

EFFEPILUX ALTERNATIVE

Société d'Investissement à Capital Variable - Fonds d'Investissement Spécialisé

R.C.S. Luxembourg B 150.495

**Annual report including the audited financial statements
as at December 31, 2022**

No subscriptions can be received on the basis of these financial statements. Subscriptions are only valid if made on the basis of the current prospectus and the Key Investor Information Document («KIID»), accompanied by a copy of the latest annual report including the audited financial statements, if published thereafter.

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Organisation and Administration

Registered Office

146, Boulevard de la Pétrusse, L-2330 Luxembourg
Grand Duchy of Luxembourg

Board of Directors

Chairman:

Robert DENORMANDIE, Independent Director,
Former Associate and founder of The Directors
Office, Luxembourg, Grand Duchy of Luxembourg

Members:

Davide ZANABONI, Member of the Board of
Directors of the SICAV, and Member of the
Investment Committee of the Fondo Pensione per il
personale delle Aziende del Gruppo Unicredit,
Milan, Italy

Massimo COTELLA, Independent consultant and
Member of the Board of Directors and of the
investments commission of Fondo Pensione per il
personale delle Aziende del Gruppo UniCredit,
Milan, Italy

Corrado GALEASSO, Chairman, Member of the
Board of Directors and Member of the Investment
Committee of Fondo Pensione per il personale delle
Aziende del Gruppo Unicredit, Milan, Italy

Andrea LARUCCIA, Member of the Board of
Directors and General Manager and Member of the
Investment Committee of Fondo Pensione per il
personale delle Aziende del Gruppo Unicredit,
Milan, Italy

Management Company

Fondaco Lux S.A.,
146, Boulevard de la Pétrusse, L-2330 Luxembourg
Grand Duchy of Luxembourg

Board of Directors of the Management Company

Chairman:

Fabio LIBERTINI, Chairman of Fondaco Lux S.A.,
146, Boulevard de la Pétrusse, L-2330 Luxembourg
Grand Duchy of Luxembourg

Members:

Paolo CROZZOLI, Independent Director,
146, Boulevard de la Pétrusse, L-2330 Luxembourg
Grand Duchy of Luxembourg

Henri NINOVE, Director of Ersel Gestion
Internationale S.A. Luxembourg,
17, rue Jean l'Aveugle, L-1148 Luxembourg,
Grand Duchy of Luxembourg

(Since March 24, 2022)

Monica PORFILIO, Independent Director
146, boulevard de la Pétrusse, L-2330 Luxembourg
Grand Duchy of Luxembourg

Delegates of the Board of Directors of the Management Company who effectively conduct the business:

Paola TROMBETTA,
Conducting Person of Fondaco Lux S.A.
146, boulevard de la Pétrusse, L-2330 Luxembourg
Grand Duchy of Luxembourg

Lorenzo Valerio PIZZUTI,
Conducting Person of Fondaco Lux S.A.
146, boulevard de la Pétrusse, L-2330 Luxembourg
Grand Duchy of Luxembourg

(Since April 29, 2022)

Andrea BAZZANI, Conducting Person of
Fondaco Lux S.A.
146, boulevard de la Pétrusse, L-2330 Luxembourg
Grand Duchy of Luxembourg

Depositary and Paying Agent

Société Générale Luxembourg
11, avenue Emile Reuter, L-2420 Luxembourg,
Grand Duchy of Luxembourg

Administrative Agent

Société Générale Luxembourg (operational center)
28-32, Place de la gare, L-1616 Luxembourg,

Organisation and Administration (continued)

Grand Duchy of Luxembourg

Registrar Agent

Société Générale Luxembourg (operational center)
28-32, Place de la gare, L-1616 Luxembourg,
Grand Duchy of Luxembourg

Investment Managers

Edmond de Rothschild Asset Management (France)
47, rue du Faubourg Saint-Honoré, 75008 Paris, France
(for the Sub-Fund EFFEPILUX ALTERNATIVE -
Alternativo)
Fondaco SGR S.p.A
Corso Vittorio Emanuele II, 71
10128 Torino, Italy
(for the Sub-Fund EFFEPILUX ALTERNATIVE - R.E.)

Partners Group AG
Zugerstrasse 57, Baar-Zug, Switzerland
(for the Sub-Fund EFFEPILUX ALTERNATIVE - R.E.)

Independent Auditor

Deloitte Audit, *Société à responsabilité limitée*
20, boulevard de Kockelscheuer, L-1821 Luxembourg
Grand Duchy of Luxembourg

General information on the Company

EFFEPILUX ALTERNATIVE, is an open-ended investment company organised as a *société anonyme* under the laws of the Grand Duchy of Luxembourg and qualifies as a *Société d'Investissement à Capital Variable* ("SICAV" or the "Company") and a *Fonds d'Investissement Spécialisé* under the Law of 13 February 2007 relating to Specialised Investment Funds (the "SIF Law") as amended, with several separate Sub-Funds (individually a "Sub-Fund" and collectively the "Sub-Funds") pursuant to article 71 of the SIF law.

The Company was incorporated on December 31, 2009 with a Share capital of 31 000 EUR divided into 31 shares of no par value of the EFFEPILUX ALTERNATIVE - Alternativo Sub-Fund.

The articles of incorporation of the Company were published in the *Mémorial C, Recueil Spécial des Sociétés et Associations du Grand-Duché de Luxembourg* (hereinafter the "Mémorial") on 15 January 2010, after having been registered with the District Clerk of the Court of Luxembourg, where they can be consulted and where copies can be obtained against payment of the Court fees.

The Board of Directors may issue Shares of different classes (individually a "Class" and collectively the "Classes") in each Sub-Fund. A separate pool of assets is maintained for each Sub-Fund and is invested in accordance with the investment objective applicable to the relevant Sub-Fund. As a result, the Company is an "umbrella Fund" enabling investors to choose between one or more investment objective(s) by investing in one or more Sub-Fund(s).

The Board of Directors appointed Fondaco Lux S.A., which qualifies as a Chapter 15 management company pursuant to the 2010 Law, in order to act as its designated Management Company pursuant the Management Company Agreement, dated September 1, 2016.

At December 31, 2022 three Sub-Funds are in activity:

- EFFEPILUX ALTERNATIVE - Alternativo
- EFFEPILUX ALTERNATIVE - R.E.
- EFFEPILUX ALTERNATIVE - Private Debt

Information to the Shareholders

The annual general meeting of Shareholders of the Company is held in Luxembourg on the 2nd Monday of June of each year at 10.00 a.m. or, if such day is not a business day in Luxembourg, on the next business day. For all general meetings of Shareholders notices are sent to registered Shareholders by post at least 8 days prior to the meeting. Notices, if required, will be published in the Mémorial and in a Luxembourg newspaper (if legally required) and in such other newspapers as the Board of Directors may decide. Such notices will include the agenda and specify the place of the meeting. The legal requirements as to notice, quorum and voting at all general and Sub-Fund or Class Meetings are included in the Articles. Meetings of Shareholders of any given Sub-Fund or Class shall decide upon matters relating to that Fund or Class only.

Annual reports, including audited financial statements are sent to the registered Shareholders and are made available for public inspection at each of the registered offices of the Company and the Domiciliary Agent.

The financial year of the Company ends on 31st December each year.

Report of the Board of Directors

EFFEPILUX ALTERNATIVE - Alternativo

In 2022, the overall performance of the sub-fund was positive, with a net aggregate return of 8.41%.

