

Windmill Trend Evolution Fund

The Netherlands

ANNUAL REPORT

for the year ended 30 June 2021

Table of contents

	Page(s)
General information	1
Historical overview	2-3
Report of the Fund Manager	4-10
Financial statements	
Balance sheet	11
Income statement	12
Statement of cash flows	13
Notes to the financial statements	
General information	14
Significant accounting principles and policies	14-16
Notes for individual balance sheet items	
Investments	17
Cash and cash equivalents	18
Subscriptions received in advance	18
Accrued expenses and other payables	18
Share capital	19-20
Notes for individual income statement items	
Investment return	20
Foreign currency gains/(losses) on translation	21
Costs	21-22
Relevant contracts	22
Related party transactions	23
Financial investments and associated risks	23-25
Schedule of investments by investment strategy	25
Indirect investments	26-28
Provision of information	28
Date of authorisation	28
Investment portfolio as at 30 June	29
Other information	
Provisions of the Prospectus on distribution policy	30
Interests held by the Directors	30
Events after the balance sheet date	30
Independent auditor's report	31-33

General information

Registered Office	Gustav Mahlerplein 3 Symphony Offices, 26 th Floor 1082 MS Amsterdam The Netherlands
Fund Manager	Privium Fund Management B.V. Gustav Mahlerplein 3 Symphony Offices, 26 th Floor 1082 MS Amsterdam The Netherlands
Delegate/Investment Advisor	Oakk Capital Partners B.V. Beurs-World Trade Center, 19 th Floor Beursplein 37 3011 AA Rotterdam The Netherlands
Legal Owner	TMF Bewaar B.V. Herikerbergweg 238 1101 CM Amsterdam Zuidoost The Netherlands
Administrator	Apex Fund Services (Netherlands) B.V. Van Heuven Goedhartlaan 935A 1181 LD Amstelveen The Netherlands
Independent Auditor	Ernst & Young Accountants LLP Wassenaarseweg 80 2596 CZ Den Haag The Netherlands
Legal and Tax Counsel	Van Campen Liem J.J. Viottastraat 52 1071 JT Amsterdam The Netherlands
Bank	ABN AMRO Bank N.V. Gustav Mahlerlaan 10 1082 PP Amsterdam The Netherlands
Depository	Darwin Depository Services B.V. Barbara Strozziilaan 101 1083 HN Amsterdam The Netherlands

Historical overview

Key figures

	2021	2020
	EUR	EUR
Equity at the beginning of the year	30,365,164	42,423,387
Issue of participations	4,985,588	6,714,903
Indirect investment result	4,890,655	(679,562)
	<u>40,241,407</u>	<u>48,458,728</u>
Redemption of participations	(8,330,484)	(17,765,559)
Expenses	(270,707)	(328,005)
Equity at the end of the year	<u>31,640,216</u>	<u>30,365,164</u>
Investments	31,388,391	30,153,407
Cash and cash equivalents	1,044,299	454,354
Other assets and liabilities	(792,474)	(242,597)
Net assets at the end of the year	<u>31,640,216</u>	<u>30,365,164</u>
Net profit/(loss)		
Indirect investment result	4,890,655	(679,562)
Expenses	(270,707)	(328,005)
Net profit/(loss)	<u>4,619,948</u>	<u>(1,007,567)</u>
Number of participations		
Class A	188,065.6933	212,670.4051
Class B	17,211.1175	17,340.4945
Participation per share		
Class A (in EUR)	157.50	134.25
Class B (in USD)	139.08	117.46
Performance per share		
Class A	17.32%	(3.44)%
Class B	18.40%	(2.43)%

Historical overview *(continued)*

	2021 EUR	2020 EUR
Class A		
Performance		
Changes in value	4,655,340	(671,852)
Expenses	<u>(254,221)</u>	<u>(312,484)</u>
Net investment result	<u>4,401,119</u>	<u>(984,336)</u>
Share performance		
Changes in value	24.75	(3.16)
Expenses	<u>(1.35)</u>	<u>(1.47)</u>
Net investment result	<u>23.40</u>	<u>(4.63)</u>
Class B		
Performance		
Changes in value	235,315	(7,710)
Expenses	<u>(16,486)</u>	<u>(15,521)</u>
Net investment result	<u>218,829</u>	<u>(23,231)</u>
Share performance		
Changes in value	13.67	(0.44)
Expenses	<u>(0.96)</u>	<u>(0.90)</u>
Net investment result	<u>12.71</u>	<u>(1.34)</u>

Report of the Fund Manager

The Fund generated a healthy return for the reporting period, which was mainly achieved by solid performances in the second (Oct-Dec-20) and the fourth (Apr-Jun-21) quarter of the reporting period. The other two quarters also showed positive returns, albeit not as strong as the aforementioned best performing quarters. Also broken down in sectors, the Fund performed positively with the exception of the bond sector, which performed slightly negative over the year.

For the period under report (from 1 July 1 2020 up to 30 June 2021), the Fund achieved a positive result of +17.32% for the Euro-class and +18.40% for the USD-class.

Windmill Trend Evolution Fund

Maandrendementen (EUR klasse)*

	jan	feb	mrt	apr	mei	jun	Jul	aug	sep	okt	nov	dec	Ytd
2021	-2,18%	0,30%	2,22%	3,33%	3,31%	2,02%							9,22%
2020	-0,68%	-4,44%	3,96%	-1,05%	-1,20%	-2,23%	2,40%	0,37%	-1,17%	-0,25%	-0,03%	6,03%	1,31%
2019	-0,01%	-0,53%	5,08%	-0,20%	0,28%	3,57%	1,74%	0,60%	-4,67%	-1,88%	2,17%	4,68%	10,91%
2018	2,34%	-5,45%	-1,24%	-0,19%	-0,05%	0,44%	-1,84%	4,48%	-0,08%	-3,79%	-2,36%	3,59%	-4,52%
2017	0,12%	1,91%	0,20%	2,18%	2,24%	-1,22%	2,18%	1,47%	-0,58%	3,18%	0,23%	1,25%	13,88%
2016	2,29%	2,22%	0,63%	-2,44%	-1,22%	0,31%	0,53%	-1,51%	-0,58%	0,25%	-1,90%	3,01%	1,45%
2015	6,68%	0,20%	1,55%	-2,51%	-0,77%	-2,60%	2,05%	-0,83%	3,45%	-2,85%	-0,30%	-1,59%	2,06%
2014	-1,72%	2,98%	0,33%	2,31%	4,35%	1,98%	-2,60%	3,03%	-2,04%	3,09%	4,44%	-1,08%	13,99%
2013	1,32%	-0,56%	1,49%	9,58%	-5,68%	-1,82%	1,71%	-1,91%	0,07%	5,93%	2,76%	0,99%	13,87%
2012	2,34%	0,36%	0,90%	1,26%	3,38%	-1,80%	3,67%	-0,43%	2,92%	1,38%	2,27%	1,66%	19,30%
2011	-1,50%	0,12%	-0,05%	2,21%	-0,31%	-4,15%	2,31%	11,21%	2,72%	-4,75%	-0,98%	2,34%	8,60%

* Periode tot mrt 2014 betreft het trackrecord AHL Evolution Programme na aftrek van management fee en maximale allocatie van 85%.
2014 Ytd rendement sinds start datum Windmill Trend Evolution Fund (1 april)

