustments will also be made to prevent any distortions due to subscriptions and redemptions, as further described in the updated Prospectus.

#### COVID-19 Impact

COVID continues to negatively impact the global economy. Despite the large scale roll out of the vaccines in 2021 the emergence of two new variants last year pushed back the full re-opening of the global economy. Given the stop start nature of the recovery, large parts of the global supply chain remain out of equilibrium with supply not keeping up with demand, which in turn is putting upward pressure on prices across a range of different products and services.

As a result, alongside COVID inflation has emerged as one of the biggest threats to the recovery. Inflation has risen to its highest levels in decades. As measured by US Consumer Price Inflation (CPI), inflation jumped to 7% in December compared to a year ago, while US core CPI (excluding volatile food and energy prices) hit 5.4%, the highest rate in 40 years, as the combination of supply chain bottlenecks and improving demand have caused prices to move higher. We are seeing a similar dynamic in most parts of the world with Eurozone inflation rising to 5% yoy in December.

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2021 (continued)

### **Note 18 - Events Occurred During the Year (continued)**

#### **Change in Sub-Fund names**

With effect as of May 31, 2021, the names of the Sub-Funds were changed from Mediolanum Specialities SICAV-SIF – Equity Income Fund and Mediolanum Specialities SICAV-SIF – Diversified Income Fund to Mediolanum Specialities SICAV-SIF – Diversified Equity Fund and Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund respectively.

#### **Termination of Securities Lending Agent**

Effective December 31, 2021, Goldman Sachs Group, Inc. no longer acts as Securities Lending Agent. The Sub-Funds Mediolanum Specialities SICAV-SIF – Diversified Equity Fund and Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund were in the scope of this agreement.

### **Note 19 - Subsequent Events**

#### **Change in Directors**

Effective February 4, 2022, Furio Pietribiasi resigned as a Director and Chairman of the SICAV-SIF Board.

Effective February 4, 2022, Paul Guillaume was appointed as Chairman of the SICAV-SIF Board.

Effective February 4, 2022, Michael Paterson was appointed as a Director of the SICAV-SIF Board.

#### **Russia / Ukraine**

In February 2022, a number of countries (including the US, UK and EU) imposed sanctions against certain entities and individuals in Russia as a result of the official recognition of the Donetsk People Republic and Lugansk People Republic by the Russian Federation. Announcements of additional sanctions have been made following the invasion by Russia of the Ukraine on February 24, 2022.

The situation, together with growing turmoil from fluctuations in commodity prices and foreign exchange rates, and the potential to adversely impact global economies, has driven a sharp increase in volatility across markets. The Board of Directors regards these events for the Fund and its Sub-Funds as non-adjusting events after the reporting period.

Although neither the Fund and of its Sub-Funds' performances and going concern nor operations, at the date of this report, have been significantly impacted by the above, the Board of Directors continues to monitor the evolving situation and its impact on the financial position of the Fund and of its Sub-Funds.

#### **COVID-19 Outlook**

To combat the threat that higher inflation could have on the recovery central banks have become more hawkish in their assessment of how transitory inflation will be. The Federal Reserve have signalled they will raise rates several times this year, while the Bank of England have already begun to raise rates. The ECB continue to take a more cautious assessment as the rise in inflation in the Eurozone can largely be traced back to surging oil and gas prices on the continent, which rate increases will do little to curtail. Ultimately, however the pace of the recovery is still largely dependent on the ability to control COVID-19 and given the unpredictable nature of the virus, there remains a high degree of risk. Should another wave or variant of COVID-19 emerge that proves resistant to the current vaccines, it could delay the re-opening of the global economy and in turn could lead to another period of high volatility, and indeed even higher inflation.

In this environment it could potentially have an adverse impact on the value of the Fund's investments and the ability of the AIFM to access markets or implement the Fund's investment policy in the manner originally contemplated. Government interventions or other limitations or bans introduced by regulatory authorities or exchanges and trading venues as temporary measures in light of significant market volatility, may also negatively impact on the AIFM's ability to implement the Fund's investment policy. The Fund's access to liquidity could also be impaired in circumstances where the need for liquidity to meet redemption requests may rise significantly. Services required for the operation of the Fund may in certain circumstances be interrupted as a result of the pandemic.

