

Redhedge UCITS ICAV

ANNUAL REPORT AND AUDITED ANNUAL ACCOUNTS

(an open-ended umbrella type Irish collective asset-management vehicle with limited liability
and segregated liability between sub-funds)

For the year ended 31 March 2024

Registered Number: C191780

Redhedge UCITS ICAV

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ICAV and Other Information

Directors of the ICAV *

Mr. Orlin Mladenov (Chairman) (Irish)) (resigned 17 April 2024)
Mr. Stephen Finn (Irish)
Ms. Eloise Lipkin (British) ^
Mr. Stefano Giorgetti (Italian)
Mr. Philip Craig (Chairman) (Irish))^ (appointed 17 April 2024)

Administrator

Effective 16 October 2023

Apex Fund Services (Ireland) Limited
2nd Floor
Block 5, Irish Life Centre
Abbey Street Lower
Dublin 1
Ireland

Up to 16 October 2023

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

Depository

Effective 16 October 2023

European Depositary Bank SA, Dublin Branch
2nd Floor
Block 5, Irish Life Centre
Abbey Street Lower
Dublin 1
Ireland

Up to 16 October 2023

The Bank of New York Mellon SA/NV, Dublin Branch
Riverside Two
Sir John Rogerson's Quay
Grand Canal Dock
Dublin 2
Ireland

Independent Auditor

Deloitte Ireland LLP
Deloitte & Touche House
29 Earlsfort Terrace
Dublin 2
Ireland

Legal Advisers as to Irish Law

Dillon Eustace
33 Sir John Rogerson's Quay
Dublin 2
Ireland

Registered office of the ICAV

35 Shelbourne Road
4th Floor
Ballsbridge
Dublin 4
Ireland

Manager **

Waystone Management Company (IE) Limited
(Formerly known as KBA Consulting Management Limited)
35 Shellbourne Road
4th Floor
Ballsbridge
Dublin 4
Ireland

Investment Manager

Redhedge Asset Management LLP
3rd Floor
43 Grosvenor Street
London
W1K 3HL
United Kingdom

Secretary

Clifton Fund Consulting Limited
35 Shelbourne Road
4th Floor
Ballsbridge
Dublin 4
Ireland

^ Independent

* All non-executive directors

** On 29 September 2023, KBA Consulting Management Limited completed its merger with Waystone Management Company (IE) Limited.

Directors' Report
For the year ended 31 March 2024

The Directors submit their Annual Report together with the audited annual accounts for Redhedge UCITS ICAV (the "ICAV") for the financial year ended 31 March 2024. The ICAV is an Irish Collective Asset-management Vehicle constituted as an umbrella fund with segregated liability between sub-funds and authorised by the Central Bank of Ireland pursuant to the Irish Collective Asset-management Vehicles Act 2015 (as amended) (the "ICAV Act"), the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the "UCITS Regulations") and the Central Bank of Ireland's (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the "Central Bank UCITS Regulations"). As at 31 March 2024, one Sub-Fund, the Redhedge Relative Value UCITS Fund (the "Sub-Fund") has been authorised by the Central Bank of Ireland.

1. Directors' Responsibilities Statement

The Directors are responsible for preparing the Annual Report and the audited annual accounts in accordance with applicable Irish law and regulations. The ICAV Act requires the Directors to prepare annual accounts for each financial year. Under the law, the Directors have elected to prepare the annual accounts in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union. Under the ICAV Act, the Directors must prepare annual accounts that give a true and fair view of the assets, liabilities and financial position of the ICAV at the end of the financial year and of the profit or loss of the ICAV for the financial year.

In preparing the annual accounts, the Directors are required to:

- select suitable accounting policies for the ICAV's annual accounts and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed in the annual accounts; and
- prepare the annual accounts on the going concern basis unless it is inappropriate to presume that the ICAV will continue in business for the foreseeable future.

The Directors are responsible for ensuring that the ICAV keeps or causes to be kept adequate accounting records which correctly record and explain the transactions of the ICAV, enable at any time the assets, liabilities, financial position and profit or loss of the ICAV to be determined with reasonable accuracy, enable the Directors to ensure that any Statement of Financial Position or Statement of Comprehensive Income of the ICAV complies with the requirements of the ICAV Act and enable the accounts to be readily and properly audited. They are also responsible for safeguarding the assets of the ICAV and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

2. Books of Account

The Directors have employed Waystone Management Company (IE) Limited (the "Manager") as the Manager of the ICAV. Up to 16 October 2023, the Manager employed BNY Mellon Fund Services (Ireland) Designated Activity Company (the "Administrator") to maintain the books and records of the ICAV. Effective from 16 October 2023, Apex Fund Services (Ireland) Limited (the "Administrator") was appointed as the Administrator to the ICAV. The books of account of the ICAV are maintained at the offices of the Administrator, Apex Fund Services (Ireland) Limited, as detailed on page 2.

3. Results, Activities and Future Developments

As at 31 March 2024, the net assets of the Sub-Fund were EUR 138,446,786.

The financial position and results of the ICAV for the year are set out on pages 20 and 22, respectively.

The business of the ICAV is reviewed in detail in the Investment Manager's Report on pages 7 to 16. The ICAV will continue to pursue its investment objectives as set out in the Prospectus.

4. Directors

The names of persons who served as Directors at any time during the financial year ended 31 March 2024 are set out on page 2. All Directors are non-executive.

Directors' Report (continued)
For the year ended 31 March 2024

5. Directors' and ICAV Secretary Interests in Shares

None of the Directors, the ICAV Secretary, nor their families hold or held any beneficial interest in the ICAV as at 31 March 2024 nor at any time during the financial year.

6. Transactions Involving Directors

Stephen Finn and Orlin Mladenov are employees of the Manager.

Stefano Giorgetti is an employee of Redhedge Asset Management LLP (the "Investment Manager").

Please refer to note 7 of the annual accounts for details of fees charged by the Manager and the Investment Manager.

7. Transactions with Connected Persons

Regulation 43(1) of the Central Bank UCITS Regulations "Restrictions on transactions with connected persons" states that "A responsible person shall ensure that any transaction between a UCITS and a connected person is conducted a) at arm's length; and b) in the best interest of the shareholders of the UCITS".

As required under Central Bank UCITS Regulation 81(4), the Manager, as responsible person is satisfied that there are in place arrangements, evidenced by written procedures, to ensure that the obligations that are prescribed by Regulation 43(1) are applied to all transactions with a connected person; and all transactions with connected persons that were entered into during the financial year to which the report relates complied with the obligations that are prescribed by Regulation 43(1).

8. Significant Events during the Year

For details of significant events during the year please refer to note 17.

9. Significant Events after the Year End

For details of significant events after the year end please refer to note 18.

10. Going Concern

The Directors have performed an assessment of the going concern of the ICAV. Taking into consideration a number of factors, the Directors have determined that the going concern basis remains appropriate.

11. Risks and Uncertainties

The principal risks and uncertainties which the ICAV faces relate to investments in debt securities and derivatives through long positions, in greater proportion, and short positions and are discussed in note 10 to the audited annual accounts.

12. Corporate Governance Statement

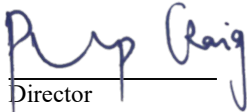
The Directors have voluntarily adopted the "Corporate Governance Code for Collective Investment Schemes and Management Companies" as published by Irish Funds ("IF") as the ICAV's corporate governance code with effect from the commencement of operations.

Directors' Report (continued)
For the year ended 31 March 2024

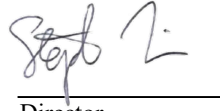
13. Independent Auditor

Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, have expressed their willingness to continue in office in accordance with Section 125(1) of the ICAV Act.

Signed on behalf of the Directors



Director
23 July 2024



Director
23 July 2024

Redhedge UCITS ICAV

**REPORT FROM THE DEPOSITARY TO THE SHAREHOLDERS
For the period 01 April 2023 to 12 October 2023**

For the period from 01 April 2023 to 12 October 2023 (the “Period”)

The Bank of New York Mellon SA/NV, Dublin Branch (the “Depositary” “us”, “we”, or “our”) has enquired into the conduct of Redhedge UCITS ICAV (the “ICAV”) for the Period, in its capacity as Depositary to the ICAV.

This report including the opinion has been prepared for and solely for the shareholders in the ICAV, in accordance with our role as Depositary to the ICAV 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.

Responsibilities of the Depositary

Our duties and responsibilities are outlined in Regulation 34 of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No 352 of 2011), as amended (the “Regulations”).

Our report shall state whether, in our opinion, the ICAV has been managed in the Period in accordance with the provisions of the ICAV’s constitutional documentation and the Regulations. It is the overall responsibility of the ICAV to comply with these provisions. If the ICAV has not been so managed, we as Depositary must state in what respects it has not been so managed and the steps which we have taken in respect thereof.

Basis of Depositary Opinion

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties and to ensure that, in all material respects, the ICAV has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate regulations and (ii) otherwise in accordance with the ICAV’s constitutional documentation and the appropriate regulations.

Opinion

In our opinion, the ICAV has been managed during the Period, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the ICAV by the constitutional documentation and the Regulations; and
- (ii) otherwise in accordance with the provisions of the constitutional documentation and the Regulations.

Michelle Moroney

For and on behalf of The Bank of New York Mellon SA/NV,
Dublin Branch Riverside II, Sir John Rogerson’s Quay,
Grand Canal Dock,
Dublin 2, Ireland.

Registered in Ireland No. 907126, VAT No. IE9578054E

The Bank of New York Mellon SA/NV, trading as The Bank of New York Mellon SA/NV, Dublin Branch is authorised by the National Bank of Belgium.

The Bank of New York Mellon SA/NV, Boulevard Anspachlaan 1, B-1000 Brussels Belgium – Tel. (32) 2 545 81 11, V.A.T. BE 0806.743.159-RPM- RPR Brussels Company No. 0806.743.159. The Bank of New York Mellon SA/NV is a Belgian limited liability company, authorized and regulated as a significant credit institution by the European Central Bank and the National Bank of Belgium under the Single Supervisory Mechanism and by the Belgian Ffinancial Services and Markets Authority.

Redhedge UCITS ICAV

REPORT FROM THE DEPOSITARY TO THE SHAREHOLDERS For the period 16 October 2023 to 31 March 2024

Report of the Depositary to the Shareholders

We have enquired into the conduct of the Redhedge UCITS ICAV (the “ICAV”) for the period 16 October 2023 to 31 March 2024 in our capacity as Depositary to the ICAV.

This report including the opinion has been prepared for and solely for the Shareholders in the ICAV, in accordance with Part 5 of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended, (“The UCITS Regulations”), 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.

Responsibilities of the Depositary

Our duties and responsibilities are outlined in Part 5 of the UCITS Regulations. One of those duties is to enquire into the conduct of the ICAV in each annual accounting period and report thereon to the Shareholders. Our report shall state whether, in our opinion, the ICAV has been managed in that period in accordance with the provisions of the Instrument of Incorporation of the ICAV and the UCITS Regulations. It is the overall responsibility of the ICAV to comply with these provisions. If the ICAV has not so complied, we as Depositary must state why this is the case and outline the steps which we have taken to rectify the situation.

Basis of Depositary Opinion

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in Part 5 of the UCITS Regulations and to ensure that, in all material respects, the ICAV has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of the Instrument of Incorporation of the ICAV and the appropriate regulations and (ii) or otherwise in accordance with the ICAV constitutional documentation and the appropriate regulations.

Opinion

In our opinion, the ICAV has been managed during the period, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Incorporation of the Fund of the ICAV, the UCITS Regulations and the Central Bank UCITS Regulations (“Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019”) and
- (ii) or otherwise in accordance with the provisions of the Incorporation of the Fund of the ICAV, the UCITS Regulations and the Central Bank UCITS Regulations (“Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019”).

For and on behalf of

European Depositary Bank, Dublin Branch,



Authorised Signatory



Authorised Signatory

European Depositary Bank, Dublin Branch European Depositary Bank, Dublin Branch

European Depositary Bank SA, Dublin Branch

europeandepositorybank.com

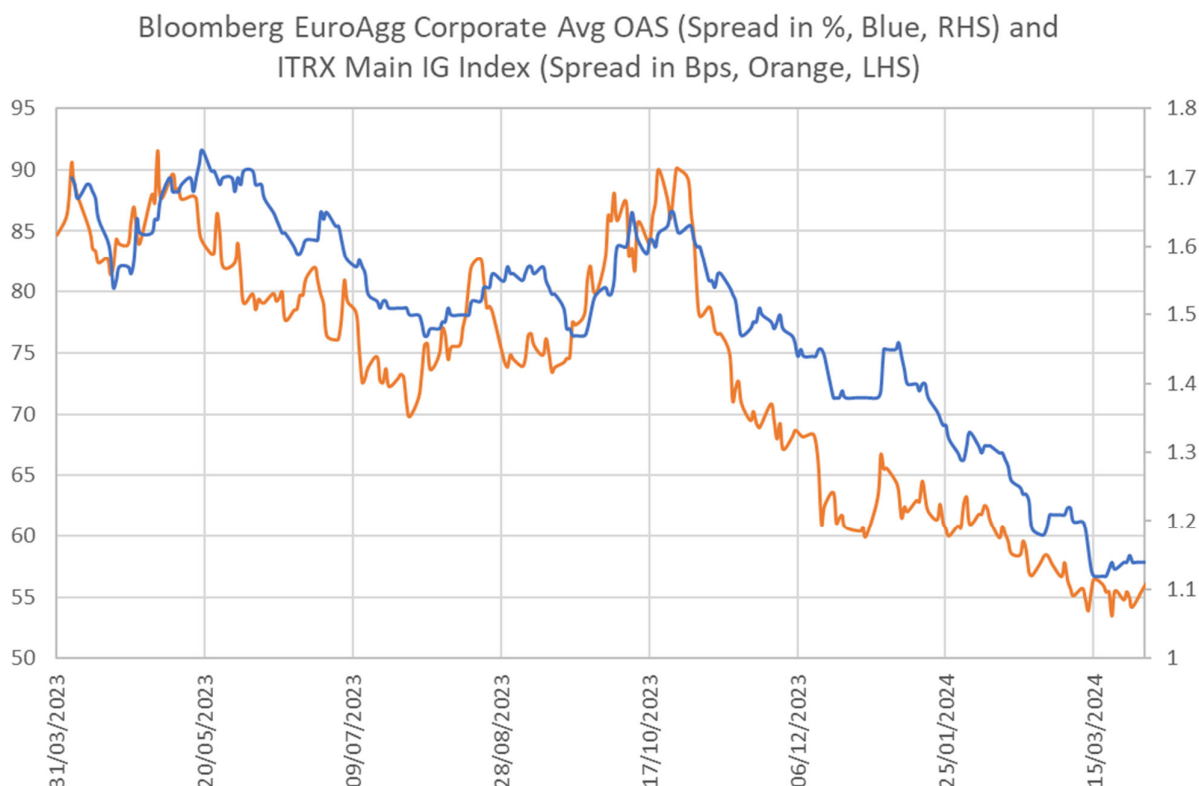
2nd Floor Block 5, Irish Life Centre, Abbey St Lower, Dublin 1, DO1 P767, Ireland
Phone: (+353) 1 920 3100 Registered in Ireland with No: 909107 VAT Reg No/USID: Nr. IE-3606081JH

Redhedge Asset Management LLP - Investment Manager's Report

Market Overview

This Investment Manager Report covers the period of the year ending 31 March 2024. During this period the market, we saw a constructive market in risk assets with credit spreads generically tighter over the period. As we can see in Chart 1, the Itraxx EUR Main IG index and the Corporate Bond Index both tightened by approximately 30bps and 55bps.

Chart 1



Source: Bloomberg, Internal

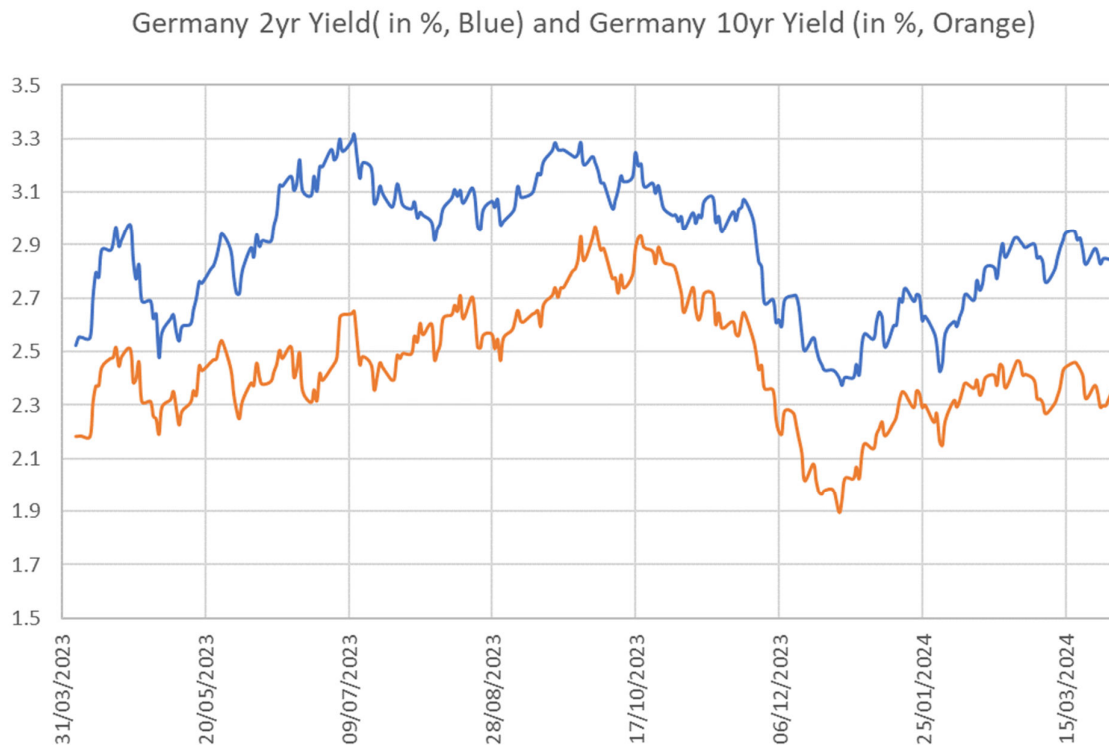
In the second quarter of 2023 (2Q23), the markets broadly recovered post the widening earlier in the year with the US bank crisis (with SVB Bank and others) as well as Credit Suisse's deterioration and eventual sale to UBS. This recovery and performance in credit spreads were driven by a few factors: (1) strong supply demand technicals – strong inflows and low amounts of issuance has been supportive for corporate credit, (2) the market became more comfortable with the improving macro-economic conditions narrative, where inflation expectations continue to come down and recession risks were receding and (3) tail risks of geo-political escalation, China/ EM downturn risks and US banking crisis have also receded. As a result, March 2023 (not during reporting period) was a strong month in terms of performance, but the subsequent period was a more challenging period for the strategy as going into the summer period, as expected, the liquidity, volatility and market participation was lower.

Redhedge Asset Management LLP - Investment Manager's Report (continued)

Market Overview (continued)

In the third quarter of 2023 (3Q23), the market started to worry about the aggressive tightening in financial conditions brought by the widening and steepening in interest rates curve (see Chart2). The market viewed the move higher in interest rates as similar impact to further rate hikes by the central bank. The uncertainty during the period on how high rates could go to caused uncertainty in risk assets such as credit and equity which caused them to weaken during the period and credit spreads to widen as a result.

Chart 2



Source: Bloomberg, Internal

The Investment Manager adopted a cautious stance since 2Q23 so over the summer months the investment manager has structured the portfolio in a way that aims to protect the portfolio for negative surprises in the market as we expect some volatility, weakness or negative news flow to return to the market.

This has helped drive performance in particularly in the months of August, September and October. In October, geopolitical risks come to the fore again, with the terrible events in Israel and Gaza on everyone's mind. However, the market throughout the period was not pricing any tail risks associated with this event as the market discounted the probability that the crisis will likely be contained within the region.

Redhedge Asset Management LLP - Investment Manager's Report (continued)

Market Overview (continued)

The strategy benefitted from this return in volatility and uncertainty in the market due to a few factors:

- (a) Some of our Long/ short pair trades performed. For example, the pairs where we were focused on long higher quality and low beta bonds against lower quality and higher beta bonds - which are essentially decompression trades - started to perform. As market volatility returned, the lower beta bonds which we are short underperformed and generated performance. These trades help us create trades with a long volatility profile without needing to be outright short. The names or sectors where we are short included the autos sector (Volkswagen, Stellantis), reverse-yankee names which are usually higher beta (such as Verizon, AT&T, Johnson Controls) and subordinated or Senior loss-absorbing capital bank debt vs senior preferred bank debt (for example, short Credit Agricole Non-Preferred Seniors vs Credit Agricole Preferred Seniors).
- (b) Our curve trades started to perform, in particular curve steepeners trades in corporate hybrids performed – we had long short duration hybrids and shorted longer call hybrids within the same issuer. For example, one issuer where this trade performed very well was Bayer (BAYNGR) where a tender was announced to call their NC23 and NC24 bonds and new issuance of hybrids callable in 5.25yrs and 8.25yrs which caused the curve to steepen, and we could take profit on both our long and short positions. Other issuers contributing to performance include Iberdrola, Eliaso, EDP and Enel.
- (c) We positioned for primary/ issuance to resume in September and October after the quiet summer months. The issuance pipeline this time around was not large, but we were able to avoid issuers that were likely to issue in the last issuance window in 2023 before the end of the year.

