



**Aescap Genetics Fund**

**SEMI ANNUAL REPORT  
( FINANCIAL STATEMENTS )**

**AS PER JUNE 30, 2023**

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## **Aescap Genetics Fund**

### **General Information**

#### ***Business Address of the Fund***

##### **Aescap Genetics**

Gustav Mahlerplein 3,  
26th floor, Financial Offices  
1082 MS Amsterdam  
The Netherlands  
www.aescap.com  
E-mail : fundmanagement@priviumfund.com

#### ***Fund Manager***

##### **Privium Fund Management B.V.**

Gustav Mahlerplein 3,  
26th floor, Financial Offices  
1082 MS Amsterdam  
The Netherlands  
E-mail : fundmanagement@priviumfund.com

#### ***Legal Owner***

##### **Stichting Aescap Genetics**

Hoogoorddreef 15  
1101 BA AMSTERDAM  
The Netherlands

#### ***Administrator***

##### **IQ EQ Financial Services B.V.**

Hoogoorddreef 15  
1101 BA AMSTERDAM  
The Netherlands

#### ***Independent auditor***

##### **Mazars N.V.**

Delflandlaan 1  
1062 EA Amsterdam  
The Netherlands

#### ***Custodian***

##### **Saxo Bank A/S**

15 Philip Heymans Alle  
2900 Hellerup  
Denmark

#### ***Depository***

##### **Apex Depository Services B.V. (former Darwin Depository Services B.V.)**

Van Heuven Goedhartlaan 935A  
1181 LD Amstelveen  
The Netherlands  
E-mail : info@apexdepository.com

#### ***Legal Counsel***

##### **Warendorf**

Koningslaan 42  
1075 AE Amsterdam  
The Netherlands

#### ***Regulatory Counsel***

##### **Finnius**

Jollemanhof 20A  
1019 GW Amsterdam  
The Netherlands

**Aescap Genetics Fund****Overview (Key figures) Aescap Genetics**

	<b>30-06-23</b>	<b>31-12-22</b>
<b>Number of Outstanding Units</b>		
AESCAP GENETICS Manager	<b>5,060.6966</b>	5,050.8287
AESCAP GENETICS Investors	<b>9,666.4768</b>	9,208.9118
	<b>30-06-23</b>	<b>31-12-22</b>
<b>Net Asset Value per Unit (€)</b>		
AESCAP GENETICS Manager	<b>949.0698</b>	1,012.8793
AESCAP GENETICS Investors	<b>928.6954</b>	998.5360
<b>Total Net Asset Value ( x € 1,000)</b>	<b>13,780,167</b>	14,311,310

The abovementioned Investor Unit Classes have equal conditions, the only differences being applied are the fees.

	<b>30-06-23</b>	<b>31-12-23</b>
<b>Return on Investment per Unit (%)</b>		
Aescap Genetics Manager	<b>(6.30%)</b>	1.29%
Aescap Genetics Investors	<b>(6.99%)</b>	(0.15%)

**Ongoing Cost Figure (OCF) – previously Total Expense Ratio (TER) <sup>(1)</sup>**

OCF (Performance Fee excluded (%))	<b>1.32%</b>	2.20%
OCF (Performance Fee included (%))	<b>1.32%</b>	2.20%

The OCF figures are valid for the Aescap Genetics Investors Unit Class, whereas the fund management shares do not have management fee charged. OCF figures are calculated for the reporting period.

## Aescap Genetics Fund

### Profile & Structure

#### Start of the Fund

Aescap Genetics ("the Fund") started activities as per January 19, 2022. The Fund has been established for the first period of time.

#### Legal Form

The Fund is a fund for joint account (in Dutch: een fonds voor gemene rekening). It does not have a legal personality. It is formed by and comprises a contractual arrangement governed by the terms of the Prospectus between the Fund Manager, the Legal Owner and each Unit Holder. Under this arrangement the Fund Manager is mandated to invest the contributions of the Unit Holders of the Fund for their collective risk and account in securities, which are held by the Legal Owner on behalf of the Unit Holders, in accordance with the Prospectus for the purpose of enabling the Unit Holders to share in the revenue from the investments in securities. The Unit Holders are proportionally matched with the number of Units owned, and they are jointly entitled to the Fund Assets. The contractual agreement between the Fund Manager, the Legal Owner and each of the Unit Holders does not constitute a partnership or limited partnership and does not create any other agreement between the Unit Holders. The obligation of a Unit Holder to pay the subscription price for a Unit is only an obligation towards the Fund represented by the Fund Manager and the Legal Owner. The Units only constitute rights and obligations of the Unit Holders with respect to the Fund Manager and the Legal Owner and not to other Unit Holders.

#### Limited Transferability

A Unit Holder cannot transfer its Units, except if such Units are transferred to relatives in the straight line. Any such transfer requires the prior written approval of the Fund Manager. For the avoidance of doubt, in case a Unit Holder holds Units for a beneficial owner pursuant to a custody relationship between such Unit Holder and the beneficial owner, a change of custodian by such beneficial owner shall be subject to a prior approval of the Fund Manager, but shall not be deemed a transfer for the purpose of the transfer restrictions under the Prospectus. Units may not be pledged or otherwise encumbered.

#### Open End

Except in certain exceptional circumstances, the Fund is obliged to issue or to redeem Units on a Transaction Day at their Net Asset Value, minus the anti-dilution levy.

#### Not listed

The Fund is not listed on any stock exchange.

#### Net Asset Value

The Net Asset Value is calculated on a weekly and at the end of each month basis by the Administrator, as is described in Section 14 of the Prospectus ("Determination of Net Asset Value").

#### Minimum subscription amount

The minimum investment amount for participation is € 100,000 for Aescap Genetics Manager Class. The minimum investment amount for participation is € 500,000 for Aescap Genetics Investors Class. The minimum investment amount for participation is € 10,000,000 for Aescap Genetics Investors 10M+. The minimum investment amount for participation is € 20,000,000 for Aescap Genetics Investors Class 20M+ and the minimum investment amount for participation is € 30,000,000 for Aescap Genetics Investors Class 30M+. The Fund Manager can accept a lower minimum subscription amount for Aescap Genetics Investors Unit Class. This minimum can be lowered to EUR 10,000. Clients of wealth managers, family offices or private banks who have an executed discretionary portfolio management agreement or investment advisory services agreement with the wealth manager, family office or private bank, are accepted when the investment decision to invest in the Aescap Genetics is taken or advised by the wealth manager, family office or private bank. This will only be possible for Aescap Genetics Investors Unit Class. Additionally, for family members (being defined as first and second degree relatives) of existing Unit Holders, subscription amounts below EUR 100,000 can be accepted as well. Here the subscription will be linked to the size of the current investment of the existing Unit Holder. Existing Unit Holders can make applications for further Units in amounts of EUR 10,000 or more. At the time of inception of the Fund Units with a Net Asset Value of € 1,000 have been issued as part of the Initial Classes.

#### Request for issue or redemption

Requests for the issue or redemption of Units may be made to the Administrator by means of the forms provided for this purpose on the Website. The Administrator will inform the Fund Manager. The Fund Manager is not obliged to honor a request for an issue or redemption of Units. (See Section 15, "Subscription", and Section 16, "Redemption" of the Prospectus)

#### Tax Position of Fund

The Fund qualifies as a transparent or "closed" fund for joint account for Dutch tax purposes, since Units can only be transferred to the Fund itself and Units can only be redeemed by the Fund. Consequently, the Fund is not subject to Dutch corporate income tax. From a Dutch tax perspective, the returns on the investments received by the Fund directly influence the tax position of the Unit Holder. More details are available in Chapter 18 of the Prospectus.

