



Man AHL Diversified PCC Limited

Report and Aggregated Financial Statements for the year ended
30 June 2023

	Page
Directory	2
Directors' Report	3
Designated Custodian's Report	5
Investment Manager's Report	6
Aggregated statement of financial position	7
Aggregated statement of changes in net assets	9
Aggregated statement of comprehensive income	10
Aggregated statement of cash flows	12
Notes to the aggregated financial statements	14
Independent Auditors' Report	50
Unaudited reporting requirements in respect of the AIFM Directive	57

Board of Directors

John Renouf
William Scott
William Simpson

Registered Office

Level 3, Mill Court
La Charroterie
St Peter Port
Guernsey GY1 1EJ
Channel Islands

Investment Manager, Trading Adviser and Introducing Broker

AHL Partners LLP
Riverbank House
2 Swan Lane
London EC4R 3AD
United Kingdom

Alternative Investment Fund Manager

Man Asset Management (Cayman) Limited
P.O. Box 309
Ugland House, South Church Street
Grand Cayman KY1-1104
Cayman Islands

Legal Adviser to the Company (as to Guernsey law)

Ogier (Guernsey) LLP
Redwood House
St Julian's Avenue
St Peter Port
Guernsey GY1 1WA
Channel Islands

Auditors

Deloitte LLP
P.O. Box 137
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Glatigny Esplanade
St Peter Port
Guernsey GY1 3HW
Channel Islands

Swiss Paying Agent

RBC Investor Services Bank S.A.
Esch-sur-Alzette, Zurich Branch
Bleicherweg 7
CH-8027 Zurich
Switzerland

Services Manager, Marketing Adviser and Swiss Representative

Man Investment AG
Huobstrasse 3
CH-8808 Pfäffikon SZ
Switzerland

Designated Custodian and Depositary Services Provider

J.P. Morgan Custody Services (Guernsey) Limited
Level 3, Mill Court
La Charroterie
St Peter Port
Guernsey GY1 1EJ
Channel Islands

Designated Administrator, Company Secretary and Registrar

J.P. Morgan Administration Services (Guernsey) Limited
Level 3, Mill Court
La Charroterie
St Peter Port
Guernsey GY1 1EJ
Channel Islands

Administrator

BNY Mellon Fund Services (Ireland) Designated Activity Company
One Dockland Central
Guild Street
IFSC
Dublin 1
D01 E4X0
Ireland

Man AHL Diversified PCC Limited (the "Company") was incorporated under the laws of Guernsey on 7 December 2007 as a protected cell company. The Company carries on business as an open-ended investment holding company issuing a series of shares in respect of each protected cell of the Company and as at 30 June 2023 the Company had 3 (2022: 3) protected cells open for subscriptions and redemptions (the "Protected Cells").

The Directors present their report and aggregated financial statements for the Company for the year ended 30 June 2023. The Company comprises three protected cells (each a "Protected Cell") which are listed below:

- Man AHL Diversified (Guernsey) Class A USD Shares
- Man AHL Diversified (Guernsey) Class B EUR Shares
- Man AHL Diversified (Guernsey) Class C CHF Shares

Each Protected Cell has a separate prospectus, independently establishing the investment strategy, guidelines and exposure to the AHL Diversified Programme.

The latest prospectus for the Company (the "Prospectus") was issued on 16 June 2023. The most recent supplement to the Protected Cells was issued on 16 June 2023 (the "Supplement").

Results

Results for the year for the Company and each Protected Cell are set out on page 10. The net return in absolute and percentage terms for the year ended 30 June 2023 and the net assets for each Protected Cell, as calculated in accordance with International Financial Reporting Standards ("IFRS"), as at 30 June 2023, are shown in the table below:

	Class A US\$	Class B EUR	Class C CHF	Aggregated US\$
Net loss	(3,670,645)	(686,707)	(751,367)	(5,175,150)
Net assets as at 30 June 2023	129,085,714	12,339,466	9,511,200	153,170,504
Change in net asset value per Share during the year	(2.51%)	(4.99%)	(5.96%)	
Commencement of trading	01/01/2008	14/10/2008	10/02/2009	

Please refer to the Investment Manager Report on page 6 for a performance review of the year.

The Directors do not propose a dividend for the year.

Principal activity

The principal activity of the Company is that of acting as an authorised collective investment scheme under The Authorised Collective Investment Schemes (Class B) Rules, 2021 pursuant to The Protection of Investors (Bailiwick of Guernsey) Law, 2020.

Directors

The Directors of the Company are stated on page 2.

Directors' responsibilities

In accordance with The Companies (Guernsey) Law, 2008 and The Authorised Collective Investment Scheme (Class B) Rules, 2021, the Directors prepare aggregated financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the net gain or loss of the Company for that year. Under the Companies (Guernsey) Law 2008, the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB). In preparing the aggregated financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the aggregated financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which are sufficient to show and explain the Company's transactions and are such as to disclose with reasonable accuracy at any time the financial position of the Company at that time and to enable them to ensure that the aggregated financial statements are prepared properly and in accordance with any relevant enactment for the time being in force. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the auditors

The Directors confirm that they have taken all necessary steps they ought to have taken to make themselves aware of any relevant audit information and establish that the Company's auditors are aware of that information and, so far as they are aware, there is no relevant information of which the Company's auditors are unaware.

Subsequent events

There have been no significant events since the year end.

Significant changes to the Scheme Particulars during the year

Effective 16 June 2023, Deloitte LLP replaced Ernst & Young LLP as auditors to the Company.

There have been no significant changes to the Scheme Particulars during the year other than those referenced above.

Going concern

Management has made an assessment of the Company's ability to continue as a going concern and is satisfied that it has resources to continue in business for a period of at least 12 months beyond the date these financial statements are approved and authorised. Also, the exposure to liquidity risk through Redeemable Participating Shareholder redemption requests is managed by specifically setting the redemption notice period to accommodate the expected liquidity of the underlying investments as agreed by the Investment Manager. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Protected Cell's ability to continue as a going concern; therefore, the financial statements are prepared on a going concern basis.

Auditors

Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution proposing their reappointment will be submitted at the Annual General Meeting.

Approved and authorised for issue on behalf of the Board on 1 December 2023.

John Renouf
Director

William Scott
Director

Man AHL Diversified PCC Limited

Designated Custodian's Report



In our opinion, Man Asset Management (Cayman) Limited, the alternative investment fund manager of the Company, has in all material respects, managed the Company for the year ended 30 June 2023 in accordance with the principal documents, the Scheme Particulars and The Authorised Collective Investment Schemes (Class B) Rules, 2021.

Approved and authorised on behalf of J.P. Morgan Custody Services (Guernsey) Limited on 1 December 2023.

Mark Ball Daniel McLaughlin

Director

Market summary

The reporting period, covering the second half of 2022 and first half of 2023, represented a transitory one in global markets. Inflation, at least in the United States of America, came in significantly below expectations in November 2022, resulting in declines in market predictions for rate hikes from the US Federal Reserve. Market narratives started to include concerns about whether tightening had gone too far, and may result in recessions, locally, if not globally. Trends reversed sharply mid-March in the wake of the mini banking crisis that ensnared Silicon Valley Bank, First Republic, Signature and Credit Suisse amongst others. Haven assets, in particular government bonds, rallied sharply, with the 2-year US treasury yields posting the largest one-day decline since 1987. Bond volatility, measured by the MOVE Index, spiked to a 14-year high. Elsewhere, China relaxed its strict Covid rules, the conflict between Ukraine and Russia continued, and the world woke up to the potential powers of Generative-AI.

Performance review

Against this backdrop Man AHL Diversified PCC Limited returned -2.51%¹, with losses incurred in commodities, credit, and equities overcoming gains from currencies.

Commodities trading proved troublesome over the period. In particular, the Fund entered the period long energies because of the surge in energy prices in the immediate aftermath of the Russian invasion of Ukraine, but prices reversed on recessionary concerns. European Union Allowances Carbon Emissions prices continued their whipsawing characteristics of late, making life hard for trend-following strategies. Metals trading also experienced difficulties, with silver in particular being buffeted by the opposing forces of recessionary concerns in western economies and the relaxation of China's strict Covid rules. Although agricultural commodities lost out overall, a long position in sugar was profitable as prices rose to eleven-year highs on supply concerns in Asia and Europe.

Trading in equities finished the period marginally in the red, although there was significant diversification. The S&P TSX 60 Index of Canadian stocks peaked early 2022 and has been rangebound since, generating losses for the Fund. Profits originated from longs in Taiwan's equity indices, on the other hand, which were propelled higher by comments from the CEO of market darling Nvidia stating his confidence in the country for the manufacturing of its chips, which are much sought-after given the surge in Generative AI interest. A short position in the VIX volatility interest was also profitable as equity volatility remained low. Credit indices also proved difficult hunting ground for trends; losses were incurred in most positions but were concentrated in US investment-grade and high-yield names.

Fixed income trading finished flat on the period. Gains were seen from trading short-term rates such as Sterling Overnight Index Average ('SONIA') and Secured Overnight Financing Rate ('SOFR'), whose prices fell steadily in response to rising rates from central banks. Dominantly short US Treasury positions were also profitable, whilst short positions in Canadian instruments generated losses.

Currency trading bore the most fruit for the Fund over the period. The perception that the Federal Reserve would be able to halt its rate rises sooner than most other central banks was a drag on the greenback and resulted in profits particularly in its pairing versus the Mexican peso, for example. There were exceptions, of course, particularly with the South African rand and Canadian dollar, which were much more rangebound against the greenback.

Future outlook

Trend-following is an active strategy, a timing mechanism, which is informed by price moves and adjusts its positions accordingly. This allows the Fund to perform irrespective of the prevailing macro-economic trends. Historically, bursts of inflation and disinflation have presented good opportunities for the strategy, and we anticipate that the current environment, which fits this narrative, should be no different.

Details on the principal risks and investment or economic uncertainties that the Company might face are outlined in Note 6 of the aggregated financial statements.

AHL Partners LLP
August 2023

¹ Performance data is shown net of fees with income reinvested, as at 30 June 2023, and does not take into account sales and redemption charges where such costs are applicable. Returns are calculated of (up to) 3% management fees and 20% performance fees for Man AHL Diversified PCC Limited A USD share class. Other share classes may charge higher fees. Please consult the Prospectus or Key Investor Information Document ('KIID') for more information.

The above Investment Manager's Report is a commentary for the period 1 July 2022 to 30 June 2023. It does not include or take account of any movements, returns or market information for subsequent periods. Past performance is not indicative of future results. Returns may increase or decrease as a result of currency fluctuations. The organisations and/or financial instruments mentioned are for reference purposes only. The content of this material should not be construed as a recommendation for their purchase or sale. Certain indices/measures mentioned on this page have been provided for information purposes only. They are intended to provide a comparative indication of particular asset classes, investment sectors, or financial markets more widely ("market backdrop"). Unless indicated otherwise, the investment process of the fund is independent of these indices/measures.

Man AHL Diversified PCC Limited

Aggregated statement of financial position

As at 30 June 2023



	Notes	Class A US\$	Class B EUR	Class C CHF	Aggregated US\$
Assets					
Cash and cash equivalents	3	1,349,662	855,222	4,436,546	7,237,068
Financial assets at fair value through profit or loss	4	128,667,923	11,570,134	5,151,582	147,044,926
Services management fees rebate receivable	8,9	12,997	1,220	953	15,392
Interest receivable		-	155	-	169
Other assets		9,198	4,232	1,493	15,483
Total assets		130,039,780	12,430,963	9,590,574	154,313,038
Liabilities					
Financial liabilities at fair value through profit or loss	4	-	(387)	-	(422)
Redemptions payable	2	(294,607)	-	-	(294,607)
Introducing broker fees payable	8,9	(114,391)	(10,734)	(8,388)	(135,470)
Management fees payable	8,9	(343,172)	(32,201)	(25,165)	(406,408)
Services management fees payable	8,9	(51,989)	(19,005)	(19,825)	(94,864)
Directors' fees payable	8,9	(53,593)	(5,082)	(4,850)	(64,554)
Accrued expenses and other liabilities	8	(96,314)	(24,088)	(21,146)	(146,209)
Total liabilities (excluding net assets attributable to Redeemable Participating Shareholders)		(954,066)	(91,497)	(79,374)	(1,142,534)
Net assets attributable to Redeemable Participating Shareholders		129,085,714	12,339,466	9,511,200	153,170,504
Which are represented by:					
Liability					
66,347,811 Redeemable Participating Shares with a Net Asset Value per Redeemable Participating Share of US\$1.9455	10	129,085,714	-	-	129,085,714
8,063,976 Redeemable Participating Shares with a Net Asset Value per Redeemable Participating Share of EUR1.5301	10	-	12,339,466	-	13,463,684
7,580,800 Redeemable Participating Shares with a Net Asset Value per Redeemable Participating Share of CHF1.2546	10	-	-	9,511,200	10,621,106
		129,085,714	12,339,466	9,511,200	153,170,504

Approved and authorised for issue on behalf of the Board on 1 December 2023.

John Renouf
Director

William Scott
Director

The accompanying notes on pages 14 to 49 form an integral part of these financial statements.

Man AHL Diversified PCC Limited

Aggregated statement of financial position

As at 30 June 2022



	Notes	Class A US\$	Class B EUR	Class C CHF	Aggregated US\$
Assets					
Cash and cash equivalents	3	7,254,160	6,797,454	5,701,854	20,350,023
Financial assets at fair value through profit or loss	4	138,814,552	7,302,534	6,650,566	153,433,217
Services management fees rebate receivable	8,9	14,243	1,383	1,208	16,958
Other assets		3,460	4,209	-	7,872
Total assets		146,086,415	14,105,580	12,353,628	173,808,070
Liabilities					
Financial liabilities at fair value through profit or loss	4	-	(3,638)	(8,432)	(12,642)
Subscriptions received in advance	2	(95,952)	-	-	(95,952)
Redemptions payable	2	(225,766)	(65,438)	-	(294,366)
Introducing broker fees payable	8,9	(125,162)	(12,158)	(10,517)	(148,919)
Management fees payable	8,9	(375,485)	(36,473)	(31,855)	(447,073)
Incentive fees payable	8,9	(795,882)	(75,637)	(67,812)	(946,174)
Services management fees payable	8,9	(61,038)	(19,132)	(19,521)	(101,533)
Directors fees payable	8,9	(20,020)	(1,639)	(1,634)	(23,449)
Accrued expenses and other liabilities	8	(77,457)	(18,208)	(15,306)	(112,572)
Total liabilities (excluding net assets attributable to Redeemable Participating Shareholders)		(1,776,762)	(232,323)	(155,077)	(2,182,680)
Net assets attributable to Redeemable Participating Shareholders		144,309,653	13,873,257	12,198,551	171,625,390

Which are represented by:

Liability

72,311,338 Redeemable Participating Shares with a Net Asset

Value per Redeemable Participating Share of US\$1.9956	10	144,309,653	-	-	144,309,653
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8,614,659 Redeemable Participating Shares with a Net Asset

Value per Redeemable Participating Share of EUR1.6104	10	-	13,873,257	-	14,543,723
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9,143,372 Redeemable Participating Shares with a Net Asset

Value per Redeemable Participating Share of CHF1.3341	10	-	-	12,198,551	12,772,014
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144,309,653	13,873,257	12,198,551	171,625,390
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The accompanying notes on pages 14 to 49 form an integral part of these financial statements.

Man AHL Diversified PCC Limited

Aggregated statement of changes in net assets
For the year ended 30 June 2023



	Note	Class A US\$	Class B EUR	Class C CHF	Aggregated US\$
Net assets attributable to Redeemable Participating Shareholders at the beginning of the year		144,309,653	13,873,257	12,198,551	171,625,390
Issue of 4,705,924 Redeemable Participating Shares	10	9,031,852	-	-	9,031,852
Redemption of 10,669,451 Redeemable Participating Shares	10	(20,585,146)	-	-	(20,585,146)
Issue of 298,171 Redeemable Participating Shares	10	-	469,999	-	512,819
Redemption of 848,854 Redeemable Participating Shares	10	-	(1,317,083)	-	(1,437,079)
Issue of 109,926 Redeemable Participating Shares	10	-	-	145,000	161,921
Redemption of 1,672,498 Redeemable Participating Shares	10	-	-	(2,080,984)	(2,323,824)
Retranslation of amounts due to Redeemable Participating Shareholders		-	-	-	1,359,721
Amounts due to Redeemable Participating Shareholders		(3,670,645)	(686,707)	(751,367)	(5,175,150)
Net assets attributable to Redeemable Participating Shareholders at the end of the year		129,085,714	12,339,466	9,511,200	153,170,504

Aggregated statement of changes in net assets For the year ended 30 June 2022

	Note	Class A US\$	Class B EUR	Class C CHF	Aggregated US\$
Net assets attributable to Redeemable Participating Shareholders at the beginning of the year		133,718,463	13,114,815	12,348,244	162,617,851
Issue of 4,460,868 Redeemable Participating Shares	10	8,325,459	-	-	8,325,459
Redemption of 6,487,560 Redeemable Participating Shares	10	(11,783,477)	-	-	(11,783,477)
Issue of 1,040,293 Redeemable Participating Shares	10	-	1,552,650	-	1,627,686
Redemption of 1,351,213 Redeemable Participating Shares	10	-	(2,016,948)	-	(2,114,423)
Issue of 183,633 Redeemable Participating Shares	10	-	-	225,000	235,577
Redemption of 1,190,835 Redeemable Participating Shares	10	-	-	(1,460,122)	(1,528,763)
Retranslation of amounts due to Redeemable Participating Shareholders		-	-	-	(2,347,466)
Amounts due to Redeemable Participating Shareholders		14,049,208	1,222,740	1,085,429	16,592,946
Net assets attributable to Redeemable Participating Shareholders at the end of the year		144,309,653	13,873,257	12,198,551	171,625,390

The accompanying notes on pages 14 to 49 form an integral part of these financial statements.