At year end, most of the sub-fund was represented by Private Market investments in the areas of private equity, infrastructure, private loans and venture capital. This component, which represents a NAV of approximately €200M, is providing, since the inception of the program, an annualized IRR of 7.6%, with a significant increase during 2022. Target funds with an older vintage (such as the Perennius and Pantheon funds) are gradually paying constant distributions, whilst target funds newly introduced (such as Horsley Bridge and Ardian) are asking for contributions on a regular basis. In this way the portfolio continues to be constantly diversified and maintains the self-financing profile as expected. .

Horsely Bridge XI and XII as well as PineBridge III show the highest TV/PI Multiple (3.6x, 2.6x and 2.3x respectively). The two Horsely Bridge (especially due to a significant recent capital appreciation), Centerbridge and Frazier Healthcare are the funds with the highest IRR.

The rest of the sub-fund portfolio is invested in gold (3.0%, via an ETF) and in money market instruments (in order to manage cash flows of the private markets component) as well as a very small residual allocation to side pockets linked with prior hedge funds investments.

Currency hedging activity is managed by Edmond de Rothschild Asset Management (France) with a purely systematic strategy developed to hedge the USD exposure of the sub-fund. The amount hedged as of 31/12/2022 stood at USD 10.22M with a negative cost of 2.15%.

At year-end, Assets Under Management stood at €200.2M.

EFFEPILUX ALTERNATIVE - R.E.

2022 was a difficult year for the sub-fund, which registered a negative performance of 10.47%. The Real Estate portfolio has an IRR of 6.1% and despite the fact that the portfolio is continuing to generate a significant amount of cash, total return over the last 3 years of some large target positions has been disappointing. Since March 2020, the Covid-19 pandemic severely impacted some segments of the portfolio, especially in the component managed by Partners Group where low risk positions seemed unable to provide protection to the portfolio. Target positions with the highest IRR since inception are Columbus UK, IEEF II and Residences Ritz-Carlton.

The Sustainable Real Assets Poche was created in May 2021 with a capital endowment of € 80.0 million. It started the investment activity in September 2021, and since then has made commitments for a total of €45.0 million to 4 funds. As of the end of December 2022, €16.6 million have been drawn down and €2,1 million have been distributed by the underlying managers.

The first investment was a € 15.0 million commitment to Ginkgo III, the Luxembourg based investment vehicle managed by Ginkgo Advisor, the branch of Edmond de Rothschild Private Equity dedicated to Real Estate investments in European urban regeneration. The fund targets brownfield assets in the Eurozone countries with the aim of de-polluting the sites, realizing mixed-use projects and contributing to the economic development of the local communities. Given the strong sustainability and positive impact component of its investment strategy, the fund is compliant with art. 9 of the Sustainable Finance Disclosure Regulation (SFDR). As of the end of December 2022, the fund called capital for a total of €6.4 million and distributed €0,4 million.

The second commitment of €10.0 million was to Italian Energy Efficiency Fund II, the Italian based investment vehicle managed by Fondo Italiano per l'Efficienza Energetica SGR and investing in energy efficiency initiatives in Italy and, opportunistically, in other European countries. The fund plans to allocate capital to the financing of greenfield projects launched by operating companies, such as Energy Service Companies (ESCOs), in the fields of, among others, lighting, co-generation and tri-generation, HVACR, energy storage and renewables. The nature of the financed projects is in line with the international Environmental, Social and Governance (ESG) best practices and, for this reason, the fund is compliant with art. 8 of the SFDR. As of the end of December 2022, the fund had called capital for a total of €5.0 million and distributed €0,6 million.

Report of the Board of Directors (continued)

In April 2022, the third commitment of €10.0 million to the Capital Dynamics Clean Energy Infrastructure IX was performed. The fund invests in the renewables in Europe (mainly in Spain and Italy) for the production of clean energy through solar PV and onshore wind plants, and targets, opportunistically, adjacent sectors such as batteries. The manager focuses on ready-to-build projects by partnering with local developers and construction companies. The fund is categorized as SFDR art. 9 and promotes environmental impact objectives. As of the end of December 2022, the fund had called capital for a total of € 4,6 million and distributed €1,1 million.

In December 2022, the fourth commitment of €10.0 million to the Equiter Infrastructure II was performed. The manager has a generalist focus and targets investments, among the others sub-sectors, in energy transition, healthcare, smart mobility, urban regeneration and circular economy in the Italian market. On the sustainability side, the investment activity will be performed according to SFDR art. 8. As of the end of December 2022, the fund had called capital for a total of €0.6 million.

As the Sustainable Real Assets Poche is in the early stages of its investment activity and the underlying assets take several years to develop, performance metrics are not meaningful yet.

Regarding the portfolio managed by Partners Group within the sub-fund, during the first quarter of 2022 the investment manager paid capital calls of €0.2M to some of the assets in the portfolio, including Gateway Real Estate Fund V; in the second quarter, the portfolio received EUR 1.5 million in distributions from its portfolio assets, mainly from Nordic Tower Properties following the sale of the remaining properties in the Finland Retail Portfolio. During the third quarter of 2022, the Program received EUR 1.0 million in distributions from its portfolio assets. For instance, Nordic Tower Properties distributed proceeds from the sale of Hermitec Oy, a 9'890sqm office property in Tampere, Finland. In addition, further proceeds were received from the full realization of WM-Chicago Industrial and WM Milwaukee Industrial. During the fourth quarter of 2022, the Program paid capital call for EUR 0.8 million in its portfolio assets, including EQT Real Estate II. In November 2022, EQT Real Estate II called for capital to support the ongoing initiatives across its underlying industrial and residential assets such as development works at James, a portfolio of student housing properties in key universities across the UK which remain on track and within budget.

At year end the portfolio's investment multiple decreased to 1.27x due to overall negative revaluation across the portfolio. For instance, ARA Europe Active Real Estate Fund III was revalued downwards primarily due to yield expansion on the fund's two remaining assets, reflecting current market volatility, and increasing cost of financing across sectors and economies. Meanwhile, 80 Fenchurch Street was negatively revalued to reflect revised exit projections due to the impact of the increase in UK corporate tax rate in April 2023.

The year-end Assets under Management stood at €84.4M.

EFFEPILUX ALTERNATIVE – Private Debt

In 2022, the sub-fund generated a slightly negative return of -0.09%; the IRR generated since inception stands at 3,27% (above its benchmark). Performance was flattish throughout the year; target funds with highest IRR were Tikehau Direct Lending, Blackrock Middle Market and Arcmont Senior Loans, all closed ended funds.

The sub-fund portfolio has two main components: 5 closed end funds investing in private debt, representing approx. €61.2M (i.e., 56% of the total assets), with a total commitment value of €100M; and 3 open end funds investing in senior loans, representing 34% of the total assets (the remainder of the portfolio, 10%, being composed by cash). Returns of the two components have been generally flat during the year. European open-ended funds and closed end funds are now more mature and are to have more capital invested in the market. Allocation to closed ended funds was higher than open ended funds; closed ended funds are gradually calling capital, and at Q42022 more than 92% of the commitment was called.

The year-end Asset under Management stood at €109.5M.