# Mediolanum Specialities SICAV-SIF

## Information for Shareholders (unaudited)

### Remuneration Policy

The AIFM put a remuneration policy in place as required by the amended Law of July 12, 2013 on Alternative Investment Fund Managers. Details of the amounts of remuneration may be obtained upon request and free of charge from the AIFM of the Fund.

### Information concerning the Remuneration Policy

The following information - in particular the remuneration and how it divides up and the number of employees - is based on the annual report of Mediolanum International Funds Limited (hereinafter "Management Company") from December 31, 2021. The remuneration does not include the employer's mandatory contribution to the statutory social welfare scheme.

	In EUR
Total remuneration paid by the Management Company in the last business year	<b>15,758,861</b>
Of which fixed remuneration	12,440,188
Of which variable remuneration	3,318,673
Average number of beneficiaries as at December 31, 2021	116
	In EUR
Total remuneration paid to risk takers in the last business year	<b>2,305,610</b>
Of which senior management	1,595,834
Of which other risk takers	472,205
Of which Directors of the Management Company	237,571
	In EUR
Total remuneration paid to the personnel involved in managing the Fund's activities	<b>37,450</b>
Of which fixed remuneration	29,564
Of which variable remuneration	7,887
Average number of involved beneficiaries as at December 31, 2021	22

The remuneration policy provides for a fixed and a variable remuneration component. The variable component is based on the achievement of individual and company objectives, and long-term performance objectives. At the same time, the remuneration system is structured in such a way that it does not offer any incentives to enter into inappropriate risk positions. The fixed and variable remuneration components stand in an appropriate relation to one another.

# Mediolanum Specialities SICAV-SIF

## Information for Shareholders (unaudited) (continued)

Following the Regulation 2015/2365 of the European Parliament and of the Council of November 25, 2015 on transparency of securities financing transactions, only transactions on securities lending were subject to this Regulation as at December 31, 2021. There were no securities on loan as at December 31, 2021 and as such this Regulation was not in scope.

### **Data on return and cost for each type of SFTs and total return swaps in (EUR)**

<b>Sub-Fund</b>	<b>Gross Revenue</b>	<b>Costs</b>	<b>Net Revenue</b>
Mediolanum Specialities SICAV-SIF – Diversified Equity Fund	28,353	2,835	25,518
Mediolanum Specialities SICAV-SIF – Diversified Multi Asset Fund	31	3	28
<b>Total</b>	<b>28,384</b>	<b>2,838</b>	<b>25,546</b>

### Sustainable Finance Disclosure Regulation ("SFDR")

The investments underlying the financial product do not take into account the EU criteria for environmentally sustainable economic activities.

#### **Taxonomy Regulation Disclosure**

Unless a Sub-Fund promotes environmental or social characteristics, or have as its objective sustainable investment, the underlying investments do not take into account the EU criteria for environmentally sustainable economic activities. If a Sub-Fund promotes environmental or social characteristics, or have as its objective sustainable investment, it may invest/gain exposure to issuers who engage in economic activities which contribute to climate change mitigation/climate change adaptation under the Taxonomy Regulation.

As at the date hereof, there is insufficient reliable, timely and verifiable data available to be able to assess investments using the Taxonomy Technical Screening Criteria ("TSC") and while there may be investments in the Sub-Fund that are in economic activities that contribute to an environmental objective and be eligible to be assessed against the TSC, the AIFM is not currently in a position to describe (i) the extent to which the investments of the Sub-Fund are in economic activities that qualify as environmentally sustainable and are aligned with the Taxonomy Regulation; (ii) the proportion, as a percentage of the Sub-Fund's portfolio, of investments in environmentally sustainable economic activities which are aligned with the Taxonomy Regulation; or (iii) the proportion, as a percentage of the Sub-Funds' portfolio, of enabling and transitional activities (as described in the Taxonomy Regulation).

Accordingly, the minimum share of investments in environmentally sustainable economic activities aligned with the EU Taxonomy including in transitional and/or enabling activities shall be 0%.

The AIFM is keeping this situation under active review and where sufficient reliable, timely and verifiable data on the Sub-Fund's investments become available, the Manager will provide the descriptions referred to above, in which case the relevant Prospectus will be updated. Effective January 1, 2022.