Man AHL Diversified PCC Limited

Aggregated statement of comprehensive income
For the year ended 30 June 2023



	Notes	Class A US\$	Class B EUR	Class C CHF	Aggregated US\$
Income					
Net gain/(loss) on foreign currency	7	28	241,558	423,268	696,891
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	7	521,619	(263,818)	(562,144)	(344,778)
Services management fees rebate	8,9	160,452	14,869	12,515	189,070
Interest income		2,246,727	27,835	-	2,275,594
Other income		47,003	9,744	5,098	62,484
		2,975,829	30,188	(121,263)	2,879,261
Expenses					
Management fees	8,9	(4,225,144)	(391,590)	(329,615)	(4,978,841)
Introducing broker fees	8,9	(1,408,382)	(130,530)	(109,883)	(1,659,626)
Services management fees	8,9	(392,199)	(122,236)	(120,243)	(645,767)
Incentive fees	8,9	(450,095)	(24,740)	(25,737)	(502,893)
Directors' fees	8,9	(33,573)	(3,443)	(3,216)	(40,535)
Interest expense		(23)	(10,084)	(20,194)	(31,776)
Depository fees	8	(9,155)	(847)	(697)	(10,768)
Other expenses	8	(127,903)	(33,425)	(20,519)	(184,205)
		(6,646,474)	(716,895)	(630,104)	(8,054,411)
Amounts due to Redeemable Participating Shareholders		(3,670,645)	(686,707)	(751,367)	(5,175,150)

The accompanying notes on pages 14 to 49 form an integral part of these financial statements.

Man AHL Diversified PCC Limited

Aggregated statement of comprehensive income
For the year ended 30 June 2022



	Notes	Class A US\$	Class B EUR	Class C CHF	Aggregated US\$
Income					
Net gain/(loss) on foreign currency	7	(93)	70,757	(288,626)	(230,121)
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	7	23,182,752	2,144,536	2,259,008	28,025,529
Services management fees rebate	8,9	152,206	14,727	13,717	183,534
Interest income		110,238	5	7	110,251
Other income		164	-	-	164
		23,445,267	2,230,025	1,984,106	28,089,357
Expenses					
Management fees	8,9	(4,019,926)	(388,984)	(362,293)	(4,847,390)
Incentive fees	8,9	(3,482,469)	(302,674)	(218,911)	(4,058,713)
Introducing broker fees	8,9	(1,339,975)	(129,661)	(120,664)	(1,615,688)
Services management fees	8,9	(383,350)	(113,694)	(118,747)	(639,003)
Interest expense		(2,028)	(46,161)	(51,126)	(108,953)
Directors' fees	8,9	(29,909)	(3,311)	(2,929)	(36,786)
Depository fees	8	(8,695)	(841)	(779)	(10,479)
Other expenses	8	(129,707)	(21,959)	(23,228)	(179,399)
		(9,396,059)	(1,007,285)	(898,677)	(11,496,411)
Amounts due to Redeemable Participating Shareholders		14,049,208	1,222,740	1,085,429	16,592,946

The accompanying notes on pages 14 to 49 form an integral part of these financial statements.

Man AHL Diversified PCC Limited

Aggregated statement of cash flows

For the year ended 30 June 2023



	Class A US\$	Class B EUR	Class C CHF	Aggregated US\$
Cash flows from operating activities:				
Amounts due to Redeemable Participating Shareholders	(3,670,645)	(686,707)	(751,367)	(5,175,150)
Adjustments to reconcile net gain/(loss) for the year attributable to Redeemable Participating Shareholders to net cash provided by/(used in) operating activities:				
(Increase)/decrease in financial assets at fair value through profit or loss	10,146,629	(4,267,600)	1,498,984	6,388,291
Increase/(decrease) in financial liabilities at fair value through profit or loss	-	(3,251)	(8,432)	(12,220)
(Increase)/decrease in services management fees rebate receivable	1,246	163	255	1,566
(Increase)/decrease in interest receivable	-	(155)	-	(169)
(Increase)/decrease in other assets	(5,738)	(23)	(1,493)	(7,611)
Increase/(decrease) in introducing broker fees payable	(10,771)	(1,424)	(2,129)	(13,449)
Increase/(decrease) in management fees payable	(32,313)	(4,272)	(6,690)	(40,665)
Increase/(decrease) in incentive fees payable	(795,882)	(75,637)	(67,812)	(946,174)
Increase/(decrease) in services management fees payable	(9,049)	(127)	304	(6,669)
Increase/(decrease) in directors' fees payable	33,573	3,443	3,216	41,105
Increase/(decrease) in accrued expenses and other liabilities	18,857	5,880	5,840	33,637
Effects of exchange rates on financial assets and liabilities	-	-	-	293,368
Net cash provided by/(used in) operating activities	5,675,907	(5,029,710)	670,676	555,860
Cash flows from financing activities:				
Proceeds on issuance of Redeemable Participating Shares	8,935,900	469,999	145,000	9,610,640
Payments on redemption of Redeemable Participating Shares	(20,516,305)	(1,382,521)	(2,080,984)	(24,345,808)
Net cash provided by/(used in) financing activities	(11,580,405)	(912,522)	(1,935,984)	(14,735,168)
Net change in cash and cash equivalents	(5,904,498)	(5,942,232)	(1,265,308)	(14,179,308)
Cash and cash equivalents at the beginning of the year	7,254,160	6,797,454	5,701,854	20,350,023
Effect of exchange rate fluctuations on cash and cash equivalents	-	-	-	1,066,353
Cash and cash equivalents at the end of the year	1,349,662	855,222	4,436,546	7,237,068
Net change in cash and cash equivalents for the year consists of:				
Net change in cash and cash equivalents before the effect of exchange rate fluctuations	(5,904,526)	(6,183,790)	(1,688,576)	(14,876,199)
Effect of exchange rate fluctuations on cash and cash equivalents	28	241,558	423,268	696,891
Net change in cash and cash equivalents	(5,904,498)	(5,942,232)	(1,265,308)	(14,179,308)
Supplemental disclosure of cash flow information:				
Interest received	2,246,727	27,680	-	2,275,425
Interest paid	(23)	(10,084)	(20,194)	(31,776)

The accompanying notes on pages 14 to 49 form an integral part of these financial statements.

Man AHL Diversified PCC Limited

Aggregated statement of cash flows

For the year ended 30 June 2022



	Class A US\$	Class B EUR	Class C CHF	Aggregated US\$
Cash flows from operating activities				
Amounts due to Redeemable Participating Shareholders	14,049,208	1,222,740	1,085,429	16,592,946
Adjustments to reconcile net gain/(loss) for the year attributable to Redeemable Participating Shareholders to net cash provided by/(used in) operating activities:				
(Increase)/decrease in financial assets at fair value through profit or loss	(30,227,149)	(527,897)	(265,450)	(29,910,454)
Increase/(decrease) in financial liabilities at fair value through profit or loss	-	(214,129)	(253,479)	(528,706)
(Increase)/decrease in collateral balances with brokers	1	150,754	164,736	356,840
(Increase)/decrease in services management fees rebate receivable	(1,507)	(128)	(20)	(1,450)
(Increase)/decrease in other assets	(285)	(4,209)	-	(4,697)
Increase/(decrease) in introducing broker fees payable	14,009	1,210	150	13,578
Increase/(decrease) in management fees payable	42,027	3,628	755	41,050
Increase/(decrease) in incentive fees payable	534,944	52,677	67,812	658,013
Increase/(decrease) in services management fees payable	19,080	7,260	6,426	31,342
Increase/(decrease) in directors' fees payable	2,675	(59)	(26)	2,296
Increase/(decrease) in accrued expenses and other liabilities	35,890	7,785	9,337	52,192
Effects of exchange rates on financial assets and liabilities	-	-	-	(818,823)
Net cash provided by/(used in) operating activities	(15,531,107)	699,632	815,670	(13,515,873)
Cash flows from financing activities:				
Proceeds on issuance of Redeemable Participating Shares	8,390,521	1,552,650	225,000	10,253,784
Payments on redemption of Redeemable Participating Shares	(11,975,827)	(1,951,510)	(1,460,122)	(15,550,413)
Net cash provided by/(used in) financing activities	(3,585,306)	(398,860)	(1,235,122)	(5,296,629)
Net change in cash and cash equivalents	(19,116,413)	300,772	(419,452)	(18,812,502)
Cash and cash equivalents at the beginning of the year	26,370,573	6,496,682	6,121,306	40,691,168
Effect of exchange rate fluctuations on cash and cash equivalents	-	-	-	(1,528,643)
Cash and cash equivalents at the end of the year	7,254,160	6,797,454	5,701,854	20,350,023
Net change in cash and cash equivalents for the year consists of:				
Net change in cash and cash equivalents before the effect of exchange rate fluctuations	(19,116,320)	230,015	(130,826)	(18,582,381)
Effect of exchange rate fluctuations on cash and cash equivalents	(93)	70,757	(288,626)	(230,121)
Net change in cash and cash equivalents	(19,116,413)	300,772	(419,452)	(18,812,502)
Supplemental disclosure of cash flow information:				
Interest received	110,238	5	7	110,251
Interest paid	(2,028)	(46,161)	(51,126)	(108,953)

The accompanying notes on pages 14 to 49 form an integral part of these financial statements.

Man AHL Diversified PCC Limited

Notes to the aggregated financial statements

For the year ended 30 June 2023



1. General

Man AHL Diversified PCC Limited (the “Company”) was incorporated under the laws of Guernsey on 7 December 2007 as a protected cell company. The Company carries on business as an open-ended investment holding company issuing series of Redeemable Participating Shares in respect of each protected cell of the Company. At 30 June 2023, the Company has 3 protected cells (2022: 3) open for subscriptions and redemptions (the “Protected Cells”).

For each series of Redeemable Participating Shares issued, the Company establishes a separate and distinct protected cell in order to segregate assets and liabilities attributable to a particular Class of Share of the Company from the assets and liabilities attributable to each other Class of Share, and from the Company’s general assets and liabilities.

The Protected Cells commenced trading on different dates as listed below but all Redeemable Participating Shares have the same objective of achieving medium-term capital growth for target annualised volatility of around 13% to 16% over the medium term.

The Protected Cells seek to achieve their objective through the AHL Diversified Programme which is managed by AHL. AHL is an investment division of Man Group and it operates through various legal vehicles. AHL provides investors with highly liquid and efficient trading strategies which offer low correlation to more traditional investment disciplines. Man Group means Man Group plc and all or any of its subsidiaries and associates, as the context requires. The Protected Cells may also invest in cryptocurrencies and other similar digital assets issued and/or traded using distributed ledger or blockchain technology, including, but not limited to Bitcoin and Ether. The Protected Cells may gain exposure to cryptocurrencies indirectly, for example, through investments in exchange-traded and over-the-counter (“OTC”) traded securities which are linked to an underlying cryptocurrency (“Cryptocurrency Securities”), or purchase cryptocurrencies directly (cryptocurrencies and Cryptocurrency Securities, together “Cryptocurrency Assets”).

Protected Cell	Date of commencement of trading
Man AHL Diversified (Guernsey) Class A USD Shares	1 January 2008
Man AHL Diversified (Guernsey) Class B EUR Shares	14 October 2008
Man AHL Diversified (Guernsey) Class C CHF Shares	10 February 2009

These aggregated financial statements present the results and financial position of each Protected Cell attributable to each Class of Redeemable Participating Shareholders and also the aggregated financial statements of the Company. The aggregated financial statements of the Company are the aggregation of each of the individual classes of Redeemable Participating Shares as the Company has no assets or liabilities of its own outside of the Protected Cells and any reference to Protected Cells in these aggregated financial statements will also refer to the Company’s aggregated financial statements.

The Company’s investment manager is AHL Partners LLP (the “Investment Manager”), a subsidiary of Man Group plc. The Investment Manager is authorised and regulated by the United Kingdom Financial Conduct Authority (the “FCA”) in the conduct of its regulated activities. The Investment Manager is also regulated with the U.S. Securities and Exchange Commission (the “SEC”) and the U.S. Commodity Futures Trading Commission (the “CFTC”) in the conduct of its regulated activities. The Company has no employees.

The Company is an Alternative Investment Fund (“AIF”) in accordance with the Directive 2011/61/EU Alternative Investment Fund Managers Directive (“AIFMD”) and of the Council of 8 June 2011 on Alternative Investment Fund Managers. Man Asset Management (Cayman) Limited (the “AIFM”) is the authorised Alternative Investment Fund Manager (“AIFM”) to the Company. The AIFM sub-delegates investment management services to the Investment Manager.

Effective 16 June 2023, Deloitte LLP replaced Ernst & Young Ltd. as auditors to the Company.

The most recent applicable prospectus of the Company is dated 16 June 2023 (the “Prospectus”) and the most recent supplement to the Protected Cells is dated 16 June 2023 (the “Supplement”).

2. Significant accounting policies

a) Basis of preparation

The aggregated financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”), issued by the International Accounting Standards Board (“IASB”). The aggregated financial statements have been prepared on an historical cost basis except for financial assets and liabilities at fair value through profit or loss that have been measured based on fair value.

b) Changes in accounting policy and disclosure

The accounting policies adopted in the preparation of the aggregated financial statements are consistent with those followed in the preparation of the Company’s aggregated financial statements for the year ended 30 June 2022 except for the adoption of new standards and interpretations effective on the dates described overleaf.

2. Significant accounting policies (continued)

b) Changes in accounting policy and disclosure (continued)

New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective (effective for periods beginning on or after 1 January 2023):

Disclosure of Accounting Policies (Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2)

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, providing guidance to help entities meet the accounting policy disclosure requirements. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure. These amendments had no material effect on financial statements of the Company.

Definition of Accounting Estimates (Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors)

The amendment to IAS 8, which added the definition of accounting estimates, clarifies that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors. These amendments had no material effect on financial statements of the Company.

At the date of authorisation of the aggregated financial statements there were a number of other standards and interpretations which were in issue but not yet effective. Management anticipates that the adoption of these standards and interpretations in future periods will have no material impact on the aggregated financial statements of the Company.

c) Use of accounting judgements and estimates

The preparation of aggregated financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the amounts reported and disclosures made in these aggregated financial statements and accompanying notes, including certain valuation assumptions. Management applies judgement in the valuation of unlisted managed funds. Judgements and assumptions applied in the valuation of these investments is further clarified in Note 4 to these aggregated financial statements. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities in the future. As at 30 June 2023 and 30 June 2022 there were no judgements made in need of adjustment.

d) Going concern

Management has made an assessment of the Company's ability to continue as a going concern and is satisfied that it has resources to continue in business for a period of at least 12 months beyond the date these aggregated financial statements are approved and authorised. Also, the exposure to liquidity risk through Redeemable Participating Shareholder redemption requests is managed by specifically setting the redemption notice period to accommodate the expected liquidity of the underlying investments as agreed by the Investment Manager. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern; therefore, the aggregated financial statements are prepared on a going concern basis.

e) Interest income

Interest income is recorded on an accruals basis. Interest earned on cash is recorded in the aggregated statement of comprehensive income.

f) Financial assets and liabilities

Financial assets and liabilities at fair value through profit or loss

For Net Asset Value ("NAV") purposes, the valuation of financial assets and liabilities is calculated in accordance with the Prospectus and Supplement. For aggregated financial statements purposes, financial assets and liabilities have been valued in accordance with IFRS using the policies outlined below.

At 30 June 2023 and 30 June 2022, there are no material differences between these valuation methods.

In accordance with IFRS 9 *Financial Instruments: Classification and Measurement*, the Company classifies its financial assets and liabilities at initial recognition into the categories of financial assets and financial liabilities as discussed below.

Under IFRS 9, a financial asset is classified as measured at: amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL"). The classification of financial assets under IFRS 9 is based on the business model in which a financial asset is managed and on its contractual cash flow characteristics.

In evaluating the classification of its financial assets, the Company has considered the following:

- Whether it is held within a business model whose objective is to hold assets only to collect contractual cash flows ("business model test"); and
- Whether its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI test").

Both the business model test and SPPI test must be met in order to account for a financial asset at amortised cost or FVOCI. If both tests are not met the financial asset must be measured at FVTPL.

The Company classifies its investments based on both the Company's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Company is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Company has not taken the option to irrevocably designate any related managed funds, government bonds and forward currency contracts as fair value through other comprehensive income.

2. Significant accounting policies (continued)

f) Financial assets and liabilities (continued)

Financial assets and liabilities at fair value through profit or loss (continued)

The contractual cash flows of the Company's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Company's business model's objective.

The Company recognises a financial asset or a financial liability when, and only when, it becomes a party to the contractual provisions of the instrument. Purchases and sales of investments are recognised on the trade date, which is the date on which the Company commits to purchase or sell the asset. Financial assets and liabilities at fair value through profit or loss are initially recognised at fair value. All transaction costs for such instruments are recognised directly in the aggregated statement of comprehensive income.

Consequently, all investments are measured at fair value through profit or loss.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, government bonds and exchange traded securities) is based on quoted market prices at the aggregated statement of financial position date.

In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

The Directors have appointed an Independent Pricing Committee ("IPC") to undertake certain services concerning the valuation policies and procedures relating to the Company. The IPC is an independent body set up to: (1) establish a pricing matrix (a table which lays out a pricing source for certain assets and liabilities) which the Directors have adopted for the Company and which is used by BNY Mellon Fund Services (Ireland) Designated Activity Company (the "Administrator") to calculate the value of the assets and liabilities held by the Company; and (2) to establish the prices of any positions held in the Company that do not have an independently ascertainable value as per the pricing matrix. In addition, the IPC provides general governance and oversight of the valuation process.

The Company may from time to time invest in financial instruments or securities that are not traded in an active market (for example OTC derivatives and private placements of both equities and fixed income securities). These financial instruments are valued at their fair value in the manner described in subsequent accounting policies.