#### Distribution policy

The dividends and interest received by the Fund, as well as possible capital gains, will not be distributed but will be re-invested, unless distribution would be deemed appropriate by the Fund Manager in connection with the regulatory status of the Fund Manager. Any distribution will take place on a pro rata basis. Any distribution (including profit distributions) to the Unit Holders, including the amount, composition and manner of payment, shall be published on the Website.

#### Regulatory considerations

##### License

The Fund Manager is in possession of an AFM license as referred to in article 2:65(a) FSA, and as a consequence (and subject to compliance with the other requirements applicable pursuant to the FSA) may offer the Fund to professional and non-professional investors within the Netherlands.

The AFM license of the Fund Manager has been issued prior to the implementation of the AIFM Directive in the Netherlands and was automatically converted into an AIFM Directive license by the AFM on 22 July 2014, in accordance with the Netherlands AIFM Directive implementation schedule.

## Aescap Genetics Fund

### Profile & Structure (Continued)

#### Supervision by AFM and DNB

The Fund Manager operates under the supervision of the AFM and DNB as foreseen in the applicable provisions of the FSA. For the sake of an adequate functioning of the financial markets and the position of investors, investment funds have to comply with demands with regard to professionalism and reliability of its managers, financial safeguards, (operational) management and the providing of information to Unit Holders, the public and the supervisors.

For "regulatory changes" we refer to section 22 of the Prospectus.

### Investment Proposition

#### The Market Opportunity

Aescap Genetics ('the Fund') invests in publicly listed genetics biotech / life sciences companies. It invests in highly innovative companies that develop and market new genetics medical treatments such as gene, RNA and cell therapies. It can to a limited extent also invest in companies that develop and market medical genetics diagnostics. The life sciences market is a large and fast-growing market where breakthrough innovations can be exploited in a global and profitable manner. The substantial growth of the life sciences market is driven by:

- a) A longer life expectancy (especially in the emerging markets) as well as an ageing population which are driving demand for improved and cost-effective medicine, diagnostics and medical devices;
- b) A high unmet medical need for diseases such as Alzheimer, Arthrosis, Diabetes, MS, Obesity, Oncology, Parkinson and many other such as infectious diseases;
- c) Approximately 6000 rare diseases with no treatment available at all today.

The rapidly growing healthcare costs, almost everywhere in the world, are increasing the demand for biotech / life sciences innovations. A good example of such an approach is the concept of precision medicine. The concept of precision medicine is based on the fact that people respond differently to the same treatment. Based on gene profiling and biomarker data a patient can be given the right treatment from the start, instead of following a trial and error approach as still often is the case in the treatment of cancer. The development of precision medicine has only just started.

The sector the Fund is active and is known for its attractive premiums in case of takeovers. The large cash buffers of the bigger pharma / biotech companies create the potential for many future acquisitions of smaller biotech companies.

The number of publicly listed biotech / life sciences genetics companies the Fund can select from is over 100 in the EU and the US together.

In the context of the EU Sustainable Finance Disclosure Regulation (SFDR), the Fund has been classified as an Article 8 fund. The investments of the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

#### Investment Policy

The Fund aims to gain value by investing in publicly traded shares of genetics biotech / life sciences companies. It invests in highly innovative companies that develop and market new genetics medical treatments such as gene, RNA and cell therapies. It can to a limited extent also invest in companies that develop and market medical genetics diagnostics. The Fund may also invest in warrants of such companies. Often these warrants are received as part of an equity issue by a company. It will typically invest in companies with the potential to (more than) double their share price over a period of maximum 4-5 years. The Fund aims to make investments in companies located globally, provided that most investments are likely to be made in companies located in Europe and Northern America given the innovation power in biotech in these markets.

The Fund has a focused portfolio, investing in approximately 18 companies. Within this focus it will ensure that the portfolio is diversified over different diseases, development phases and geographical areas.

#### Investment Objective

The Fund's objective is to make an average minimum annual net return (after deduction of costs) of 20%+ over the mid-term (4-5 years).

## Aescap Genetics Fund

### Profile & Structure (Continued)

#### Investment Discipline and Criteria

The Fund aims to select those publicly listed genetics biotech / life sciences companies which are undervalued based on their growth potential. The value creation in which it aims to invest is typically based on:

- a significant potential growth in revenues/profit;
- the achievement of clinical study milestones; and/or
- the closing of a partnership or similar deal with a larger biotech / life sciences company in the field, one that most likely already has a sales force active in the disease area the licensing deal is representing.

The companies the Fund will invest in are typically acquisition targets for biopharmaceutical multinationals, which are known for their constant hunger to fill their pipelines.

Investment decisions are based on fundamental company analyses of the company's technology and/or products, product development risks, market entrance barriers, competition, financials and the expected market development. But maybe even more important by making serious efforts to understand the strengths and weaknesses of management and their view on the future of the company and the markets they serve.

The Fund may, if the Fund Manager has a good reason to do so, hold a substantial percentage of the Fund in cash. The Fund can make limited use of borrowed money. A maximum of 10% of the Net Asset Value can be borrowed money:

- to bridge temporary liquidity shortages;
- to make use of one or more investment opportunities after new subscription orders have come into the Fund from Unit Holders.

For the most important investment criteria we refer to section 4.5 of the Prospectus.

#### Risk control

The portfolio of companies of the Fund is expected to consist of a limited number of approximately 18 companies. It is this 'cherry picking' from a basket of over 100 publicly listed companies in the genetics biotech / life sciences sector which should drive the outperformance of the different biotech indexes / trackers. In order to reduce the risks of investing in this sector the Fund will diversify its portfolio over several disease areas, different phases of product development as well as geographical areas.

#### Risk Profile

Investing in biotech companies involves a high degree of risk and prices of the securities of such companies, especially of companies with a small market cap, may be volatile. Furthermore, there is concentration risk because of the genetics biotech focus and a relatively small portfolio of approximately 18 companies. Investments are also often made in a foreign currency like the US dollar and foreign currency exposures are not hedged back to the Euro, the base currency of the Fund. Please see Section 5 for an overview of all risk factors in relation to (an investment in) the Fund.

For investment criteria and investment restrictions as well as the Fund characteristics and investor profile more in detail we refer to section 4 of the Prospectus.

#### Most important risks and uncertainties

A Unit Holder cannot lose more than the amount invested in the Fund by that Unit Holder.

The most important risks, which must be considered that are common with an investment fund of this nature, involved in investing in the Fund

##### **Volatility risk**

There are financial risks involved with investing in Units of the Fund. Unit Holders have to realize that the stock market value of underlying investments of the Fund may significantly fluctuate, especially in the biotech / life sciences market where governmental regulations and/or technology risks can have a significant impact on a company's value. As a result of fluctuations of the biotech / life sciences stock markets, the Net Asset Value of the Fund may also fluctuate, which means that it is possible that Unit Holders, when redeeming, may not receive the full amount invested in the Fund.

##### **Market risk**

Markets may rise and fall and the prices of financial instruments and other assets on the financial markets can rise and fall. In general, and more specifically the prices of assets of the nature and type the Fund may invest in and hold, can rise and fall. A careful selection and spread of investments does not provide any guarantee of positive results. In the biotech / life sciences market governmental measures related to medicine approvals and pricing as well as technology risks can have a large impact on the value of one single company or the market as a whole. There may be various reasons why markets fall like recessions caused by a change in the economic business cycle or a pandemic.

