

# Mediolanum Specialities SICAV-SIF

*Société d'Investissement à Capital Variable*  
Luxembourg

R.C.S. Luxembourg B 133 351

Annual Report, including Audited Financial Statements  
for the year ended December 31, 2019

# Mediolanum Specialities SICAV-SIF

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# Mediolanum Specialities SICAV-SIF

## Management and Administration

### ***Registered Office***

11/13 boulevard de la Foire  
L-1528 Luxembourg  
Grand-Duchy of Luxembourg

### ***Directors***

#### **Chairman:**

Furio Pietribiasi  
Mediolanum International Funds Limited<sup>1</sup>  
4<sup>th</sup> Floor, The Exchange, George's Dock, IFSC  
Dublin 1,  
Ireland<sup>2</sup>

#### **Members:**

Corrado Bocca Corsico Piccolino (until June 19, 2019)  
Chief Lending Officer  
Banca Mediolanum S.p.A.  
Palazzo Meucci, Via F. Sforza, 20080 Basiglio  
Milano 3,  
Italy

Vittorio Gaudio (until June 19, 2019)  
Head of Client Investments  
Banca Mediolanum S.p.A.  
Palazzo Meucci, Via F. Sforza, 20080 Basiglio  
Milano 3,  
Italy

Paul Guillaume (from June 19, 2019)  
370 route de Longwy  
L-1940 Luxembourg  
Grand-Duchy of Luxembourg

Fabio Morvilli (from June 19, 2019)  
45 Boulevard Grande Duchesse Charlotte  
L-1331 Luxembourg  
Grand-Duchy of Luxembourg

#### ***Administrator, Depositary, Transfer and Paying Agent and Domiciliation agent***

RBC Investor Services Bank S.A.  
14 Porte de France  
L-4360 Esch-sur-Alzette  
Grand-Duchy of Luxembourg

#### ***Alternative Investment Fund Manager and Global Distributor (until July 29, 2019)***

GAMAX Management AG  
11/13 boulevard de la Foire  
L-1528 Luxembourg  
Grand-Duchy of Luxembourg

<sup>1</sup> Mediolanum Asset Management Limited merged into Mediolanum International Funds Limited effective April 1, 2019.

<sup>2</sup> Address was 2 Shelbourne Buildings, Shelbourne Road, Ballsbridge, Dublin 4, Ireland until March 31, 2019. From April 1, 2019 onwards the address changed to 4<sup>th</sup> Floor, The Exchange, George's Dock, IFSC, Dublin 1, Ireland.

# Mediolanum Specialities SICAV-SIF

## Management and Administration (continued)

### ***Alternative Investment Fund Manager and Global Distributor (from July 29, 2019)***

Mediolanum International Funds Limited<sup>1</sup>  
4<sup>th</sup> Floor, The Exchange, George's Dock, IFSC  
Dublin 1,  
Ireland<sup>2</sup>

### ***Cash Manager and Portfolio Manager***

Mediolanum International Funds Limited<sup>1</sup>  
4<sup>th</sup> Floor, The Exchange, George's Dock, IFSC  
Dublin 1,  
Ireland<sup>2</sup>

### ***Sub-Portfolio Manager***

For Mediolanum Specialities SICAV-SIF – Equity Income Fund  
Mediolanum Gestione Fondi SGR p.A.  
Palazzo Meucci, Via Francesco Sforza, 20080 Basiglio  
Milano 3,  
Italy

### ***Securities Lending Agent (until March 29, 2019)***

Mediolanum Asset Management Limited  
2 Shelbourne Buildings, Shelbourne Road, Ballsbridge  
Dublin 4,  
Ireland

### ***Securities Lending Agent (from April 1, 2019)***

Goldman Sachs International Bank  
Peterborough Court  
133 Fleet Street  
London  
EC4A 2BB  
United Kingdom

### ***Cabinet de Révision Agréé***

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

### ***Legal Adviser***

Arendt & Medernach S.A.  
41A avenue J.F. Kennedy  
L-2082 Luxembourg  
Grand-Duchy of Luxembourg

<sup>1</sup> Mediolanum Asset Management Limited merged into Mediolanum International Funds Limited effective April 1, 2019.

<sup>2</sup> Address was 2 Shelbourne Buildings, Shelbourne Road, Ballsbridge, Dublin 4, Ireland until March 31, 2019. From April 1, 2019 onwards the address changed to 4<sup>th</sup> Floor, The Exchange, George's Dock, IFSC, Dublin 1, Ireland.

# Mediolanum Specialities SICAV-SIF

## Management Report

### Mediolanum Specialities SICAV-SIF – Equity Income Fund

**Performance\***      **31/12/2018 - 31/12/2019**      **13.62%**

*\* Performance is stated in euro, net of management fee, performance fee and cost, and reflects the reinvestment of dividends.*

The Sub-Fund recorded a performance of 13.62%.

The year that just closed was very positive for global equities that benefited from the dovish stance of major central banks and from the high degree of liquidity in the financial system, despite an earnings growth lower than expected. One of the most important issue that lead to an increase in volatility on the market was the ongoing trade war between US and China, that dominated the rhetoric for the whole year: in the final part of the year, this issue eased thanks to the fact that the scheduled increase in US tariffs on Chinese goods was avoided by a phase one agreement that helped investor sentiment on equity markets. Another source of volatility was the Brexit process evolution: the UK electoral result could lead to pass a European Union withdrawal bill, with a transition period lasting up to the end of 2020 and lead to a general improve in UK stocks market and to a strengthening of the British Pound, at the end of the year. Geopolitical issues resurfaced, due to the pro-democracy demonstrations in Hong Kong causing an increase in volatility especially on emerging markets. Macro data rebounded a little bit in the last part of the year helping to restore investment sentiment. The activity on the Sub-Fund, focused towards companies with a visible dividend policy, was supported by a sustainable cash-flow and earnings generation. Asset allocation was modified in order to reflect different tactical views on financial markets. An activity of currency management, along with a residual derivatives activity, was implemented too.

The performance was recorded due to the positive contribution in allocation and picking activity coming from the exposure to the financials and the consumer staples.

### Mediolanum Specialities SICAV-SIF – Diversified Income Fund

**Performance\***      **31/12/2018 - 31/12/2019**      **10.12% Net**

*\* Performance is stated in euro, net of management fee, performance fee and cost, and reflects the reinvestment of dividends.*

2019 was an exceptional year for Multi-Asset investors, as the major asset classes provided significant positive returns. This was the opposite of 2018, where cash was the best performing asset class. Global equities led the move higher driven by strong gains in the US and Europe. Credit and Government bonds also provided positive returns, as credit spreads tightened and bond yields fell. The gains in both equities and bonds was in large part due to the US Federal Reserve and several other central banks loosening monetary policy. There were also positive developments on the US / China trade dispute along with Brexit. At the portfolio level, the Sub-Funds overweight to equities at the start of the year positively contributed to performance.

From a fixed income perspective, there were positive returns from our long duration bias. The largest detractor was our underweight in High Yield bonds which were negatively impacted by rate cut in the US. The portfolio allocation to the US Dollar delivered a positive contribution to performance due to mild appreciation versus the Euro.

The Sub-Fund currently has a 48% allocation to equity, 47% fixed income, 2% alternatives and 3% cash.

The Sub-Fund is positioned into 2020 for a spike in volatility in equity markets and credit markets. We have lowered the funds beta with a more defensive tilt added to the overall portfolio. It is still overweight on government bonds with a long duration bias.

### Market Outlook

In March 2020, the World Health Organisation declared COVID 19 a pandemic. While the full impact is not yet known, COVID 19 may result in continued market volatility and a period of economic decline globally. It may also have a significant adverse impact on the value of a Fund's investments and the ability of the AIFM to access markets or implement the Fund's investment policy in the manner originally contemplated. Government interventions or other limitations or bans introduced by regulatory authorities or exchanges and trading venues as temporary measures in light of significant market volatility may also negatively impact on the AIFM's ability to implement a Fund's investment policy. The Fund's access to liquidity could also be impaired in circumstances where the need for liquidity to meet redemption requests may rise significantly. Services required for the operation of the Fund may in certain circumstances be interrupted as a result of the pandemic.

# Mediolanum Specialities SICAV-SIF

## Management Report (continued)

### **Market Outlook** (continued)

The AIFM continues to monitor market impacts on the Fund and to the date of signing these financial statements have not encountered any issues with its operations including access to liquidity, levels of redemption requests, the need to suspend or gate calculations of the NAV or any concerns around continued operations of the fund, the manager or its delegates. As such, the Fund is in full capacity to continue its usual operations in accordance with its investment policy and its prospectus.

The Board of Directors of the Fund

Luxembourg, May 14, 2020

The figures stated in the management report are historical and not necessarily indicative of future performance.

# Mediolanum Specialities SICAV-SIF

## Report of the Sub-Portfolio Manager

### Mediolanum Specialities SICAV-SIF – Equity Income Fund

#### 2019 comment

Last year global equities obtained very positive performance. The global equity gauge recorded a performance of 27% approximately on a total return basis. The European equity markets, obtained a performance in line with the global one, gaining 27.7% and underperforming US market. Geographical dispersion in Europe saw Italy outperforming other markets while Spanish market lagged with respect to other major exchanges.

The Fund recorded a performance of 16.74%, while the benchmark performance was 16.46%

The year that just closed was very positive for global equities that benefited from the dovish stance of major central banks and from the high degree of liquidity in the financial system, despite an earnings growth lower than expected. One of the most important issue that lead to an increase in volatility on the market was the ongoing trade war between US and China, that dominated the rhetoric for the whole year: in the final part of the year this issue eased thanks to the fact that the scheduled increase in US tariffs on Chinese goods was avoided by a phase one agreement that helped investor sentiment on equity markets. Another source of volatility was the Brexit process evolution: the UK electoral result could lead to pass a European Union withdrawal bill, with a transition period lasting up to the end of 2020 and lead to a general improve in UK stocks market and to a strengthening of the British Pound, at the end of the year. Geopolitical issues resurfaced, due to the pro-democracy demonstrations in Hong Kong causing an increase in volatility especially on emerging markets. Macro data rebounded a little bit in the last part of the year helping to restore investment sentiment. The activity on the Fund, focused towards companies with a visible dividend policy, supported by a sustainable cash-flow and earnings generation. Asset allocation was modified in order to reflect different tactical views on financial markets. An activity of currency management, along with a residual derivatives activity was implemented too.

The overperformance was recorded due to the positive contribution in allocation and picking activity coming from the exposure to the financials and the consumer staples.

#### Outlook

For the incoming future we will monitor carefully the evolution of the trend in macroeconomic data to assess potential moves by major Central Banks, that for the time being ensured support to the financial markets. Geopolitical evolution will be another matter of attention, especially with reference to the Middle East region escalation, also with reference to the evolution of commodities markets. In such a framework the good visibility on future cash flow generation and on potential returns to the shareholders, will be a factor that could favor equities with such characteristics.

