

Albemarle Alternative Funds plc

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

For the financial year ended 30 April 2020

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Organisation**Directors of the Company**

Dermot Butler* (Canadian)

Peter Blessing* (Irish)

Fabrizio De Tomasi (Italian)

Claudio De Ranieri (Italian)

** Non-executive and Independent Director***Registered Office of the Company**5th Floor, The Exchange

George's Dock

IFSC, Dublin 1

Ireland

Investment Manager

Albemarle Asset Management Limited

21 Upper Brook Street

London

W1K 7PY

United Kingdom

Secretary

Walkers Corporate Services (Ireland) Limited

5th Floor, The Exchange

George's Dock

IFSC, Dublin 1

Ireland

Independent Auditors (Until 4 February 2020)

Deloitte Ireland LLP

Chartered Accountants & Statutory Audit Firm

Deloitte & Touche House

Earlsfort Terrace

Dublin 2

Ireland

Independent Auditors (Effective from 4 February 2020)

Grant Thornton Chartered Accountants & Statutory Firm

13-18 City Quay

Dublin 2

Ireland

D02 ED70

Registered No: 452912**Administrator, Registrar and Transfer Agent**

Northern Trust International

Fund Administration Services (Ireland) Limited

Georges Court

54-62 Townsend Street

Dublin 2

Ireland

Legal Advisor

Walkers Ireland

5th Floor, The Exchange

George's Dock

IFSC, Dublin 1

Ireland

Depository

Northern Trust Fiduciary Services (Ireland) Limited

Georges Court

54-62 Townsend Street

Dublin 2

Ireland

Background to the Company

Description

Albemarle Alternative Funds plc (the "Company") is an umbrella investment company with segregated liability between sub-funds and variable capital incorporated in Ireland on 5 February 2008 under registration number 452912. The Company has been authorised by the Central Bank of Ireland (the "Central Bank") as a designated investment company pursuant to the Companies Act 2014 (including amendments by the Companies (Accounting) Act 2017, hereinafter ("the Companies Act 2014")). With effect from 23 July 2014 the Company was registered by the Central Bank as an Alternative Investment Fund ("AIF") pursuant to the European Union Alternative Investment Fund Managers Regulations 2013 ("AIFM Regulations"). Therefore from 23 July 2014 onwards, the Company is an AIF in accordance with the AIF Rulebook issued by the Central Bank. The Company is authorised by the Central Bank to market its shares solely to Qualifying Investors.

The Company is an umbrella fund, which may comprise different sub-funds, each with one or more classes of shares. Different classes of shares may be issued from time to time with prior notification to and clearance of the Central Bank. Each share will represent a beneficial interest in the sub-fund in respect of which it is issued. A separate sub-fund with separate records and accounts will be maintained and assets in such sub-funds will be invested in accordance with the investment objectives applicable to such a sub-fund.

During the financial year ended 30 April 2020, the Company had one active sub-fund: White Rhino Fund ("the Fund") (30 April 2019: one active sub-fund). The White Rhino Fund, which was approved on 5 February 2008 and launched on 7 March 2008.

The Shares of the Fund may be divided into different classes to accommodate different currencies and/or charges and/or dividend and/or fee arrangements. A separate pool of assets is not maintained for each class.

At 30 April 2020, the Fund comprised of A Class Shares. See the Supplement of the Fund for further details. The creation of further classes must be notified to, and cleared in advance with, the Central Bank.

Investment Objective and Policy

The investment objectives and policies for each Fund are formulated by the Company at the time of creation of each Fund. The investment objectives for the existing Fund is set out below:

White Rhino Fund

The primary objective of the Fund is to achieve superior long-term capital appreciation.

The Fund seeks to achieve its investment objective by investing in a wide variety of equities, equity-related securities, fixed income securities and derivative instruments. Investment strategies include relative value, arbitrage and directional trades.