Maandrendementen (USD klasse)

	jan	feb	mrt	apr	mei	jun	jul	aug	sep	okt	nov	dec	Ytd
2021	-2,14%	0,35%	2,29%	3,49%	3,40%	1,95%							9,59%
2020	-0,87%	-4,45%	4,14%	-0,96%	-1,17%	-2,22%	2,59%	0,41%	-1,08%	-0,21%	-0,02%	6,28%	1,99%
2019	0,20%	-0,10%	5,20%	0,42%	0,49%	3,83%	1,76%	0,83%	-4,46%	-1,76%	2,29%	4,92%	14,05%
2018	2,49%	-5,29%	-1,13%	-0,06%	0,08%	0,61%	-1,76%	4,63%	0,05%	-3,52%	-2,16%	3,85%	-2,64%
2017	0,25%	1,91%	0,18%	2,29%	2,59%	-1,17%	2,35%	1,53%	-0,52%	3,21%	0,29%	1,44%	15,22%
2016			0,42%	-2,42%	-1,19%	0,36%	0,59%	-1,45%	-0,55%	0,31%	-1,78%	3,06%	-2,74%

Rendementen uit het verleden geven geen indicatie voor toekomstige resultaten

Overall report

We will highlight performances on a sector-by-sector¹ base below.

The Fund's commodity sector achieved the largest net gain of the Fund for the year, notably +9.76%, just like the year 2019-2020, where it was also leading sector performance. The commodity sector is followed by gains in the equity sector totalling +5.37% for the year. The last sector belonging to the gainers for the year is the credit sector, finishing the year with a gain of +2.24%. The currency sector contributed +0.37% to performance.

As mentioned above the only net detractor for the year was the bond sector, which detracted -1.38% over the year, evenly spread with 6 positive and 6 negative months.

Below we will highlight the ups and downs per sector during the reporting period and the reasons behind these performances, focusing on months with a performance contribution per sector higher than 1%. Here, the commodity sector leads with five months during which performance contributed more than +1%. This is followed by the equity sector with four months and currency and credit with two and one month respectively. On the opposing side of the spectrum we see that bonds and currency each had two months with a loss in excess of 1%. Credit had one and equities and commodities had none this year.

¹ Please note that percentages mentioned in the sector allocations of the Fund's performance relate to the performance of Man AHL Evolution only, which is the largest fund allocation in the Windmill Trend Evolution Fund, varying between 77% to 83% of the overall allocation.

Report of the Fund Manager (*continued*)

Commodity Sector Highlights – December 2020, March through June 2021

A declining US dollar also tends to cause a rise in raw commodity prices and December 2020 was no exception. The price of iron ore rose 15%, extending its six-month bull-run and was the Fund's top contributor. In the energy space, a long in UK natural gas also was positive as prices rose 30% thanks to a surge in Asian demand for liquefied natural gas - a key component of UK consumption.

In March 2021, trading in energies was positive as UK natural gas reversed February's declines, and carbon emissions prices continued to rise. Elsewhere, alongside other metals this month, the rally in iron ore took a breather and the Fund's long position incurred a loss.

During April 2021 energy markets constituted a large part of the Fund's commodity exposure and these proved by far the most successful contributors in April, with every position finishing in the black. President Biden's pledge helped carbon emissions top the performance table, however, as prices rose for their sixth successive positive month, with a roughly 50% rise year-to-date. Long Dutch and UK natural gas positions came a close second.

May 2021 saw the long carbon emissions position as the top performer in the commodities sector, with prices rising 6% on the month. Iron ore was highly volatile as expectations of a global recovery and therefore demand for steel gyrated, but this environment proved fertile ground for the Fund's long position. A small loss was experienced from a long position in fuel oil.

Profits from long positions in UK natural gas topped the performance table in June 2021, but gains were made almost across the board in the Fund's energy positions - natural gas and electricity across other European areas, and carbon emissions all contributed significantly. Only one market, Nordic hydro power, dipped into the red.

Bond Sector Highlights – August 2020, June 2021

The Fed's perceived move to be more flexible with inflation proved a headwind to the Fund's dominant receiver positioning in fixed income in August 2020. Yields across developed markets generally rose, and Canadian and Singapore swaps experienced the most pain. A small positive attribution was made from a receiver position in New Zealand swaps.

Fixed income was lossmaking overall in June 2021, with receiver Canadian swaps worst affected on the back of lower expectations for inflation and commodity demand.

Currency Sector Highlights – December 2020, January, May and June 2021

In December 2020 there was - at last - a trade deal between Europe and the UK to end the Brexit saga. Chairman of the Fed, Jerome Powell, cemented his dovish credentials with a pledge to keep asset purchases in place for longer than expected, and there was broad excitement from the wide roll-out of coronavirus vaccines. What was good for risk assets was bad for safe havens such as the US dollar, however, which sunk to three-year lows against a basket of currencies used by US trade partners. The Fund was well positioned for these trends and ended the month up with gains in FX.

Although small relative to its decline since March 2020, the bounce in the US dollar versus a range of different currencies hurt the Fund's short positions in the greenback during January 2021. South African Rand and Colombian Peso were worst affected, while longs in the Chinese Renminbi and Turkish Lira made token gains.

Currency trading was profitable in May. Rising risk appetite in markets led to stronger EM FX rates in general, with the primary beneficiary in the Fund being the South African Rand. A short in the Colombian Peso lost out as the currency rebounded against the US dollar after initially plunging at the end of April on news that President Duque was shelving his plans to raise taxes.

In June currency trading was hardest hit by the perceived more hawkish tone from the Fed, with losses experienced across many pairs as the US dollar spiked. Worst offenders were Mexican Peso and South African Rand longs versus the greenback, although a similar position in the Brazilian Real profited as the country hiked rates by 75bp.

Report of the Fund Manager (*continued*)

Credit Sector Highlights – September 2020, March 2021

Credit trading fared worst from the reversal in risk assets over the month of September 2020, with losses from short protection positions in US investment grade corporates and European high yield causing the most pain.

In March 2021 rallying risk assets, spurred by actions from governments and central banks, were beneficial to the Fund's dominant long credit positions, here European CDS indices (both investment grade and crossover), were top performers.

Equity Sector Highlights – July, August and December 2020, April 2021

The Equity sector was the best performing asset class in July 2020 with rising markets suiting long positioning. As with recent months, Technology stocks led the way, with Apple, Facebook, and Amazon all announcing forecast-beating quarterly updates. Unsurprisingly, therefore, longs in Technology sectors in the US topped the performance table.

In August the continued outperformance of the US Technology sector, amidst headlines of Apple becoming Wall Street's first \$2 trillion company, drove positive performance in equities. Unsurprisingly, long positions in US pharma companies also gained on headlines of new vaccines. On the debit side, shorts in European auto and US consumer service companies detracted.

Equities rose in December as positive news continued to flow into markets. A long in US Technology stocks, 2020's "lockdown winners", witnessed gains although shorts in US and European Energy stocks generated losses.

Net long equity sector positioning contributed positively in April, most notably in health care on both sides of the Atlantic although a long European utilities position detracted slightly.