In March 2020, the World Health Organisation declared COVID 19 a pandemic. While the full impact is not yet known, COVID 19 may result in continued market volatility and a period of economic decline globally. It may also have a significant adverse impact on the value of a Fund's investments and the ability of the AIFM to access markets or implement the Fund's investment policy in the manner originally contemplated. Government interventions or other limitations or bans introduced by regulatory authorities or exchanges and trading venues as temporary measures in light of significant market volatility may also negatively impact on the AIFM's ability to implement a Fund's investment policy. The Fund's access to liquidity could also be impaired in circumstances where the need for liquidity to meet redemption requests may rise significantly. Services required for the operation of the Fund may in certain circumstances be interrupted as a result of the pandemic.

The AIFM continues to monitor market impacts on the Fund and to the date of signing these financial statements have not encountered any issues with its operations including access to liquidity, levels of redemption requests, the need to suspend or gate calculations of the NAV or any concerns around continued operations of the fund, the manager or its delegates. As such, the Fund is in full capacity to continue its usual operations in accordance with its investment policy and its prospectus.

To the Shareholders of  
Mediolanum Specialities SICAV – SIF

## REPORT OF THE *REVISEUR D'ENTREPRISES AGRÉÉ*

### *Opinion*

We have audited the financial statements of Mediolanum Specialities SICAV – SIF (the “ Fund ”) and of each of its sub-funds, which comprise the statement of net assets and the statement of investments as at December 31, 2019 and the statement of operations and changes in net assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund and of each of its sub-funds as at December 31, 2019, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

### *Basis for Opinion*

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

### *Other information*

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our report of the *Réviseur d'Entreprises Agréé* thereon.

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

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

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

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.



**REPORT OF THE *REVISEUR D'ENTREPRISES AGRÉÉ* (Continued)***Responsibilities of the Réviseur d'Entreprises Agréé for the Audit of the Financial Statements*

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the *Réviseur d'Entreprises Agréé* that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law dated July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law dated July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

For Deloitte Audit, *Cabinet de Révision Agréé*

Emmanuelle Miette, *Réviseur d'Entreprises Agréé*  
Partner

Luxembourg, May 14, 2020

# Mediolanum Specialities SICAV-SIF

## Combined Statement of Net Assets as at December 31, 2019 and December 31, 2018

EUR	Notes	December 31, 2018	December 31, 2019
<b>ASSETS</b>			
Investments in securities at market value	(3)	62,682,364	67,025,977
Cash at bank	(3)	7,547,955	3,912,232
Amounts receivable on disposal of investments		439,438	-
Amounts receivable on subscriptions		3,564	-
Interest receivable, net		832	1,156
Dividends receivable, net		86,233	80,884
Net unrealised gain on forward foreign exchange contracts	(3,7)	12,880	-
Other assets		-	1,944
<b>TOTAL ASSETS</b>		<b>70,773,266</b>	<b>71,022,193</b>
<b>LIABILITIES</b>			
Bank overdraft	(3)	16,859	-
Amounts payable on redemptions		72,435	167,866
Net unrealised loss on futures contracts	(3,8)	15,384	-
Interest payable, net		2,671	1,044
Management, portfolio manager and cash management fees payable	(6)	109,750	101,134
Performance fees payable	(6)	16,029	119,961
Taxes and other expenses payable		83,628	145,514
<b>TOTAL LIABILITIES</b>		<b>316,756</b>	<b>535,519</b>
<b>TOTAL NET ASSET VALUE</b>		<b>70,456,510</b>	<b>70,486,674</b>

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

# Mediolanum Specialities SICAV-SIF

## Combined Statement of Operations and Changes in Net Assets for the year ended December 31, 2019 and December 31, 2018

EUR	Notes	December 31, 2018	December 31, 2019
<b>NET ASSETS AT THE BEGINNING OF THE YEAR</b>			
		<b>88,033,979</b>	<b>70,456,510</b>
<b>INCOME</b>			
Dividend income, net	(3)	2,200,423	2,313,779
Interest on bonds	(3)	24,640	39,950
Bank interest income	(3)	7,149	13,690
Securities lending commission	(12)	89,890	94,660
Other income	(4,15)	-	62,372
<b>Total Income</b>		<b>2,322,102</b>	<b>2,524,451</b>
<b>EXPENSES</b>			
Management fees	(6)	1,397,587	1,233,884
Investment management fee	(6)	11,765	10,266
Cash management fees	(6)	8,151	7,182
Performance fees	(6)	419,920	758,914
Depositary fees	(6,15)	48,654	45,255
Domiciliation, administration and transfer agent fees and paying agent fees	(6)	116,994	79,502
Professional fees		35,518	35,887
Subscription tax	(4)	6,843	6,782
Bank charges and correspondent fees		20,534	14,283
Bank interest expense		28,303	28,743
<b>Total Expenses</b>		<b>2,094,269</b>	<b>2,220,698</b>
<b>NET INCOME / (LOSS) FROM INVESTMENTS</b>		<b>227,833</b>	<b>303,753</b>
Net realised gain / (loss) on disposal of investments	(3,14)	957,148	383,277
Net realised gain / (loss) on sale of options	(3,14)	(29,683)	-
Net realised gain / (loss) on forward foreign exchange contracts	(3,14)	(428,056)	(71,663)
Net realised gain / (loss) on futures contracts	(3,14)	209,852	(54,197)
Net realised gain / (loss) on foreign exchange	(3,14)	(42,541)	62,150
<b>NET REALISED GAIN / (LOSS)</b>		<b>894,553</b>	<b>623,320</b>
Change in net unrealised appreciation / (depreciation) on:			
- investments	(3,14)	(11,155,927)	8,014,764
- forward foreign exchange contracts	(3,14)	13,973	(12,880)
- futures contracts	(3,14)	(67,129)	15,384
<b>NET INCREASE / (DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS</b>		<b>(10,314,530)</b>	<b>8,640,588</b>
<b>CHANGES IN SHARE CAPITAL</b>			
Proceeds from issue of shares		7,567,423	3,036,011
Proceeds from redemption of shares		(12,675,709)	(10,188,194)
Dividend distribution	(13)	(2,154,653)	(1,458,241)
<b>NET ASSETS AT THE END OF THE YEAR</b>		<b>70,456,510</b>	<b>70,486,674</b>

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

# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Equity Income Fund

### Statement of Net Assets as at December 31, 2019 and December 31, 2018

EUR	Notes	December 31, 2018	December 31, 2019
<b>ASSETS</b>			
Investments in securities at market value	(3)	44,089,940	47,356,731
Cash at bank	(3)	5,515,402	3,685,805
Amounts receivable on disposal of investments		439,438	-
Interest receivable, net		733	1,156
Dividend receivable, net		84,157	69,699
Other assets		-	1,944
<b>TOTAL ASSETS</b>		<b>50,129,670</b>	<b>51,115,335</b>
<b>LIABILITIES</b>			
Amounts payable on redemptions		55,457	71,937
Interest payable, net		1,930	980
Management, portfolio manager and cash management fees payable	(6)	75,762	70,384
Performance fees payable	(6)	9,478	97,218
Taxes and other expenses payable		47,978	83,651
<b>TOTAL LIABILITIES</b>		<b>190,605</b>	<b>324,170</b>
<b>TOTAL NET ASSET VALUE</b>		<b>49,939,065</b>	<b>50,791,165</b>
<b>Net Asset Value per Share</b>			
Distributing Shares		1.793	2.003
<b>Number of shares outstanding</b>			
Distributing Shares		27,857,899	25,359,584

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

# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Equity Income Fund

### Statement of Operations and Changes in Net Assets for the year ended December 31, 2019 and December 31, 2018

EUR	Notes	December 31, 2018	December 31, 2019
<b>NET ASSETS AT THE BEGINNING OF THE YEAR</b>			
		<b>63,882,081</b>	<b>49,939,065</b>
<b>INCOME</b>			
Dividend income, net	(3)	2,026,453	2,040,533
Bank interest income	(3)	5,301	12,909
Securities lending commission	(12)	85,037	94,439
Other income	(4,15)	-	60,883
<b>Total Income</b>		<b>2,116,791</b>	<b>2,208,764</b>
<b>EXPENSES</b>			
Management fees	(6)	973,241	850,130
Portfolio manager fees	(6)	11,765	10,266
Cash management fees	(6)	5,882	5,133
Performance fees	(6)	367,894	625,787
Depositary fees	(6,15)	27,720	24,436
Domiciliation, administration and transfer agent fees and paying agent fees	(6)	75,862	40,328
Professional fees		21,985	22,318
Subscription tax	(4)	5,670	5,150
Bank charges and correspondent fees		9,178	7,802
Bank interests expense		20,877	21,015
<b>Total Expenses</b>		<b>1,520,074</b>	<b>1,612,365</b>
<b>NET INCOME / (LOSS) FROM INVESTMENTS</b>		<b>596,717</b>	<b>596,399</b>
Net realised gain / (loss) on disposal of investments	(3,14)	582,207	144,555
Net realised gain / (loss) on futures contracts	(3,14)	70,300	(62,070)
Net realised gain / (loss) on foreign exchange	(3,14)	(38,240)	76,323
<b>NET REALISED GAIN / (LOSS)</b>		<b>1,210,984</b>	<b>755,207</b>
Change in net unrealised appreciation / (depreciation) on:			
- investments	(3,14)	(9,632,166)	5,875,393
<b>NET INCREASE / (DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS</b>		<b>(8,421,182)</b>	<b>6,630,600</b>
<b>CHANGES IN SHARE CAPITAL</b>			
Subscription of shares		4,484,597	1,692,758
Redemption of shares		(8,484,311)	(6,472,333)
Dividend distribution	(13)	(1,522,120)	(998,925)
<b>NET ASSETS AT THE END OF THE YEAR</b>		<b>49,939,065</b>	<b>50,791,165</b>

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

# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Equity Income Fund

### Statement of Changes in the Number of Shares for the year ended December 31, 2019 and December 31, 2018

	December 31, 2018	December 31, 2019
<b>Distribution Shares</b>		
Number of shares outstanding at the beginning of the year	29,697,537	27,857,899
Number of shares issued	2,251,391	866,952
Number of shares redeemed	(4,091,029)	(3,365,267)
Number of shares outstanding at the end of the year	27,857,899	25,359,584

## Statistics

	December 31, 2017 EUR	December 31, 2018 EUR	December 31, 2019 EUR
<b>Net Asset Value</b>	63,882,081	49,939,065	50,791,165
<b>Net Asset Value per Share</b>			
Distribution Shares	2.151	1.793	2.003

# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Equity Income Fund

### Statement of Investments as at December 31, 2019

(expressed in EUR)