Any exchange traded derivative instruments (including, but not limited to, options and futures) dealt in on a market are valued at the settlement price on the relevant valuation day for such instruments on such a market. If the settlement price is not available, their probable realisation value shall be determined with care and in good faith by the Investment Manager.

The investments in managed funds ("managed funds") are initially measured at fair value and then carried at their NAV per unit at the statement of financial position date. This measure approximately represents the fair value of such investments. If their stated NAV per unit is not available, managed funds are valued at their latest available stated NAV per unit.

Investments are derecognised when the rights to receive cash flows have expired or the Company has transferred substantially all of the risks and rewards of ownership.

g) Fees payable and accrued expenses

All financial liabilities are due within one year of recognition and measured at amortised cost. These include fees payable and accrued expenses and other liabilities. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

h) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the aggregated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty. As at 30 June 2023 and 30 June 2022, no financial assets and liabilities are offset in the aggregated statement of financial position.

i) Derivatives

The Company may trade derivative financial instruments whose values are based upon an underlying asset, index, currency or interest rate. The net unrealised gains or losses, rather than contract or notional amounts, represents the approximate future cash flows from trading.

The Company may engage in forward currency contracts. These are described below:

- Forward currency contracts

Forward currency contracts are recorded on the trade date and are valued based at the applicable forward exchange rates on the last business day of the year. The difference between the fair value of the original contract amount and the fair value of the open forward contract position is reflected as financial assets or financial liabilities at fair value through profit or loss in the aggregated statement of financial position and as net gain/(loss) on financial assets and liabilities at fair value through profit or loss in the aggregated statement of comprehensive income.

2. Significant accounting policies (continued)

j) Realised gains and losses and unrealised gains and losses

All realised and unrealised gains and losses on investments in managed funds and derivatives are recognised as net gain/(loss) on financial assets and liabilities at fair value through profit or loss in the aggregated statement of comprehensive income. The cost of securities sold is accounted for on First In – First Out (“FIFO”) basis. Unrealised gain and loss comprise changes in the fair value of financial instruments for the year and from reversal of prior year’s unrealised gain and loss for financial instruments which were realised in the reporting year. Realised gains and losses represent the difference between an instrument’s initial carrying amount and disposal amount, or cash payments or receipts made in respect of derivative contracts (excluding payments or receipts on collateral margin accounts for such instruments).

k) Transaction costs

Transaction costs are incremental costs, which are separately identifiable and directly attributable to the acquisition, issue or disposal of a financial instrument. Transaction costs incurred by the Company during the year are recognised in the aggregated statement of comprehensive income. There were no transaction costs incurred by the Company during the years ended 30 June 2023 and 30 June 2022.

l) Functional and presentation currency

The primary objective of the Company is to generate returns in the currency of each series of Redeemable Participating Shares issued by the Protected Cells, which are their capital-raising, functional and presentational currency, being United States Dollar (“US\$”) in respect of the Man AHL Diversified (Guernsey) Class A USD Shares, Euro in respect of the Man AHL Diversified (Guernsey) Class B EUR Shares and Swiss Franc in respect of the Man AHL Diversified (Guernsey) Class C CHF Shares. The liquidity of each series of Redeemable Participating Shares is managed on a day-to-day basis in the respective currency of each Protected Cell in order to handle the issue, acquisition and resale of the Protected Cells’ Redeemable Participating Shares. The Company’s performance is also evaluated in the respective currency of each Protected Cell. The vast majority of the Company’s investments are dominated in US\$. US\$ is considered the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions, the Company’s functional currency and presentational currency is the US\$.

In translating amounts from the functional currency of the Man AHL Diversified (Guernsey) Class B EUR Shares and Man AHL Diversified (Guernsey) Class C CHF Shares to the presentation currency of the aggregated financial statements, foreign exchange differences arise as a result of the translation of Euros and Swiss Francs to US\$. In accordance with IAS 21 the differences that arise on such translation are recorded within other comprehensive income.

m) Foreign currency

Transactions during the year denominated in foreign currencies have been translated to the functional currency at the rates of exchange ruling at the date of transactions. Assets and liabilities denominated in foreign currencies are translated to the functional currency at the rates of exchange in effect at the date of the aggregated statement of financial position. For investment transactions and investments held as at year end denominated in foreign currency, resulting gains or losses are included in the net gain/(loss) on financial assets and liabilities at fair value through profit or loss in the aggregated statement of comprehensive income. All other foreign currency gains and losses are included in the net gain/(loss) on foreign currency in the aggregated statement of comprehensive income. Translation differences arising on aggregation are recorded within other comprehensive income.

n) Expenses

All expense are recognised in the aggregated statement of comprehensive income on an accruals basis.

o) Income and expense allocation

Income, expenses, and realised and unrealised gains and losses are allocated pro-rata to each Redeemable Participating Share class based on their respective NAV. In the case that there are Protected Cells designated in a currency other than the functional currency of the Company, the Investment Manager may use efficient portfolio management techniques to mitigate risks arising from exchange rate fluctuation. Any cost, related liabilities and/or benefits of such share class specific investment will be for the account of that Protected Cell only. Management and incentive fees are charged on a share by share basis and will be charged only to the affected Protected Cell in line with the fee rate specified in Note 8.

p) Redeemable Participating Shares

Redeemable Participating Shares are classified as equity instruments when:

- The Redeemable Participating Shares entitle the holder to a pro rata share of the Company’s net assets in the event of the Company’s liquidation;
- The Redeemable Participating Shares are in the class of instruments that is subordinate to all other classes of instruments;
- All Redeemable Participating Shares in the class of instruments that is subordinate to all other classes of instruments have identical features;
- The Redeemable Participating Shares do not include any contractual obligation to deliver cash or another financial asset other than the holder’s rights to a pro rata share of the Company’s net assets; and
- The total expected cash flows attributable to the Redeemable Participating Shares over the life of the instrument are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Company over the life of the instrument.

In addition to the Redeemable Participating Shares having all of the above features, the Company must have no other financial instrument or contract that has:

- Total cash flows based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Company; or
- The effect of substantially restricting or fixing the residual return to the Redeemable Participating Shareholders.

2. Significant accounting policies (continued)

p) Redeemable Participating Shares (continued)

The Company periodically assesses the classification of the Redeemable Participating Shares. If the Redeemable Participating Shares cease to have all the features, or meet all the conditions set out, to be classified as equity, the Company will reclassify them as financial liabilities and measure them at fair value at the date of reclassification, with any differences from the previous carrying amount recognised in equity. If the Redeemable Participating Shares subsequently have all the features and meet the conditions to be classified as equity, the Company will reclassify them as equity instruments and measure them at the carrying amount of the liabilities at the date of the reclassification.

The Company has assessed that the Redeemable Participating Shares should be classified as a liability for the years ended 30 June 2023 and 30 June 2022.

q) Cash and cash equivalents

Cash and cash equivalents in the aggregated statement of financial position may consist of cash at bank, demand deposits, short-term deposits in financial institutions and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, with original maturities of three months or less. Short-term investments that are not held for the purpose of meeting short-term cash commitments and restricted margin accounts are not considered cash and cash equivalents. For the purpose of the aggregated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts when applicable.

r) Taxation

With effect from 1 January 2008, the standard rate of income tax for companies moved from 20% to 0% and Guernsey has abolished the exempt company regime for companies other than collective investments schemes. The Company has chosen to continue to apply for exempt status from taxation under the terms of The Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989 and is thus liable to an annual fee of £1,200.

IFRIC Interpretation 23, *Uncertainty over Income Tax Treatment* clarifies the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12 in the Company's aggregated financial statements.

Management evaluates such tax positions to determine whether, for all tax years still subject to assessment or challenge by the relevant taxation authorities, the tax positions are probable to be accepted on examination by the relevant tax authorities. If it is probable that the Company's tax positions are accepted, the taxable profit (tax loss) should be consistent with the Company's tax filings. If not probable, the Company must reflect the effect of the uncertainty in determining its taxable profit (tax loss). The effect of the uncertain tax treatment is determined by applying the expected value method or by applying the most likely method.

Management has analysed the Protected Cell's tax positions, and has concluded that no liability for unrecognised tax benefits should be recorded related to uncertain tax positions for the years ended 30 June 2023 and 30 June 2022.

Currently, the only taxes recorded; if any, by the Company on its income are withholding taxes applicable to certain income. For the years ended 30 June 2023 and 30 June 2022, no other income tax liability or expense has been recorded in the accompanying aggregated financial statements.

s) Subscriptions received in advance and redemptions payable

Subscription and redemption monies are settled through a cash collection account in the name of the Company. Pending issue of the shares and/or payment of subscription proceeds to an account in the name of the Company, and pending payment of redemption proceeds or distributions, the relevant investor will be an unsecured creditor of the Company in respect of amounts paid by or due to it.

t) Basis of aggregation

The aggregated financial statements include the assets, liabilities, revenues and expenses of the Company and its Protected Cells.

u) Comparative information

Certain prior year figures in the aggregated financial statements have been reclassified to conform with the current year presentation.

3. Cash and cash equivalents

At the year end, amounts disclosed as cash and cash equivalents were held at BNP Paribas and JP Morgan Chase (the "Banks").

As at 30 June 2023 and 30 June 2022, the Company held no collateral balances with brokers.

4. Financial assets and liabilities at fair value through profit or loss

Fair value of financial instruments

The Company has established a framework with respect to the measurement of fair values. This includes a periodic review by the Investment Manager of all significant fair value measurements, including Level 3 fair values.

The Investment Manager regularly reviews significant unobservable inputs and valuation adjustments (if any). If third party information is used to measure fair values, the Investment Manager assesses the evidence obtained from the third parties to support the conclusion such that valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified.

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in determining the measurements in line with IFRS 13.

The fair value hierarchy has the following levels:

- Level 1 - Quoted market price in an active market for an identical instrument.
- Level 2 - Valuation techniques based on observable inputs. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3 - Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant impact on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Valuation techniques

Listed or publicly traded investment in managed funds, government bonds and derivatives

When fair values of listed or publicly traded managed funds, government bonds and derivatives are based on quoted market prices, or binding dealer price quotations, in an active market for identical assets without any adjustments, the instruments are included within Level 1 of the hierarchy.

OTC derivatives

The Company uses widely recognised valuation techniques for determining fair values of OTC derivatives. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including both credit risk and foreign exchange spot and forward rates and interest rate curves. For these financial instruments, significant inputs used are market observable and are, therefore, included within Level 2.

Unlisted managed funds

The Company invests in managed funds which are not quoted in an active market and which may be subject to restrictions on redemptions such as lock up periods, redemption gates and side pockets. The Investment Manager considers the valuation techniques and inputs used in valuing these funds as part of its due diligence prior to investing, to ensure they are reasonable and appropriate and therefore the NAV of these funds may be used as an input into measuring their fair value. In measuring this fair value, the NAV of the funds is adjusted, as necessary, to reflect restrictions on redemptions, future commitments, and other specific factors of the investee fund and investee fund's manager. In measuring fair value, consideration is also paid to any transactions in the shares of the Company. Depending on the nature and level of adjustment needed to the NAV and the level of trading in the investee fund, the Company classifies these funds as either Level 2 or Level 3.

The following tables are a summary of the classification within the fair value hierarchy of the Company's financial instruments carried at fair value as at 30 June 2023 and 30 June 2022:

Class A USD

As at 30 June 2023	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total Fair Value US\$
Financial assets at fair value through profit or loss				
<u>Interest bearing securities</u>				
Government bonds	59,332,659	-	-	59,332,659
Total interest bearing securities	59,332,659	-	-	59,332,659
<u>Investment in related managed funds</u>				
AHL Evolution Ltd	-	24,755,965	-	24,755,965
AHL Institutional Series 3 Ltd	-	44,579,299	-	44,579,299
Total investment in related managed funds	-	69,335,264	-	69,335,264
Total financial assets at fair value through profit or loss	59,332,659	69,335,264	-	128,667,923

4. Financial assets and liabilities at fair value through profit or loss (continued)

Valuation techniques (continued)

Class A USD

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total Fair Value US\$
As at 30 June 2022				
Financial assets at fair value through profit or loss				
<u>Interest bearing securities</u>				
Government bonds	63,652,796	-	-	63,652,796
Total interest bearing securities	63,652,796	-	-	63,652,796
<u>Investment in related managed funds</u>				
AHL Evolution Ltd	-	26,707,571	-	26,707,571
AHL Institutional Series 3 Ltd	-	48,454,185	-	48,454,185
Total investment in related managed funds	-	75,161,756	-	75,161,756
Total financial assets at fair value through profit or loss	63,652,796	75,161,756	-	138,814,552

Class B EUR

	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total Fair Value EUR
As at 30 June 2023				
Financial assets at fair value through profit or loss				
<u>Interest bearing securities</u>				
Government bonds	4,886,383	-	-	4,886,383
Total interest bearing securities	4,886,383	-	-	4,886,383
<u>Investment in related managed funds</u>				
AHL Evolution Ltd	-	2,364,108	-	2,364,108
AHL Institutional Series 3 Ltd	-	4,257,701	-	4,257,701
Total investment in related managed funds	-	6,621,809	-	6,621,809
<u>Derivatives</u>				
Forward currency contracts	-	61,942	-	61,942
Total derivatives	-	61,942	-	61,942
Total financial assets at fair value through profit or loss	4,886,383	6,683,751	-	11,570,134
Financial liabilities at fair value through profit or loss				
<u>Derivatives</u>				
Forward currency contracts	-	(387)	-	(387)
Total derivatives	-	(387)	-	(387)
Total financial liabilities at fair value through profit or loss	-	(387)	-	(387)

4. Financial assets and liabilities at fair value through profit or loss (continued)

Valuation techniques (continued)

Class B EUR

	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total Fair Value EUR
As at 30 June 2022				
Financial assets at fair value through profit or loss				
<u>Investment in related managed funds</u>				
AHL Evolution Ltd	-	2,584,801	-	2,584,801
AHL Institutional Series 3 Ltd	-	4,690,224	-	4,690,224
Total investment in related managed funds	-	7,275,025	-	7,275,025
<u>Derivatives</u>				
Forward currency contracts	-	27,509	-	27,509
Total derivatives	-	27,509	-	27,509
Total financial assets at fair value through profit or loss	-	7,302,534	-	7,302,534
Financial liabilities at fair value through profit or loss				
<u>Derivatives</u>				
Forward currency contracts	-	(3,638)	-	(3,638)
Total derivatives	-	(3,638)	-	(3,638)
Total financial liabilities at fair value through profit or loss	-	(3,638)	-	(3,638)

Class C CHF

	Level 1 CHF	Level 2 CHF	Level 3 CHF	Total Fair Value CHF
As at 30 June 2023				
Financial assets at fair value through profit or loss				
<u>Investment in related managed funds</u>				
AHL Evolution Ltd	-	1,822,423	-	1,822,423
AHL Institutional Series 3 Ltd	-	3,282,094	-	3,282,094
Total investment in related managed funds	-	5,104,517	-	5,104,517
<u>Derivatives</u>				
Forward currency contracts	-	47,065	-	47,065
Total derivatives	-	47,065	-	47,065
Total financial assets at fair value through profit or loss	-	5,151,582	-	5,151,582

4. Financial assets and liabilities at fair value through profit or loss (continued)

Valuation techniques (continued)

Class C CHF

As at 30 June 2022	Level 1 CHF	Level 2 CHF	Level 3 CHF	Total Fair Value CHF
Financial assets at fair value through profit or loss				
<u>Investment in related managed funds</u>				
AHL Evolution Ltd	-	2,249,827	-	2,249,827
AHL Institutional Series 3 Ltd	-	4,082,484	-	4,082,484
Total investment in related managed funds	-	6,332,311	-	6,332,311
<u>Derivatives</u>				
Forward currency contracts	-	318,255	-	318,255
Total derivatives	-	318,255	-	318,255
Total financial assets at fair value through profit or loss	-	6,650,566	-	6,650,566
Financial liabilities at fair value through profit or loss				
<u>Derivatives</u>				
Forward currency contracts	-	(8,432)	-	(8,432)
Total derivatives	-	(8,432)	-	(8,432)
Total financial liabilities at fair value through profit or loss	-	(8,432)	-	(8,432)

Aggregated

As at 30 June 2023	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total Fair Value US\$
Financial assets at fair value through profit or loss				
<u>Interest bearing securities</u>				
Government bonds	64,664,228	-	-	64,664,228
Total interest bearing securities	64,664,228	-	-	64,664,228
<u>Investment in related managed funds</u>				
AHL Evolution Ltd	-	29,370,551	-	29,370,551
AHL Institutional Series 3 Ltd	-	52,890,005	-	52,890,005
Total investment in related managed funds	-	82,260,556	-	82,260,556
<u>Derivatives</u>				
Forward currency contracts	-	120,142	-	120,142
Total derivatives	-	120,142	-	120,142
Total financial assets at fair value through profit or loss	64,664,228	82,380,698	-	147,044,926
Financial liabilities at fair value through profit or loss				
<u>Derivatives</u>				
Forward currency contracts	-	(422)	-	(422)
Total derivatives	-	(422)	-	(422)
Total financial liabilities at fair value through profit or loss	-	(422)	-	(422)

4. Financial assets and liabilities at fair value through profit or loss (continued)

Valuation techniques (continued)

Aggregated

As at 30 June 2022	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total Fair Value US\$
Financial assets at fair value through profit or loss				
<u>Interest bearing securities</u>				
Government bonds	63,652,796	-	-	63,652,796
Total interest bearing securities	63,652,796	-	-	63,652,796
<u>Investment in related managed funds</u>				
AHL Evolution Ltd	-	31,772,883	-	31,772,883
AHL Institutional Series 3 Ltd	-	57,645,483	-	57,645,483
Total investment in related managed funds	-	89,418,366	-	89,418,366
<u>Derivatives</u>				
Forward currency contracts	-	362,055	-	362,055
Total derivatives	-	362,055	-	362,055
Total financial assets at fair value through profit or loss	63,652,796	89,780,421	-	153,433,217
Financial liabilities at fair value through profit or loss				
<u>Derivatives</u>				
Forward currency contracts	-	(12,642)	-	(12,642)
Total derivatives	-	(12,642)	-	(12,642)
Total financial liabilities at fair value through profit or loss	-	(12,642)	-	(12,642)

Short term balances are excluded from the tables above as their carrying values at the year end approximates to their fair values.