Outlook

The Fund Manager is positive about the future of the Windmill Trend Evolution Fund. We expect the selected investment funds to be able to generate positive performance in the period ahead. Especially when compared with long-only investments in traditional asset classes like equities and bonds we see the Windmill Trend Evolution Fund as a good alternative as well as a diversifier in a total investment portfolio.

No changes are expected to be made to the investment strategy or investment style of the Windmill Trend Evolution Fund.

Introduction Sustainable Finance Disclosure Regulation (SFDR)

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

The Prospectus of the Fund was updated in July 2021.

Report of the Fund Manager (*continued*)

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

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

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

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

Remuneration policy 2020

This policy is based on the situation as of December 31, 2020. The financial year of Privium ends on December 31 of any year. The financial year of the Windmill Trend Evolution Fund ends on June 30 of any year, while the financial year of all other Funds of which Privium is the Fund Manager will end on December 31 of any year. For some of the funds the compensation consists of both a management and a performance fee. Amounts reflect remuneration related to funds managed by Privium, for the time Privium was the Fund Manager of those funds.

The two tables below offer an overview of the remuneration at the level of Privium. The first table shows the remuneration overview as of December 31, 2020 and the second table shows the remuneration overview as of December 31, 2019.

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

Overview as December 31, 2020

	Identified staff in senior management roles	Identified staff outside senior management roles	Total staff
Number of staff	2	34	36
Total fixed remuneration	€ 148,421	€ 4,839,700	€ 4,988,121
Total variable remuneration	€ 35,000	€ 5,331,064	€ 5,366,064
Total remuneration	€ 183,421	€ 10,170,764	€ 10,354,185

Overview as December 31, 2019

	Identified staff in senior management roles	Identified staff outside senior management roles	Total staff
Number of staff	2	33	35
Total fixed remuneration	€ 161,214	€ 5,323,500	€ 5,484,714
Total variable remuneration	€ 20,000	€ 4,339,313	€ 4,359,313
Total remuneration	€ 181,214	€ 9,662,813	€ 9,844,027

Report of the Fund Manager (*continued*)

Remuneration policy 2020 (*continued*)

Privium has delegated certain portfolio management duties of some of its funds to outside investment advisers ('delegates'). Remuneration of identified staff of delegates is not included in the table. The delegates are subject to regulatory requirements on remuneration policies and disclosures that are comparable with the requirements applicable to Privium. Reference to the remuneration of the delegates is included in the Prospectus and annual report of the funds concerned.

Variable payments to both identified staff members in senior management roles and identified staff outside senior management depend e.g. on the profitability of the company, the performance of the funds, extraordinary commitment to the firm, customer satisfaction, work according best practice ethical standards, and/or other performance/non-performance related criteria. In 2020 no variable payments regarding the Windmill Trend Evolution Fund have been paid to any Identified Staff of Privium. Privium Fund Management B.V., the Fund Manager of the various funds, does not charge any employee remuneration fees to the funds, except for the Supermarkt Vastgoed Fund.

Employee remuneration is paid out of the management and performance fees (if applicable). In total 36 staff members were involved during (some part of) the year 2020 (2019: 35), including consultants and including both part-time and full-time staff.

One staff member, active in portfolio management, has earned more than EUR 1,000,000 in relation to the performance results during the year 2020 (2019: one).

Remuneration Investee Funds

The Windmill Trend Evolution Fund invests in other Investee Funds. These Funds are managed by other Investment Managers. These Investment Managers are regulated and need to comply with the local legislation in the countries in which they are regulated.

The Investment Objective and Investment Strategy of the Investee Funds are guided by a clear framework and should avoid any excessive risk taking. The Investment Managers of the Investee Funds each have remuneration policies in place as required by law. This both includes fixed and variable remuneration. In the audited financial statements of the Investee Funds these remuneration policies are explained in greater detail. Also on the websites of the Investment Managers these remuneration policies have been published.

Control Statement

The Board of Privium Fund Management B.V. declares to have an AO/IB (Handbook) that meets the requirements of the "Wet op het financieel toezicht and the 'Besluit gedragstoezicht financiële ondernemingen ('Bgfo')". During 2020 and the first half of 2021 we assessed the various aspects of the Privium operations as outlined in the AO/IB (Handbook). We have not identified any internal control measures that do not meet the requirements of Article 121 of the Bgfo and as such we declare that the operations in the year 2020 and the first half of 2021 functioned effectively as described. During 2020 and the first half of 2021 a number of independent service providers have conducted checks on Privium's operations as part of their ongoing responsibility and investor demand. No errors have been signalled.

Privium is updating its AO/IC (Handbook) on a regular basis as required by law. During the fourth quarter of 2020 the external audit officer performed its annual due diligence on a number of internal procedures at the Fund Manager. These are mostly related to Compliance and Risk Management. The external audit officer has reported his findings to the Fund Manager in a report. No meaningful errors have been signalled.

Risk management

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

Report of the Fund Manager (*continued*)

Risk management (*continued*)

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

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

The risk management function performs the following roles:

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

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

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

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

The positions of the fund are administered and reconciled by using a professional portfolio management system. Risk reports such as Value at Risk and Stress Scenarios are run using Bloomberg.

The Fund Manager uses an API-based system in which positions and/or risk exposures are synced from the Portfolio Manager's Excel (or alternative software) to a central database.

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

The reoccurring risk tasks are:

- Weekly risk report by risk management, including Value at Risk.
- Monthly reporting by portfolio management.
- Quarterly Operational risk management.
- Monthly stress scenarios. On ad hoc basis extra stress scenarios can be done.

Report of the Fund Manager (continued)

Risk management (continued)

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

In 2016 Privium's senior management team decided to engage an external party in the annual evaluation of the internal processes. This audit primarily focusses on risk management and compliance processes. In Q4 2020 this audit was executed for fifth time and the findings were reported to Privium's management. The audit did not demonstrate any material deviations.

Risk management and willingness to take risks

There have been no risk breaches during the year. The risk profile of the Fund hasn't changed during the reporting period. Neither did the investment objective(s) or any of the investment restrictions of the Fund changed during the reporting period.