To the Shareholders of

EFFEPILUX ALTERNATIVE

Société anonyme

Société d'Investissement à Capital Variable - Fonds d'Investissement Spécialisé

146, Boulevard de La Petrusse

L-2330 Luxembourg

REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ

Opinion

We have audited the financial statements of Effepilux Alternative (the "Fund") and of each of its sub-funds, which comprise the statement of net assets and the statement of investments and other net assets as at December 31, 2022 and the statement of operations and changes in net assets for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

Financial statements give a true and fair view of the financial position of the Fund and of each of its sub-funds as at December 31, 2022 and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Basis for Opinion

We conducted our audit in accordance with the Law of July 23, 2016 on the audit profession (Law of July 23, 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "*Commission de Surveillance du Secteur Financier*" (CSSF). Our responsibilities under the Law of July 23, 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "réviseur d'entreprises agréé" for the Audit of the Financial Statements" section of our report. We are also independent of the Fund 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) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our report of the "réviseur d'entreprises agréé" 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts 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 this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Fund for the Financial Statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund 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, the Board of Directors is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the “réviseur d'entreprises agréé” 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 a report of the “réviseur d'entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF 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 the Law of July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF, 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund.
- Conclude on the appropriateness of the Board of Directors of the Fund'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 Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the “réviseur d'entreprises agréé” 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 report of the “réviseur d'entreprises agréé”. However, future events or conditions may cause the Fund 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.

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.

For Deloitte Audit, *Cabinet de révision agréé*

Emmanuelle Miette, *Réviser d'entreprises agréé*

Partner

Luxembourg, June 02, 2023

Statement of Net Assets

(expressed in the Sub-Fund's currency)

| | Notes | EFFEPILUX ALTERNATIVE - Alternativo EUR | EFFEPILUX ALTERNATIVE - R.E. EUR | EFFEPILUX ALTERNATIVE - Private Debt EUR |
|---|-------|--|---|---|
| ASSETS | | | | |
| Securities portfolio at cost | | 149 271 813 | 146 797 569 | 95 494 371 |
| Net unrealised profit/ (loss) | | 28 653 638 | (86 035 104) | 3 845 935 |
| Securities portfolio at market value | 2.2 | 177 925 451 | 60 762 465 | 99 340 306 |
| Cash at bank | | 16 447 072 | 20 174 754 | 11 424 690 |
| Other assets | | - | 1 939 928 | - |
| | | 194 372 523 | 82 877 147 | 110 764 996 |
| LIABILITIES | | | | |
| Management fees payable | 3 | 12 433 | 436 179 | 6 507 |
| Investment advisory fees payable | 3 | - | 12 364 | - |
| Depository fees payable | 4 | 23 186 | 9 863 | 12 249 |
| Administration fees payable | 4 | 11 750 | 6 730 | 6 327 |
| Registrar Agent fees payable | 4 | 1 547 | 1 535 | 1 530 |
| Professional fees payable | | 47 360 | 13 943 | 20 926 |
| Interest and bank charges payable | | - | 23 077 | - |
| Unrealised depreciation on forward foreign exchange contracts | 6 | 54 688 | - | - |
| Other liabilities | | - | 41 457 | - |
| | | 150 964 | 545 148 | 47 539 |
| TOTAL NET ASSETS | | 194 221 559 | 82 331 999 | 110 717 457 |

Statement of Net Assets (continued)

(expressed in the Sub-Fund's currency)

| | Notes | Combined EUR |
|---|-------|--------------------|
| ASSETS | | |
| Securities portfolio at cost | | 391 563 753 |
| Net unrealised profit/ (loss) | | (53 535 531) |
| Securities portfolio at market value | 2.2 | 338 028 222 |
| Cash at bank | | 48 046 516 |
| Other assets | | 1 939 928 |
| | | 388 014 666 |
| LIABILITIES | | |
| Management fees payable | 3 | 455 119 |
| Investment advisory fees payable | 3 | 12 364 |
| Depository fees payable | 4 | 45 298 |
| Administration fees payable | 4 | 24 807 |
| Registrar Agent fees payable | 4 | 4 612 |
| Professional fees payable | | 82 229 |
| Interest and bank charges payable | | 23 077 |
| Unrealised depreciation on forward foreign exchange contracts | 6 | 54 688 |
| Other liabilities | | 41 457 |
| | | 743 651 |
| TOTAL NET ASSETS | | 387 271 015 |

Statement of Operations and Changes in Net Assets

(expressed in the Sub-Fund's currency)

| | Notes | EFFEPILUX ALTERNATIVE - Alternativo EUR | EFFEPILUX ALTERNATIVE - R.E. EUR | EFFEPILUX ALTERNATIVE - Private Debt EUR |
|---|-------|--|---|---|
| Net assets at the beginning of the year | | 218 951 994 | 87 300 552 | 137 404 199 |
| INCOME | | | | |
| Dividends, net | 2.5 | 7 010 424 | 3 980 471 | 3 098 042 |
| Bank interest | 2.5 | 223 074 | 44 289 | 9 408 |
| Other income | | - | 290 747 | - |
| | | 7 233 498 | 4 315 507 | 3 107 450 |
| EXPENSES | | | | |
| Management fees | 3 | 54 328 | 1 858 638 | 28 415 |
| Investment advisory fees | 3 | - | 102 364 | - |
| Depository fees | 4 | 50 849 | 20 952 | 27 272 |
| Administration fees | 4 | 49 936 | 27 885 | 30 284 |
| Registrar Agent fees | 4 | 6 370 | 6 358 | 6 354 |
| Professional fees | | 68 602 | 35 668 | 31 471 |
| Interest and bank charges | 5 | 178 737 | 56 456 | 37 187 |
| Transaction costs | | - | 97 325 | - |
| Other expenses | | 6 326 | 21 474 | 380 553 |
| | | 415 148 | 2 227 120 | 541 536 |
| Net investment income/ (loss) | | 6 818 350 | 2 088 387 | 2 565 914 |
| Net realised gains/ (losses) on | | | | |
| - securities sold | 2.3 | - | - | 1 080 452 |
| - currencies | 2.4 | (1 258) | 758 281 | - |
| - forward foreign exchange contracts | | (1 336 513) | - | - |
| | | (1 337 771) | 758 281 | 1 080 452 |
| Net realised result for the year | | 5 480 579 | 2 846 668 | 3 646 366 |
| Change in net unrealised profit/ (loss) on | | | | |
| - securities | | (10 025 428) | (7 815 221) | (3 333 108) |
| - forward foreign exchange contracts | 2.7 | (185 586) | - | - |
| | | (10 211 014) | (7 815 221) | (3 333 108) |
| Result of operations | | (4 730 435) | (4 968 553) | 313 258 |
| Movements in capital | | | | |
| Redemptions | | (20 000 000) | - | (27 000 000) |
| | | (20 000 000) | - | (27 000 000) |
| Net assets at the end of the year | | 194 221 559 | 82 331 999 | 110 717 457 |

Statement of Operations and Changes in Net Assets (continued)

(expressed in the Sub-Fund's currency)

| | Notes | Combined EUR |
|---|-------|---------------------|
| Net assets at the beginning of the year | | 443 656 745 |
| INCOME | | |
| Dividends, net | 2.5 | 14 088 937 |
| Bank interest | 2.5 | 276 771 |
| Other income | | 290 747 |
| | | 14 656 455 |
| EXPENSES | | |
| Management fees | 3 | 1 941 381 |
| Investment advisory fees | 3 | 102 364 |
| Depository fees | 4 | 99 073 |
| Administration fees | 4 | 108 105 |
| Registrar Agent fees | 4 | 19 082 |
| Professional fees | | 135 741 |
| Interest and bank charges | 5 | 272 380 |
| Transaction costs | | 97 325 |
| Other expenses | | 408 353 |
| | | 3 183 804 |
| Net investment income/ (loss) | | 11 472 651 |
| Net realised gains/ (losses) on | | |
| - securities sold | 2.3 | 1 080 452 |
| - currencies | 2.4 | 757 023 |
| - forward foreign exchange contracts | | (1 336 513) |
| | | 500 962 |
| Net realised result for the year | | 11 973 613 |
| Change in net unrealised profit/ (loss) on | | |
| - securities | | (21 173 757) |
| - forward foreign exchange contracts | 2.7 | (185 586) |
| | | (21 359 343) |
| Result of operations | | (9 385 730) |
| Movements in capital | | |
| Redemptions | | (47 000 000) |
| | | (47 000 000) |
| Net assets at the end of the year | | 387 271 015 |