While the Fund intends to focus on investment in companies which the Investment Manager deems eligible in the Italian equity market, the Fund is also permitted to invest in a wide range of equities and equity related securities on a global basis. Such equities and equity related securities may include, but are not limited to, common stocks, preferred stocks, convertible debt obligations, convertible preferred stocks, limited liability companies, stock purchase rights, stock options, rights and renounceable letters of allotment or other securities convertible into equities.

The Fund may also invest in a wide range of fixed income securities including, but not limited to, bonds, notes and other debt securities, including mortgage and other asset backed securities. The securities may include fixed or floating rate bonds and notes, commercial paper, loan interests, certificates of deposit, convertible securities and other specially structured securities. The debt instruments may be short, medium and long term and may include investment grade, sub-investment grade and non-rated debt investments. No more than 30% of the Net Asset Value of the Fund may be invested in sub-investment grade investments.

The debt instruments and equity securities may or may not be listed or dealt-in on organised or over the counter markets or exchanges. No more than 30% of the Fund's Net Asset Value may be invested in instruments or securities that are not listed or dealt in on organised or over the counter markets or exchanges.

Investment Management

The Albemarle Alternative Funds plc is a Qualified Investor Alternative Investment Fund ("QIAIF"). The Company delegated the investment management process to Albemarle Asset Management Limited ("the Alternative Investment Fund Manager (AIFM)").

Albemarle Asset Management Limited serves as Investment Manager pursuant to an investment management agreement dated 25 February 2008 which was amended and restated by the agreement dated 23 December 2013.

Background to the Company (Continued)**Net Asset Value**

The Net Asset Value attributable to each share class is calculated as at the last business day of each month by the Administrator to the nearest two decimal points.

The Net Asset Value of each share class is calculated by ascertaining the value of the assets of each Fund and deducting from such amount the liabilities of that Fund (including all fees and expenses payable and/or accrued and/or estimated to be payable by each Fund to the Investment Manager, the Depositary and the Administrator), and dividing the resultant figure by the number of shares in issue as of the relevant Dealing Day*. The Net Asset Value per Share will be available to shareholders on request.

Issue and Redemption of Shares

The Directors are given authority to affect the issue of shares of any class or series and to create new classes on such terms as they may from time to time determine and on prior notice to and clearance in advance by, and in accordance with the requirements to the Central Bank. Issue of Shares will be made with effect from a Dealing Day.

The minimum subscription amount for the Company is €100,000. Details in respect of the minimum subscription amount for each Fund and/or class are set out in the relevant Supplement of the Portfolio for each Fund.

Applicants will be obliged to certify that they are Qualifying Investors and that they are aware of the risks of investing in the shares and of the fact that inherent in such investment is the potential to lose the entire sum invested.

Published Information

Details of the most recent price of shares in the Fund may be obtained from the Administrator. These prices are also published at least as frequently as the Fund deals on the Bloomberg system.

The above details are in summary form only and must be read in conjunction with the detailed information contained in the Prospectus of the Company.

* Any day on which the shares of the fund are sold and redeemed, this occurs on the last Business Day of each month.

Investment Manager's Report

Market Review

During the period May 2019 to January 2020 financial markets enjoyed positive performances, as moderate economic growth coupled with accommodative Central Bank policies supported basically every type of investment. But 2020 will irrevocably be remembered as the year of the Covid-19 pandemic. What was originally perceived in January 2020 as a local health crisis limited to China, turned out to be a global health, economic and financial crisis. Economic activity had been temporarily put on hold across most of the countries as social distancing measures had been implemented. A global recession looks now inevitable, and the big question mark is the depth and length of the downturn, which would depend on many factors. The monetary response from Central Banks has seen record sums deployed to help alleviate stresses in both financial markets and real economy. Governments have also announced huge fiscal policy initiatives in order to protect companies and citizens. Equity markets suffered heavy losses throughout the world during the month of March, with EuroStoxx50 down 16%, German DAX down 16%, Italian FTSEMIB down 22% and the S&P500 down 12%. Defensive asset classes such as government bond and gold performed well as Central Banks aggressively cut interest rates and restarted quantitative easing programs.

