

CONFIDENTIALITY STATEMENT

THE FINANCIAL STATEMENTS FORWARDED WITH THIS EMAIL ARE NOT PUBLICLY AVAILABLE AND ARE PROVIDED TO YOU ON THE UNDERSTANDING THAT YOU WILL:

- (A) MAINTAIN THE FINANCIAL STATEMENTS IN CONFIDENCE AND SAVE AS OTHERWISE REQUIRED BY ANY REGULATORY AUTHORITY, LAW OR REGULATION, OR BY LEGAL PROCESS, YOU WILL NOT, WITHOUT THE PRIOR CONSENT OF THE ENTITY TO WHICH THE FINANCIALS STATEMENTS RELATE, DISCLOSE OR PERMIT THE FINANCIAL STATEMENTS TO BE MADE AVAILABLE TO ANY PERSON; AND
- (B) NOT USE THE FINANCIAL STATEMENTS FOR ANY PURPOSE OTHER THAN IN CONNECTION WITH YOUR INVESTMENT OR POTENTIAL INVESTMENT IN THE FUND AND, FOR THIS PURPOSE, WE AGREE THAT YOU MAY, TO THE EXTENT REASONABLY NECESSARY, COPY, ADAPT AND ANALYSE THE FINANCIAL STATEMENTS, INCORPORATE THE FINANCIAL STATEMENTS INTO REPORTS AND ANALYSES AND DISCLOSE, ON A NEED TO KNOW BASIS, THE FINANCIAL STATEMENTS TO ANY OF YOUR OFFICERS, EMPLOYEES, FINANCIERS OR PROFESSIONAL ADVISERS PROVIDED THAT THEY ARE INFORMED OF THE CONFIDENTIAL NATURE OF THE FINANCIAL STATEMENTS.

IF YOU HAVE ANY QUESTIONS, CONCERNS OR REQUIRE FURTHER ELABORATION, PLEASE CONTACT RAHUL MOODGAL BY EMAIL AT RAHUL@PARVUSFUNDS.COM

PARVUS EUROPEAN ABSOLUTE OPPORTUNITIES FUND

(A CAYMAN ISLANDS EXEMPTED COMPANY)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2023

FINANCIAL STATEMENTS
for the year ended 31 December 2023

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PARVUS EUROPEAN ABSOLUTE OPPORTUNITIES FUND

COMPANY INFORMATION

INDEPENDENT DIRECTORS

Adrian Waters
Ralph Woodford
Tej Gujadhur

COMPANY SECRETARY

CFS Secretary Limited
89 Nexus Way,
2nd Floor,
Camana Bay,
PO Box 31106,
Grand Cayman, KY1 – 1205,
Cayman Islands.

REGISTERED OFFICE

PO Box 309
Ugland House,
South Church Street,
George Town,
Grand Cayman, KY1 – 1104,
Cayman Islands.

PROCUREMENT AGENT

Parvus Asset Management (Cayman) Limited
PO Box 309,
Ugland House,
South Church Street,
George Town,
Grand Cayman, KY1 – 1104,
Cayman Islands.

INVESTMENT MANAGER AND ALTERNATIVE INVESTMENT FUND MANAGER

Parvus Asset Management Europe Limited
7 Clifford Street,
London, W1S 2FT,
England.

ADMINISTRATOR AND EXTERNAL VALUER

Citco Fund Services (Ireland) Limited
Custom House Plaza, Block 6,
International Financial Services Centre,
Dublin 1,
Ireland.

PARVUS EUROPEAN ABSOLUTE OPPORTUNITIES FUND

COMPANY INFORMATION (Continued)

PRIME BROKERS OF THE MASTER FUND

Citigroup Global Markets Limited
Citigroup Centre,
33 Canada Square,
Canary Wharf,
London, E14 5LB,
England.

HSBC Bank Plc
8 Canada Square,
Canary Wharf,
London, E14 5HQ,
England.

Morgan Stanley & Co. International Plc
25 Cabot Square,
Canary Wharf,
London, E14 4QA,
England.

UBS AG
5 Broadgate,
London, EC2M 2QS,
England.

CUSTODIANS OF THE MASTER FUND

Citigroup Global Markets Limited
Citigroup Centre,
33 Canada Square,
Canary Wharf,
London, E14 5LB,
England.

HSBC Bank Plc*
8 Canada Square,
Canary Wharf,
London, E14 5HQ,
England.

*HSBC is the Company's main custodian.

UBS AG
5 Broadgate,
London, EC2M 2QS,
England.

PARVUS EUROPEAN ABSOLUTE OPPORTUNITIES FUND

COMPANY INFORMATION (Continued)

OTHER COUNTERPARTIES

Citco Bank Nederland N.V. Dublin Branch
Custom House Plaza, Block 3,
3rd Floor,
International Financial Services Centre,
Dublin 1,
Ireland.

BNP Paribas
10 Harewood Ave, Marylebone,
London, NW1 6AA,
England.

LEGAL ADVISERS

(as to English and United States law)

Schulte Roth & Zabel International LLP
One Eagle Place,
London, SW1Y 6AF,
England.

(as to Cayman Islands law)

Maples and Calder
200 Aldersgate Street,
London, EC1A 4HD,
England.

INDEPENDENT AUDITOR

PricewaterhouseCoopers
PO Box 258,
18 Forum Lane,
Camana Bay,
Grand Cayman, KY1 – 1104,
Cayman Islands.



Independent auditor's report

To the Board of Directors of Parvus European Absolute Opportunities Fund

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Parvus European Absolute Opportunities Fund (the Company) as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 December 2023;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets attributable to holders of redeemable participating shares for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Certain required disclosures have been presented elsewhere in note 8 of the financial statements of Parvus European Absolute Opportunities Master Fund, rather than in the notes to the Company's financial statements. These are cross-referenced from the Company's financial statements.

Basis for opinion

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

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

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.



Independent auditor's report (continued)

To the Board of Directors of Parvus European Absolute Opportunities Fund

Our audit approach

Overview



- Overall materiality: EUR 3.92m, which represents 0.5% of the net assets attributable to holders of redeemable participating shares (NAV) of the Company.
- The Company is a Cayman Islands exempted company and has appointed Parvus Asset Management Europe Limited (the Manager) to manage its affairs and investments subject to the overall supervision and control of the Company's Board of Directors.
- Valuation and existence of financial assets at fair value through profit or loss.

Audit scope

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Our 2023 audit was planned and executed having regard to the fact that the operations of the Company remain largely unchanged from the prior year.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the types of investments within the Company, the involvement of the Manager and administrator, the accounting processes and controls, and the industry in which the Company operates.

The Company's accounting is delegated to the administrator who maintain their own accounting records and controls and report to management. As part of our risk assessment, we considered the Company's interaction with the administrator, and we evaluated the control environment in place at the administrator.



Independent auditor's report (continued)

To the Board of Directors of Parvus European Absolute Opportunities Fund

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement.

Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Company materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall Company materiality	EUR 3.92m
How we determined it	0.5% of NAV
Rationale for the materiality benchmark applied	We have applied this benchmark, a generally accepted auditing practice for investment company audits, in the absence of indicators that an alternative benchmark would be appropriate and because we believe this provides an appropriate and consistent year-on-year basis for our audit.

We agreed with the those charged with governance that we would report to them misstatements identified during our audit above 0.05% of NAV, for differences impacting NAV per share and 0.5% of NAV for differences that do not impact NAV per share, as well as misstatements below these amounts that, in our view, warranted reporting for qualitative reasons.



Independent auditor's report (continued)

To the Board of Directors of Parvus European Absolute Opportunities Fund

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Valuation and existence of financial assets at fair value through profit or loss <i>Refer to notes 3, 4 & 10 of the financial statements.</i> Financial assets at fair value through profit or loss at 31 December 2023 is primarily comprised of an investment in Parvus European Absolute Opportunities Master Fund (the Master) (EUR 828.6m). We focused on the valuation and existence of the Master because it represents the principal element of the net asset value as disclosed in the statement of financial position in the financial statements.	 We tested the valuation of the Master by comparing the price used by the Company to the audited net asset value per share of the Master per the Master's audited financial statements, for whom we are also the appointed auditor. We tested the existence of the Master by agreeing the holdings to a confirmation from the Master's transfer agent. No material misstatements were identified as a result of the procedures we performed.

Other Information

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the Company's financial statements and certain required disclosures included in the *What we have audited* section of our auditor's report, and our auditor's report thereon).

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

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



Independent auditor's report (continued)

To the Board of Directors of Parvus European Absolute Opportunities Fund

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Independent auditor's report (continued)

To the Board of Directors of Parvus European Absolute Opportunities Fund

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

This report, including the opinion, has been prepared for and only for the Company in accordance with the terms of our engagement letter and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

The engagement partner on the audit resulting in this independent auditor's report is Richard Boddice.

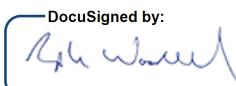
A handwritten signature in black ink, appearing to read 'Richard Boddice', written over a horizontal line.