Description	Quantity	Currency	Cost	Market Value	% Net Assets
<b>Transferable Securities Admitted to an Official Stock Exchange Listing or Traded on a Regulated Market</b>					
<b>Listed Securities: Shares</b>					
<b>Belgium</b>					
Kbc Groupe Sa	3,700	EUR	203,907	248,048	0.49
<b>Total Belgium</b>			<b>203,907</b>	<b>248,048</b>	<b>0.49</b>
<b>Finland</b>					
Nordea Bank Abp	770	EUR	1,249	5,575	0.01
Nordea Bank Abp	57,715	SEK	316,272	418,137	0.82
Sampo Plc -A-	7,700	EUR	83,664	299,607	0.59
Upm-Kymmene Corp	7,500	EUR	225,979	231,825	0.46
<b>Total Finland</b>			<b>627,164</b>	<b>955,144</b>	<b>1.88</b>
<b>France</b>					
Atos Act.	2,200	EUR	162,386	164,516	0.32
Axa Sa	30,777	EUR	588,129	772,349	1.52
Bnp Paribas Sa	19,300	EUR	785,174	1,017,689	2.00
Carrefour Sa	6,000	EUR	104,932	90,780	0.18
Credit Agricole Sa. Paris	27,000	EUR	237,577	349,245	0.69
Edf	8,000	EUR	76,561	80,240	0.16
Eiffage Sa	5,500	EUR	524,493	561,550	1.11
Engie	26,421	EUR	481,156	383,501	0.75
Eramet Sa	5,000	EUR	202,002	228,050	0.45
Eutelsat Communications Paris	15,000	EUR	261,762	218,700	0.43
La Francaise Des Jeux Saem	3,947	EUR	78,545	94,590	0.19
Natixis Sa	25,000	EUR	103,860	98,550	0.19
Orange	26,000	EUR	391,323	341,380	0.67
Peugeot Sa	9,000	EUR	208,219	194,130	0.38
Renault Sa	3,500	EUR	262,261	149,100	0.29
Saint-Gobain Sa	11,200	EUR	463,397	408,968	0.81
Sanofi-Aventis Sa	15,989	EUR	1,042,073	1,435,013	2.83
Schneider Electric Sa	5,300	EUR	403,231	485,162	0.96
Société Générale Paris Sa -A-	20,376	EUR	695,271	631,146	1.24
Total Sa	25,250	EUR	1,122,278	1,241,921	2.44
Vinci Sa	6,000	EUR	331,833	593,880	1.17
<b>Total France</b>			<b>8,526,463</b>	<b>9,540,460</b>	<b>18.78</b>
<b>Germany</b>					
Allianz Ag /Nam.	4,875	EUR	545,994	1,064,700	2.10
Basf Ag Nam.	11,500	EUR	714,921	774,525	1.53
Bayer	7,700	EUR	690,827	560,637	1.10
Bmw-Bayer. Motorenwerke Ag	6,500	EUR	587,215	475,410	0.94

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

# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Equity Income Fund

### Statement of Investments as at December 31, 2019 (continued)

(expressed in EUR)

Description	Quantity	Currency	Cost	Market Value	% Net Assets
<b>Germany (continued)</b>					
Continental Ag	2,000	EUR	264,428	230,520	0.45
Daimler Ag /Nam.	7,702	EUR	431,621	380,248	0.75
Deutsche Post Ag	8,500	EUR	246,212	289,085	0.57
Deutsche Telekom Ag /Nam.	56,044	EUR	852,915	816,561	1.61
Hannover Rueckversicherung Se	900	EUR	94,657	155,070	0.31
Heidelbergcement Ag	3,700	EUR	305,810	240,352	0.47
Muenchener Rueckversicherung Ag /Nam.	800	EUR	87,574	210,400	0.41
Sap Ag	2,500	EUR	261,651	300,800	0.59
Siemens Ag /Nam.	9,300	EUR	1,092,271	1,083,822	2.13
Siemens Healthineers Ag	5,500	EUR	204,852	235,510	0.46
Volkswagen Ag	1,500	EUR	266,353	259,875	0.51
Volkswagen Ag /Vorzug.	2,500	EUR	352,085	440,600	0.87
<b>Total Germany</b>			<b>6,999,386</b>	<b>7,518,115</b>	<b>14.80</b>
<b>Great Britain</b>					
Anglo American Plc	17,000	GBP	367,626	431,990	0.85
Astrazeneca Plc	3,000	GBP	108,493	268,766	0.53
Aviva Plc	63,049	GBP	153,073	310,098	0.61
Bae Systems Plc	42,000	GBP	299,609	278,640	0.55
Barclays Plc	140,000	GBP	432,867	295,355	0.58
Bhp Group Plc	25,500	GBP	484,174	534,326	1.05
Bp Plc	221,800	GBP	1,208,823	1,242,248	2.45
British American Tobacco (25P)	25,900	GBP	1,064,784	987,224	1.94
Bt Group Plc	130,000	GBP	549,865	294,130	0.58
Glaxosmithkline Plc	62,500	GBP	1,208,231	1,315,329	2.59
Hsbc Holdings Plc	212,000	GBP	1,351,982	1,479,672	2.91
Imperial Brands	10,000	GBP	333,400	218,529	0.43
Lloyds Banking Group Plc	705,000	GBP	618,509	520,860	1.03
M&G Plc	31,500	GBP	70,885	87,898	0.17
National Grid Plc	42,833	GBP	442,210	478,040	0.94
Prudential Plc	31,500	GBP	444,171	533,143	1.05
Rio Tinto Plc /Reg.	19,100	GBP	730,231	1,007,594	1.98
Royal Bank of Scotland Group	64,000	GBP	173,355	181,209	0.36
Royal Dutch Shell Plc / -A-	46,000	GBP	744,408	1,208,757	2.38
Royal Dutch Shell Plc / -B-	39,871	GBP	794,121	1,048,870	2.07
Scottish & Southern Energy Plc	16,000	GBP	293,115	272,582	0.54
Standard Chartered Plc	40,000	GBP	286,013	336,069	0.66
Tesco Plc	90,000	GBP	242,298	269,152	0.53
Vodafone Group Plc	225,000	GBP	578,921	391,403	0.77
<b>Total Great Britain</b>			<b>12,981,164</b>	<b>13,991,884</b>	<b>27.55</b>

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



# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Equity Income Fund

### Statement of Investments as at December 31, 2019 (continued)

(expressed in EUR)

Description	Quantity	Currency	Cost	Market Value	% Net Assets
<b>Ireland</b>					
Linde Plc	2,000	EUR	285,651	381,600	0.75
<b>Total Ireland</b>			<b>285,651</b>	<b>381,600</b>	<b>0.75</b>
<b>Italy</b>					
Assicurazioni Generali Spa	15,000	EUR	198,952	275,925	0.54
Enel Spa	150,000	EUR	493,045	1,060,800	2.09
Eni Spa Roma	63,411	EUR	1,010,450	877,988	1.73
Intesa Sanpaolo Spa	161,767	EUR	272,220	379,910	0.75
Snam Az Spa	80,000	EUR	240,738	374,880	0.74
Terna-Rete Elettrica Nazionale Spa	29,500	EUR	99,509	175,643	0.34
Unicredit Spa	26,000	EUR	412,208	338,520	0.67
<b>Total Italy</b>			<b>2,727,122</b>	<b>3,483,666</b>	<b>6.86</b>
<b>Jersey</b>					
Glencore Intl	152,000	GBP	685,507	422,277	0.83
<b>Total Jersey</b>			<b>685,507</b>	<b>422,277</b>	<b>0.83</b>
<b>Luxembourg</b>					
Arcelormittal Sa	12,000	EUR	220,083	188,112	0.37
Subsea 7 Sa	23,500	NOK	238,385	250,747	0.49
<b>Total Luxembourg</b>			<b>458,468</b>	<b>438,859</b>	<b>0.86</b>
<b>Netherlands</b>					
Abn Amro Group N.V.	5,250	EUR	124,218	85,102	0.17
Argen-x N.V.	2,000	EUR	187,878	289,200	0.57
Exor N.V.	3,700	EUR	252,958	255,596	0.50
Ing Group Nv	26,000	EUR	251,269	278,200	0.55
Koninklijke Ahold Delhaize N.V.	12,000	EUR	271,810	271,260	0.53
Koninklijke Kpn Nv /Eur 0.24	80,000	EUR	222,015	210,000	0.41
Unilever Nv.	4,800	EUR	260,024	247,008	0.49
<b>Total Netherlands</b>			<b>1,570,172</b>	<b>1,636,366</b>	<b>3.22</b>
<b>Norway</b>					
Dnb Nor Asa	14,000	NOK	233,744	233,430	0.46
Equinor Asa	16,000	NOK	282,309	285,485	0.56
<b>Total Norway</b>			<b>516,053</b>	<b>518,915</b>	<b>1.02</b>
<b>Portugal</b>					
Edp-Energias De Portugal Sa	70,000	EUR	258,930	269,920	0.53
Nos Sgps Sa	50,000	EUR	259,702	240,900	0.48
<b>Total Portugal</b>			<b>518,632</b>	<b>510,820</b>	<b>1.01</b>

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

# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Equity Income Fund

### Statement of Investments as at December 31, 2019 (continued)

(expressed in EUR)

Description	Quantity	Currency	Cost	Market Value	% Net Assets
<b>Spain</b>					
Amadeus It Holding Sr. A	4,000	EUR	268,363	291,680	0.57
Banco Santander Sa /Reg.	197,500	EUR	1,151,569	739,144	1.46
Bco Bilbao Viz. Argentaria Sa /Nam.	153,113	EUR	816,537	766,331	1.51
Caixabank	50,000	EUR	130,791	139,800	0.28
Iberdrola Sa	90,000	EUR	438,940	835,560	1.64
Repsol Ypf Sa Madrid	19,028	EUR	282,075	268,770	0.53
Telefonica Sa	54,000	EUR	390,000	341,280	0.67
<b>Total Spain</b>			<b>3,478,275</b>	<b>3,382,565</b>	<b>6.66</b>
<b>Sweden</b>					
Hennes & Mauritz Ab	5,750	SEK	101,712	104,905	0.21
Svenska Handelsbanken Ab	28,109	SEK	100,871	271,653	0.53
Swedbank Ab -A-	12,000	SEK	241,778	160,280	0.32
Volvo B	14,500	SEK	207,564	217,906	0.43
<b>Total Sweden</b>			<b>651,925</b>	<b>754,744</b>	<b>1.49</b>
<b>Switzerland</b>					
Abb Ltd Zuerich /Namen.	17,000	CHF	285,232	365,900	0.72
Credit Suisse Group /Nom.	18,000	CHF	303,596	217,253	0.43
Novartis Ag Basel /Nam.	17,700	CHF	1,330,731	1,498,111	2.95
Swiss Ag Re-Namen	2,200	CHF	107,030	220,246	0.43
Ubs Group Ag	60,000	CHF	806,738	675,547	1.33
Zurich Insurance Group /Nam.	1,608	CHF	325,114	588,086	1.16
<b>Total Switzerland</b>			<b>3,158,441</b>	<b>3,565,143</b>	<b>7.02</b>
<b>Total Listed Securities: Shares</b>			<b>43,388,330</b>	<b>47,348,606</b>	<b>93.22</b>

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

# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Equity Income Fund

### Statement of Investments as at December 31, 2019 (continued)

(expressed in EUR)