## Aescap Genetics Fund

### Profile & Structure (Continued)

#### **Currency risk**

The Fund does not hedge currency positions. Investments other than in Euros can therefore cause fluctuations. The Net Asset Value of the EUR denominated Unit Classes may therefore be affected by exchange rate fluctuations, positive as well as negative.

#### **Risk that investments do not develop as expected**

The Fund aims for an average yearly mid-term minimum net return of 20% per annum, after deduction of all costs. There is however no guarantee that this return will be achieved. Moreover, no guarantee can be given that the analyses of the Fund Manager concerning the expected development of the portfolio of companies are correct.

#### **Risks related to the sector the Fund invests in**

The sector the Fund is investing in comes with certain specific risks such as:

- Potential weakening of the patent protection environment in one or more jurisdictions;
- Financing risk, given the fact that many biotech companies are loss making and therefore are in need of further financing to develop their products;
- Major technology breakthroughs outside of the Fund's portfolio;
- Legal or regulatory developments influencing the life sciences industry and/or the investments made by the Fund;
- Changes in projections by securities analysts of a company;
- Biotech stock market fluctuations;

#### **Risks of a general economic and political nature**

Investments made by the Fund are subject to general economic risks, for instance, reduced economic activity, rising interest rates, inflation and rising prices of commodities. The value of the Fund can also be influenced by political developments, wars and other global trends and events.

#### **Concentration risk**

Because of the limitation of investments to approximately 18 different companies, there may be stronger fluctuations in the Net Asset Value of the Fund in case one or more particular investments by the Fund would decrease in value, than it would normally be the case if the investments were more spread. As a result of the strategy of the Fund, the returns of the Fund can deviate significantly from the returns of a world equity index. As a consequence thereof, specific risks arise that are reflected in differences in performance between the Fund and the global equity indices, positively and negatively.

#### **Systemic risk**

Certain events in the world or certain activities from one or more important parties in the financial markets can lead to a disturbance in the normal functioning of the financial markets. As a result of this, substantial losses may arise, caused by liquidity and counterparty risks following from such a disturbance.

#### **Cyber Security risk**

The Unit Holders are exposed to the risk of a cyber attack or data breach at the level of the Fund Manager or at the level of the service providers. The Fund Manager and service providers have implemented measures to mitigate this risk as much as possible.

#### **Inflation risk**

There may be a risk that the purchasing power of the amount invested by the Unit Holder in the Fund decreases as a result of inflation.

#### **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.

#### **Risk of limited redemption**

Units can only be transferred to the Fund (except for transfers to persons that are next of kin or direct in law of a Unit Holder). The Fund is in principle obliged to purchase Units on a weekly basis, on a Transaction Day. Under certain circumstances the Fund Manager is authorized to delay redemption or honor redemption requests only partially (see Section 16 of the Prospectus: "Redemption"). In those cases the Unit Holder is not able to redeem, or redeem only partially, its Units. This may (also) have a negative effect on the price of the Units.

#### **Indemnification risk**

The Fund Manager and the Legal Owner are entitled to be indemnified out of the Fund Assets against costs, losses and expenses which they may incur or become liable in connection with the execution of their duties. In addition, the Depositary, the Administrator and other service providers also are entitled to an indemnity under the terms of their respective agreements for the services they provide. These obligations could require substantial indemnification payments out of the Fund Assets, provided however that the Depositary shall not be so indemnified with respect to any matter resulting from its negligent or intentional failure to properly fulfil its obligations in accordance with article 21(12) of the AIFM Directive, and no other person shall be so indemnified with respect to any matter resulting from its attributable breach (toerekenbare tekortkoming in de nakoming).

#### **Counterparty risk**

The Fund will be subject to the risk of the inability or refusal of payment or clearing institutions, principals or other service providers or other counterparties to its transactions, to perform or to perform in time under such services or transactions. Any such failure, refusal or delay, whether due to insolvency, bankruptcy or other causes, could subject the Fund to substantial losses. The Fund Manager will seek to mitigate these risks by reviewing the creditworthiness and reliability of all service providers and counterparties and only entering into transactions with those parties that the Fund believes to be creditworthy and reliable.



## Aescap Genetics Fund

### Profile & Structure (Continued)

#### **Liquidity risk**

If, due to unforeseen circumstances, normal liquidity conditions do not apply, the Fund could face liquidity risk. This could imply that financial instruments cannot be sold or bought under normal market conditions, leading to significant direct and indirect transaction costs. It may also mean that positions cannot be sold at the anticipated price as established and deemed to be the fair value at the date of deciding to liquidate/sell those positions. This may have a negative effect on the Net Asset Value of a Unit.

#### **Settlement risk**

This is the risk that settlement through a payment system does not take place as expected, because the payment or delivery of the financial instruments by a counter party does not take place, or does not take place on time, or is not as expected.

#### **Risk of change in (fiscal) laws**

This is the risk that (fiscal) legislation changes or that new legislation comes into force that negatively affects the fiscal treatment of Fund or its Unit Holders or the risk that unclear rules and regulations and conflicting advice may result in a breach of rules and regulations applicable to the Fund. Resulting fines and other sanctions and possible damage to the reputation of the Fund, the Fund Manager and other connected persons may result in a negative impact on the Net Asset Value of the Fund and the Units.

#### **Key man risk**

Patrick Krol has been assigned by the Fund Manager as Portfolio Manager of the Fund. Unit Holders are exposed to the risk that Patrick Krol ceases to be involved with the Fund Manager.

#### **Regulatory supervision and compliance risk**

The regulatory rules keep evolving and changes therein may adversely affect the functioning of the Fund and/or the Fund Manager's ability to pursue the investment policy for the Fund. Unclear rules and regulations and conflicting advice may result in a breach of rules and regulations applicable to the Fund, Resulting fines and other sanctions and possible damage to the reputation of the Fund, the Fund Manager and other connected persons may result in a negative impact on the Net Asset Value of the Fund and the Units.

#### **Operational risk**

There is a risk that the internal processes, people and systems of the Fund Manager fail, which may have a negative effect on the business continuity of the Fund Manager and its ability to pursue the investment policy.

#### **Legal Owner**

The Legal Owner of the Fund is Stichting Aescap Genetics Fund, having its office at Hoogoorddreef 15, 1101 BA Amsterdam. The Legal Owner is a foundation established under the laws of The Netherlands on 11 November 2021 in Amsterdam, which is registered in the Trade Register at the Chamber of Commerce in Amsterdam under number 84469064. The Legal Owner's only statutory purpose is to act as Legal Owner of the Fund and to protect the interests of the Unit Holders. It will have access to all reports from the Administrator.

The most important task and power of the Legal Owner is to act as legal owner of the Fund Assets and incur and/or assume the Fund Obligations on behalf and for the account and risk of the Unit Holders.

#### **Fund Manager**

The Fund is managed by Privium Fund Management B.V. (the "Fund Manager"). The Fund Manager is responsible for the entire management of the Fund in accordance with the provisions of the Fund Document (the "Prospectus") dated 14 January 2022 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 Symphony Towers 26/F, Gustav Mahlerplein 3, 1082 MS Amsterdam, the Netherlands. The Fund Manager is registered in the Dutch trade register (handelsregister) under file number 34268930.