9 April 2024

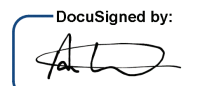
PARVUS EUROPEAN ABSOLUTE OPPORTUNITIES FUND**STATEMENT OF FINANCIAL POSITION
as at 31 December 2023**

	Note	2023 €	2022 €
Assets			
Cash and cash equivalents	2(g)	193,355	1,054,654
Investment in Parvus European Absolute Opportunities Master Fund at fair value through profit or loss	1,3	828,639,549	605,939,846
Financial assets at fair value through profit or loss	3,4	1,259,153	14,271
Other receivables		9,235	12,763
Total assets		830,101,292	607,021,534
Liabilities			
Amounts due to brokers	5	5,533,149	10,130,302
Financial liabilities at fair value through profit or loss	3,4	—	578,497
Subscriptions received in advance	2(h)	137,993	1,000,000
Incentive fee payable	7	39,728,133	22,988,102
Management fee payable	7	592,845	467,222
Other payables		39,872	34,154
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		46,031,992	35,198,277
Net assets attributable to holders of redeemable participating shares		784,069,300	571,823,257

Approved by the Directors on 9 April 2024

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Director

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Director

The accompanying notes are an integral part of these financial statements

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2023

	Note	2023 €	2022 €
Income			
Other net changes in fair value on financial instruments at fair value through profit or loss	2(d)	307,557,532	190,145,641
Net foreign exchange (loss)/gain	2(i)	(1,038)	2,202
Total income		307,556,494	190,147,843
Expenses			
Incentive fee	7	37,402,377	23,038,876
Management fee	7	6,880,717	5,109,379
Legal and professional fees	8	53,172	51,770
Audit fee	8	15,466	13,093
Bank and broker expenses		5,261	4,746
Total expenses		44,356,993	28,217,864
Net increase in net assets attributable to holders of redeemable participating shares		263,199,501	161,929,979

The accompanying notes are an integral part of these financial statements

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF
REDEEMABLE PARTICIPATING SHARES
for the year ended 31 December 2023**

	2023	2022
	€	€
Opening net assets attributable to holders of redeemable participating shares	571,823,257	409,236,609
Proceeds from issue of redeemable participating shares	7,252,854	11,471,454
Redemption of redeemable participating shares	(58,206,312)	(10,814,785)
Net (decrease)/increase from share transactions	<u>(50,953,458)</u>	<u>656,669</u>
Net increase in net assets attributable to holders of redeemable participating shares	263,199,501	161,929,979
Closing net assets attributable to holders of redeemable participating shares	<u>784,069,300</u>	<u>571,823,257</u>

The accompanying notes are an integral part of these financial statements

PARVUS EUROPEAN ABSOLUTE OPPORTUNITIES FUND

STATEMENT OF CASH FLOWS for the year ended 31 December 2023

	2023 €	2022 €
Cash flows from operating activities		
Net increase in net assets attributable to holders of redeemable participating shares	263,199,501	161,929,979
Adjustments to reconcile net increase in net assets attributable to holders of redeemable participating shares to net cash provided by/(used in) operating activities		
(Increase)/decrease in assets:		
Amounts due from brokers	–	1,274,557
Investment in Parvus European Absolute Opportunities Master Fund at fair value through profit or loss	(222,699,703)	(185,718,309)
Financial assets at fair value through profit or loss	(1,244,882)	(14,271)
Other receivables	3,528	(1,275)
Increase/(decrease) in liabilities:		
Amounts due to brokers	(4,597,153)	10,130,302
Financial liabilities at fair value through profit or loss	(578,497)	(385,733)
Payable to Parvus European Absolute Opportunities Master Fund	–	(4,000)
Incentive fee payable	16,740,031	12,001,803
Management fee payable	125,623	129,884
Other payables	5,718	5,379
Net cash provided by/(used in) operating activities	50,954,166	(651,684)
Cash flows from financing activities		
Proceeds from issue of redeemable participating shares (net of subscriptions received in advance)	6,390,847	12,449,492
Cost of redemption of redeemable participating shares	(58,206,312)	(10,814,785)
Net cash (used in)/provided by financing activities	(51,815,465)	1,634,707
Net (decrease)/increase in cash and cash equivalents	(861,299)	983,023
Opening cash and cash equivalents	1,054,654	71,631
Ending cash and cash equivalents	193,355	1,054,654

The accompanying notes are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

1. ORGANISATION

Parvus European Absolute Opportunities Fund (the “Company”) is a Cayman Islands exempted company incorporated on 25 August 2004 to operate as a private investment fund for the benefit of non-US investors and tax-exempt investors (or pass-through entities comprised primarily of US tax-exempt investors) and is registered under Cayman Islands Mutual Funds Act. The Company is listed on The International Stock Exchange. The Company is a feeder fund in a master-feeder structure whereby the Company invests substantially all of its investable capital in the shares of Parvus European Absolute Opportunities Master Fund (the “Master Fund”), an open-ended investment company that has the same investment objectives as the Company. Please refer to the Master Fund’s financial statements, included in the appendix, for details on the investment objectives.

Parvus European Absolute Opportunities Fund LP (the “Partnership”), is a Delaware limited partnership incorporated on 31 August 2004 to operate as a private investment fund for the benefit of US-taxable investors and also invests substantially all of its investable capital in the Master Fund.

The investment objective of both the Company and the Master Fund is to seek to achieve superior absolute returns. The Company seeks to achieve its investment objective by investing substantially all of its investable assets in the Master Fund. The Master Fund seeks to achieve its investment objective by taking long and short positions in equity and debt securities (and their derivatives) with a focus on European companies of all sizes and capitalisations.

Parvus Asset Management (Cayman) Limited (the “Procurement Agent”) is responsible for identifying, selecting and procuring the services of one or more investment managers to the Company. The Procurement Agent is a Cayman Islands exempted company, which had delegated the responsibility for the investment of the assets of the Company to Parvus Asset Management Europe Limited (the “Investment Manager”). The Procurement Agent has appointed the Investment Manager to manage the investment activities of the Company.

The Investment Manager is primarily responsible for the investment and reinvestment of the assets of the Company subject to the overall supervision, control and policies of the Directors.

The Investment Manager has also been authorised as an Alternative Investment Fund Manager in accordance with the Alternative Investment Fund Managers Directive (“AIFMD”).

The Investment Manager seeks to achieve the investment objective through fundamental and detailed research. The Investment Manager also seeks to exploit securities that it believes are mis-priced. The reasons for such mis-pricing may include operational and/or financial restructuring, mergers and acquisitions, structural trends, and changes in economic profit trends. Furthermore, the Investment Manager seeks to exploit the significant gap that the Investment Manager believes exists between market perception and economic reality in companies.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

31 December 2023

1. ORGANISATION (continued)

The Master Fund has maximum flexibility to invest in a wide range of instruments, including listed and unlisted equities, debt securities (both investment and non-investment grade) and other collective investment schemes. The Master Fund may invest in certain derivative instruments such as long and short contracts for difference (“CFDs”), warrants, convertible securities and stock specific options. Derivative instruments may be exchange-traded or over-the-counter (“OTC”). The Master Fund may retain amounts in cash or cash equivalents pending investment or reinvestment, or as considered appropriate to the investment objective.

Citco Fund Services (Ireland) Limited (the “Administrator”) provides administration, registrar and transfer agency services to the Company pursuant to an agreement approved by the Directors on behalf of the Company.

The performance of the Company is directly affected by the performance of the Master Fund. The percentage of the Master Fund owned by the Company as at 31 December 2023 was 86.40% (2022: 87.67%).

The financial statements were approved by the Directors on 9 April 2024.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”), and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”) of the IASB. The accounting policies adopted are consistent with those of the prior year, unless otherwise stated. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (“financial instruments”) at fair value through profit or loss.

(i) New standards, amendments and interpretations issued and effective for the financial year beginning 1 January 2023

There are no new standards, interpretations and amendments to published standards effective as of 1 January 2023, that would be expected to have a material impact on the financial statements of the Company.

(ii) New standards, amendments and interpretations issued but not yet effective for the financial year beginning 1 January 2023 and not early adopted

There are currently no other new standards, amendments or interpretations to existing standards that are not yet effective that would be expected to have a significant impact on the Company.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 December 2023

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Basis of preparation

IFRS 10 ‘Consolidated Financial Statements’ and IFRS 12 ‘Disclosure of Interests in Other Entities’ application

The Company has multiple unrelated shareholders and indirectly holds multiple investments through the Master Fund. Ownership interests in the Company are in the form of redeemable participating shares which are classified as liabilities in accordance with IAS 32 ‘Financial Instruments: Presentation’ and which are exposed to variable returns from changes in the fair value of the Company’s net assets. The Company has been deemed to meet the definition of an investment entity per IFRS 10 as the following conditions exist:

- (a) The Company has obtained funds for the purpose of providing shareholders with investment management services.
- (b) The Company’s business purpose, which was communicated directly to the shareholders of the Company, is investing solely for returns from capital appreciation and investment income, through the use of a master-feeder structure. The financial position and performance of the Master Fund is communicated to the Company’s shareholders through their investment in the Company; and
- (c) The performance of investments made through the Master Fund are measured and evaluated on a fair value basis. In reaching the conclusion of measuring performance on a fair value basis, the Directors evaluated the reporting to both shareholders and key management personnel. In the Company’s annual reports all investment assets have consistently been reported at fair value to the extent IFRS Accounting Standards allows for it. As such, the Directors have concluded that they meet this part of the definition.

