

MEDIOLANUM FUND OF HEDGE FUNDS
INTERIM REPORT
&
UNAUDITED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2024

MEDIOLANUM FUND OF HEDGE FUNDS

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MEDIOLANUM FUND OF HEDGE FUNDS

TRUST INFORMATION

MANAGER, AIFM and GLOBAL DISTRIBUTOR

Mediolanum International Funds Limited
4th Floor
The Exchange
George's Dock
IFSC
Dublin 1, D01 P2V6
Ireland

DEPOSITARY and TRUSTEE

Northern Trust Fiduciary Services (Ireland) Limited
George's Court
54-62 Townsend Street
Dublin 2, D02 R156
Ireland

DIRECTORS of THE MANAGER

Karen Zachary (Irish) (Chairperson)³
Furio Pietribiasi (Italian) (Managing Director)²
Corrado Bocca (Italian)¹
Martin Nolan (Irish)³
Christophe Jaubert (French)²
Michael Hodson (Irish)³
Edoardo Fontana Rava (Italian)¹
Carin Bryans (Irish)³
Fiona Frick (Swiss) (effective February 21, 2024)³

ADMINISTRATOR, REGISTRAR and TRANSFER AGENT

Northern Trust International Fund Administration Services (Ireland) Limited
George's Court
54-62 Townsend Street
Dublin 2, D02 R156
Ireland

DELEGATE INVESTMENT MANAGER

Tages Capital LLP
39 St James's Street
London SW1A1JD
United Kingdom

IRISH LEGAL ADVISORS

Dillon Eustace
33 Sir John Rogerson's Quay
Dublin 2, D02 XK09
Ireland

INDEPENDENT AUDITORS

PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
One Spencer Dock
North Wall Quay
Dublin 1, D01 X9R7
Ireland

REGISTERED OFFICE

Mediolanum International Funds Limited
4th Floor
The Exchange
George's Dock
IFSC
Dublin 1, D01 P2V6
Ireland

The Trust is constituted in the Republic of Ireland.

¹Non-Executive Directors

²Executive Directors

³Independent Non-Executive Directors

MEDIOLANUM FUND OF HEDGE FUNDS

ALTERNATIVE STRATEGY COLLECTION

SCHEDULE OF INVESTMENTS

As at 30 JUNE 2024

Financial assets at fair value through Profit or Loss	Holdings	Currency	Fair Value EUR	% of Net Assets
Collective Investment Schemes: 100.22% (31 Dec 2023: 98.17%)				
British Virgin Islands: 0.00% (31 Dec 2023: 0.00%)				
Kingate Global Fund - Vi *	10,750	USD	–	–
Total British Virgin Islands			–	–
Cayman Islands: 88.42% (31 Dec 2023: 81.19%)				
Am Asia Strategies Fund Class C EUR	1,830	EUR	1,963,885	5.46
Am Asia Strategies Fund Class C SDR Series 02/2022	2	EUR	294	0.00
BlackRock Emerging Frontiers Fund Class I	10,304	EUR	2,317,134	6.44
Broad Reach Explorer Class A KYD Series 02/2021	799	EUR	1,028,806	2.86
Broad Reach Explorer Class A KYD Series 10/2022	150	EUR	147,157	0.41
EDL Global Opportunities ALROSA Fund **	33,884	RUB	–	–
EDL Global Opportunities VTB Fund **	201,828,698	RUB	–	–
EDL Go Liquidation SPV Class A EUR Series 001	386	EUR	431,162	1.20
Greenvale Capital Fund Sub Class A EUR 07/2022	1,000	EUR	1,009,959	2.81
Greenvale Capital Fund Sub Class F EUR 07/2022	200	EUR	206,615	0.57
Greenvale Capital Fund Sub Class G EUR 02/2023	512	EUR	518,345	1.44
Keystone 12/2023	1,000	USD	1,088,602	3.03
Keystone 01/2024	438	USD	490,023	1.36
Keystone 02/2024	700	USD	721,826	2.01
Lasker Fund Class A EUR 11/2023	1,000	EUR	1,073,692	2.99
Lasker Fund Class A EUR 12/2023	500	EUR	533,560	1.48
Massar Macro Commodity Fund 01/2023	2,602	USD	2,749,937	7.65
Palestra Capital Offshore Fund Class B 03/2024	1,000	USD	961,277	2.67
Palestra Capital Offshore Fund Class B 05/2024	700	USD	669,285	1.86
Palmerston Credit Feeder Fund Class A EUR Series 07/2016	8,558	EUR	1,183,843	3.29
Palmerston Credit Feeder Fund Class B EUR Series 03/2024	3,000	EUR	305,101	0.85
Palmerston Credit Feeder Fund EUR Series 02/2021	10,000	EUR	1,058,904	2.94
Pentwater Merger Arbitrage Master Fund Class A 03/2021	1,041	USD	2,209,863	6.15
PinnBrook Offshore Class 5 09/2022	391	EUR	409,245	1.14
PinnBrook Offshore Class 5 10/2022	1,200	EUR	1,219,075	3.39
PinnBrook Offshore Class 5 11/2022	500	EUR	512,082	1.42
Selwood Asset Management Class A EUR	14,176	EUR	2,613,264	7.27
TCIM Offshore Fund Class S Series A-FR-88 11/2023	350	USD	351,687	0.98
TCIM Offshore Fund Series 05/2023	1,500	USD	1,475,439	4.10
The Winton Fund GBP Tranche D 06/2024	543	USD	503,368	1.40
Willing Partners Fund Class I 05/2023	879	USD	833,892	2.32
Willing Partners Fund Class I 06/2023	500	USD	496,744	1.38
Willing Partners Fund Class I 07/2023	500	USD	488,473	1.36
Wolf Hill Offshore Fund Class A 04/2023	1,625	USD	1,515,703	4.22

*Fair value of investments written down to zero on 30 November 2009.