In the third quarter of 2023 (3Q23), the market started a strong rally into the close of the year and into the new year. The rally in November and December were driven by large tightening in interest rates, as the market priced a much more dovish Fed & ECB post lower inflation data indicates that the economy is slowing down. The previous hikes are clearly starting to have an impact and central bankers suggest they are happy with the level where the Fed funds rate and the three key ECB rates are for now. This stability opened the door for markets to price in 2024 cuts much more aggressively. This in turn prompted significant inflows into fixed income, which further fuelled the move tighter.

By the end of 2023, the market was discounting increasingly more aggressive central bank pivots, which is contributing to the euphoria and strong rally in risk assets. In the US, Fed funds is pricing in close to 5 cuts in 2024 while in Europe, above 5 cuts are also priced for 2024.

Our strategy suffered in November due to what we believe is market irrationality. Market dislocations continue to disrupt and drift further in this environment instead of correcting. Also, poor market participation despite the strong rally driven by low real money participation (in the rally) which was street driven, with dealers aggressively reducing the gross balance sheet into the new year and unwilling to take new positions. This in turn caused market technicals to worsen and impacted our relative value positions. These factors triggered some stop losses in our relative value positions as we exited some positions to protect our gains on the year and also to reduce exposure into the year end. By doing so, we incurred losses, but this was expected in this adverse scenario and well within our drawdown thresholds. Further, some relative value pairs and tail-hedges in the portfolio that has performed in the prior months started to reverse on performance. We were able to take profit and rotate around many of these positions, but some unrealised positions and new pairs have contributed to returns.

Redhedge Asset Management LLP - Investment Manager's Report (continued)

Market Overview (continued)

We continue to be concerned with the new market technicals where CTA and retail driven flows continue to dominate, so despite very stretched valuations, CTA accounts continue to add to risk as they tend to be momentum driven with no regard to fair-values. This has further increased dislocation and irrationality in the markets. We think that valuations are really stretched on low participation, and we think that sometimes markets can behave like a pendulum, which can swing from fear to euphoria and back to fear aggressively - as we saw a few times in recent years. For us, we continue to work and evolve with the market, fine-tuning and improving our risk-management and risk-allocation processes to help optimise our portfolio.

Very constructive markets also contributed to compression in credit over this reporting period. We see especially in Corporate Hybrids where the Subordinated Hybrid bonds have compressed towards their Senior Unsecured bonds. At these levels, we think decompression trades are attractive, because we think that the downside is relatively lower and we would be able to take advantage of the upside convexity when volatility will eventually return to the market.

The first quarter of 2024 (1Q24), saw a continuation of strong risk rally, driven by robust economic data and outlook in developed markets, non-accelerating inflation and market taking comfort on soft-landing scenario amid and further discounting recession risks. The optimism and performance at the end of 2023 resulting from market expectations of aggressive interest rate cuts continued into 2024. This was a significant change from the "higher for longer" messaging from central banks for most of 2023. The pace of interest-rate cuts expected by the markets to be overly optimistic, which was not supported by the messaging from central banks.

This environment of low volatility and persistent grinding markets continues to be an adverse market environment for our strategy. However, our tight risk controls and management has helped to mitigate losses and generated returns over the period despite the difficult environment.

In Corporate Hybrids, our curve trades generated performance. We have been long in the front end of the curve and short the longer part of the curve. Given the strong market environment, many issuers have opted to refinance earlier and tender their short-call hybrids. This has helped the front end and short-call hybrids to outperform which offset the losses from the longer end hybrid shorts that has also rallied.

As corporate hybrids credit spreads compressed to their recent tightness vs senior unsecured bonds, we have also put on decompression trades (i.e. long senior unsecured bonds vs short corporate hybrids) in issuers such as EDPPL, TELEFO, NGGLN and others. Given the entry levels and weighting of the trades, we were able to limit the downside risk. When the market had a small volatility spike in April due to some geo-political risk causing a small repricing, we were able to take-profit when the senior-subordinated relationship decompressed.

Also in corporate hybrids, as their credit spreads have tightened over the past year, these bonds start to trade more like a spread-traded product (similar to senior unsecured bonds) rather than price-traded products. In our observations, they have started to exhibit higher correlation towards interest rates. As a result, we have been dynamically hedging the interest rate component of corporate hybrids. Due to this, we have reduced the impact of rates movement and volatility in our portfolio.

Redhedge Asset Management LLP - Investment Manager's Report (continued)

Market Overview (continued)

During the period, we benefited on alpha generated from name-selection from our fundamental and quantitative process. We outperformed on our long position in British American Tobacco (BATSLN), which tightened significantly after being upgraded by Fitch. As a result, their Hybrids became fully IG, and the NC29C's traded up 2pts on the back of the upgrade. We had anticipated that credit metrics would improve sufficiently to warrant an upgrade, and as a result, were able to position for the move. On the short side, we started to be underweight EDF senior & hybrid bonds. We felt that EDF's bonds are trading at the tight end of the range and outperformed so far this year which makes the risk-reward more skewed to the downside. Their announced plans to start the production of materials used in nuclear bombs, is at odds with many investors' ESG criteria and we expect will lead to exposure reduction in the name – which caused underperformance in EDF spreads and we were able to take profit on our shorts.

Throughout the period, cash have also generically outperformed synthetics (CDS and Index). We were able to take profit on liquid, tactical relative value trades being long ETF vs CDS Index. We were also able to take profit on some CDS-Cash basis trades in senior corporate bonds and in financials. These trades are typically tactical and opportunistic. We have exited a majority of bond vs CDS positions and waiting for new opportunity and more attractive levels to arise in the future.

Some of our decompression trades contributed to underperformance during the period. Notably our CDS decompression trades continued to compress and move against us. Also, our decompression trades in hybrids (where we are short high beta/ cyclicals vs long high quality) have also underperformed during the period. The small volatility spike in April did not provide sufficient opportunity for us to take profit and reset these trades. However, we continue to like decompression as we think that the market scenario is starting to become more favourable as compression has started to reach a bound (i.e. little room to continue to compress). We are confident that we have a portfolio with lots of optionality and good risk/reward in this tight credit spread environment.

Over the reporting period, the fund has also started to trade more actively in relative value trades using highly liquid instruments in credit such as CDS Index and Credit ETF's. These instruments allow the fund to express relative value trades such as compression and decompression trades via IG and HY ETF's. They are highly liquid and also allow the fund to hedge rail risks (for example by buying CDS Index protection) which will protect the portfolio against a sudden weakening in the market. This gave the Investment Manager more flexibility in managing the downside and drawdown risks of the fund.

Redhedge Asset Management LLP - Investment Manager's Report (continued)

Market Overview (continued)

There are a few risk factors that the investment manager would be monitoring going forwards, mainly (but not limited to):

1. Heightened geo-political risk – we continue to see geo-politics being a tail risk for risk assets. The Middle-East continues to be a hot-spot with Gaza/ Israel/ Hamas/ Iran hostilities as well as Houthi/ Yemen related disruptions. In Europe Ukraine/ Russia continues to be unresolved. In Asia we continue to see risks between China/ Taiwan/ South-East Asia relationships.
2. Election related volatility could also pick up this summer. We have the UK going into elections in July, but all eyes will be on the US-elections later this year. Different outcomes may produce uncertainty in the market mainly from the angle of trade war/ tariffs, immigration policy as well as foreign policy. For example, a Trump administration that threatens to quit NATO can send massive repercussions throughout Europe overall.
3. Persistent inflation risk could prompt further central bank hikes. As we saw in March, with inflation prints not showing signs of coming lower, markets quickly priced out most of the cuts in 2024 (as we saw in charts 2). However, this was not enough to sour the bullish mood of the market as there are many other factors that contributed to strong markets. If we continue to see persistent high inflation however, we could go back to “high for longer” scenario or even hiking scenario to get inflation back under control. This would be a major negative for risk assets and would most likely cause credit spreads to reprice higher.

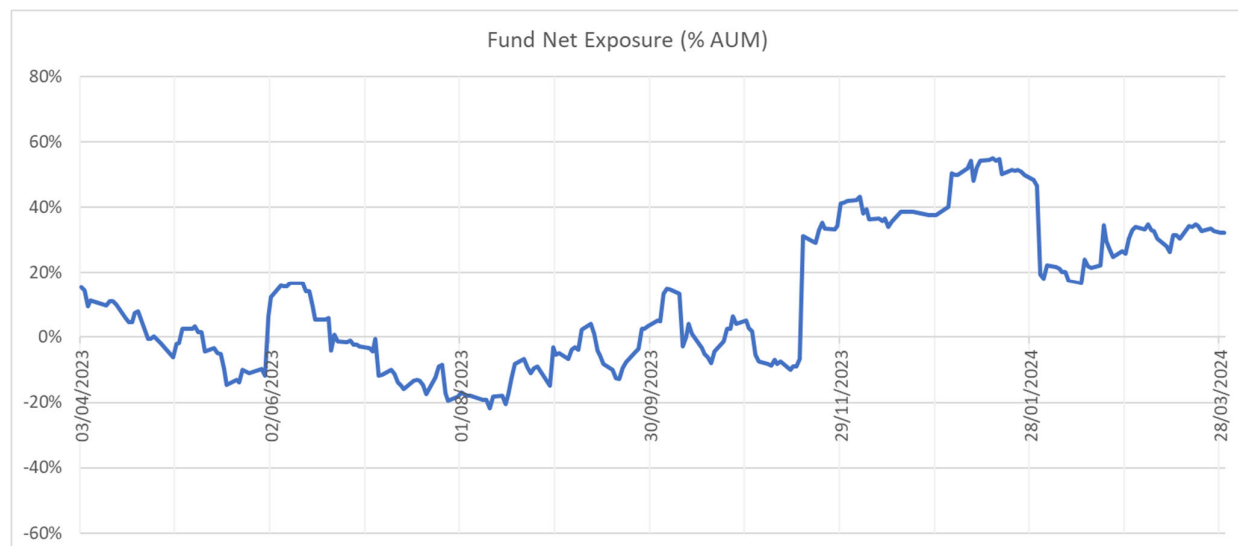
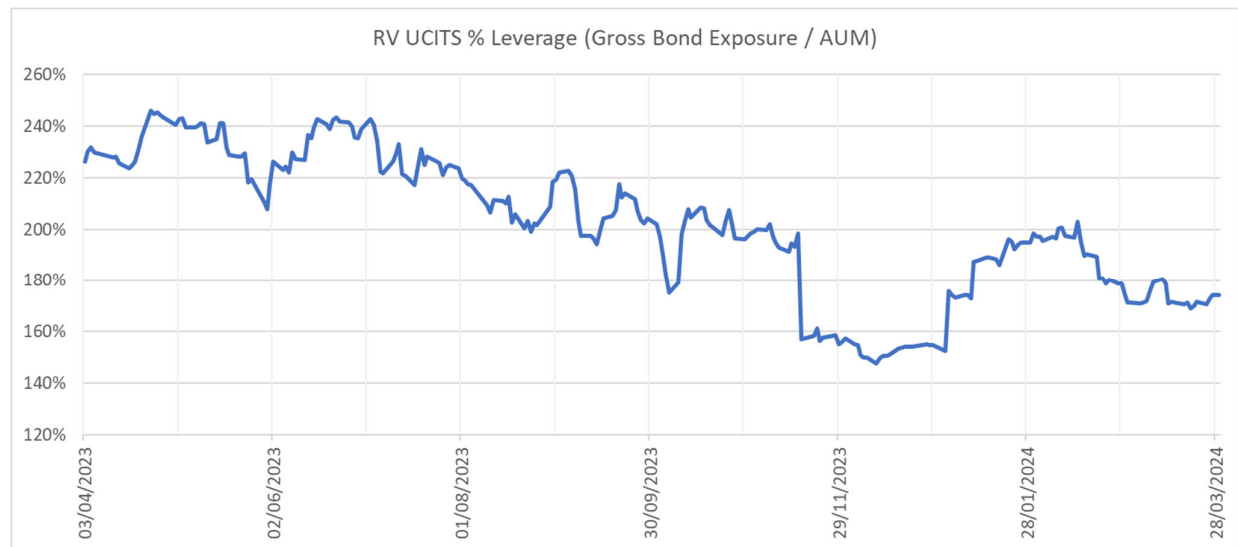
The Investment Manager continue to feel that market neutral relative value strategies are well-placed to protect investors from market volatility and downside compared to outright investments. We also continue to believe that at this point in the market, differentiation and diversification in any credit portfolio is extremely important. Main reason is that credit spreads are at the tight and market irrationality is at the highs. A lot of macro risks are no longer priced in by the market and we think investors are starting to get complacent as they continue to chase performance and assuming best case scenarios for inflation and economy, expecting either a soft-landing or no recession. In credit specifically, we have seen very strong compression between lower quality and higher beta names this month which is usually a sign for future potential decompression. We think a market neutral relative value strategy can provide differentiation to a credit portfolio to balance out the uncertainty and risks in the market which we believe long-only investors are not getting remunerated for.

Redhedge Asset Management LLP - Investment Manager's Report (continued)

Risk and Performance Overview

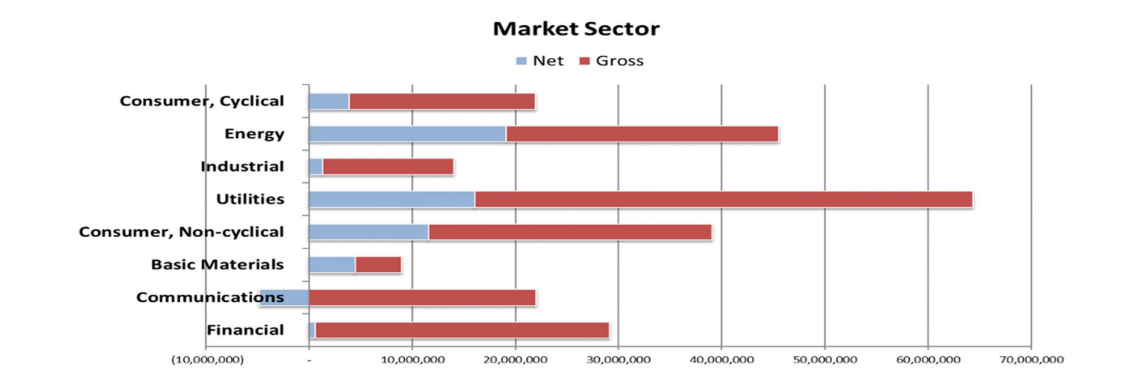
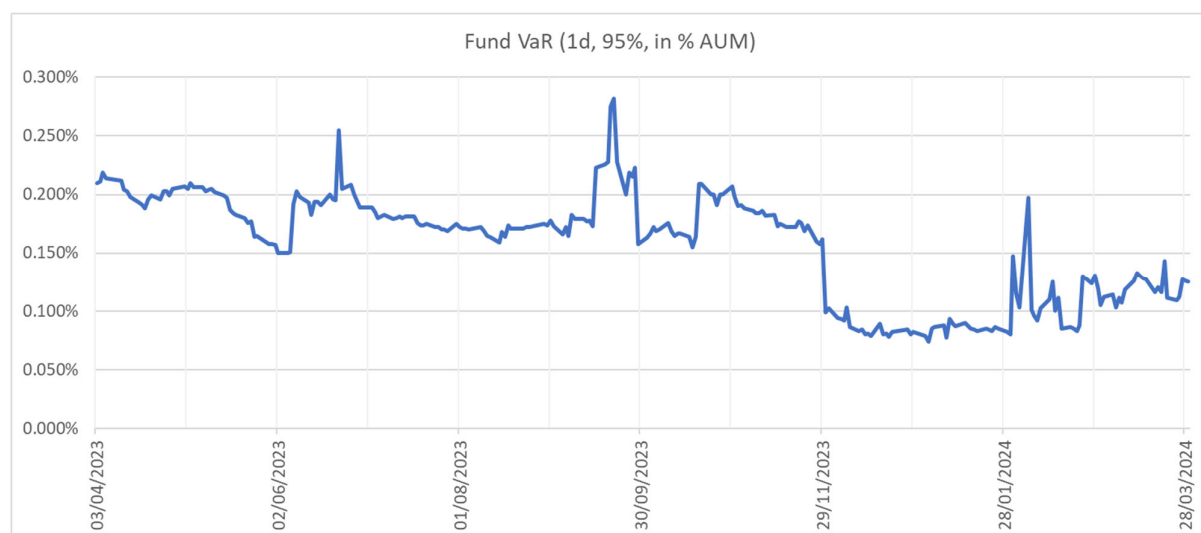
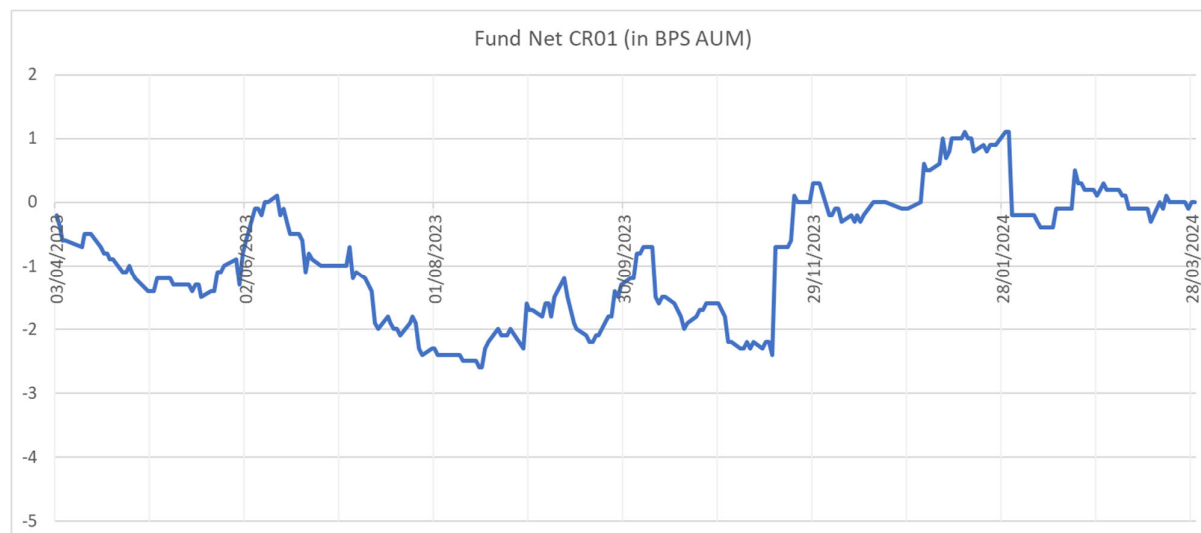
The fund remained market beta neutral throughout the period with some variations on both gross and net leverage employed during different periods of market opportunity, volatility and participation levels.

Over the reporting period (31 March 2023 to 31 March 2024), the Redhedge Relative Value UCITS Fund returned approx. +1.68%. The year to date returns for 2023 was +1.17% and the year to date returns as of 31 March 2024 was +0.62%.