This assessment will be reassessed if any one of these criteria or characteristics changes.

The Master Fund was incorporated with limited liability in the Cayman Islands. Refer to note 1 for the detail of the ownership interests of the Company to the Master Fund.

The Company and Master Fund operate as a master-feeder structure whereby the Company invests substantially all of its assets in the Master Fund. The Company invests into the Master Fund by purchasing the Master Fund’s redeemable participating shares. Net redemptions made by the Company to the Master Fund during the year ended 31 December 2023 were 51,175 shares (2022: net redemptions of 19,141 shares).

Movements in the fair value of the Master Fund’s portfolio and corresponding movements in the fair value of the Master Fund may expose the Company to a loss.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 December 2023

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Basis of preparation (continued)

IFRS 10 ‘Consolidated Financial Statements’ and IFRS 12 ‘Disclosure of Interests in Other Entities’ application (continued)

The Company’s investment in the Master Fund is subject to the terms and conditions of the Master Fund’s constitutional documents. The investment in the Master Fund is valued at fair value which is based on the latest available redemption price of the Master Fund’s redeemable participating shares, as determined by the Master Fund’s administrator.

As at 31 December 2023, 99.85% (2022: 100.09%) of net financial instruments at fair value through profit or loss relate to the Company’s investment in the Master Fund that has been fair valued in accordance with the policies set out below.

The redeemable participating shares of the Master Fund are not publicly traded; redemptions can only be made by the Company on the redemption dates and are subject to the required notice periods specified in the offering document. As a result, the carrying value of the Master Fund may not be indicative of the value ultimately realised on redemption.

(c) Significant accounting judgements and estimates

The preparation of the Company’s financial statements requires the Directors to make judgements, estimates and assumptions that affect the amounts recognised in the financial statements, including but not limited to, fair value measurements and foreign currency transactions as described in note 3, note 2(d)(iv) and note 2(i), respectively.

However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future. The Directors believe that the estimates utilised in preparing its financial statements are reasonable and prudent. Actual results could differ from these estimates.

The Directors have made an assessment of the Company’s ability to continue as a going concern and are satisfied that the Company has the resources to continue in business for the foreseeable future. Refer to note 10 for the liquidity risk profile of the Company in meeting its financial obligations. Furthermore, the Directors are not aware of any material uncertainties that may cast significant doubt upon the Company’s ability to continue as a going concern. Therefore, the financial statements have been prepared on the going concern basis. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise noted.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 December 2023

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) *Financial instruments at fair value through profit or loss*

(i) *Classification*

Assets

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. After initial recognition the Company classifies its financial assets at amortised cost or at fair value through profit or loss on the basis of both:

- The entity's business model for managing the financial assets; and
- The contractual cash flow characteristics of the financial asset.

The Company classifies its financial assets at initial recognition into the categories discussed below.

Financial assets measured at fair value through profit or loss

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 equity securities as at fair value through other comprehensive income. Consequently, derivative contracts and the investment in the Master Fund are measured at fair value through profit or loss.

Financial assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that solely represent payments of principal and interest ("SPPI") on the principal amount outstanding. The Company includes in this category short-term non-financing receivables including cash and cash equivalents and other receivables.

Liabilities

The Company classifies its financial liabilities into the categories discussed below.

Financial liabilities measured at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading, financial liabilities designated upon initial recognition as at fair value through profit or loss and forward foreign exchange contracts in net liability position. Financial liabilities are classified as held for trading if they are incurred for the purpose of repayment in the near term. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

The Company did not designate any derivatives as hedges in a hedging relationship and includes in this category derivative contracts.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

31 December 2023

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) *Financial instruments at fair value through profit or loss (continued)*

(i) *Classification (continued)*

Liabilities (continued)

Financial liabilities measured at amortised cost

Financial liabilities measured at amortised cost include all financial liabilities, other than those measured at fair value through profit or loss. The Company includes in this category amounts due to brokers, subscriptions received in advance, incentive fee payable, management fee payable and other payables.

(ii) ***Recognition***

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 or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

(iii) ***Initial measurement***

Financial instruments categorised as held for trading are measured initially at fair value, with transaction costs for such instruments being recognised under bank and broker expenses in the Statement of Comprehensive Income, within the period in which they are incurred.

(iv) ***Subsequent measurement***

After initial measurement, the Company measures financial instruments, which are classified as “at fair value through profit or loss”, at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of a financial instrument is based on its quoted market price on a recognised exchange or, for non-exchange traded instruments, sourced from a reputable broker/counterparty, at the Statement of Financial Position date without any deduction for estimated future selling costs.

The Company’s investment in the Master Fund is valued at the latest available redemption price of the Master Fund’s redeemable participating shares as determined by the Master Fund’s administrator. The performance of the Company is directly affected by the performance of the Master Fund. The audited financial statements of the Master Fund, which are attached, should be read in conjunction with these financial statements.

The fair value for financial instruments traded in active markets at the reporting date is based on their last traded market price, without any deduction for transaction costs.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 December 2023

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) *Financial instruments at fair value through profit or loss (continued)*

(iv) *Subsequent measurement (continued)*

If a quoted market price is not available on a recognised stock exchange or from a reputable broker/counterparty, the fair value of such financial instruments may be estimated by the Directors using valuation techniques, including use of recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions. Securities in respect of which no prices as described above are available will be valued at their fair value. In accordance with the AIFMD Laws and Regulations, the Investment Manager has regulatory responsibility for the valuation (under the Offering Documents and Constitutional Documents, the board of Directors has a parallel responsibility). The Investment Manager will value such securities having regard to their cost price, recent traded prices and using a variety of techniques including discounted cash flows and public/private comparables. None of the financial instruments held at year end were fair valued based on Investment Manager estimates using valuation techniques (2022: none).

Subsequent changes in the fair value of financial instruments at fair value through profit or loss and financial instruments held for trading are recognised in the Statement of Comprehensive Income.

Financial liabilities, other than those classified as at fair value through profit or loss, are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the amortisation process.

(v) *Derecognition*

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition.

The Company derecognises a financial liability when the obligation specified in the contract is discharged, cancelled or has expired.

Realised gains and losses on disposals of financial instruments are calculated using the first-in, first-out method.

(e) *Offsetting financial instruments*

Financial instruments are offset and the net amount reported in the 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 asset and settle the liability simultaneously. As at 31 December 2023 and 31 December 2022, the Company did not hold financial instruments or derivative instruments that met the eligibility criteria for offset in the Statement of Financial Position. Refer to note 10 for details of offsetting applicable to the financial instruments held by the Company.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 December 2023

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) *Impairment of financial assets*

The Company records expected credit losses (“ECL”) on all receivables, either on a 12-month or lifetime basis. Given the reasonable exposure of the Company to credit risk, this has not had a material impact on the financial statements. The Company only holds receivables with no financing component and which have maturities of less than 12 months at amortised cost and therefore has adopted the 12-month ECL impairment model. No ECL impairment allowance has been recorded against the Company’s receivables. The ECL is not relevant to financial assets at fair value through profit or loss and financial liabilities designated at fair value through profit or loss.

(g) *Cash and cash equivalents*

Cash and cash equivalents are comprised of unencumbered cash on demand and interest bearing deposits with a maturity of less than three months.

(h) *Subscriptions received in advance*

Subscriptions received which have not yet been invested in the Company are recognised as subscriptions received in advance in the Statement of Financial Position. As at 31 December 2023, the Company had €137,993 (2022: €1,000,000) subscriptions received in advance in the Statement of Financial Position.

(i) *Foreign currency translation*

(i) *Functional and presentation currency*

Items included in the Company’s financial statements are measured and presented in Euro (the “Functional Currency”) which reflects the currency of the subscriptions to, and redemptions from, the Company.

(ii) *Foreign currency transactions*

Monetary assets and liabilities denominated in currencies other than the Euro are translated into Euro at the closing rates of exchange at each year end. Transactions during the year, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction. Foreign currency transaction gains and losses are included in the Statement of Comprehensive Income.

(j) *Shares*

Redeemable participating shares, Management Shares and Multi-Currency Management Shares are redeemable at the shareholders’ option, subject to applicable lockup periods, and are classified as financial liabilities. Founder shares are held by the Procurement Agent and confer no economic benefit other than the right to a return of paid-up capital on a winding-up subject to the prior return of paid-up capital on redeemable participating shares, Management Shares and Multi-Currency Management Shares.

(k) *Expenses*

All expenses are recognised in the Statement of Comprehensive Income on an accruals basis.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 December 2023

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) *Taxation*

The Company has applied for and has been granted exemption from all forms of taxation in the Cayman Islands for a period of twenty years from 7 September 2004, including income, capital gains and withholding taxes which was subsequently extended for a period of thirty years from 19 March 2024. In jurisdictions other than the Cayman Islands, some foreign taxes will be withheld at source on dividends and certain interest received by the Company. Capital gains derived by the Company in such jurisdictions generally will be exempt from foreign income or withholding taxes at source.