**EDL Global Opportunities Fund restructured due to Russia exposure of approximately 10%, Russian sanctioned positions subsequently written down to zero by MIFL Investment Committee.

The accompanying notes form an integral part of the financial statements

MEDIOLANUM FUND OF HEDGE FUNDS**ALTERNATIVE STRATEGY COLLECTION****SCHEDULE OF INVESTMENTS (continued)**

As at 30 JUNE 2024

Financial assets at fair value through Profit or Loss	Holdings	Currency	Fair Value EUR	% of Net Assets				
Collective Investment Schemes: 100.22% (31 Dec 2023: 98.17%) (continued)								
Cayman Islands: 88.42% (31 Dec 2023: 81.19%) (continued)								
Wolf Hill Offshore Fund Class A 03/2024	758	USD	707,435	1.97				
Total Cayman Islands			31,795,677	88.42				
Ireland: 11.80% (31 Dec 2023: 11.28%)								
Tages International Funds ICAV - Melqart Event Driven UCITS Fund	24,792	EUR	2,444,613	6.80				
Tages International Funds ICAV - Selwood Equity Absolute Return UCITS Fund	15,579	EUR	1,798,242	5.00				
Total Ireland			4,242,855	11.80				
Luxembourg: 0.00% (31 Dec 2023: 5.70%)								
Total Collective Investment Schemes			36,038,532	100.22				
Forward Foreign Exchange Contracts: 0.14% (31 Dec 2023: 0.15%)								
Counterparty	Currency Buys	Currency Amount	Currency Sells	Currency Amount	Currency Rate	Maturity Date	Unrealised Gain EUR	% of Net Assets
Northern Trust	EUR	14,781,830	USD	(15,808,650)	–	31/07/2024	51,597	0.14
Total Fair Value Gains on Forward Foreign Exchange Contracts							51,597	0.14
Total Financial Assets at fair value through Profit or Loss							36,090,129	100.36
Financial liabilities at fair value through profit or loss								
Forward Foreign Exchange Contracts: 0.00% (31 Dec 2023: 0.00%)								

The accompanying notes form an integral part of the financial statements

MEDIOLANUM FUND OF HEDGE FUNDS

ALTERNATIVE STRATEGY COLLECTION

SCHEDULE OF INVESTMENTS (continued)

As at 30 JUNE 2024

	Fair Value EUR	% of Net Assets
Total Net Assets at fair value through Profit or Loss	36,090,129	100.36
Cash (31 Dec 2023: 2.90%)	99,476	0.28
Other Net Liabilities (31 Dec 2023: (1.22%))	(229,453)	(0.64)
Net Assets Attributable to Holders of Redeemable Participating Units	<u>35,960,152</u>	<u>100.00</u>

The accompanying notes form an integral part of the financial statements

MEDIOLANUM FUND OF HEDGE FUNDS

STATEMENT OF NET ASSETS As at 30 June 2024

		Alternative Strategy Collection 30 Jun 2024	Alternative Strategy Collection 31 Dec 2023
Assets	Note	EUR	EUR
Cash at bank	4	99,476	1,024,027
Financial assets at fair value through profit or loss	9	36,090,129	34,676,801
Accrued interest receivable		157	1,986
Investments receivable		–	396,216
Sundry receivables and prepayments	6	2,609	4,883
Total assets		<u>36,192,371</u>	<u>36,103,913</u>
Liabilities			
Financial liabilities at fair value through profit or loss	9	–	736
Redemptions payable		–	600,000
Administration expense payable	3	9,000	5,883
Management fee payable	3	89,431	90,098
Investment manager fee payable	3	17,365	17,495
Depositary fee payable	3	5,531	4,206
Auditors remuneration payable		28,451	39,957
Accrued interest payable		–	66
Sundry payables and accrued expenses	7	82,441	76,106
Total liabilities		<u>232,219</u>	<u>834,547</u>
Net assets attributable to holders of redeemable participating units		<u>35,960,152</u>	<u>35,269,366</u>

The accompanying notes form an integral part of the financial statements

MEDIOLANUM FUND OF HEDGE FUNDS

INCOME STATEMENT

For the six months ended 30 June 2024

		Alternative Strategy Collection 30 Jun 2024	Alternative Strategy Collection 30 Jun 2023
	Note	EUR	EUR
Income			
Interest income		6,264	10,201
Other income		16,739	6,796
Net realised gain/(loss) on financial assets and liabilities at fair value through profit or loss and foreign exchange	17	606,300	(575,612)
Net realised (loss)/gain on forward foreign exchange contracts and currency exchange	17	(455,865)	8,390
Net change in unrealised gain:			
- financial assets and liabilities at fair value through profit or loss and foreign exchange	17	907,012	460,642
- open forward foreign exchange contracts	17	121	(6,358)
Total investment income/(expense)		<u>1,080,571</u>	<u>(95,941)</u>
Expenses			
Management fee	3	274,803	287,329
Investment management fee	3	53,360	55,792
Administration expense	3	18,000	18,017
Depositary fee	3	11,369	12,753
Interest expenses		642	1,535
Auditors remuneration		12,636	9,972
Other expenses		18,975	17,236
Total expenses		<u>389,785</u>	<u>402,634</u>
Increase/(decrease) in net assets from operations attributable to holders of redeemable participating units		<u>690,786</u>	<u>(498,575)</u>

All profit and loss account items arose from continuing operations for Alternative Strategy Collection during the period.

The Trust has no recognised gains and losses other than the results for the period above.