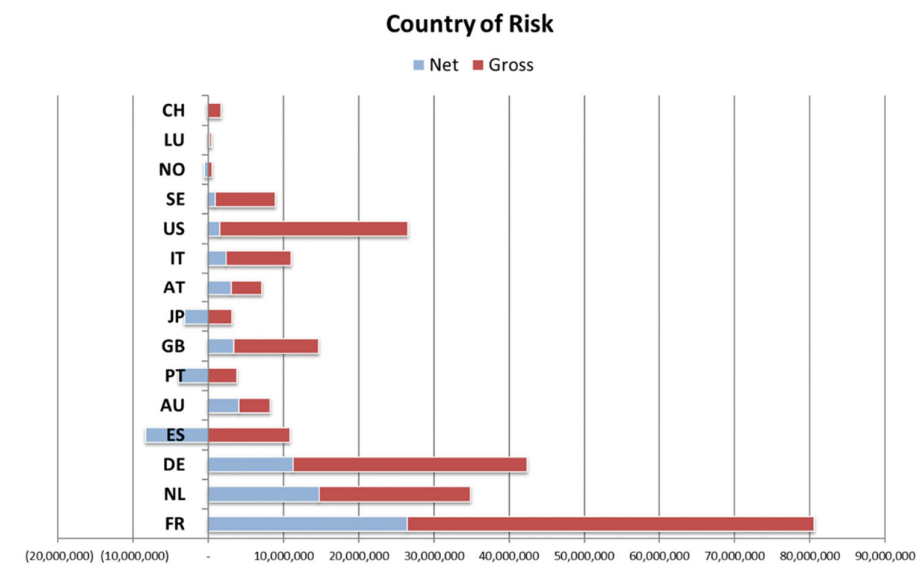
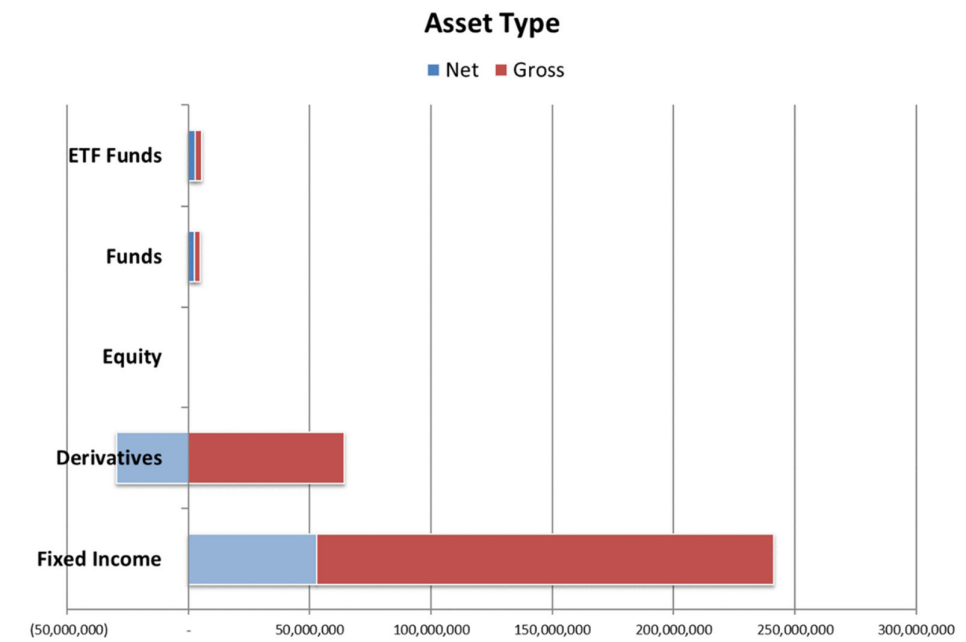
Redhedge Asset Management LLP - Investment Manager's Report (continued)

Risk and Performance Overview (continued)



Redhedge Asset Management LLP - Investment Manager's Report (continued)

Risk and Performance Overview (continued)



Subscriptions and Redemptions

The Redhedge Relative Value UCITS Fund saw a increase in the AUM by about 20.4mm EUR which is about a 17.26% increase in the fund AUM bringing the total AUM to 138.5m EUR at the end of the period. The fund continues to trade primarily fixed income bonds and the fund composition and strategies on both Funds remain consistent throughout the period.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF REDHEDGE UCITS ICAV

Report on the audit of the annual accounts

Opinion on the annual accounts of Redhedge UCITS ICAV (the 'ICAV')

In our opinion the annual accounts:

- give a true and fair view of the assets, liabilities and financial position of the ICAV as at 31 March 2024 and of the profit for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and the applicable Regulations.

The annual accounts we have audited comprise:

- the Statement of Financial Position;
- the Statement of Comprehensive Income;
- the Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders;
- the Statement of Cash Flows; and
- the related notes 1 to 20, including material accounting policy information as set out in note 2.

The relevant financial reporting framework that has been applied in their preparation is the Irish Collective Asset-Management Acts 2015-2020 ("the ICAV Act") and International Financial Reporting Standards as adopted by the European Union ("IFRS") ("the relevant financial reporting framework").

The applicable regulations that have been applied in their preparation is the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 and Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2019 ("the applicable Regulations").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "*Auditor's responsibilities for the audit of the annual accounts*" section of our report.

We are independent of the ICAV in accordance with the ethical requirements that are relevant to our audit of the annual accounts in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual Report and Audited Financial Statements, other than the annual accounts and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report and Audited Financial Statements. Our opinion on the annual accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF REDHEDGE UCITS ICAV

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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the annual accounts or a material misstatement of the other information. 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of annual accounts that give a true and fair view and have been properly prepared in accordance with the ICAV Act, and for such internal control as the directors determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts 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 (Ireland) 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 annual accounts.

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements>. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Matters on which we are required to report by the ICAV Act and the applicable Regulations

In our opinion, the information given in the directors' report is consistent with the annual accounts and the directors' report has been prepared in accordance with the ICAV Act.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the ICAV and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the provisions in the ICAV Act which require us to report to you if, in our opinion, the disclosures of directors' remuneration specified by the ICAV Act are not made.

Opinion on other matters prescribed by the applicable Regulations

Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the ICAV were sufficient to permit the annual accounts to be readily and properly audited.

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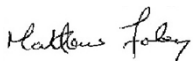
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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF REDHEDGE UCITS ICAV

- The annual accounts are in agreement with the accounting records.

Use of our report

This report is made solely to the ICAV's shareholders, as a body, in accordance with Section 120(1) (b) of the ICAV Act. Our audit work has been undertaken so that we might state to the ICAV's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the ICAV and the ICAV's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.



Matthew Foley
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, 29 Earlsfort Terrace, Dublin 2

29 July 2024

Redhedge UCITS ICAV

Statement of Financial Position
As at 31 March 2024

		Redhedge Relative Value UCITS Fund 31 March 2024 EUR	Redhedge Relative Value UCITS Fund 31 March 2023 EUR
Current assets	Note		
Financial assets at fair value through profit or loss			
Investments at fair value	2,10	123,796,267	97,318,348
Unrealised gains on forward currency contracts	2,8,10	21,451	15,412
Unrealised gains on future contracts	2,8,10	450	31,486
Unrealised gains on swap contracts	2,8,10	2,651,869	3,261,042
		<u>126,470,037</u>	<u>100,626,288</u>
Cash at bank	2,5	777,364	4,758,584
Cash held in investor money collection account	2,5	-	147,074
Margin cash balance	2,5	12,461,419	12,333,412
Due from brokers	2(k)	15,821,786	22,550,276
Interest receivable		1,949,684	1,395,085
Other assets		<u>3,730</u>	<u>7,691</u>
Total current assets		<u>157,484,020</u>	<u>141,818,410</u>
Current liabilities			
Financial liabilities at fair value through profit or loss:			
Unrealised losses on forward currency contracts	2,8,10	40,782	113,341
Unrealised losses on future contracts	2,8,10	82,624	87,088
Unrealised losses on swap contracts	2,8,10	1,545,751	554,067
		<u>1,669,157</u>	<u>754,496</u>
Margin overdraft	2,5	540,581	-
Redemptions payable	2(i)	-	147,074
Due to brokers	2(k)	16,311,171	22,526,132
Performance fees payable	7	217,397	74,805
Investment management fees payable	7	83,705	96,701
Administration fees payable	7	67,217	37,952
Depository fees payable	7	51,532	43,302
Audit fees payable	6	21,000	19,000
Directors' fees payable	7	4,083	-
Manager fees payable	7	20,309	12,499
Accrued expenses		<u>51,082</u>	<u>54,500</u>
Total current liabilities		<u>19,037,234</u>	<u>23,766,461</u>
Net assets attributable to redeemable participating shareholders	14	<u><u>138,446,786</u></u>	<u><u>118,051,949</u></u>

The accompanying notes form an integral part of the financial statements.

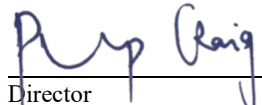
Redhedge UCITS ICAV

Statement of Financial Position (continued)
As at 31 March 2024

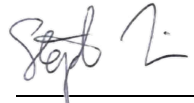
		Redhedge Relative Value UCITS Fund 31 March 2024	Redhedge Relative Value UCITS Fund 31 March 2023
Net Asset Value per Share Class	Note 3,13		
Class A CHF (12,478 shares in issue (2023: 26,051))		CHF 1,257,432	CHF 2,627,090
Class A EUR (545,706 shares in issue (2023: 715,388))		EUR 56,679,659	EUR 73,087,941
Class A USD (14,063 shares in issue (2023: 13,508))		USD 1,511,304	USD 1,408,461
Class I EUR (582,105 shares in issue (2023: 200,000))		EUR 60,660,343	EUR 20,435,602
Class S CHF (10,000 shares in issue (2023: 10,000))		CHF 1,020,785	CHF 1,018,835
Class S EUR (120,000 shares in issue (2023: 120,000))		EUR 12,324,384	EUR 12,093,918
Class SI EUR (5,000 shares in issue (2023: N/a))*		EUR 501,819	-
Class Z CHF (7,282 shares in issue (2023: 9,973))		CHF 724,655	CHF 997,866
Class Z EUR (29,711 shares in issue (2023: 56,522))		EUR 3,048,486	EUR 5,727,232
Class Z USD (7,609 shares in issue (2023: 7,640))		USD 807,474	USD 790,047

*Class SI EUR launched on 10th October 2023.

On behalf of the Board of Directors on 23 July 2024:



Director



Director

The accompanying notes form an integral part of the financial statements.

Redhedge UCITS ICAV

Statement of Comprehensive Income for the year ended 31 March 2024

		Redhedge Relative Value UCITS Fund 31 March 2024 EUR	Redhedge Relative Value UCITS Fund 31 March 2023 EUR
Income	Note		
Dividend income	2(f)	323,235	-
Other income		7,945	2,750
Interest income	2(f)	229,235	34,416
Net interest from financial assets and financial liabilities at fair value through profit or loss	2(f)	694,512	3,016,802
Net gain on financial assets and financial liabilities at fair value through profit or loss and foreign currencies	2,4	4,254,783	2,081,651
Total investment gain		<u>5,509,710</u>	<u>5,135,619</u>
Operating Expenses			
Investment management fees	7	(1,180,452)	(1,178,570)
Performance fees	7	(612,069)	(595,548)
Administration fees	7	(94,519)	(80,844)
Depository fees	7	(93,199)	(115,858)
Manager fees	7	(67,144)	(57,499)
Audit fees	6	(21,000)	(19,000)
Directors' fees	7	(15,211)	(15,246)
Legal fees		(14,340)	(19,999)
Secretary fees		(11,784)	(9,840)
Transaction costs	2(f),16	(10,555)	(6,825)
MLRO fees		(9,863)	(9,224)
Establishment expenses	2(f)	(15,768)	(29,244)
Other expenses		(165,773)	(69,290)
Total operating expenses		<u>(2,311,677)</u>	<u>(2,206,987)</u>
Gain before finance cost		<u>3,198,033</u>	<u>2,928,632</u>
Finance cost			
Interest expense	2(f)	(591,727)	(3,905)
Gain for the financial year after tax		<u>2,606,306</u>	<u>2,924,727</u>
Increase in net assets attributable to redeemable participating shareholders resulting from operations		<u>2,606,306</u>	<u>2,924,727</u>

The accompanying notes form an integral part of the financial statements.

Redhedge UCITS ICAV

**Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders
For the year ended 31 March 2024**

	Redhedge Relative Value UCITS Fund 31 March 2024 EUR	Redhedge Relative Value UCITS Fund 31 March 2023 EUR
Net assets attributable to redeemable participating shareholders as at the beginning of the year	118,051,949	110,219,538
Net increase in net assets attributable to redeemable participating shareholders resulting from operations	2,606,306	2,924,727
Share transactions		
Proceeds from redeemable participating shares issued	52,370,555	71,973,539
Payments for redeemable participating shares redeemed	<u>(34,582,024)</u>	<u>(67,065,855)</u>
Net increase in net assets resulting from share transactions	17,788,531	4,907,684
Net assets attributable to redeemable participating shareholders as at the end of the year	<u>138,446,786</u>	<u>118,051,949</u>

The accompanying notes form an integral part of the financial statements.

Redhedge UCITS ICAV

Statement of Cash Flows
For the year ended 31 March 2024

	Redhedge Relative Value UCITS Fund 31 March 2024 EUR	Redhedge Relative Value UCITS Fund 31 March 2023 EUR
Cash flows used in operating activities:		
Increase in net assets attributable to redeemable participating shareholders resulting from operations	2,606,306	2,924,727
Net change in financial assets and financial liabilities at fair value through profit or loss	(24,929,088)	(1,683,073)
Increase in interest receivable	(554,599)	(355,425)
Decrease/(increase) in due from brokers	6,728,490	(3,781,246)
Decrease in other assets	3,961	3,381
(Decrease)/Increase in payables and accrued expenses	(6,037,395)	5,570,796
Net cash used in operating assets and liabilities	(24,788,631)	(245,567)
Cash flows from financing activities:		
Proceeds from redeemable participating shares issued	52,370,555	71,973,539
Payments for redeemable participating shares redeemed	(34,729,098)	(66,924,504)
Net cash provided by financing activities	17,641,457	5,049,035
Net (decrease)/increase in cash and cash equivalents	(4,540,868)	7,728,195
Cash and cash equivalents as at the beginning of the year	17,239,070	9,510,875
Cash and cash equivalents as at the end of the year	12,698,202	17,239,070
Cash at bank and margin cash balance (note 5)	13,238,783	17,239,070
Margin cash overdraft (note 5)	(540,581)	-
	12,698,202	17,239,070
Interest received	369,148	2,695,793
Interest paid	(591,727)	(3,905)
Dividend received	323,235	-

The accompanying notes form an integral part of the financial statements.

**Notes to the Annual Accounts
For the year ended 31 March 2024**

1. Reporting Entity

Redhedge UCITS ICAV (the “ICAV”) was incorporated on 9 April 2019 (registered number C191780) as an Irish Collective Asset-management Vehicle constituted as an umbrella fund with segregated liability between sub-funds and authorised by the Central Bank of Ireland pursuant to the Irish Collective Asset-management Vehicles Act 2015 (as amended) (the “ICAV Act”), the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the “UCITS Regulations”) and the Central Bank of Ireland’s (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the “Central Bank UCITS Regulations”).

The ICAV and the first sub-fund of the ICAV, Redhedge Relative Value UCITS Fund (the “Sub-Fund”), were authorised by the Central Bank of Ireland on 21 December 2020. The investment objective of the Sub-Fund is to achieve medium to long-term (5 to 7 years) capital growth and absolute returns by adopting a multi-strategy approach to investing.

The Sub-Fund launched on 1 March 2021 and offers its investors fourteen Share Classes as follows: Class A CHF, Class A EUR, Class A GBP, Class A USD, Class I EUR, Class R EUR, Class S CHF, Class S EUR, Class S USD, Class SI EUR, Class Z CHF, Class Z EUR, Class Z GBP and Class Z USD. As at 31 March 2024, Class A GBP, Class R EUR, Class S USD and Class Z GBP had not yet launched.

Redhedge Asset Management LLP acts as the Investment Manager (the “IM”) to the ICAV.

Waystone Management Company (IE) Limited (formerly known as KBA Consulting Management Limited) acts as the Manager (the “Manager”) to the ICAV.

As at 15 October 2023, BNY Mellon Fund Services (Ireland) Designated Activity Company and The Bank of New York Mellon SA/NV, Dublin Branch served as the Administrator and the Depositary of the ICAV, respectively. Effective 16 October 2023, Apex Fund Services (Ireland) Limited and European Depositary Bank SA, Dublin Branch were appointed as the Administrator and the Depositary of the ICAV, respectively.

2. Material Accounting Policies

The material accounting policies and estimation techniques applied in the preparation of these annual accounts are set out below.

a) Basis of Preparation

These annual accounts have been prepared on the going concern basis in accordance with International Financial Reporting Standard (“IFRS”) and interpretations adopted by the International Accounting Standards Board (“IASB”), as adopted by the European Union.

The Directors have performed an assessment of the going concern of the ICAV. Taking into consideration a number of factors, the Directors have determined that the going concern basis remains appropriate.

These annual accounts are for the year from 1 April 2023 to 31 March 2024. The comparative period is for the year from 1 April 2022 to 31 March 2023.

The ICAV will prepare an Annual Report and audited annual accounts as at 31 March in each year and a half-yearly report and unaudited semi-annual accounts as at 30 September in each year.

New standards, amendments and interpretations effective 1 April 2023

Up to the date of issue of these financial statements, the International Accounting Standards Board (the “IASB”) has issued a number of amendments, new standards and interpretations which are effective for the period beginning 1 April 2023 and which have been adopted in these financial statements.

Notes to the Annual Accounts (continued)

For the year ended 31 March 2024

2. Material Accounting Policies (continued)

a) Basis of Preparation (continued)

New standards, amendments and interpretations effective 1 April 2023 (continued)

Amendments to IAS 1 – presentation of financial statements and practice statement 2: disclosure of accounting policies

The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their ‘significant’ accounting policies with a requirement to disclose their ‘material’ accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

Amendments to IAS 8 – accounting policies, changes in accounting estimates and errors: definition of accounting estimate

The amendments to IAS 8, in which it introduces a definition of ‘accounting estimates’. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments and improvements noted above are effective from 1 January 2023 and the Sub-Fund has adopted these, where relevant, from 1 April 2023 and it has not resulted in any change to the presentation of these financial statements.

New or revised accounting standards and interpretations that have been issued but not yet effective for the year ended 31 March 2024

The following amendments to standards have been issued to date and are not yet effective for the year ended 31 March 2024 and have not been applied nor early adopted, where applicable in preparing these financial statements:

Description	Effective for accounting period beginning on or after
Amendments to IAS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants	1 January 2024
Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback	1 January 2024

Management anticipates that the adoption of these standards and interpretations in future periods will have no material impact on the financial statements of the ICAV.

b) Valuation of Financial Assets/Financial Liabilities at Fair Value

The preparation of annual accounts requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The key judgement relates to the selection of the classification of investments and the associated valuation policies.

Recognition/Derecognition

Financial assets and financial liabilities at fair value through profit or loss are recognised when the ICAV becomes party to the contractual provisions of the instrument.

Recognition takes place on the trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned.

**Notes to the Annual Accounts (continued)
For the year ended 31 March 2024**

2. Material Accounting Policies (continued)

b) Valuation of Financial Assets/Financial Liabilities at Fair Value (continued)

Recognition/Derecognition (continued)

The ICAV derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the ICAV neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset. The ICAV derecognises a financial liability when its contractual obligations are discharged or cancelled, or expires.

Measurement

Financial assets and financial liabilities at fair value are initially recognised at fair value. Transaction costs are expensed in the Statement of Comprehensive Income. Subsequent to initial recognition, all financial assets and financial liabilities at fair value are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value are presented in the Statement of Comprehensive Income in the year in which they arise.

Fair Value Estimation

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. For investments in equities, government bonds and corporate bonds the fair value is based on their quoted market price on a recognised exchange or sourced from a reputable broker/counterparty in the case of non-exchange traded investments, at the Statement of Financial Position date without any deduction for estimated future selling costs. The ICAV utilises the last available price of the relevant stock exchange or regulated market on which these securities are traded or are admitted for trading. If the market for a financial instrument is not active, an entity establishes fair value by using a valuation technique. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in the actual market.

The ICAV, in its normal course of investing and trading activities, may enter into transactions in derivative financial instruments based on expectations of future market movements and conditions. The fair value of derivative financial instruments at the reporting date generally reflects the amount that the ICAV would receive or pay to terminate the contract at the reporting date. Many derivative financial instruments are exchange traded or traded in the over-the-counter ("OTC") market where market values are readily obtainable. These transactions have off-balance sheet risk, credit and/or liquidity risk.

Derivative financial instruments are recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and options pricing models, as appropriate. Models are calibrated by back testing to actual transactions to ensure outputs are reliable. Models use observable data to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require the Board of Directors to make estimates. Changes in assumptions about these factors could affect the reported fair value of derivative financial instruments at the valuation date.

All derivative financial instruments are carried in assets when amounts are receivable by the ICAV and in liabilities when amounts are payable by the ICAV. Changes in the fair values of derivatives are included in the Statement of Comprehensive Income. During the period when the contract is open, changes in the value of the contracts are recognised as unrealised appreciation or depreciation to reflect the fair value of the contract at the valuation date.

When the contract is closed, the ICAV records a realised gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the ICAV's basis in the contract.

**Notes to the Annual Accounts (continued)
For the year ended 31 March 2024**

2. Material Accounting Policies (continued)

b) Valuation of Financial Assets/Financial Liabilities at Fair Value (continued)

Fair Value Estimation (continued)

The ICAV may engage in forward currency contracts, futures contracts and swap contracts.

(i) Debt and equity securities

Investments in debt securities include investments in government bonds and corporate bonds. Investments in equity securities include exchange traded funds and investment funds.

(ii) Futures contracts

Futures are contracts for delayed delivery of commodities, securities or money market instruments in which the seller agrees to make delivery at a specified future date of a specified commodity or instrument, at a specified price or yield. Gains and losses on futures are recorded by the Sub-Fund based upon market fluctuations and are recorded as realised or unrealised gain or loss in the Statement of Comprehensive Income.

(iii) Forwards currency contracts

Forward currency contracts obligate the ICAV to either buy or sell an asset at a specified future date and price. Risks associated with forward currency contracts are the inability of counterparties to perform as specified in their contracts and movements in fair value. The realised or 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.

(iv) Swap contracts

Swaps represent agreements that obligate two parties to exchange a series of cash flows at specified intervals based upon or calculated by reference to changes in specified prices or rates for a specified amount of an underlying asset or otherwise determined notional amounts.

Total return swaps

The ICAV may also hold investment positions through total return swaps. Total return swaps are contracts in which the ICAV pays or receives a series of cash flows based upon the total return of a specified asset in return for paying or receiving, respectively, a fixed or floating rate of interest based upon that same specified asset.