Statistical information

EFFEPILUX ALTERNATIVE - Alternativo

| | Currency | 31/12/22 | 31/12/21 | 31/12/20 |
|---------------------------|----------|----------------|----------------|----------------|
| Class C | | | | |
| Number of shares | | 19 263 843.155 | 21 217 760.580 | 21 217 760.580 |
| Net asset value per share | EUR | 10.082 | 10.319 | 8.284 |
| Total Net Assets | EUR | 194 221 559 | 218 951 994 | 175 766 774 |

EFFEPILUX ALTERNATIVE - R.E.

| | Currency | 31/12/22 | 31/12/21 | 31/12/20 |
|---------------------------|----------|----------------|----------------|----------------|
| Class C | | | | |
| Number of shares | | 10 930 245.578 | 10 930 245.578 | 10 930 245.578 |
| Net asset value per share | EUR | 7.532 | 7.987 | 8.594 |
| Total Net Assets | EUR | 82 331 999 | 87 300 552 | 93 930 924 |

EFFEPILUX ALTERNATIVE - Private Debt

| | Currency | 31/12/22 | 31/12/21 | 31/12/20 |
|---------------------------|----------|---------------|----------------|----------------|
| Class C | | | | |
| Number of shares | | 9 320 559.314 | 11 612 968.890 | 11 612 968.890 |
| Net asset value per share | EUR | 11.879 | 11.832 | 11.100 |
| Total Net Assets | EUR | 110 717 457 | 137 404 199 | 128 902 680 |

EFFEPILUX ALTERNATIVE - Alternativo

Schedule of Investments

| Nominal value/ Quantity* | Description | Quotation Currency | Market value EUR | % of net assets |
|---|---|-----------------------|---------------------|--------------------|
| Investment Funds | | | | |
| Close-ended Investment Funds | | | | |
| | ARDIAN LBO VI | EUR | 8 941 313 | 4.60 |
| | CENTER BRIDGE CAPITAL PARTNERS III LP | USD | 4 688 163 | 2.41 |
| | EDEN ROCK STRUCT. FIN. INST. - C | USD | - | 0.00 |
| | ENERGHEIA - A | EUR | 4 381 200 | 2.26 |
| | FRAZIER HEALTHCARE GROWTH FUND VIII | USD | 6 981 494 | 3.59 |
| | HORSLEY BIRDGE XII VENTURE LP | USD | 25 964 128 | 13.37 |
| | HORSLEY BRIDGE XI VENTURE LP | USD | 37 797 783 | 19.46 |
| | IDEA NPL FONDO DI INVESTIMENTO ALTO RISK CHIUSO | EUR | 2 981 397 | 1.55 |
| 1.000 | INVESCO PRIVATE CAPITAL | USD | 1 | 0.00 |
| | JPM INDIA PROPERTY | USD | 206 511 | 0.11 |
| 43.062 | LIONGATE 15 SPC B | GBP | 33 123 | 0.02 |
| 801.970 | HINES INTERNATIONAL REAL ESTATE FUND | USD | 11 097 | 0.01 |
| | MICROFINANZA | EUR | 4 185 256 | 2.15 |
| | PALLMALL TEC. VENT. - V | EUR | 1 | 0.00 |
| | PALLMALL TEC. VENT. - VII | EUR | 1 | 0.00 |
| | PANTHEON EUROPE FUND IV LIMITED | EUR | 81 438 | 0.04 |
| | PANTHEON USA FUND - VI | USD | 61 966 | 0.03 |
| | PERENNIUS ASIA PACIFIC - 08 ClassC | USD | 1 259 078 | 0.65 |
| | PERENNIUS ASIA PACIFIC - 08 Class A | USD | 1 827 362 | 0.94 |
| | PERENNIUS GLOBAL VALUE (ISIN IT0004327257) | EUR | 2 291 671 | 1.18 |
| | PERENNIUS GLOBAL VALUE (ISIN IT0004626963) | EUR | 2 860 652 | 1.47 |
| | PINEBRIDGE INVESTMENTS | USD | 1 | 0.00 |
| | PVE EUROPEAN DISTRESSED FUND - 3 | EUR | 7 249 157 | 3.73 |
| 13 000 | PVE EUROPEAN DISTRESSED FUND - 1 | EUR | 4 775 593 | 2.46 |
| 101 010.100 | QUERCUS ASSETS SELECTION QUERCUS EUROPEAN | EUR | 14 503 784 | 7.47 |
| 118 811.880 | QUERCUS RENEWABLE ENERGY II FUND | EUR | 10 255 049 | 5.28 |
| | RIVERROCK EUROPEAN CAPITAL MASTER FUND PUBLIC LTD COMPANY | EUR | 407 349 | 0.21 |
| | SATOR PRIVATE EQUITY FUND | EUR | 7 428 195 | 3.82 |
| | SINERGIA II FUND | EUR | 4 752 000 | 2.45 |
| | TENDER CAPITAL ALTERNATIVE FUNDS PLC | EUR | 7 790 500 | 4.01 |
| Total Close-ended Investment Funds | | | 161 715 263 | 83.27 |

* Please see the commitments in note 8 for the investments funds without nominal value/quantity disclosed.
The accompanying notes form an integral part of these financial statements.

EFFEPILUX ALTERNATIVE - Alternativo

Schedule of Investments (continued)

| Nominal value/ Quantity* | Description | Quotation Currency | Market value EUR | % of net assets |
|--|--|-----------------------|---------------------|--------------------|
| Investment Funds (continued) | | | | |
| Open-ended Investment Funds | | | | |
| 9 932.595 | AMUNDI S.F. - DIVERSIFIED SHORT-TERM BOND - I ND | EUR | 10 010 268 | 5.15 |
| 54 500.000 | DB PHYSICAL GOLD EURO HEDGED ETC | EUR | 6 199 920 | 3.19 |
| Total Open-ended Investment Funds | | | 16 210 188 | 8.34 |
| Total Investment Funds | | | 177 925 451 | 91.61 |
| Total Investments | | | 177 925 451 | 91.61 |
| Cash at Bank | | | 16 447 072 | 8.46 |
| Other net assets | | | (150 964) | (0.07) |
| Total Net Assets | | | 194 221 559 | 100.00 |

* Please see the commitments in note 8 for the investments funds without nominal value/quantity disclosed.
The accompanying notes form an integral part of these financial statements.

EFFEPILUX ALTERNATIVE - Alternativo

Economic and Geographical Classification of Investments

| Economic classification | % |
|--------------------------------|--------------|
| Investment Fund | 91.61 |
| | 91.61 |

| Geographical classification | % |
|------------------------------------|--------------|
| United States of America | 38.85 |
| Luxembourg | 24.10 |
| Italy | 12.63 |
| France | 4.60 |
| Ireland | 4.22 |
| Switzerland | 3.82 |
| Jersey | 3.19 |
| United Kingdom | 0.11 |
| British Virgin Islands | 0.07 |
| Cayman Islands | 0.02 |
| | 91.61 |

EFFEPILUX ALTERNATIVE - R.E.