The accompanying notes form an integral part of the financial statements

MEDIOLANUM FUND OF HEDGE FUNDS

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING UNITS

For the six months ended 30 June 2024

	Alternative Strategy Collection 30 Jun 2024 EUR	Alternative Strategy Collection 30 Jun 2023 EUR
Net assets attributable to holders of redeemable participating units at start of period	35,269,366	37,435,632
Increase/(decrease) in net assets from operations attributable to holders of redeemable participating units	690,786	(498,575)
Payments on the redemption of units	—	(700,000)
Net assets attributable to holders of redeemable participating units at end of period	35,960,152	36,237,057

The accompanying notes form an integral part of the financial statements

MEDIOLANUM FUND OF HEDGE FUNDS

STATEMENT OF CASH FLOWS For the six months ended 30 June 2024

	Alternative Strategy Collection 30 Jun 2024 EUR	Alternative Strategy Collection 30 Jun 2023 EUR
Cash flows from operating activities		
Change in net assets attributable to holders of redeemable participating units from operations	690,786	(498,575)
Adjustments to reconcile net cash generated by operating activities:		
Movement in financial assets and liabilities at fair value through profit or loss	(1,414,064)	(1,354,421)
Movement in receivables and prepaid investments	400,319	1,455,108
Movement in payables and accrued expenses	(1,592)	(25,760)
Net cash used in operating activities	<u>(324,551)</u>	<u>(423,648)</u>
Cash flow from financing activities		
Payments on redemption of redeemable participating units	(600,000)	(700,000)
Net cash used in financing activities	<u>(600,000)</u>	<u>(700,000)</u>
Net decrease in cash and cash equivalents	(924,551)	(1,123,648)
Opening cash and cash equivalents	1,024,027	1,498,923
Ending cash and cash equivalents	<u>99,476</u>	<u>375,275</u>
Supplementary information		
Interest received	7,385	7,381

The accompanying notes form an integral part of the financial statements

MEDIOLANUM FUND OF HEDGE FUNDS

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

1. General

Mediolanum Fund of Hedge Funds (the “Trust”), constituted on 11 April 2005, is an open-ended umbrella unit trust and is authorised by the Central Bank of Ireland (the “Central Bank”) pursuant to the provisions of the Unit Trusts Act, 1990. The Trust is constituted in the Republic of Ireland with a registered address of 4th Floor, The Exchange, George’s Dock, IFSC, Dublin 1, D01 P2V6, Ireland.

In accordance with Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and the European Union (Alternative Investment Fund Managers) Regulations 2013 (S.I.257 of 2013) Mediolanum International Funds Limited has been authorised as the Alternative Investment Fund Manager (“AIFM”) of the Trust effective 21 July 2014. In addition, Northern Trust Fiduciary Services (Ireland) Limited has been appointed as Depositary of the Trust effective 21 July 2014.

The Trust is structured as an umbrella scheme and the following Sub-Fund has been authorised by the Central Bank:

- Alternative Strategy Collection (the “Sub-Fund”) is currently the only Sub-Fund actively trading.

The investment objective of Alternative Strategy Collection is to seek to achieve medium to long term capital appreciation while attempting to limit investment risk and the year-on-year volatility rate to less than that of the global equity markets. The Sub-Fund will invest primarily in open-ended regulated and non-regulated Collective Investment Schemes which pursue a range of alternative investment strategies thus allowing diversification of financial assets held, with the aim of lowering overall risk.

Class S Unit A is the only active share class in issue and automatically reinvests all earnings, dividends and other distributions of whatever kind.

2. Basis of Accounting

Accounting Convention

The financial statements are prepared in accordance with Financial Reporting Standard 104 ‘Interim Financial Reporting’ (‘FRS 104’), Unit Trust Act, 1990, AIFM Regulations – European Union (Alternative Investment Fund Managers) Regulations 2013 (SI No 257 of 2013) and the Trust Deed.

The accounting policies applied are consistent with those of the annual financial statements for the financial year ended 31 December 2023, as described in those financial statements.

3. Fees and Expenses

(a) Management Fees

Mediolanum International Funds Limited (the “Manager”) is entitled to an annual fee accrued and payable monthly in arrears of 1.50% of the Net Asset Value the Sub-Fund. The Manager is also entitled to be paid all of its administration fee out of the assets of the Sub-Fund, which include an annual fee accrued at each valuation point and payable monthly in arrears of 0.045% of the Net Asset Value of the Sub-Fund. A fee of EUR 10 is charged (gross of any relevant taxes) per Class in which a Unitholder holds less than 25 Units. The appropriate number of Units of each such Unitholder will be automatically redeemed to pay these administrative charges. If a Unitholder holds a number of Units in any Class with a value of less than EUR 10 (gross of any relevant taxes), then his/her entire holding shall be automatically redeemed and paid to the Manager. This administrative charge shall be adjusted periodically in accordance with the Eurostat All Items Harmonised Index of Consumer Prices (HICP). This administrative charge is chargeable on the first Dealing Day in December of each year. The Manager earned management fees of EUR 274,803 (30 June 2023: EUR 287,329) for the six months ended 30 June 2024, EUR 89,431 was payable at 30 June 2024 (31 December 2023: EUR 90,098).

(b) Investment Manager Fees

Mediolanum International Funds Limited (the “Manager”) is entitled to receive out of the assets the Sub-Fund an annual fee, accrued at each Valuation Point and payable monthly in arrears of 0.30% of the Net Asset Value of the Sub-Fund (plus VAT, if any), subject to a minimum annual fee of EUR 75,000 per Sub-Fund. The Investment Manager earned investment management fees of EUR 53,360 (30 June 2023: EUR 55,792) for the six months ended 30 June 2024, EUR 17,365 was payable at 30 June 2024 (31 December 2023: EUR 17,495).

The Manager is not entitled to be repaid for any out-of-pocket expenses out of the assets of a Sub-Fund.

The fees relating to the Delegate Investment Manager appointed in respect of the Sub-Fund shall be borne by the Manager and shall not be charged to the Sub-Fund. A Delegate Investment Manager shall not be entitled to be repaid for any out-of-pocket expenses out of the assets of the Sub-Fund.