The Fund Manager performs its services in accordance with the Prospectus. Pursuant to the Prospectus the Fund Manager has the full and exclusive power, discretion and authority to invest and manage the assets of the Fund.

The statutory management board (bestuur) of the Fund Manager consists of Mr C.H.A. Heijman, Mr M. Baak and Mr R.J. van Hoorn who are the (daily) policy makers of the Fund Manager.

The Fund Manager holds an AIFM license issued by the AFM within the meaning of article 2:65(a) FSA and is subject to conduct of business and prudential supervision by the AFM and DNB respectively.

The most important tasks and powers of the Fund Manager are the following:

- to determine and execute the investment policy of the Fund (including, but not limited to, making investment- and divestment decisions);
- to check the administration of the Fund executed by the Administrator;
- to assess whether the Administrator determines the Net Asset Value for the Fund and for each Unit Class correctly and on time;
- to ensure that the Fund complies with the relevant regulations and reporting obligations;
- to ensure that the Fund complies with the defined risk management framework as further described briefly below;
- generally to observe the interests of the Unit Holders in accordance with the Prospectus.

For details relating to delegation of Fund Manager's duties, resignation and removal of the Fund Manager, liability of the Fund Manager, Indemnification, Insurance as well as other Funds managed by the Fund Manager we refer to section 6 of the Prospectus.

## Aescap Genetics Fund

### Profile & Structure (Continued)

#### The Portfolio Manager

The portfolio of the Fund is managed by Mr. Patrick J.H. Krol (1963) who is supported by several analysts. Additionally, advisors and industry/medical experts may be used. The advisors and industry/medical experts will not provide any investment advice for which an investment advisory license is needed but may be asked to provide their knowledge on a certain disease, medicine, market segment, etc. The advisors or industry/medical experts shall not make any investment decisions either.

#### Patrick Johan Hendrik Krol (1963), Founder and Portfolio Manager

Patrick Krol is a biotech investment and business development specialist. Patrick joined biotech venture capital fund Aescap 1 as an Investment Partner at its start in 2005 and in 2009 became the fund's Managing Partner. In 2015 he took over the Aescap name to launch Aescap Life Sciences, a fund for joint account investing in public biotech companies based on Patrick's successful track record as a private investor in public biotech. From 1995 to 2005, Patrick guided over 35 public pharma and biotech companies to successfully launch or grow their products. As a Founder and Managing Director at consultancy company Firm United Healthcare from 1997 to 2004, Patrick was responsible for growing the company to become a market leader. During this period, he also co-founded Interactive Healthcare and the Healthcare Management School. In 2004 he sold his share in all three companies to become a biotech investment professional. Since 2004 he has gained experience on board level in the life sciences sector as the chairman of the supervisory boards of i-Optics B.V. and to-BBB technologies B.V. and as a Non-Executive Director of Aquapharm Biodiscovery Ltd, EasyScan Holding BV, Cassini Holding BV, and Shire International Licensing BV (a subsidiary of top-20 biopharma company Shire Plc), and as a supervisory director of F-star GmbH, F-Star Alpha Ltd, F-Star Beta Ltd, F-Star Gamma Ltd, F-Star Delta Ltd and Orphazyme Aps. In 2003, he became a visiting teacher of the business school of the University of Wageningen teaching 'Strategy in the pharmaceutical Industry'. He published several articles on biopharma marketing and communications strategy and has been a speaker and moderator at life sciences seminars and congresses. Patrick studied physical therapy followed by business economics and later in his career concluded an M.B.A. in Executive Management and Consultancy at LMS.

#### Key Person

Patrick Krol will be the Key Person of the Fund and a Key Person Event means the situation occurring when the Key Person ceases to be actively involved in the business and affairs of the Fund as a Portfolio Manager. The Fund Manager shall without delay give notice to the Investor Advisory Committee and the Unit Holders of the occurrence of a Key Persons Event. In case of a Key Person Event the Investor Advisory Committee, in consultation with the Fund Manager and the Legal Owner, will decide on how to continue with the Fund or potentially how to liquidate the portfolio of the Fund and put it to an end.

#### Administrator

IQ EQ Financial Services B.V. established in Amsterdam, The Netherlands, has been appointed as the administrator.

The most important tasks of the Administrator, under responsibility of the Fund Manager, are:

- conducting the financial and investment administration of the Fund;
- calculating the Net Asset Value of the Fund and for each Unit Class and Series; and
- keeping the register of Unit Holders of the Fund.

#### Depository

Apex Depository Services B.V. ( former Darwin Depository Services B.V.) established in Amsterdam, The Netherlands, has been appointed as the depository.

The most important tasks of the Depository are:

- safekeeping of financial instruments in which the Fund has invested;
- ensuring that the Fund Manager acts in accordance with the Investment Policy; and
- monitoring of cash flows in respect of the Fund and ensuring that issue and redemption of Units and determination of the Net Asset Value is performed correctly.

The actual safekeeping of the financial instruments in which the Fund has invested is delegated to the Custodian. The depository has assigned Saxo Bank as Custodian.

#### *Depository agreement*

The Fund Manager and Depository have concluded an agreement (the 'Depository Agreement') setting out the duties of the Depository and what the Fund Manager must do to enable the Depository to perform those duties duly.

#### Unit Holders

The Unit Holders are jointly economically entitled (each proportionally, taking into account the Series they form part of, according to the number of Units owned) to the net assets of the Fund. The combined assets of the Unit Holders invested in the Fund are intended for collective investment and for their own account and risk. (See Section 13 of the Prospectus, "Unit Holders").

#### Contractual arrangement between Unit Holders, Fund Manager and Legal Owner

The Fund being the contractual arrangement between Unit Holders, the Fund Manager and the Legal Owner is governed by the Prospectus.

#### Voting in meetings of shareholders of companies in which the Fund invests

The Fund Manager is supposed to have at its disposal the shares and the voting rights attached thereto that the Legal Owner holds. In principle, the Fund Manager will use the voting rights attached to the shares held by the Fund. The Fund Manager will use these voting rights in such manner that can be conducive to realizing the Fund's investment objective. There is no obligation for the Fund Manager to use its voting rights.

Amsterdam, 17 August 2023

**Privium Fund Management B.V.**

## Aescap Genetics Fund

### Profile & Structure (Continued)

#### 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.

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"), 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:
  - The consistency of stated profile versus risk limits;
  - The adequacy and effectiveness of the risk management process; and the current level of risk of each AIF and any actual or foreseeable breaches of risk limits.

To identify the Risk Profile and main risks, and ensure the right measurement, management and monitoring of these risks, the Fund Manager has a rigid Risk Onboarding Process. It ensures that the Investment Process is properly documented and the Product itself is properly reviewed.

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 Portfolio Management. 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 (CM) 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 CM system flows through a sanity check. The sanity check will raise an exception if the variable falls outside its "normal" boundaries. Risk Management 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 using SS&C Eze Investment Suite and risk metrics such as value at risk, stress scenarios and portfolio liquidity are obtained through Bloomberg. 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 Global Risk Management Framework (Annex 17) of the Privium Handbook.

On a monthly basis the Risk Committee of the Fund Manager meets to discuss the performances and risks of the Fund. Any breaches are thoroughly discussed during these meetings. Additionally, a yearly 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 2022 and during the first two months of 2023 this audit was performed and the findings were reported to Privium's management. The audit did not demonstrate any material deviations.