Schedule of Investments

| Nominal value/ Quantity* | Description | Quotation Currency | Market value EUR | % of net assets |
|--|--|-----------------------|---------------------|--------------------|
| Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market | | | | |
| Shares | | | | |
| 1 | BELLEMEAD-PARTNERS GROUP ACCESS 551 LP | USD | - | 0.00 |
| 1 | PROJECT AVENTINE | USD | - | 0.00 |
| 1 | PROJECT BRIDGE USD PRIVATE EQUITY 494 | USD | - | 0.00 |
| 1 | PROJECT RESIDENCES RITZ CARLTON | USD | - | 0.00 |
| Total Shares | | | - | 0.00 |
| Total Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market | | | 0 | 0.00 |

Investment Funds

| | | | | |
|-------------------------------------|--|-----|------------|-------|
| Close-ended Investment Funds | | | | |
| | ALTIS REAL ESTATE EQUITY PGA 561 | AUD | - | 0.00 |
| 1 | BLACKSTONE REAL ESTATE PARTNERS VII USD | USD | - | 0.00 |
| | CAPITAL DYNAMIC CLEAN ENERGY INFRASTRUCTURE - IX | EUR | 4 126 719 | 5.01 |
| | COIMA GEO PONENTE A1 | EUR | - | 0.00 |
| | COIMA GEO PONENTE A2 | EUR | 1 100 003 | 1.34 |
| | COIMA GEO PONENTE A3 | EUR | 71 853 | 0.09 |
| | CYPRESS ACQUISITION PARTNERS 559 | USD | 1 | 0.00 |
| | EQUITER INFRASTRUCTURE II | EUR | 240 000 | 0.29 |
| | EUROHIND HIGH INCOME FUND 489 | EUR | - | 0.00 |
| | EUROPEAN PROPERTY INV SPECIAL OPPS PGA 487 | EUR | 1 939 133 | 2.36 |
| | FENCHURCH STREET PGA 700 | GBP | 19 643 977 | 23.85 |
| | FUTURUM PGA 736 | NOK | 31 634 | 0.04 |
| | GATEWAY REAL ESTATE FUND V | USD | 6 681 242 | 8.10 |
| | GINKGO FUND III SCA SICAV RAIF | EUR | 5 433 625 | 6.60 |
| | ITALIAN ENERGY EFFICIENCY FUND II | EUR | 6 272 610 | 7.62 |
| | NORMANDY REAL ESTATE III S 27 | USD | 552 605 | 0.67 |
| 1 | NORMANDY REAL ESTATE III | USD | 1 036 817 | 1.26 |
| | NUMERIA SALUTE 3 | EUR | 5 002 082 | 6.08 |
| | PARTNERS GROUP ACCESS 641 LP | GBP | 1 | 0.00 |
| | PARTNERS GROUP ACCESS 643 LP | GBP | - | 0.00 |
| | PEAKSIDE REAL ESTATE IV SCS | EUR | 665 662 | 0.81 |
| | PGA 635 | EUR | 98 162 | 0.12 |
| | PGA 687 | EUR | - | 0.00 |
| | PROJECT ACTA PGA 634 | EUR | 2 | 0 |
| 1 | PROJECT ACTA PGA 843 | EUR | 587 845 | 0.71 |
| | PROJECT LLOYD CENTER PGA 603 | USD | 1 | 0.00 |
| | PROJECT SOPRANOS PGA 737 | EUR | 450 502 | 0.55 |
| | PROJECT 200 NORTH MICHIGAN PGA S26 | USD | 894 581 | 1.09 |
| | PROJECT 200 NORTH MICHIGAN PGA 602 | USD | 1 018 885 | 1.24 |
| | REAL ESTATE II | EUR | 2 487 291 | 3.02 |
| | SEB ASIAN PROPERTY II | EUR | 2 427 230 | 2.95 |
| 1 | SULLIVAN DEBT FUND | USD | - | 0.00 |

* Please see the commitments in note 8 for the investments funds without nominal value/quantity disclosed.
The accompanying notes form an integral part of these financial statements.

EFFEPILUX ALTERNATIVE - R.E.

Schedule of Investments (continued)

| Nominal value/ Quantity* | Description | Quotation Currency | Market value EUR | % of net assets |
|---|---|-----------------------|---------------------|--------------------|
| Investment Funds (continued) | | | | |
| Close-ended Investment Funds (continued) | | | | |
| | SULLIVAN DEBT FUND PGA 567 | USD | - | 0.00 |
| | TORRE FUND RE I/NM | EUR | - | 0.00 |
| 1 | WM INDUSTRIAL PORTFOLIO 1 | USD | 2 | 0.00 |
| | Total Close-ended Investment Funds | | 60 762 465 | 73.80 |
| Total Investment Funds | | | 60 762 465 | 73.80 |
| Total Investments | | | 60 762 465 | 73.80 |
| Cash at Bank | | | 20 174 754 | 24.50 |
| Other net assets | | | 1 394 780 | 1.70 |
| Total Net Assets | | | 82 331 999 | 100.00 |

* Please see the commitments in note 8 for the investments funds without nominal value/quantity disclosed.
The accompanying notes form an integral part of these financial statements.

EFFEPILUX ALTERNATIVE - R.E.

Economic and Geographical Classification of Investments

| Economic classification | % |
|--------------------------------|--------------|
| Investment Fund | 73.80 |
| | 73.80 |

| Geographical classification | % |
|------------------------------------|--------------|
| United Kingdom | 24.45 |
| Italy | 22.01 |
| United States of America | 15.77 |
| Luxembourg | 11.57 |
| | 73.80 |

EFFEPILUX ALTERNATIVE - Private Debt

Schedule of Investments

| Nominal value/ Quantity* | Description | Quotation Currency | Market value EUR | % of net assets |
|-------------------------------------|---|-----------------------|---------------------|--------------------|
| Investment Funds | | | | |
| Close-ended Investment Funds | | | | |
| | BLACKROCK EUROPEAN MIDDLE MARKET PRIVATE DEBT - I | EUR | 17 429 775 | 15.74 |
| | SENIOR LOAN FUND I (A) SLP | EUR | 12 350 593 | 11.16 |
| | GREEN ARROW PRIVATE DEBT FUND | EUR | 2 539 037 | 2.29 |
| | FONDO CASTELLO CANOVA | EUR | 5 076 353 | 4.58 |
| | TIKEHAU INVESTMENT II SIF | EUR | 25 003 265 | 22.59 |
| | Total Close-ended Investment Funds | | 62 399 023 | 56.36 |
| Open-ended Investment Funds | | | | |
| 14 529.285 | CLAREANT EUROPEAN LOAN FUND II - G | EUR | 18 351 242 | 16.57 |
| 103 799.996 | INVESCO ZODIAC FUNDS INVESCO EUROPEAN SENIOR LOAN - H | EUR | 12 935 556 | 11.68 |
| 35 926.581 | INVESCO ZODIAC FUNDS-INVESCO US SENIOR LOAN FUND - BH | EUR | 5 654 485 | 5.11 |
| | Total Open-ended Investment Funds | | 36 941 283 | 33.36 |
| Total Investment Funds | | | 99 340 306 | 89.72 |
| Total Investments | | | 99 340 306 | 89.72 |
| Cash at Bank | | | 11 424 690 | 10.32 |
| Other net assets | | | (47 539) | (0.04) |
| Total Net Assets | | | 110 717 457 | 100.00 |

* Please see the commitments in note 8 for the investments funds without nominal value/quantity disclosed.
The accompanying notes form an integral part of these financial statements.