Credit default swaps

The ICAV may enter into credit default swaps to manage its exposure to certain sectors of the market or to reduce credit risk. The ICAV may enter into credit default swap agreements to provide a measure of protection against the default of an issuer (as buyer of protection) and/or gain credit exposure to an issuer to which it is not otherwise exposed (as seller of protection). Credit default swaps are agreements in which one party pays fixed periodic payments to a counterparty in consideration for a guarantee from the counterparty to make a specific payment should a negative credit event take place (e.g. default, bankruptcy or debt restructuring). The ICAV may either buy or sell (write) credit default swaps. As a buyer, the ICAV will either receive from the seller an amount equal to the notional amount of the swap and deliver the referenced security or underlying securities comprising of an index or receive a net settlement of cash equal to the notional amount of the swap less the recovery value of the security or underlying securities comprising of an index. As a seller (writer), the ICAV will either pay the buyer an amount equal to the notional amount of the swap and take delivery of the referenced security or underlying securities comprising of an index or pay a net settlement of cash equal to the notional amount of the swap less the recovery value of the security or underlying securities comprising of an index. In the event of default by the counterparty, the ICAV may recover amounts paid under the agreement either partially or in total by offsetting any payables and/or receivables with collateral held or pledged.

These periodic payments received or made by the ICAV are included in net gain/(loss) on financial assets and financial liabilities at fair value through profit or loss and foreign currencies in the Statement of Comprehensive Income.

(v) Impairment and measurement of ECLs

The Expected Credit Loss ("ECL") model applies to financial assets measured at amortised cost. ECLs are a probability-weighted estimate of credit losses. ECLs are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the ICAV expects to receive). The financial assets at amortised cost are short-term (less than 12 months), of high credit quality and accordingly the ECLs, if any, on such assets are expected to be immaterial. As a result the Directors have decided not to record any ECL in these financial statements.

**Notes to the Annual Accounts (continued)
For the year ended 31 March 2024**

2. Material Accounting Policies (continued)

c) Critical Accounting Estimates and Judgements

The preparation of annual accounts requires the use of certain critical accounting estimates. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities is Fair Value Estimation. See note 10 (d). It also requires the Board of Directors, based on the advice of the IM, to exercise its judgement in the process of applying the ICAV's accounting policies. Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

d) Realised Gain/(Loss) from Sale of Investments

Realised gain/(loss) on investment transactions are calculated using the average cost method with the exception of future contracts where the broker closes lots using the First In – First Out ("FIFO") basis.

Gains and losses realised on the sale of all financial assets and financial liabilities carried at fair value are recognised in the Statement of Comprehensive Income.

e) Net Gain on Financial Assets and Financial Liabilities at Fair Value through Profit or Loss

Included in net gain on financial assets and financial liabilities at fair value through profit or loss in the Statement of Comprehensive Income are realised gains/(losses) on the sale of investments and movement in unrealised gains/(losses) on all investments. Realised gains and losses represent the difference between an instrument's initial carrying amount and disposal amount, or cash payments or receipts made on derivative contracts (excluding payments or receipts on collateral margin accounts for such instruments). Unrealised gain and loss comprise changes in the fair value of financial instruments for the year and from the reversal of prior year's unrealised gain and loss for financial instruments which were realised in the financial year.

f) Accounting for Investment Income and Expenses

Interest Income and Interest Expense

All interest income and interest expense are recognised on an accrual basis. Interest income includes interest from cash at bank. Interest expense includes interest on overdraft positions.

Dividend Income

Dividend income is recognised in the Statement of Comprehensive Income when the right to receive payment is established.

Net interest from Financial Assets and Financial Liabilities at Fair Value through Profit or Loss

Net interest from financial assets and financial liabilities at fair value through profit or loss includes interest from debt securities and derivative contracts.

Expenses

The Sub-Fund pays all of its expenses and such proportion of the ICAV's expenses as is attributable to the Sub-Fund. All expenses are accrued on a daily basis as part of the net asset valuation.

Transaction Costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. Only transaction costs which are separately identifiable are disclosed. These include transaction costs paid to depositaries and sub-depositaries, identifiable brokerage charges and commissions, identifiable transaction related taxes and other market charges.

Costs Associated with Establishment

Costs relating to the establishment of the ICAV and its first Sub-Fund are not expected to exceed EUR 60,000. For Net Asset Value calculation purposes these are being amortised over the first five accounting periods of the ICAV and allocated to the Share Classes of the Sub-Fund on a pro-rata basis in accordance with the Prospectus. For financial statement purposes, in conformity with IFRS, the establishment expenses are expensed as incurred. Please refer to note 13 for details of these adjustments.

**Notes to the Annual Accounts (continued)
For the year ended 31 March 2024**

2. Material Accounting Policies (continued)

g) Foreign Currency

Functional and Presentation Currency

These annual accounts are presented in Euro (EUR), which is the ICAV's presentational and functional currency.

Monetary and non-monetary assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency 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 net gain/(loss) on financial assets and financial liabilities at fair value through profit or loss and foreign currencies in the Statement of Comprehensive Income.

h) Anti-Dilution Levy

An anti-dilution levy may be imposed in accordance with the provisions set out in the Prospectus as detailed in the sub-section entitled "Anti-Dilution Levy" of the section entitled "Net Asset Value and Valuation of Assets". Any anti-dilution levy shall not exceed 1.0% of the value of each relevant subscription or redemption transaction. The application of any provision will be subject to the overall direction and discretion of the ICAV. There was no anti-dilution levy applied to any subscription or redemption transactions during the years ended 31 March 2024 and 31 March 2023.

i) Cash at Bank, Margin Cash Balance and Margin Overdraft

Cash comprises cash on hand and demand deposits. Cash is shown as an asset in the Statement of Financial Position. Bank overdraft is shown as a liability in the Statement of Financial Position. Margin accounts represent cash deposits with brokers. Bank overdraft comprises negative cash balances on the bank accounts as at the year end.

Subscription and redemption monies are channelled through the Sub-Fund's cash collection account in the name of the Sub-Fund. Pending issue of the Shares and/or payment of subscription proceeds to an account in the name of the Sub-Fund, and pending payment of redemption proceeds or distributions, the relevant investor will be an unsecured creditor of the Sub-Fund in respect of amounts paid by or due to it.

As at 31 March 2024, the Sub-Fund did not hold cash in the investor money collection account (as at 31 March 2023, the Sub-Fund held cash in the investor money collection account. As at 31 March 2023, the balance in the investor money collection account relates to redemptions payable.) These amounts are reflected on the Statement of Financial Position. As at 31 March 2024, the Sub-Fund holds a margin overdraft of EUR 540,581 (31 March 2023 - Nil).

j) Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to set-off the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liabilities simultaneously. All financial assets and financial liabilities are presented gross as at 31 March 2024 and 31 March 2023.

k) Due (to)/from Brokers

Balances due (to)/from brokers consist of unsettled amounts on security transactions.

l) Comparative Information

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

3. Share Capital

The authorised share capital of the ICAV is 10 million ordinary redeemable participating shares of no par value and 2 ordinary non-participating management shares of no nominal value.

Redhedge UCITS ICAV

Notes to the Annual Accounts (continued)

For the year ended 31 March 2024

3. Share Capital (continued)

The management shares entitle the holders to attend and vote at general meetings of the ICAV but do not entitle the holders to participate in the profits or assets of the ICAV except for a return of capital on a winding-up. The Shares entitle the holders to attend and vote at general meetings of the ICAV. Every shareholder has one vote in respect of each share held and a holder of management shares has one vote in respect of all management shares held. As at 31 March 2024, two management shares of the ICAV of no par value are in issue and had been allotted and issued to Redhedge Asset Management LLP, the IM of the ICAV.

Share capital transactions for the year ended 31 March 2024 are summarised in the following table:

Number of Shares in Issue

Redhedge Relative Value UCITS Fund

	Class A CHF Shares	Class A EUR Shares	Class A USD Shares
Redeemable participating shares			
Redeemable participating shares in issue at beginning of year	26,051	715,388	13,508
Redeemable participating shares issued during the year	-	102,984	8,328
Redeemable participating shares redeemed during the year	(13,573)	(272,666)	(7,773)
Redeemable participating shares in issue at end of the year	12,478	545,706	14,063
	Class I EUR Shares	Class S CHF Shares	Class S EUR Shares
Redeemable participating shares			
Redeemable participating shares in issue at beginning of year	200,000	10,000	120,000
Redeemable participating shares issued during the year	387,105	-	-
Redeemable participating shares redeemed during the year	(5,000)	-	-
Redeemable participating shares in issue at end of the year	582,105	10,000	120,000
	Class SI* EUR Shares	Class Z CHF Shares	Class Z EUR Shares
Redeemable participating shares			
Redeemable participating shares in issue at beginning of year	-	9,973	56,522
Redeemable participating shares issued during the year	5,000	631	5,294
Redeemable participating shares redeemed during the year	-	(3,322)	(32,105)
Redeemable participating shares in issue at end of the year	5,000	7,282	29,711
	Class Z USD Shares		
Redeemable participating shares			
Redeemable participating shares in issue at beginning of year	7,640		
Redeemable participating shares issued during the year	1,240		
Redeemable participating shares redeemed during the year	(1,271)		
Redeemable participating shares in issue at end of the year	7,609		

*Class SI EUR launched on 10 October 2023.

Redhedge UCITS ICAV

Notes to the Annual Accounts (continued)
For the year ended 31 March 2024

3. Share Capital (continued)

Share capital transactions for the year ended 31 March 2023 are summarised in the following table:

Number of Shares in Issue

Redhedge Relative Value UCITS Fund

	Class A CHF Shares	Class A EUR Shares	Class A USD Shares
Redeemable participating shares			
Redeemable participating shares in issue at beginning of year	24,843	713,597	22,122
Redeemable participating shares issued during the year	5,915	560,410	491
Redeemable participating shares redeemed during the year	(4,707)	(558,619)	(9,105)
Redeemable participating shares in issue at end of the year	26,051	715,388	13,508
	Class I EUR Shares	Class S CHF Shares	Class S* EUR Shares
Redeemable participating shares			
Redeemable participating shares in issue at beginning of year	200,000	10,000	-
Redeemable participating shares issued during the year	-	-	120,000
Redeemable participating shares redeemed during the year	-	-	-
Redeemable participating shares in issue at end of the year	200,000	10,000	120,000
	Class Z CHF Shares	Class Z EUR Shares	Class Z USD Shares
Redeemable participating shares			
Redeemable participating shares in issue at beginning of year	1,658	128,187	7,800
Redeemable participating shares issued during the year	8,620	18,164	1,530
Redeemable participating shares redeemed during the year	(305)	(89,829)	(1,690)
Redeemable participating shares in issue at end of the year	9,973	56,522	7,640

*Class S EUR launched on 1 November 2022.

As at 31 March 2024 and 31 March 2023, Class A CHF, Class A USD, Class S CHF, Class Z CHF and Class Z USD were hedged.

Redhedge UCITS ICAV

Notes to the Annual Accounts (continued)

For the year ended 31 March 2024

4. Gain and Loss on Financial Assets and Financial Liabilities at Fair Value through Profit or Loss and Foreign Currencies

Redhedge Relative Value UCITS Fund	Total 31 March 2024 EUR	Total 31 March 2023 EUR
Realised gains from financial assets and financial liabilities at fair value through profit or loss and foreign currencies:		
Credit default swaps	561,608	110,706
Debt securities	4,685,669	5,702,010
Exchange traded funds	50,851	8,200
Foreign currency transactions	59,642	127,823
Forward currency contracts	192,834	405,067
Futures contracts	1,645,273	1,123,060
Total return swaps	734,467	-
	7,930,344	7,476,866
Change in unrealised gains from financial assets and financial liabilities at fair value through profit or loss and foreign currencies:		
Credit default swaps	502,905	9,315
Debt securities	4,453,488	2,382,641
Exchange traded funds	173,910	3,750
Foreign currency transactions	23,726	-
Forward currency contracts	192,792	-
Futures contracts	220,569	53,872
Investment funds	31,136	-
Total return swaps	411,768	14,884,369
	6,010,294	17,333,947
Realised losses from financial assets and financial liabilities at fair value through profit or loss and foreign currencies:		
Credit default swaps	(1,098,982)	(107,358)
Debt securities	(2,397,103)	(15,143,985)
Exchange traded funds	-	(13,453)
Foreign currency transactions	(152,045)	(9,911)
Forward currency contracts	(304,298)	(102,050)
Futures contracts	(1,014,689)	(2,336,830)
Investment funds	(203,323)	-
	(5,170,440)	(17,713,587)
Change in unrealised losses from financial assets and financial liabilities at fair value through profit or loss and foreign currencies:		
Credit default swaps	(1,933,551)	(93,937)
Debt securities	(1,645,138)	(1,472,448)
Exchange traded funds	(3,750)	-
Foreign currency transactions	(115,795)	(7,027)
Forward currency contracts	(8,792)	(160,076)
Futures contracts	(203,742)	(117,799)
Investment funds	-	(185,985)
Total return swaps	(604,647)	(2,978,303)
	(4,515,415)	(5,015,575)
Total net realised gain/(loss) from financial assets and liabilities at fair value through profit or loss and foreign currencies	2,759,904	(10,236,721)
Total net change in unrealised gains from financial assets and liabilities at fair value through profit or loss and foreign currencies	1,494,879	12,318,372
Total net realised and net change in unrealised gain from financial assets and liabilities at fair value through profit or loss and foreign currencies	4,254,783	2,081,651

Redhedge UCITS ICAV

Notes to the Annual Accounts (continued)

For the year ended 31 March 2024

5. Cash at Bank, Margin Cash Balance and Margin Overdraft

Redhedge Relative Value UCITS Fund

	31 March 2024	31 March 2023
	EUR	EUR
Cash at bank	777,364	4,758,584
Cash held in investor money collection account	-	147,074
Margin cash balance	12,461,419	12,333,412
Total	13,238,783	17,239,070
Margin overdraft	(540,581)	-
Total	(540,581)	-

Cash at bank balances are held with European Depositary Bank SA, Dublin Branch (the “Depositary”). Margin cash balances and margin cash overdraft comprise of cash balances with the ICAV’s clearing brokers received/pledged as collateral against derivative instruments.

6. Audit Fees

The auditor’s fees charged by the statutory auditors, Deloitte Ireland LLP, for the financial year amounted to EUR 21,000 (2023: EUR 19,000) and will be paid by the ICAV once invoiced.

7. Fees

Manager fees

The Sub-Fund pays to the Manager out of its own assets a maximum aggregate annual fee of up to 0.025% of the Net Asset Value of the Sub-Fund accrued at each valuation point, together with any VAT, if applicable and payable monthly in arrears. The Manager is also entitled to be repaid out of the assets of the Sub-Fund all of its reasonable out of pocket expenses incurred on behalf of the Sub-Fund together with VAT (if any thereon).

The manager fee is subject to an overall minimum fee for the ICAV of EUR 65,000 per annum (“p.a.”) for the first two sub-funds of the ICAV, plus an additional amount for subsequent sub-funds as disclosed in the relevant Supplement. The Manager may waive, at its absolute discretion, any fees. Waystone Management Company (IE) Limited upon appointment have agreed to the waive the fee for a reduced minimum fee of EUR 35,000 in year 1 and EUR 57,500 in year 2. A minimum fee of EUR 65,000 p.a. will apply in each subsequent year.

During the year, the manager fees charged amounted to EUR 67,144 (2023: EUR 57,499) of which EUR 20,309 (2023: EUR 12,499) were payable as at the year end.

Investment management fees

The ICAV shall pay to the IM out of the assets of the Sub-Fund an annual fee in respect of Shares of the Net Asset Value of each Share Class of the Sub-Fund, accrued at each valuation point and payable monthly in arrears (plus VAT, if any). The IM is also entitled to charge to the Sub-Fund all agreed fees and transaction charges, at normal commercial rates, together with all reasonable and properly vouched out-of-pocket expenses (plus any applicable taxes), it incurs on behalf of the Sub-Fund in the performance of its duties under the Investment Management Agreement, which shall be payable monthly in arrears. The IM is entitled to receive out of the net assets of the Sub-Fund an annual management fee (excluding the incentive fee, if any) of up to 1% for Class A, 0.6% for Class I, 0.7% for Class S, 0.65% for Class SI and 1.5% for Class Z of the net assets of each share class.

During the year, the investment management fees charged amounted to EUR 1,180,452 (2023: EUR 1,178,570) of which EUR 83,705 (2023: EUR 96,701) were payable as at the year end.

Administration fees

Up to 16 October 2023, the ICAV paid to BNY Mellon Fund Services (Ireland) Designated Activity Company, out of the assets of the Sub-Fund, an annual fee of up to a maximum of 0.06% of the Net Asset Value of the Sub-Fund, accrued at each valuation point and payable monthly in arrears (plus VAT, if any) subject to a minimum annual fee of EUR 65,000.

Notes to the Annual Accounts (continued)
For the year ended 31 March 2024

7. Fees (continued)

Administration fees (continued)

From 16 October 2023, the ICAV shall pay to Apex Fund Services (Ireland) Limited (the “Administrator”) as per below

Total Fund NAV	Basis Points per annum
Up to EUR 200 million (two hundred million euros).	6.0 bps
From EUR 200 million (two hundred million euros) to EUR 500 million (five hundred million euros).	5.0 bps
From EUR 500 million (five hundred million euros) above.	3.0 bps
Subject to a monthly minimum EUR 5,500 (five thousand five hundred euros) <u>on the basis of daily NAVs.</u>	
Additional future sub-funds will be subject to a monthly minimum of EUR 4,500 (four thousand five hundred euros).	

Such fee is a maximum fee and may not represent the actual fee being charged at any one time. Fees are exclusive of VAT, if any.

The Administrator is also entitled to charge to the Sub-Fund all agreed fees and transaction charges, at normal commercial rates, together with all reasonable and properly vouched out-of-pocket expenses (plus any applicable taxes), it incurs on behalf of the Sub-Fund in the performance of its duties under the Administration Agreement, which shall be payable monthly in arrears.

During the year, the administration fees charged amounted to EUR 94,519 (2023: EUR 80,844) of which EUR 67,217 (2023: EUR 37,952) were payable as at the year end.

Depositary fees

Up to 16 October 2023, The Bank of New York Mellon SA/NV, Dublin Branch was entitled to receive out of the assets of the Sub-Fund an annual fee up to a maximum of 0.025% of the Net Asset Value of the Sub-Fund, accrued at each valuation point and payable monthly in arrears subject to a minimum annual fee of EUR 50,000. Fees were exclusive of VAT, if any. Such fee was a maximum fee and may not represent the actual fee being charged at any one time.

From 16 October 2023, the ICAV shall pay to European Depositary Bank SA, Dublin Branch (the “Depositary”) as per below.

Service description	Fee	
On-Boarding Fees	EUR 5,000 (five thousand euros) one-off fee for ICAV level, which includes Redhedge Synergy Total Return fund.	
New fund launch (set up)	EUR 5,000 (five thousand euros) per new sub fund launched.	
Depositary	Total NAV	Basis points per annum
	Up to EUR 200 million (two hundred million euros).	2.5 bps
	From EUR 200 million (two hundred million euros) above.	1.5 bps
	Subject to an annual minimum of EUR 36,000 (thirty six thousand euros).	

In addition, the Depositary is also entitled to charge to the Sub-Fund all agreed fees and transaction charges, at normal commercial rates, together with all reasonable and properly vouched out-of-pocket expenses (plus any applicable taxes), it incurs on behalf of the Sub-Fund in the performance of its duties under the Depositary Agreement, which shall be payable monthly in arrears. The Depositary will also charge the Sub-Fund third party transaction fees and sub-custodian fees and charges at normal commercial rates.

During the year, the depositary fees charged amounted to EUR 93,199 (2023: EUR 115,858) of which EUR 51,532 (2023: EUR 43,302) were payable as at the year end.

Notes to the Annual Accounts (continued)
For the year ended 31 March 2024

7. Fees (continued)

Directors' fees

The Instrument of Incorporation authorises the Directors to charge a fee for their services at a rate determined by the Directors. The Directors shall receive a fee for their services which shall in aggregate be up to a maximum of EUR 70,000 per annum. The Directors' fees may vary over time depending on such factors as the number of sub-funds in the ICAV and the Net Asset Value of the sub-funds. Each Director may be entitled to special remuneration if called upon to perform any special or extra services to the ICAV. All Directors will be entitled to reimbursement by the ICAV of expenses properly incurred in connection with the business of the ICAV or the discharge of their duties.

During the year, the Directors' fees charged amounted to EUR 15,211 (2023: EUR 15,246) of which EUR 4,083 (2023: EUR Nil) were payable as at the year end. Stephen Finn and Orlin Mladenov have agreed to waive their fees as Directors.

Performance fees

The Investment Manager is entitled to a fee in respect of the performance of all of the Classes of Shares in the Sub-Fund (the "Performance Fee"), except for Class SI Shares which shall not be subject to a Performance Fee.

The performance fee shall be calculated and shall accrue at each valuation point and the accrual will be reflected in the Net Asset Value per share of the relevant class of shares. The first calculation period shall begin at the end of the initial offer period of the relevant class of shares and shall finish on the last dealing day in December after the closure of the initial offer period. Subsequent calculation periods shall be calculated in respect of each year ending on 31 December (the "Calculation Period").

The performance fee will be paid annually in arrears as soon as practicable after the close of business on the Business Day following the end of the relevant Calculation Period.

The performance fee for each Calculation Period in respect of each Class of Shares shall be equal to 20% of the appreciation in the Net Asset Value per Share of that Class during that Calculation Period above the High Water Mark.