(m) *Allocation of income, expenses, gains and losses*

Net investment gain and net realised and unrealised gains and losses on investments earned by the Company are allocated to the shareholders based on the ratio of respective capital balances at the beginning of each allocation period to the total shareholders' capital.

The beginning of an allocation period is defined as the beginning of each fiscal year, the date of admission of any new shareholder, the date of any additional subscription or redemption by a shareholder, the date when the Company dissolves or any date the Directors determine, in their sole and absolute discretion. The Company's fiscal year ends on 31 December of each year.

An allocation period refers to the following periods: the initial allocation period began upon the initial opening of the Company. Each subsequent allocation period will begin immediately after the close of the preceding allocation period. Each allocation period will close at the close of business on the first to occur of (i) the last day of each month; (ii) the date immediately prior to the effective date of the admission of a new shareholder; (iii) the date immediately prior to a subscription date; (iv) the date immediately prior to a redemption date; (v) the date when the Company dissolves; or (vi) any date the Directors determine, in their sole and absolute discretion.

The Company records its allocable portion of income, expenses, realised and unrealised gains/losses from the Master Fund on an accruals basis.

The Company may enter into forward foreign exchange contracts primarily to attempt to hedge non-Euro to Euro in order that returns to shareholders in the non-Euro based share classes compare as equally as possible to other shareholders within the Company. Profits and losses from GBP/EUR and USD/EUR currency are allocated to shareholders' interests proportionately in Sterling and US Dollar shares, respectively.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

31 December 2023

3. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company utilises the last traded market prices for inputs as part of the valuation of both financial instruments. IFRS 13 'Fair Value Measurement' outlines disclosures to be made with respect to fair value measurements within the financial statements. If a significant movement in fair value occurs subsequent to the close of trading on the year end date, valuation techniques will be applied to determine the fair value.

IFRS 13 establishes a hierarchical disclosure framework which prioritises and ranks the level of market price observability used in measuring investments at fair value. Market price observability is impacted by a number of factors, including the type of investment and the characteristics specific to the investment. Investments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgement used in measuring fair value.

The fair value hierarchy has the following levels:

- Level 1 - Quoted prices that are available in active markets for identical investments as of the reporting date.
- Level 2 - Pricing inputs are observable for the investment (the underlying information used to calculate the price) and can include inputs in markets that are not considered to be active. Investments in this category include the investment in the Master Fund and forward foreign exchange contracts.
- Level 3 - Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant judgement or estimation.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety.

If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Company. The Company considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 December 2023

3. FAIR VALUE MEASUREMENT (continued)

Assets and liabilities measured at fair value

The following tables analyse the fair value hierarchy of the Company's assets and liabilities measured at fair value as at 31 December 2023 and 31 December 2022:

2023	Level 1	Level 2	Total
	€	€	€
Financial assets at fair value			
Investment in Master Fund	–	828,639,549	828,639,549
Forward foreign exchange contracts	–	1,259,153	1,259,153
Total	–	829,898,702	829,898,702
2022	Level 1	Level 2	Total
	€	€	€
Financial assets at fair value			
Investment in Master Fund	–	605,939,846	605,939,846
Forward foreign exchange contracts	–	14,271	14,271
Total	–	605,954,117	605,954,117
Financial liabilities at fair value			
Forward foreign exchange contracts	–	578,497	578,497
Total	–	578,497	578,497

There were no movements between Level 1 and Level 2 investments during the year (2022: none). Transfers between levels of the fair value hierarchy are recognised at the end of the period. No Level 3 positions were held during the current or prior year.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 December 2023

3. FAIR VALUE MEASUREMENT (continued)

Assets and liabilities not measured at fair value but for which fair value is disclosed

The following tables analyse the fair value hierarchy of the Company's assets and liabilities not measured at fair value through profit or loss as at 31 December 2023 and 31 December 2022 but for which fair value is disclosed:

2023	Level 1	Level 2	Total
	€	€	€
Assets			
Cash and cash equivalents	193,355	–	193,355
Other receivables	–	9,235	9,235
Total	193,355	9,235	202,590
Liabilities			
Amounts due to brokers	5,533,149	–	5,533,149
Subscriptions received in advance	–	137,993	137,993
Incentive fee payable	–	39,728,133	39,728,133
Management fee payable	–	592,845	592,845
Other payables	–	39,872	39,872
Total	5,533,149	40,498,843	46,031,992
2022	Level 1	Level 2	Total
	€	€	€
Assets			
Cash and cash equivalents	1,054,654	–	1,054,654
Other receivables	–	12,763	12,763
Total	1,054,654	12,763	1,067,417
Liabilities			
Amounts due to brokers	10,130,302	–	10,130,302
Subscriptions received in advance	–	1,000,000	1,000,000
Incentive fee payable	–	22,988,102	22,988,102
Management fee payable	–	467,222	467,222
Other payables	–	34,154	34,154
Total	10,130,302	24,489,478	34,619,780

Cash and cash equivalents include unencumbered cash on demand and interest bearing deposits with a maturity of less than 3 months due from the Company's custodians, prime brokers and other counterparties. Amounts due to brokers include the contractual amounts for the settlement of trades. Cash and cash equivalents and amounts due to brokers are categorised within Level 1 because the fair values can be determined by reference to its transfer value.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

31 December 2023

3. FAIR VALUE MEASUREMENT (continued)

Assets and liabilities not measured at fair value but for which fair value is disclosed (continued)

The Company has classified other receivables, subscriptions received in advance, incentive fee payable, management fee payable and other payables within Level 2 of the fair value hierarchy as an active market is not available.

4. DERIVATIVE CONTRACTS

The Company can use forward foreign exchange contracts to attempt to protect its assets denominated in foreign currencies from losses due to fluctuations in foreign exchange rates or to manage foreign exchange risk for shareholders in the US Dollar and Sterling share classes. These contracts represent agreements with counterparties to exchange the differential between an agreed upon exchange rate and an exchange rate at contract maturity based upon a predetermined notional amount. The predetermined notional amounts do not represent the Company's risk of loss due to the counterparty. The unrealised gain or loss is equal to the difference between the value of the contract at the onset and the value of the contract at settlement date/year end date and is included in the Statement of Comprehensive Income. The Company's exposure to credit risk associated with counterparty non-performance is limited to the unrealised gains or losses inherent in such contracts, which are recognised in the Statement of Financial Position. The notional amount relating to forward foreign exchange contracts open at year end amounts to €478,533,910 (2022: €356,173,217).

5. AMOUNTS DUE TO BROKERS

	2023	2022
	€	€
Payable for forward foreign exchange contracts maturing after year end	(5,533,149)	(10,130,302)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

31 December 2023

6. SHARE CAPITAL

Authorised

The Company has an authorised share capital of €25,000 divided into 25,000,000 redeemable participating shares at a par value of €0.001 per share which are currently available for issue as class A Euro IV or class B Euro IV shares or Euro Management Shares; US\$25,000 divided into 10 founder shares at a par value of US\$0.001, and 24,999,990 redeemable participating shares at a par value of US\$0.001 per share which are available for issue as class A US\$ IV or class B US\$ IV shares or US\$ Management Shares; and £25,000 divided into 25,000,000 ordinary shares at a par value of £0.001 per share which are available for issue as class A Sterling IV or class B Sterling IV shares or Sterling Management Shares. As at 31 December 2023 and 31 December 2022, Sterling shares, US Dollar shares and Euro shares are all available and in issue. The Company has previously offered but is no longer accepting either new investors subscribing or new subscriptions for I shares, II shares and III shares. There are no I shares, II shares or III shares in issue.

The Company may designate each series or issuance of Shares as “RF Shares”. Investors that are resident in the United Kingdom for United Kingdom taxation purposes and that elect to participate in a series or issuance of Shares which is treated as a “reporting fund” for United Kingdom taxation purposes will receive RF Shares.

The Company also offers Multi-Currency Management Shares to the Directors, officers, members, employees, partners or affiliates of the Procurement Agent or the Investment Manager, including, without limitation, members of the immediate families of such persons, and trusts or other entities for their benefit, unless otherwise determined by the Directors. The Multi-Currency Management Shares are available in US Dollar, Euro or Sterling currency-denominated share classes.

Multi-Currency Management Shares have the same rights and privileges, and are subject to the same terms and conditions, as the other Management Shares except that the Directors may, from time to time, declare a dividend in respect of the Multi-Currency Management Shares in an amount up to the net realised and unrealised appreciation of the Net Asset Value (“NAV”) of a series of Multi-Currency Management Shares during the period since a dividend was last declared with respect to such series (or if a dividend has yet to be declared with respect to such series, since the date of issue of such series), adjusted for any subscriptions and redemptions from such series during such period, and the amount of any such dividend shall, unless the Directors determine otherwise, be immediately applied to a subscription for additional Multi-Currency Management Shares of the relevant series (or a new separate series) that shall be issued to the holder thereof.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

31 December 2023

6. SHARE CAPITAL (continued)

Founder shares

The founder shares are held by the Procurement Agent. They confer no economic benefit other than the right to a return of paid-up capital on a winding-up subject to the prior return of paid-up capital on the shares. The founder shares do not generally have the right to vote however they have the exclusive right to vote in relation to (i) the appointment or removal of Directors; (ii) a change of name for the Company; (iii) all matters, including without limitation amendments to the articles, in relation or incidental to the creation of one or more additional classes or sub-classes of shares of such number, par value and denomination, and with such rights and privileges and such terms as the holder of the founder shares may determine, whether by means of conversion or by way of cancellation of all or any of the authorised but unissued redeemable participating shares and the creation of fresh authorised shares, as the holders of the founder shares may determine provided that the rights attaching to shares already in issue are not thereby adversely affected; and (iv) to increase the authorised capital of the Company, including by the addition of other currencies.