EFFEPILUX ALTERNATIVE - Private Debt

Economic and Geographical Classification of Investments

| Economic classification | % |
|--------------------------------|--------------|
| Investment Fund | 89.72 |
| | 89.72 |

| Geographical classification | % |
|------------------------------------|--------------|
| Luxembourg | 67.10 |
| United States of America | 15.74 |
| Italy | 6.88 |
| | 89.72 |

Notes to the financial statements

1 - General

The investment objective of the EFFEPILUX ALTERNATIVE - Alternativo is to obtain an uncorrelated return from the main financial markets (equities and bonds), with the growth of the invested capital in the long term.

The investment objective of the EFFEPILUX ALTERNATIVE - R.E. is to invest mainly in core plus, value added and opportunistic real estate assets and strategies and will not be subject to any sector limitation.

The investment objective of the EFFEPILUX ALTERNATIVE - Private Debt is to invest indirectly in debt assets and strategies mainly through investment funds.

Based on the self assessment on the status of EFFEPILUX ALTERNATIVE, the Company has been recorded by the CSSF as not qualifying as alternative investment fund within the meaning of article 1 paragraph 39 of the AIFM Law.

2 - Significant accounting policies

2.1 Presentation of financial statements

The financial statements are presented in accordance with legal and regulatory requirements and generally accepted accounting principles in Luxembourg, relating to undertakings for collective investment.

The valuation of the portfolio securities of the Sub-Funds EFFEPILUX ALTERNATIVE - Alternativo, EFFEPILUX ALTERNATIVE - R.E. and EFFEPILUX ALTERNATIVE - Private Debt is based upon available information, documentation and reporting at the Calculation Date, that is three business days after the valuation date, in compliance with the Private Placement Memorandum. As the process for the preparation of the financial statements of the Company takes place subsequently to this date, it is possible new and updated information may become available that indicates such valuations might be lower or higher. For this reason, the Net Asset Value shown in these Financial Statements may differ from the Net Asset Value at the Calculation Date. These differences have been reflected in the Net Asset Value Statements issued for subsequent Valuation Dates.

2.2 Valuation of investment in securities

2.2.1 The value of any securities, money market instruments and derivative instruments is determined on the basis of the last available price on the stock exchange or any other regulated market on which these securities, money market instruments or derivative instruments are traded or admitted for trading unless otherwise mentioned in the Prospectus. Where such securities, money market instruments or derivative instruments are quoted or dealt in one or by more than one stock exchange or any other regulated market, the Board of Directors makes regulations for the order of priority in which stock exchanges or other Regulated Markets are used for the provision of prices of securities, assets or derivative instruments.

2.2.2 If a security, money market instrument or derivative instrument is not traded or admitted on any official stock exchange or any regulated market, or in the case of securities, money market instruments and derivative instruments so traded or admitted, the last available price of which does not reflect their true value, the Board of Directors requires to proceed on the basis of their expected sales price, which shall be valued with prudence and in good faith.

2.2.3 Swaps contracts are valued at the market value fixed in good faith by the Board of Directors and according to generally accepted valuation rules. Asset based swap contracts are valued by reference to the market value of the underlying assets. Cash flow based swap contracts are valued by reference to the net present value of the underlying future cash flows.

2.2.4 Each share or unit in an open-ended investment fund are valued at the last available net asset value (or bid price for dual priced investment funds) whether estimated or final, which is computed for such unit or shares on the same calculation day, failing which, it shall be the last net asset value (or bid price for dual priced investment funds) computed prior to the calculation day on which the Net Asset Value of the shares in the SICAV is determined.

2.2.5 In respect of shares or units of an investment fund held by the SICAV, for which issues and redemptions are restricted and a secondary market trading is effected between dealers who, as main market makers, offer prices in response to market conditions, the Board of Directors may decide to value such shares or units in line with the prices so established.

Notes to the financial statements (continued)

2.2.6 If, since the day on which the latest net asset value was calculated, events have occurred which may have resulted in a material change of the net asset value of shares or units in other investment funds held by the SICAV-SIF, the value of such shares or units may be adjusted in order to reflect, in the reasonable opinion of the Directors, such change of value.

2.2.7 The value of any security which is dealt principally on a market made among professional dealers and institutional investors shall be determined by reference to the last available price.

2.2.8 Direct investment in real estate property will be valued on basis of the latest valuation made by independent valuers or on the basis of the transactions price.

If any of the aforesaid valuation principles do not reflect the valuation method commonly used in specific markets or if any such valuation principles do not seem accurate for the purpose of determining the value of the Company's assets, the Directors may fix different valuation principles in good faith and in accordance with generally accepted valuation principles and procedures.

2.2.9 The value of any cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Company may consider appropriate in such case to reflect the true value thereof.

2.3 Net realised gains or losses resulting from investments

The realised gain or loss resulting from the sales of investments is calculated on the basis of average cost of the investment sold.

2.4 Foreign exchange translation

The accounts are maintained in euro ("EUR") and the financial statements are expressed in that currency.

Cost of investment securities in currencies other than the EUR is translated in EUR at the exchange rates prevailing on the date of purchase.

Income or expenses expressed in currencies other than the EUR are converted at exchange rates ruling at the transaction date.

Assets and liabilities expressed in other currencies than the EUR are converted using the relevant spot rate quoted by a bank or other responsible financial institution. The realised or net unrealised gains or losses on foreign exchange are recognised in the Statement of Operations and Changes in Net Assets in determining the increase or decrease in net assets.

2.5 Income and distributions

This caption includes any distribution received from the underlying investments fund if executed without cancellation of shares or units held in the investments.

Dividends are credited to income on the date upon which the relevant securities are first listed as "exdividend".

Interest income is accrued on a daily basis.

2.6 Formation expenses

Formation expenses are amortised over a maximum period of five years.

2.7 Forward foreign exchange contracts

Forward foreign exchange contracts are valued at the forward rate applicable at the Statement of Net Assets date for the remaining period until maturity. Unrealised gains or losses resulting from outstanding forward foreign exchange contracts, if any, are recorded in the Statement of Net Assets.

2.8 Combined financial statements

The combined Statement of Net Assets and the combined Statement of Operations and Changes in Net Assets represent the total of the Statements of Net Assets and Statements of Operations and Changes in Net Assets of the individual Sub-Funds.

Notes to the financial statements (continued)

3 - Investment Management fees, investments advisory fees, transactions fees, Performance fee and other expenses

The Company will pay out of the assets of the relevant Sub-Fund all expenses payable by the Company which shall include but not be limited to the fees payable to the Investment Managers including performance fees.

- Sub-Fund EFFEPILUX ALTERNATIVE - Alternativo:

In its capacity as Investment Manager of the Sub-Fund EFFEPILUX ALTERNATIVE - Alternativo, Edmond de Rothschild Asset Management (France) is entitled to receive fees, payable at the end of each calendar quarter, which will depend on assets under management and will amount to not more than 1% per annum of the average NAV of the relevant Sub-Fund pursuant to an agreement with the Company.

- Sub-Fund EFFEPILUX ALTERNATIVE - R.E.:

In its capacity as Investment Manager of the Sub-Fund EFFEPILUX ALTERNATIVE - R.E., Partners Group AG will be entitled to receive the fees described below (together the "Investment Management Fees") and to the reimbursement of its reasonable out of pocket expenses and disbursements.