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

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

Sorts of risks	Risk hedged	Measures applied and expected effectiveness	Impact on the NAV of the Financial Year end June 30, 2021	Expected impact on 2022 NAV if risk materializes	Adjustments to risk management in 2021 or 2022
Manager Risk/Price risk	No	The Fund maintains investments in other investment funds (hedge funds). These funds are managed by external Fund Managers. A rigid due diligence process is in place when investment funds are selected.	The Fund does not have an official benchmark. As a reference, between July 1 2020 and June 30 2021, the MSCI World (LC) gained +34.91%, the HFRX Global Hedge Fund Index (EUR) gained +10.09% and the HFRX Macro/CTA Index (EUR) gained +5.44% during this time period.	Much will depend on the actual positioning of the underlying investment funds. However we expect that the selected investments funds will perform better than general asset classes over time.	No
Interest rate risk	No	The Fund does not maintain any direct interest bearing financial instruments except for cash maintained on the bank account of the Fund. The underlying funds may invest in interest rate sensitive positions. However based on current positioning of the underlying funds the Fund Manager is of the opinion that overall interest rate risk is low.	None	None	No
Concentration risk	No	The fund maintains a significant investment in the AHL Evolution Fund. As of June 30, 2021 this investment represented 77.08% of the NAV of the Windmill Trend Evolution Fund.	Large	Large	No
Foreign Exchange risk	Yes	Any direct FX risk will be hedged within the fund.	None	None	No
Liquidity risk	No	Liquidity risk mostly has been mitigated by investing in positions that offer sufficient liquidity.	None	We would not expect a negative NAV impact if this risk would materialize.	No
Credit risk	No	Spare cash is maintained at ABN AMRO Bank N.V.. ABN AMRO Bank N.V. has an A credit rating and we would reconsider the relationship if this changes.	None	None	No
Operational risk	No	This risk is mostly mitigated by having rigid operational procedures in place. Next to that duties and responsibilities are clearly divided between Privium employees. The same is applicable to the service providers of the various Privium Funds.	None	None	No
Counterparty Risk	No	This risk is mostly mitigated by selecting and maintaining relationships with top tier counterparties and service providers.	None	None	No
Leverage Risk	No	The Fund is not using leverage (no implied leverage and no actual borrowings). Nevertheless as of June 30, 2021 the leverage calculations according to the Gross method and Commitment method are as follows: Gross method: 105.38% and Commitment method: 100%.	None	None	No
Sustainability Risk	No	Sustainability risks are categorized into Environmental, Social or Governance (ESG) issues and may pose a material risk to the value of an investment. Since the Fund is investing in other investment funds, a clear understanding of the sustainability risks in these investee funds is required. Therefore, the due diligence process for any new fund investment will contain at a minimum the following topics: •Analysis of the fund's sustainability risk related disclosures and reporting; •Questioning the fund manager on the sustainability risks the fund is exposed to; •Questioning the fund manager on the concentration of sustainability risks in the portfolio and its development over time; •Analysis of the fund manager's policy for identifying, measuring and monitoring sustainability risks; and •Questioning if the fund manager takes Principle Adverse Impacts into account as prescribed by the SFDR.	None	None	No

Financial statements

BALANCE SHEET

(As at 30 June)

	<i>Note(s)</i>	2021 EUR	2020 EUR
Assets			
Investments			
Investee funds		31,377,013	30,157,029
Derivative financial instruments		11,378	-
	3	<u>31,388,391</u>	<u>30,157,029</u>
Current assets (fall due in less than 1 year)			
Cash and cash equivalents	4	1,044,299	454,354
Prepayments		654	85
		<u>1,044,953</u>	<u>454,439</u>
Total assets		<u>32,433,344</u>	<u>30,611,468</u>
Liabilities			
Investment liabilities			
Derivative financial liabilities		-	(3,622)
	3	<u>-</u>	<u>(3,622)</u>
Current liabilities (fall due in less than 1 year)			
Subscriptions received in advance	5	(743,277)	(191,617)
Accrued expenses and other payables	6	(49,851)	(51,065)
		<u>(793,128)</u>	<u>(242,682)</u>
Total liabilities		<u>(793,128)</u>	<u>(246,304)</u>
Total assets minus total liabilities		<u>31,640,216</u>	<u>30,365,164</u>
Equity			
Contribution of participants		19,640,274	22,985,170
Unappropriated profit		11,999,942	7,379,994
Total participants' equity	7	<u>31,640,216</u>	<u>30,365,164</u>

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

Financial statements

INCOME STATEMENT (For the years ended 30 June)

	<i>Note(s)</i>	2021 EUR	2020 EUR
Investment income			
<i>Indirect investment result</i>			
Realised gains on investee funds	3, 8	1,058,329	3,547,752
Realised (losses)/gains on derivative financial instruments	3, 8	(95,242)	40,215
Unrealised gains/(losses) on investee funds	3, 8	3,911,656	(4,267,662)
Unrealised gains on derivative financial instruments	3, 8	15,000	3,449
Foreign currency gains/(losses) on translation	9	912	(3,316)
		4,890,655	(679,562)
Total investment income/(loss)		4,890,655	(679,562)
Expenses			
Management fee	11, 12	(164,972)	(222,241)
Administration fee	10,11	(28,864)	(35,227)
Depositary fee	10,11	(20,617)	(20,235)
Legal owner fee		(18,425)	(18,741)
Audit fee	11	(15,968)	(15,648)
Other general expenses		(14,990)	(12,579)
Interest expense		(4,141)	(574)
Bank charges		(2,730)	(2,760)
Total expenses	10	(270,707)	(328,005)
Net profit/(loss)		4,619,948	(1,007,567)

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

Financial statements

STATEMENT OF CASH FLOWS

(For the years ended 30 June)

	<i>Note(s)</i>	2021 EUR	2020 EUR
Cash flows from operating activities			
Proceeds from sale of investments	3	6,340,001	14,553,999
Purchase of investments	3	(2,590,000)	(3,517,562)
Net payments for derivative financial instruments	3	(95,242)	40,215
Interest paid		(4,370)	(226)
Management fee paid		(164,357)	(227,732)
Administration fee paid		(29,392)	(36,330)
Depositary fee paid		(20,617)	(20,235)
Legal owner fee paid		(18,425)	(18,741)
Other general expenses paid		(11,529)	(9,197)
Audit fee paid		(15,645)	(14,750)
Bank charges paid		(2,730)	(2,760)
Custody fee paid		(5,425)	-
Net cash flows provided by operating activities		<u>3,382,269</u>	<u>10,746,681</u>
Cash flows from financing activities			
Proceeds from sale of class A participations		5,537,248	6,789,669
Proceeds from sale of class B participations		-	3,762
Payments on redemption of class A participations		(8,317,273)	(17,469,057)
Payments on redemption of class B participations		(13,211)	(296,502)
Net cash flows used in financing activities		<u>(2,793,236)</u>	<u>(10,972,128)</u>
Net increase/(decrease) in cash and cash equivalents		589,033	(225,447)
Cash and cash equivalents at the beginning of the year		454,354	683,117
Foreign currency translation of cash positions		912	(3,316)
Cash and cash equivalents at the end of the year	4	<u>1,044,299</u>	<u>454,354</u>
Analysis of cash and cash equivalents			
Cash at bank		900,025	311,218
Due from broker		144,274	178,694
Due to broker		-	(35,558)
Total cash and cash equivalents	4	<u>1,044,299</u>	<u>454,354</u>

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

Notes to the financial statements

1. GENERAL INFORMATION

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

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

The investment objective of the Fund is to achieve medium-term capital gains for the participants. To achieve this objective, the Fund primarily invests in Class A1 Evolution EUR shares (the “AHL shares”) issued from the Class A Segregated Portfolio of AHL (Cayman) SPC (the “AHL Fund”). The Fund may acquire interests in other investment funds mainly focused on innovative systematic strategies that invest outside the mainstream markets.

The Fund may issue Class A and Class B participations. As at 30 June 2021 and 2020, both the Class A participations and Class B participations are in issue. Prospective participants can subscribe for Class A participations in EUR and for Class B participations in USD.

The Fund’s investment activities are managed by Privium Fund Management B.V. (the “Fund Manager”), with the administration delegated to Apex Fund Services (Netherlands) B.V. (the “Administrator”).

The Fund had no employees during the years ended 30 June 2021 and 2020.