Subscription

The Company currently offers and has in issue IV shares. The Company has previously offered I/II/III shares. I/II/III shares are no longer available for subscription and there are no I/II/III shares in issue.

IV shares are available for subscription on Subscription Days (as defined below) at a purchase price of US\$100/€100/£100, as appropriate. Unless otherwise determined by the Directors, the minimum initial subscription is US\$5,000,000 or its Euro or Sterling equivalent. The Directors may, in their sole discretion, accept subscriptions of lesser amounts. In addition to being available in respect of new subscriptions, IV shares were also available to current shareholders of the Company who exchanged their I/II/III shares for IV shares at the end of the Commitment Period (if any) associated with such I/II/III shares.

IV shares that were issued in exchange for I/II/III shares were issued at the prevailing NAV per share (before any accrued incentive fee) of the I/II/III shares exchanged for such IV shares. IV shares are issued in Series/Sub-Series. A new Series/Sub-Series will be created on each date that IV shares are issued. More than one Series/Sub-Series may be issued on the same date.

Management Shares and Multi-Currency Management Shares are available for subscription on Subscription Days at the prevailing NAV per share of the Management Shares and Multi-Currency Management Shares.

A “Subscription Day” is the first business day of each month unless otherwise determined by the Directors.

Issued redeemable participating shares

Redeemable participating shares are redeemable at the shareholder’s option and are classified as financial liabilities. The redeemable participating shares can be put back to the Company on any dealing day for cash equal to a proportionate share of the Company’s NAV.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

31 December 2023

6. SHARE CAPITAL (continued)

Issued redeemable participating shares (continued)

The net assets attributable to holders of redeemable participating shares are at all times equal to the NAV of the Company. The redeemable participating shares which comprise the equity capital of the Company are in substance a liability of the Company to shareholders under IAS 32.

In addition to being available in respect of new subscriptions, class IV Shares were also available to current shareholders of the Company who exchanged their class II or III Shares for class IV Shares at the end of the commitment period (if any) associated with such class II or III Shares.

The Company is not subject to externally imposed capital requirements and has no legal restrictions on the issue or redemption of shares beyond those included in the Company's constitution.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

31 December 2023

6. SHARE CAPITAL (continued)

Issued redeemable participating shares (continued)

The movement in the number of redeemable participating shares for the year ended 31 December 2023 is as follows:

	As at 31 December 2022	Issued	Redeemed	As at 31 December 2023	Net asset value per share as at 31 December 2023	Net asset value as at 31 December 2023
Euro IV Shares						
Class A Euro IV shares						
14-031209-000002	2,964.28	–	–	2,964.28	€573.81	€1,700,934
14-031209-000010	9,000.00	–	–	9,000.00	€244.91	€2,204,190
14-031209-000012	127,867.75	–	(127,867.75)	–	€–	€–
Class B Euro IV shares						
14-031210-000001	2,877.32	–	(959.11)	1,918.21	€581.24	€1,114,940
14-031210-000003	2,920.30	–	(973.43)	1,946.87	€574.27	€1,118,029
14-031210-000005	1,002.97	–	–	1,002.97	€444.76	€446,081
14-031210-000006	1,530.90	–	–	1,530.90	€432.47	€662,068
14-031210-000007	3,174.86	–	–	3,174.86	€444.76	€1,412,051
14-031210-000008	1,890.00	–	–	1,890.00	€277.07	€523,662
14-031210-000009	3,000.00	–	(3,000.00)	–	€–	€–
Euro Management Shares						
Euro Multi currency management shares						
13-262917	9,009.62	11,038.30	–	20,047.92	€186.42	€3,737,333
Euro Management shares						
13-017746	30,936.99	59.89	–	30,996.88	€2,009.67	€62,293,500
Euro Management RF shares						
13-262847	1,953.83	761.79	–	2,715.62	€2,009.79	€5,457,826

PARVUS EUROPEAN ABSOLUTE OPPORTUNITIES FUND

NOTES TO THE FINANCIAL STATEMENTS (Continued) 31 December 2023

6. SHARE CAPITAL (continued)

Issued redeemable participating shares (continued)

	As at 31 December 2022	Issued	Redeemed	As at 31 December 2023	Net asset value per share as at 31 December 2023	Net asset value as at 31 December 2023
US\$ IV Shares						
Class A US\$ IV shares						
14-031131-000016	6,212.85	—	(2,070.95)	4,141.90	US\$702.81	US\$2,910,969
14-031131-000018	87,206.80	—	—	87,206.80	US\$689.46	US\$60,125,600
14-031131-000021	14,558.94	—	—	14,558.94	US\$694.65	US\$10,113,368
14-031131-000024	153,900.00	—	—	153,900.00	US\$365.19	US\$56,202,741
14-031131-000025	21,600.00	—	—	21,600.00	US\$377.46	US\$8,153,136
14-031131-000026	6,265.83	—	(2,088.61)	4,177.22	US\$684.53	US\$2,859,432
14-031131-000027	72,794.69	—	—	72,794.69	US\$694.65	US\$50,566,831
14-031131-000029	566,306.25	—	(63,637.95)	502,668.30	US\$279.29	US\$140,390,230
14-031131-000032	21,701.49	—	(1,022.32)	20,679.17	US\$315.53	US\$6,524,899
14-031131-000036	100,000.00	—	—	100,000.00	US\$280.89	US\$28,089,000
14-031131-000037	60,000.00	—	(15,751.03)	44,248.97	US\$272.87	US\$12,074,216
14-031131-000038	61,850.56	—	(19,553.79)	42,296.77	US\$244.46	US\$10,339,868
14-031131-000039	15,666.93	—	—	15,666.93	US\$232.20	US\$3,637,861
14-031131-000040	114,485.32	—	(23,408.13)	91,077.19	US\$232.30	US\$21,157,231
14-031131-000041	50,000.00	—	(4,766.40)	45,233.60	US\$231.88	US\$10,488,767
14-031131-000042	16,020.97	—	—	16,020.97	US\$230.62	US\$3,694,756
14-031131-000043	5,000.00	—	—	5,000.00	US\$244.08	US\$1,220,400
14-031131-000044	10,000.00	—	—	10,000.00	US\$306.14	US\$3,061,400
14-031131-000045	5,000.00	—	—	5,000.00	US\$279.96	US\$1,399,800
14-031131-000047	100,000.00	—	—	100,000.00	US\$233.30	US\$23,330,000
14-031131-000049	5,000.00	—	—	5,000.00	US\$212.75	US\$1,063,750
14-031131-000050	5,000.00	—	—	5,000.00	US\$153.84	US\$769,200
14-031131-000051	44,717.61	—	—	44,717.61	US\$219.65	US\$9,822,223
14-031131-000052	—	2,500.00	—	2,500.00	US\$106.85	US\$267,125

PARVUS EUROPEAN ABSOLUTE OPPORTUNITIES FUND

NOTES TO THE FINANCIAL STATEMENTS (Continued) 31 December 2023

6. SHARE CAPITAL (continued)

Issued redeemable participating shares (continued)

	As at 31 December 2022	Issued	Redeemed	As at 31 December 2023	Net asset value per share as at 31 December 2023	Net asset value as at 31 December 2023
US\$ IV Shares (continued)						
Class B US\$ IV shares						
14-031132-000011	1,500.00	–	–	1,500.00	US\$195.28	US\$292,920
14-031132-000012	1,000.00	–	–	1,000.00	US\$175.49	US\$175,490
Class B US\$ IV RF shares						
14-277166-000001	–	999.80	–	999.80	US\$110.71	US\$110,688
US\$ Management Shares						
US\$ Management shares						
13-017742	7,451.76	475.20	–	7,926.96	US\$1,268.72	US\$10,057,093
US\$ Management RF shares						
13-271996	–	16,121.31	–	16,121.31	US\$129.33	US\$2,084,969
Sterling Management Shares						
Sterling Multi currency management shares						
13-180161	726,992.10	–	–	726,992.10	£303.75	£220,823,850
Sterling Management shares						
13-179342	29,456.53	6,508.29	–	35,964.82	£303.95	£10,931,507
Sterling Management RF shares						
13-280577	–	2,512.10	–	2,512.10	£108.39	£272,287

NOTES TO THE FINANCIAL STATEMENTS (Continued)

31 December 2023

6. SHARE CAPITAL (continued)

Issued redeemable participating shares (continued)

The movement in the number of redeemable participating shares for the year ended 31 December 2022 is as follows:

	As at 31 December 2021	Issued	Redeemed	As at 31 December 2022	Net asset value per share as at 31 December 2022	Net asset value as at 31 December 2022
Euro IV Shares						
Class A Euro IV shares						
14-031209-000002	2,964.28	–	–	2,964.28	€402.87	€1,194,219
14-031209-000010	9,000.00	–	–	9,000.00	€170.11	€1,530,990
14-031209-000012	127,867.75	–	–	127,867.75	€157.43	€20,130,220
14-031209-000013	44,717.63	–	(44,717.63)	–	€–	€–
Class B Euro IV shares						
14-031210-000001	2,877.32	–	–	2,877.32	€404.63	€1,164,250
14-031210-000003	2,920.30	–	–	2,920.30	€402.06	€1,174,136
14-031210-000005	1,002.97	–	–	1,002.97	€313.01	€313,940
14-031210-000006	1,530.90	–	–	1,530.90	€303.60	€464,781
14-031210-000007	3,174.86	–	–	3,174.86	€313.01	€993,763
14-031210-000008	1,890.00	–	–	1,890.00	€193.99	€366,641
14-031210-000009	3,000.00	–	–	3,000.00	€195.59	€586,770
Euro Management Shares						
Euro Multi currency management shares						
13-262917	–	9,009.62	–	9,009.62	€121.07	€1,090,795
Euro Management shares						
13-017746	32,000.23	518.68	(1,581.92)	30,936.99	€1,305.26	€40,380,816

NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 December 2023

6. SHARE CAPITAL (continued)

Issued redeemable participating shares (continued)

	As at 31 December 2021	Issued	Redeemed	As at 31 December 2022	Net asset value per share as at 31 December 2022	Net asset value as at 31 December 2022
Euro Management Shares (continued)						
Euro Management RF shares						
13-262847	—	1,953.83	—	1,953.83	€1,305.26	€2,550,256
US\$ IV Shares						
Class A US\$ IV shares						
14-031131-000016	6,212.85	—	—	6,212.85	US\$478.24	US\$2,971,233
14-031131-000018	87,206.80	—	—	87,206.80	US\$468.95	US\$40,895,629
14-031131-000021	14,558.94	—	—	14,558.94	US\$479.85	US\$6,986,107
14-031131-000024	153,900.00	—	—	153,900.00	US\$251.20	US\$38,659,680
14-031131-000025	21,600.00	—	—	21,600.00	US\$257.93	US\$5,571,288
14-031131-000026	6,265.83	—	—	6,265.83	US\$472.28	US\$2,959,226
14-031131-000027	72,794.69	—	—	72,794.69	US\$479.85	US\$34,930,532
14-031131-000029	627,457.18	—	(61,150.93)	566,306.25	US\$189.47	US\$107,298,045
14-031131-000032	22,500.00	—	(798.51)	21,701.49	US\$216.01	US\$4,687,739
14-031131-000036	100,000.00	—	—	100,000.00	US\$192.80	US\$19,280,000
14-031131-000037	60,000.00	—	—	60,000.00	US\$188.33	US\$11,299,800
14-031131-000038	61,850.56	—	—	61,850.56	US\$167.98	US\$10,389,657
14-031131-000039	15,666.93	—	—	15,666.93	US\$159.22	US\$2,494,489
14-031131-000040	128,000.00	—	(13,514.68)	114,485.32	US\$159.38	US\$18,246,670
14-031131-000041	50,000.00	—	—	50,000.00	US\$158.53	US\$7,926,500
14-031131-000042	16,020.97	—	—	16,020.97	US\$155.66	US\$2,493,824
14-031131-000043	5,000.00	—	—	5,000.00	US\$167.90	US\$839,500

PARVUS EUROPEAN ABSOLUTE OPPORTUNITIES FUND

NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 December 2023

6. SHARE CAPITAL (continued)

Issued redeemable participating shares (continued)

	As at 31 December 2021	Issued	Redeemed	As at 31 December 2022	Net asset value per share as at 31 December 2022	Net asset value as at 31 December 2022
US\$ IV Shares (continued)						
Class A US\$ IV shares (continued)						
14-031131-000044	10,000.00	—	—	10,000.00	US\$211.21	US\$2,112,100
14-031131-000045	5,000.00	—	—	5,000.00	US\$192.09	US\$960,450
14-031131-000047	100,000.00	—	—	100,000.00	US\$158.57	US\$15,857,000
14-031131-000049	5,000.00	—	—	5,000.00	US\$144.03	US\$720,150
14-031131-000050	—	5,000.00	—	5,000.00	US\$106.13	US\$530,650
14-031131-000051	—	44,717.61	—	44,717.61	US\$148.82	US\$6,654,875
Class B US\$ IV shares						
14-031132-000011	1,500.00	—	—	1,500.00	US\$132.78	US\$199,170
14-031132-000012	—	1,000.00	—	1,000.00	US\$120.04	US\$120,040
US\$ Management Shares						
US\$ Management shares						
13-017742	7,392.62	59.14	—	7,451.76	US\$804.54	US\$5,995,239
Sterling Management Shares						
Sterling Multi currency management shares						
13-180161	682,272.78	44,719.32	—	726,992.10	£201.30	£146,343,510
Sterling Management shares						
13-179342	26,880.41	2,576.12	—	29,456.53	£194.70	£5,735,186

NOTES TO THE FINANCIAL STATEMENTS (Continued)

31 December 2023

6. SHARE CAPITAL (continued)

Redemption

Shares may be redeemed initially on the first Redemption Day (as defined below) that falls 36 months (class A IV and B IV) after the date on which the relevant shares were purchased except that holders of class IV Shares also have an additional redemption entitlement as described below. Subsequent to the expiry of the applicable commitment period, shares will not be subject to a further commitment period and may be redeemed provided written notice of redemption is received by the Administrator 90 days prior to the Redemption Day.

A “Redemption Day” is the first business day in each calendar month unless otherwise determined by the Directors.

Additional redemption entitlement

A holder of class IV Shares is also entitled to redeem during each Permitted Redemption Period (as defined below) during a Commitment Period (the period within which a shareholder cannot redeem without a redemption fee) up to one third of each tranche of class IV Shares (measured by reference to the number of class IV Shares initially held in such tranche) (the “Permitted Redemption Amount”) upon not less than 90 days’ written notice to the Administrator prior to the relevant “Permitted Redemption Day” (as defined below) applicable to the tranche. Each subscription of class IV Shares is referred to as a “Tranche”. Management Shares and Multi-Currency Management Shares may generally be redeemed on the first Redemption Day occurring on or after the third anniversary (with respect to Management Shares). Each three-year is referred to herein as a “Commitment Period”. To the extent that notice of redemption is not received, a new Commitment Period will immediately commence upon the expiry of the current Commitment Period such new Commitment Period being three years (with respect to Management Shares).

There will be three “Permitted Redemption Periods” in each Commitment Period. The first Permitted Redemption Period will begin on the issuance of the applicable class IV Shares and end on the Redemption Day that falls on or around the first anniversary of the issuance of such class IV Shares; the second Permitted Redemption Period will begin immediately following the conclusion of the first Permitted Redemption Period and will end on the Redemption Day that falls on or around the second anniversary of the issuance of such class IV Shares; and the third Permitted Redemption Period will begin immediately following the conclusion of the second Permitted Redemption Period and will end on the Redemption Day that falls on or around the third anniversary of the issuance of such class IV Shares.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 December 2023

6. SHARE CAPITAL (continued)

Additional redemption entitlement (continued)

Thereafter, the first Permitted Redemption Period of a Commitment Period will begin immediately following the conclusion of the third Permitted Redemption Period in the previous Commitment Period and end on the Redemption Day that falls on or around the next anniversary of the issuance of such class IV Shares; the second Permitted Redemption Period will begin immediately following the conclusion of the first Permitted Redemption Period and will end on the Redemption Day that falls on or around the next anniversary of the issuance of such class IV Shares; and the third Permitted Redemption Period will begin immediately following the conclusion of the second Permitted Redemption Period and will end on the Redemption Day that falls on or around the next anniversary of the issuance of such class IV Shares. There will be four Permitted Redemption Days in each Permitted Redemption Period. The first Permitted Redemption Day will occur on the first Redemption Day that falls after the conclusion of three calendar months from the date of the issuance of the applicable class IV Shares and each next Permitted Redemption Day will occur on the first Redemption Day that falls after the conclusion of three calendar months from the previous Permitted Redemption Day. Class IV Shares issued or acquired on different days may have different Permitted Redemption Days.

Commitment period begins the first business day of	Permitted Redemption Days (in time order) on the first business day of each of
January	(i) April; (ii) July; (iii) October; and (iv) January.
February	(i) May; (ii) August; (iii) November; and (iv) February.
March	(i) June; (ii) September; (iii) December; and (iv) March.
April	(i) July; (ii) October; (iii) January; and (iv) April.
May	(i) August; (ii) November; (iii) February; and (iv) May.
June	(i) September; (ii) December; (iii) March; and (iv) June.
July	(i) October; (ii) January; (iii) April; and (iv) July.
August	(i) November; (ii) February; (iii) May; and (iv) August.
September	(i) December; (ii) March; (iii) June; and (iv) September.
October	(i) January; (ii) April; (iii) July; and (iv) October.
November	(i) February; (ii) May; (iii) August; and (iv) November.
December	(i) March; (ii) June; (iii) September; and (iv) December.