Investment Management Fee: payable at the beginning of each quarter, and calculated, in respect of each Real Estate Investment, on the basis of the applicable Reference Commitment and percentage rates (which in each case shall be reduced annually by 10% of the rate prevailing immediately prior to such reduction, starting from the 1st of January of the year following the fifth anniversary of the relevant Transaction Date) indicated below:

Tranche I and Tranche II:

- Primary Financial Real Estate Investments: 0.1750% per quarter on the transaction value,
- Secondary Financial Real Estate Investments: 0.3125% per quarter on the transaction value,
- Direct Real Estate Investments: 0.3750% per quarter on the transaction value.

Mandate Management Fee: calculated on the basis of the Mandate Amount, outstanding from time to time and payable at the beginning of each quarter.

Tranche I and Tranche II : 0.0125% per quarter

For the sole purposes of calculation of the Mandate Management Fee, the Mandate Amount may not be less than the sum of the Reference Commitments outstanding from time to time.

The Mandate Management Fee are recorded in the Statement of Operations and Changes in Net Assets under the caption "Investment advisory fees".

Transaction Fee: 0.0125% per quarter on the transaction value, payable at the beginning of each quarter, and calculated, in respect of each Real Estate Investment, on each relevant Reference Commitment.

Such fees are recorded in the Statement of Operations and Changes in Net Assets under the caption "Interest and bank charges".

Performance Fee: with respect to the Real Estate Investments committed to from the date of the Effepilux Alternative - R.E. Investment Management Agreement up to December 31, 2015 and thereafter, in any single calendar year, once the Sub-Fund has received cumulative distributions equal to the cumulative Real Estate Investment drawdowns and a rate of return of 8% per annum calculated on the cumulative Real Estate Investment drawdowns, compounded annually (the "Preferred Return"), Partners Group AG shall be entitled to receive an amount equal to 10% of the Preferred Return.

Thereafter, out of the balance of the additional monies distributed by the Real Estate Investments (the "Incremental Amount"), 90% shall remain in the Sub-Fund, while the remaining 10% shall be paid to Partners Group AG.

No Performance Fee was accrued during the year 2022 in the Sub-Fund EFFEPILUX ALTERNATIVE - R.E.

Other expenses: out of commitment fees levied by the underlying investments to finance their operations.

Moreover, in its capacity as Investment Manager of Effepilux Alternative - R.E. Fondaco Lux SGR will be entitled to receive the fees described below, in addition to the reimbursement of the reasonable costs of the Investment Manager and its Affiliates, incurred in connection with the services provided under the Investment Management Agreement

Mandate Management Fee: The Investment Manager shall be entitled to receive a mandate management fee per Tranche. The Management Fee shall be based on the respective tranche amount and charged at a rate defined in the Tranche Parameters.

Notes to the financial statements (continued)

Mandate Management Fee rate applicable during the Investment Period:

0.5% per annum calculated on the Mandate Amount committed to PM Funds

1.00% per annum calculated on the Mandate Amount committed to co-investments and direct investments

Moreover,

- For the 1st year: 0,50% calculated on the Mandate Amount excluded the commitments of the PM Funds and excluded co-investment and direct investments commitments.

- For the 2nd year: 0,40% calculated on the Mandate Amount excluded the commitments of the PM Funds and excluded co-investment and direct investments commitments.

- For the 3rd year: 0,30% calculated on the Mandate Amount excluded the commitments of the PM Funds and excluded co-investment and direct investments commitments.

- For the 4th year: 0,20% calculated on the Mandate Amount excluded the commitments of the PM Funds and excluded co-investment and direct investments commitments.

Investment Management Fee: The Investment Manager shall be entitled to receive an investment management fee as specified below:

Fee rate applicable after the Investment Period:

PM Funds: 0.5% per annum on the NAV of PM Funds

Co-Investments and Direct Investments: 1.0% per annum on the NAV of Co-Investments and Direct Investments

Performance Fee: The Investment Manager will also be entitled to receive a performance fee payable out of the Sub-Fund's assets (the "Performance Fee"). The Performance Fee is equal to 10% of the relevant part of the Sub-Fund's return in case the Sub-Fund's return exceeds a yearly internal rate of return since inception of 8%.

• Sub-Fund EFFEPILUX ALTERNATIVE - Private Debt:

A Management Company Fee of up to 0.04% per annum of the net assets of each Sub-Fund will be paid to the Management Company by the Company on a quarterly basis as set out in the Management Company Agreement.

4 - Depositary and Paying Agent, Administrative Agent and Registrar Agent fees

The Depositary and Paying Agent is entitled to receive out of the assets of each Sub-Fund fees calculated in accordance with customary banking practice in Luxembourg and payable quarterly in arrears. In addition, the Custodian is entitled to be reimbursed by the Company for its reasonable out-of-pocket expenses and disbursements and for the charges of any correspondents.

The Administrative Agent is entitled to receive out of the assets of each Sub-Fund a fee in compliance with Luxembourg business practice and payable quarterly in arrears. In addition, the Administrative Agent is entitled to be reimbursed by the Company for its reasonable out-of-pocket expenses.

The Registrar Agent is entitled to receive out of the assets of each Sub-Fund a fee in compliance with Luxembourg business practice and payable quarterly in arrears. In addition, the Registrar Agent is entitled to be reimbursed by the Company for its reasonable out-of-pocket expenses.

5 - Taxation

The Company is not subject to any taxes in Luxembourg on income or capital gains. The Company is subject to a fixed registration duty on capital of EUR 1 250 at the time of its incorporation. Pursuant to Article 68 of the modified Law of February 13, 2007, the Company is subject in Luxembourg to the *taxe d'abonnement* at a rate of 0,01%.

Interest and dividend income received by the Company may be subject to non-recoverable withholding tax in the countries of origin. The Company may further be subject to tax on the realised or unrealised capital appreciation of its assets in the countries of origin.

Notes to the financial statements (continued)

6 - Forward foreign exchange contracts

As at December 31, 2022, the Company holds the following open forward foreign exchange contract:

EFFEPILUX ALTERNATIVE - Alternativo

| | | | | Unrealised appreciation/ depreciation |
|----------|-----------|------|------------|---------------------------------------|
| Purchase | | Sale | | Maturity date |
| | | | | EUR |
| EUR | 9 508 967 | USD | 10 220 000 | 18-Jan-23 |
| | | | | (54 688) |
| | | | | (54 688) |

The counterparty of this forward foreign exchange contract is Rothschild.

7 - Exchange rates

The following exchange rates have been used for the preparation of these financial statements:

| | | | | | |
|---------|----------|-----|---------|---------|-----|
| 1 EUR = | 1.57375 | AUD | 1 EUR = | 0.88725 | GBP |
| 1 EUR = | 10.51350 | NOK | 1 EUR = | 1.06725 | USD |

Notes to the financial statements (continued)