**Aescap Genetics Fund**

**Financial Statements**

**Semi Annual Report as per June 30, 2023**

**Aescap Genetics Fund****Balance Sheet as per June 30, 2023**

		30-06-23		31-12-22	
Notes	EUR	EUR	EUR	EUR	
<b>Investments</b>					
Securities	4	13,456,538		11,957,635	
			13,456,538		11,957,635
<b>Receivables and current assets</b>					
Cash at Banks	5	317,555		2,339,732	
Dividends receivable		136		370	
Other assets	6	36,024		41,051	
			353,715		2,381,153
<b>Total Long Term and Current Assets</b>			13,810,253		14,338,788
<b>Current Liabilities (Due within One Year)</b>					
Payables to the Fund Manager	7	11,487		11,115	
Payables for administration-, custodian- depository- and legal ownerfees	7	6,330		283	
Payables to Unit holders	7	-		10,000	
Other payables	7	12,269		6,080	
<b>Total Current Liabilities</b>			30,086		27,478
<b>Total of Receivables and Current Assets Less Current Liabilities</b>			323,629		2,353,675
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>13,780,167</b>		<b>14,311,310</b>
<b>Investors' equity</b>					
Issued capital	8.1		14,548,332		14,088,562
Other reserve	8.2		181,697		-
Legal reserve	8.3		36,024		41,051
Undistributed result current period	8.4		(985,886)		181,697
<b>TOTAL INVESTORS' EQUITY</b>			<b>13,780,167</b>		<b>14,311,310</b>

**Aescap Genetics Fund****Profit & Loss Account for the period January 01, 2023 – June 30, 2023**

	Notes	01-01-23 / 30-06-23		18-01-22 / 30-06-22	
				EUR	EUR
<b>Direct Income from Investments</b>					
Dividends	9.1	24,456		838	
Interest Income	9.2	6,515		(5,403)	
			30,971		(4,565)
<b>Indirect Income from Investments</b>					
Unrealised Price (Losses)/Gains on Investments	10.1	(527,287)		(1,507,381)	
Unrealised Currency (Losses)/Gains on Investments		(243,002)		488,081	
Realised Price Losses on Investments	10.2	(109,883)		(603,919)	
Realised Currency (Losses)/Gains on Investments	10.3	(1,608)		150,715	
			(881,780)		(1,472,504)
<b>Other Income</b>					
Exchange Differences on Cash (including FX)		5,828		(70,114)	
Subscription and redemption fees	9.3	230		1,913	
			6,058		(68,201)
<b>Total income</b>			<b>(844,751)</b>		<b>(1,545,270)</b>
<b>Expenses</b>					
Management Fee	11.1	67,924		50,469	
Administration Fee	11.2	36,086		27,379	
Custodian, Depository and Legal Owner Fee	11.2	22,176		17,982	
Audit Fee	11.2	12,470		8,240	
Other Expenses	11.2	2,479		3,596	
			(141,135)		(107,666)
<b>Depreciation</b>					
Amortization of intangible fixed assets	6	5,027		4,933	
			(5,027)		(4,933)
<b>Total expenses</b>			<b>(146,162)</b>		<b>(112,599)</b>
<b>NET LOSS FOR THE PERIOD</b>			<b>(990,913)</b>		<b>(1,657,869)</b>
<b>TOTAL COMPREHENSIVE LOSS</b>			<b>(990,913)</b>		<b>(1,657,869)</b>

**Aescap Genetics Fund****Statement of Cash Flows for the period January 01, 2023 – June 30, 2023**

	01-01-23 / 30-06-23		18-01-22 / 30-06-22	
			EUR	EUR
<b>Cash Flow from Investing Activities</b>				
Total Investment Result		(990,913)		(1,657,869)
Realised Price and Currency Results	105,663		523,318	
Unrealised Price and Currency Results	770,289		1,019,300	
Amortization of intangible fixed assets	5,027		4,933	
Purchase of Investments	(4,012,537)		(12,721,015)	
Sales of Investments	1,631,854		3,372,877	
Change in other receivables	234		(55,720)	
Change in Current Liabilities	2,608		31,025	
		(1,496,862)		(7,825,282)
<b>Net Cash Flow from Investing Activities</b>		<b>(2,487,775)</b>		<b>(9,483,151)</b>
<b>Cash Flow from Financing Activities</b>				
Subscriptions	459,770		13,039,097	
Redemptions	-		(10)	
<b>Net Cash Flow from Financing Activities</b>		459,770		13,039,087
<b>Net Cash Flow</b>		(2,028,005)		3,555,936
Exchange Differences on Cash		5,828		(70,114)
<b>Change in Cash at banks</b>		<b>(2,022,177)</b>		<b>3,485,822</b>
<b>Change in Cash at banks</b>				
Cash and Cash Equivalents at the Start of the reporting period		2,339,732		-
Cash and Cash Equivalents at the End of the reporting period		(2,022,177)		3,485,822
<b>Cash at banks</b>		<b>317,555</b>		<b>3,485,822</b>

## Aescap Genetics Fund

### Notes

#### 1. General

The Fund is a mutual Fund ("fonds voor gemene rekening") under the laws of the Netherlands. It does not have legal personality.

The Fund's financial year runs from January 1 up to and including December 31. The first financial year of the Fund commenced on the nineteenth day of January 2022 and ended on the thirty first day of December 2022. The financial statements will be made up in accordance with Title 9 of Book 2 of the Dutch Civil Code. The financial statements are reported in Euros and are published within four (4) months after the end of the financial year. The financial statements consists of a report from the Fund Manager together with the annual accounts. The annual accounts consist of the balance sheet, the profit and loss account and the explanation thereof. The explanation will include at least an overview of the evolution of the Fund's value over the financial year and the composition of the investments of the Fund at the end of the financial year concerned. The annual accounts are audited by Mazars N.V., whereas these semi annual accounts did not have had an audit by the independent auditor. The financial statements shall be made available to the Unit Holders via email.

The Fund started its activities as per January 19, 2022.

#### *Tax Position of the Fund*

##### *Corporate income tax*

The Fund is tax transparent for Dutch corporate tax purposes, as a consequence of which the Fund is not subject to Dutch corporate income tax. From a Dutch tax perspective, the returns on the investments received by the Fund directly influence the tax position of the Unit Holder.

##### *Withholding taxes*

Distributions by the Fund are not subject to Dutch dividend withholding tax as a consequence of its transparency for tax purposes. Due to its transparency, the Fund itself is not entitled to any credit or refund of Dutch dividend withholding tax or (non-reclaimable) foreign withholding taxes withheld on dividends and interest received, nor can the Fund claim any benefits under a tax treaty concluded by the Netherlands with other states.

The tax transparency of the Fund also implies that any dividend withholding tax and foreign withholding taxes withheld on its investments are allocated to the Unit Holders, i.e., on a pro rata basis. In principle, such withholding taxes may be set off by the Unit Holders, whereby the conditions that apply are the same as would be the case for a direct investment (pro rata) by the relevant Unit Holder.

For the reporting period the fund did not receive any (withholding)tax refunds.

#### 2. Principles of Valuation

##### **2.1 Valuation of assets and liabilities**

The assets and liabilities of the Fund will be valued in accordance with the following policies and principles:

Securities stated as investments are initially recognized at fair value plus directly attributable transaction costs. Subsequently these securities are stated against fair value. Gains and losses arising from fair value changes are taken to the profit and loss account.

##### Securities

– listed securities (shares) will be stated against fair value at initial recognition and subsequently stated at fair value. The fair value is determined at the last official traded price ("closing price") of the Business Day preceding the Valuation Day (or, if a stock exchange was not open for business, the previous Business Day).