In addition, any amount of class IV Shares, in addition to the Permitted Redemption Amount, may be redeemed on any Permitted Redemption Day during the Commitment Period upon not less than 180 days' written notice to the Administrator prior to the Permitted Redemption Day subject to the payment of a redemption fee as follows: 3% of the aggregate NAV of the class IV Shares being redeemed in the first Permitted Redemption Period in excess of the Permitted Redemption Amount; 2% of the aggregate NAV of the class IV Shares being redeemed in the second Permitted Redemption Period in excess of the Permitted Redemption Amount; and 1% of the aggregate NAV of the class IV Shares being redeemed in the third Permitted Redemption Period in excess of the Permitted Redemption Amount. Any redemption fee will be retained by the Company.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

31 December 2023

6. SHARE CAPITAL (continued)

Additional redemption entitlement (continued)

The Directors may waive notice requirements or permit redemptions under such other circumstances and on such conditions as they, in their sole and absolute discretion, deem appropriate.

The Directors may suspend redemption rights, in whole or in part, or suspend the determination of NAV during any period as described in the offering memorandum. Any suspension of redemptions or the determination of NAV, as the case may be, will take effect at the time the Directors declare and until such time as the Directors declare that any such suspension to be at an end.

7. MANAGEMENT AND INCENTIVE FEE

Management fee

Pursuant to the Investment Management Agreement, the Company pays to the Investment Manager a monthly management fee in arrears equal to 1/12 of 1.5% of the NAV of each class (before deduction of that month's management fee and any accrued incentive fee) as at each valuation day. The Management Shares and the Multi-Currency Management Shares are not subject to management fees or incentive fees. Management fee charged to the Statement of Comprehensive Income for the year ended 31 December 2023 were €6,880,717 (2022: €5,109,379), of which €592,845 (2022: €467,222) was payable at year end.

Incentive fee

Class IV shares

The Company will also pay to the Investment Manager an incentive fee in respect of each calculation period for each series/sub-series of class IV shares subject to the adjustments described below.

The incentive fee is equal to 20% of the net realised and unrealised appreciation in the NAV of each series/sub-series of IV Shares during the IV Calculation Period (as defined below) (in each case adjusted for any redemptions or distributions and before any accrual for the incentive fee made during the then current IV Calculation Period (the "Adjusted NAV")); provided, however, that an incentive fee will only be paid with respect to the net realised and unrealised appreciation in the Adjusted NAV of a series/sub-series of IV Shares in excess of the Prior High NAV of such series/sub-series of IV Shares.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 December 2023

7. MANAGEMENT AND INCENTIVE FEE (continued)

Incentive fee (continued)

Class IV shares (continued)

The “Prior High NAV” of a series/sub-series of IV Shares will be equal to the greater of (i) the highest NAV of that series/sub-series of IV Shares immediately following the end of any previous IV Calculation Period (other than the then current IV Calculation Period) subsequent to the issue or acquisition of such series/sub-series; and (ii) (x) in the case of a series/sub-series of IV Shares issued other than on an exchange for I/II/III Shares, the NAV of that series/sub-series at the time of issue of such series/sub-series; or (y) in the case of a series/sub-series of IV Shares that were issued on an exchange for I/II/III Shares, the aggregate of the Reference NAV per share of the I/II/III Shares exchanged for such series/sub-series of IV Shares (adjusted for any Equalisation Credit attributable to the I/II/III Shares which has not been fully applied as at the date of exchange). The Prior High NAV of a series/sub-series of IV Shares will be adjusted for intra-IV Calculation Period redemptions or distributions from such series/sub-series.

The initial “IV Calculation Period” shall commence upon the issuance of such IV Shares, save that the initial IV Calculation Period in respect of IV Shares that were issued on an exchange for I/II/III Shares shall be deemed to commence upon the date of the then current (as at the date of exchange) I/II/III Calculation Period for the I/II/III Shares exchanged for such IV Shares commenced or was deemed to have commenced and, in either case, shall be deemed to end on the Valuation Day immediately preceding the conclusion of the first Commitment Period (as defined below) associated with such series/sub-series of IV Shares. Thereafter, each IV Calculation Period will begin immediately following the end of the preceding IV Calculation Period and will close on the Valuation Day immediately preceding the conclusion of each Commitment Period associated with such series/sub-series of IV Shares. Each three-year restricted period is referred to as a “Commitment Period”.

As the various series/sub-series of IV Shares may be issued at different dates, the beginning and end of each IV Calculation Period for each series/sub-series may differ.

The incentive fee is calculated by reference to the NAV of the IV Shares before accrual of any incentive fee. The accrued incentive fee will, however, be reflected in the NAV and NAV per share. The incentive fee is normally payable in arrears within 14 calendar days of the end of the Calculation Period.

Shares redeemed other than at the end of the relevant Calculation Period will be treated as if the date of redemption were the end of the Calculation Period and the above provisions will apply.

The incentive fee is deemed to accrue on a monthly basis as at each NAV dealing date. Incentive fees charged to the Statement of Comprehensive Income for the year ended 31 December 2023 were €37,402,377 (2022: €23,038,876). Cumulative incentive fees of €39,728,133 (2022: €22,988,102) were payable at year end, all of which was due to be paid to the Investment Manager.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 December 2023

8. AUDIT AND NON-AUDIT FEES

The following table details the fees charged by PricewaterhouseCoopers (“Independent Auditor”) for the year ended 31 December 2023 and 31 December 2022:

	2023	2022
	€	€
Audit fee	14,695	13,093
Tax compliance fees*	–	6,283

* Tax compliance fees are included in legal and professional fees on the Statement of Comprehensive Income.

9. ADMINISTRATION FEE

The Company has engaged the services of the Administrator to provide administrative, registrar and transfer agency services. The administration fee is calculated and accrued at the Master Fund level.

The Administrator receives from the Master Fund a monthly administration fee which is calculated as a percentage of the aggregate NAV of Parvus Funds (as defined below), payable in arrears. The “Parvus Funds” means those investment funds or managed accounts to which Citco Fund Services (Ireland) Limited has been appointed as administrator and to which the Investment Manager is providing investment management services.

10. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

Principles of risk management

The Company’s activities expose it to a variety of financial risks: market risk (including other price risk, interest rate risk and foreign currency risk), credit risk and liquidity risk. The Company’s overall risk management programme seeks to minimise potential adverse effects on the Company’s financial performance. The Company follows investment guidelines that set out its overall business strategies, its tolerance for risk and its general risk management philosophy.

The Company seeks to achieve the investment objective by investing substantially all of its investable assets in the Master Fund. The Company and the Master Fund are considered integrated investable entities and therefore risk notes are not separately disclosed.

As at 31 December 2023 and 31 December 2022, the Company also held cash and cash equivalents and forward foreign exchange contracts which are used by the Investment Manager to manage foreign exchange risk for shareholders in the US Dollar and Sterling share classes.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 December 2023

10. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

Investment in Master Fund

Refer to note 8 of the Master Fund's financial statements for details of the Master Fund's risk management principles. Sensitivity analyses are not presented here for the below risks as it would not provide any additional information to the reader.

The fair value of the Company's investment in the Master Fund at year end is presented in the Statement of Financial Position and its effect on the Company's cash flows is presented in the Statement of Cash Flows. The objective of the Company's investment in the Master Fund is capital appreciation.

Price risk

Price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market conditions not related to interest rate risk or currency risk. At year end, the fair value of the Company's investment in the Master Fund is presented in the Statement of Financial Position and is subject to price risk.

The Company invests substantially all of its investable assets in the Master Fund. The Master Fund is primarily exposed to equity price risk and derivative price risk. These risks arise from investments held by the Master Fund for which prices in the future are uncertain. The Investment Manager regularly reviews the investment portfolio and industry developments to ensure that any events which impact the Master Fund are identified and considered. This also ensures that any risks affecting the investment portfolio are identified and mitigated to the fullest extent possible at the individual stock level.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign currency exchange rates. At year end, the Company held forward foreign exchange contracts which are used by the Investment Manager to manage foreign currency risk for shareholders in the US Dollar and Sterling share classes.

The following tables detail the forward foreign exchange contracts held by the Company as at 31 December 2023 and 31 December 2022:

2023	Settlement		Amount	Amount	Unrealised	Percentage
Counterparty	date	Currency	bought	sold	appreciation	of net assets
					€	
HSBC	02/02/2024	GBP/EUR	11,234,740	12,915,523	29,903	0.00 %
HSBC	02/02/2024	USD/EUR	514,496,100	464,359,234	1,229,250	0.16 %
2022	Settlement		Amount	Amount	Unrealised	Percentage
Counterparty	date	Currency	bought	sold	appreciation/	of net assets
					(depreciation)	
					€	
HSBC	02/02/2023	GBP/EUR	5,756,440	6,482,877	14,271	0.00 %
HSBC	02/02/2023	USD/EUR	375,068,000	350,254,566	(578,497)	(0.10)%

NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 December 2023

10. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

Currency risk (continued)

The Company invests substantially all of its investable assets in the Master Fund which is denominated in Euro. The Master Fund invests primarily in Euro-denominated listed equities, bonds, forward foreign exchange contracts CFDs and futures contracts. As Euro is the functional and presentation currency of the Master Fund, it is not subject to any significant currency risk. The Master Fund also invests in non-Euro denominated financial instruments. The Company's Investment in Master Fund represents the Company's share of the Master Fund's assets and liabilities, therefore, the Company is exposed to similar risk as the Master Fund.