Investments are reviewed at each year end to ensure that they are correctly classified between Level 1, 2 and 3 in accordance with the fair value hierarchy outlined above. Where an investment's characteristics change during the year and investments no longer meet the criteria of a given level, they are transferred into a more appropriate level at the end of the relevant financial reporting year. For the years ended 30 June 2023 and 30 June 2022, there were no transfers between Levels.

As at 30 June 2023 and 30 June 2022 the Company held no Level 3 financial instruments.

Forward currency contracts

As part of its portfolio management techniques, the Company may use forward currency contracts to economically hedge any non-functional currency exposure (although formal hedge accounting is not used). Forward currency contracts may also be used for trading purposes. Forward currency contracts entered into by the Company represent a firm commitment to buy or sell an underlying asset, or currency at a specified value and point in time based upon an agreed or contracted quantity.

Forward currency contracts may expose the Company to the risks associated with the absence of an exchange market on which to close out an open position. The Investment Manager closely monitors the Company's exposure under forward currency contracts as part of the overall management of the Company's market risk.

Derivative financial instruments

The Company is subject to both market and credit risk in trading derivative financial instruments. Market risk is the potential for changes in value due to changes in market interest rates, foreign exchange rates, indices and changes in the value of the underlying financial instruments. Credit risk is the possibility that a loss may occur if a counterparty fails to perform according to the terms of the contract. Substantially all derivative contracts are transacted on a margin basis. Such transactions may expose the Company to significant liquidity risk in the event margin deposits and collateral investments are not sufficient to cover losses incurred. For more details on the liquidity risk to which the Protected Cells may be exposed, refer to Note 6 on page 39.

The Investment Manager manages the risk associated with these transactions by maintaining margin deposits and collateral investments with its brokers in compliance with individual exchange regulations and internal guidelines. The Investment Manager also takes an active role in managing and controlling the Company's market and counterparty risks and monitoring trading activities and margin levels daily, and, as necessary, deposits additional collateral or reduces positions.

4. Financial assets and liabilities at fair value through profit or loss (continued)

Derivative financial instruments (continued)

Derivative financial instruments are generally based on notional amounts which are not recorded in the aggregated financial statements. These notional amounts represent the theoretical principal value on which the cash flows of the derivative transactions are based. Unrealised gain or loss, rather than notional amounts, of the derivatives traded by the Company are included in the aggregated statement of financial position.

As at 30 June 2023 and 30 June 2022, the Company was exposed, via its investments in derivative financial instruments, to underlying positions representing financial instruments for which notional amounts are summarised below. The notional value of derivative activity as at 30 June 2023 and 30 June 2022 is representative of the derivative trading during the year.

Class B EUR	Notional Amounts			
	Long 2023 EUR	Short 2023 EUR	Long 2022 EUR	Short 2022 EUR
Forward currency contracts	7,013,497	494,624	9,779,210	781,570
Class C CHF	Long 2023 CHF	Short 2023 CHF	Long 2022 CHF	Short 2022 CHF
	Long 2023 US\$	Short 2023 US\$	Long 2022 US\$	Short 2022 US\$
Forward currency contracts	5,591,383	159,478	9,128,523	679,317
Aggregated	Long 2023 US\$	Short 2023 US\$	Long 2022 US\$	Short 2022 US\$
	Long 2023 US\$	Short 2023 US\$	Long 2022 US\$	Short 2022 US\$
Forward currency contracts	13,896,346	717,776	19,809,481	1,530,594

5. Offsetting financial assets and financial liabilities

As at 30 June 2023 and 30 June 2022, no financial assets and liabilities of the Company are being presented net within the aggregated statement of financial position. The following tables provide information on the financial impact of netting for instruments subject to an enforceable master netting arrangement or similar agreement in the event of default as defined under such agreements.

As at 30 June 2023 and 30 June 2022, no financial instruments were held by Class A.

The following table summarises the net financial assets per counterparty as at 30 June 2023:

Class B EUR				
Offsetting of derivative assets and collateral received by counterparty				
	(i)	(ii)		(iii)=(i)+(ii)
		Gross assets not offset in the aggregated statement of financial position		
Counterparty	Gross amounts of assets in the aggregated statement of financial position EUR	Financial instruments EUR	Cash collateral held* EUR	Net amount EUR
JP Morgan Chase	61,942	(387)	-	61,555
Total	61,942	(387)	-	61,555

* Excess of collateral held by counterparty is not shown for financial reporting purposes.

The following table summarises the net financial liabilities per counterparty as at 30 June 2023:

Class B EUR				
Offsetting of derivative liabilities and collateral pledged by counterparty				
	(i)	(ii)		(iii)=(i)+(ii)
		Gross liabilities not offset in the aggregated statement of financial position		
Counterparty	Gross amounts of liabilities in the aggregated statement of financial position EUR	Financial instruments EUR	Cash collateral pledged* EUR	Net amount EUR
JP Morgan Chase	387	(387)	-	-
Total	387	(387)	-	-

* Excess of collateral pledged by counterparty is not shown for financial reporting purposes.

5. Offsetting financial assets and financial liabilities (continued)

The following table summarises the net financial assets per counterparty as at 30 June 2022:

Class B EUR				
Offsetting of derivative assets and collateral received by counterparty				
	(i)	(ii)		(iii)=(i)+(ii)
		Gross assets not offset in the aggregated statement of financial position		
Counterparty	Gross amounts of assets in the aggregated statement of financial position EUR	Financial instruments EUR	Cash collateral held* EUR	Net amount EUR
JP Morgan Chase	27,509	(3,638)	-	23,871
Total	27,509	(3,638)	-	23,871

* Excess of collateral held by counterparty is not shown for financial reporting purposes.

The following table summarises the net financial liabilities per counterparty as at 30 June 2022:

Class B EUR				
Offsetting of derivative liabilities and collateral pledged by counterparty				
	(i)	(ii)		(iii)=(i)+(ii)
		Gross liabilities not offset in the aggregated statement of financial position		
Counterparty	Gross amounts of liabilities in the aggregated statement of financial position EUR	Financial instruments EUR	Cash collateral pledged* EUR	Net amount EUR
JP Morgan Chase	3,638	(3,638)	-	-
Total	3,638	(3,638)	-	-

* Excess of collateral pledged by counterparty is not shown for financial reporting purposes.

As at 30 June 2023 Class C only holds financial assets. The following table summarises the net financial assets per counterparty as at 30 June 2023:

Class C CHF				
Offsetting of derivative assets and collateral received by counterparty				
	(i)	(ii)		(iii)=(i)+(ii)
		Gross assets not offset in the aggregated statement of financial position		
Counterparty	Gross amounts of assets in the aggregated statement of financial position CHF	Financial instruments CHF	Cash collateral held* CHF	Net amount CHF
JP Morgan Chase	47,065	-	-	47,065
Total	47,065	-	-	47,065

* Excess of collateral held by counterparty is not shown for financial reporting purposes.

5. Offsetting financial assets and financial liabilities (continued)

The following table summarises the net financial assets per counterparty as at 30 June 2022:

Class C CHF				
Offsetting of derivative assets and collateral received by counterparty				
	(i)	(ii)		(iii)=(i)+(ii)
	Gross assets not offset in the aggregated statement of financial position			
	Gross amounts of assets in the aggregated statement of financial position	Financial instruments	Cash collateral held*	Net amount
Counterparty	CHF	CHF	CHF	CHF
JP Morgan Chase	318,255	(8,432)	-	309,823
Total	318,255	(8,432)	-	309,823

* Excess of collateral held by counterparty is not shown for financial reporting purposes.

The following table summarises the net financial liabilities per counterparty as at 30 June 2022:

Class C CHF				
Offsetting of derivative liabilities and collateral pledged by counterparty				
	(i)	(ii)		(iii)=(i)+(ii)
	Gross liabilities not offset in the aggregated statement of financial position			
	Gross amounts of liabilities in the aggregated statement of financial position	Financial instruments	Cash collateral pledged*	Net amount
Counterparty	CHF	CHF	CHF	CHF
JP Morgan Chase	8,432	(8,432)	-	-
Total	8,432	(8,432)	-	-

* Excess of collateral pledged by counterparty is not shown for financial reporting purposes.

The following table summarises the net financial assets per counterparty as at 30 June 2023:

Aggregated				
Offsetting of derivative assets and collateral received by counterparty				
	(i)	(ii)		(iii)=(i)+(ii)
	Gross assets not offset in the aggregated statement of financial position			
	Gross amounts of assets in the aggregated statement of financial position	Financial instruments	Cash collateral held*	Net amount
Counterparty	US\$	US\$	US\$	US\$
JP Morgan Chase	120,142	(422)	-	119,720
Total	120,142	(422)	-	119,720

* Excess of collateral held by counterparty is not shown for financial reporting purposes.

The following table summarises the net financial liabilities per counterparty as at 30 June 2023:

Aggregated				
Offsetting of derivative liabilities and collateral pledged by counterparty				
	(i)	(ii)		(iii)=(i)+(ii)
	Gross liabilities not offset in the aggregated statement of financial position			
	Gross amounts of liabilities in the aggregated statement of financial position	Financial instruments	Cash collateral pledged*	Net amount
Counterparty	US\$	US\$	US\$	US\$
JP Morgan Chase	422	(422)	-	-
Total	422	(422)	-	-

* Excess of collateral pledged by counterparty is not shown for financial reporting purposes.

5. Offsetting financial assets and financial liabilities (continued)

The following table summarises the net financial assets per counterparty as at 30 June 2022:

<u>Aggregated</u>				
<u>Offsetting of financial assets, derivative assets and collateral received by counterparty</u>				
	(i)	(ii)		(iii)=(i)+(ii)
		Gross assets not offset in the aggregated statement of financial position		
	Gross amounts of assets in the aggregated statement of financial position	Financial instruments	Cash collateral held*	Net amount
Counterparty	US\$	US\$	US\$	US\$
JP Morgan Chase	362,055	(12,642)	-	349,413
Total	362,055	(12,642)	-	349,413

* Excess of collateral held by counterparty is not shown for financial reporting purposes.

The following table summarises the net financial liabilities per counterparty as at 30 June 2022:

<u>Aggregated</u>				
<u>Offsetting of financial liabilities, derivative liabilities and collateral pledged by counterparty</u>				
	(i)	(ii)		(iii)=(i)+(ii)
		Gross liabilities not offset in the aggregated statement of financial position		
	Gross amounts of liabilities in the aggregated statement of financial position	Financial instruments	Cash collateral pledged*	Net amount
Counterparty	US\$	US\$	US\$	US\$
JP Morgan Chase	12,642	(12,642)	-	-
Total	12,642	(12,642)	-	-

* Excess of collateral pledged by counterparty is not shown for financial reporting purposes.

6. Financial risk management

Overall risk management

The Company's investment activities expose it to the various types of risk which are associated with the financial instruments and markets in which it invests. The most important types of financial risks to which the Company is exposed are market risk, credit risk and liquidity risk. Market risk includes among other things; security price risk, interest rate risk, volatility risk and currency risk. The Investment Manager manages these risks on an aggregate basis along with the risks associated with the Company's investing activities as part of their overall risk management policies.

The nature and extent of the financial instruments outstanding at the date of the aggregated statement of financial position and the risk management policies employed by the Company are discussed below.

The Company seeks to generate returns through investing in the AHL Diversified Programme, principally through investments in its managed funds, AHL Institutional Series 3 Ltd and AHL Evolution Ltd which are also managed by the Investment Manager. The Investment Manager seeks to provide target investment exposure of 100% of the prevailing NAV of the shares to the AHL Diversified Programme.

The AIFM employs a risk management process in respect of the Company by which it attempts to accurately measure, monitor and manage the various risks associated with the use of financial instruments by the Company, including controls on their use and processes for assessing compliance with these controls. The AIFM may delegate certain risk management functions to the Investment Manager.

The Investment Manager distinguishes between two primary risk levels, which are risks at the Company level and risks at the underlying investments level. Accordingly, the Investment Manager has implemented procedures to manage risks associated with both the Company and its underlying investments.

At the Protected Cell level

Risk management at the Protected Cell level can be segregated into pre and post-investment risk management. Pre-investment risk management involves determining asset allocation and portfolio construction. Thereafter, risk management involves conducting risk and return analysis, monitoring the relevant Protected Cell specific portfolio restrictions and investment guidelines and managing currency, interest rate, credit and liquidity risks at the Protected Cell level and making relevant adjustments to asset allocation and portfolio construction. Risk considerations or the need to bring the portfolio back in line with product guidelines may trigger a rebalancing of the portfolio, which is typically reviewed on a monthly basis by the Investment Manager's portfolio management team.

6. Financial risk management (continued)

At the level of underlying investments

AHL Diversified Programme

The Investment Manager manages the AHL Diversified Programme which employs sophisticated computerised processes primarily to identify trends and other opportunities in markets around the world. Trading signals are generated and executed via a finely tuned trading and implementation infrastructure. This process is quantitative and primarily directional in nature, and is underpinned by rigorous risk control, ongoing research, diversification and the constant quest for efficiency.

The cornerstone of the investment philosophy is that financial markets experience persistent trends and inefficiencies. Trends are a manifestation of serial correlation in financial markets – the phenomenon whereby past price movements influence future price behaviour. Although they vary in their intensity, duration and frequency, price trends are universally recurrent across all sectors and markets. Trends are an attractive focus for active trading styles applied across a diverse range of global markets.

Trading takes place around the clock and real time price information is used to respond to price moves across a diverse range of global markets. The AHL Diversified Programme invests in a diversified portfolio of instruments which may include, but is not limited to, futures, options and forward contracts, equity swaps, swaps and other financial derivatives both on and off exchange. These markets may be accessed directly or indirectly and include, without limitation, stocks, debt, bonds, currencies, short-term interest rates, energies, metals, credit, agricultural and not earlier than 28 February 2022 cryptocurrencies.

As well as emphasising sector and market diversification, the AHL Diversified Programme has been constructed to achieve diversification allocating to multiple trading systems. Most of these systems work by sampling prices in real time and measuring price momentum and breakouts, aiming to capture price trends and close out positions when there is a high probability of a different trend developing. Signals are generated across different time frames, ranging from a few days to several months. In aggregate, the systems currently run around 2,000 price samples each day spread across the 400 or so markets traded. The AHL Diversified Programme also includes other technical systems as well as quantitative models based on a variety of fundamental inputs, such as interest rate and equity valuation data.

In line with the principle of diversification, the approach to portfolio construction and asset allocation is premised on the importance of deploying investment capital across the full range of sectors and markets. Particular attention is paid to correlation of markets and sectors, expected returns, market access costs and market liquidity. Portfolios are regularly reviewed and, when necessary, adjusted to reflect changes in these factors. A systematic process for adjusting its market risk exposure in real time to reflect changes in the volatility of individual markets is also in place. Through the Investment Manager's ongoing investment in research and technology, the number and diversity of markets and strategies traded directly or indirectly by the AHL Diversified Programme may change over the life of the investment but always subject to the restrictions set out in the Supplement and the Prospectus. It should also be noted that the AHL Diversified Programme traded by the Protected Cells may differ from the AHL Diversified Programme traded by other investment products managed by entities within the Man Group.

Cryptocurrency Assets

Investments in Cryptocurrency Securities and cryptocurrencies carry significant risk. Cryptocurrencies, and consequently Cryptocurrency Securities, are a new and evolving asset class. The characteristics of particular cryptocurrencies or Cryptocurrency Securities within the "class" may differ significantly, and the investment characteristics of cryptocurrencies as an asset class differ from those of traditional currencies, securities and commodities. The Protected Cells may lose the value of all or any part of its investment in Cryptocurrency Securities and/or cryptocurrencies.

Cryptocurrencies have limited history, and the risks of cryptocurrency and Cryptocurrency Security use and ownership cannot be fully known. Due to the limited history of cryptocurrencies and Cryptocurrency Securities and the rapidly evolving nature of the cryptocurrency and Cryptocurrency Security market, it is not possible to know all the risks involved in making an investment in Cryptocurrency Assets, and new risks may emerge at any time. No crypto-currency positions were held at the year end, and there was no trading in crypto-currency positions during the year.

Market risk

Market risk is the risk that fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and security prices.

There are many risk measures used by the Investment Manager; however, one generally understood measure is annualised volatility. Annualised volatility is a measure of risk that is calculated as the standard deviation of the returns on the NAV per Redeemable Participating Share for the previous 12 months.

As it is based on the NAV per Redeemable Participating Share, annualised volatility incorporates all performance characteristics of the Company including the impact of interest rate movements and currency exchange differences during the year. Although the direct investments of the Company may change, the investment strategies employed by its underlying investments will not significantly change, meaning that the risk and return characteristics that the Company is exposed to are broadly consistent.

Annualised volatility has limitations as it assumes a normal distribution of periodic returns, which may not be fully representative of hedge fund behaviour. The annualised volatility will also be a more accurate measure where more data points exist. Annualised volatility is based upon historical data. There is no guarantee of trading performance and past performance is no indication of future performance or results.

The following table discloses the annualised volatility for the Company as at 30 June 2023 and 30 June 2022:

	2023	2022
Man AHL Diversified (Guemsey) Class A USD Shares	18.63%	17.82%
Man AHL Diversified (Guemsey) Class B EUR Shares	18.68%	17.98%
Man AHL Diversified (Guemsey) Class C CHF Shares	18.51%	17.91%

6. Financial risk management (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 Company may hold investments in fixed interest bearing securities. Any change to the interest rate for particular securities may result in income either increasing or decreasing. Prices of securities held will be impacted by domestic rates of interest. The Company's performance, therefore, will depend in part on its ability to anticipate and respond to such fluctuations in market interest rates, and to utilise appropriate strategies to maximise returns to the Company, whilst attempting to minimise the associated risks to its investment capital.