MEDIOLANUM FUND OF HEDGE FUNDS

NOTES TO THE FINANCIAL STATEMENTS (continued) For the six months ended 30 June 2024

3. Fees and Expenses (continued)

(c) Performance Fees

The Manager is also entitled to performance fee of up to 10% of the increase in the Net Asset Value of the Sub-Fund, calculated on a monthly basis. The calculation of the performance fee will be verified by the Depositary. No performance fees were earned for the six months ended 30 June 2024 and 30 June 2023 in relation to the Alternative Strategy Collection.

(d) Administration Expense

Northern Trust International Fund Administration Services (Ireland) Limited, the Administrator, is entitled to receive out of the assets of the Sub-Fund an annual fee accrued at each Valuation Point at the following rates:

- EUR 0-200 million the fee shall be 0.04% per annum of the Net Asset Value of the Sub-Fund;
- EUR 200-400 million the fee shall be 0.03% per annum of the Net Asset Value of the Sub-Fund; and
- in excess of EUR 400 million the fee shall be 0.025% per annum of the Net Asset Value of the Sub-Fund and payable monthly in arrears.

Such a fee is subject to a minimum monthly fee of EUR 3,000 per Sub-Fund or, where the Sub-Fund has multiple Classes, a minimum monthly fee of EUR 3,250 applies.

If at any time during a calendar year there are ten or more Unitholders in the Sub-Fund, the following transfer agency fees will apply:

- i) an annual Unitholder register fee of EUR 25 per Unitholder; and
- ii) a transaction fee of EUR 25 for each subscription, conversion, redemption or transfer of Units.

The Administrator is entitled to receive a termination fee of EUR 2,500 for the termination of the Sub-Fund within the Trust and a monthly fee of EUR 1,000 for the establishment and maintenance of any Side Pocket within the Trust.

The Administrator is entitled to be repaid out of the assets of the Sub-Fund all of its reasonable out-of-pocket expenses incurred on behalf of the Sub-Fund which shall include legal fees, couriers' fees and telecommunications costs and expenses. The Sub-Fund will bear its proportion of the fees and expenses of the Administrator. The Administrator expenses charged were EUR 18,000 (30 June 2023: EUR 18,017) for the six months ended 30 June 2024, EUR 9,000 was payable at 30 June 2024 (31 December 2023: EUR 5,883).

(e) Depositary Fee

Northern Trust Fiduciary Services (Ireland) Limited, the Depositary, is entitled to receive out of the assets of the Sub-Fund an annual fee accrued at each Valuation Point at the following rates:

- EUR 0-200 million and the fee shall be 0.04% per annum of the Net Asset Value of the Sub-Fund;
- in excess of EUR 200 million the fee shall be 0.03% per annum of the Net Asset Value of the Sub-Fund as a whole and payable monthly in arrears.

The Depositary is entitled to a transaction charge of EUR 150 per Sub-Fund investment transaction and electronic transfer charge of EUR 25 per transaction.

The Sub-Fund is responsible for sub-custodian fees and charges (which will be charged at normal commercial rates).

The Depositary shall be entitled to be repaid all of its disbursements out of the assets of the Sub-Fund.

The Depositary received fees of EUR 11,369 (30 June 2023: EUR 12,753) for the six months ended 30 June 2024, EUR 5,531 was payable at 30 June 2024 (31 December 2023: EUR 4,206).

(f) Underlying Fund Fees

The Alternative Strategy Collection invests in underlying funds which incur their own fees. The details of the fees charged by the underlying funds are detailed in the Fund of Funds Disclosure on page 19. Where the Manager has negotiated a rebate on the management fee charged on its investment into other funds, this rebate is paid directly to the Sub-Fund.

MEDIOLANUM FUND OF HEDGE FUNDS

NOTES TO THE FINANCIAL STATEMENTS (continued) For the six months ended 30 June 2024

4. Cash at Bank

The Depositary to the Trust is Northern Trust Fiduciary Services (Ireland) Limited, an indirect wholly-owned subsidiary of Northern Trust Corporation (“NTC”). NTC is publicly traded and a constituent of the S&P 500. NTC has a credit rating of A+ (31 December 2023: A+) from Standard & Poor’s. The Northern Trust Company (“TNTC”) is also wholly owned by NTC. TNTC has a credit rating of AA- (31 December 2023: AA-) from Standard & Poor’s and A2 (31 December 2023: A2) from Moody’s.

All of the cash assets are held with The Northern Trust Company.

As at 30 June 2024 and 31 December 2023, the Alternative Strategy Collection had a cash balance representing less than 10% of the Net Assets of the Sub-Fund.

5. Redeemable Participating Units

	Alternative Strategy Collection 30 Jun 2024	Alternative Strategy Collection 30 Jun 2023
<i>Participating units in issue</i>		
<u>Class S Unit A</u>		
At the beginning of the period	3,725,785	3,925,282
Units redeemed	–	(74,037)
Units at the end of the period	<u>3,725,785</u>	<u>3,851,245</u>

Units of the Sub-Fund are all freely transferable, designated as ‘A’ or ‘B’ units and, subject to such designation, are all entitled to participate equally in the profits and distributions (if any) of that Sub-Fund and in its assets in the event of termination. The Units, which are of no par value and which must be fully paid for upon issue, carry no preferential or pre-emptive rights. Fractions of Units may be issued up to three decimal places.

A Unit in a Sub-Fund represents the beneficial ownership of one undivided unit in the assets of the relevant Sub-Fund attributable to the relevant Class.

The Trust is made up of the one Sub-Fund, a Sub-Fund being a single pool of assets. The Manager may, whether on the establishment of a Sub-Fund or from time to time, create more than one Class of Units in a Sub-Fund to which different levels of subscription fees and expenses (including the management fee), minimum holding, designated currency, hedging strategy (if any) applied to the designated currency of the Class, Distribution Policy, minimum subscription and such other features as the Manager may determine may be applicable. Creation of further Classes in a Sub-Fund must be notified in advance to the Central Bank. A separate pool of assets will not be maintained for each Class. Units shall be issued to investors as Units in a Class.