Although the Investment Manager will use its discretion as to whether and in what manner it will hedge any foreign currency exposures arising as a result of US Dollar and Sterling share classes, the Investment Manager will not hedge any foreign currency exposure of the Company arising as a result of the Multi-Currency Management Shares denominated in a foreign currency. Foreign currency risk relating to the US Dollar and Sterling share classes is mitigated through the use of forward foreign exchange contracts. As a result of entering into the forward foreign exchange contracts, the Company is not exposed to material foreign currency risk on the US Dollar and Sterling share classes as at 31 December 2023 and 31 December 2022, therefore no sensitivity analysis is presented. Refer to note 4 for details of notional amounts relating to forward foreign exchange contracts.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of interest bearing financial instruments will fluctuate because of changes in interest rates. At year end, 31 December 2023 and 31 December 2022, the Company held cash and cash equivalents that are subject to an immaterial interest rate risk.

The Company invests substantially all of its investable assets in the Master Fund. The Master Fund is exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on bonds, CFDs and cash flows. Refer to note 8 of the Master Fund's financial statements for details of the Master Fund's exposure to interest rate risk. A sensitivity analysis is not presented here as it would not provide any additional information to the reader.

Credit 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. It is the Company's policy to only enter into financial agreements with reputable counterparties. Therefore, the Company does not expect to incur material credit losses on its financial instruments or in the course of its business.

The Company's maximum exposure to credit risk (not taking into account the value of any collateral or other security held) in the event that a counterparty fails to perform its obligations as at 31 December 2023 and 31 December 2022 in relation to each class of recognised financial assets (including cash and cash equivalents), other than derivatives, is the carrying amount of those assets as indicated in the note 3 Fair Value Measurement.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

31 December 2023

10. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

Credit risk (continued)

As at 31 December 2023 and 31 December 2022, cash and cash equivalents are held with reputable counterparties. Refer to note 8 of the Master Fund's financial statements for the credit rating of each counterparty. Management consider the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. No loss allowance has been recognised based on 12-month ECL as any such impairment would be wholly insignificant to the Company.

Offsetting assets and liabilities

The Company is required to disclose the impact of offsetting assets and liabilities represented in the Statement of Financial Position to enable users of the financial statements to evaluate the effect or potential effect of netting arrangements on its financial position for recognised assets and liabilities.

These recognised assets and liabilities are financial instruments and derivative instruments that are either subject to an enforceable master netting arrangement or similar agreement or meet the following right of set-off criteria: the amounts owed by the Company to another party are determinable, the Company has the right to set-off the amounts owed with the amounts owed by the other party, the Company intends to set-off, and the Company's right of set-off is enforceable at law.

As at 31 December 2023 and 31 December 2022, the Company's financial assets include the investment in the Master Fund and forward foreign exchange contracts held for trading. As at 31 December 2023 and 31 December 2022, and in the regular course of business, the Company does not hold financial instruments and derivative instruments that meet the eligibility criteria set out above for offset in the Statement of Financial Position.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Exposure to liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected.

All shares are subject to the commitment periods detailed in note 6. A written notice of a redemption must be received by the Administrator not less than 90 days prior to the relevant Redemption Day. After a 90-day notice period, class IV shares could be subject to a limit of up to 1/3 of the total shares held by a shareholder in each tranche of class IV shares at the beginning of the relevant Redemption Period. The notice period provides time for the Investment Manager to manage the payment of these redemptions. As at 31 December 2023, approximately 100% (2022: 100%) of net assets were within the 36 months commitment period, of which 1.58% (2022: 0.60%) has been redeemed post year end (refer to note 12).

NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 December 2023

10. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

Liquidity risk (continued)

The following tables summarise the maturity profile of the Company's financial assets and financial liabilities at year end based on contractual undiscounted payments.

2023	On demand	Less than 90 days	90 days to 1 year	1 to 5 years	Total
	€	€	€	€	€
Financial assets					
Cash and cash equivalents	193,355	–	–	–	193,355
Investment in Master Fund	828,639,549	–	–	–	828,639,549
Forward foreign exchange contracts	–	478,533,910	–	–	478,533,910
Other receivables	9,235	–	–	–	9,235
Total financial assets	828,842,139	478,533,910	–	–	1,307,376,049
Financial liabilities					
Amounts due to brokers	5,533,149	–	–	–	5,533,149
Subscriptions received in advance	137,993	–	–	–	137,993
Incentive fee payable	39,728,133	–	–	–	39,728,133
Management fee payable	592,845	–	–	–	592,845
Other payables	39,872	–	–	–	39,872
Redeemable participating shares	10,018,785	5,518,137	268,244,106	500,288,272	784,069,300
Total financial liabilities	56,050,777	5,518,137	268,244,106	500,288,272	830,101,292

NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 December 2023

10. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

Liquidity risk (continued)

2022	On demand	Less than 90 days	90 days to 1 year	1 to 5 years	Total
	€	€	€	€	€
Financial assets					
Cash and cash equivalents	1,054,654	–	–	–	1,054,654
Investment in Master Fund	605,939,846	–	–	–	605,939,846
Forward foreign exchange contracts	–	6,497,148	–	–	6,497,148
Other receivables	12,763	–	–	–	12,763
Total financial assets	607,007,263	6,497,148	–	–	613,504,411
Financial liabilities					
Amounts due to brokers	10,130,302	–	–	–	10,130,302
Forward foreign exchange contracts	–	349,676,068	–	–	349,676,068
Subscriptions received in advance	1,000,000	–	–	–	1,000,000
Incentive fee payable	22,988,102	–	–	–	22,988,102
Management fee payable	467,222	–	–	–	467,222
Other payables	34,154	–	–	–	34,154
Redeemable participating shares	–	40,380,690	116,800,724	414,641,843	571,823,257
Total financial liabilities	34,619,780	390,056,758	116,800,724	414,641,843	956,119,105

The Company's investment in the Master Fund is shown as redeemable on demand as contractually the investment in the Master Fund may be redeemed at any time as the Directors of the Company may determine at the prevailing net asset per share of the Master Fund. However in practice, the Master Fund's redeemable participating shares held by the Company are redeemable at the investor's option, subject to applicable lockup periods.

The Master Fund's exposure to liquidity risk is presented in note 8 of the Master Fund's financial statements.

Capital risk management

As a result of the ability to issue, repurchase and resell shares, the capital of the Company can vary depending on the level of subscriptions and redemptions. The Company is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable participating shares beyond those included in the Company's constitution.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
31 December 2023

10. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

Capital risk management (continued)

The Company's objectives for managing capital are:

- To invest the capital in investments meeting the description, risk exposure and expected return indicated in its offering memorandum;
- To achieve superior absolute returns while safeguarding capital; and
- To maintain sufficient liquidity to meet the expenses of the Company, and to meet redemption requests as they arise.

11. RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The Company considers the Master Fund, the Partnership, the Procurement Agent, the Investment Manager, the General Partner of the Partnership and the Directors as related parties. Parvus General Partner Limited is the General Partner of the Partnership.

The Company owned 86.40% (2022: 87.67%) of the Master Fund as at 31 December 2023.

During the year, Adrian Waters, Ralph Woodford and Tej Gujadhur were directors of the Procurement Agent, which received fees from the Master Fund, Company and Partnership, and were also directors of the Master Fund and the General Partner of the Partnership. The Directors were also the directors of other funds managed by the Investment Manager.

Refer to note 7 for details of management and incentive fees paid to the Investment Manager.

Key management personnel holdings

As at 31 December 2023, the following parties held shares in the Company:

€, £ and US\$ Management shares

Adrian Waters (indirect investment) – 60 shares (2022: Nil shares) in the Company.

Tej Gujadhur – 789 shares (2022: 377 shares) in the Company.

Edoardo Mercadante is a key person of the Investment Manager.

Edoardo Mercadante (investment through a nominee account) – 4,050 shares (2022: 4,050 shares) in the Company.

Edoardo Mercadante (indirect investment) – 772,897 shares (2022: 761,858 shares) in the Company.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

31 December 2023

11. RELATED PARTIES (continued)

Directors' remuneration

The listing of the members of the board of Directors is shown on page 2 of the financial statements. Directors' remuneration for the year for the Company was €12,000 (2022: €12,000).

12. EVENTS AFTER THE REPORTING PERIOD

The Company received subscription requests of €5,928,166 and had a number of redemption requests amounting to €12,384,444. Included within the post year end subscriptions is an amount of €3,154,747 that relate to management shares.

There have been no other significant events since the year end that impact the Company and require a disclosure in the financial statements.