The Fund Manager is subject to supervision by the AFM (Stichting Autoriteit Financiële Markten) and DNB (Central Bank of the Netherlands). On 22 July 2014, the AFM licence of the Fund Manager was automatically converted into an Alternative Investment Fund Managers Directive (“AIFMD”) licence by the AFM.

The financial statements have been authorised for issue by the Fund Manager on 2 December 2021.

2. SIGNIFICANT ACCOUNTING PRINCIPLES AND POLICIES

Basis of preparation

The financial statements of the Fund have been prepared in accordance with accounting principles generally accepted in the Netherlands (“Dutch GAAP”) including the guidelines for annual reporting RJ 615 and the statutory provisions concerning annual accounts contained in Part 9, Book 2 of the Dutch Civil Code.

The financial statements are prepared on a fair value basis for financial investments, except those for which a reliable measure of fair value is not available. Other financial assets and liabilities and non-financial assets and liabilities are stated at amortised cost or historical cost.

Below and overleaf is a summary of the accounting policies of the Fund.

Functional currency

The financial statements are presented in Euro (“EUR”), which is the Fund’s functional currency.

Notes to the financial statements

2. SIGNIFICANT ACCOUNTING PRINCIPLES AND POLICIES (*CONTINUED*)

Recognition and measurement

An asset is recognised in the balance sheet when it is probable that future economic benefits of the asset will flow to the Fund and the amount of the asset can be reliably measured. A liability is recognised in the balance sheet when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably. Income is recognised in the income statement when an increase in future economic benefit related to an increase in an asset or decrease in a liability has arisen that can be measured reliably.

Expenses (including value added tax (“VAT”), where applicable) are recognised in the income statement when a decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably.

Estimates

The preparation of financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Fund’s accounting policies. If necessary, for the purposes of providing the view required under Section 362, subsection 1, Book 2 of the Dutch Civil Code, the nature of these estimates and judgements, including related assumptions, is disclosed in the notes to the financial statements in question.

Foreign exchange

Transactions in foreign currency, if any, are converted at the rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in currencies other than EUR are converted to EUR at the exchange rates prevailing on the balance sheet date. Foreign currency exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates are recognised in the income statement. Translation differences on non-monetary assets held at cost are recognised using the exchange rates prevailing at the dates of transactions.

Translation differences in non-monetary assets such as investment in investee funds held at fair value through profit or loss are recognised through profit or loss as part of the fair value gain or loss.

Classification of participations

The participations of the Fund are classified as equity. These participations are recognised and measured at the redemption amount. Any distribution of equity is recognised through equity.

Basis of valuation - policies in preparing the balance sheet

Financial investments and financial derivatives are initially measured at fair value which is the fair value of the consideration given or received. Financial investments are subsequently re-measured at fair value.

Gains and losses arising from fair value changes are recognised in the income statement as ‘realised gains on investee funds’ and ‘realised (losses)/gains on derivative financial instruments’ or ‘unrealised gains/(losses) on investee funds’ and ‘unrealised gains on derivative financial instruments’.

The Fund’s investment in investee funds are valued based on the reporting received from the administrators of those funds. As at 30 June 2021, the value of investment in investee funds is the aggregate of the Fund’s attributable share of the latest available (unaudited) net asset value (“NAV”) of the investee funds.

The profit or loss of the Fund on its investment in investee funds is the aggregate of the Fund’s attributable share of the result of the investee funds. The Fund Manager may, if it thinks fit, make adjustments as a result of the different bases of determination of results applied by the investee funds. As at 30 June 2021 and 2020, no such adjustments were made.

Notes to the financial statements

2. SIGNIFICANT ACCOUNTING PRINCIPLES AND POLICIES (CONTINUED)

Basis of valuation - policies in preparing the balance sheet (continued)

Where an up-to-date value of an underlying investment is not available, or the valuation date does not coincide with that of the Fund, the Fund Manager will use an estimated value.

Forward currency contracts

The Fund may use forward currency contracts to hedge the currency exposure. A forward currency contract involves an obligation to purchase or sell a specific currency at a future date, at a price set at the time the contract is made. Forward currency contracts are valued by reference to the forward price at which a new forward currency contract of the same size and maturity could be undertaken at the valuation date. The unrealised gain or loss on open forward currency contracts is calculated as the difference between the contract rate and this forward price.

Receivables and prepayments

The value of accounts receivable and prepaid expenses will be deemed to be the full amount unless it is unlikely to be paid or received in full. Appropriate allowances for estimated irrecoverable amounts are recognised in the income statement when there is objective evidence that the asset is impaired. Cash is carried at face value.

Payables and accruals

Payables and accruals are included at fair value.

Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Statement of cash flows

The statement of cash flows is prepared according to the direct method. The statement of cash flows shows the Fund's cash flows for the year divided into cash flows from operations and financing activities and how the cash flows have affected cash funds.

For the purposes of the statement of cash flows, financial instruments at fair value through profit or loss are included under operating activities. Cash flows from financing activities include proceeds from subscriptions and payments for redemptions of shares of the Fund. As the nature of the Fund is to invest in financial instruments, all cash flows related to investments are classified as cash flows from operating activities.

Participants' equity

All references to net assets and NAV throughout the financial statements are equivalent to total participants' equity.

Principles for determining the result

The Fund recognises financial assets and liabilities on the date it becomes a party to the contractual provisions of the instrument. A regular way purchase and sale of investments is recognised using trade date accounting.

The changes in value of the investments held by the Fund are accounted for in the income statement.

Dividends from investee funds, if any, are included at the date when they are declared.

Expenses are accounted for in the income statement on the accrual basis. Transaction costs in relation to investee funds are capitalised. Income and expenses are allocated to the share classes of the Fund on a pro-rata basis, except for costs specific to a particular class of shares.

Tax position

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

Notes to the financial statements

NOTES FOR INDIVIDUAL BALANCE SHEET ITEMS

3. Investments

Movement in schedule of investments

(All amounts in EUR)

	2021	2020
Investment in investee funds		
As at the beginning of the year	30,157,029	41,913,376
Purchases	2,590,000	3,517,562
Sales	(6,340,001)	(14,553,999)
Realised	1,058,329	3,547,752
Unrealised	3,911,656	(4,267,662)
As at 30 June	31,377,013	30,157,029
Investment in derivative financial instruments		
As at the beginning of the year	(3,622)	(7,071)
Purchases/(sales)	95,242	(40,215)
Realised	(95,242)	40,215
Unrealised	15,000	3,449
As at 30 June	11,378	(3,622)
Total investments		
As at the beginning of the year	30,153,407	41,906,305
Purchases	2,685,242	3,477,347
Sales	(6,340,001)	(14,553,999)
Realised	963,087	3,587,967
Unrealised	3,926,656	(4,264,213)
As at 30 June	31,388,391	30,153,407

The table below provides an analysis of the forward currency contracts as at 30 June 2021:

(All amounts in EUR)

Expiration date	Contract currency	Bought	Contract currency	Sold	Contract rate*	Current rate*	Unrealised EUR
30/07/2021	USD	2,310,000	EUR	1,935,665	1.19339	1.18645	11,320
30/07/2021	USD	80,000	EUR	67,370	1.18747	1.18645	58
Total unrealised gain on open forward currency contracts							11,378

* Showing the equivalent of 1 Euro.