– warrants are initially valued at fair value. The fair value is determined at the last official traded price and if not available warrants will be valued at a theoretical valuation model such as Black & Scholes.

##### Other assets and liabilities

– liquidities and deposits which are immediately payable are valued at amortized cost.

– assets and liabilities in a foreign currency will be converted into Euro at the exchange rate on the last Business Day preceding the Valuation Day.

– other assets and liabilities are valued at their nominal value.

Expenses related to the purchase of investments are included in the cost of investments. Sales charges, if any, are deducted from gross proceeds and will be expressed in the capital gain/losses.

##### **2.2. Foreign Currency Translation**

Assets and liabilities in foreign currencies are translated into EUR at the rate of exchange as at the balance sheet date. All exchange differences are taken to the profit and loss account. Income and expenses in foreign currencies are translated at the exchange rate as per transaction date.

Rates of exchange used as per June 30, 2023:

	<u>30-06-23</u>	<u>31-12-22</u>
EUR / USD	1.0909	1.0705
EUR / DKK	7.4445	7.4369
USD / DKK	6.8243	6.9473



## Aescap Genetics Fund

### Notes (continued)

#### 2.3 Other Assets and Liabilities

Other assets and liabilities are recorded at fair value and then valued at amortised cost.

#### 2.4 Income Recognition Principles

The result is determined by deducting expenses from the proceeds of dividend, interest and other income in the period under review. The realised revaluations of investments are determined by deducting the purchase price from the sale proceeds. The unrealised revaluations of investments are determined by deducting the purchase price or the balance sheet value at the start of the period under review from the balance sheet value at the end of the period under review. Brokerage fees payable on the acquisition of investments, if any, are considered to be part of the investments costs, and as a result, are not taken to the profit and loss account.

#### 2.5 Cash Flow Statement

The cash flow statement is prepared according to the indirect method. The presentation of the cash flow is derived from the investment result. In accordance with RJ 615.310 the cash flow statements consists of cash flows from investing and financing activities.

Cash flows in foreign currencies during the year are translated at the exchange rate prevailing at the transaction date. Exchange rate differences are separately included in the cash flow statement between the net cash flow and the change in cash.

#### 2.6 Subscription and Redemption of Units

##### 2.6.1 Subscription

Currently the Fund is offering the following Unit Classes to Unit Holders:

- AESCAP Genetics Manager: Minimum investment is EUR 100,000
- AESCAP Genetics Investors: Minimum investment is EUR 500,000
- AESCAP Genetics Investors 10M+ ; Minimum investment is EUR 10,000,000
- AESCAP Genetics Investors 20M+: Minimum investment is EUR 20,000,000
- AESCAP Genetics Investors 30M+: Minimum investment is EUR 30,000,000

The Fund Manager can accept a lower minimum subscription amount for the Aescap Genetics Investors Unit Class and the Aescap Genetics Investors <500k Unit Class. This minimum can be lowered to EUR 10,000. Here clients of wealth managers, family offices or private banks, who have an executed discretionary portfolio agreement or investment advisory services agreement with the wealth manager, family office or private bank, are accepted when the investment decision to invest in the Aescap Genetics Fund is taken or advised by the wealth manager, family office or private bank. This will only be possible for the Aescap Genetics Investors Unit Class. Additionally, for family members (being defined as first and second degree relatives) of existing Unit Holders, subscription amounts below EUR 101,000 can be accepted as well. Here the subscription will be linked to the size of the current investment of the existing Unit Holder. This will both be possible for the Aescap Genetics Investors Unit Class and the Aescap Genetics Investors <500k Unit Class.

Existing Unit Holders can make applications for further Units in amounts of € 10,000 or more.

##### Issue of Units

The Fund may issue new Units of a particular Unit Class on each Transaction Day at the Net Asset Value per Unit in such Unit Class on the preceding Valuation Day. Here a subscription fee of 1% will be applied (Aescap Genetics Investors <500k). This fee is for the benefit of the Fund Manager and may be used to cover expenses like, among potential other expenses, any marketing expenses and/or any placement agent fees following the issue. Units will be issued for the remaining amount in the Series applicable on the Transaction Day. The Units shall be issued in Amsterdam.

##### Subscription requests (latest 1 business day prior to the Transaction Day)

The Fund may issue new Units of a particular Unit Class on each Transaction Day at the Net Asset Value per Unit in such Unit Class on the preceding Valuation Day. The Units shall be issued in Amsterdam. An anti-dilution levy will be charged, with a maximum of 0.05% of the subscription amount during normal market circumstances. This in order to meet any costs and expenses of the Fund incurred for the acquisition of Fund Assets in order to issue the Units. The anti-dilution levy is for the benefit of the Fund. The anti-dilution levy may be higher than 0.05% during times of severe market stress. The Fund Manager shall determine the anti-dilution levy for every Transaction Day based on the pending subscriptions and redemptions on that particular Transaction Date.

##### Payment (latest 1 business day prior to the Transaction Day)

Payment is possible only through a bank account in the name of the Unit Holder. The subscription amount must be received in the account of the Legal Owner ultimately one Business Day prior to the relevant Transaction Day. No interest will be paid over the subscription amount for the period between the payment of the subscription amount and the issuance of Units. The interest which is accrued is for the benefit of the Fund. If the amount and/or forms are not received within the required timeframe, the subscription will take effect at the first business day of the following month. The Fund will make no adjustment or compensation for interest received over this period.

##### 2.6.2 Redemption

Unless redemption is suspended (see "Suspension of redemption" below), the Fund will accept redemptions of Units on each Transaction Day at the Net Asset Value thereof in the applicable Series on the preceding Valuation Day (the "redemption value"), after deducting an anti-dilution levy of 0.05% of the redemption sum during normal market circumstances. The anti-dilution levy is to cover the transaction and other costs made in connection with the redemption and will be for the benefit of the Fund. This fee will be deducted from the amount to be received by the Unit Holder. The anti-dilution levy may be higher than 0.05% during times of severe market stress. The Fund Manager shall determine the anti-dilution levy for every Transaction Day based on the pending subscriptions and redemptions on that particular Transaction Date and will inform the Unit Holders of such determined anti-dilution levy.

## Aescap Genetics Fund

### Notes (continued)

#### **Redemption requests**

Redemption requests have to be received by the Fund Manager at least five (5) Business Days before the desired Transaction Day. The redemption request should indicate the amount in number of Units, up to four (4) decimals, for which redemption is requested. Partial redemption is only allowed if after redemption the Unit Holder is still holding Units with an aggregate Net Asset Value of at least € 100,000. The Fund Manager will check this upon receiving the redemption request. The Net Asset Value of the Units offered for redemption needs to amount to at least € 10,000.

To request for redemption, Unit Holders must use a special form, which can be downloaded from the Website.

#### **Payment redemption amount**

Redemption sums (Net Asset Value per Unit minus the anti-dilution levy) will be paid within five (5) Business Days of redemption to the bank account of the Unit Holders as mentioned in the register of Unit Holders. Payment on this bank account constitutes a discharge of the Fund towards the respective Unit Holder of the obligation to pay the redemption amount.