"High Water Mark" means in respect of the first Calculation Period for the Sub-Fund, the Initial Issue Price of the relevant Class of Shares.

For each subsequent Calculation Period of the Sub-Fund the "High Water Mark" means either:

- a) where a performance fee was payable in respect of the prior Calculation Period, the Net Asset Value of the Class of Shares as at the end of the last Calculation Period; or
- b) where no performance fee was payable in respect of the prior Calculation Period, the High Water Mark of the Class of Shares at end of the prior Calculation Period at which the last performance fee was paid or the Initial Issue Price of the relevant Class of Shares.

A performance fee is only payable or paid on the increase of the Net Asset Value per Share of that Class over the previous highest Net Asset Value per Share of that Class on which the performance fee was paid or accrued in accordance with (a) or (b), whichever is the higher.

For the avoidance of doubt, any losses will be carried forward from one Calculation Period to the next and must be recouped before any additional Performance Fee will accrue. The performance fee is calculated by the Administrator and the calculation of the performance fee is verified by the Depositary as set out in the Central Bank UCITS Regulations.

The performance fee is based on net realised and net unrealised gain and loss as at the end of each Calculation Period and, as a result, the performance fee may be paid on unrealised gain which may subsequently never be realised.

The Sub-Fund does not apply an equalisation methodology at Shareholder level (such as series accounting or equalisation shares) with regards to the Performance Fee calculation. Shareholders will purchase and redeem Shares at different times and, will, accordingly, recognise different amounts of profit and loss on their investments. As a result, the amount of actual performance fee accrued and paid on a per Share basis may vary.

The performance fee is accrued at the fiscal year end of the ICAV, but is not payable until 31 December each year.

For the year ended 31 March 2024, performance fees charged amounted to EUR 612,069 (2023: EUR 595,548) of which EUR 50,558 (2023: EUR 524,663) were crystallised during the year.

The accrual for uncrystallised performance fees and crystallised performance fees as at the year end is EUR 211,444 (2023: EUR 71,228) and EUR 5,953 (2023: EUR 3,577) respectively.

Redhedge UCITS ICAV

Notes to the Annual Accounts (continued)
For the year ended 31 March 2024

7. Fees (continued)

Performance fees (continued)

The following table details the performance fees charged and crystallised on a share class basis for the year ended 31 March 2024 and 31 March 2023:

31 March 2024

Redhedge Relative Value UCITS Fund	Performance fees charged	% of NAV of share class	Performance fees crystallised	% of NAV of share class
Class A CHF Shares	(CHF 83)	-0.01%	-	-
Class A EUR Shares	EUR 273,716	0.48%	EUR 40,960	0.07%
Class A USD Shares	USD 14,901	0.99%	USD 4,675	0.31%
Class I EUR Shares	EUR 248,511	0.41%	EUR 2,133	-
Class S CHF Shares	CHF 523	0.05%	-	-
Class S EUR Shares	EUR 57,168	0.46%	-	-
Class SI EUR Shares	-	0.00%	-	-
Class Z CHF Shares	(CHF 50)	-0.01%	CHF 7	-
Class Z EUR Shares	EUR 12,846	0.42%	EUR 2,312	0.08%
Class Z USD Shares	USD 5,027	0.62%	USD 471	0.06%

31 March 2023

Redhedge Relative Value UCITS Fund	Performance fees charged	% of NAV of share class	Performance fees crystallised	% of NAV of share class
Class A CHF Shares	CHF 7,857	0.30%	CHF 8,056	0.31%
Class A EUR Shares	EUR 395,707	0.54%	EUR 367,449	0.50%
Class A USD Shares	USD 19,246	1.37%	USD 18,495	1.31%
Class I EUR Shares	EUR 110,380	0.54%	EUR 100,080	0.49%
Class S CHF Shares	CHF 4,715	0.46%	-	-
Class S EUR Shares	EUR 24,360	0.20%	-	-
Class Z CHF Shares	CHF 575	0.06%	CHF 588	0.06%
Class Z EUR Shares	EUR 26,592	0.46%	EUR 26,055	0.45%
Class Z USD Shares	USD 5,784	0.73%	USD 5,063	0.64%

8. Derivative Contracts

Typically, derivative contracts serve as components of the Sub-Fund's investment strategy and are utilised primarily to structure and economically hedge investments to enhance performance and reduce risk to the Sub-Fund. The derivative contracts that the Sub-Fund holds are futures contracts, forward currency contracts and swap contracts. The Sub-Fund records its derivative activities on a marked-to-market basis and the change, if any, is recorded as a change in unrealised gain/(loss) on financial assets and financial liabilities at fair value through profit or loss in the Statement of Comprehensive Income.

As at 31 March 2024 and 31 March 2023, the following derivative contracts were included in the Sub-Fund's Statement of Financial Position at fair value:

Redhedge Relative Value UCITS Fund	Fair Value Assets	Fair Value Liabilities
	31 March 2024	31 March 2024
	EUR	EUR
Credit default swaps	534,635	(737,526)
Forward currency contracts	21,451	(40,782)
Futures contracts	450	(82,624)
Total return swaps	2,117,234	(808,225)
Total	2,673,770	(1,669,157)

Notes to the Annual Accounts (continued)
For the year ended 31 March 2024

8. Derivative Contracts (continued)

Redhedge Relative Value UCITS Fund	Fair Value Assets	Fair Value Liabilities
	31 March 2023	31 March 2023
	EUR	EUR
Credit default swaps	10,023	(169,149)
Forward currency contracts	15,412	(113,341)
Futures contracts	31,486	(87,088)
Total return swaps	3,251,019	(384,918)
Total	3,307,940	(754,496)

9. Efficient Portfolio Management

To the extent permitted by the investment objectives and policies of the Sub-Fund and subject to the limits set down by the Central Bank of Ireland from time to time and to the provisions of the Prospectus, utilisation of financial derivative instruments and investment techniques shall be employed for efficient portfolio management purposes by the Sub-Fund. The Sub-Fund may use these financial derivative instruments and investment techniques to hedge against changes in interest rates, non-functional currency exchange rates or securities prices or as part of its overall investment strategies.

During the year, the ICAV utilised futures contracts and forward currency contracts for the purpose of efficient portfolio management.

Details of all open transactions as at the year end are disclosed in the Schedule of Investments of the Sub-Fund.

Transaction costs associated with the purchase and sale of those derivative instruments are embedded and are therefore not separately identifiable.

10. Risk Management

The Manager is responsible for the risk management of the ICAV. The Manager's Risk Committee has assessed the risk profile of the ICAV and has established a risk management policy to identify, measure, manage and monitor all risks that it considers to be relevant to the ICAV. The risk policy is supported by a risk register which considers market, liquidity, credit, counterparty, distribution, regulatory, operational, legal and reputational risks that the ICAV may be exposed to and how these risks are managed to mitigate against their impact on the ICAV. The risk policy and register are reviewed on a continuous basis and are updated as deemed appropriate.

The Manager has determined the type, frequency and source of data and reporting required to enable it to conduct independent risk management using appropriate risk measures for the ICAV.

The Manager reports to the Board of Directors at least on a quarterly basis but on a more frequent basis where determined necessary.

In order to assist the Manager to consider the risks of the ICAV, the Manager places certain reliance on the risk management process at the IM. The IM's approach to risk management includes both analytical and judgmental elements.

The IM in consultation with the Manager monitors the risk parameters and volatility of individual positions and the Sub-Fund's aggregate portfolio.

Notes to the Annual Accounts (continued)
For the year ended 31 March 2024

10. Risk Management (continued)

Overall Risk Management

In accordance with IFRS, this note details the way in which the Sub-Fund of the ICAV manages risks associated with its investments. The Prospectus for the ICAV and the Supplement for the Sub-Fund set out a comprehensive disclosure of the risks that the ICAV and the Sub-Fund faces, and readers of these annual accounts should therefore refer to the Prospectus and Supplement to ensure they have a full understanding of the risks.

The ICAV is exposed to market risk (which includes market price risk, interest rate risk and currency risk), credit risk and liquidity risk arising from the financial instruments it holds. The ICAV uses derivative contracts and other instruments in connection with its risk management activities and for trading purposes.

The ICAV has investment guidelines that set out its overall business strategies, its tolerance for risk and its general risk management philosophy and has established processes to monitor and control economic hedging transactions in a timely and accurate manner. The ICAV's accounting policies in relation to derivative contracts are set out in note 2 and note 8.

(a) Market Risk

The ICAV's assets and liabilities comprise financial instruments which include:

- Investments including debt securities. These are held in accordance with the ICAV's investment objectives and policies;
- Cash at bank, margin cash balances, bank overdraft, liquid resources and short-term debtors and creditors that arise directly from its investment activities; and
- Derivative contracts which the ICAV enters into (these include futures contracts, forward currency contracts and swap contracts), the purpose of which is to manage the risks arising from the ICAV's investment activities and related financing or for trading purposes.

Market risk is comprised of three types of risk; market price risk, interest rate risk and currency risk.

(i) Market Price Risk

Market price risk arises mainly from uncertainty about future prices of the investments held, which are classified as financial assets and financial liabilities at fair value through profit or loss. It represents the potential loss that the ICAV might suffer, through its holdings in the face of price movements. The IM of the Sub-Fund reviews the positions and gains and losses on a daily basis to monitor the underlying risks. Market price risk is managed by the IM through careful selection of securities and other financial instruments within the Sub-Fund's mandates and specified limits. The IM maintains the Sub-Fund's overall exposures making sure they fall within the diversification limits of the Sub-Fund as set out in the Supplement.

The IM considers the absolute Value at Risk ("VaR") approach an appropriate methodology to calculate the ICAV's market risk and global exposure, taking into account the investment objectives and policies of the ICAV.

The Sub-Fund uses the absolute VaR model whereby VaR shall not exceed 10% of the Net Asset Value of the Sub-Fund. The holding period for the VaR model is 20 business days.

The use of VaR for the measurement of portfolio market price risk:

- does not account for losses that may occur beyond the 99% confidence level,
- has a holding period of 20 business days, and
- is calculated daily and the historical observation period will not be less than one year.

Redhedge UCITS ICAV

Notes to the Annual Accounts (continued)

For the year ended 31 March 2024

10. Risk Management (continued)

(a) Market Risk (continued)

(i) Market Price Risk (continued)

The VaR for the Sub-Fund during the years ended 31 March 2024 and 31 March 2023 are as follows:

	Minimum VaR	Maximum VaR	Average VaR
<u>Sub-Fund</u>	31 March 2024	31 March 2024	31 March 2024
Redhedge Relative Value UCITS Fund	EUR 695,387	EUR 2,512,825	EUR 1,371,108

	Minimum VaR	Maximum VaR	Average VaR
<u>Sub-Fund</u>	31 March 2023	31 March 2023	31 March 2023
Redhedge Relative Value UCITS Fund	EUR 524,068	EUR 2,209,513	EUR 1,134,439

The ICAV on behalf of the Sub-Fund may borrow up to 10% of the Net Asset Value of the Sub-Fund for cash management purposes, including in anticipation of additional subscriptions and to fund redemptions, and may do so when deemed appropriate by the Manager. The Sub-Fund will bear all of the costs and expenses incurred in connection therewith, including any interest expense charged on funds borrowed or otherwise accessed.

Global Exposure and Leverage

As at 31 March 2024, the absolute VaR is used by the ICAV to determine the maximum amount of leverage permissible within the Sub-Fund.

The level of leverage (calculated as a sum of the notional exposure of financial derivative instruments being utilised by the Sub-Fund) is expected to be within the range of between 50% and 150% of the Net Asset Value of the Sub-Fund. Higher leverage levels are possible, however leverage will not exceed 250% of the Sub-Fund's Net Asset Value at any time.

In order to calculate the leverage inherent in the Sub-Fund, the gross exposure was divided by the total value of the Sub-Fund as outlined in the ICAV's risk management program.

Disclosed in the tables below is the average leverage employed during the years ended 31 March 2024 and 31 March 2023.

	Average leverage employed during the year ended
<u>Sub-Fund</u>	31 March 2024
Redhedge Relative Value UCITS Fund	11.26%

	Average leverage employed during the year ended
<u>Sub-Fund</u>	31 March 2023
Redhedge Relative Value UCITS Fund	57.37%

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Sub-Fund's interest-bearing financial assets and financial liabilities expose it to risk associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The table overleaf summarises the Sub-Fund's exposure to interest rate risks. It includes the Sub-Fund's assets and liabilities, categorised by the earlier of contractual re-pricing or maturity dates.

Notes to the Annual Accounts (continued)
For the year ended 31 March 2024

10. Risk Management (continued)

(a) Market Risk (continued)

(ii) Interest Rate Risk (continued)

	Less than 1 month EUR	1 month to 1 year EUR	1 - 10 years EUR	> 10 years EUR	Non interest bearing EUR	Total EUR
Assets						
Cash at bank	777,364	-	-	-	-	777,364
Margin cash balance	12,461,419	-	-	-	-	12,461,419
Financial assets at fair value through profit or loss:						
Debt securities - fixed	-	-	35,951,395	9,470,728	-	45,422,123
Debt securities - floating	-	-	3,558,105	69,548,078	-	73,106,183
Exchange traded funds	-	-	-	-	2,748,900	2,748,900
Investment funds	-	-	-	-	2,519,061	2,519,061
Credit default swaps	-	-	534,635	-	-	534,635
Forward currency contracts	-	-	-	-	21,451	21,451
Futures contracts	-	450	-	-	-	450
Total return swaps	-	-	2,117,234	-	-	2,117,234
Due from broker	-	-	-	-	15,821,786	15,821,786
Interest receivable	-	-	-	-	1,949,684	1,949,684
Other assets	-	-	-	-	3,730	3,730
Total assets	13,238,783	450	42,161,369	79,018,806	23,064,612	157,484,020
Liabilities						
Margin overdraft	(540,581)	-	-	-	-	(540,581)
Financial liabilities at fair value:						
Credit default swaps	-	-	(737,526)	-	-	(737,526)
Forward currency contracts	-	-	-	-	(40,782)	(40,782)
Futures contracts	-	(82,624)	-	-	-	(82,624)
Total return swaps	-	-	(808,225)	-	-	(808,225)
Due to broker	-	-	-	-	(16,311,171)	(16,311,171)
Other liabilities	-	-	-	-	(516,325)	(516,325)
Total liabilities	(540,581)	(82,624)	(1,545,751)	-	(16,868,278)	(19,037,234)
Total interest sensitivity gap	12,698,202	(82,174)	40,615,618	79,018,806	6,196,334	138,446,786

Notes to the Annual Accounts (continued)

For the year ended 31 March 2024

10. Risk Management (continued)

(a) Market Risk (continued)

(ii) Interest Rate Risk (continued)

31 March 2023

Redhedge Relative Value UCITS Fund

	Less than 1 month EUR	1 month to 1 year EUR	1 - 10 years EUR	> 10 years EUR	Non interest bearing EUR	Total EUR
Assets						
Cash at bank	4,758,584	-	-	-	-	4,758,584
Cash held in investor money collection account	147,074	-	-	-	-	147,074
Margin cash balance	12,333,412	-	-	-	-	12,333,412
Financial assets at fair value through profit or loss:						
Debt securities - fixed	-	-	14,365,098	12,123,870	-	26,488,968
Debt securities - floating	-	-	1,869,390	64,392,975	-	66,262,365
Exchange traded funds	-	-	-	-	2,253,000	2,253,000
Investment funds	-	-	-	-	2,314,015	2,314,015
Credit default swaps	-	-	-	10,023	-	10,023
Forward currency contracts	-	-	-	-	15,412	15,412
Futures contracts	-	17,140	-	-	14,346	31,486
Total return swaps	-	-	3,251,019	-	-	3,251,019
Due from broker	-	-	-	-	22,550,276	22,550,276
Interest receivable	-	-	-	-	1,395,085	1,395,085
Other assets	-	-	-	-	7,691	7,691
Total assets	<u>17,239,070</u>	<u>17,140</u>	<u>19,485,507</u>	<u>76,526,868</u>	<u>28,549,825</u>	<u>141,818,410</u>
Liabilities						
Redemptions payable	-	-	-	-	(147,074)	(147,074)
Financial liabilities at fair value:						
Credit default swaps	-	-	-	(169,149)	-	(169,149)
Forward currency contracts	-	-	-	-	(113,341)	(113,341)
Futures contracts	-	(76,681)	-	-	(10,407)	(87,088)
Total return swaps	-	-	(384,918)	-	-	(384,918)
Due to broker	-	-	-	-	(22,526,132)	(22,526,132)
Other liabilities	-	-	-	-	(338,759)	(338,759)
Total liabilities	<u>-</u>	<u>(76,681)</u>	<u>(384,918)</u>	<u>(169,149)</u>	<u>(23,135,713)</u>	<u>(23,766,461)</u>
Total interest sensitivity gap	<u>17,239,070</u>	<u>(59,541)</u>	<u>19,100,588</u>	<u>76,357,719</u>	<u>5,414,112</u>	<u>118,051,949</u>

If there is a movement in interest rates of 5%, this would increase/(decrease) the Net Asset Value of the Sub-Fund as at 31 March 2024 by EUR 6,612,522 (2023: EUR 5,631,892).

(iii) Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Sub-Fund may invest in financial instruments denominated in currencies other than the base currency or in financial instruments which are determined with references to currencies other than the base currency.

The Sub-Fund, however, will invest a portion of its assets in financial instruments denominated in EUR or in financial instruments which are determined with references to EUR. To the extent the base currency is a denomination other than the denomination of the financial instruments owned by the Sub-Fund and no hedge is utilised, the value of the Sub-Fund's net assets will fluctuate based on fluctuations of the exchange rates as well as with price changes of its investments in the various local markets and currencies.

Notes to the Annual Accounts (continued)

For the year ended 31 March 2024

10. Risk Management (continued)

(a) Market Risk (continued)

(iii) Currency Risk (continued)

An increase in the value of the EUR compared to the other currencies in which the Sub-Fund may make investments will reduce the effect of increases and magnify the EUR equivalent of the effect of decreases in the prices of the Sub-Fund's financial instruments in their local markets. Conversely, a decrease in the value of the EUR will have the opposite effect of magnifying the effect of increases and reducing the effect of decreases in the prices of the Sub-Fund's non-EUR financial instruments. It may not be possible or practical to hedge against the consequent currency risk exposure and in certain instances the IM may consider it desirable not to hedge against such risk.

The following tables set out the total exposure to foreign currency risk, possible currency movements and the impact of a 10% currency movement on the size indicated on the Net Asset Value of the Sub-Fund as at 31 March 2024 and 31 March 2023.

31 March 2024

Redhedge Relative Value UCITS Fund

	Financial	Financial	Other Net	Forwards		Impact to	Impact to
	Assets	Liabilities	Assets/(Liabilities)	Inflow/(Outflow)	Exposure	Net Assets	Net
Currency	EUR	EUR	EUR	EUR	EUR	EUR	Assets
							%
GBP	5,641,959	(2,408)	249,008	4,266	5,892,825	589,283	0.43%
USD	-	(1,758)	131,704	17,035	146,981	14,698	0.01%
CHF	-	-	22,305	(40,632)	(18,327)	(1,833)	-

31 March 2023

Redhedge Relative Value UCITS Fund

	Financial	Financial	Other Net	Forwards		Impact to	Impact to
	Assets	Liabilities	Assets/(Liabilities)	Inflow/(Outflow)	Exposure	Net Assets	Net
Currency	EUR	EUR	EUR	EUR	EUR	EUR	Assets
							%
GBP	7,589,333	(84,959)	741,519	(84,921)	8,160,972	816,097	0.69%
USD	14,346	-	728,596	(25,234)	717,708	71,771	0.06%
CHF	-	-	9,052	12,226	21,278	2,128	-

Limitations of Sensitivity Analysis

This currency risk sensitivity analysis is based on an estimate of the Net Asset Value impact, assuming a 10% movement in exchange rates. The analysis is based on historical data and cannot take account of the fact that future exchange rate movements and the portfolio of the Sub-Fund may bear no relation to historical patterns.

(b) 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 Sub-Fund. There is a possibility that an issuer will be unable to make interest payments and repay principal when due. Changes in an issuer's financial strength or in a financial instrument's credit rating may affect a financial instrument's value.

At the reporting date, financial assets exposed to credit risk include debt securities, derivative contracts, cash balances and receivables. The carrying amount of the financial assets and financial liabilities is disclosed in the Statement of Financial Position. It is the opinion of the IM that the carrying amounts of these financial assets represent the maximum credit risk exposure as at the reporting date.

The credit risk on cash transactions and transactions involving derivative financial instruments is mitigated by transacting with counterparties that are regulated entities subject to prudential supervision, or with counterparties with high credit ratings assigned by a recognised rating agency.

Notes to the Annual Accounts (continued)
For the year ended 31 March 2024

10. Risk Management (continued)

(b) Credit Risk (continued)

The table below breaks down the credit ratings of the debt securities held in the Sub-Fund:

Redhedge Relative Value UCITS Fund Rating	% of Net Asset Value	
	31 March 2024	31 March 2023
AAA	26.36%	-
AA	0.17%	-
AA-	0.80%	1.40%
A+	3.14%	2.00%
A	18.86%	1.90%
A-	29.32%	16.10%
BBB+	26.07%	11.40%
BBB	11.85%	7.10%
BBB-	29.02%	26.40%
BB+	25.71%	22.40%
BB	14.81%	6.80%
B+	8.48%	4.50%
B	0.14%	-
NR	6.69%	-

Counterparties Risk

The Sub-Fund has credit exposure to counterparties by virtue of investment positions in futures contracts, cash and cash equivalents and other OTC contracts held by the Sub-Fund. To the extent that a counterparty defaults on its obligation and the Sub-Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights.