Description	Quantity	Currency	Cost	Market Value	% Net Assets
<b>Rights</b>					
<b>Spain</b>					
Right Repsol 31.12.19 /Sous	19,028	EUR	-	8,125	0.02
<b>Total Spain</b>			-	<b>8,125</b>	<b>0.02</b>
<b>Total - Rights</b>			-	<b>8,125</b>	<b>0.02</b>
<b>Total Transferable Securities Admitted to an Official Stock Exchange Listing or Traded on a Regulated Market</b>			<b>43,388,330</b>	<b>47,356,731</b>	<b>93.24</b>
<b>TOTAL INVESTMENTS</b>			<b>43,388,330</b>	<b>47,356,731</b>	<b>93.24</b>
<b>Cash</b>				<b>3,685,805</b>	<b>7.26</b>
<b>Other Net Liabilities</b>				<b>(251,371)</b>	<b>(0.50)</b>
<b>Total</b>				<b>50,791,165</b>	<b>100.00</b>

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

# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Diversified Income Fund

### Statement of Net Assets as at December 31, 2019 and December 31, 2018

EUR	Notes	December 31, 2018	December 31, 2019
<b>ASSETS</b>			
Investments in securities at market value	(3)	18,592,424	19,669,246
Cash at bank	(3)	2,032,553	226,427
Amounts receivable on subscriptions		3,564	-
Interest receivable, net		99	-
Dividend receivable, net		2,076	11,185
Net unrealised gain on forward foreign exchange contracts	(3,7)	12,880	-
<b>TOTAL ASSETS</b>		<b>20,643,596</b>	<b>19,906,858</b>
<b>LIABILITIES</b>			
Bank overdraft	(3)	16,859	-
Amounts payable on redemptions		16,978	95,929
Interest payable, net		741	64
Net unrealised loss on futures contracts	(3,8)	15,384	-
Management, portfolio manager and cash management fees payable	(6)	33,988	30,750
Performance fees payable	(6)	6,551	22,743
Taxes and other expenses payable		35,650	61,863
<b>TOTAL LIABILITIES</b>		<b>126,151</b>	<b>211,349</b>
<b>TOTAL NET ASSET VALUE</b>		<b>20,517,445</b>	<b>19,695,509</b>
<b>Net Asset Value per Share</b>			
Class B Distributing Shares		3.701	3.988
<b>Number of shares outstanding</b>			
Class B Distributing Shares		5,543,479	4,938,363

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

# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Diversified Income Fund

### Statement of Operations and Changes in Net Assets for the year ended December 31, 2019 and December 31, 2018

EUR	Notes	December 31, 2018	December 31, 2019
<b>NET ASSETS AT THE BEGINNING OF THE YEAR</b>			
		<b>24,151,898</b>	<b>20,517,445</b>
<b>INCOME</b>			
Dividend income, net	(3)	173,970	273,246
Interest on bonds	(3)	24,640	39,950
Bank interest income	(3)	1,848	781
Securities lending commission	(12)	4,853	221
Other income	(4,15)	-	1,489
<b>Total Income</b>		<b>205,311</b>	<b>315,687</b>
<b>EXPENSES</b>			
Management fees	(6)	424,346	383,754
Cash management fees	(6)	2,269	2,049
Performance fees	(6)	52,026	133,127
Depositary fees	(6,15)	20,934	20,819
Domiciliation, administration and transfer agent fees and paying agent fees	(6)	41,132	39,174
Professional fees		13,533	13,569
Subscription tax	(4)	1,173	1,632
Bank charges and correspondent fees		11,356	6,481
Bank interests expense		7,426	7,728
<b>Total Expenses</b>		<b>574,195</b>	<b>608,333</b>
<b>NET INCOME / (LOSS) FROM INVESTMENTS</b>		<b>(368,884)</b>	<b>(292,646)</b>
Net realised gain / (loss) on disposal of investments	(3,14)	374,941	238,722
Net realised gain / (loss) on sale of options	(3,14)	(29,683)	-
Net realised gain / (loss) on forward foreign exchange contracts	(3,14)	(428,056)	(71,663)
Net realised gain / (loss) on futures contracts	(3,14)	139,552	7,873
Net realised gain / (loss) on foreign exchange	(3,14)	(4,301)	(14,173)
<b>NET REALISED GAIN / (LOSS)</b>		<b>(316,431)</b>	<b>(131,887)</b>
Change in net unrealised appreciation / (depreciation) on:			
- investments	(3,14)	(1,523,761)	2,139,371
- forward foreign exchange contracts	(3,14)	13,973	(12,880)
- futures contracts	(3,14)	(67,129)	15,384
<b>NET INCREASE / (DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS</b>		<b>(1,893,348)</b>	<b>2,009,988</b>
<b>CHANGES IN SHARE CAPITAL</b>			
Subscription of shares		3,082,826	1,343,253
Redemption of shares		(4,191,398)	(3,715,861)
Dividend distribution	(13)	(632,533)	(459,316)
<b>NET ASSETS AT THE END OF THE YEAR</b>		<b>20,517,445</b>	<b>19,695,509</b>

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

# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Diversified Income Fund

### Statement of Changes in the Number of Shares for the year ended December 31, 2019 and December 31, 2018

	December 31, 2018	December 31, 2019
<b>Class B Distributing Shares</b>		
Number of shares outstanding at the beginning of the year	5,807,567	5,543,479
Number of shares issued	767,053	339,576
Number of shares redeemed	(1,031,141)	(944,692)
Number of shares outstanding at the end of the year	5,543,479	4,938,363

## Statistics

	December 31, 2017 EUR	December 31, 2018 EUR	December 31, 2019 EUR
<b>Net Asset Value</b>	24,151,898	20,517,445	19,695,509
<b>Net Asset Value per Share</b>			
Class B Distributing Shares	4.159	3.701	3.988

# Mediolanum Specialities SICAV-SIF

## Mediolanum Specialities SICAV-SIF – Diversified Income Fund

### Statement of Investments as at December 31, 2019

(expressed in EUR)

Description	Quantity	Currency	Cost	Market Value	% Net Assets
<b>Transferable Securities Admitted to an Official Stock Exchange Listing or Traded on a Regulated Market</b>					
<b>Investment Funds</b>					
<b>Ireland</b>					
Ish Iv Edg Qlty Accum Usd Etf	11,886	EUR	386,830	439,247	2.23
Ish Msci Wo Mi Usd -Etf-	13,172	EUR	563,696	618,557	3.14
Ishs Eur Crp Bd Lar Cap Eur Etf	2,864	EUR	399,634	399,127	2.03
Ishs Gl Co Bn Hedged Eur -Etf	40,175	EUR	200,200	204,515	1.04
Ishs Glb Agg Bd Hedged Eur /Cap	689,509	EUR	3,404,710	3,578,414	18.17
Ishs Msci Eurp-Exc Trd Fnd Eur	24,929	EUR	796,689	859,552	4.37
Ishs Usd Em Bd Hdg Eur Etf	4,189	EUR	388,239	398,667	2.02
Ishs Vii Msci Uk /Acc Ex Tr Gbp	2,900	GBP	360,569	388,517	1.97
Spdr S&P Us Div Etf /Dis	7,930	USD	389,638	420,088	2.13
<b>Total Ireland</b>			<b>6,890,205</b>	<b>7,306,684</b>	<b>37.10</b>
<b>Luxembourg</b>					
Dbxt2 Glob Agg -5C- Hdg -Eur /Cap	88,517	EUR	1,919,706	1,984,994	10.08
Mul Ly U10y Ie -C- Usd- Cap Etf	4,447	EUR	415,363	413,438	2.10
Xt2 Gl Gov Bd (Dr) Etf -1C- Cap	11,844	EUR	2,725,972	2,783,932	14.13
<b>Total Luxembourg</b>			<b>5,061,041</b>	<b>5,182,364</b>	<b>26.31</b>
<b>United States</b>					
Ishares Global Utilities Etf	7,755	USD	401,958	405,418	2.06
Ishares Msci Japan Etf	8,173	USD	392,932	430,772	2.19
Ishs Global Consumer Staple -Shs	8,119	USD	401,451	402,200	2.04
Ishs Global Energy -Shs	14,653	USD	434,587	401,654	2.04
Ishs Msci Acwi -Shs	32,459	USD	2,104,953	2,290,832	11.63
Ishs Msci Emerging Market -Shs	16,100	USD	591,219	643,368	3.27
Spdr S&P500 Etf Trust S.1	9,093	USD	2,337,307	2,605,954	13.23
<b>Total United States</b>			<b>6,664,407</b>	<b>7,180,198</b>	<b>36.46</b>
<b>Total Investment Funds</b>			<b>18,615,653</b>	<b>19,669,246</b>	<b>99.87</b>
<b>Total Transferable Securities Admitted to an Official Stock Exchange Listing or Traded on a Regulated Market</b>			<b>18,615,653</b>	<b>19,669,246</b>	<b>99.87</b>
<b>TOTAL INVESTMENTS</b>			<b>18,615,653</b>	<b>19,669,246</b>	<b>99.87</b>
<b>Cash</b>				<b>226,427</b>	<b>1.15</b>
<b>Other Net Liabilities</b>				<b>(200,164)</b>	<b>(1.02)</b>
<b>Total</b>				<b>19,695,509</b>	<b>100.00</b>

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

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2019

### Note 1 - General Information

Mediolanum Specialities SICAV-SIF (the "Fund") is an open-ended investment company incorporated under the laws of the Grand Duchy of Luxembourg as a Société d'Investissement à Capital Variable ("SICAV").

The Fund has been incorporated on November 6, 2007, for an unlimited period. The Fund is governed by the Law of August 10, 1915 on commercial companies, as amended, and by the Law of February 13, 2007, as amended relating to the specialised investment funds (the "2007 Law"). The Articles of Incorporation have been published on November 26, 2007 in the *Mémorial C, Recueil des Sociétés et Associations*.

The Fund qualifies as an alternative investment fund (the "AIF") within the meaning of the directive 2011/61/EU of the European Parliament and of the Council of June 8, 2011 on alternative investment fund managers and amending directives 2003/41/EC and 2009/65/EC and regulations (EC) n°1060/2009 and (EU) n°1095/2010 (the "Directive 2011/61/EU") and the articles 1 (39) and 4 of the amended law of July 12, 2013 on alternative investment fund managers (the "2013 Law").

The registered office of the Fund is established at 11/13, boulevard de la Foire, L-1528 Luxembourg. The Fund is recorded at the Luxembourg Trade and Companies Register ("Registre de Commerce et des Sociétés") under the number B 133 351.

As at December 31, 2019, the following Sub-Funds (collectively the "Sub-Funds") were offered to investors:

Mediolanum Specialities SICAV-SIF – Equity Income Fund  
Mediolanum Specialities SICAV-SIF – Diversified Income Fund

The Sub-Funds offer the following share classes:

Sub-Fund	Currency	Class
Mediolanum Specialities SICAV-SIF – Equity Income Fund	EUR	Distribution Share
Mediolanum Specialities SICAV-SIF – Diversified Income Fund	EUR	B Distributing Share

### Note 2 - Alternative Investment Fund Manager

Until July 29, 2019, the Fund had appointed GAMAX Management AG with registered office at 11/13, boulevard de la Foire, L-1528 Luxembourg as its Alternative Investment Fund Manager (the "AIFM") to carry out the functions pursuant to Chapter 2 of the 2013 Law.