Looking at the future, the Investment Manager believes that while in the short term equity markets could continue to experience some volatility, equities are at the moment one of the best investment choices holding a mid-to-long term horizon. The Investment Manager believes that stock-picking activity will be key over the next year in order to deliver results ahead of the market in this difficult context, and the focus will be on companies which are leader in their respective markets and with a low level of financial debt. On the fixed income side the Investment Manager sees some opportunities in the corporate space given the higher spreads caused by the effects of the Covid-19 pandemic on the economy, while the Investment Manager sees no opportunities in government bonds (apart from inflation-linked bonds which in Europe, trade at breakeven rates close to zero currently).

CAVEAT.

Please be aware that the situation regarding the status of the pandemic is extremely fluid and changes daily. As such any analysis of the markets and their behaviour in the future, as at the day this review was written, may well, indeed is likely to have changed by the time you receive and read these financial statements.

Investment Manager’s Report (Continued)

Market Review (Continued)



About Albemarle Asset Management

Albemarle Asset Management was founded in London in 2003. The company provides both individual and collective management services for private and institutional investors, financial and capital management consultancy, and managed investment solutions. Our services cover global financial markets and our expertise enables us to offer diverse set of investment instruments and strategies.

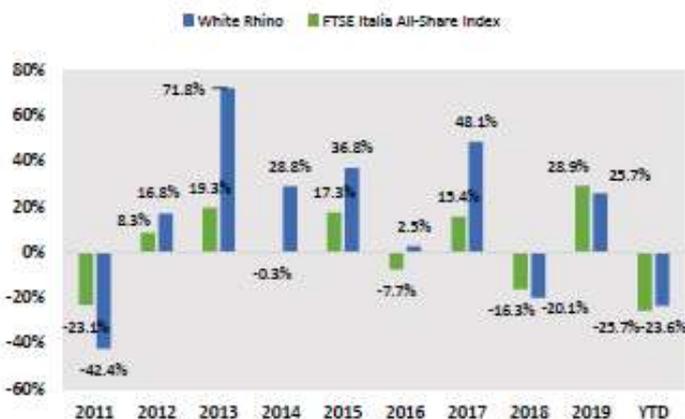
Performance

	YTD	1M	3YR	5YR	Inception
Fund	-23.64%	14.77%	-10.46%	17.24%	104.02%
FTSE Ita	-25.67%	5.68%	-15.28%	-17.77%	-28.33%
	Best Mth	Worst Mth	CAGR		
Fund	21.20%	-24.16%	5.99%		
FTSE Ita	20.42%	-23.43%	-2.68%		

Chart Performance



Returns



Fund Objective

White Rhino is an Alternative Investment Fund incorporated in Ireland with an absolute return investment approach. The objective of the sub-fund is to achieve medium-long term outperformance compared to the benchmark.

Fund Information

Company	Albemarle Alternative Funds PLC
Investment Manager	Albemarle Asset Management Ltd
Bloomberg	AAAWRNO ID
ISIN	IE00B4W71478
Inception	20/03/2008
Currency	EUR
Fund Manager	Albemarle Asset Management Ltd
Management Fees	1.00% p.a.
Performance Fees	20% outperformance of Euribor 3M
Cut-off subs	T-1 bus days before 2:30 pm
Cut-off reds	T-30 bus days before 2:30 pm
NAV	Monthly
Stmnt date for sub.	T+2 Irish Business Days
Stmnt date for red.	T+5 Irish Business Days
Domicile	Ireland
Auditors	Deloitte
Depository	Northern Trust Fiduciary Services (Ireland) Ltd
Category	QIAIF
AUM	€ 27.48 Million

Award



Best Performance Macro under \$500m

Important Information

The information contained within this document is for the use of Institutional and Professional Investors only

* Data source: Bloomberg

Investment Manager’s Report (Continued)

Market Review (Continued)