The net assets attributable to holders of redeemable participating units are at all times equal to the Net Asset Value of the Sub-Fund. The participating units are in substance a liability of the Sub-Fund to Unitholders under FRS 102 as they can be redeemed at the option of the Unitholder.

All redemption requests must be received by letter or by facsimile, by the Administrator no later than 12.00 noon (Irish time) 35 calendar days prior to the relevant Dealing Day. The Manager at its discretion may accept any redemption requests received after the time as referred to above but before the relevant Valuation Point, otherwise such redemption requests will be deemed to be made in respect of the Dealing Day next following the relevant Dealing Day.

6. Sundry Receivables and Prepayments

	Alternative Strategy Collection 30 Jun 2024 EUR	Alternative Strategy Collection 31 Dec 2023 EUR
Management fee rebate from investments	<u>2,609</u>	<u>4,883</u>
	2,609	4,883

MEDIOLANUM FUND OF HEDGE FUNDS

NOTES TO THE FINANCIAL STATEMENTS (continued) For the six months ended 30 June 2024

7. Sundry Payables and Accrued Expenses

	Alternative Strategy Collection 30 Jun 2024 EUR	Alternative Strategy Collection 31 Dec 2023 EUR
Legal fees payable	17,558	19,145
Other payables	64,883	56,961
	<u>82,441</u>	<u>76,106</u>

8. Distributions

The income and gains will be accumulated and reinvested in the Sub-Fund on behalf of Unitholders. The Manager may make distributions in respect of Class S Unit B out of that proportion of the Net Asset Value of the Sub-Fund attributable to Class S Unit B. Class S Unit B is currently not active within the Sub-Fund.

9. Derivatives and Other Financial Instruments

A Sub-Fund may invest in Collective Investment Schemes (“underlying schemes”) which are unregulated and which will not provide a level of investor protection equivalent to funds authorised by the Central Bank of Ireland.

Risks for the Sub-Fund arise both directly from the investment in financial instruments and indirectly from investing in underlying schemes. Therefore all risks listed below may arise not only at Sub-Fund level but also at the underlying scheme level.

The Trust is exposed to a variety of financial risks in pursuing its stated investment objective and policy. These risks are defined in FRS 102 as market risk (which in turn includes price risk, foreign currency risk, and interest rate risk), liquidity risk and credit risk. The Trust takes exposure to these risks to generate investment returns on its portfolio, although these risks can also potentially result in a reduction in the Trust's net assets. The Manager will use its best endeavors to minimise the potentially adverse effects of these risks on the Trust's performance where it can do so while still managing the investments of the Trust in a way that is consistent with the Trust's investment objective and policy.

The risks, and the measures adopted by the Trust for managing these risks, are detailed as follows:

(a) Market Price Risk

Market price risk is defined in FRS 102 as the risk that the fair value of a financial instrument or its future cash flows will fluctuate because of changes in market prices.

Market Price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Sub-Fund might suffer through holding market positions in the face of price movements. The Manager and the Delegate Investment Manager consider the asset allocation of the portfolio of invested funds in order to minimise the risk associated with particular countries to follow the Sub-Fund's investment objective. The fair value of the non-listed Collective Investment Schemes in funds are valued on the basis of the latest available unaudited Net Asset Value provided by the relevant fund manager or independent administrators. The diversification of the portfolio, with a large number of underlying positions in the Collective Investment Schemes, provides relevant risk mitigation within the Sub-Fund. A number of strategies are identified through the Sub-Fund to offer a low correlation between each Collective Investment Scheme. A correlation matrix is used to provide an overview over all the funds and help to highlight similar price impact. In addition to a list of risk metrics performed monthly to monitor mainly the volatility of the assets, stress tests are used on a regular basis. Some historical stress tests are performed to ensure the monitoring under a proactive management, all the main market events are used to cover a full range of possible evolution and highlight any significant evolution. Hypothetical stress tests related to Rate Evolution, Volatility and Equity market are used to provide an insight on possible evolution of prices sensitivity.

(b) Credit Risk

Credit risk is defined in FRS 102 as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Financial assets which potentially expose the Sub-Fund to credit risk consist principally of investments and cash balances held with the Depositary. The extent of the Sub-Fund's exposure to credit risk in respect of these financial assets approximates their carrying value as recorded in the Sub-Fund's Balance Sheet. The Sub-Fund will be exposed to a credit risk on parties with whom it trades and will also bear the risk of settlement default. Credit risk exposure can also arise indirectly through the investment in financial instruments at the underlying fund level. Such risk is to a certain extent diversified away by investing in a number of underlying funds that can be diversified in terms of investment style, asset selection, geographic allocation etc.

MEDIOLANUM FUND OF HEDGE FUNDS

NOTES TO THE FINANCIAL STATEMENTS (continued) For the six months ended 30 June 2024

9. Derivatives and Other Financial Instruments (continued)

(b) Credit Risk (continued)

It is important to note that by investing in underlying funds that can have brokerage and custody accounts that are not segregated; the Sub-Fund can be indirectly exposed to additional credit and custody risks.

Northern Trust Fiduciary Services (Ireland) Limited (“NTFSIL”) is the appointed Depository of the Trust, responsible for the safe-keeping of assets. NTFSIL has appointed The Northern Trust Company (“TNTC”) as its global sub-custodian. Both NTFSIL and TNTC are wholly owned subsidiaries of Northern Trust Corporation (“NTC”). As at period end date 30 June 2024, NTC had a long term credit rating from Standard & Poor’s of A+ (31 December 2023: A+).

TNTC (as global sub-custodian of NTFSIL) does not appoint external sub-custodians within the U.S., the U.K., Ireland, Canada, Belgium, France, Germany, Netherlands and Saudi Arabia. However, in all other markets, TNTC appoints local external sub-custodians.