The assets of the Sub-Fund are held in segregated accounts by the Depositary, European Depositary Bank SA, Dublin Branch.

As at 31 March 2024, the Standard and Poor's rating of European Depositary Bank SA, Dublin Branch was N/A (2023: N/A).

As at 31 March 2024, the Standard and Poor's rating of J.P. Morgan Securities plc was A+ (2023: A+).

As at 31 March 2024, the Standard and Poor's rating of BNP Paribas was A+ (2023: A+).

As at 31 March 2024, the Fitch's rating of Banca Akros was BBB- (2023: BBB-).

As at 31 March 2024, the Moody's rating of Barclays was BBA1 (2023: BAA1).

As at 31 March 2024, the Moody's rating of Goldman Sachs was A2 (2023: A2).

As at 31 March 2023, the Standard and Poor's rating of The Bank of New York Mellon SA/NV, Dublin Branch was A.

Offsetting Financial Assets and Financial Liabilities

Transactions with counterparties are governed by International Swaps and Derivatives Association ("ISDA") master agreements or similar agreements. None of the financial assets and financial liabilities are offset in the Statement of Financial Position. The disclosures set out in the tables overleaf include the financial assets and financial liabilities that are subject to master netting arrangements and similar agreements. The agreements do not meet the criteria for offsetting in the Statement of Financial Position. This is because the ICAV and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Under the terms of the master netting agreement, collateral can only be seized by a party in the event of default of the other party. An event of default includes the following:

- failure by a party to make a payment when due;
- failure by a party to perform any obligation required by the agreement (other than payment) if such failure is not remedied by the end of the business day following the business day after notice of such failure is given to the party; or
- bankruptcy.

Redhedge UCITS ICAV

Notes to the Annual Accounts (continued)

For the year ended 31 March 2024

10. Risk Management (continued)

(b) Credit Risk (continued)

Offsetting Financial Assets and Financial Liabilities (continued)

Redhedge Relative Value UCITS Fund

31 March 2024

31 March 2024	Gross amounts of recognised financial liabilities			Gross amount not offset in the Statement of Financial Position			
	Gross amounts of recognised financial assets	set off in the Statement of Financial Position	Net amounts of financial assets in the Statement Financial Position		Cash collateral received		Net amount
Description	EUR	EUR	EUR	Financial instruments EUR	EUR		EUR
Banca Akros							
Forward currency contracts	21,301	-	21,301	(21,301)	-		-
Futures contracts	450	-	450	(450)	-		-
European Depository Bank							
Forward currency contracts	150	-	150	(150)	-		-
BNY Mellon							
Credit default swaps	46,887	-	46,887	-	-		46,887
BNP Paribas							
Total return swaps	131,722	-	131,722	(131,722)	-		-
J.P. Morgan Securities plc							
Credit default swaps	323,656	-	323,656	(323,656)	-		-
Total return swaps	1,985,512	-	1,985,512	(1,985,512)	-		-
Goldman Sachs							
International Limited							
Credit default swaps	164,092	-	164,092	(138,874)	-		25,218
	2,673,770	-	2,673,770	(2,601,665)	-		72,105

Description	Gross amounts of recognised			Gross amount not offset in the Statement of		Net amount EUR
	Gross amounts of recognised financial liabilities EUR	financial assets set off in the Statement of Financial Position EUR	Net amounts of financial liabilities in the Statement Financial Position EUR	Financial Position		
				Financial instruments EUR	Cash collateral pledged EUR	
<i>Banca Akros</i>						
Forward currency contracts	(40,632)	-	(40,632)	21,301	-	(19,331)
Futures contracts	(82,624)	-	(82,624)	450	-	(82,174)
<i>European Depository Bank</i>						
Forward currency contracts	(150)	-	(150)	150	-	-
<i>Barclays</i>						
Total return swaps	(57,036)	-	(57,036)	-	-	(57,036)
<i>BNP Paribas</i>						
Credit default swaps	(229,830)	-	(229,830)	138,874	-	(90,956)
Total return swaps	(441,754)	-	(441,754)	131,722	-	(310,032)
<i>J.P. Morgan Securities plc</i>						
Credit default swaps	(368,822)	-	(368,822)	323,656	-	(45,166)
<i>Goldman Sachs International Limited</i>						
Credit default swaps	(138,874)	-	(138,874)	138,874	-	-
Total return swaps	(309,435)	-	(309,435)	-	-	(309,435)
	(1,669,157)	-	(1,669,157)	755,027	-	(914,130)

Redhedge UCITS ICAV

Notes to the Annual Accounts (continued)

For the year ended 31 March 2024

10. Risk Management (continued)

(b) Credit Risk (continued)

Offsetting Financial Assets and Financial Liabilities (continued)

Redhedge Relative Value UCITS Fund

31 March 2023

<u>31 March 2023</u>	Gross amounts of recognised financial liabilities			Gross amount not offset in the Statement of Financial Position		
	Gross amounts of recognised financial assets	set off in the Statement of Financial Position	Net amounts of financial assets in the Statement Financial Position	Financial instruments	Cash collateral received	Net amount
Description	EUR	EUR	EUR	EUR	EUR	EUR
<i>The Bank of New York Mellon SA/NV</i>						
Debt securities						
Forward currency contracts	290	-	290	(290)	-	-
<i>Goldman Sachs International Limited</i>						
Credit default swaps	10,023	-	10,023	(10,023)	-	-
<i>Banca Akros</i>						
Futures contracts	31,486	-	31,486	(31,486)	-	-
Forward currency contracts	15,122	-	15,122	(15,122)	-	-
<i>J.P. Morgan Securities plc</i>						
Total return swaps	3,219,888	-	3,219,888	-	-	3,219,888
<i>Barclays</i>						
Total return swaps	31,131	-	31,131	-	-	31,131
	3,307,940	-	3,307,940	(56,921)	-	3,251,019

Description	Gross amounts of recognised			Gross amount not offset in the Statement of		
	Gross amounts	financial assets	Net amounts of	Financial Position		Net amount
	of recognised	set off in the	financial liabilities	Financial	Cash	
	financial	Statement of	in the Statement			
	liabilities	Financial Position	Financial Position	instruments	collateral pledged	
Credit default swaps	-	-	-	-	-	-
Forward currency contracts	(290)	-	(290)	290	-	-
Future contracts		-	-		-	-
Repayable for securities borrowing		-	-	-	-	-
<i>Goldman Sachs International Limited</i>						
Credit default swaps	(104,112)	-	(104,112)	10,023	-	(94,089)
<i>Banca Akros</i>						
Futures contracts	(87,088)	-	(87,088)	31,486	-	(55,602)
Forward currency contracts	(113,051)	-	(113,051)	15,122	-	(97,929)
<i>BNP Paribas</i>						
Credit default swaps	(65,037)	-	(65,037)	-	65,037	-
Total return swaps	(384,918)	-	(384,918)	-	384,918	-
	(754,496)	-	(754,496)	56,921	449,955	(247,620)

Notes to the Annual Accounts (continued)

For the year ended 31 March 2024

10. Risk Management (continued)

(c) Liquidity Risk

Liquidity risk is the risk that the Sub-Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Sub-Fund's redeemable participating shares are redeemable at the Shareholder's option daily for cash equal to a proportionate share of the Sub-Fund's Net Asset Value. The Sub-Fund is therefore potentially exposed to daily redemptions by its Shareholders.

The Sub-Fund invests mainly in marketable securities and other financial instruments, which under normal market conditions are readily convertible to cash.

To manage liquidity risk, where outstanding redemption requests from all holders of Shares in the Sub-Fund on any Dealing Day total an aggregate of more than 10% of the Net Asset Value of the Sub-Fund on such Dealing Day, the ICAV may defer the excess redemption requests to subsequent Dealing Days. The ICAV shall reduce pro rata any deferred redemption requests and shall treat the redemption requests as if they were received on each subsequent Dealing Day until all the Shares to which the deferred redemption requests related have been redeemed.

The IM monitors the Sub-Fund's liquidity risk on a daily basis in accordance with the Sub-Fund investment objectives, policies and investment guidelines. The Sub-Fund's overall liquidity positions are reviewed on a daily basis.

The following table details the Sub-Fund's remaining contractual maturity for its financial liabilities with agreed repayment periods as at 31 March 2024 and 31 March 2023. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Sub-Fund can be required to pay.

31 March 2024

Redhedge Relative Value UCITS Fund

	Less than 1 month EUR	1-3 months EUR	3 months to 10 years EUR	> 10 Years EUR	Total EUR
Financial liabilities:					
Margin overdraft	540,581	-	-	-	540,581
Financial liabilities at fair value:					
Credit default swaps	-	-	737,526	-	737,526
Futures contracts	-	82,624	-	-	82,624
Forward currency contracts	-	40,782	-	-	40,782
Total return swaps	-	-	808,225	-	808,225
Due to brokers	16,311,171	-	-	-	16,311,171
Other liabilities	516,325	-	-	-	516,325
Net Assets attributable to redeemable participating shareholders	138,446,786	-	-	-	138,446,786
Total financial liabilities	155,814,863	123,406	1,545,751	-	157,484,020

Notes to the Annual Accounts (continued)
For the year ended 31 March 2024

10. Risk Management (continued)

(c) Liquidity Risk (continued)

31 March 2023

Redhedge Relative Value UCITS Fund

	Less than 1 month EUR	1-3 months EUR	3 months to 10 years EUR	> 10 Years EUR	Total EUR
Financial liabilities:					
Redemptions payable	147,074	-	-	-	147,074
Financial liabilities at fair value:					
Credit default swaps	-	-	169,149	-	169,149
Futures contracts	-	87,088	-	-	87,088
Forward currency contracts	-	113,341	-	-	113,341
Total return swaps	-	-	384,918	-	384,918
Due to brokers	22,526,132	-	-	-	22,526,132
Other liabilities	338,759	-	-	-	338,759
Net Assets attributable to redeemable participating shareholders	118,051,949	-	-	-	118,051,949
Total financial liabilities	141,063,914	200,429	554,067	-	141,818,410

The table above shows the undiscounted cash flow of the Sub-Fund's financial liabilities on the basis of their earliest possible contractual maturity. For net assets attributable to the holders of redeemable participating shares, the Sub-Fund has an obligation to redeem within 3 days of them being submitted for contractual redemption. Historical experience indicates that these shares are held by the shareholders on a medium-term or long-term basis.

d) Fair Value Estimation

The ICAV discloses the values of its investments in accordance with IFRS 13 "Fair Value Measurement" ("IFRS 13"). This requires the ICAV to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The inputs are classified in the three-level hierarchy as follows:

- Level 1 – Quoted prices in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 – Significant unobservable inputs (assets or liabilities that are not based on observable market data).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

Redhedge UCITS ICAV

Notes to the Annual Accounts (continued)

For the year ended 31 March 2024

10. Risk Management (continued)

(d) Fair Value Estimation (continued)

The classification of investments as at 31 March 2024 and 31 March 2023 are included in the tables below.

31 March 2024

Redhedge Relative Value UCITS Fund

All amounts are stated in EUR

Financial assets at fair value through profit or loss:

	Level 1	Level 2	Level 3	Total
Debt securities	-	118,528,306	-	118,528,306
Exchange traded funds	2,748,900	-	-	2,748,900
Investment funds	-	2,519,061	-	2,519,061
<i>Derivative assets</i>				
Credit default swaps	-	534,635	-	534,635
Futures contracts	450	-	-	450
Forward currency contracts	-	21,451	-	21,451
Total return swaps	-	2,117,234	-	2,117,234
	2,749,350	123,720,687	-	126,470,037

Financial liabilities at fair value through profit or loss:

Derivative liabilities

Credit default swaps	-	(737,526)	-	(737,526)
Futures contracts	(82,624)	-	-	(82,624)
Forward currency contracts	-	(40,782)	-	(40,782)
Total return swaps	-	(808,225)	-	(808,225)
	(82,624)	(1,586,533)	-	(1,669,157)

31 March 2023

Redhedge Relative Value UCITS Fund

All amounts are stated in EUR

Financial assets at fair value through profit or loss:

	Level 1	Level 2	Level 3	Total
Debt securities	-	92,751,333	-	92,751,333
Exchange traded funds	2,253,000	-	-	2,253,000
Investment funds	-	2,314,015	-	2,314,015
<i>Derivative assets</i>				
Credit default swaps	-	10,023	-	10,023
Futures contracts	31,486	-	-	31,486
Forward currency contracts	-	15,412	-	15,412
Total return swaps	-	3,251,019	-	3,251,019
	2,284,486	98,341,802	-	100,626,288

Financial liabilities at fair value through profit or loss:

Derivative liabilities

Credit default swaps	-	(169,149)	-	(169,149)
Futures contracts	(87,088)	-	-	(87,088)
Forward currency contracts	-	(113,341)	-	(113,341)
Total return swaps	-	(384,918)	-	(384,918)
	(87,088)	(667,409)	-	(754,496)

There were no transfers between levels during the financial years ended 31 March 2024 and 31 March 2023. The ICAV did not hold any Level 3 investments as at 31 March 2024 and 31 March 2023.

For assets and liabilities carried at amortised cost, their carrying values are a reasonable approximation of fair value.

Notes to the Annual Accounts (continued)
For the year ended 31 March 2024

11. Taxation

Under current law and practice, the ICAV qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act 1997, as amended. On that basis, it is not chargeable to Irish tax on its income or gains. However, Irish tax can arise on the happening of a “chargeable event” in the ICAV. A chargeable event includes any distribution payments to shareholders or any encashment, redemption, cancellation or transfer of shares and the holding of shares at the end of each eight year period beginning with the acquisition of such shares. No Irish tax will arise on the ICAV in respect of chargeable events in respect of certain exempted Irish tax resident shareholders who have provided the ICAV with the necessary signed statutory declarations; and a shareholder who is neither Irish resident nor Irish ordinarily resident for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act 1997, as amended, are held by the ICAV, or the ICAV has been authorised by the Irish Revenue to make gross payments in the absence of appropriate declarations.

Dividends, interest and capital gains (if any) received on investments made by the ICAV may be subject to withholding taxes imposed by the country from which the investment income/gains are received, and such taxes may not be recoverable by the ICAV or its shareholders.

12. Related Parties

The ICAV did not have any related party transactions with its shareholders during the financial year.

As at 31 March 2024 and 31 March 2023, two management shares of the ICAV of no par value are held by Redhedge Asset Management LLP. Redhedge Asset Management LLP is the IM of the ICAV. The management shares do not participate in the dividends or assets attributable to any of the other shares issued by the ICAV.

Waystone Management Company (IE) Limited is the Manager of the ICAV.

Stephen Finn and Orlin Mladenov are Directors of the ICAV and are employees of the Manager.

Stefano Giorgetti is a Director of the ICAV and an employee of the IM.

Fees paid to the Manager, the IM and Directors are disclosed in note 7.

Clifton Fund Consulting Limited who are part of the same economic group as the Manager provide MLRO and secretary services to the ICAV. Fees charged for MLRO and secretary services during the year were EUR 9,863 (2023: EUR 9,224) and EUR 11,784 (2023: EUR 9,840) respectively of which EUR 2,402 (2023: EUR 2,318) and EUR 2,966 (2023: EUR 2,867) were payable as at the year end.

13. Reconciliation of Net Asset Value Attributable to Redeemable Participating Shareholders

Reconciliation of Net Asset Value Attributable to Redeemable Participating Shareholders

Redhedge Relative Value UCITS Fund	31 March 2024	31 March 2023
	EUR	EUR
Published Net Asset Value	138,466,264	118,086,459
Adjustment for write-off of establishment expenses	(19,478)	(34,510)
Net Asset Value attributable to redeemable participating shareholders	138,446,786	118,051,949

Redhedge UCITS ICAV

**Notes to the Annual Accounts (continued)
For the year ended 31 March 2024**

14. Net Asset Value Comparison

Redhedge Relative Value UCITS Fund	31 March 2024 EUR	31 March 2023 EUR	31 March 2022 EUR
Net Asset Value			
Class A CHF Shares	CHF 1,257,432	CHF 2,627,090	CHF 2,461,530
Class A EUR Shares	EUR 56,679,659	EUR 73,087,941	EUR 71,300,525
Class A USD Shares	USD 1,511,304	USD 1,408,461	USD 2,217,890
Class I EUR Shares	EUR 60,660,343	EUR 20,435,602	EUR 19,920,840
Class S CHF Shares	CHF 1,020,785	CHF 1,018,835	CHF 999,682
Class S EUR Shares	EUR 12,324,384	EUR 12,093,918	-
Class SI EUR Shares*	EUR 501,819	-	-
Class Z CHF Shares	CHF 724,655	CHF 997,866	CHF 163,631
Class Z EUR Shares	EUR 3,048,486	EUR 5,727,232	EUR 12,743,522
Class Z USD Shares	USD 807,474	USD 790,047	USD 778,630
Number of shares in issue			
Class A CHF Shares	12,478	26,051	24,843
Class A EUR Shares	545,706	715,388	713,597
Class A USD Shares	14,063	13,508	22,122
Class I EUR Shares	582,105	200,000	200,000
Class S CHF Shares	10,000	10,000	10,000
Class S EUR Shares	120,000	120,000	-
Class SI EUR Shares*	5,000	-	-
Class Z CHF Shares	7,282	9,973	1,658
Class Z EUR Shares	29,711	56,522	128,187
Class Z USD Shares	7,609	7,640	7,800
Net Asset Value per share			
Class A CHF Shares	CHF 100.77	CHF 100.85	CHF 99.08
Class A EUR Shares	EUR 103.86	EUR 102.17	EUR 99.92
Class A USD Shares	USD 107.47	USD 104.27	USD 100.26
Class I EUR Shares	EUR 104.21	EUR 102.18	EUR 99.60
Class S CHF Shares	CHF 102.08	CHF 101.88	CHF 99.97
Class S EUR Shares	EUR 102.70	EUR 100.78	-
Class SI EUR Shares*	EUR 100.36	-	-
Class Z CHF Shares	CHF 99.51	CHF 100.06	CHF 98.69
Class Z EUR Shares	EUR 102.60	EUR 101.33	EUR 99.41
Class Z USD Shares	USD 106.12	USD 103.41	USD 99.82

*Class SI EUR launched on 10 October 2023.

Notes to the Annual Accounts (continued)

For the year ended 31 March 2024

15. Exchange Rates

For the Sub-Fund, the following exchange rates were used to convert assets and liabilities denominated in other currencies into euro as at 31 March 2024 and 31 March 2023:

Currency		31 March 2024	31 March 2023
Swiss Franc	CHF	0.9732	0.9923
U.K. Pound	GBP	0.8551	0.8791
U.S. Dollar	USD	1.0803	1.0845

16. Transaction Costs

In order to achieve its investment objective, the ICAV incurs transaction costs in relation to trading activity on its portfolio. These include certain broker and commission fees incurred on trades through the year. Commission fees borne by the ICAV include fees of EUR 10,555 (2023: EUR 6,825). As part of its trading activity conducted with counterparties for OTC derivatives, the ICAV does incur other transaction costs which are not separately identifiable.

17. Significant Events during the Year

A revised Supplement to the Prospectus was issued, dated 27 June 2023, to provide details of a new share class, Class SI EUR, which has launched on 10th October 2023.

On 29 September 2023, KBA Consulting Management Limited, the Manager of the ICAV, completed its merger with Waystone Management Company (IE) Limited ("WMC"). WMC is the surviving entity post-merger and as such, the ICAV's Manager is WMC from this date.

On 16 October 2023, the following changes relating to the appointment of a new Administrator and Depositary took place:

- The appointment of BNY Mellon Fund Services (Ireland) Designated Activity Company as Administrator terminated and Apex Fund Services (Ireland) Limited, was appointed in its place.
- The appointment of The Bank of New York Mellon SA/NV, Dublin Branch as Depositary terminated and European Depositary Bank SA, Dublin Branch was appointed in its place.

An updated Prospectus and Supplement were issued on 16 October 2023 to reflect the change in Administrator and Depositary.

There were no other significant events during the year.

18. Significant Events after the Year End

On 17 April 2024, Orlin Mladenov resigned as a Director and Philip Craig was appointed as a Director.

There were no other significant events after the year end.

19. Soft Commissions

There were no soft commissions agreements entered into during the year ended 31 March 2024 (2023: None).

20. Approval of the Annual Accounts

The annual accounts were approved by the Directors on 23 July 2024.

Redhedge UCITS ICAV

Statement of Significant Purchases and Sales (Unaudited)

The Statement of Significant Purchases and Sales reflects the aggregate purchases of transferable securities exceeding one percent of the total value of purchases and aggregate disposals of transferable securities greater than one percent of the total value of the sales for the year.