Effective July 29, 2019, Mediolanum International Funds Limited has been passported as the Management Company for the Fund in place of Gamax Management AG. The Registered and Administration office of the Management Company is located at 4<sup>th</sup> Floor, The Exchange, George's Dock, IFSC, Dublin 1, Ireland.

The Fund has appointed Mediolanum International Funds Limited with registered office at 4<sup>th</sup> Floor, The Exchange, George's Dock, IFSC, Dublin 1, Ireland as its Alternative Investment Fund Manager (the "AIFM") in compliance with article 4 (1) of the 2013 Law.

The AIFM was incorporated in Ireland on March 27, 1997 as a private company limited by shares under Irish law and has its registered office at 4<sup>th</sup> Floor, The Exchange, George's Dock, IFSC, Dublin 1, Ireland. The status of AIFM has been approved by the CSSF in accordance with the provisions of Chapter 2 of the 2013 Law with effect as of July 29, 2019.

Pursuant to the terms of the Alternative Investment Fund Management services agreement which took effect on July 29, 2019 (the "AIFM Agreement"), the AIFM, subject to the overall supervision, approval and direction of the Board of Directors, provides the services listed under Annex I of the 2013 Law.



# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2019 (continued)

### Note 3 - Significant Accounting and Valuation Principles

The Fund's financial statements are prepared in conformity with legal and regulatory requirements and presented in accordance with the generally accepted accounting principles in Luxembourg relating to Specialised Investment Funds (SIF).

The Net Asset Value per Share of each Class within the relevant Sub-Fund is expressed in the share currency of such Class or in the Reference Currency of the Sub-Fund and shall be determined as of any Valuation Day by dividing the net assets of the Fund attributable to the relevant Sub-Fund, being the value of the portion of assets less the portion of liabilities attributable to such Class within such Sub-Fund, as of any such Valuation Day, by the number of Shares then outstanding, in accordance with the valuation rules set forth below. The Net Asset Value per Share may be rounded up or down to the nearest unit of the relevant currency as the Fund shall determine. If since the time of determination of the Net Asset Value there has been a material change in the quotations in the markets on which a substantial portion of the investments attributable to the relevant Sub-Fund are dealt in or quoted, the Fund may, in order to safeguard the interests of the shareholders and the Fund, cancel the first valuation and carry out a second valuation for all applications received in relation to the relevant Valuation Day.

The Net Asset Value per Share of each Class and the issue and redemption prices per Share of each Sub-Fund may be obtained during business hours at the registered office of the Fund.

### Investment Valuation

The value of such assets is determined as follows:

- a) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.
- b) The value of assets, which are listed or dealt in on any stock exchange, is based on the closing price of the preceding business day on the stock exchange, which is normally the principal market for such assets. The net unrealised gain / (loss) is presented in the statement of net assets and net realised gain / (loss) and change in net unrealised appreciation / (depreciation) in the statement of operations and changes in net assets.
- c) The value of assets dealt in on any other Regulated Market is based on the closing price of the preceding business day.
- d) In the event that any assets are not listed or dealt in on any stock exchange or on any other Regulated Market, or if, with respect to assets listed or dealt in on any stock exchange, or other Regulated Market as aforesaid, the price as determined pursuant to sub-paragraph (b) or (c) is not representative of the fair market value of the relevant assets, the value of such assets is based on the reasonably foreseeable sales price determined prudently and in good faith by the Board of Directors of the Fund.
- e) Units or shares of open-ended underlying funds are valued at their last determined and available net asset value or, if such price is not representative of the fair market value of such assets, then the price shall be determined by the Board of Directors on a fair and equitable basis and in good faith.
- f) All other securities and other assets are valued at fair market value as determined in good faith pursuant to the procedures established by the Board of Directors.
- g) Money market instruments held by the Fund with a remaining maturity of ninety days or less are valued by the amortized cost method which approximates market value.

The Board of Directors of the Fund, in its discretion, may permit some other method of valuation to be used if it considers that such valuation better reflects the fair value of any asset of the Fund.

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2019 (continued)

### Note 3 - Significant Accounting and Valuation Principles (continued)

#### Valuation of Forward Foreign Exchange Contracts

Net unrealised gain / (loss) on outstanding forward foreign exchange contracts is valued at the forward exchange rate applicable at the closing date for the remaining period until maturity. As at December 31, 2019, the Fund has outstanding Forward Foreign Exchange Contracts (see Note 7). The net unrealised gain / (loss) is presented in the statement of net assets and net realised gain / (loss) and change in net unrealised appreciation / (depreciation) in the statement of operations and changes in net assets.

#### Valuation of options contracts

Outstanding options traded on a regulated market are valued at the last available market price on the valuation date. The change in net unrealised appreciation / (depreciation) arising at the time of reporting from the valuation of options trades is taken into account in the statement of operations and changes in net assets.

#### Valuation of futures contracts

Outstanding futures contracts are valued by reference to the last available settlement price on the relevant market. Upon entering into a future contract, the Sub-Fund is required to deposit, with the Broker, cash and securities in an amount equal to a certain percentage of the contract amount which is referred to as the "Margin accounts", which are included in the "Cash at Bank" and "Bank Overdraft" captions of the Statement of Net Assets of the Sub-Fund Mediolanum Specialities SICAV-SIF - Diversified Income Fund. Subsequent payments are made and received by the Sub-Fund periodically and are based on changes in the market value of the open contracts. Outstanding futures contracts as at year-end are disclosed in Note 8. The net unrealised gain / (loss) is presented in the Statement of Net Assets and net realised gain / (loss) and change in net unrealised appreciation / (depreciation) in the statement of operations and changes in net assets.

#### Contracts for Differences

At each valuation date the difference between the opening price and the current market price of the underlying security to the contract of difference is recorded as unrealised gain / (loss) on contracts for difference in the Statement of Net Assets. When the Sub-Fund enters a closing transaction, the difference between the opening notional amount and the closing notional amount of the underlying security is recorded as a net realised gain / (loss) and change in net unrealised appreciation / (depreciation) in the statement of operations and changes in net assets.

#### Acquisition of Investments and Net Realised Gain / (Loss) on Disposal of Investments

Investments are initially recognised at cost, which is the amount paid for the acquisition of investments, including transaction costs. Net realised gain / (loss) on disposal of investments are determined on the basis of the average cost of investment sold and are recognised in the statement of operations and changes in net assets.

#### Foreign Currency Translation

The accounting and financial statements of the Fund are expressed in Euro (EUR). The value of all assets and liabilities not expressed in EUR are converted into EUR at rates effective at the year-end date. Income and expenses expressed in currencies other than EUR are converted into EUR at the prevailing exchange rate at transaction date. Net realised gain / (loss) on foreign exchange is included in the statement of operations and changes in net assets. The cost of securities denominated in currencies other than EUR is converted at the exchange rate prevailing at the date of acquisition.

The closing exchange rates as at December 31, 2019 were as follows:

1 EUR=	1.601301	AUD
	1.462840	CAD
	1.085787	CHF
	7.470594	DKK
	0.854349	GBP

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2019 (continued)

### Note 3 - Significant Accounting and Valuation Principles (continued)

21.131503	MXN
9.835914	NOK
1.664587	NZD
10.440508	SEK
33.558484	THB
1.120350	USD

The closing exchange rates as at December 31, 2018 were as follows:

1 EUR=	1.625027	AUD
	1.559093	CAD
	1.125555	CHF
	7.467429	DKK
	0.901455	GBP
	8.953418	HKD
	22.440389	MXN
	9.986637	NOK
	1.708171	NZD
	10.271278	SEK
	1.143450	USD

### Income Recognition

Dividend income is accounted for on an ex-dividend basis, net of withholding tax. Interest income is recognised on an accrual basis.

### Combined Financial Statements

The combined financial statements are denominated in EUR. The combined statements of net assets and the combined statement of operations and changes in net assets equal the sum of the corresponding items in the statements of net assets and the statement of operations and changes in net assets of each Sub-Fund.

### Note 4 - Taxation

The Fund is currently not liable to any Luxembourg tax on profits or income, nor are distributions paid by the Fund liable to any Luxembourg withholding tax. The Fund is, however, liable in Luxembourg to a subscription tax (taxe d'abonnement) of 0.01% per annum of its Net Asset Value, such tax being payable quarterly on the basis of the value of the aggregate net assets of the Sub-Funds at the end of the relevant calendar quarter. In case some Sub-Funds are invested in other Luxembourg investment funds, which in turn are subject to the subscription tax provided for by the law of December 17, 2010 relating to undertakings for collective investment, no subscription tax is due from the Fund on the portion of assets invested therein. Under the current law and practice, the Fund is not liable to Luxembourg taxes on income or capital gains, nor are dividends paid by the Fund liable to any Luxembourg withholding tax. Interests, dividends and capital gains on securities may be subject to withholding and capital gains taxes in certain countries.

### Note 5 - Contingent Liabilities

As at December 31, 2019 and December 31, 2018, there are no contingent liabilities.

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2019 (continued)

### Note 6 - Fees, Costs and Expenses

#### 1) Management Fees

The Alternative Investment Fund Manager (AIFM) is entitled to receive out of the assets of the Sub-Funds a management fee, accrued daily and payable monthly in arrears at the rate per annum of the Net Asset Value of the Sub-Fund. The management fee's rates are as follows:

Sub-Fund	Up to	December 31, 2019	December 31, 2018
Mediolanum Specialities SICAV-SIF – Equity Income Fund	1.6% p.a.	1.6% p.a.	1.6% p.a.
Mediolanum Specialities SICAV-SIF – Diversified Income Fund	1.8% p.a.	1.8% p.a.	1.8% p.a.

The Alternative Investment Fund Manager (AIFM) is also entitled to be repaid all of its administration expenses out of the assets of the Sub-Funds, which include an annual fee, payable monthly in arrears of up to 0.045% per annum of the Net Asset Value of the Sub-Funds for which services are provided in relation to the provision of performance attribution, performance measurement, risk analyses and research services for the Sub-Funds. As at December 31, 2019 and 2018, the actual rate charged was 0.045% per annum.

#### 2) Performance Fees

The Alternative Investment Fund Manager (AIFM) is entitled to receive a performance fee calculated as follows:

The performance fee of the Alternative Investment Fund Manager (AIFM) is calculated on the percentage increase in the Gross Asset Value per Share on the last Valuation Day of the relevant month compared with the Gross Asset Value per Share on the last Valuation Day of the previous month. This percentage increase is adjusted to account for any amounts distributed.

The resulting value from the above comparison, if positive, is annualised to determine the annualised percentage increase in the Gross Asset Value per Share on the relevant Valuation Day and compared with the inter-bank Euribor 3 months rate (the "inter-bank rate") on the last Valuation Day of the relevant month.