### 3. Financial instrument risk factors

#### **Financial instrument risk management**

The Fund and its manager has adequate risk management policies, procedures and systems in order to identify, measure, manage and monitor all risks that are relevant to the investment strategy and to which Aescap Genetics Fund is or may be exposed. The Manager has highly qualified staff in control functions which operate independently from the investment professionals. The Risk Manager performs an analysis of the governance, adequacy and effectiveness of risk limits, reporting and follow-up procedures on a regular basis. In addition, the Depositary of the Fund independently performs several checks regarding ownership of assets, valuations and cash flows from and to investors.

For the risk management and willingness to take risks disclosures we refer to the management report.

#### **Fair value risk**

The fund is not exposed to fair value risk whereas all financial instruments are valued at fair value.

#### **Credit risk**

The fund does not invest in any fixed income instruments resulting in no exposure to credit risk.

Find below the risks, the fund is exposed to, which may have direct impact on the valuation of the funds' financial instruments :

#### **Market risk**

Markets may rise and fall and the prices of financial instruments and other assets on the financial markets in general, and more specifically the prices of assets of the nature and type the Fund may invest in and hold, can rise and fall. A careful selection and spread of investments does not provide any guarantee of positive results. In the biotech / life sciences market governmental measures related to medicine approvals and pricing as well as technology risks can have a large impact on the value of one single company or the market as a whole. There may be various reasons why markets fall like recessions caused by a change in the economic business cycle or a pandemic.

#### **Currency risk**

The Fund does not hedge currency positions. Investments other than in Euros can therefore cause fluctuations. The Net Asset Value of the EUR denominated Unit Classes may therefore be affected by exchange rate fluctuations, positive as well as negative.

#### **Risks related to the sector the Fund invests in**

The sector the Fund is investing in comes with certain specific risks such as:

- Potential weakening of the patent protection environment in one or more jurisdictions;
- Financing risk, given the fact that many biotech companies are loss making and therefore are in need of further financing to develop their products;
- Major technology breakthroughs outside of the Fund's portfolio;
- Legal or regulatory developments influencing the life sciences industry and/or the investments made by the Fund;
- Changes in projections by securities analysts of a company;
- Biotech stock market fluctuations.

#### **Concentration risk**

Because of the limitation of investments to approximately 18 different companies, there may be stronger fluctuations in the Net Asset Value of the Fund in case one or more particular investments by the Fund would decrease in value, than it would normally be the case if the investments were more spread. As a result of the strategy of the Fund, the returns of the Fund can deviate significantly from the returns of a world equity index. As a consequence thereof, specific risks arise that are reflected in differences in performance between the Fund and the global equity indices, positively and negatively.

#### **Liquidity risk**

If, due to unforeseen circumstances, normal liquidity conditions do not apply, the Fund could face liquidity risk. This could imply that financial instruments cannot be sold or bought under normal market conditions, leading to significant direct and indirect transaction costs. It may also mean that positions cannot be sold at the anticipated price as established and deemed to be the fair value at the date of deciding to liquidate/sell those positions. This may have a negative effect on the Net Asset Value of a Unit.

Especially when the Fund will experience substantial redemption requests the Fund may be exposed to a great extent to this risk.

**Aescap Genetics Fund****Notes to the Balance Sheet****4. Investments****4.1 Statement of Changes in Securities**

	<b>6/30/2023</b>	<b>31/12/2022</b>
Position as at the Start of the Period	11,957,635	-
Purchases	4,012,537	17,701,878
Sales	(1,631,854)	(6,238,522)
Realised gains/losses on investments	(111,491)	171,064
Unrealised gains/losses on investments	(770,289)	323,215
Position as at the End of the Period	<b>13,456,538</b>	<b>11,957,635</b>

	<b>Position 31/12/22</b>	<b>Purchases</b>	<b>Sales</b>	<b>(Un)realised results</b>	<b>Position 30/06/23</b>
Equity Investments	11,957,635	4,012,537	(1,743,345)	(770,289)	13,456,538
Total	<b>11,957,635</b>	<b>4,012,537</b>	<b>(1,743,345)</b>	<b>(770,289)</b>	<b>13,456,538</b>

**4.2 Transaction Costs**

Transaction costs for the purchase of investments are capitalized within the historical cost price and for sales the transaction costs are discounted from the sales price. Transaction costs for the period under review amounts to € 1,557.

**5. Cash at Banks**

Cash comprises cash held with ABN AMRO Bank N.V. and Saxo Bank with no usage restrictions.

**6. Other assets**

	<b>30/06/23</b>	<b>31/12/22</b>
Formation expenses	41,051	50,689
Amortization formation expenses	(5,027)	(9,638)
Bookvalue formation expenses	<b>36,024</b>	<b>41,051</b>

**7. Current Liabilities (Due within One Year)**

	<b>30/06/23</b>	<b>31/12/22</b>
Management Fee (including Incentive Fee) payable	11,487	11,115
Audit Fee payable	10,050	6,080
Other Expenses payable	2,219	-
Administration / Legal owner Fee payable	6,330	283
Payables to Unit holders	-	10,000
Total Current Liabilities (Due within One Year)	<b>30,086</b>	<b>27,478</b>

The fair value of the current liabilities is in line with its book value, considering the short-term nature of these liabilities.

**Aescap Genetics Fund****Notes to the Balance Sheet****8. Investors' equity****8.1 Issued capital**

	<b>6/30/2023</b>	<b>31/12/22</b>
Position as at the Start of the reporting period	14,088,562	-
Subscriptions	459,770	14,088,572
Redemptions	-	(10)
Position as at the End of reporting period	<b>14,548,332</b>	<b>14,088,562</b>

**8.2 Other reserve**

	<b>6/30/2023</b>	<b>31/12/22</b>
Position as at the Start of the reporting period	-	-
Transferred from Undistributed Result	181,697	-
Position as at the End of the reporting period	<b>181,697</b>	<b>-</b>

**8.3 Legal reserve**

	<b>6/30/2023</b>	<b>31/12/22</b>
Position as at the Start of the reporting period	41,051	50,689
Transferred to Undistributed Result	(5,027)	(9,638)
Position as at the End of the reporting period	<b>36,024</b>	<b>41,051</b>

**8.4 Undistributed result current period**

	<b>30/06/23</b>	<b>31/12/22</b>
Position as at the Start of the reporting period	181,697	-
Transferred to General Reserve	(181,697)	-
Transferred from Legal Reserve	5,027	(41,051)
Total losses for the period	(990,913)	222,748
Position as at the End of the reporting period	<b>(985,886)</b>	<b>181,697</b>

**8.5 Investors' equity  
(Fund Net Asset Value)**

	<b>Net Asset Value per unit</b>	<b>Number of units</b>	<b>Investors' equity</b>
			<b>30/06/23</b>
AESCAP GENETICS Manager	949.0698	5,061	4,802,954
AESCAP GENETICS Investors	928.6954	9,666	8,977,213
Total Shareholders' Equity (Fund Net Asset Value)			<b>13,780,167</b>

**Subsequent events (events after the balance sheet date)**

The Russian invasion in Ukraine continues to cause uncertainty. The Fund has no direct or indirect exposure to Ukraine, Belarus or Russia. On behalf of the Fund Manager, the Administrator of the Fund carries out ongoing sanctions screening on the investors of the Fund. Here, no hits have been identified. Further escalation of the conflict is expected to dampen global growth, especially in Europe. This might have an impact on the performance of the Fund.

## Aescap Genetics Fund

### Notes to the Profit & Loss Account

#### 9. Income from Investments

##### 9.1 Dividends

This refers to net cash dividends including withholding tax.

##### 9.2 Interest Income

This amount was received / paid on outstanding cash balances.