NTFSIL, in the discharge of its depository duties, verifies the Trust’s ownership of Other Assets, (as defined under Other Assets, Art 21 (8)(b) of Directive 2011/61/EU), by assessing whether the Trust holds the ownership based on information or documents provided by the Sub-Fund or where available, on external evidence.

TNTC, in the discharge of its delegated depository duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of TNTC and (ii) all financial instruments that can be physically delivered to TNTC. TNTC ensures all financial instruments (held in a financial instruments account on the books of TNTC) are held in segregated accounts in the name of the Trust, clearly identifiable as belonging to the Trust, and distinct and separately from the proprietary assets of TNTC, NTFSIL and NTC.

In addition TNTC, as banker, holds cash of the Trust on deposit. Such cash is held on the Statement of Financial Position of TNTC. In the event of insolvency of TNTC, in accordance with standard banking practice, the Sub-Fund will rank as an unsecured creditor of TNTC in respect of any cash deposits.

Where relevant please note the following currencies, Jordanian Dinar, Saudi Riyal, cash in the onshore China market (principally the currency of Chinese Yuan Renminbi, and any other currencies remitted into accounts in the onshore China market), are no longer held on the Balance Sheet of TNTC. For these off-book currencies, clients’ cash exposure is directly to the relevant local sub-custodian / financial institution in the market.

Insolvency of NTFSIL and or one of its agents or affiliates may cause the Trust’s rights with respect to its assets to be delayed.

The Manager manages risk by monitoring the credit quality and financial position of the Depository and such risk is further managed by the Depository monitoring the credit quality and financial positions of sub-custodian appointments.

(c) Foreign Currency Risk

Currency risk is defined in FRS 102 as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Trust is exposed to currency risk as assets and liabilities of the Trust may be denominated in a currency other than the functional currency of the Trust, which is its functional and presentation currency, the Euro.

The underlying Collective Investment Schemes may invest in a variety of securities denominated in both USD and foreign currencies and accordingly the Sub-Fund may be indirectly exposed to currency risk. The underlying funds may not necessarily hedge such foreign currency.

The Sub-Fund invests in securities denominated in currencies other than its reporting currency (EUR €). Consequently, the Sub-Fund is exposed to risks that the exchange rate of its currency relative to other currencies may change in a manner which has an adverse effect on the value of that portion of the Sub-Fund’s assets or units which are denominated in currencies other than its own currency. The Manager and the Delegate Investment Manager may follow a policy of hedging its foreign currency exposure of the portfolio into Euro in order to limit the risk of this exposure.

(d) Foreign Currency Forward Exchange Contracts

As at 30 June 2024, the Alternative Strategy Collection Fund held 1 (31 December 2023: 2) forward foreign exchange contract detailed in the Schedule of Investments page 4.

(e) Liquidity Risk

Liquidity risk is defined in FRS 102 as the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

MEDIOLANUM FUND OF HEDGE FUNDS

NOTES TO THE FINANCIAL STATEMENTS (continued) For the six months ended 30 June 2024

9. Derivatives and Other Financial Instruments (continued)

(e) Liquidity Risk (continued)

Under certain circumstances the markets in which the portfolio of the Sub-Fund will trade may become illiquid making it difficult to acquire or sell contracts at the price quoted on different markets. Many of the schemes in which the portfolios shall invest do not provide for frequent redemptions. Accordingly, the portfolios ability to respond to market movements may be impaired, and the portfolios may experience adverse price movements upon liquidation of its investments.

The Manager has established a Liquidity Management Policy which enables it to identify, monitor and manage the liquidity risks of the Trust and the Sub-Fund. The Liquidity Management Policy monitors the profile of investments held by the Sub-Fund and ensures that such investments are appropriate to the Redemption Policy as stated in the Prospectus and will facilitate compliance with the Trust's underlying obligations.

There were no suspended/gated redemptions or investments in side pockets in the Alternative Strategy Collection as at 30 June 2024 or 31 December 2023, except for Kingate Global Fund – Vi which was written down to zero on 30 November 2009, EDL Global Opportunities VTB Fund and EDL Global Opportunities ALROSA Fund which both were written down to zero on 6 July 2022 (please see the Schedule of Investments on pages 3 to 5).

(f) Interest Rate Risk

Interest rate risk is defined in FRS 102 as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. Interest rate risk in the Sub-Fund arose from cash balances that were held in the Alternative Strategy Collection.

The majority of the Sub-Funds' financial assets and liabilities were non-interest bearing and as a result the Sub-Fund was not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents of the Sub-Fund were invested at short-term market interest rates.

(g) Layering of Fees

The Sub-Fund's portfolio is subject to a level of fees payable both directly by the portfolio and by the portfolio as an investor in other schemes.

(h) Fair Value Hierarchy

Inputs are used in applying the various valuation techniques and broadly refer to the assumption that market participants use to make valuation decisions including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's levels with the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement (lowest being level 3).

Observable Inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Trust. Unobservable Inputs reflect the AIFM's assumptions, made in good faith about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The determination of what constitutes "observable" requires significant judgment by the AIFM. The AIFM considers observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable not proprietary, and provided by independent sources that are actively involved in the relevant market.

The categorisation of financial instruments within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the AIFM's perceived risk for this instrument.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the AIFM's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date. The AIFM uses prices and inputs that are current as of the measurement date including periods of market dislocation. In periods of market dislocation, the observability of prices and inputs may be reduced for many securities. This condition could cause a security to be reclassified to a lower level within the fair value hierarchy.