If the annualised percentage increase in the Gross Asset Value per Share on the relevant Valuation Day (A), is greater than 1.5 times the inter-bank rate on that Valuation Day (B), the Alternative Investment Fund Manager (AIFM) is entitled to receive a performance fee calculated as a percentage of the difference, as follows:

Sub-Fund Type	Positive difference, as a percentage, between the Gross Asset Value per Share increase and the inter-bank rate	Percentage to be applied on the positive difference between the Gross Asset Value per Share increase and the inter-bank rate
Equity / Multi-Assets	Up to 5% Above 5%	3% 5%

The performance fee is calculated by applying the percentages (as described above) on a pro quota basis to the net assets of the Sub-Fund starting from the fourth Business Day of the month following the relevant month.

The performance fee is calculated by the Administrator and is payable from the fourth Business Day of each month.

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2019 (continued)

### Note 6 - Fees, Costs and Expenses (continued)

#### 2) Performance Fees (continued)

The Alternative Investment Fund Manager (AIFM) is only entitled to a performance fee if A is a positive figure and if A is greater than B. Furthermore, where a performance fee is payable and B is a negative figure, B is deemed to be equal to zero.

Included in that calculation is net realised and unrealised capital gains plus net realised and unrealised capital losses as at the relevant Valuation Day. As a result, performance fees may be paid on unrealised gains which may subsequently never be realised.

In calculating the performance fee, previous periods' under-performance against the benchmark are not carried forward and, therefore, do not have to be made up before a performance fee can be paid.

#### 3) Cash Management Fees

The Cash Manager is entitled to receive out of the assets of the Sub-Funds an annual fee, accrued daily and payable monthly in arrears of 0.01% per annum of the Net Asset Value of the Sub-Funds.

#### 4) Portfolio Manager Fees

The Portfolio Manager fees are borne by the AIFM.

The Portfolio Manager is entitled to receive out of the assets of Mediolanum Specialities SICAV-SIF – Equity Income Fund an annual fee accrued daily and payable monthly in arrears of 0.02% per annum of the Net Asset Value of the Sub-Fund.

For Mediolanum Specialities SICAV-SIF – Equity Income Fund, the fees (plus VAT, if any) of the Sub-Portfolio Manager are borne by the Portfolio Manager and shall not be charged to the Sub-Fund. The Sub-Portfolio Manager is not entitled to be repaid for any out-of-pocket expenses out of the assets of the Sub-Fund.

#### 5) Depository Fees, Domiciliation, Administration Fees, Transfer and Paying Agent Fees

The Depository as well as the Administrator are entitled to receive out of the assets of the Sub-Fund the following fees:

##### *Depository:*

The Depository receives for its services (i) a fix fee amounting to up to 15,000 EUR p.a. (plus any applicable taxes) plus (ii) a variable fee amounting to up to 0.025% p.a. of the Net Asset Value of the Sub-Fund.

##### *Administrator:*

For its administrative agency and fund accounting services, the Administrator receives a fee of 33,000 EUR p.a. (plus any applicable taxes).

In addition, the Administrator receives an annual fee for its services as Transfer Agent amounting to (i) up to 3,300 EUR (maintenance fee for the register on Fund level) plus (ii) up to 2,700 EUR (maintenance fee for the register on Sub-Fund level) plus (iii) up to 1,800 EUR (maintenance fee for the register per Class) plus (iv) a variable amount for transactions depending on the actual number of transactions (each plus any applicable taxes, if any).

For its compliance monitoring services, the Administrator receives an annual fee of up to 6,500 EUR (plus any applicable taxes). Additional fees may be charged in case of investment breaches.

These fees are accrued daily and payable monthly. In addition, these service providers are entitled to be reimbursed by the Fund for their reasonable out-of-pocket expenses (and disbursements and for the charges of any correspondents).

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2019 (continued)

### Note 7 - Valuation of Forward Foreign Exchange Contracts

The unrealised gain / (loss) on the outstanding forward foreign exchange contracts is calculated on the valuation date at the forward exchange rate applicable at the valuation for the remaining period until maturity.

As at December 31, 2019, there are no outstanding forward foreign exchange contracts.

As at December 31, 2018, the Sub-Fund Mediolanum Specialities SICAV-SIF – Diversified Income Fund entered into the following outstanding forward foreign exchange contracts with the counterparty Goldman Sachs International:

Purchase of		Sale of		Maturity date	Currency	Net unrealised gain/(loss) EUR
EUR	3,358,282	USD	3,850,020	12/03/2019	EUR	12,258
NZD	595,000	USD	408,820	12/03/2019	EUR	(8,769)
SEK	3,500,000	EUR	338,710	12/03/2019	EUR	1,938
USD	384,513	GBP	300,000	12/03/2019	EUR	2,253
USD	404,746	NZD	595,000	12/03/2019	EUR	5,200
					<b>EUR</b>	<b>12,880</b>

### Note 8 - Futures Contracts

As at December 31, 2019, there are no outstanding futures contracts.

As at December 31, 2018, the Sub-Fund Mediolanum Specialities SICAV-SIF – Diversified Income Fund entered into the following futures contracts with the counterparty Goldman Sachs International:

Description	Number of contracts purchased/(sold)	Currency	Commitments	Net unrealised (loss) EUR
MSCI WORL NET INDEX - MIWO	9	USD	485,460	(15,384)
				<b>(15,384)</b>

### Note 9 - Contract For Difference (CFD)

As at December 31, 2019 and December 31, 2018, there are no outstanding CFD.

### Note 10 - Outstanding Swap Contracts

As at December 31, 2019 and December 31, 2018, there are no outstanding swap contracts.

### Note 11 - Changes in Securities Portfolio

A detailed schedule of securities portfolio movements for the year ended December 31, 2019 and December 31, 2018 is available free of charge upon request at the registered office of the Fund.

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2019 (continued)

### Note 12 - Securities Lending

Mediolanum Asset Management Limited which was considered to be a related company, was appointed as "Securities Lending Agent" for Mediolanum Specialities SICAV-SIF up until March 29, 2019. From April 1, 2019 onwards Goldman Sachs International Bank was appointed as "Securities Lending Agent" for Mediolanum Specialities SICAV-SIF.

The Sub-Funds Mediolanum Specialities SICAV-SIF – Diversified Income Fund and Mediolanum Specialities SICAV-SIF – Equity Income Fund are in the scope of this agreement.

The Sub-Funds listed below entered into securities lending transactions with third parties against the provision of collateral:

Sub-Fund	Total value of the lent securities as at December 31, 2019 (expressed in EUR)	Total value of the lent securities as at December 31, 2018 (expressed in EUR)
Mediolanum Specialities SICAV-SIF – Equity Income Fund	166,861	667,456
Mediolanum Specialities SICAV-SIF – Diversified Income Fund	-	-

As at December 31, 2019, the collateral amounted EUR 176,400 (105% of the loaned value), the details are as follows:

Mediolanum Specialities SICAV-SIF – Equity Income Fund	EUR 176,400
Mediolanum Specialities SICAV-SIF – Diversified Income Fund	-

The net income earned from the securities lending program is reflected net of cost in the statement of operations and changes in net assets under the caption "Securities lending commission".

The following table is a breakdown by each Sub-Fund for the year ended December 31, 2019.

Sub-Fund	(expressed in EUR)		
	Gross Revenue	Costs	Net Revenue
Mediolanum Specialities SICAV-SIF – Equity Income Fund	134,913	40,474	94,439
Mediolanum Specialities SICAV-SIF – Diversified Income Fund	316	95	221
Total	135,229	40,569	94,660

As at December 31, 2018, the collateral amounted EUR 703,559 (105% of the loaned value), the details are as follows:

Mediolanum Specialities SICAV-SIF – Equity Income Fund	EUR 703,559
Mediolanum Specialities SICAV-SIF – Diversified Income Fund	-

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2019 (continued)

### Note 12 - Securities Lending (continued)

The net income earned from the securities lending program is reflected net of cost in the statement of operations and changes in net assets under the caption "Securities lending commission".

The following table is a breakdown by each Sub-Fund for the year ended December 31, 2018.

Sub-Fund	(expressed in EUR)		
	Gross Revenue	Costs	Net Revenue
Mediolanum Specialities SICAV-SIF – Equity Income Fund	121,482	36,445	85,037
Mediolanum Specialities SICAV-SIF – Diversified Income Fund	6,933	2,080	4,853
<b>Total</b>	<b>128,415</b>	<b>38,525</b>	<b>89,890</b>

Until April 23, 2010, the collateral could only be created in the form of cash or in form of G10 government bonds in accordance with the applicable law and agreement. As from April 23, 2010, the collateral can only be created in the form of U.S., U.K. and Eurozone government securities or cash which is not to be reinvested in accordance with the applicable law and agreement.

### Note 13 - Dividend Distribution

For the year ended December 31, 2019, the Sub-Funds Mediolanum Specialities SICAV-SIF – Equity Income Fund and Mediolanum Specialities SICAV-SIF – Diversified Income Fund distributed the following dividends:

Sub-Fund	Ex-Date	Currency	Dividend per Share	Number of Shares Outstanding	Total Amount Distributed
Mediolanum Specialities SICAV-SIF – Equity Income Fund Class Distribution Shares	09/12/2019	EUR	0.040	24,973,140	998,925
Mediolanum Specialities SICAV-SIF – Diversified Income Fund Class B Distributing Shares	09/12/2019	EUR	0.093	4,938,872	459,316

For the year-ended December 31, 2018, the Sub-Funds Mediolanum Specialities SICAV-SIF – Equity Income Fund and Mediolanum Specialities SICAV-SIF – Diversified Income Fund distributed the following dividends:

Sub-Fund	Ex-Date	Currency	Dividend per Share	Number of Shares Outstanding	Total Amount Distributed
Mediolanum Specialities SICAV-SIF – Equity Income Fund Class Distribution Shares	10/12/2018	EUR	0.056	27,180,724	1,522,120
Mediolanum Specialities SICAV-SIF – Diversified Income Fund Class B Distributing Shares	10/12/2018	EUR	0.117	5,406,268	632,533



# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2019 (continued)

### Note 14 - AIFM 2011/61/EU Directive requirements

As at December 31, 2019, the split between the realised gain and realised loss on sale of investments and the split between the change in unrealised appreciation and unrealised depreciation on investments are as follow:

SICAV-SIF	Sub-Funds	Currency	Realised gain on sale of Investments	Realised loss on sale of Investments	Change in unrealised appreciation on Investments	Change in unrealised depreciation on Investments
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV- SIF – Equity Income Fund	EUR	1,895,345	(1,750,790)	5,875,393	-
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV- SIF – Diversified Income Fund	EUR	572,923	(334,201)	2,139,371	-

As at December 31, 2019, the split between the realised gain and realised loss on sale of options and the split between the change in unrealised appreciation and unrealised depreciation on options are as follow:

SICAV-SIF	Sub-Funds	Currency	Realised gain on sale of options	Realised loss on sale of options	Change in unrealised appreciation on options	Change in unrealised depreciation on options
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV- SIF – Equity Income Fund	EUR	-	-	-	-
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV- SIF – Diversified Income Fund	EUR	-	-	-	-

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2019 (continued)

### Note 14 - AIFM 2011/61/EU Directive requirements (continued)

As at December 31, 2019, the split between the realised gain and realised loss on forward foreign exchange contracts and the split between the change in unrealised appreciation and unrealised depreciation on forward foreign exchange contracts are as follow:

SICAV-SIF	Sub-Funds	Currency	Realised gain on sale of forward foreign exchange contracts	Realised loss on sale of forward foreign exchange contracts	Change in unrealised appreciation on forward foreign exchange contracts	Change in unrealised depreciation on forward foreign exchange contracts
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Equity Income Fund	EUR	-	-	-	-
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Income Fund	EUR	55,456	(127,119)	-	(12,880)

As at December 31, 2019, the split between the realised gain and realised loss on sale of futures contracts and the split between the change in unrealised appreciation and unrealised depreciation on futures contracts are as follow:

SICAV-SIF	Sub-Funds	Currency	Realised gain on sale of futures contracts	Realised loss on sale of futures contracts	Change in unrealised appreciation on futures contracts	Change in unrealised depreciation on futures contracts
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Equity Income Fund	EUR	3,800	(65,870)	-	-
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Income Fund	EUR	17,116	(9,243)	15,384	-

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2019 (continued)

### Note 14 - AIFM 2011/61/EU Directive requirements (continued)

As at December 31, 2019, the split between the realised gain and realised loss on sale of swap contracts and the split between the change in unrealised appreciation and unrealised depreciation on swap contracts are as follow:

SICAV-SIF	Sub-Funds	Currency	Realised gain on sale of swap contracts	Realised loss on sale of swap contracts	Change in unrealised appreciation on swap contracts	Change in unrealised depreciation on swap contracts
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Equity Income Fund	EUR	-	-	-	-
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Income Fund	EUR	-	-	-	-

As at December 31, 2019, the split between the realised gain and realised loss on sale of contract for differences and the split between the change in unrealised appreciation and unrealised depreciation on contract for differences are as follow:

SICAV-SIF	Sub-Funds	Currency	Realised gain on sale of contract for differences	Realised loss on sale of contract for differences	Change in unrealised appreciation on contract for differences	Change in unrealised depreciation on contract for differences
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Equity Income Fund	EUR	-	-	-	-
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Income Fund	EUR	-	-	-	-

As at December 31, 2019, the split between the realised gain and realised loss on foreign exchange and the split between the change in unrealised appreciation and unrealised depreciation on foreign exchange are as follow:

SICAV-SIF	Sub-Funds	Currency	Realised gain on foreign exchange	Realised loss on foreign exchange	Change in unrealised appreciation on foreign exchange	Change in unrealised depreciation on foreign exchange
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Equity Income Fund	EUR	85,482	(9,159)	-	-
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Income Fund	EUR	16,100	(30,273)	-	-

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2019 (continued)

### Note 14 - AIFM 2011/61/EU Directive requirements (continued)

As at December 31, 2018, the split between the realised gain and realised loss on sale of investments and the split between the change in unrealised appreciation and unrealised depreciation on investments are as follow:

SICAV-SIF	Sub-Funds	Currency	Realised gain on sale of Investments	Realised loss on sale of Investments	Change in unrealised appreciation on Investments	Change in unrealised depreciation on Investments
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Equity Income Fund	EUR	2,613,790	(2,031,583)	1,371,092	(11,003,257)
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Income Fund	EUR	1,023,004	(648,063)	225,301	(1,749,061)

As at December 31, 2018, the split between the realised gain and realised loss on sale of options and the split between the change in unrealised appreciation and unrealised depreciation on options are as follow:

SICAV-SIF	Sub-Funds	Currency	Realised gain on sale of options	Realised loss on sale of options	Change in unrealised appreciation on options	Change in unrealised depreciation on options
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Equity Income Fund	EUR	-	-	-	-
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Income Fund	EUR	386	(30,069)	-	-

As at December 31, 2018, the split between the realised gain and realised loss on forward foreign exchange contracts and the split between the change in unrealised appreciation and unrealised depreciation on forward foreign exchange contracts are as follow:

SICAV-SIF	Sub-Funds	Currency	Realised gain on sale of forward foreign exchange contracts	Realised loss on sale of forward foreign exchange contracts	Change in unrealised appreciation on forward foreign exchange contracts	Change in unrealised depreciation on forward foreign exchange contracts
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Equity Income Fund	EUR	-	-	-	-
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Income Fund	EUR	361,096	(789,152)	13,973	-

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2019 (continued)

### Note 14 - AIFM 2011/61/EU Directive requirements (continued)

As at December 31, 2018, the split between the realised gain and realised loss on sale of futures contracts and the split between the change in unrealised appreciation and unrealised depreciation on futures contracts are as follow:

SICAV-SIF	Sub-Funds	Currency	Realised gain on sale of futures contracts	Realised loss on sale of futures contracts	Change in unrealised appreciation on futures contracts	Change in unrealised depreciation on futures contracts
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Equity Income Fund	EUR	152,150	(81,850)	-	-
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Income Fund	EUR	410,376	(270,824)	-	(67,129)

As at December 31, 2018, the split between the realised gain and realised loss on sale of swap contracts and the split between the change in unrealised appreciation and unrealised depreciation on swap contracts are as follow:

SICAV-SIF	Sub-Funds	Currency	Realised gain on sale of swap contracts	Realised loss on sale of swap contracts	Change in unrealised appreciation on swap contracts	Change in unrealised depreciation on swap contracts
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Equity Income Fund	EUR	-	-	-	-
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Income Fund	EUR	-	-	-	-

As at December 31, 2018, the split between the realised gain and realised loss on sale of contract for differences and the split between the change in unrealised appreciation and unrealised depreciation on contract for differences are as follow:

SICAV-SIF	Sub-Funds	Currency	Realised gain on sale of contract for differences	Realised loss on sale of contract for differences	Change in unrealised appreciation on contract for differences	Change in unrealised depreciation on contract for differences
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Equity Income Fund	EUR	-	-	-	-
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Income Fund	EUR	-	-	-	-

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2019 (continued)

### Note 14 - AIFM 2011/61/EU Directive requirements (continued)

As at December 31, 2018, the split between the realised gain and realised loss on foreign exchange and the split between the change in unrealised appreciation and unrealised depreciation on foreign exchange are as follow:

SICAV-SIF	Sub-Funds	Currency	Realised gain on foreign exchange	Realised loss on foreign exchange	Change in unrealised appreciation on foreign exchange	Change in unrealised depreciation on foreign exchange
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Equity Income Fund	EUR	30,312	(68,552)	-	-
Mediolanum Specialities SICAV-SIF	Mediolanum Specialities SICAV-SIF – Diversified Income Fund	EUR	8,515	(12,816)	-	-

### Note 15 - Tax reclaim

During 2015, Withholding Tax claims have been filed in respect of the withholding tax applied on dividends paid during the recent years in selected European countries. The decision to file a claim is taken by the Board of Directors of the Alternative Investment Fund Manager (AIFM) based on the analysis of costs to be borne and maximum potential amount refunded. The refunds are recorded under "Other income" and the costs under "Depository fees" in the statement of operations and changes in net assets.

Income received by the Fund may be liable to withholding taxes in the country of origin and is thus collected by the Fund after deduction of such tax in "Other income".

### Note 16 - Transaction Costs

For the year ended December 31, 2019, the Fund incurred transaction costs (part of the securities cost amounts) relating to purchase or sale of transferable securities, money market instruments, derivatives or other eligible assets are as follows:

Mediolanum Specialities SICAV-SIF – Equity Income Fund	66,361
Mediolanum Specialities SICAV-SIF – Diversified Income Fund	6,058

For the year ended December 31, 2018, the Fund incurred transaction costs (part of the securities cost amounts) relating to purchase or sale of transferable securities, money market instruments, derivatives or other eligible assets are as follows:

Mediolanum Specialities SICAV-SIF – Equity Income Fund	107,512
Mediolanum Specialities SICAV-SIF – Diversified Income Fund	2,065

### Note 17 - Events Occurred During the Year

On June 19, 2019, Vittorio Gaudio and Corrado Bocca resigned in their duties as Directors and Fabio Morvilli and Paul Guillaume were appointed in their place. Furio Pietribiasi was appointed as Chairman of the Board of Directors, prior to this he was a Member of the Board of Directors.

Effective July 29, 2019, Mediolanum International Funds Limited has been passported as the Management Company for the Fund in place of Gamax Management AG. The Registered and Administration office of the Management Company is located at 4<sup>th</sup> Floor, The Exchange, George's Dock, IFSC, Dublin 1, Ireland.

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2019 (continued)

### **Note 17 - Events Occurred During the Year (continued)**

At the December 4, 2019 board meeting, the Management Company approved the decision to change the performance fee methodology on the Fund, effective January 2, 2020. The Offering Circular was updated accordingly on January 2, 2020.

### **Note 18 - Subsequent Events**

#### **Appointment of new audit firm**

Due to mandatory audit firm rotation after a period of 10 years, the Board intends to approve the appointment of PricewaterhouseCoopers at the Annual General Meeting to replace Deloitte Audit Société à responsabilité limitée as independent auditor after the approval of the December 31, 2019 annual report and audited financial statements.

#### **Appointment of Portfolio Manager**

With effect from April 1, 2020, Mediolanum International Funds Limited replaced Mediolanum Gestione Fondi SGR p.A. as the Portfolio Manager of Mediolanum Specialities SICAV-SIF – Equity Income Fund.

#### **COVID 19 impact**

In March 2020, the World Health Organisation declared COVID 19 a pandemic. While the full impact is not yet known, COVID 19 may result in continued market volatility and a period of economic decline globally. It may also have a significant adverse impact on the value of a Fund's investments and the ability of the AIFM to access markets or implement the Fund's investment policy in the manner originally contemplated. Government interventions or other limitations or bans introduced by regulatory authorities or exchanges and trading venues as temporary measures in light of significant market volatility may also negatively impact on the AIFM's ability to implement a Fund's investment policy. The Fund's access to liquidity could also be impaired in circumstances where the need for liquidity to meet redemption requests may rise significantly. Services required for the operation of the Fund may in certain circumstances be interrupted as a result of the pandemic.

The AIFM continues to monitor market impacts on the Fund and to the date of signing these financial statements have not encountered any issues with its operations including access to liquidity, levels of redemption requests, the need to suspend or gate calculations of the NAV or any concerns around continued operations of the fund, the manager or its delegates. As such, the Fund is in full capacity to continue its usual operations in accordance with its investment policy and its prospectus.