The Company has direct and indirect exposure to interest rate risk on cash and cash equivalents and investments in government bonds. That exposure may not necessarily be significant due to the generally short term nature of those holdings. But a more significant exposure exists in that the value of all financial instruments held by the Company may be affected either positively or negatively by changes in interest rates.

The Company is directly exposed to interest rate risk through its investment in debt securities, which is deliberately designed to generate returns through trading strategies focused on exploiting price differentials in rates. The sensitivity of these exposures is modelled through the overall volatility analysis provided in the market risk section.

The following tables detail the Company's exposure to interest rate risk by the earlier of contractual maturities or re-pricing:

Class A USD

As at 30 June 2023	Less than one month US\$	One month to one year US\$	Over one year US\$	Not exposed to interest rate risk US\$	Total US\$
Assets					
Cash and cash equivalents	1,349,662	-	-	-	1,349,662
Financial assets at fair value through profit or loss	-	59,332,659	-	69,335,264	128,667,923
Services management fees rebate receivable	-	-	-	12,997	12,997
Other assets	-	-	-	9,198	9,198
Total assets	1,349,662	59,332,659	-	69,357,459	130,039,780
Liabilities					
Redemptions payable	-	-	-	(294,607)	(294,607)
Introducing broker fees payable	-	-	-	(114,391)	(114,391)
Management fees payable	-	-	-	(343,172)	(343,172)
Services management fees payable	-	-	-	(51,989)	(51,989)
Directors' fees payable	-	-	-	(53,593)	(53,593)
Accrued expenses and other liabilities	-	-	-	(96,314)	(96,314)
Total liabilities (excluding net assets attributable to Redeemable Participating Shareholders)	-	-	-	(954,066)	(954,066)
Net assets attributable to Redeemable Participating Shareholders	1,349,662	59,332,659	-	68,403,393	129,085,714
As at 30 June 2022	Less than one month US\$	One month to one year US\$	Over one year US\$	Not exposed to interest rate risk US\$	Total US\$
Assets					
Cash and cash equivalents	7,254,160	-	-	-	7,254,160
Financial assets at fair value through profit or loss	-	63,652,796	-	75,161,756	138,814,552
Services management fees rebate receivable	-	-	-	14,243	14,243
Other assets	-	-	-	3,460	3,460
Total assets	7,254,160	63,652,796	-	75,179,459	146,086,415
Liabilities					
Subscriptions received in advance	-	-	-	(95,952)	(95,952)
Redemptions payable	-	-	-	(225,766)	(225,766)
Introducing broker fees payable	-	-	-	(125,162)	(125,162)
Management fees payable	-	-	-	(375,485)	(375,485)
Incentive fees payable	-	-	-	(795,882)	(795,882)
Services management fees payable	-	-	-	(61,038)	(61,038)
Directors' fees payable	-	-	-	(20,020)	(20,020)
Accrued expenses and other liabilities	-	-	-	(77,457)	(77,457)
Total liabilities (excluding net assets attributable to Redeemable Participating Shareholders)	-	-	-	(1,776,762)	(1,776,762)
Net assets attributable to Redeemable Participating Shareholders	7,254,160	63,652,796	-	73,402,697	144,309,653

6. Financial risk management (continued)

Interest rate risk (continued)

Class B EUR

	Less than one month EUR	One month to one year EUR	Over one year EUR	Not exposed to interest rate risk EUR	Total EUR
As at 30 June 2023					
Assets					
Cash and cash equivalents	855,222	-	-	-	855,222
Financial assets at fair value through profit or loss	-	4,886,383	-	6,683,751	11,570,134
Services management fees rebate receivable	-	-	-	1,220	1,220
Interest receivable	155	-	-	-	155
Other assets	-	-	-	4,232	4,232
Total assets	855,377	4,886,383	-	6,689,203	12,430,963
Liabilities					
Financial liabilities at fair value through profit or loss	-	-	-	(387)	(387)
Introducing broker fees payable	-	-	-	(10,734)	(10,734)
Management fees payable	-	-	-	(32,201)	(32,201)
Services management fees payable	-	-	-	(19,005)	(19,005)
Directors' fees payable	-	-	-	(5,082)	(5,082)
Accrued expenses and other liabilities	-	-	-	(24,088)	(24,088)
Total liabilities (excluding net assets attributable to Redeemable Participating Shareholders)	-	-	-	(91,497)	(91,497)
Net assets attributable to Redeemable Participating Shareholders	855,377	4,886,383	-	6,597,706	12,339,466
As at 30 June 2022					
Assets					
Cash and cash equivalents	6,797,454	-	-	-	6,797,454
Financial assets at fair value through profit or loss	-	-	-	7,302,534	7,302,534
Services management fees rebate receivable	-	-	-	1,383	1,383
Other assets	-	-	-	4,209	4,209
Total assets	6,797,454	-	-	7,308,126	14,105,580
Liabilities					
Financial liabilities at fair value through profit or loss	-	-	-	(3,638)	(3,638)
Redemptions payable	-	-	-	(65,438)	(65,438)
Introducing broker fees payable	-	-	-	(12,158)	(12,158)
Management fees payable	-	-	-	(36,473)	(36,473)
Incentive fees payable	-	-	-	(75,637)	(75,637)
Services management fees payable	-	-	-	(19,132)	(19,132)
Directors' fees payable	-	-	-	(1,639)	(1,639)
Accrued expenses and other liabilities	-	-	-	(18,208)	(18,208)
Total liabilities (excluding net assets attributable to Redeemable Participating Shareholders)	-	-	-	(232,323)	(232,323)
Net assets attributable to Redeemable Participating Shareholders	6,797,454	-	-	7,075,803	13,873,257

6. Financial risk management (continued)

Interest rate risk (continued)

Class C CHF

	Less than one month CHF	One month to one year CHF	Over one year CHF	Not exposed to interest rate risk CHF	Total CHF
As at 30 June 2023					
Assets					
Cash and cash equivalents	4,436,546	-	-	-	4,436,546
Financial assets at fair value through profit or loss	-	-	-	5,151,582	5,151,582
Services management fees rebate receivable	-	-	-	953	953
Other assets	-	-	-	1,493	1,493
Total assets	4,436,546	-	-	5,154,028	9,590,574
Liabilities					
Introducing broker fees payable	-	-	-	(8,388)	(8,388)
Management fees payable	-	-	-	(25,165)	(25,165)
Services management fees payable	-	-	-	(19,825)	(19,825)
Directors' fees payable	-	-	-	(4,850)	(4,850)
Accrued expenses and other liabilities	-	-	-	(21,146)	(21,146)
Total liabilities (excluding net assets attributable to Redeemable Participating Shareholders)	-	-	-	(79,374)	(79,374)
Net assets attributable to Redeemable Participating Shareholders	4,436,546	-	-	5,074,654	9,511,200
As at 30 June 2022					
Assets					
Cash and cash equivalents	5,701,854	-	-	-	5,701,854
Financial assets at fair value through profit or loss	-	-	-	6,650,566	6,650,566
Services management fees rebate receivable	-	-	-	1,208	1,208
Total assets	5,701,854	-	-	6,651,774	12,353,628
Liabilities					
Financial liabilities at fair value through profit or loss	-	-	-	(8,432)	(8,432)
Introducing broker fees payable	-	-	-	(10,517)	(10,517)
Management fees payable	-	-	-	(31,855)	(31,855)
Incentive fees payable	-	-	-	(67,812)	(67,812)
Services management fees payable	-	-	-	(19,521)	(19,521)
Directors' fees payable	-	-	-	(1,634)	(1,634)
Accrued expenses and other liabilities	-	-	-	(15,306)	(15,306)
Total liabilities (excluding net assets attributable to Redeemable Participating Shareholders)	-	-	-	(155,077)	(155,077)
Net assets attributable to Redeemable Participating Shareholders	5,701,854	-	-	6,496,697	12,198,551

6. Financial risk management (continued)

Interest rate risk (continued)

Aggregated

	Less than one month US\$	One month to one year US\$	Over one year US\$	Not exposed to interest rate risk US\$	Total US\$
As at 30 June 2023					
Assets					
Cash and cash equivalents	7,237,068	-	-	-	7,237,068
Financial assets at fair value through profit or loss	-	64,664,228	-	82,380,698	147,044,926
Services management fees rebate receivable	-	-	-	15,392	15,392
Interest receivable	169	-	-	-	169
Other assets	-	-	-	15,483	15,483
Total assets	7,237,237	64,664,228	-	82,411,573	154,313,038
Liabilities					
Financial liabilities at fair value through profit or loss	-	-	-	(422)	(422)
Redemptions payable	-	-	-	(294,607)	(294,607)
Introducing broker fees payable	-	-	-	(135,470)	(135,470)
Management fees payable	-	-	-	(406,408)	(406,408)
Services management fees payable	-	-	-	(94,864)	(94,864)
Directors' fees payable	-	-	-	(64,554)	(64,554)
Accrued expenses and other liabilities	-	-	-	(146,209)	(146,209)
Total liabilities (excluding net assets attributable to Redeemable Participating Shareholders)	-	-	-	(1,142,534)	(1,142,534)
Net assets attributable to Redeemable Participating Shareholders	7,237,237	64,664,228	-	81,269,039	153,170,504
As at 30 June 2022					
Assets					
Cash and cash equivalents	20,350,023	-	-	-	20,350,023
Financial assets at fair value through profit or loss	-	63,652,796	-	89,780,421	153,433,217
Services management fees rebate receivable	-	-	-	16,958	16,958
Other assets	-	-	-	7,872	7,872
Total assets	20,350,023	63,652,796	-	89,805,251	173,808,070
Liabilities					
Financial liabilities at fair value through profit or loss	-	-	-	(12,642)	(12,642)
Subscriptions received in advance	-	-	-	(95,952)	(95,952)
Redemptions payable	-	-	-	(294,366)	(294,366)
Introducing broker fees payable	-	-	-	(148,919)	(148,919)
Management fees payable	-	-	-	(447,073)	(447,073)
Incentive fees payable	-	-	-	(946,174)	(946,174)
Services management fees payable	-	-	-	(101,533)	(101,533)
Directors' fees payable	-	-	-	(23,449)	(23,449)
Accrued expenses and other liabilities	-	-	-	(112,572)	(112,572)
Total liabilities (excluding net assets attributable to Redeemable Participating Shareholders)	-	-	-	(2,182,680)	(2,182,680)
Net assets attributable to Redeemable Participating Shareholders	20,350,023	63,652,796	-	87,622,571	171,625,390

Liabilities not exposed to interest rate risk comprise financial liabilities at fair value through profit or loss, subscriptions received in advance, redemptions payable, introducing broker fees payable, management fees payable, incentive fees payable, services management fees payable, directors' fees payable and accrued expenses and other liabilities. These amounts normally require contractual settlement within one quarter and, in all cases, within one year.

6. Financial risk management (continued)

Interest rate risk (continued)

The following tables detail the effect on net assets should interest rates have increased/decreased by 50 basis points (bps) with all other variables remaining constant, assuming that a 50 bps increase/decrease in the base interest rate would result in a correlating 50 bps increase/decrease in the value of net assets. In reality, an increase/decrease of 50 bps would not result in a direct correlating increase/decrease in the fair value of net assets, as the movement in the value of net assets would depend on the individual asset class and/or market sentiment towards any sensitivity in the interest rate. The volatility measures presented in the market risk section capture, among all other variables, these actual interest rate sensitivities.

Class A USD

	Less than one month US\$	One month to one year US\$	Over one year US\$	Not exposed to interest rate risk US\$	Total US\$
As at 30 June 2023					
Net assets - (50 bps increase)	1,356,410	59,629,322	-	68,403,393	129,389,125
Net assets - (50 bps decrease)	1,342,914	59,035,996	-	68,403,393	128,782,303
As at 30 June 2022					
Net assets - (50 bps increase)	7,290,431	63,971,060	-	73,402,697	144,664,188
Net assets - (50 bps decrease)	7,217,889	63,334,532	-	73,402,697	143,955,118

Class B EUR

	Less than one month EUR	One month to one year EUR	Over one year EUR	Not exposed to interest rate risk EUR	Total EUR
As at 30 June 2023					
Net assets - (50 bps increase)	859,654	4,910,815	-	6,597,706	12,368,175
Net assets - (50 bps decrease)	851,100	4,861,951	-	6,597,706	12,310,757
As at 30 June 2022					
Net assets - (50 bps increase)	6,831,441	-	-	7,075,803	13,907,244
Net assets - (50 bps decrease)	6,763,467	-	-	7,075,803	13,839,270

Class C CHF

	Less than one month CHF	One month to one year CHF	Over one year CHF	Not exposed to interest rate risk CHF	Total CHF
As at 30 June 2023					
Net assets - (50 bps increase)	4,458,729	-	-	5,074,654	9,533,383
Net assets - (50 bps decrease)	4,414,363	-	-	5,074,654	9,489,017
As at 30 June 2022					
Net assets - (50 bps increase)	5,730,363	-	-	6,496,697	12,227,060
Net assets - (50 bps decrease)	5,673,345	-	-	6,496,697	12,170,042

Aggregated

	Less than one month US\$	One month to one year US\$	Over one year US\$	Not exposed to interest rate risk US\$	Total US\$
As at 30 June 2023					
Net assets - (50 bps increase)	7,273,423	64,987,549	-	81,269,039	153,530,011
Net assets - (50 bps decrease)	7,201,051	64,340,907	-	81,269,039	152,810,997
As at 30 June 2022					
Net assets - (50 bps increase)	20,451,773	63,971,060	-	87,622,571	172,045,404
Net assets - (50 bps decrease)	20,248,273	63,334,532	-	87,622,571	171,205,376

6. Financial risk management (continued)

Interest rate risk (continued)

The Company is exposed to interest rate risk through its investment strategy, which is deliberately designed to generate returns through trading strategies focused on exploiting price differentials in rates. The sensitivity of these exposures is modelled through the overall volatility analysis provided in the market risk section.

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.

The Company and the Protected Cells are exposed to currency risk through their investments in non-US\$ denominated investments and the non-US\$ denominated share classes are exposed to currency risk through their investments in US\$ denominated investments. The Investment Manager will seek to hedge this risk through a programme of currency risk management and has an active procedure to monitor foreign exchange exposures and manages this risk through offsetting non-US\$ denominated balances and entering into offsetting forward currency contracts.

The Company and the Protected Cells are also indirectly exposed to foreign exchange risk through the underlying strategies of the managed funds held, where foreign exchange risk trading forms part of the mandated investment strategy.

Monetary assets and liabilities denominated in foreign currencies are summarised below. The amounts stated represent the Protected Cell's and the Company's pre-hedged exposure and do not take into account the reduced sensitivity to currency risk that results from holding the forward currency contracts.

Class A USD

As at 30 June 2023

Amounts are expressed in their US\$ equivalents	US\$	EUR	GBP	Other	Total
Assets					
Cash and cash equivalents	1,349,662	-	-	-	1,349,662
Financial assets at fair value through profit or loss	128,667,923	-	-	-	128,667,923
Services management fees rebate receivable	12,997	-	-	-	12,997
Other assets	9,198	-	-	-	9,198
Total assets	130,039,780	-	-	-	130,039,780
Liabilities					
Redemptions payable	(294,607)	-	-	-	(294,607)
Introducing broker fees payable	(114,391)	-	-	-	(114,391)
Management fees payable	(343,172)	-	-	-	(343,172)
Services management fees payable	(51,989)	-	-	-	(51,989)
Directors' fees payable	(53,593)	-	-	-	(53,593)
Accrued expenses and other liabilities	(96,314)	-	-	-	(96,314)
Total liabilities (excluding net assets attributable to Redeemable Participating Shareholders)	(954,066)	-	-	-	(954,066)
Net assets attributable to Redeemable Participating Shareholders	129,085,714	-	-	-	129,085,714

6. Financial risk management (continued)

Currency risk (continued)

As at 30 June 2022

Amounts are expressed in their US\$ equivalents	US\$	EUR	GBP	Other	Total
Assets					
Cash and cash equivalents	7,253,451	709	-	-	7,254,160
Financial assets at fair value through profit or loss	138,814,552	-	-	-	138,814,552
Services management fees rebate receivable	14,243	-	-	-	14,243
Other assets	3,460	-	-	-	3,460
Total assets	146,085,706	709	-	-	146,086,415
Liabilities					
Subscriptions received in advance	(95,952)	-	-	-	(95,952)
Redemptions payable	(225,766)	-	-	-	(225,766)
Introducing broker fees payable	(125,162)	-	-	-	(125,162)
Management fees payable	(375,485)	-	-	-	(375,485)
Incentive fees payable	(795,882)	-	-	-	(795,882)
Services management fees payable	(61,038)	-	-	-	(61,038)
Directors' fees payable	(20,020)	-	-	-	(20,020)
Accrued expenses and other liabilities	(77,457)	-	-	-	(77,457)
Total liabilities (excluding net assets attributable to Redeemable Participating Shareholders)	(1,776,762)	-	-	-	(1,776,762)
Net assets attributable to Redeemable Participating Shareholders	144,308,944	709	-	-	144,309,653

Class B EUR

As at 30 June 2023

Amounts are expressed in their EUR equivalents	US\$	EUR	GBP	Other	Total
Assets					
Cash and cash equivalents	26,126	829,096	-	-	855,222
Financial assets at fair value through profit or loss	6,683,751	4,886,383	-	-	11,570,134
Services management fees rebate receivable	1,220	-	-	-	1,220
Interest receivable	-	155	-	-	155
Other assets	4,232	-	-	-	4,232
Total assets	6,715,329	5,715,634	-	-	12,430,963
Liabilities					
Financial liabilities at fair value through profit or loss	(387)	-	-	-	(387)
Introducing broker fees payable	-	(10,734)	-	-	(10,734)
Management fees payable	-	(32,201)	-	-	(32,201)
Services management fees payable	(19,005)	-	-	-	(19,005)
Directors' fees payable	(5,082)	-	-	-	(5,082)
Accrued expenses and other liabilities	(24,089)	1	-	-	(24,088)
Total liabilities (excluding net assets attributable to Redeemable Participating Shareholders)	(48,563)	(42,934)	-	-	(91,497)
Net assets attributable to Redeemable Participating Shareholders	6,666,766	5,672,700	-	-	12,339,466