MEDIOLANUM FUND OF HEDGE FUNDS

NOTES TO THE FINANCIAL STATEMENTS (continued) For the six months ended 30 June 2024

9. Derivatives and Other Financial Instruments (continued)

(h) Fair Value Hierarchy (continued)

FRS 102 requires the Trust to classify financial instruments at fair value into the following hierarchy:

Level 1 - The unadjusted quoted price in active markets for identical assets or liabilities that the entity can access at the measurement;

Level 2 - Inputs other than quoted prices included within level 1 that are observable (i.e. developed using market data) for the asset or liability either directly or indirectly; and

Level 3 - Inputs that are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The following is a summary of the inputs used to value the assets and liabilities carried at fair value as at 30 June 2024 and 31 December 2023:

Alternative Strategy Collection As at 30 June 2024	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR
Financial Assets at fair value through Profit or Loss				
Collective Investment Schemes	–	36,038,532	–	36,038,532
Open forward currency forward exchange contracts	–	51,597	–	51,597
	–	36,090,129	–	36,090,129
Alternative Strategy Collection As at 31 December 2023				
	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR
Financial Assets at fair value through Profit or Loss				
Collective Investment Schemes	–	34,624,589	–	34,624,589
Open forward currency forward exchange contracts	–	52,212	–	52,212
	–	34,676,801	–	34,676,801
Financial Liabilities at fair value through Profit or Loss				
Open forward currency forward exchange contracts	–	(736)	–	(736)
	–	(736)	–	(736)

Alternative Strategy Collection holds three Level 3 investments which are priced at nil in accordance with fair value pricing.

10. Related Party Transactions

The Trust is constituted by means of a Trust Deed to which Mediolanum International Funds Limited is party, as Manager. The fees paid to Mediolanum International Funds Limited are outlined in note 3.

Northern Trust Fiduciary Services (Ireland) Limited is the Depositary of the Trust and received the fees as outlined in note 3. Northern Trust International Fund Administration Services (Ireland) Limited is the Administrator of the Trust and received the fees as outlined in note 3.

The Directors, the AIFM, the Manager, the Administrator and the Depositary and their respective affiliates, officers, directors and Unitholders, employees and agents (collectively the “Parties”) are or may be involved in other financial, investment and professional activities which may on occasion cause a conflict of interest with the management of the Trust and/or their respective roles with respect to the Trust.

These activities may include managing or advising other funds (including other Collective Investment Schemes), purchases and sales of securities, banking and investment management services, brokerage services, valuation of unlisted securities (in circumstances in which fees payable to the entity valuing such securities may increase as the value of assets increases) and serving as directors, officers, advisers or agents of other funds or companies, including funds or companies in which the Unit Trust may invest. In particular, the AIFM and other companies within the Mediolanum Group may be involved in advising or managing other investment funds (including other Collective Investment Schemes) or other real estate portfolios which have similar or overlapping investment objectives to or with the Unit Trust. Subject to the next succeeding paragraphs, each of the Parties will use its reasonable endeavors to ensure that the performance of their respective duties will not be impaired by any such involvement they may have and that any conflicts which may arise will be resolved fairly and in the best interests of Unitholders.

MEDIOLANUM FUND OF HEDGE FUNDS

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the six months ended 30 June 2024

10. Related Party Transactions (continued)

The underlying Unitholder in the Sub-Fund, Mediolanum International Life DAC, is connected to the Manager. As at 30 June 2024, Mediolanum International Life DAC holds 100% (31 December 2023: 100%) of the Class S Unit A in the Alternative Strategy Collection.

Mediolanum International Funds Limited has been authorized as the Alternative Investment Fund Manager (“AIFM”) of the Trust effective 21 July 2014.

As at 30 June 2024, Alternative Strategy Collection did not invest into funds managed by Tages Capital LLP, the Delegate Investment Manager (31 December 2023: Nil).

11. Connected Party Transactions

The Directors of the Manager are satisfied that transactions with connected parties entered into during the period complied with the obligations set out in Chapter 1, Part 1, Section 1, xii of the AIF Rulebook, namely any such transactions be carried out at arm’s length and in the best interest of the Unitholders. There are arrangements in place (evidenced by written procedures) to ensure such compliance.

12. Soft Commission Arrangements

For the period ended 30 June 2024, there were no investment research fees paid by the Sub-Fund.

13. Exchange Rates

The following exchange rates were used to translate assets and liabilities into the reporting currency (EUR €) at 30 June 2024 and 31 December 2023:

Currency	EUR Rate 30 Jun 2024	EUR Rate 31 Dec 2023
USD	0.9331	0.9053

14. Changes in the Portfolio

A list, specifying for each investment the total purchases and sales which took place during the period under review may be obtained, upon request, at the registered office of the Manager.

15. Contingent Liabilities

There were no significant contingent liabilities at the Statement of Net Assets as at 30 June 2024.

16. Net Asset Value

	Alternative Strategy Collection 30 Jun 2024 EUR	Alternative Strategy Collection 31 Dec 2023 EUR	Alternative Strategy Collection 31 Dec 2022 EUR
Net assets attributable to holders of redeemable participating units:			
Class S Unit A Euro (EUR)	35,960,152	35,269,366	37,435,632
Number of redeemable participating units outstanding:			
Class S Unit A Euro (EUR)	3,725,785	3,725,785	3,925,282
Net asset value per redeemable participating unit:			
Class S Unit A Euro (EUR)	9.65	9.47	9.54

MEDIOLANUM FUND OF HEDGE FUNDS

NOTES TO THE FINANCIAL STATEMENTS (continued) For the six months ended 30 June 2024

17. Realised and Unrealised Gains in Investments

	Alternative Strategy Collection 30 Jun 2024 EUR	Alternative Strategy Collection 30 Jun 2023 EUR
Realised gain/(loss) on investments		
Realised gain on investments	632,205	487,042
Realised loss on investments	(25,905)	(1,062,654)
Realised (loss)/gain on forward foreign exchange contracts	(455,865)	8,390
Total realised gain/(loss) on investments	<u>150,435</u>	<u>(567,222)</u>
Unrealised gain/(loss) on investments		
Movement in unrealised gain on investments	1,796,855	1,941,157
Movement in unrealised loss on investments	(889,843)	(1,480,519)
Unrealised gain/(loss) on forward foreign exchange contracts	121	(6,354)
Total unrealised gain on investments	<u>907,133</u>	<u>454,284</u>