The table below provides an analysis of the forward currency contracts as at 30 June 2020:

(All amounts in EUR)

Expiration date	Contract currency	Bought	Contract currency	Sold	Contract rate*	Current rate*	Unrealised EUR
31/07/2020	USD	2,024,000	EUR	1,804,173	1.12184	1.12410	(3,622)
Total unrealised loss on open forward currency contracts							(3,622)

* Showing the equivalent of 1 Euro.

Notes to the financial statements

NOTES FOR INDIVIDUAL BALANCE SHEET ITEMS (CONTINUED)

4. Cash and cash equivalents

As at 30 June 2021, cash and cash equivalents comprise of balances held with ABN AMRO Bank N.V. amounting to EUR 900,025 (2020: EUR 311,218). As at 30 June 2021 and 2020, no restrictions in the use of these balances exist.

As at 30 June 2021, cash and cash equivalents also include amounts due from Saxo Bank amounting to EUR 144,274 (2020: EUR 178,694). This amount includes margin requirements. Margin represents cash deposited with the broker transferred as collateral against forward currency contracts.

As at 30 June 2021, cash and cash equivalents also include amounts due to Saxo Bank amounting EUR Nil (2020: EUR 35,558).

5. Subscriptions received in advance

Subscriptions received in advance represent the amounts received from participants for subscription to participations of the Fund for the first business day of the next month. Participants are required to deposit the amounts with the Fund prior to the issuance of participations.

As at 30 June 2021, the subscriptions received in advance amounts to EUR 743,277 (2020: EUR 191,617). On 1 July 2021, the Fund issued 4,719,221 (2020: 1,427,320) participations of Class A to the subscribing participants.

6. Accrued expenses and other payables

As at 30 June, accrued expenses and other payables consist of the following:

<i>(All amounts in EUR)</i>	2021	2020
Audit fee payable	(15,971)	(15,648)
Management fee payable	(14,310)	(13,695)
Administration fee (including annual report fee) payable	(11,085)	(11,613)
Licence fee payable	(5,948)	(4,931)
FATCA fee payable	(1,687)	(1,780)
Other payables	(616)	(250)
Interest payable	(119)	(348)
Commission and other charges payable	(115)	-
Brokerage fee payable	-	(2,800)
Total accrued expenses and other payables	(49,851)	(51,065)

Notes to the financial statements

NOTES FOR INDIVIDUAL BALANCE SHEET ITEMS (CONTINUED)

7. Share capital

Structure of the Fund's capital

Windmill Trend Evolution Fund is structured as a contractual fund with an open-ended structure and is subject to Dutch law.

The movement of equity in the participations during the years are as follows:

<i>(All amounts in EUR)</i>	2021	2020
<i>Contributions of participants</i>		
Balance at the beginning of the year	22,985,170	34,035,826
Issue of class A participations	4,985,588	6,711,141
Issue of class B participations	-	3,762
Redemption of class A participations	(8,317,273)	(17,469,057)
Redemption of class B participations	(13,211)	(296,502)
Total contributions at the end of the year	<u>19,640,274</u>	<u>22,985,170</u>
<i>Unappropriated profit</i>		
Balance at the beginning of the year	7,379,994	8,387,561
Net profit/(loss)	4,619,948	(1,007,567)
Total undistributed profit at the end of the year	<u>11,999,942</u>	<u>7,379,994</u>
Equity at the end of the year	<u>31,640,216</u>	<u>30,365,164</u>

Subscriptions and redemptions

Participants can, at the sole discretion of the Fund Manager, subscribe to the Fund on a monthly dealing day at the subscription price. The subscription price is equal to the NAV per participation as at the valuation date immediately preceding the applicable subscription date. The minimum subscription for each participant is EUR 10,000 for Class A participations and USD 100,000 for Class B participations. The minimum subscription amount may be waived by the Fund Manager in its sole discretion.

The Fund Manager will redeem participations at the request of a participant on a monthly redemption day. The redemption price of a participation is equal to the NAV per participation as at the valuation date immediately preceding the redemption date on which the relevant participant is redeemed. Applications for redemptions must be received at least ten business days before the relevant redemption date. In addition, the Fund has eleven business days after the release of the NAV of the applicable redemption date to pay the redemption proceeds to the participants.

The Fund's assets will be sufficiently liquid to, under normal circumstances, allow the Fund to redeem participations as requested by its participants for at least 10% of the assets managed.

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

Notes to the financial statements

NOTES FOR INDIVIDUAL BALANCE SHEET ITEMS (CONTINUED)

7. Share capital (continued)

Subscriptions and redemptions (continued)

The movement of participations during the year ended 30 June 2021 is as follows:

	Participations at the beginning of the year	Participations issued	Participations redeemed	Participations at the end of the year
Class A	212,670.4051	35,124.5892	(59,729.3010)	188,065.6933
Class B	17,340.4945	-	(129.3770)	17,211.1175
Total	230,010.8996	35,124.5892	(59,858.6780)	205,276.8108

The movement of participations during the year ended 30 June 2020 is as follows:

	Participations at the beginning of the year	Participations issued	Participations redeemed	Participations at the end of the year
Class A	289,822.5657	48,614.3531	(125,766.5137)	212,670.4051
Class B	20,105.7517	34.7428	(2,800.0000)	17,340.4945
Total	309,928.3174	48,649.0959	(128,566.5137)	230,010.8996

Capital management

The Fund's objectives when managing capital are to safeguard the Fund's ability to continue as a going concern in order to provide returns for participants and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, it is not expected that the Fund will declare any dividends. All earnings will normally be retained for investments. However, the Fund reserves the right to declare dividends or make distributions if the Fund Manager so decides.

NOTES FOR INDIVIDUAL INCOME STATEMENT ITEMS

8. Investment return

(All amounts in EUR)	2021		2021	2020
	Profit	Loss	Total	Total
Investee funds				
Realised results	1,098,157	(39,828)	1,058,329	3,547,752
Unrealised results	3,913,998	(2,342)	3,911,656	(4,267,662)
	5,012,155	(42,170)	4,969,985	(719,910)
Derivative financial instruments				
Realised results	-	(95,242)	(95,242)	40,215
Unrealised results	15,000	-	15,000	3,449
	15,000	(95,242)	(80,242)	43,664
Total result	5,027,155	(137,412)	4,889,743	(676,246)

Notes to the financial statements

NOTES FOR INDIVIDUAL INCOME STATEMENT ITEMS (CONTINUED)

9. Foreign currency gains/(losses) on translation

Realised and unrealised exchange differences consist of realised and unrealised translation gains and losses on assets and liabilities other than investment assets and liabilities. For the year ended 30 June 2021, this amounted to gains of EUR 912 (2020: losses of EUR 3,316). The following average and closing rates have been applied in the preparation of these financial statements (the equivalent of one Euro is shown):

	2021		2020	
	Average	Closing	Average	Closing
<i>Showing the equivalent of 1 Euro</i>				
United States Dollar	1.1928	1.1857	1.1059	1.1234

10. Costs

The Fund makes use of various parties for management, administration, custody and depositary services. The table below provides a breakdown of expenses as at 30 June.