6. Financial risk management (continued)

Currency risk (continued)

As at 30 June 2022

Amounts are expressed in their EUR equivalents	US\$	EUR	GBP	Other	Total
Assets					
Cash and cash equivalents	1,564,690	5,232,307	457	-	6,797,454
Financial assets at fair value through profit or loss	7,302,534	-	-	-	7,302,534
Services management fees rebate receivable	1,383	-	-	-	1,383
Other assets	4,209	-	-	-	4,209
Total assets	8,872,816	5,232,307	457	-	14,105,580
Liabilities					
Financial liabilities at fair value through profit or loss	(3,638)	-	-	-	(3,638)
Redemptions payable	-	(65,438)	-	-	(65,438)
Introducing broker fees payable	-	(12,158)	-	-	(12,158)
Management fees payable	-	(36,473)	-	-	(36,473)
Incentive fees payable	-	(75,637)	-	-	(75,637)
Services management fees payable	(19,132)	-	-	-	(19,132)
Directors' fees payable	(1,639)	-	-	-	(1,639)
Accrued expenses and other liabilities	(18,209)	1	-	-	(18,208)
Total liabilities (excluding net assets attributable to Redeemable Participating Shareholders)	(42,618)	(189,705)	-	-	(232,323)
Net assets attributable to Redeemable Participating Shareholders	8,830,198	5,042,602	457	-	13,873,257

Class C CHF

As at 30 June 2023

Amounts are expressed in their CHF equivalents	US\$	EUR	GBP	CHF	Total
Assets					
Cash and cash equivalents	422,670	-	-	4,013,876	4,436,546
Financial assets at fair value through profit or loss	5,151,582	-	-	-	5,151,582
Services management fees rebate receivable	953	-	-	-	953
Other assets	1,493	-	-	-	1,493
Total assets	5,576,698	-	-	4,013,876	9,590,574
Liabilities					
Introducing broker fees payable	-	-	-	(8,388)	(8,388)
Management fees payable	-	-	-	(25,165)	(25,165)
Services management fees payable	(19,825)	-	-	-	(19,825)
Directors' fees payable	(4,850)	-	-	-	(4,850)
Accrued expenses and other liabilities	(21,146)	-	-	-	(21,146)
Total liabilities (excluding net assets attributable to Redeemable Participating Shareholders)	(45,821)	-	-	(33,553)	(79,374)
Net assets attributable to Redeemable Participating Shareholders	5,530,877	-	-	3,980,323	9,511,200

6. Financial risk management (continued)

Currency risk (continued)

As at 30 June 2022

Amounts are expressed in their CHF equivalents	US\$	EUR	GBP	CHF	Total
Assets					
Cash and cash equivalents	1,682,221	-	-	4,019,633	5,701,854
Financial assets at fair value through profit or loss	6,650,566	-	-	-	6,650,566
Services management fees rebate receivable	1,208	-	-	-	1,208
Total assets	8,333,995	-	-	4,019,633	12,353,628
Liabilities					
Financial liabilities at fair value through profit or loss	(8,432)	-	-	-	(8,432)
Introducing broker fees payable	-	-	-	(10,517)	(10,517)
Management fees payable	-	-	-	(31,855)	(31,855)
Incentive fees payable	-	-	-	(67,812)	(67,812)
Services management fees payable	(19,521)	-	-	-	(19,521)
Directors' fees payable	(1,634)	-	-	-	(1,634)
Accrued expenses and other liabilities	(15,306)	-	-	-	(15,306)
Total liabilities (excluding net assets attributable to Redeemable Participating Shareholders)	(44,893)	-	-	(110,184)	(155,077)
Net assets attributable to Redeemable Participating Shareholders	8,289,102	-	-	3,909,449	12,198,551

Aggregated

As at 30 June 2023

Amounts are expressed in their US\$ equivalents	US\$	EUR	GBP	CHF	Total
Assets					
Cash and cash equivalents	1,850,162	904,633	-	4,482,273	7,237,068
Financial assets at fair value through profit or loss	141,713,357	5,331,569	-	-	147,044,926
Services management fees rebate receivable	15,392	-	-	-	15,392
Interest receivable	-	169	-	-	169
Other assets	15,483	-	-	-	15,483
Total assets	143,594,394	6,236,371	-	4,482,273	154,313,038
Liabilities					
Financial liabilities at fair value through profit or loss	(422)	-	-	-	(422)
Redemptions payable	(294,607)	-	-	-	(294,607)
Introducing broker fees payable	(114,391)	(11,712)	-	(9,367)	(135,470)
Management fees payable	(343,172)	(35,134)	-	(28,102)	(406,408)
Services management fees payable	(94,864)	-	-	-	(94,864)
Directors' fees payable	(64,554)	-	-	-	(64,554)
Accrued expenses and other liabilities	(146,210)	1	-	-	(146,209)
Total liabilities (excluding net assets attributable to Redeemable Participating Shareholders)	(1,058,220)	(46,845)	-	(37,469)	(1,142,534)
Net assets attributable to Redeemable Participating Shareholders	142,536,174	6,189,526	-	4,444,804	153,170,504

6. Financial risk management (continued)

Currency risk (continued)

As at 30 June 2022

Amounts are expressed in their US\$ equivalents	US\$	EUR	GBP	CHF	Total
Assets					
Cash and cash equivalents	10,655,063	5,485,882	479	4,208,599	20,350,023
Financial assets at fair value through profit or loss	153,433,217	-	-	-	153,433,217
Services management fees rebate receivable	16,958	-	-	-	16,958
Other assets	7,872	-	-	-	7,872
Total assets	164,113,110	5,485,882	479	4,208,599	173,808,070
Liabilities					
Financial liabilities at fair value through profit or loss	(12,642)	-	-	-	(12,642)
Subscriptions received in advance	(95,952)	-	-	-	(95,952)
Redemptions payable	(225,766)	(68,600)	-	-	(294,366)
Introducing broker fees payable	(125,162)	(12,746)	-	(11,011)	(148,919)
Management fees payable	(375,485)	(38,235)	-	(33,353)	(447,073)
Incentive fees payable	(795,882)	(79,292)	-	(71,000)	(946,174)
Services management fees payable	(101,533)	-	-	-	(101,533)
Directors' fees payable	(23,449)	-	-	-	(23,449)
Accrued expenses and other liabilities	(112,573)	1	-	-	(112,572)
Total liabilities (excluding net assets attributable to Redeemable Participating Shareholders)	(1,868,444)	(198,872)	-	(115,364)	(2,182,680)
Net assets attributable to Redeemable Participating Shareholders	162,244,666	5,287,010	479	4,093,235	171,625,390

Other price risk

Other price risk is the risk that the price of a financial instrument will fluctuate due to changes in market conditions influencing, directly or indirectly, the value of the financial instrument.

The Company, through the Protected Cells, is exposed to other price risk from its investments. Due to the nature of the trading strategies followed by this Company, no direct relationship between any market factors and the expected prices of the investments can be reliably established.

Other price risk is managed through the overall risk management processes described above.

Credit/Counterparty risk

Credit risk is the risk that an issuer or counterparty will be unable to meet a commitment that it has entered into with the Company through the Protected Cells.

The Company's maximum exposure to credit risk through the Protected Cells, (not taking into account the value of any collateral or other security held) in the event that the counterparties fail to perform their obligations as at 30 June 2023 and 30 June 2022 in relation to each class of recognised financial assets, including derivatives, is the carrying amount of those assets in the aggregated statement of financial position.

With respect to derivative financial instruments, credit risk arises from the potential failure of counterparties to meet their obligations under the contract or arrangement. Credit risk is mitigated for the AHL Diversified Programme through the diversity of counterparties and regular monitoring of concentration risk.

As at 30 June 2023 and 30 June 2022, the Company holds government bonds in France and the United States. Refer to Note 4 for further details.

The significant exposures are to the Banks.

6. Financial risk management (continued)

Credit/Counterparty risk (continued)

The table below analyses the Company's exposure to cash and cash equivalents, interest receivable and financial assets at fair value through profit or loss at 30 June 2023 and 30 June 2022 (Source: Moody's):

30 June 2023

Counterparty	Moody's Rating	Class A US\$	Class B EUR	Class C CHF	Aggregated US\$
JP Morgan Chase	A1	1,055,055	917,164	4,483,611	7,062,603
The Bank of New York Mellon SA/NV	A1	294,607	-	-	294,607
		1,349,662	917,164	4,483,611	7,357,210

Counterparty	Moody's Rating	Class A %	Class B %	Class C %	Aggregated %
JP Morgan Chase	A1	78.17%	100.00%	100.00%	96.00%
The Bank of New York Mellon SA/NV	A1	21.83%	-	-	4.00%
		100.00%	100.00%	100.00%	100.00%

30 June 2022

Counterparty	Moody's Rating	Class A US\$	Class B EUR	Class C CHF	Aggregated US\$
BNP Paribas	Aa3	1	-	-	1
JP Morgan Chase	A2	6,932,441	6,759,525	6,020,109	20,321,759
The Bank of New York Mellon SA/NV	A1	321,718	65,438	-	390,318
		7,254,160	6,824,963	6,020,109	20,712,078

Counterparty	Moody's Rating	Class A %	Class B %	Class C %	Aggregated %
BNP Paribas	Aa3	-	-	-	-
JP Morgan Chase	A2	95.57%	99.04%	100.00%	98.12%
The Bank of New York Mellon SA/NV	A1	4.43%	0.96%	-	1.88%
		100.00%	100.00%	100.00%	100.00%

The custody of assets rests with the prime broker/counterparty. The Investment Manager has centralised its due diligence and monitoring process of the prime brokerage and trading relationships through a dedicated prime brokerage and trading team utilised by an affiliated company. Credit and counterparty risk is analysed by examining certain credit related criteria on a centralised basis across platforms by establishing risk tolerance levels in accordance with the overall risk profile of the prime broker/counterparty as determined by the Investment Manager.

In addition, netting agreements and collateral arrangements (including International Swaps and Derivatives Association Inc. Master Agreements for OTC (as applicable derivatives)) are routinely put in place when appropriate to allow the counterparty risk mitigating benefits of closeout netting and payment netting.

Liquidity risk

Liquidity risk is the risk that the Protected Cells will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Redeemable Participating Shareholder redemption requests are the main liquidity risk for the Protected Cells.

The Protected Cell's Redeemable Participating Shares are redeemable as outlined in Note 10. The exposure to liquidity risk through Redeemable Participating Shareholder redemption requests is managed by specifically setting the redemption notice period to accommodate the expected liquidity of the underlying investments as agreed by the Investment Manager.

The Protected Cell's financial instruments also include investments in derivative contracts traded OTC, which are not quoted in an active public market and which generally may be illiquid. As a result, the Protected Cells may not be able to liquidate quickly some of its investments in these instruments at an amount close to their fair value in order to meet its liquidity requirements. The Protected Cells may be forced to sell its more liquid positions at a disadvantageous time, resulting in a greater percentage of the portfolio consisting of illiquid financial instruments.

6. Financial risk management (continued)

Liquidity risk (continued)

The tables below summarise the maturity profile of the Company's financial liabilities:

Class A USD

	Less than 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	Greater than 1 year US\$	Total US\$
As at 30 June 2023					
Liabilities					
Redemptions payable	(294,607)	-	-	-	(294,607)
Introducing broker fees payable	(114,391)	-	-	-	(114,391)
Management fees payable	(343,172)	-	-	-	(343,172)
Services management fees payable	-	-	(51,989)	-	(51,989)
Directors' fees payable	-	-	(53,593)	-	(53,593)
Accrued expenses and other liabilities	-	-	(96,314)	-	(96,314)
Net assets attributable to Redeemable Participating Shareholders	(129,085,714)	-	-	-	(129,085,714)
Total liabilities	(129,837,884)	-	(201,896)	-	(130,039,780)

	Less than 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	Greater than 1 year US\$	Total US\$
As at 30 June 2022					
Liabilities					
Subscriptions received in advance	(95,952)	-	-	-	(95,952)
Redemptions payable	(225,766)	-	-	-	(225,766)
Introducing broker fees payable	(125,162)	-	-	-	(125,162)
Management fees payable	(375,485)	-	-	-	(375,485)
Incentive fees payable	(795,882)	-	-	-	(795,882)
Services management fees payable	-	-	(61,038)	-	(61,038)
Directors' fees payable	-	-	(20,020)	-	(20,020)
Accrued expenses and other liabilities	-	-	(77,457)	-	(77,457)
Net assets attributable to Redeemable Participating Shareholders	(144,309,653)	-	-	-	(144,309,653)
Total liabilities	(145,927,900)	-	(158,515)	-	(146,086,415)

Class B EUR

	Less than 1 month EUR	1 to 3 months EUR	3 to 12 months EUR	Greater than 1 year EUR	Total EUR
As at 30 June 2023					
Liabilities					
Financial liabilities at fair value through profit or loss	(387)	-	-	-	(387)
Introducing broker fees payable	(10,734)	-	-	-	(10,734)
Management fees payable	(32,201)	-	-	-	(32,201)
Services management fees payable	-	-	(19,005)	-	(19,005)
Directors' fees payable	-	-	(5,082)	-	(5,082)
Accrued expenses and other liabilities	-	-	(24,088)	-	(24,088)
Net assets attributable to Redeemable Participating Shareholders	(12,339,466)	-	-	-	(12,339,466)
Total liabilities	(12,382,788)	-	(48,175)	-	(12,430,963)

6. Financial risk management (continued)

Liquidity risk (continued)

Class B EUR

	Less than 1 month EUR	1 to 3 months EUR	3 to 12 months EUR	Greater than 1 year EUR	Total EUR
As at 30 June 2022					
Liabilities					
Financial liabilities at fair value through profit or loss	(3,638)	-	-	-	(3,638)
Redemptions payable	(65,438)	-	-	-	(65,438)
Introducing broker fees payable	(12,158)	-	-	-	(12,158)
Management fees payable	(36,473)	-	-	-	(36,473)
Incentive fees payable	(75,637)	-	-	-	(75,637)
Services management fees payable	-	-	(19,132)	-	(19,132)
Directors' fees payable	-	-	(1,639)	-	(1,639)
Accrued expenses and other liabilities	-	-	(18,208)	-	(18,208)
Net assets attributable to Redeemable Participating Shareholders	(13,873,257)	-	-	-	(13,873,257)
Total liabilities	(14,066,601)	-	(38,979)	-	(14,105,580)

Class C CHF

	Less than 1 month CHF	1 to 3 months CHF	3 to 12 months CHF	Greater than 1 year CHF	Total CHF
As at 30 June 2023					
Liabilities					
Introducing broker fees payable	(8,388)	-	-	-	(8,388)
Management fees payable	(25,165)	-	-	-	(25,165)
Services management fees payable	-	-	(19,825)	-	(19,825)
Directors' fees payable	-	-	(4,850)	-	(4,850)
Accrued expenses and other liabilities	-	-	(21,146)	-	(21,146)
Net assets attributable to Redeemable Participating Shareholders	(9,511,200)	-	-	-	(9,511,200)
Total liabilities	(9,544,753)	-	(45,821)	-	(9,590,574)

	Less than 1 month CHF	1 to 3 months CHF	3 to 12 months CHF	Greater than 1 year CHF	Total CHF
As at 30 June 2022					
Liabilities					
Financial liabilities at fair value through profit or loss	(8,432)	-	-	-	(8,432)
Introducing broker fees payable	(10,517)	-	-	-	(10,517)
Management fees payable	(31,855)	-	-	-	(31,855)
Incentive fees payable	(67,812)	-	-	-	(67,812)
Services management fees payable	-	-	(19,521)	-	(19,521)
Directors' fees payable	-	-	(1,634)	-	(1,634)
Accrued expenses and other liabilities	-	-	(15,306)	-	(15,306)
Net assets attributable to Redeemable Participating Shareholders	(12,198,551)	-	-	-	(12,198,551)
Total liabilities	(12,317,167)	-	(36,461)	-	(12,353,628)

6. Financial risk management (continued)

Liquidity risk (continued)

Aggregated

	Less than 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	Greater than 1 year US\$	Total US\$
As at 30 June 2023					
Liabilities					
Financial liabilities at fair value through profit or loss	(422)	-	-	-	(422)
Redemptions payable	(294,607)	-	-	-	(294,607)
Introducing broker fees payable	(135,470)	-	-	-	(135,470)
Management fees payable	(406,408)	-	-	-	(406,408)
Services management fees payable	-	-	(94,864)	-	(94,864)
Directors' fees payable	-	-	(64,554)	-	(64,554)
Accrued expenses and other liabilities	-	-	(146,209)	-	(146,209)
Net assets attributable to Redeemable Participating Shareholders	(153,170,504)	-	-	-	(153,170,504)
Total liabilities	(154,007,411)	-	(305,627)	-	(154,313,038)
	Less than 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	Greater than 1 year US\$	Total US\$
As at 30 June 2022					
Liabilities					
Financial liabilities at fair value through profit or loss	(12,642)	-	-	-	(12,642)
Subscriptions received in advance	(95,952)	-	-	-	(95,952)
Redemptions payable	(294,366)	-	-	-	(294,366)
Introducing broker fees payable	(148,919)	-	-	-	(148,919)
Management fees payable	(447,073)	-	-	-	(447,073)
Incentive fees payable	(946,174)	-	-	-	(946,174)
Services management fees payable	-	-	(101,533)	-	(101,533)
Directors' fees payable	-	-	(23,449)	-	(23,449)
Accrued expenses and other liabilities	-	-	(112,572)	-	(112,572)
Net assets attributable to Redeemable Participating Shareholders	(171,625,390)	-	-	-	(171,625,390)
Total liabilities	(173,570,516)	-	(237,554)	-	(173,808,070)