##### 9.3 Other Income

This refers to the charges received on units issued and repurchased. These costs are to cover transaction costs in relation with the purchase and sale of units and are booked as an income for the Fund.

#### 10. Capital gains / losses

##### 10.1 Unrealised price gains / losses on investments

This refers to unrealised gains on securities € 1,314,597 and unrealised losses on securities – € 1,841,884.

##### 10.2 Realised price gains / losses on investments

This refers to realised gains on securities € 111,140 and realised losses on securities – € 221,023.

##### 10.3 Realised currency gains / losses on investments

This refers to realised gains on securities € 14,656 and realised losses on securities – € 16,264.

#### 11. Expenses

##### 11.1 Management Fees

( 1 ) Management Fee

01-01-23 /  
30-06-23

67,924

19-01-22 /  
30-06-22

50,469

( 2 ) Performance Fee

-

-

67,924

50,469

##### Management fees

The following annual management fee applies per Unit Class:

- AESCAP Genetics Manager: 0%
- AESCAP Genetics Investors: 1.5%
- AESCAP Genetics Investors 10M+: 1.35%
- AESCAP Genetics Investors 20M+: 1.2%
- AESCAP Genetics Investors 30M+: 1%

The mentioned fees are calculated on a weekly basis based on the Net Asset Value of the Fund, to be paid monthly in arrears.

The minimum management fee will at all times be at least EUR 75,000 per annum (net of any VAT). In case the management fee falls below this level the Fund will be liquidated.

##### Performance fees

The following performance fee applies per Unit Class:

- AESCAP Genetics Manager: 0%
- AESCAP Genetics Investors: 20%
- AESCAP Genetics Investors 10M+: 18%
- AESCAP Genetics Investors 20M+: 16%
- AESCAP Genetics Investors 30M+ : 15%

The performance fee will be calculated and measured on each Valuation Date and payable monthly or at redemption. The Fund Manager is entitled to a performance fee if the individual Unit Classes have appreciated in value and have exceeded the High-Water Mark of that particular Unit Class during the Performance Fee Calculation Period. The performance fee calculation is subject to a full historic high-water mark. All Units of the relevant Unit Class have the same NAV per Unit and High-Water Mark. The first Performance Fee Calculation Period will be the period commencing on the Business Day immediately following the close of the Initial Subscription Period for a Unit Class until the first Valuation Day. Thereafter each performance fee calculation period will run from any Transaction Day until the next Valuation Day. See also Appendix C of the Prospectus. The performance fee is calculated on the basis of the NAV after deduction of all expenses, liabilities, including the Management Fee (but not performance fee) and is adjusted to take account of all subscriptions and redemptions.

**Aescap Genetics Fund****Notes to the Profit & Loss Account****11.2 Other expenses**

	<b>30/06/23</b>	<b>30/06/22</b>
Administration Fee	36,086	27,379
Custodian, Depositary and Legal Owner Fee	22,176	17,982
Audit Fee *	12,470	8,239
Other	2,479	3,597
	<b>73,211</b>	<b>57,197</b>

\* The audit fees fully relate to the audit of the financial statements of the fund. The auditor provides no other services.

**Ongoing Cost Figure (OCF)**

The OCF is calculated by dividing the total expenses (performance fee excluded) by the Net Asset Value as of June 30, 2023. The Net Asset Value is based on the NAV Calculation of June 30, 2023. The Net Asset Value for Aescap Genetics Investors Unit Class equals € 8,977,212.76 and the management fee for this Unit Class during the reporting period equals € 67,924 resulting in 0.76% for management fees for Aescap Genetics Investors Unit Class. The Total other expenses for the reporting period for Aescap Genetics Investors Unit Class and Aescap Genetics Management Units Class equal to € 78,238 resulting in 0.57% for other expenses based on the Net Asset Value of € 13,780,167 as of June 30, 2023. This results in a total OCF figure of 1.32 % for the reporting period for Aescap Genetics Investors Unit Class.

For the reporting period the OCF of the fund (Aescap Genetics Investors Class) is equal to: 1.32%.

In the prospectus the OCF of the fund is estimated to be 1.77% per annum, assuming an average Net Asset Value of the fund of € 50 million (1.61% for a Net Asset Value of the fund of € 150 million). The OCF figures as disclosed above are valid for the Aescap Genetics Investors Unit Class whereas the fund management shares do not have management fees and performance fees included.

**Portfolio Turnover Ratio (PTR)**

The portfolio turnover ratio is calculated as follows: the total sum of purchases plus sales minus subscriptions minus redemptions divided by the average Net Asset Value. The average Net Asset Value of the Fund for the reporting period is calculated as described in the Ongoing Cost Figure paragraph.

PTR of the fund for the reporting period equals to: 37.03%.

**Contractual agreement Depositary**

The Fund has entered into a depositary agreement with Apex Depositary Services B.V. For the Depositary Services the Depositary charges an annual amount equal to:

1. 0.014% of the Net Asset Value of the Fund for the Fund having a Net Asset Value of up to EUR 225 million and;
2. 0.012% of the Net Asset Value of the Fund for the Fund having a Net Asset Value above EUR 225 million.

When exceeding a layer threshold, the calculated amount can never be less than the total amount calculated in the previous layer. The minimum annual fee is EUR 26,000 (excluding VAT), payable quarterly in advance. In case the Net Asset Value of the Fund is lower than EUR 50 million, the minimum annual fee will be EUR 22.000

## Aescap Genetics Fund

### Comparison of Real Cost with Cost According to Prospectus Aescap Genetics Fund Investors Unit Class.

	According to prospectus *	Actual costs	Actual %
Management Fee (excl. VAT)	1.500%	67,924	0.757%
Incentive Fee (excl. VAT)	PM	-	PM
Legal Owner Manager Fee (incl. VAT)	0.030%	6,862	0.049%
Administrators Fee (excl. VAT)	0.110%	36,086	0.258%
Depository Fee (excl. VAT)	0.060%	14,641	0.105%
Audit costs (incl. VAT)	0.040%	12,470	0.089%
Miscellaneous costs – incl. write off formation expenses – (incl. VAT)	0.034%	8,179	0.058%
	<b>1.77%</b>	<b>146,162</b>	<b>1.32%</b>

\*As tabled above the Ongoing Charges Figure will be around 1.77% per annum at a fund size of € 50 million and around 1.61% at a fund size of € 150 million. The above projected OCF numbers are for the AESCAP GENETICS Investors Unit Class.

### 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 and was entitled for the following compensation in relation to the reporting period:

Management fee : € 67,924

### 13. Employees

The Fund has no employees.

Amsterdam, 17 August 2023

### Fund Manager

Privium Fund Management B.V.

**Aescap Genetics Fund****Other Information****Distribution Policy**

The dividends and interest received by the Fund, as well as possible capital gains, will not be distributed but will be re-invested, unless distribution would be deemed appropriate by the Fund Manager in connection with the regulatory status of the Fund Manager.

**Fund Managers interests in the fund**

As at June 30 2023, the number of Fund Manager related Units (Aescap Genetics Manager) included 5,061 Units.

The Portfolio Manager of the Fund, Patrick Krol, holds the following positions directly or through his management company as per June 30, 2023 in investments in company's in which the Fund has been invested:

<b>Name</b>	<b>Currency</b>	<b>6/30/2023</b>	<b>12/31/2022 Number of shares</b>
ProQR Therapeutics	USD	61,773	61,713

**Independent Auditor's report**

This semi annual report has not been reviewed by the independent auditor.