<i>(All amounts in EUR)</i>	2021	2020
Expenses accruing to the Fund Manager		
Management fee	(164,972)	(222,241)
Other expenses		
Administration fee (including annual report fee)	(28,864)	(35,227)
Depositary fee	(20,617)	(20,235)
Legal owner fee	(18,425)	(18,741)
Audit fee	(15,968)	(15,648)
Other general expenses	(14,990)	(12,579)
Interest expense	(4,141)	(574)
Bank charges	(2,730)	(2,760)
Total expenses	(270,707)	(328,005)

The basis on which various costs are charged to the Fund are disclosed in detail in the Prospectus. It is a Dutch regulatory requirement to disclose any differences between actual costs and the costs disclosed in the Prospectus. During the years ended 30 June 2021 and 2020, all costs actually charged to the Fund were in accordance with the costs disclosed in the Prospectus. During the years, the Fund also incurred costs such as legal owner fee of EUR 18,425 (2020: EUR 18,741), other general expenses of EUR 14,990 (2020: EUR 12,579) and bank charges of EUR 2,730 (2020: EUR 2,760) which are not detailed in the Prospectus.

Ongoing charges ratio

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

For the year ended 30 June 2021, the ongoing charges ratio for the Fund is as follows:

	2021
Ongoing charges ratio	0.89%
Ongoing charges ratio including expenses of underlying funds	2.02%

For the year ended 30 June 2020, the ongoing charges ratio for the Fund is as follows:

	2020
Ongoing charges ratio	0.82%
Ongoing charges ratio including expenses of underlying funds	2.15%

Notes to the financial statements

NOTES FOR INDIVIDUAL INCOME STATEMENT ITEMS (CONTINUED)

10. Costs (continued)

Turnover factor

This ratio demonstrates the rate at which the Fund's portfolio is turned over. For the year ended 30 June 2021, the turnover factor for the Fund is (14.16%) (2020: (15.51%)). The turnover factor is calculated by adding total purchases and sales, subtracting total subscriptions plus total redemptions and dividing the total by the average NAV.

11. RELEVANT CONTRACTS

Fund Manager

Management fee

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

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

Administrator

The Fund has entered into an administration agreement with Apex Fund Services (Netherlands) B.V. The Administrator charges a fee based on 0.08% of the NAV of the Fund up to EUR 30 million, 0.06% of the NAV between EUR 30 million and EUR 50 million, 0.04% of the NAV between EUR 50 million and EUR 100 million and 0.02% of the NAV above EUR 100 million, to be calculated monthly and paid quarterly in arrears and with a minimum annual fee of EUR 15,000 per annum. The Administrator also charges a fee of EUR 5,000 per annum for the preparation of the Fund's annual report.

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

Details of administration fees (including annual report fees) charged for the years are disclosed in the income statement.

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

Depositary

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

Independent Auditor

The Fund appointed Ernst & Young Accountants LLP as the Independent Auditor. The Independent Auditor's remuneration consists of EUR 15,968 (2020: EUR 15,648) audit fee for the audit of the financial statements. The Independent Auditor does not provide any non-audit services or other audit services to the Fund.

Notes to the financial statements

12. RELATED PARTY TRANSACTIONS

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

The Fund Manager is considered a related party.

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

Transactions from 1 July 2020 to 30 June 2021 and balances as at 30 June 2021

	Paid EUR	Balance EUR
Management fee	(164,357)	(14,310)

Transactions from 1 July 2019 to 30 June 2020 and balances as at 30 June 2020

	Paid EUR	Balance EUR
Management fee	(227,732)	(13,695)

The Delegate is also considered a related party. As at 30 June 2021, the Investment Advisor and/or its employees held 4,946.5821 Class A shares in the Fund (2020: 5,036.7105) and 251.1889 Class B shares in the Fund (2020: 357.9594).

13. FINANCIAL INVESTMENTS AND ASSOCIATED RISKS

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

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

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

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

Market risk

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

Market price risk

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

As at 30 June 2021, price risk arises on the Fund's investment in investee funds.

Notes to the financial statements

13. FINANCIAL INVESTMENTS AND ASSOCIATED RISKS (CONTINUED)

Market risk (continued)

Interest rate risk

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

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk exposure arises from the Fund investing in financial instruments and entering into transactions which are denominated in currencies other than its functional currency.

As at 30 June 2021, 100% (2020: 100%) of the assets and liabilities of the Fund are denominated in the functional currency and therefore the Fund is not exposed to currency risk from its assets and liabilities as at the reporting dates.

Currency risk arises from the Fund's share classes. Class B participations are denominated in a currency other than EUR and are therefore exposed to currency fluctuations. It is the Fund's intention to hedge the currency exposure of USD participants to the Fund's base currency through the utilisation of forward currency contracts. Any profits or losses of currency hedges shall be allocated to the Class B participations. The table below outlines the USD exposure of the Class B participations as at 30 June 2021 and 2020 and the notional amount of the forward currency contracts used to mitigate the risk.

	Net position EUR	2021 Notional Amount Forwards EUR	Net Currency Exposure EUR	Net position EUR	2020 Notional Amount Forwards EUR	Net Currency Exposure EUR
Currency						
United States Dollar	45,284	(11,378)	33,906	(33,569)	3,622	(29,947)

The forward currency contracts mature within 1 month of the reporting date. The notional amounts represent the undiscounted cash flow at the maturity date.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The carrying values of financial assets (excluding any investment in investee funds) best represent the maximum credit risk exposure as at the reporting dates and amounts to EUR 1,044,953 (2020: EUR 454,439).

Notes to the financial statements

13. FINANCIAL INVESTMENTS AND ASSOCIATED RISKS (CONTINUED)

Liquidity risk

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

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

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

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

As at 30 June 2021 and 2020, the Fund invests in the AHL Fund. The Fund may redeem their investment in the AHL Fund on a monthly dealing day, provided 30 calendar days notice is given before the relevant dealing day. Payments are ordinarily made by the AHL Fund within 10 business days of the valuation day. Please see note 15 for further information regarding the AHL Fund.

Sustainability risk

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

14. SCHEDULE OF INVESTMENTS BY INVESTMENT STRATEGY

	2021 EUR	% of NAV	2020 EUR	% of NAV
Strategy				
CTA Systematic	31,377,013	99.2	30,157,029	99.3
Total	31,377,013	99.2	30,157,029	99.3

Notes to the financial statements

15. INDIRECT INVESTMENTS

The information regarding the Fund's indirect investments is as follows:

AHL (Cayman) SPC - Class A Evolution Segregated Portfolio

General information:

AHL (Cayman) SPC - Class A Evolution Segregated Portfolio (the "Company") was incorporated as a segregated portfolio company with limited liability in the Cayman Islands. The Company operates as an open-ended mutual fund and is regulated under the Mutual Funds Law (as amended) of the Cayman Islands.

The Company currently has five share classes in issue, namely Class A1 USD, Class A1 AUD, Class A1 EUR, Class A1 JPY and Class Z USD.

The financial statements of AHL (Cayman) SPC - Class A Evolution Segregated Portfolio have been issued with an unqualified opinion for the year ended 30 June 2021 by Ernst & Young Ltd and are available at the office of the Fund Manager.