7. Net gain/(loss) on financial assets and liabilities at fair value through profit or loss

Class A USD

	2023 Fair Value US\$	2022 Fair Value US\$
Realised and unrealised gain/(loss) on foreign currency		
Realised loss on foreign currency	(34)	-
Change in unrealised gain on foreign currency	62	-
Change in unrealised loss on foreign currency	-	(93)
Net gain/(loss) on foreign currency	28	(93)
Realised and unrealised gain/(loss) on financial assets and liabilities at fair value through profit or loss		
Realised gain on investments	12,633,309	25,089,464
Total realised gain	12,633,309	25,089,464
Change in unrealised gain on investments	-	1,365,721
Total change in unrealised gain	-	1,365,721
Change in unrealised loss on investments	(12,111,690)	(3,272,433)
Total change in unrealised loss	(12,111,690)	(3,272,433)
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	521,619	23,182,752

Class B EUR

	2023 Fair Value EUR	2022 Fair Value EUR
Realised and unrealised gain/(loss) on foreign currency		
Realised gain on foreign currency	248,771	72,752
Change in unrealised loss on foreign currency	(7,213)	(1,995)
Net gain/(loss) on foreign currency	241,558	70,757
Realised and unrealised gain/(loss) on financial assets and liabilities at fair value through profit or loss		
Realised gain on investments	1,720,274	2,955,007
Total realised gain	1,720,274	2,955,007
Realised loss on forward currency contracts	(172,927)	(1,258,028)
Total realised loss	(172,927)	(1,258,028)
Change in unrealised gain on investments	-	724,737
Change in unrealised gain on forward currency contracts	37,684	231,285
Total change in unrealised gain	37,684	956,022
Change in unrealised loss on investments	(1,848,849)	(508,465)
Total change in unrealised loss	(1,848,849)	(508,465)
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	(263,818)	2,144,536

7. Net gain/(loss) on financial assets and liabilities at fair value through profit or loss (continued)

Class C CHF

	2023 Fair Value CHF	2022 Fair Value CHF
Realised and unrealised gain/(loss) on foreign currency		
Realised gain on foreign currency	400,066	-
Realised loss on foreign currency	-	(255,564)
Change in unrealised gain on foreign currency	23,202	-
Change in unrealised loss on foreign currency	-	(33,062)
Net gain/(loss) on foreign currency	423,268	(288,626)
Realised and unrealised gain/(loss) on financial assets and liabilities at fair value through profit or loss		
Realised gain on investments	1,228,961	2,547,015
Total realised gain	1,228,961	2,547,015
Realised loss on forward currency contracts	(31,368)	(607,846)
Total realised loss	(31,368)	(607,846)
Change in unrealised gain on investments	-	164,776
Change in unrealised gain on forward currency contracts	-	558,351
Total change in unrealised gain	-	723,127
Change in unrealised loss on investments	(1,496,979)	(403,288)
Change in unrealised loss on forward currency contracts	(262,758)	-
Total change in unrealised loss	(1,759,737)	(403,288)
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	(562,144)	2,259,008

Aggregated

	2023 Fair Value US\$	2022 Fair Value US\$
Realised and unrealised gain/(loss) on foreign currency		
Realised gain on foreign currency	679,876	82,029
Realised loss on foreign currency	(34)	(274,319)
Change in unrealised gain on foreign currency	24,529	-
Change in unrealised loss on foreign currency	(7,480)	(37,831)
Net gain/(loss) on foreign currency	696,891	(230,121)
Realised and unrealised gain/(loss) on financial assets and liabilities at fair value through profit or loss		
Realised gain on investments	15,713,339	31,155,198
Total realised gain	15,713,339	31,155,198
Realised loss on forward currency contracts	(212,417)	(2,070,893)
Total realised loss	(212,417)	(2,070,893)
Change in unrealised gain on investments	-	1,953,280
Change in unrealised gain on forward currency contracts	39,081	860,103
Total change in unrealised gain	39,081	2,813,383
Change in unrealised loss on investments	(15,607,695)	(3,872,159)
Change in unrealised loss on forward currency contracts	(277,086)	-
Total change in unrealised loss	(15,884,781)	(3,872,159)
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	(344,778)	28,025,529

8. Fees and expenses

Management fees and incentive fees

Management and incentive fees payable in respect of the AHL Diversified Programme are payable to the AIFM in consideration for marketing advisory and investment management services.

Management fees

Management fees are calculated weekly and payable monthly at a rate of up to 1/52 of 3.00% of the investment exposure allocation to the AHL Diversified Programme.

Incentive fees

A weekly incentive fee is calculated and accrued at each valuation day at a rate of up to 20% of any net new appreciation per Class A, B and C Shares (prior to the calculation and deduction of the incentive fee itself). Incentive fees are only payable if the net increase in value attributable to the Investment Strategy exceeds a previously attained value for such Investment Strategy.

Services management fees

Man Investments AG (the "Services Manager") is entitled to receive a fee as detailed in the table below subject to a minimum of US\$105,000 per annum. The Services Manager's fees are based on the following sliding scale (calculated by reference to the NAV at each valuation day):

Value to which the fee is applied (US\$)	Fee comprises an amount equal to one-fifty-second of US\$50,000 per week and:
0 – 50,000,000	one-fifty-second of 0.30% of the NAV of the Redeemable Participating Shares
50,000,001 – 100,000,000	one-fifty-second of 0.20% of the NAV of the Redeemable Participating Shares
100,000,001 – 249,999,999	one-fifty-second of 0.125% of the NAV of the Redeemable Participating Shares
250,000,000 – 499,999,999	one-fifty-second of 0.10% of the NAV of the Redeemable Participating Shares
500,000,000 or more	one-fifty-second of 0.05% of the NAV of the Redeemable Participating Shares

The Services Manager is entitled to a fixed set-up fee of US\$12,500 per annum, paid quarterly in arrears, plus: (i) a fee of US\$75 per new investor account (direct investors only); (ii) a transaction fee of US\$50 per Shareholder transaction; (iii) an account maintenance fee of US\$25 per account, subject to a minimum of US\$10,000 per annum, paid quarterly in arrears; and (iv) a product complexity fee of US\$10 per investment, subject to a minimum of US\$10,000 per annum, paid quarterly in arrears by the Company by each Protected Cell.

The Services Manager has appointed the Administrator to carry out certain general shareholder and accounting and valuation services. No additional fees to those described above will be payable to the Services Manager pursuant to the Services Management Agreement. The Services Manager pays a portion of such fees to the Administrator. The Services Manager is solely responsible for the payment of fees to the Administrator and the Protected Cells have no responsibility or liability for such fees.

The Services Manager has the right to be reimbursed directly from the assets of the Protected Cells for any reasonable out-of-pocket expenses incurred in carrying out its responsibilities to the Protected Cells.

The AIFM is solely responsible for the payment of fees to J.P. Morgan Administration Services (Guernsey) Limited (the "Designated Administrator") and the Company has no responsibility or liability for such fees.

Services management fees rebate

As the Company and the managed funds in which it invests have the same Services Manager, the Company and the Services Manager entered into a Rebate Agreement. The agreement provides for the recognition of a rebate calculated as the proportionate share of the Company on the total services manager fees recognised and paid by the managed funds in which the Company invests. Proportionate share means the percentage of the Company's share ownership in such managed funds. The rebate is calculated on a monthly basis and is recognised as services manager fees rebates included under services management fees rebate in the aggregated statement of comprehensive income. The rebate is deducted against the calculated services manager fees payable by the Company to the Services Manager. If the rebate balance is greater than the services manager fees calculated by the Company, the excess amount is recognised as a services manager fee receivable from the Services Manager.

Introducing broker fees

Introducing broker fees, excluding institutional charges, are calculated at a rate up to 1% of the investment exposure allocated to the AHL Diversified Programme during the period.

Designated Custodian fees

Up to 30 April 2023, J.P. Morgan Custody Services (Guernsey) Limited (the "Designated Custodian") is entitled to receive a fee at the rate of 0.025% per annum of the NAV of the Redeemable Participating Shares, calculated and accrued at each valuation day and payable monthly in arrears for acting as designated custodian of the Protected Cell. From 1 May 2023, the Designated Custodian is entitled to receive a fee at the rate of 0.015% per annum of the NAV of the Redeemable Participating Shares, subject to a minimum annual fee of US\$15,000 per protected cell. These are included within other expenses in the aggregated statement of comprehensive income.

8. Fees and expenses (continued)

Depository fees

J.P. Morgan Custody Services (Guernsey) Limited (the "Depository Services Provider") is entitled to receive a fee at the rate of 0.005% per annum of the NAV of each Class of Redeemable Participating Shares, calculated and accrued at each valuation day and payable monthly in arrears for acting as depository of the relevant Protected Cell.

Company secretary fees

The Designated Administrator was appointed as Company Secretary. In consideration for the secretarial services provided by the Designated Administrator in its capacity as Company Secretary to the Company, the Company pays an annual fee of GBP8,000 up to 30 April 2023. From 1 May 2023, the Designated Administrator is entitled to receive US\$18,000 per annum in its capacity as Company Secretary to the Company. The Designated Administrator in its capacity as Company Secretary will also be reimbursed for all disbursements and reasonable expenses incurred in the performance of its duties, and such disbursements will be invoiced separately and payable annually.

Company secretary fees are included in other expenses in the aggregated statement of comprehensive income.

General expenses of the Company

The following fees and expenses are borne, directly or indirectly, by the Company and charged to the Protected Cell on a pro rata basis:

- annual fees of the Company payable to the Registrar of Companies in Guernsey and the Guernsey Financial Services Commission, the fees and expenses of the auditors and of the legal advisers to the Company, an annual fee of US\$5,000 (in aggregate) for the holders of Management Shares, printing and distributing periodic and annual reports and statements and other general operating expenses;
- an annual fee payable to each Director of up to GBP10,000 at the Company level, plus a one-off fee of GBP1,000 payable to each Director per Class of Share established after 1 January 2007. The Directors may also receive other fees and be reimbursed for out of pocket expenses; and
- the preliminary costs in connection with the formation of the Company, costs relating to the printing and distribution of the Prospectus and related marketing material, legal costs of the Company and Man Group and costs pertaining to the initial issue of Shares, did not exceed US\$150,000 in aggregate, and have been fully amortised and debited from the Protected Cells. A portion of the expenses charged to the initial Protected Cells may be reimbursed to those Protected Cells in due course and allocated to future Protected Cells of the Company where such costs do not relate specifically to any Protected Cell. For financial statement purposes, in conformity with IFRS, the organisational costs were expensed fully in the first year of operation.

Other expenses

Included within other expenses in the aggregated statement of comprehensive income are operating fees and expenses applicable to the Company which are not separately disclosed above.

9. Related party transactions

Master Multi-Product Holdings Ltd, a Bermuda incorporated company, is a related party through its 100% holding of the management shares (the "Management Shares") in the Company. Master Multi-Product Holdings Ltd is itself owned by Conyers Trust Company (Bermuda) Limited as trustee of the Master Multi-Product Purpose Trust.

AHL Partners LLP – the Investment Manager, Trading Adviser and Introducing Broker of the Company, Man Investments AG – the Marketing Adviser, Swiss Representative and Services Manager of the Company, Man Asset Management (Cayman) Limited – the AIFM of the Company and Man Group Operations Limited are indirect wholly-owned subsidiaries of Man Group plc and all subsidiaries of Man Group plc are related parties.

Man Group Operations Limited pays for certain operating fees and expenses centrally on behalf of the Company, which are then periodically recharged back to the Company. Outstanding recharges payable as at 30 June 2023 amount to US\$93,894 (2022: US\$35,945) and have been included within accrued expenses and other liabilities in the aggregated statement of financial position.

Man Group plc companies are also involved, in varying capacities, in the management of the managed funds the Company has invested in, as set out in Note 4.

Each of the Directors is or may become involved in other financial investment and professional activities which may cause conflicts of interest with the management of the Company. These activities include management or administration of other companies (including those with investment objectives similar to those of the Company or structures that may be related to Man Group plc sponsored investment funds), serving as directors, advisers and/or agents of other companies, including companies or legal structures in which the Company may invest and/or which may invest into the Company.

The net realised and unrealised gain/(loss) on transactions between the Company and the related managed funds during the year amounted to US\$15,713,339 (2022: US\$31,155,198) and US\$(15,607,695) (2022: US\$(1,918,879)) respectively, which are included in the aggregated statement of comprehensive income. There were purchases of US\$45,900,450 (2022: US\$322,812,768) and sales of US\$53,804,766 (2022: US\$75,922,117) during the year.

As at 30 June 2023, none (2022: 0.001%) of the Redeemable Participating Shares of Man AHL Diversified (Guernsey) Class A USD Shares and none (2022: 0.01%) of the Redeemable Participating Shares of Man AHL Diversified (Guernsey) Class B EUR Shares were owned by entities or individuals affiliated to Man Group plc.

Man AHL Diversified PCC Limited

Notes to the aggregated financial statements (continued)
For the year ended 30 June 2023



9. Related party transactions (continued)

The following transactions took place between the Company and its related parties:

Class A USD

For the year ended 30 June 2023

Related party	Type of fee	Total fees/(income) US\$	Fees payable/(receivable) at 30 June 2023 US\$
AHL Partners LLP	Introducing broker fees	1,408,382	114,391
Man Asset Management (Cayman) Limited	Management fees	4,225,144	343,172
Man Asset Management (Cayman) Limited	Incentive fees	450,095	-
Man Investments AG	Services management fees	392,199	51,989
Man Investments AG	Services management fees rebate	(160,452)	(12,997)
Directors	Directors' fees	33,573	53,593
Man Group Operations Limited	Recharges payable	-	71,879

For the year ended 30 June 2022

Related party	Type of fee	Total fees/(income) US\$	Fees payable/(receivable) at 30 June 2022 US\$
AHL Partners LLP	Introducing broker fees	1,339,975	125,162
Man Asset Management (Cayman) Limited	Management fees	4,019,926	375,485
Man Asset Management (Cayman) Limited	Incentive fees	3,482,469	795,882
Man Investments AG	Services management fees	383,350	61,038
Man Investments AG	Services management fees rebate	(152,206)	(14,243)
Directors	Directors' fees	29,909	20,020
Man Group Operations Limited	Recharges payable	-	28,206

Class B EUR

For the year ended 30 June 2023

Related party	Type of fee	Total fees/(income) EUR	Fees payable/(receivable) at 30 June 2023 EUR
AHL Partners LLP	Introducing broker fees	130,530	10,734
Man Asset Management (Cayman) Limited	Management fees	391,590	32,201
Man Asset Management (Cayman) Limited	Incentive fees	24,740	-
Man Investments AG	Services management fees	122,236	19,005
Man Investments AG	Services management fees rebate	(14,869)	(1,220)
Directors	Directors' fees	3,443	5,082
Man Group Operations Limited	Recharges payable	-	12,468

For the year ended 30 June 2022

Related party	Type of fee	Total fees/(income) EUR	Fees payable/(receivable) at 30 June 2022 EUR
AHL Partners LLP	Introducing broker fees	129,661	12,158
Man Asset Management (Cayman) Limited	Management fees	388,984	36,473
Man Asset Management (Cayman) Limited	Incentive fees	302,674	75,637
Man Investments AG	Services management fees	113,694	19,132
Man Investments AG	Services management fees rebate	(14,727)	(1,383)
Directors	Directors' fees	3,311	1,639
Man Group Operations Limited	Recharges payable	-	3,147

Class C CHF

For the year ended 30 June 2023

Related party	Type of fee	Total fees/(income) CHF	Fees payable/(receivable) at 30 June 2023 CHF
AHL Partners LLP	Introducing broker fees	109,883	8,388
Man Asset Management (Cayman) Limited	Management fees	329,615	25,165
Man Asset Management (Cayman) Limited	Incentive fees	25,737	-
Man Investments AG	Services management fees	120,243	19,825
Man Investments AG	Services management fees rebate	(12,515)	(953)
Directors	Directors' fees	3,216	4,850
Man Group Operations Limited	Recharges payable	-	11,824

The above amounts are payable on demand and do not bear interest.

Man AHL Diversified PCC Limited

Notes to the aggregated financial statements (continued)

For the year ended 30 June 2023



9. Related party transactions (continued)

Class C CHF

For the year ended 30 June 2022

Related party	Type of fee	Total fees/(income) CHF	Fees payable/(receivable) at 30 June 2022 CHF
AHL Partners LLP	Introducing broker fees	120,664	10,517
Man Asset Management (Cayman) Limited	Management fees	362,293	31,855
Man Asset Management (Cayman) Limited	Incentive fees	218,911	67,812
Man Investments AG	Services management fees	118,747	19,521
Man Investments AG	Services management fees rebate	(13,717)	(1,208)
Directors	Directors' fees	2,929	1,634
Man Group Operations Limited	Recharges payable	-	4,960

Aggregated

For the year ended 30 June 2023

Related party	Type of fee	Total fees/(income) US\$	Fees payable/(receivable) at 30 June 2023 US\$
AHL Partners LLP	Introducing broker fees	1,659,626	135,470
Man Asset Management (Cayman) Limited	Management fees	4,978,841	406,408
Man Asset Management (Cayman) Limited	Incentive fees	502,893	-
Man Investments AG	Services management fees	645,767	94,864
Man Investments AG	Services management fees rebate	(189,070)	(15,392)
Directors	Directors' fees	40,535	64,554
Man Group Operations Limited	Recharges payable	-	93,894

For the year ended 30 June 2022

Related party	Type of fee	Total fees/(income) US\$	Fees payable/(receivable) at 30 June 2022 US\$
AHL Partners LLP	Introducing broker fees	1,615,688	148,919
Man Asset Management (Cayman) Limited	Management fees	4,847,390	447,073
Man Asset Management (Cayman) Limited	Incentive fees	4,058,713	946,174
Man Investments AG	Services management fees	639,003	101,533
Man Investments AG	Services management fees rebate	(183,534)	(16,958)
Directors	Directors' fees	36,786	23,449
Man Group Operations Limited	Recharges payable	-	35,945

The above amounts are payable on demand and do not bear interest.