#### **Change in the performance fee methodology starting January 2, 2020**

The AIFM shall be entitled to a performance fee in respect of each Class of Shares in issue at the Valuation Day prior to the Calculation Date equal to a percentage of the amount by which the Net Asset Value per each Class of Shares (before the deduction of the applicable performance fee and adjustment for any distributions) exceeds the Performance Target Value as at the Valuation Day prior to the Calculation Date. Any such performance fee, where payable, will be subject to a cap of 1% of the Net Asset Value of the relevant Class of Shares at the end of the relevant Calculation Period. In any given Calculation Period, the Performance Target Value for each Class of Share is defined as being equal to the high-water mark (the "HWM") increased by the relevant hurdle rate ("Hurdle Rate") for that Calculation Period only. The HWM is described below and the relevant percentage and Hurdle Rate are as indicated in the table below.

The HWM of a Class of Shares will initially be set at either (i) the initial offer price of a Class of Shares on the creation of that Class of Shares or (ii) for an existing Class of Shares, the last Net Asset Value per Share prior to January 2, 2020. The initial HWM will remain unchanged until such time as a performance fee crystallises and becomes payable at the end of a subsequent Calculation Period. Upon such crystallisation and payment of a performance fee, the HWM will be adjusted upwards (i.e. on the outperformance of the Performance Target Value). The adjusted HWM will be equal to the Net Asset Value per Share of the Class of Shares at the end of that Calculation Period for which a performance fee crystallised and became payable. Where the Net Asset Value per Share does not outperform the Performance Target Value as at the Valuation Day prior to the Calculation Date, no performance fee is payable (even where the Net Asset Value per Share of the relevant Class of Shares exceeded the Performance Target Value during the Calculation Period) and the HWM remains unchanged from the end of the previous Calculation Period.

# Mediolanum Specialities SICAV-SIF

## Notes to the Financial Statements as at December 31, 2019 (continued)

### Note 18 - Subsequent Events (continued)

The performance fee is calculated on the first Valuation Day of January of each year (the “Calculation Date”). The Calculation Period is the 12 months period immediately preceding the Calculation Date (the “Calculation Period”). As noted above, either (i) the initial offer price of a Class of Shares on the creation of that Class of Shares or (ii) for an existing Class of Shares, the last Net Asset Value per Share prior to January 2, 2020, shall be used as the HWM for the purposes of the calculation of the performance fee in the first Calculation Period for a Class of Shares. For a new Class of Shares, the first Calculation Period will commence on the final day of the initial offer period for that Class of Shares and will conclude at the end of the first Calculation Period. For an existing Class of Shares, the first Calculation Period will commence on January 2, 2020 and will conclude at the end of the first Calculation Period. The performance fee shall accrue daily and will crystallise and be payable annually in arrears at the end of each Calculation Period. For the calculation of the performance fee, the total Net Asset Value of each Class of Shares in issue is taken into consideration.

The Net Asset Value per Share for a Class of Shares used for subscription or redemption purposes may include an allowance for performance fee accrual, where applicable. For determination of accruals, where applicable, the Calculation Period is defined as the period to the Valuation Day from the previous Calculation Date.

In the event that a shareholder redeems during a Calculation Period, any performance fee accrued up until the time of their redemption will be payable on a pro rata basis. For purpose of the calculation of such performance fee, the Hurdle Rate set out in the table below will be applied on a pro rata basis up until the time of redemption during the Calculation Period.

Sub-Fund Type	Hurdle Rate*	Percentage to be applied on the amount by which the Net Asset Value per Class of Shares exceeds the performance target value
Multi-Assets	3%	20%

\* Where a performance fee is not payable at the end of a Calculation Period the Hurdle Rate for the following Calculation Period will be applicable for that Calculation Period only at the rates set out in the table above and will not be a cumulative rate including the previous Calculation Period in which a performance fee was not payable. For example, if no performance fee is payable at the end of the first Calculation Period for an Equity Sub-Fund, the Hurdle Rate for the following Calculation Period will remain at 5% for that Calculation Period and will not be cumulative of both the first and second Calculation Periods (i.e. 10%).

The AIFM may waive, permanently or temporarily, some or all the performance fee accrued in respect of all or part of the assets under management attributable to the relevant Class(es) of Shares.

The performance fee shall be calculated by the Administrator and shall be due and payable 10 Business Days following the Calculation Date.

The AIFM is only entitled to and shall only be paid a performance fee if the percentage difference between the Net Asset Value per Class of Shares and the Performance Target Value is a positive figure as at the relevant Valuation Day at the end of the relevant Calculation Period.

Included in that calculation shall be net realised and unrealised capital gains plus net realised and unrealised capital losses as at the relevant Valuation Day at the end of the relevant Calculation Period. As a result, performance fees may be paid on unrealised gains which may subsequently never be realised.

The performance fees are not calculated using an equalisation or series accounting methodology. As a result, the impact of the performance fee on a shareholder will be different than if performance fees were individually calculated for each shareholder based on the performance of that shareholder’s investment. Whether a shareholder is disadvantaged or advantaged by this will depend on the timing of investments by that shareholder and on the performance of the relevant Share Class.



# Mediolanum Specialities SICAV-SIF

## Information for Shareholders (unaudited)

### Remuneration Policy

The AIFM put a remuneration policy in place as required by the amended Law of July 12, 2013 on Alternative Investment Fund Managers. Details of the amounts of remuneration may be obtained upon request and free of charge from the AIFM of the Fund.

### Information concerning the Remuneration Policy

The following information - in particular the remuneration and how it divides up and the number of employees - is based on the annual report of Mediolanum International Funds Limited<sup>1</sup> (hereinafter "Management Company") from December 31, 2019. The remuneration does not include the employer's mandatory contribution to the statutory social welfare scheme.

	In EUR
Total remuneration paid by the Management Company in the last business year	<b>10,253,735</b>
Of which fixed remuneration	8,532,017
Of which variable remuneration	1,721,718
Carried interests paid	-
Average number of beneficiaries as at December 31, 2019	101
	In EUR
Total remuneration paid to risk takers in the last business year	<b>1,629,048</b>
Of which senior management	1,010,413
Of which other risk takers	422,385
Of which Directors of the Management Company	196,250
	In EUR
Total remuneration paid to the personnel involved in managing the Fund's activities*	<b>32,306</b>
Of which fixed remuneration	29,206
Of which variable remuneration	3,100
Average number of involved beneficiaries as at December 31, 2019	15

The remuneration policy provides for a fixed and a variable remuneration component. The variable component is based on the achievement of individual and company objectives, and long-term performance objectives. At the same time, the remuneration system is structured in such a way that it does not offer any incentives to enter into inappropriate risk positions. The fixed and variable remuneration components stand in an appropriate relation to one another.

<sup>1</sup> Effective July 29, 2019, Mediolanum International Funds Limited has been passported as the Management Company for the Fund in place of GAMAX Management AG. The Registered and Administration of the Management Company is located at 4<sup>th</sup> Floor, The Exchange, George's Dock, IFSC, Dublin 1, Ireland.

\*As at December 31, 2019, Mediolanum Specialities SICAV-SIF represents 0.18% of the Assets Under Management (AUM).

# Mediolanum Specialities SICAV-SIF

## Information for Shareholders (unaudited) (continued)

**REGULATION (EU) 2015/2365 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of November 25, 2015 on Transparency of Securities Financing Transactions and of Reuse and amending Regulation (EU) N° 648/2012**

The Sub-Funds listed below entered into securities lending transactions with third parties against the provision of collateral:

### Global Data in (EUR)

Sub-Fund	Collateral	Overall valuation	Total net assets	(%) of assets
Mediolanum Specialities SICAV-SIF – Equity Income Fund	176,400	166,861	50,791,165	0.33
Mediolanum Specialities SICAV-SIF – Diversified Income Fund	-	-	19,695,509	-
<b>Total</b>	<b>176,400</b>	<b>166,861</b>	<b>70,486,674</b>	

Sub-Fund	Overall valuation	Investment portfolio at market value	(%) lendable assets
Mediolanum Specialities SICAV-SIF – Equity Income Fund	166,861	47,356,731	0.35
Mediolanum Specialities SICAV-SIF – Diversified Income Fund	-	19,669,246	-
<b>Total</b>	<b>166,861</b>	<b>67,025,977</b>	

### Concentration data in (EUR)

Ten largest collateral issuers	Amount of Collateral
KINGDOM OF BELGIUM GOV 3.75 22JUN45	83,998
UNITED KINGDOM GIL 4.125 22JUL30 IL	83,950
UNITED STATES TREAS N 2.875 30APR25	8,452

Top 10 Counterparties	Overall valuation
GOLDMAN SACHS INTERNATIONAL LTD	166,861
<b>Total</b>	<b>166,861</b>

### Aggregate transaction data for each type of SFTs to be broken down according to the below categories in (EUR)

Type of Collateral	Amount of Collateral
BONDS	176,400
EQUITIES	-
CASH	-
<b>Total</b>	<b>176,400</b>

Quality of Collateral
The collateral received from the securities lending program is of high quality bonds with the permitted universe being a sub-set of G-10 countries. These are: France, Germany, Netherlands, Sweden, Switzerland, United States, Canada, Belgium, United Kingdom

# Mediolanum Specialities SICAV-SIF

## Information for Shareholders (unaudited) (continued)

<b>Maturity tenor of Collateral</b>	<b>Amount of Collateral</b>
Less than one day	-
One day to one week	-
One week to one month	-
One month to three months	-
Three months to one year	-
Above one year	176,400
Open maturity	-
<b>Total</b>	<b>176,400</b>

<b>Currencies of Cash Collateral</b>	<b>Amount of Collateral</b>
EUR	-

<b>Currencies of Securities Collateral</b>	<b>Amount of Collateral</b>
EUR	176,400
<b>Total</b>	<b>176,400</b>

<b>Maturity tenor of the SFTs</b>	<b>Overall valuation</b>
Less than one day	-
One day to one week	-
One week to one month	-
One month to three months	-
Three months to one year	-
Above one year	-
Open maturity	175,204
<b>Total</b>	<b>175,204</b>

<b>Countries in which the counterparties are established</b>	<b>Overall valuation</b>
UNITED KINGDOM	92,402
BELGIUM	83,998
<b>Total</b>	<b>176,400</b>

# Mediolanum Specialities SICAV-SIF

## Information for Shareholders (unaudited) (continued)

Settlement and clearing	Amount of Collateral
Bilateral	176,400
<b>Total</b>	<b>176,400</b>

### Data on reuse of Collateral:

Share of collateral received that is reused	-
Cash collateral reinvestment returns to the collective investment undertaking	-

### Safekeeping of collateral received by the collective investment undertaking as part of SFTs in (EUR)

Name of the custodian	Amount of collateral asset safe-kept
RBC INVESTOR SERVICES BANK S.A.	176,400
<b>Type of accounts</b>	Segregated accounts

### Data on return and cost for each type of SFTs and total return swaps in (EUR)

Sub-Fund	Gross Revenue	Costs	Net Revenue
Mediolanum Specialities SICAV-SIF – Equity Income Fund	134,913	40,474	94,439
Mediolanum Specialities SICAV-SIF – Diversified Income Fund	316	95	221
<b>Total</b>	<b>135,229</b>	<b>40,569</b>	<b>94,660</b>