18. Efficient Portfolio Management Techniques

The Sub-Fund may employ investment techniques and instruments relating to its investments for the purpose of efficient portfolio management under the conditions and within the limits stipulated from time to time by the Central Bank. The Sub-Fund may use the various investment techniques and instruments for efficient portfolio management such as taking long or short positions in derivative instruments including forward foreign contracts so as to alter the interest rates, credit and or currency exposure of the portfolio. Derivative instruments may be purchased for the purpose of efficient portfolio management only and in accordance with the Central Bank's guidelines. As at 30 June 2024, the Sub-Fund held 1 forward foreign exchange contract detailed in the Schedule of Investments page 4. The realised and unrealised gain/(loss) on forward foreign exchange contracts are disclosed in the Income Statement on page 7 and on note 17.

19. Significant Events During the Period

Effective 21 February 2024, Fiona Frick has been appointed as Independent Director of the Manager.

No other events have occurred during the period which impact on the financial statements for the six months ended 30 June 2024.

20. Post Balance Sheet Events

Effective 31 July 2024, the Prospectus has been reviewed to include updates to the taxation disclosures, risk factor disclosures, beneficial ownership, anti-money laundering and data protection sections.

Copies of the most recent Prospectus and Trust Deed are available at www.mifl.ie.

No other events have occurred subsequent to the period end which impact on the financial statements for the six months ended 30 June 2024.

21. Approval of the Financial Statements

The financial statements were approved by the Directors of the Manager on 30 August 2024.

MEDIOLANUM FUND OF HEDGE FUNDS

FUND OF FUNDS DISCLOSURE

Fund Name	Domicile	Management Fee %	Incentive Fee %
Kingate Global Fund – Vi*	British Virgin Islands	1.50%	0.00%
Am Asia Strategies Fund Class C EUR	Cayman Islands	1.50%	20.00%
Am Asia Strategies Fund Class C SDR Series 02/2022	Cayman Islands	1.50%	20.00%
BlackRock Emerging Frontiers Fund Class I EUR 12/2022	Cayman Islands	1.00%	20.00%
BlackRock Emerging Frontiers Fund Class I	Cayman Islands	1.00%	20.00%
Broad Reach Explorer Class A KYD Series 02/2021	Cayman Islands	1.00%	15.00%
Broad Reach Explorer Class A KYD Series 10/2022	Cayman Islands	1.00%	15.00%
EDL Global Opportunities ALROSA Fund**	Cayman Islands	15.00%	0.00%
EDL Global Opportunities VTB Fund**	Cayman Islands	15.00%	0.00%
EDL Go Liquidation SPV Class A EUR Series 001	Cayman Islands	15.00%	0.00%
Greenvale Capital Fund Sub Class A EUR 07/2022	Cayman Islands	1.75%	20.00%
Greenvale Capital Fund Sub Class F EUR 07/2022	Cayman Islands	1.00%	15.00%
Greenvale Capital Fund Sub Class G EUR 02/2023	Cayman Islands	1.25%	30.00%
Keystone 12/2023	Cayman Islands	2.00%	20.0%
Keystone 01/2024	Cayman Islands	2.00%	20.0%
Keystone 02/2024	Cayman Islands	2.00%	20.0%
Lasker Fund Class A EUR 11/2023	Cayman Islands	1.50%	20.0%
Lasker Fund Class A EUR 12/2023	Cayman Islands	1.50%	20.0%
Massar Macro Commodity Fund 01/2023	Cayman Islands	2.00%	20.00%
Palestra Capital Offshore Fund Class B 03/2024	Cayman Islands	1.50%	20.0%
Palestra Capital Offshore Fund Class B 05/2024	Cayman Islands	1.50%	20.0%
Palmerston Credit Feeder Fund Class A EUR Series 07/2016	Cayman Islands	1.50%	20.00%
Palmerston Credit Feeder Fund Class B EUR Series 03/2024	Cayman Islands	1.00%	15.00%
Palmerston Credit Feeder Fund EUR Series 02/2021	Cayman Islands	1.00%	15.00%
Pentwater Merger Arbitrage Master Fund Class A 03/2021	Cayman Islands	2.00%	20.00%
PinnBrook Offshore Class 5 09/2022	Cayman Islands	1.50%	17.50%
PinnBrook Offshore Class 5 10/2022	Cayman Islands	1.50%	17.50%
PinnBrook Offshore Class 5 11/2022	Cayman Islands	1.50%	17.50%
Selwood Asset Management Class A EUR	Cayman Islands	1.00%	15.00%
TCIM Offshore Fund Class S Series A-FR-88 11/2023	Cayman Islands	1.50%	20.00%
TCIM Offshore Fund Series 05/2023	Cayman Islands	1.50%	20.00%
Willing Partners Fund Class I 05/2023	Cayman Islands	1.50%	20.00%
Willing Partners Fund Class I 06/2023	Cayman Islands	1.50%	20.00%
Willing Partners Fund Class I 07/2023	Cayman Islands	1.50%	20.00%
Wolf Hill Offshore Fund Class A 04/2023	Cayman Islands	1.50%	20.00%
Wolf Hill Offshore Fund Class A Series 03/2024	Cayman Islands	1.50%	20.00%
Tages International Funds ICAV - Melqart Event Driven UCITS Fund	Ireland	1.00%	15.00%
Tages International Funds ICAV - Selwood Equity Absolute Return UCITS Fund	Ireland	1.00%	10.00%

*Fair value of investment written down to zero on 30 November 2009.

**EDL Global Opportunities Fund restructured due to Russian exposure of approximately 10%, Russian sanctioned positions subsequently written down to zero by MIFL Investment Committee.

Where the Manager has negotiated a rebate on the management fee charged on its investment into other funds, this rebate is paid directly to the Sub-Fund.