8 - Capital Commitments and Contributions

As at December 31, 2022, the Sub-Fund EFFEPILUX ALTERNATIVE - ALTERNATIVO had entered into the following capital commitments and made the following capital contributions:

| | | Total Capital Commitments | Capital Contributions |
|---|-----|------------------------------|--------------------------|
| ARDIAN LBO VI | EUR | 10 000 000 | 9 472 914 |
| ENERGHEIA -A | EUR | 5 000 000 | 5 000 000 |
| MICROFINANZA | EUR | 5 000 000 | 4 130 748 |
| PANTHEON EUROPE FUND IV LIMITED | EUR | 5 000 000 | 4 685 000 |
| PALLMALL TECHNOLOGY VENTURES V | EUR | 5 000 000 | 5 000 000 |
| PALLMALL TECHNOLOGY VEN.VII 2D | EUR | 2 000 000 | 2 000 000 |
| PERENNIUS GL VAL 08 CLASS B | EUR | 10 000 000 | 8 689 220 |
| PERENNIUS GL VAL 10 CLASS C | EUR | 10 000 000 | 8 757 896 |
| PVE EUROPEAN DISTRESSED FUND 3 | EUR | 10 000 000 | 10 000 000 |
| RIVERROCK EUROPEAN CAPITAL MASTER FUND PUBLIC LTD COMPANY | EUR | 3 000 000 | 3 000 000 |
| SATOR PRIVATE EQUITY FUND | EUR | 30 000 000 | 25 790 298 |
| SINERGIA II FUND | EUR | 15 000 000 | 11 113 431 |
| TOTAL in EUR | | 110 000 000 | 97 639 506 |
| CENTER BRIDGE CAPITAL PARTNERS III LP | USD | 5 000 000 | 4 590 623 |
| FRAZIER HEALTHCARE GROWTH BUYOUT FUND VIII LP | USD | 10 000 000 | 9 650 000 |
| HINES INTERNATIONAL REAL ESTATE FUND | USD | 544 310 | 261 203 |
| HORSLEY BRIDGE XI VENTURE LP | USD | 15 000 000 | 14 469 000 |
| HORSLEY BRIDGE XII VENTURE LP | USD | 15 000 000 | 13 165 500 |
| JPM INDIA PROPERTY | USD | 5 394 000 | 5 089 062 |
| PANTHEON USA FUND VI | USD | 5 100 000 | 4 816 950 |
| PERENNIUS ASIA PA 08 CLASS C | USD | 7 000 000 | - |
| PERENNIUS ASIA PA 08 CLASS A | USD | 10 000 000 | 8 656 279 |
| TOTAL in USD | | 73 038 310 | 60 698 617 |

As at December 31, 2022, the Sub-Fund EFFEPILUX ALTERNATIVE - RE had entered into the following capital commitments and made the following capital contributions:

| | | Total Capital Commitments | Capital Contributions |
|--|-----|------------------------------|--------------------------|
| ALTIS REAL ESTATE EQUITY PGA 561 | AUD | 3 800 000 | 3 336 209 |
| TOTAL in AUD | | 3 800 000 | 3 336 209 |
| CAPITAL DYNAMIC CLEAN ENERGY INFRASTRUCTURE - IX | EUR | 10 000 000 | 3 701 335 |
| EQUITER INFRASTRUCTURE II | EUR | 10 000 000 | 572 291 |
| EQT REAL ESTATE II | EUR | 5 000 000 | 1 790 072 |
| EUROPEAN PROPERTY INV SPECIAL OPPS PGA 487 | EUR | 5 000 000 | 4 627 837 |
| GINKGO FUND III SCA SICAV RAIF | EUR | 15 000 000 | 5 979 000 |
| ITALIAN ENERGY EFFICIENCY FUND II | EUR | 10 000 000 | 4 531 382 |
| NUMERIA SALUTE 3 | EUR | 5 000 000 | 5 000 000 |
| PARTNERS GROUP ACCESS 489 LP | EUR | 6 151 843 | 6 151 843 |
| PEAKSIDE REAL ESTATE FUND IV | EUR | 7 800 000 | 790 728 |
| PGA 635 | EUR | 9 500 000 | 9 500 000 |
| PGA 687 | EUR | 11 011 036 | 9 322 574 |
| PROJECT ACTA PGA 634 | EUR | 2 128 579 | 2 128 579 |
| PROJECT ACTA PGA 843 | EUR | 7 040 842 | 7 040 842 |
| PROJECT SOPRANOS PGA 737 | EUR | 10 763 409 | 10 763 409 |
| TOTAL in EUR | | 114 395 709 | 71 899 892 |

Notes to the financial statements (continued)

| | | Total Capital Commitments | Capital Contributions |
|------------------------------------|-----|---------------------------|-----------------------|
| FENCHURCH STREET PGA 700 | GBP | 14 070 744 | 14 070 744 |
| PARTNERS GROUP ACCESS 641 L.P. | GBP | 10 000 000 | 9 745 096 |
| PARTNERS GROUP ACCESS 643 L.P. | GBP | 10 000 000 | 8 585 858 |
| TOTAL in GBP | | 34 070 744 | 32 401 698 |
| FUTURUM PGA 736 | NOK | 84 919 930 | 84 919 830 |
| PARTNERS GROUP ACCESS 548 L.P. | NOK | 50 506 886 | 49 959 170 |
| TOTAL in NOK | | 135 426 816 | 134 879 000 |
| CYPRESS ACQUISITION PARTNERS 559 | USD | 10 000 000 | 10 000 000 |
| GATEWAY REAL ESTATE FUND V, L.P. | USD | 9 000 000 | 7 755 203 |
| NORMANDY REAL ESTATE III | USD | 9 381 187 | 8 745 711 |
| NORMANDY REAL ESTATE III S 27 | USD | 5 000 000 | 4 661 302 |
| PARTNERS GROUP ACCESS 439 L.P. | USD | 15 000 000 | 13 406 352 |
| PARTNERS GROUP ACCESS 494 L.P. | USD | 4 158 047 | 3 850 235 |
| PARTNERS GROUP ACCESS 498 L.P. | USD | 3 967 622 | 3 967 622 |
| PARTNERS GROUP ACCESS 551 L.P. | USD | 1 880 400 | 1 880 400 |
| PARTNERS GROUP ACCESS 556 L.P. | USD | 8 000 000 | 7 997 889 |
| PARTNERS GROUP ACCESS 567 L.P. | USD | 7 500 000 | 7 497 988 |
| PROJECT LLOYD CENTER PGA 603 | USD | 4 575 196 | 4 575 150 |
| PROJECT 200 NORTH MICHIGAN PGA 602 | USD | 4 023 615 | 3 869 224 |
| PROJECT 200 NORTH MICHIGAN PGA S26 | USD | 3 532 470 | 3 396 931 |
| WM INDUSTRIAL PORTFOLIO 1 | USD | 6 432 205 | 6 155 792 |
| TOTAL in USD | | 92 450 742 | 87 759 799 |

As at December 31, 2022, the Sub-Fund EFFEPILUX ALTERNATIVE - Private Debt had entered into the following capital commitments and made the following capital contributions:

| | | Total Capital Commitments | Capital Contributions |
|--|-----|---------------------------|-----------------------|
| BLACKROCK EUROPEAN MIDDLE MARKET PRIVAT DEBT FUND I SCSP | EUR | 30 000 000 | 29 734 470 |
| FONDO CASTELLO CANOVA | EUR | 5 000 000 | 5 000 000 |
| GREEN ARROW PRIVATE DEBT FUND | EUR | 5 000 000 | 4 687 484 |
| SENIOR LOAN FUND I (A) SLP | EUR | 30 000 000 | 24 026 685 |
| TIKEHAU INVESTMENT II S C S SICAV | EUR | 30 000 000 | 28 871 808 |
| TOTAL in EUR | | 100 000 000 | 92 320 447 |

9 - Transactions with related parties

The Sub-Fund Effepilux Alternative - R.E. invests in a variety of vehicles underwritten by Partners Group AG, one of the Investment Managers selected to manage the Portfolio of the Sub-Fund. The portfolio selections are reviewed by the Board of Directors of Company to ensure full compliance with the strategic direction of the portfolio as presented in the prospectus.

Unaudited information

Sustainable Finance Disclosures Regulation

All the Sub-Funds are classified according to the EU Regulation 2019/2088 on sustainability-related disclosures in the financial sector (“SFDR”) as art 6. Consequently, the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

EFFEPILUX ALTERNATIVE

Annual report including the audited financial statements