Redhedge Relative Value UCITS Fund

Statement of significant purchases for the year ended 31 March 2024

Description	Nominal	Cost EUR
iShares Core Euro Corp Bond	475,000	54,685,197
BHP Billiton Finance Limited 5.63% 22 October 2079	29,300,000	29,497,060
Volkswagen Intl Fin NV	29,500,000	29,046,045
Enel SpA	20,900,000	20,256,173
Telefonica Europe BV	18,400,000	17,673,963
Solvay SA 4.25% 4 December 2023	14,600,000	14,528,885
ENELIM 6.38% (Perpetual) 31 December 2049	14,150,000	14,382,448
Total SA	14,400,000	14,322,270
German Treasury Bill 0.00% 13 December 2023	14,000,000	13,982,028
Volkswagen 3.88% (Perpetual) 31 December 2049	16,200,000	13,726,445
BHP Billiton Finance Limited 22 October 2079	13,300,000	13,400,920
Koninklijke KPN NV 2.00% 31 December 2100	13,800,000	13,141,080
Totalenergies SE	15,390,000	13,101,433
Enel SpA 1.875%	17,830,000	13,096,816
Eni SpA 4.250% 19 May 2033	13,200,000	13,054,561
Total SE 1.75%	12,700,000	12,460,800
German Treasury Bill 0.00% 18 October 2023	12,500,000	12,458,305
Electricite de France SA	12,400,000	11,958,022
KPN 6.00%	11,600,000	11,792,866
Total SE 2.00%	14,690,000	11,448,985

Significant portfolio changes are defined as the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate sales of a security exceeding one per cent of the total value of sales for the year. At a minimum, the 20 largest purchases and 20 largest sales are to be disclosed.

Redhedge UCITS ICAV

Statement of Significant Purchases and Sales (Unaudited) (continued)

Redhedge Relative Value UCITS Fund

Statement of significant sales for the year ended 31 March 2024

Description	Nominal	Proceeds EUR
iShares Core Euro Corp Bond	475,000	54,486,224
Volkswagen Intl Fin NV	28,900,000	28,419,280
BHP Billiton Finance Limited 5.63% 22 October 2079	23,900,000	24,095,390
Enel SpA	23,644,000	22,734,488
Telefonica Europe BV	20,900,000	20,087,295
Totalenergies SE	20,840,000	18,350,133
ENELIM 6.38% (Perpetual) 31 December 2049	14,150,000	14,368,245
Solvay SA	14,100,000	14,100,400
German Treasury Bill 0.00% 13 December 2023	14,000,000	13,989,103
VW 3 7/8	16,400,000	13,908,730
BHP Billiton Finance Limited 22 October 2079	13,200,000	13,315,190
German Treasury Bill 0.00% 20231018	12,500,000	12,461,093
Enel SpA 1.875	16,700,000	12,305,280
KPN 6.00%	11,600,000	11,791,035
Total SE 2.00%	14,690,000	11,425,408
Vodafone Group PLC 2.625% 27 August 2080	12,600,000	11,407,000
TELEFO 7 1/8 PERP	10,800,000	11,110,685
Orange SA	11,100,000	10,774,160
Bundesobligation 2.20% 13 April 2028	10,750,000	10,575,975
Vattenfall AB 17 August 2083	8,900,000	10,407,148

Significant portfolio changes are defined as the aggregate purchases of a security exceeding one per cent of the total value of purchases for the year and aggregate sales of a security exceeding one per cent of the total value of sales for the year. At a minimum, the 20 largest purchases and 20 largest sales are to be disclosed.

Redhedge UCITS ICAV

Schedule of Investments (Unaudited)
As at 31 March 2024

Redhedge Relative Value UCITS Fund

Quantity	Security	Maturity Date	Fair Value EUR	% of Net Assets
Assets				
Debt Securities				
Australia				
4,000,000	BHP Billiton Finance Ltd 5.63%	22 October 2079	4,021,360	2.90%
			4,021,360	2.90%
Austria				
3,500,000	OMV AG 2.88%	19 June 2172	3,487,925	2.52%
			3,487,925	2.52%
Belgium				
400,000	Anheuser-Busch InBev SA/NV 3.95%	22 March 2044	408,896	0.30%
200,000	Solvay SA 4.25%	03 October 2031	201,826	0.15%
			610,722	0.45%
France				
700,000	Accor SA 7.25%	11 April 2172	771,785	0.56%
200,000	Cie De Saint-Gobain Sa 3.63%	08 April 2034	200,688	0.14%
1,500,000	Credit Agricole SA 3.75%	22 January 2034	1,533,300	1.11%
1,800,000	Credit Agricole SA 3.88%	20 April 2031	1,857,978	1.34%
200,000	Credit Agricole SA 4.13%	26 February 2036	205,754	0.15%
1,000,000	Electricite de France SA 2.63%	01 June 2172	905,310	0.65%
11,500,000	Electricite de France SA 4.00%	04 October 2172	11,437,095	8.26%
100,000	Engie SA 1.63%	08 July 2172	96,848	0.07%
200,000	Engie SA 3.88%	06 March 2036	204,020	0.15%
200,000	Engie SA 4.25%	06 March 2044	206,254	0.15%
4,500,000	Holding d'Infrastructures de Transport SASU 1.48%	18 January 2031	3,911,220	2.83%
500,000	Orange SA 3.88%	11 September 2035	524,845	0.38%
700,000	Orange SA 4.50%	15 March 2173	697,942	0.50%
1,800,000	RTE Reseau de Transport d'Electricite SADIR 3.50%	07 December 2031	1,831,212	1.32%
1,200,000	Societe Generale SA 4.13%	21 November 2028	1,237,728	0.89%
14,100,000	TotalEnergies SE 1.75%	04 April 2172	14,095,488	10.18%
			39,717,467	28.68%
Germany				
2,600,000	Bayer AG 2.38%	12 November 2079	2,500,108	1.81%
100,000	Bayer AG 3.75%	01 July 2074	99,063	0.07%
2,600,000	Bayer AG 5.38%	25 March 2082	2,422,316	1.75%
2,000,000	Bayer AG 6.63%	25 September 2083	1,994,000	1.44%
2,500,000	Bayer AG 7.00%	25 September 2083	2,523,675	1.82%
400,000	Deutsche Bank AG 4.13%	04 April 2030	399,924	0.29%
300,000	Deutsche Post AG 3.50%	25 March 2036	302,508	0.22%
400,000	E.ON SE 4.13%	25 March 2044	409,828	0.30%
300,000	Eurogrid GmbH 3.92%	01 February 2034	306,087	0.22%
2,400,000	Robert Bosch GmbH 4.38%	02 June 2043	2,553,912	1.84%
			13,511,421	9.76%
Ireland				
4,300,000	GE Capital European Funding Unlimited Co 4.63%	22 February 2027	4,445,555	3.21%
			4,445,555	3.21%
Italy				
400,000	Eni SpA 3.88%	15 January 2034	405,096	0.29%
3,200,000	Eni SpA 4.25%	19 May 2033	3,344,832	2.42%
400,000	Infrastrutture Wireless Italiane SpA 1.63%	21 October 2028	371,192	0.27%
1,200,000	Intesa Sanpaolo SpA 5.25%	13 January 2030	1,301,604	0.94%
			5,422,724	3.92%

Redhedge UCITS ICAV

Schedule of Investments (Unaudited) (continued)

As at 31 March 2024

Redhedge Relative Value UCITS Fund (continued)

Quantity	Security	Maturity Date	Fair Value EUR	% of Net Assets
Assets (continued)				
Debt Securities (continued)				
Luembourg				
200,000	Eurofins Scientific SE 3.25%	13 November 2172	193,940	0.14%
			<u>193,940</u>	<u>0.14%</u>
Netherlands				
300,000	Iberdrola International BV 3.25%	12 February 2173	297,210	0.21%
125,000	Jt Intl Fin Services Bv Fm 2.88%	07 October 2083	118,326	0.09%
6,600,000	Koninklijke KPN NV 2.00%	08 February 2173	6,475,854	4.68%
1,000,000	Repsol International Finance BV 4.50%	25 March 2075	999,700	0.72%
300,000	Siemens Financieringsmaatschappij NV 3.63%	22 February 2044	303,846	0.22%
500,000	Stellantis NV 1.25%	20 June 2033	408,525	0.30%
300,000	TenneT Holding BV 0.88%	03 June 2030	1,500,538	1.08%
1,000,000	TenneT Holding BV 1.38%	05 June 2028	949,500	0.69%
1,664,000	TenneT Holding BV 1.63%	17 November 2026	1,622,433	1.17%
4,400,000	TenneT Holding BV 2.13%	17 November 2029	4,254,272	3.07%
1,800,000	TenneT Holding BV 2.38%	17 May 2033	1,734,984	1.25%
400,000	TenneT Holding BV 2.75%	17 May 2042	376,736	0.27%
400,000	TenneT Holding BV 4.75%	28 October 2042	461,532	0.33%
7,000,000	Volkswagen International Finance NV 3.38%	27 June 2172	6,970,110	5.03%
			<u>26,473,566</u>	<u>19.11%</u>
Sweden				
1,600,000	Sandvik AB 0.38%	25 November 2028	1,402,640	1.01%
2,560,000	Vattenfall AB 2.50%	29 June 2083	2,573,916	1.86%
			<u>3,976,556</u>	<u>2.87%</u>
Switzerland				
1,000,000	UBS Group AG 0.88%	03 November 2031	815,580	0.59%
			<u>815,580</u>	<u>0.59%</u>
United Kingdom				
2,400,000	British American Tobacco PLC 3.00%	27 December 2169	2,276,016	1.64%
2,500,000	British American Tobacco PLC 3.75%	27 September 2172	2,330,375	1.68%
200,000	HSBC Holdings PLC 4.60%	22 March 2035	201,822	0.15%
1,600,000	NGG Finance PLC 5.63%	18 June 2073	1,854,788	1.34%
180,000	Wm Morrison Supermarkets PLC 3.50%	27 July 2026	189,547	0.14%
320,000	United Kingdom Gilt 3.75%	22 July 2052	335,084	0.24%
200,000	United Kingdom Gilt 4.50%	07 December 2042	238,540	0.17%
			<u>7,426,172</u>	<u>5.36%</u>
United States of America				
100,000	AT&T Inc 4.25%	01 June 2043	97,740	0.07%
500,000	Bank of America Corp 0.69%	22 March 2031	423,475	0.31%
3,800,000	JPMorgan Chase & Co 1.96%	23 March 2030	3,550,872	2.56%
400,000	JPMorgan Chase & Co 3.76%	21 March 2034	405,632	0.29%
2,200,000	JPMorgan Chase & Co 4.46%	13 November 2031	2,329,074	1.68%
300,000	Linde PLC 1.00%	30 September 2051	183,834	0.13%
200,000	Morgan Stanley 3.96%	21 March 2035	203,106	0.15%
300,000	Nestle Capital Corp 4.75%	22 March 2036	352,344	0.25%
800,000	Verizon Communications Inc 4.75%	31 October 2034	879,241	0.64%
			<u>8,425,318</u>	<u>6.08%</u>
Total debt securities - assets			<u>118,528,306</u>	<u>85.59%</u>

Redhedge UCITS ICAV

Schedule of Investments (Unaudited) (continued)

As at 31 March 2024

Redhedge Relative Value UCITS Fund (continued)

Quantity	Security	Fair Value EUR	% of Net Assets			
Assets (continued)						
Exchange Traded Funds						
United Kingdom						
30,000	iShares EUR High Yield Corp Bond UCITS ETF EUR Dist	2,748,900	1.99%			
		2,748,900	1.99%			
Total exchange traded funds - assets		2,748,900	1.99%			
Investment Funds						
Luxembourg						
28,750	Wrd Imp-Sus Bl Cr-I Eur Acc	2,519,061	1.82%			
		2,519,061	1.82%			
Total investment funds - assets		2,519,061	1.82%			
Quantity	CCY	Description	Counterparty	Maturity Date	Fair Value EUR	% of Net Assets
Futures Contracts						
(6)	EUR	Euro-Btp Future June 2024	Banca Akros	06 June 2024	450	0.00%
Total unrealised gain on futures contracts - assets					450	0.00%
CCY	Description	Notional	Counterparty	Maturity Date	Fair Value EUR	% of Net Assets
Assets (continued)						
Credit Default Swaps						
EUR	RHU01 CDAN1E5_290620 CDS	(4,250,000)	Goldman Sachs International Limited	20 June 2029	115,303	0.09%
EUR	RHU01 CSOC1E5_290620 CDS	(3,000,000)	J.P. Morgan Securities plc	20 June 2029	75,840	0.05%
EUR	RHU01 CDB2E5_290620 CDS	1,600,000	J.P. Morgan Securities plc	20 June 2029	62,064	0.04%
EUR	RHU01 CT786869_281220 CDS	(2,000,000)	J.P. Morgan Securities plc	20 December 2028	47,200	0.03%
EUR	RHU01 CSOC2E5_290620 CDS	4,500,000	J.P. Morgan Securities plc	20 June 2029	46,980	0.04%
EUR	RHU01 CDB1E5_290620 CDS	(2,850,000)	J.P. Morgan Securities plc	20 June 2029	35,454	0.03%
EUR	RHU01 CBAR1E5_281220 CDS	(2,000,000)	BNY Mellon	20 December 2028	32,420	0.02%
EUR	RHU01 CBAYR1E5_290620 CDS	2,300,000	Goldman Sachs International Limited	20 June 2029	29,049	0.02%
EUR	RHU01 CDAN2E5_290620 CDS	3,000,000	Goldman Sachs International Limited	20 June 2029	19,740	0.01%
EUR	RHU01 CY362084_290620 CDS	(1,500,000)	J.P. Morgan Securities plc	20 June 2029	17,925	0.02%
EUR	RHU01 CY360734_290620 CDS	(700,000)	J.P. Morgan Securities plc	20 June 2029	14,847	0.01%
EUR	RHU01 CY355903_290620 CDS	(600,000)	J.P. Morgan Securities plc	20 June 2029	12,576	0.01%
EUR	RHU01 CTPG1E5_290620 CDS	1,000,000	J.P. Morgan Securities plc	20 June 2029	10,770	0.01%
EUR	RHU01 CY349126_281220 CDS	(550,000)	BNY Mellon	20 December 2028	7,942	0.01%
EUR	RHU01 CY349216_281220 CDS	1,500,000	BNY Mellon	20 December 2027	6,525	0.00%
Total credit default swaps - assets					534,635	0.39%

Redhedge UCITS ICAV

Schedule of Investments (Unaudited) (continued)
As at 31 March 2024

Redhedge Relative Value UCITS Fund (continued)

CCY	Description	Notional	Counterparty	Maturity Date	Fair Value EUR	% of Net Assets
Assets (continued)						
Total Return Swaps						
			J.P. Morgan			
EUR	Linear Reference Portfolio	10,000,000	Securities plc	04 June 2031	1,985,512	1.43%
EUR	EUR Reference Portfolio	10,000,000	BNP Paribas	04 June 2031	131,722	0.10%
Total total return swaps - assets					2,117,234	1.53%

Currency Receivable	Amount Receivable	Currency Payable	Amount Payable	Maturity Date	Unrealised Gain EUR	% of Net Assets
Forward Currency Contracts*						
USD	1,509,174	EUR	(1,381,553)	17 June 2024	11,102	0.01%
USD	806,457	EUR	(738,260)	17 June 2024	5,933	0.01%
EUR	6,354,300	GBP	(5,445,000)	17 June 2024	4,266	0.00%
CHF	19,979	EUR	(20,502)	17 June 2024	139	0.00%
CHF	54,692	EUR	(56,494)	17 June 2024	11	0.00%
Total unrealised gain on forward currency contracts - assets					21,451	0.02%
Total financial assets at fair value through profit and loss					126,470,037	91.34%

Quantity	CCY	Description	Counterparty	Maturity Date	Fair Value EUR	% of Net Assets
Liabilities						
Futures Contracts						
(52)	EUR	Euro-Bund Future June 2024	Banca Akros	06 June 2024	(50,850)	(0.04%)
(8)	EUR	Euro-Buxl 30Y Bnd June 2024	Banca Akros	06 June 2024	(24,798)	(0.02%)
(63)	EUR	Euro-Bobl Future June 2024	Banca Akros	06 June 2024	(2,810)	0.00%
1	USD	Euro Fx Curr Fut June 2024	Banca Akros	17 June 2024	(1,758)	0.00%
(1)	GBP	Long Gilt Future June 2024	Banca Akros	26 June 2024	(1,719)	0.00%
8	GBP	Euro/Gbp Future June 2024	Banca Akros	17 June 2024	(689)	0.00%
Total unrealised loss on futures contracts - liabilities					(82,624)	(0.06%)

CCY	Description	Notional	Counterparty	Maturity Date	Fair Value EUR	% of Net Assets
Credit Default Swaps						
			J.P. Morgan			
EUR	RHU01 CX353646_290620 CDS	1,250,000	Securities plc	20 June 2029	(237,213)	(0.17%)
EUR	RHU01 ITXEX540_BNP_2028-12-20 CDS	3,000,000	BNP Paribas	20 December 2028	(229,830)	(0.17%)
			Goldman Sachs International			
EUR	RHU01 CEN1IE5_290620 CDS	5,500,000	Limited	20 June 2029	(116,655)	(0.08%)
			J.P. Morgan			
EUR	RHU01 ITXEX541_JP_2029-06-20 CDS	1,000,000	Securities plc	20 June 2029	(88,410)	(0.06%)
			Goldman Sachs International			
EUR	RHU01 CTSCO1E5_290620 CDS	900,000	Limited	20 June 2029	(21,744)	(0.02%)
			J.P. Morgan			
EUR	RHU01 CT356302_290620 CDS	700,000	Securities plc	20 June 2029	(16,226)	(0.01%)
			J.P. Morgan			
EUR	RHU01 CT786853_281220 CDS	1,200,000	Securities plc	20 December 2028	(12,024)	(0.01%)
			J.P. Morgan			
EUR	RHU01 CVW1E5_290620 CDS	1,250,000	Securities plc	20 June 2029	(7,725)	(0.01%)
			J.P. Morgan			
EUR	RHU01 CY469635_290620 CDS	800,000	Securities plc	20 June 2029	(4,184)	0.00%
			J.P. Morgan			
EUR	RHU01 CY469475_290620 CDS	800,000	Securities plc	20 June 2029	(3,040)	0.00%
			Goldman Sachs International			
EUR	RHU01 CMKS1E5_290620 CDS	500,000	Limited	20 June 2029	(475)	0.00%
Total credit default swaps - liabilities					(737,526)	(0.53%)

*As at 31 March 2024, all forward currency contracts are held with Banca Akros and European Depositary Bank SA, Dublin Branch.

Redhedge UCITS ICAV

Schedule of Investments (Unaudited) (continued)

As at 31 March 2024

Redhedge Relative Value UCITS Fund (continued)

CCY	Description	Notional	Counterparty	Maturity Date	Fair Value EUR	% of Net Assets
Liabilities (continued)						
Total Return Swaps						
EUR	EUR Reference Portfolio	10,000,000	BNP Paribas	04 June 2031	(441,754)	(0.32%)
			Goldman Sachs International			
EUR	EUR Reference Portfolio	10,000,000	Limited	04 June 2031	(309,435)	(0.22%)
EUR	EUR Corporate Bond	10,000,000	Barclays	04 June 2031	(57,036)	(0.04%)
Total total return swaps - liabilities					(808,225)	(0.58%)

Currency Receivable	Amount Receivable	Currency Payable	Amount Payable	Maturity Date	Unrealised Loss EUR	% of Net Assets
Forward Currency Contracts*						
CHF	1,256,633	EUR	(1,314,882)	17 June 2024	(16,592)	(0.01%)
CHF	1,020,148	EUR	(1,067,436)	17 June 2024	(13,470)	(0.01%)
CHF	799,066	EUR	(836,106)	17 June 2024	(10,550)	(0.01%)
EUR	20,502	CHF	(19,979)	17 June 2024	(139)	0.00%
EUR	103,295	CHF	(100,000)	17 June 2024	(20)	0.00%
EUR	56,494	CHF	(54,692)	17 June 2024	(11)	0.00%
Total unrealised loss on forward currency contracts - liabilities					(40,782)	(0.03%)
Total financial liabilities at fair value through profit and loss					(1,669,157)	(1.20%)
Total financial assets at fair value through profit or loss					126,470,037	91.34%
Total financial liabilities at fair value through profit or loss					(1,669,157)	(1.20%)
Other net assets					13,645,906	9.86%
Net assets attributable to redeemable participating shareholders					138,446,786	100.00%

Analysis of total assets

	Fair Value EUR	% of Total Assets
Transferable securities and money market instruments admitted to official stock exchange listing	118,528,306	75.25%
UCITS investment funds	5,267,961	3.35%
Financial derivative instruments dealt in on a regulated market	450	0.00%
OTC financial derivative instruments	2,673,320	1.70%
Cash and cash equivalents	13,238,783	8.41%
Other assets	17,775,200	11.29%
Total assets	157,484,020	100.00%

Unaudited Appendix - Remuneration Disclosure of Waystone Management Company (IE) Limited (the “Manager”)

The Manager has designed and implemented a remuneration policy (the “Policy”) in line with the provisions of S.I. 257 of 2013 European Union (Alternative Investment Fund Managers) Regulations 2013 (the “AIFM Regulations”), S.I. 352 of 2011 European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the “UCITS Regulations”) and of the ESMA Guidelines on sound remuneration policies under the UCITS Directive and AIFMD (the “ESMA Guidelines”). The Policy is designed to ensure that the remuneration of key decision makers is aligned with the management of short and long-term risks, including the oversight and where appropriate the management of sustainability risks in line with the Sustainable Finance Disclosure Regulations.