10. Share capital

The authorised share capital of the Company consists of US\$20,000,100 divided into 100 voting, non-redeemable and non-participating Management Shares of US\$1.00 par value each, and 2,000,000,000 non-voting, Redeemable Participating Shares of US\$0.01 par value each. The Company may, in the future, increase its authorised share capital by creating additional shares.

Management Shares of the Company

The Management Shares are held by Master Multi-Product Holdings Ltd, a Bermuda exempted company, which is itself owned by Conyers Trust Company (Bermuda) Limited, in its capacity as trustee of the Master Multi-Product Purpose Trust, a special purpose trust formed under the laws of Bermuda pursuant to a deed of trust made by Conyers Trust Company (Bermuda) Limited (therein named Codan Trust Company Limited) dated 14 December 2005.

The holders of Management Shares are not entitled to request redemption of their Management Shares and the Company shall not be entitled to require redemption or repurchase of such Management Shares. As at 30 June 2023 and 30 June 2022, these shares were fully issued and no amounts were paid or payable to the Company.

Redeemable Participating Shares of the Company

Redeemable Participating Shareholders of the Company are not entitled to any votes in respect of such Redeemable Participating Shares.

Redeemable Participating Shareholders may, upon 3 days written notice, normally redeem their Redeemable Participating Shares on the first dealing day of each calendar week at a redemption price calculated by reference to the NAV per Share on the valuation day immediately preceding the dealing day on which the redemption is to be effected.

10. Share capital (continued)

Redeemable Participating Shares of the Company (continued)

The Redeemable Participating Shares of the Company were offered for sale in a supplement to the Company Prospectus as detailed below:

	Date of supplement to the Company Offering Memorandum	Par value Per Share
Man AHL Diversified (Guernsey) Class A USD Shares	17 December 2007	USD 1
Man AHL Diversified (Guernsey) Class B EUR Shares	23 September 2008	EUR 1
Man AHL Diversified (Guernsey) Class C CHF Shares	23 September 2008	CHF 1

The rights of each Redeemable Participating Shareholders are limited to the assets attributable to the relevant Class of Redeemable Participating Shares. The obligations of the Company in respect of each Class of Redeemable Participating Shares will only be payable from the respective value of assets which are attributable to each such Class of Redeemable Participating Shares. In the event that the assets attributable to the relevant Class of Redeemable Participating Shares are insufficient to meet the obligations of the Company to pay monies to Shareholders of such Class of Redeemable Participating Shares, such Redeemable Participating Shareholders will be limited to proceeding against the relevant Class of Redeemable Participating Shares relating to their investments only and shall not be entitled to exercise any rights or have further recourse to the assets attributable to any other Class of Redeemable Participating Shares or any other assets of the Company.

Share transactions in Redeemable Participating Shares for the year ended 30 June 2023 and 30 June 2022 were as follows:

	Class A USD	Class B EUR	Class C CHF
30 June 2023			
Opening Redeemable Participating Shares	72,311,338	8,614,659	9,143,372
Issued Redeemable Participating Shares	4,705,924	298,171	109,926
Redeemed Redeemable Participating Shares	(10,669,451)	(848,854)	(1,672,498)
Closing Redeemable Participating Shares	66,347,811	8,063,976	7,580,800
30 June 2022			
Opening Redeemable Participating Shares	74,338,030	8,925,579	10,150,574
Issued Redeemable Participating Shares	4,460,868	1,040,293	183,633
Redeemed Redeemable Participating Shares	(6,487,560)	(1,351,213)	(1,190,835)
Closing Redeemable Participating Shares	72,311,338	8,614,659	9,143,372

In the event of a winding up or dissolution of the Company, the holders of Management Shares are entitled to an amount equal to the par value thereof, if paid up, and the surplus assets of the Company. However, the holders of the Management Shares have agreed irrevocably to waive their entitlement to any amounts which exceed the par value of their ordinary Management Shares and have authorised the Company to credit any such amounts to the Share Account for the benefit of the Redeemable Participating Shareholders.

Capital management

The Company's objectives for managing capital include:

- investing the capital in investments meeting the description, risk exposure and expected return indicated by the Company's investment objective;
- achieving consistent returns while safeguarding capital by investing in diversified portfolios, by participating in derivative and other advanced capital markets and by using various investment strategies and hedging techniques;
- maintaining sufficient liquidity to meet the expenses of the Company, and to meet redemption requests as they arise; and
- maintaining sufficient size to make the operation of the Company cost-efficient.

The Company's overall strategy for managing capital remains unchanged from the year ended 30 June 2022.

Refer to Note 6, 'Financial risk management', for the policies and processes applied by the Company in managing its capital.

11. Contingent liabilities and commitments

There were no contingent liabilities or commitments other than those already disclosed in these aggregated financial statements as at 30 June 2023 (2022: None).

12. Subsequent events

There were no subsequent events after the year end that impact the Company and require disclosure in these aggregated financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAN AHL DIVERSIFIED PCC LIMITED

Report on the audit of the aggregated financial statements

1. Opinion

In our opinion the aggregated financial statements of MAN AHL Diversified PCC Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 June 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB); and
- have been prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

We have audited the aggregated financial statements which comprise:

- the aggregated statement of financial position;
- the aggregated statement of changes in net assets;
- the aggregated statement of comprehensive income;
- the aggregated statement of cash flows; and
- the related notes 1 to 12.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as issued by the IASB.

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the aggregated financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the aggregated financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

3. Summary of our audit approach

- **Key audit matters** The key audit matter that we identified in the current year was:
 - the valuation of managed fund investments.

• Materiality	The materiality that we used in the current year was US\$3,063,000 which was determined on the basis of 2% of the net assets attributable to redeemable participating shareholders.
• Scoping	Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.

4. Conclusions relating to going concern

In auditing the aggregated financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the aggregated financial statements is appropriate.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- Evaluating the reasonableness and appropriateness of management's assumptions, including capital activity and any significant cash movements from Participating Shareholder redemptions;
- Evaluating the reasonableness and appropriateness of management's assessment of impact of external events;
- Evaluating the relevance and reliability of the underlying data used by management to make the assessment; and
- Evaluating appropriateness of management's going concern disclosures in the aggregated financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the aggregated financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the aggregated financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the aggregated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1. Valuation of managed fund investments

Key audit matter description	The company's investments in the inhouse managed fund are classified as level 2 investments, with carrying amount of US\$82,380,698 as at 30 June 2023 (30 June 2022: US\$89,418,366). As articulated in Note 4 to the aggregated financial statements, the valuation of these investments, based on the net asset value (NAV) of the managed fund involves management judgement in determining any adjustments to NAV to reflect restrictions on redemptions, future commitments,
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and other specific factors of the managed fund and managed fund's manager. These adjustments and the resulting classification of the investments may not be in line with the requirements of IFRS 13 and leading industry practice.

How the scope of our audit responded to the key audit matter

In response, we performed the following procedures:

- Obtained an understanding of the relevant controls over the valuation of managed fund investments, including relevant controls from the administrator;
- Assessed management's valuation policy and methodology adopted and compared this to the requirements of IFRS 13 and industry practice;
- Tested initial cost and cut-off of investments on a sample basis for purchases and sales and agreed to independent support;
- Obtained independent valuations of the investments through independent pricing platforms and agreed the valuations to the amounts recorded per the aggregated financial statements;
- Performed liquidity tests in our challenge of the levelling and classification of the investments; and
- Evaluated the aggregated financial statements for appropriate disclosures of the investments.

Key observations

As a result of our audit procedures, we concluded that the valuation of managed fund investments and related disclosures are appropriate.

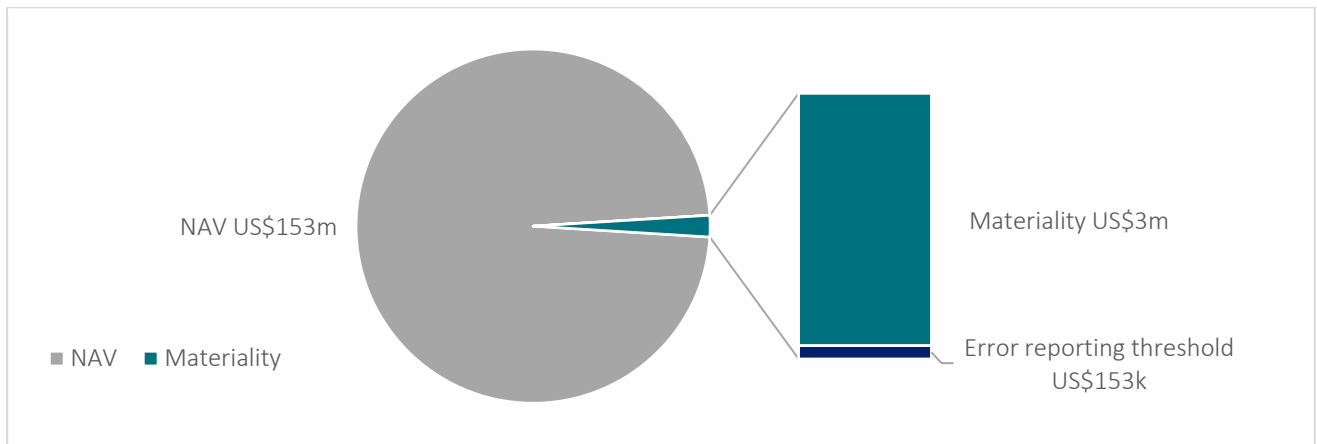
6. Our application of materiality

6.1. Materiality

We define materiality as the magnitude of misstatement in the aggregated financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the aggregated financial statements as a whole as follows:

Materiality	US\$3,063,000
Basis for determining materiality	2% of the net assets attributable to redeemable participating shareholders.
Rationale for the benchmark applied	NAV is the key performance indicator of the company. Shareholders are interested in the capital appreciation of their investment, thus NAV is considered to be an appropriate basis for the determination of materiality.



6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the aggregated financial statements as a whole. Performance materiality was set at 70% of materiality for the 2023 audit. In determining performance materiality, we considered the following factors:

- a. Our risk assessment, including our assessment of the company's overall control environment; the quality of the control environment, and
- b. The level of historical misstatements identified by the predecessor auditor.

6.3. Error reporting threshold

We agreed with the Board of Directors that we would report to the Board all audit differences in excess of US\$153,150, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Board on disclosure matters that we identified when assessing the overall presentation of the aggregated financial statements.

7. An overview of the scope of our audit

7.1. Scoping

Our audit was scoped by obtaining an understanding of the company and its environment, including internal controls, and assessing the risks of material misstatement. Our audit scope included obtaining an understanding of the accounting process and controls in place at the service providers. Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.

We tailored the scope of our audit in order to design and perform procedures the purpose of obtaining sufficient appropriate audit evidence, taking into account the cell structure of the company.

7.2. Our consideration of the control environment

The company is administered by a third-party Guernsey regulated service provider. As part of our audit, we obtained an understanding of relevant controls established at the service provider. We obtained the independently audited ISAE 3402 report on the service provider's controls, which included financial reporting controls as well as General Information Technology Controls (GITCs).

8. Other information

The other information comprises the information included in the annual report, other than the aggregated financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the aggregated financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the aggregated financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

9. Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the aggregated financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of aggregated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the aggregated financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

10. Auditor's responsibilities for the audit of the aggregated financial statements

Our objectives are to obtain reasonable assurance about whether the aggregated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these aggregated financial statements.

A further description of our responsibilities for the audit of the aggregated financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

11. Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the company's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management, and the Board about their own identification and assessment of the risks of irregularities, including those that are specific to the company's sector;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the aggregated financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the valuation of managed fund investments. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the aggregated financial statements. The key laws and regulations we considered in this context included the Companies (Guernsey) Law, 2008 and The International Stock Exchange Listing rules.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the aggregated financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included The Protection of Investors (Bailiwick of Guernsey) Law, 2020.

11.2. Audit response to risks identified

As a result of performing the above, we identified the valuation of the managed fund investments as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the aggregated financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the aggregated financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Matters on which we are required to report by exception

12.1. Adequacy of explanations received and accounting records

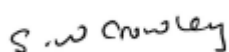
Under the Companies (Guernsey) Law, 2008 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- proper accounting records have not been kept; or
- the aggregated financial statements are not in agreement with the accounting records.

We have nothing to report in respect of these matters.

13. Use of our report

This report is made solely to the company's members, as a body, in accordance with Section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stuart Crowley, FCA

For and on behalf of Deloitte LLP

Recognised Auditor

St Peter Port, Guernsey

1 December 2023

Man AHL Diversified PCC Limited

Unaudited reporting requirements in respect of the AIFM Directive

For the year ended 30 June 2023



The following disclosures have been made to meet the additional reporting requirement of the Alternative Investment Fund Managers Directive ("AIFMD") not already fulfilled in the audited section of the aggregated financial statements.

Risk management

The risk management policy and process for the Fund is designed to satisfy the requirements of the AIFM Directive; associated European Securities and Markets Authority ("ESMA") regulatory technical standards and guidelines; and local regulations.

An investment manager's report has been included in the audited aggregated financial statements of the Company.

Material changes

There have been no material changes as defined by Article 23 of the AIFM Directive.

AIFM Remuneration

Non-EU Alternative Investment Fund Managers ("AIFMs") are required to comply with the Alternative Investment Fund Managers Directive remuneration disclosure requirements for alternative investment funds ("AIFs") which are marketed to EU investors. Man Asset Management (Cayman) Limited (the "AIFM") is a member of Man Group plc, which is listed on the London Stock Exchange and is a constituent of the FTSE 250 Index.

For many roles the AIFM utilises resource from across the Man Group. For the year ended 31 December 2022 identified staff of the AIFM and its affiliates were cumulatively paid US\$49,491,954 in relation to the AIFM's AIFs. This is split into US\$2,848,976 fixed compensation and US\$46,642,978 variable compensation payable to 24 beneficiaries. For year end 31 December 2022, US\$1,641,363 fixed compensation and US\$17,234,195 variable compensation was paid to senior management.

The identified beneficiaries are employees and partners of other Man Group entities but who have been identified through their roles within the group as being in a role in which they can make decisions or take actions that have a material impact on the risk profile of the AIFM.

In the year ended 31 December 2022, Man Group plc paid compensation of US\$678,000,000 across 1,595* staff. Of this, US\$469,000,000 was variable compensation. Further details are available in the Man Group plc annual report and available at www.man.com.

Man Group plc's Remuneration Committee has defined Man's remuneration objectives in the Man Statement of Remuneration Principles which is available at: <https://www.man.com/GB/remuneration-committee>. Man Group plc's Pillar 3 Disclosures are available at: <https://www.man.com/GB/pillar-3-disclosures>.

*Man Group plc headcount at 31 December 2022.

Periodic disclosure to investors

Special arrangements

The AIFM Directive requires the AIFM to disclose the percentage of the Company's assets or liabilities which are subject to special arrangements arising from their illiquid nature (e.g. side pockets, gates), including an overview of any special arrangements in place whether they relate to side pockets, gates or other similar arrangements, the valuation methodology applied to assets or liabilities which are subject to such arrangements and how management and performance fees apply to these assets or liabilities.

For the year ended 30 June 2023, none of the assets or liabilities held by the Company were subject to special arrangements.

Risk controls and limits

The framework for risk controls and limits for the Company is documented within the AIFM's Risk Management Policy and Process document which outlines for each main risk category above the controls and risk measures in place. This risk framework includes setting of limits and monitoring against those limits.

There have been no breaches of risk limits set for the Company in the financial year and there are no such breaches anticipated.

Regular disclosure to investors

Leverage risk

Leverage is considered in terms of the Company's overall "exposure" and includes any method by which the exposure of the Company is increased whether through borrowings of cash or securities, or leverage embedded in derivative positions or by any other means. The AIFM is required to calculate and monitor the level of leverage by the Company, expressed as a ratio between the total exposure of the Company and its net value with exposure values being calculated by both the gross method and commitment method.

Exposure values under the Gross Method basis are calculated as the absolute value of all positions of the Company; this includes all eligible assets and liabilities, relevant borrowings, derivatives (converted into their equivalent underlying positions) and all other positions even those held purely for risk reduction purposes, such as forward currency contracts held for currency hedging.

Regular disclosure to investors (continued)

Leverage risk (continued)

The gross method of exposure of the Fund requires the calculation to:

- include the sums of all non-derivative assets held at market value, plus the absolute value of all such liabilities;
- exclude cash and cash equivalents which are highly liquid investments held in the base currency of the Company that are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three month high quality bond;
- convert derivative instruments into the equivalent position in their underlying assets;
- exclude cash borrowings that remain in cash or cash equivalents and where the amounts payable are known;
- include exposures resulting from the reinvestment of cash borrowings, expressed as the higher of the market value of the investment realised or the total amount of cash borrowed; and
- include positions within repurchase or reverse repurchase agreements and securities lending or borrowing or other similar arrangements.

Exposure values under the commitment method basis are calculated on a similar basis to the above, but may take into account the effect of netting off instruments to reflect eligible netting and hedging arrangements on eligible assets and different treatment of certain cash and cash equivalents items in line with regulatory requirements.

The table below sets out the current maximum level allowed and actual level of leverage for the Company for the year:

	Maximum level and actual level of leverage as a percentage of net asset value	
	Gross Method	Commitment Method
Class A		
Maximum level allowed	35,000%	4,300%
Actual level at year end	99%	99%
Class B		
Maximum level allowed	35,000%	4,300%
Actual level at year end	153%	94%
Class C		
Maximum level allowed	35,000%	4,300%
Actual level at year end	113%	55%

There have been no breaches of the maximum level during the year and no changes to the maximum level of leverage employed by the Company.