Further information:

(i) Details of the Fund's investment in the Company

As at 30 June 2021, the Fund holds 24,385,370 (2020: 24,497,448) Class A1 EUR shares in the Company and the Fund's investment in the Company represents 77.08% (2020: 80.70%) of the NAV of the Fund.

ii) Balance sheet of the Company as at 30 June

	2021	2020
	USD	USD
Assets		
Cash and cash equivalents - unrestricted	523,453,368	298,542,966
Cash and cash equivalents - restricted	18,269,034	1,443,794
Investment in financial assets at fair value	2,634,572,051	2,164,956,424
Net unrealised gain on forward currency contracts	-	804,778
Other assets	261,268	202,574
Total assets	<u>3,176,555,721</u>	<u>2,465,950,536</u>
Liabilities		
Redemptions payable	126,973,852	6,491,851
Accrued expenses and other liabilities	100,839,962	8,706,975
Subscriptions received in advance	13,100,000	4,581,450
Equalisation payable	7,013,743	383,667
Net unrealised loss on forward currency contracts	2,048,114	305,003
Collateral balances held	-	142,366
Total liabilities	<u>249,975,671</u>	<u>20,611,312</u>
Net assets attributable to holders of redeemable participating shares	<u>2,926,580,050</u>	<u>2,445,339,224</u>

Net Asset Value per share:

Class A1 USD (based on 1,099,214,683 (2020: 1,045,708,592) shares in issue)	USD 2.3659	USD 2.0481
Class A1 AUD (based on 14,040,357 (2020: 20,707,331) shares in issue)	AUD 2.3036	AUD 2.0024
Class A1 EUR (based on 104,492,122 (2020: 117,412,116) shares in issue)	EUR 1.8532	EUR 1.6124
Class A1 JPY (based on 49,500,000 (2020: 49,500,000) shares in issue)	JPY 137.0512	JPY 118.7541
Class Z USD (based on 4,793,068 (2020: 4,167,830) shares in issue)	USD 2.2821	USD 1.8786

Notes to the financial statements

15. INDIRECT INVESTMENTS (CONTINUED)

(iii) Statement of operations of the Company for the year ended 30 June

	2021 USD	2020 USD
Investment income		
Interest income	981,528	15,068,355
Other income	2,643,976	2,428,802
Total investment income	3,625,504	17,497,157
Operating expenses		
Performance fees	99,172,149	5,139,029
Management fees	55,415,545	50,098,376
Services manager fees	2,211,490	2,056,782
Depositary fees	300,131	300,898
Other expenses	180,572	108,546
Directors' fees	12,000	12,000
Interest expense	4,029	505
Total operating expenses	157,295,916	57,716,136
Net investment loss	(153,670,412)	(40,218,979)
Realised and movement in unrealised gain on investments, derivatives and foreign currency		
Realised gain on investments, derivatives and foreign currency	881,855,606	126,817,592
Movement in unrealised loss from investments, derivatives and foreign currency	(308,450,052)	(78,098,200)
Net realised and movement in unrealised gain on investments, derivatives and foreign currency	573,405,554	48,719,392
Net increase in net assets resulting from operations	419,735,142	8,500,413

(iv) Investment portfolio of the Company as at 30 June

The investment portfolio of the Company comprises the following investments as at 30 June (expressed as a percentage of the total assets of the Company):

	2021	2020
AHL Evolution Fund	69.52%	64.82%
Debt – Investment in securities at fair value - long	20.50%	23.71%
Forward currency contracts - long	0.00%	0.00%
Forward currency contracts - short	(0.07%)	0.02%
Total	89.95%	88.55%

Notes to the financial statements

15. INDIRECT INVESTMENTS (CONTINUED)

(v) Statement of changes in net assets of the Company for the year ended 30 June

	2021	2020
	USD	USD
Net assets at the beginning of the year	2,445,339,224	2,344,845,578
Increase in net assets resulting from operations	419,735,142	8,500,413
Increase in net assets resulting from capital transactions	68,135,760	89,826,417
(Decrease)/increase in net assets resulting from effects of equalisation	(6,630,076)	2,166,816
Net assets at the end of the year	<u>2,926,580,050</u>	<u>2,445,339,224</u>

16. PROVISION OF INFORMATION

This annual report and the Prospectus of the Fund are available free of charge from the Fund Manager.

17. DATE OF AUTHORISATION

The financial statements have been authorised for issue by the Fund Manager in Amsterdam on 2 December 2021.

Investment portfolio as at 30 June 2021

2021

Assets	Currency	Fair value EUR	% of NAV
Investee funds			
AHL (Cayman) SPC Class A Evolution Segregated Portfolio	EUR	24,385,369	77.1
Man AHL Evolution Frontier Limited	EUR	4,884,422	15.4
Man AHL Trend Alternative	EUR	2,107,222	6.7
		31,377,013	99.2

Investment portfolio as at 30 June 2020

2020

Assets	Currency	Fair value EUR	% of NAV
Investee funds			
AHL (Cayman) SPC Class A Evolution Segregated Portfolio	EUR	24,497,449	80.7
Man AHL Evolution Frontier Limited	EUR	4,581,367	15.1
Man AHL Trend Alternative	EUR	1,078,213	3.5
		30,157,029	99.3

Other information

Provisions of the Prospectus on distribution policy

The Fund Manager shall have sole discretion whether to distribute any income of the Fund or whether to retain it within the Fund. Any amounts which it determines to distribute shall be paid to participants pro rata to the number of participations held by each of them.

Interests held by the Directors

As at 30 June 2021 and 2020, none of the Directors of the Fund Manager hold shares in the Fund or in any of the investments that the Fund holds.

Events after the balance sheet date

The Prospectus of the Fund was updated in July 2021. In October 2021 a Supplement to the Prospectus was created, covering the following: The Legal Owner and the Fund Manager may limit the redemption of participations on a redemption date to an aggregate total redemption price of ten per cent (10%) (or more, as long as such higher gate is not to the detriment of the remaining participants) of the Net Asset Value on the valuation date prior to the redemption date. In this case, the number of participations to be redeemed per participant will be pro rata the total number of participations offered for redemption. Any participations included in a redemption request that have not been redeemed as a result of such scale down of a redemption request are deemed to be offered for redemption on the following redemption date on a pro rata basis alongside subsequent redemption requests (but not compulsory redemptions) and shall be subject to the same limitations. This amendment will become effective as of December 1, 2021.

Independent auditor's report

To: the shareholders and the directors of Privium Fund Management B.V. as investment manager of Windmill Trend Evolution Fund

Report on the audit of the financial statements 2021 included in the annual report

Our opinion

We have audited the financial statements 2021 of Windmill Trend Evolution Fund, based in Amsterdam, The Netherlands.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Windmill Trend Evolution Fund as at 30 June 2021, and of its result and its cash flows for 2021 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- The balance sheet as at 30 June 2021
- The following statements for 2021: Profit and loss statement and cash flow statement
- The notes comprising a summary of the accounting policies and other explanatory information

Basis for our opinion

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

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

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

Report on other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- The management report
- Other information as required by Part 9 of Book 2 of the Dutch Civil Code
- General information

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

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

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

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

Description of responsibilities for the financial statements

Responsibilities of management for the financial statements

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

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

Our responsibilities for the audit of the financial statements

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

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

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

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Concluding on the appropriateness of management'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 company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

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

The Hague, 2 December 2021

Ernst & Young Accountants LLP

signed by R.J. Bleijs