The Manager’s remuneration policy applies to its identified staff whose professional activities might have a material impact on the ICAV’s risk profile and so covers senior management, risk takers, control functions and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers and whose professional activities have a material impact on the risk profile of the ICAV. The Manager’s policy is to pay identified staff a fixed component with the potential for identified staff to receive a variable component. It is intended that the fixed component will represent a sufficiently high proportion of the total remuneration of the individual to allow the Manager to operate a fully flexible policy, with the possibility of not paying any variable component. When the Manager pays a variable component as performance related pay certain criteria, as set out in the Manager’s remuneration policy, must be adhered to. The various remuneration components are combined to ensure an appropriate and balanced remuneration package that reflects the relevant staff rank and professional activity as well as best market practice. The Manager’s remuneration policy is consistent with, and promotes, sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile of the funds it manages.

These disclosures are made in respect of the remuneration policies of the Manager. The disclosures are made in accordance with the ESMA Guidelines.

Total remuneration (in EUR) paid to the identified staff of the Manager fully or partly involved in the activities of the ICAV that have a material impact on the ICAV’s risk profile during the financial year to 31 December 2023 (the Manager’s financial year):

Fixed remuneration	EUR
Senior Management	1,578,804
Other identified staff	-
Variable remuneration	
Senior Management	28,006
Other identified staff	-
Total remuneration paid	1,606,810

No of identified staff – 17

Neither the Manager nor the ICAV pays any fixed or variable remuneration to identified staff of the Investment Manager.

On 29 September 2023, KBA Consulting Management Limited, the Manager of the ICAV, completed its merger with Waystone Management Company (IE) Limited (“WMC”). WMC is the surviving entity post-merger and as such, the ICAV’s Manager is WMC from this date and the above remuneration figures are the total remuneration for WMC.

There have been no material changes made to the Remuneration Policy or the Manager’s remuneration practices and procedures during the financial year.

Unaudited Appendix - Securities Financing Transactions Regulation

Securities financing transactions are defined as repurchase/reverse repurchase transactions, total return swaps, securities borrowing and lending and margin lending transactions.

For the financial year ended 31 March 2024, the Sub-Fund has not entered into any repurchase/reverse repurchase transactions, stock lending, securities borrowing and margin lending transactions.

For the financial year ended 31 March 2024, the Sub-Fund entered into total return swaps. As a result, additional disclosures have been included in this supplementary section to the audited annual report.

As at 31 March 2024, the Sub-Fund held total return swaps with a net Fair Value as per the details below:

	Fair Value	% of Net
	EUR	Assets
Total return swaps	1,309,009	0.95

The following are the counterparties used for the total return swaps held as at 31 March 2024:

Counterparty	Country of Origin
BNP Paribas	United Kingdom
Goldman Sachs International	United Kingdom
J.P. Morgan Securities plc	United Kingdom
Barclays	United Kingdom

For the financial year ended 31 March 2023, the total returns earned on trading in total return swaps were EUR 541,588.

Costs incurred in relation to total return swaps are not separately identifiable for disclosure. All returns accrue solely to the Sub-Fund and all costs are incurred solely by the Sub-Fund.

Settlement and Clearing

All OTC derivative transactions are entered into by the ICAV under an International Swap and Derivatives Association, Inc. Master Agreement ("ISDA Master Agreement") or similar agreement. An ISDA Master Agreement is a bilateral agreement between the ICAV and a counterparty that governs OTC derivative transactions (including total return swaps) entered into by the parties.

Collateral and Safekeeping

All collateral received/pledged by the ICAV under the ISDA Master Agreement is transferred bilaterally under a title transfer arrangement. Collateral received by the ICAV is held by the Depositary in the name of the ICAV and is segregated by the Depositary from the assets belonging to the ICAV. The collateral posted by the ICAV is transferred under a security interest arrangement in accordance with the ISDA Master Agreement. The collateral pledged amount held with Barclays is held in a pooled account and the collateral pledged amount held with BNP Paribas is held in a segregated account.

Non-cash collateral received by way of title transfer collateral arrangement in relation to OTC derivative transactions, cannot be sold, re-invested or pledged.

As at 31 March 2024, there has been cash collateral pledged to Barclays amounting to EUR 380,000 and BNP Paribas amounting to EUR 5,390,000 in relation to total return swap transactions.

Maturity Tenor

As at 31 March 2024, the Sub-Fund held total return swaps having maturity tenor of less than 10 years and maturity date being 4 June 2031.

ANNEX IV

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Redhedge UCITS ICAV - Redhedge Relative Value UCITS Fund

Legal entity identifier: 6354006014T3JQZ RTP05

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☒ ☒ ☐ Yes

☐ It made **sustainable investments with an environmental objective**: ____%

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective**: ____%

☒ ☐ ☒ No

☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 2.5% of sustainable investments

☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?



In managing its investments, the Fund sought to promote general environmental, social and governance characteristics. This was done by assessing, determining, and subsequently investing in, issuers with products and activities that are environmentally and socially positive and have good governance practices and by distinguishing, and avoiding, investing in issuers which, in the nature or operation of their business activities, cause social or environmental harm or have poor governance practices.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

Unaudited Appendix – Sustainable Finance Disclose Regulation (SFDR) and Taxonomy Regulation (continued)

To date, the fund has contributed to its environmental and social characteristics by taking into consideration when making investment decisions the following:

Environment – Promotion of renewable Energy, and reduction in Greenhouse gas emissions and environmental pollution

Social – Protection of human rights and health and safety

Governance – Promotion of ethical business practices, and reduction in bribery and corruption.

The fund also seeks to invest in investments that exhibit ESG characteristics including, for example, bonds those that are green, social, or sustainability linked or where the proceeds of the bonds are used for ESG-related activities. The fund also uses exclusionary screening in our avoidance and exclusion policy.

To date, the fund has excluded companies that are primarily involved in thermal coal extraction and production and unconventional oil and gas such as Arctic Oil and gas exploration/extraction, oil sands and shale energy extraction and issuers involved in controversial weapons and manufacture of nuclear weapons and enriched uranium weapons/ammunition outside of the Non-Proliferation Treaty.

● ***How did the sustainability indicators perform?***

Our systematic approach enables us to track the ESG characteristics and indicators in our investments. As of March 31st 2024 the sustainability indicators performed as below:

Sustainability Indicators.

Investment Exposure in accordance with EU Taxonomy Alignment (as % AUM): 17.5%

Net Investments in violation of Exclusionary policy (as % AUM): 0%

Net Investments with UNGC Violations, Net Exposure (as % AUM): 0%

Environmental Indicators:

Sustainable bond exposure (as % AUM, Sustainable bond includes Sustainability-linked bonds, Social bonds and Green bonds): 24.1%

Green bonds exposure (as % AUM): 19.5%

Total GHG (Scope 1+2+3) (MT CO2 Eq / EVIC): 689,676

GHG Intensity (Total GHG Scope 1,2,3/ Sales) (MT CO2 Eq / EVIC): 112,802

Net Investments with Severe Environmental Controversies (as % AUM): 0%

Net Investments with a Net Zero Emissions Target (as % AUM): 83.60%

Net Investments with a Water Policy (as % AUM): 63.15%

Unaudited Appendix – Sustainable Finance Disclose Regulation (SFDR) and Taxonomy Regulation (continued)

Social Indicators:

Net Investments with Severe Social Controversies (as % AUM): 0%

Net Investments with Health and Safety Policies (as % AUM): 86.68%

Net Investments with Board Gender Diversity (> 5% women, as % AUM): 90.04%

Governance Indicators:

Net Investments with Severe Governance Controversies (as % AUM): 0%

Net Investments with Anti-Corruption and Bribery Policies (as % AUM): 68.80%

Net Investments with Human Rights Policies (as % AUM): 85.93%

...and compared to previous periods?

Compared to the previous reporting period:

Sustainability Indicators	Current Period	Previous Period
Investment Exposure in accordance with EU Taxonomy Alignment	17.5%	14.2%
% Net Investments in violation of Exclusionary policy	0%	0%
% Net Investments with UNGC Violations, Net Exposure as % NAV	0%	0%

Environment Indicators	Current Period	Previous Period
Sustainable bond exposure as % of AUM (Sustainable bond includes Sustainability-linked bonds, Social bonds and Green bonds)	24.1%	20.0%
Green bonds exposure as % of AUM	19.5%	18.1%
% Net Investments with Severe Environmental Controversies	0%	Not Previously Reported
Total GHG (Scope 1+2+3) (MT CO2 Eq / EVIC)	689,676	1,015,659
GHG Intensity (Total GHG Scope 1,2,3/ Sales) (MT CO2 Eq / EVIC)	112,802	110,108
% Net Investments with a Net Zero Emissions Target	83.60%	Not Previously Reported
% Net Investments with a Water Policy	63.15%	Not Previously Reported

Unaudited Appendix – Sustainable Finance Disclose Regulation (SFDR) and Taxonomy Regulation (continued)

Social Indicators	Current Period	Previous Period
% Net Investments with Severe Social Controversies	0%	Not Previously Reported
% Net Investments with Health and Safety Policies	86.68%	Not Previously Reported
% Net Investments with Board Gender Diversity > 5%	90.04%	Not Previously Reported

Governance Indicators	Current Period	Previous Period
% Net Investments with Severe Governance Controversies	0%	Not Previously Reported
% Net Investments with Anti-Corruption and Bribery Policies	68.80%	Not Previously Reported
% Net Investments with Human Rights Policies	85.93%	Not Previously Reported

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The objective of the sustainable investments was to promote general environmental, social and governance characteristics by investing in bonds that are green and/or sustainability linked as well as adhering to the fund's exclusion criteria. The sustainable investments also aimed to be EU Taxonomy aligned.

● ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The sustainable investments in the Fund's portfolio have been explicitly assessed, checked, and confirmed, as not causing significant harm.

All the Fund's investments have been analysed as part of assessing alignment with the EU Taxonomy Directive including whether the issuer in question causes any significant harm and whether they have the minimum social safeguards in place. Investments would only be considered as sustainable investments, and demarcated as such, in alignment with EU Taxonomy if they have passed the Do No Significant Harm checks.

Unaudited Appendix – Sustainable Finance Disclose Regulation (SFDR) and Taxonomy Regulation (continued)

— — — *How were the indicators for adverse impacts on sustainability factors taken into account?*

The Investment Manager does not currently formally consider, or report upon, the Principal Adverse Impacts of its investment decisions on sustainability factors, within the meaning of Article 4(1)(a) of the SFDR.

The Investment Manager does, however, consider the indicators listed in Annex 1 in the consideration of potential and actual investment opportunities and whether an issuer or investor does significant harm. The Annex 1 indicators are incorporated into

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that consider the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not consider the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

the Investment Manager’s ESG framework and the determination of the Investment Manager’s proprietary internal ESG scores includes screening of issuers and investments for example in determining if these are poor or worst in class or are subject to our avoidance or exclusion criteria. This is monitored both initially and subsequently to ensure that the portfolio continues to consider these considerations and to reflect, in its alignment, the importance of the principal adverse indicators.

— — — *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The sustainable investments in the Fund’s portfolio have been reviewed against the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

The Fund avoided in its portfolio any long position in bonds issued by issuers deemed to be in violation of either the OECD Guidelines or the UN Guiding principles. Screening was conducted to reduce exposure to issuers with poor ESG scores and thus to minimise investment in issuers assessed, in conjunction with internal and external metrics, as detrimental to good environmental, social or governance standards. This includes screening for controversies, environmental data including emissions, non-compliance with UNGC or OECD guidelines or new or altered business involvement or information. As well as informing and facilitating avoidance where for example, a severe controversy is identified, it also influences exclusion determination.

The EU criteria for environmentally sustainable economic activities (“EU Taxonomy”) sets out expectations for investments that are specified as aligned with the Taxonomy Regulation. The investments of the Fund, either in part or in whole, are specified as aligned with the EU Taxonomy requirements. The “do no significant harm” principle within the meaning of the Taxonomy Regulation only applies to those investments underlying the Fund that take into account the EU Taxonomy. The investments underlying the remaining portion of the Fund do not take into account the EU Taxonomy.

Unaudited Appendix – Sustainable Finance Disclose Regulation (SFDR) and Taxonomy Regulation (continued)

How did this financial product consider principal adverse impacts on sustainability factors?

This fund does not consider principal adverse impacts on sustainability factors.



What were the top investments of this financial product?

As of March 31st 2024, the fund's top investments were:



Largest Investments	Sector	% Assets	Country
TTEFP	Oil Comp-Integrated	9.0%	FR
TENN	Electric-Transmission	7.9%	NL
EDF	Electric-Generation	5.5%	FR
JPM	Diversified Banking Inst	3.9%	US
BATSLN	Tobacco	3.4%	GB
BAYNGR	Medical-Drugs	3.3%	DE
GE	Diversified Manufact Op	3.2%	US
BHP	Diversified Minerals	3.0%	AU
HITTFP	Public Thoroughfares	2.8%	FR
KPN	Telephone-Integrated	2.7%	NL
OMVAV	Oil Comp-Integrated	2.2%	AT
RBOSGR	Auto/Trk Prts&Equip-Orig	1.9%	DE
ACAFP	Diversified Banking Inst	1.4%	FR
NGGLN	Electric-Distribution	1.4%	GB
RTEFRA	Electric-Transmission	1.3%	FR
SANDSS	Machinery-Constr&Mining	1.0%	SE
SOCGEN	Diversified Banking Inst	0.9%	FR
DANBNK	Commer Banks Non-US	0.9%	DK
BACR	Diversified Banking Inst	0.8%	GB
HSBC	Diversified Banking Inst	0.7%	GB

Unaudited Appendix – Sustainable Finance Disclose Regulation (SFDR) and Taxonomy Regulation (continued)

What was the proportion of sustainability-related investments?

The quarterly average proportion of sustainability related investments for the period from 31 March 2023 to 31 March 2024 is as follows:

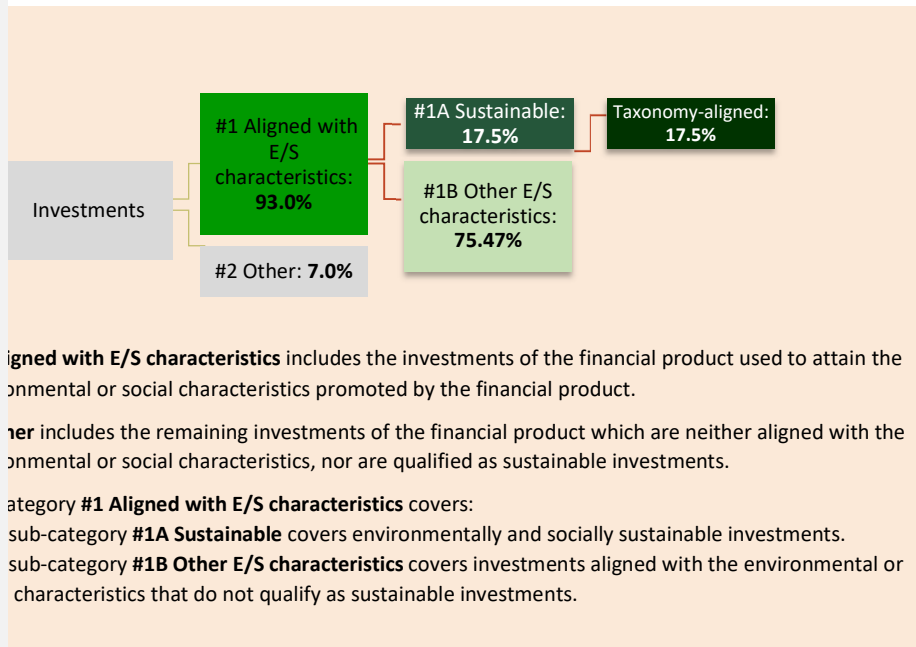
Q2 2023	Q3 2023	Q4 2023	Q1 2024	Period Avg
9.10%	11.40%	16.00%	17.50%	13.50%

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the asset allocation?



In which economic sectors were the investments made?

As of March 31st 2024, investments are made in the following Industry Sub-Groups :

Diversified Banking Inst	17.59%
Oil Comp-Integrated	16.89%
Electric-Transmission	9.80%
Electric-Generation	9.80%
Medical-Drugs	7.25%
Auto-Cars/Light Trucks	5.62%
Telephone-Integrated	5.58%
Commer Banks Non-US	4.14%
Tobacco	3.56%
Diversified Manufact Op	3.55%
Diversified Minerals	3.06%

Unaudited Appendix – Sustainable Finance Disclose Regulation (SFDR) and Taxonomy Regulation (continued)

Public Thoroughfares	2.92%
Electric-Integrated	2.18%
Auto/Trk Prts&Equip-Orig	1.96%
Electric-Distribution	1.75%
Machinery-Constr&Mining	1.04%
Cellular Telecom	0.92%
Hotels&Motels	0.59%
Brewery	0.30%
Building-Heavy Construct	0.28%
Food-Misc/Diversified	0.26%
Transport-Services	0.23%
Chemicals-Diversified	0.15%
Bldg&Construct Prod-Misc	0.15%
Medical Labs&Testing Srv	0.15%
Food-Retail	0.14%
Industrial Gases	0.14%



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

The quarterly average proportion of sustainability related investments for the period from 31 March 2023 to 31 March 2024 is as follows:

Q2 2023	Q3 2023	Q4 2023	Q1 2024	Period Avg
9.10%	11.40%	16.00%	17.5%	13.50%

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?

☐

Yes:

☐

In fossil gas

☐

In nuclear energy

☒

No

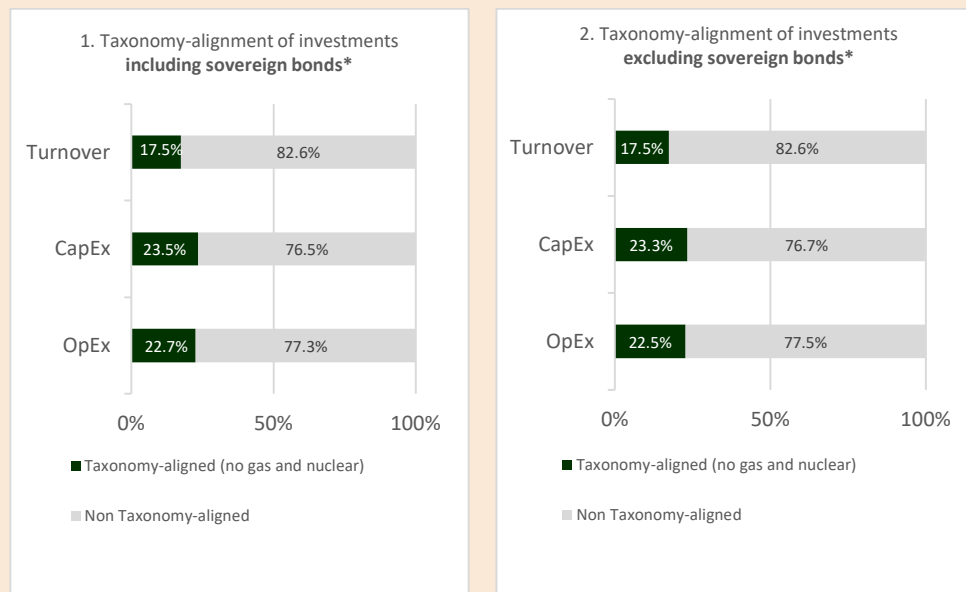
¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Unaudited Appendix – Sustainable Finance Disclose Regulation (SFDR) and Taxonomy Regulation (continued)

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

What was the share of investments made in transitional and enabling activities?

0% of share of investments made in transitional and enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

The average percentage of investments aligned with EU Taxonomy during the reporting period from 31 March 2023 to 31 March 2024 was 13.50% compared to the previous reporting period (31 March 2022 to 31 March 2023) of 14.2%.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments not aligned with the EU Taxonomy for the reporting period is 86.5% compared to the previous reporting period (31 March 2022 to 31 March 2023) of 85.8%.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of socially sustainable investments?

The fund does not have a social objective as an investment objective.



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

The only investments in the Fund’s portfolio which fall into the category of “Other” and which are not aligned with ESG characteristics or sustainable investments are the derivatives used for hedging positions and cash holdings.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The fund and investment manager uses both quantitative and qualitative actions to meet the environmental and/or social characteristics during the reference period:

1. Quantitative action : The fund uses proprietary ESG scoring and models and third-party ESG data to compile and monitor ESG performance of Credit Issuers. These data and ESG scores are incorporated into our investment process and investment screening tools.
2. Qualitative action : The fund performs qualitative assessments on Credit Issuers including fundamental analysis as well as company meetings which also includes ESG conversations and discussions. The fund also relies on third-party research to conduct qualitative analysis.



How did this financial product perform compared to the reference benchmark?

No specific index is designated as a reference benchmark

How does the reference benchmark differ from a broad market index?

Not applicable

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Not applicable

How did this financial product perform compared with the reference benchmark?

Not applicable

How did this financial product perform compared with the broad market index?

Not applicable

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.