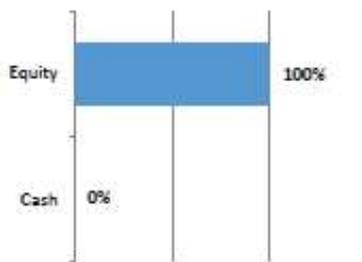
Sector Breakdown Net Exposure (%)



Top Holdings

Esprinet	22.18%
Cementir Holding	12.50%
Elais	11.51%
Fila	6.40%
Arnoldo Mondadori Editore	6.26%
Total	58.85%

Asset Allocation Exposure



Country Breakdown Net Exposure



Commentary

The Fund posted a very strong double-digit performance in April, mainly thanks to the very strong performance registered by the top-holding Esprinet (+34%). The main positive contributors to the Fund performance had been Esprinet, Cementir, Fila, Piovani and Fiat Chrysler Automobiles. Esprinet rose strongly as the Company continued to operate amid the Italian lockdown due to the essential nature of its business. Cementir and Fila rebounded from the harsh sell-off that hit the two stocks in March as both companies should weather well the current crisis due to their resilient activities. The only significant detractor to the Fund performance during the month had been Mondadori, which registered a decline as books sales collapsed in Italy amid the country lockdown. During the month the main trades executed had been the sale of Massimo Zanetti Beverage Group, Esprinet and Saes Getters, and the purchase of Rai Way, ASTM, Banca Mediolanum, Autogrill, and Mediobanca.

Directors' Report

The Directors present their Annual Report and Audited Financial Statements of the Company for the financial year ended 30 April 2020.

Directors' Responsibilities Statement

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with the Companies Act 2014.

Irish company law requires the Directors to prepare Financial Statements for each financial year. Under the law, the Directors have elected to prepare the Financial Statements in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), issued by the Financial Reporting Council ("relevant financial reporting framework"). Under company law, the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014 (including amendments by the Companies (Accounting) Act 2017, hereinafter ("the Companies Act 2014")).

In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies for the Company Financial Statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the Financial Statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the Financial Statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal Activities

The Company has been approved by the Central Bank of Ireland as an investment company pursuant to the Companies Act 2014.

The Investment Manager's Report contains a review of the factors which contributed to the performance for the financial year. Please see the Investment Manager's Report for further details. The Directors do not anticipate any further changes in the structure or investment objective.

Principal Risks and Uncertainties

The Company's principal risks and uncertainties relate to the use of financial instruments. The main risks arising from the Company's financial instruments are market, credit and liquidity risks as discussed in note 2 of the Notes to the Financial Statements.

Significant Events During the Financial Year

Deloitte Ireland LLP resigned as auditors and Grant Thornton were appointed as independent auditors on 4 February 2020.

In December 2019, an outbreak of a contagious respiratory virus now known as the COVID - 19 (Coronavirus) occurred and it has since spread globally. The virus has resulted in government authorities in many countries (including the People's Republic of China and Hong Kong, the United States and Europe) taking extreme measures to arrest or delay the spread of the virus including the declaration of states of emergency, restrictions on movement, border controls, travel bans and the closure of offices, schools and other public amenities such as bars, restaurants and sports facilities. This has resulted in a major disruption to businesses both regionally and globally. It is anticipated that these events will have a material effect on general economic conditions and market liquidity, which may in turn adversely affect the financial performance of the Company and its net asset value. The full impact of this COVID-19 pandemic, or other future epidemics/pandemics, is currently unknown.

Directors' Report (Continued)**Significant Events During the Financial Year (Continued)**

The Directors are actively monitoring the situation and, with the support of the Investment Manager, continue to manage the Company's assets and liabilities within its investment and risk parameters that have been established. The Board of Directors have also noted the operational risks that are posed to the Company and its service providers due to global and local movement restrictions that have been enacted by various governments. The Directors will continue to review the situation in order to navigate through this period of heightened uncertainty.

There have been no other events during the financial year, which, in the opinion of the Directors of the Company may have an impact on the Financial Statements for the financial year ended 30 April 2020.

Significant Events After the Financial Year End

Albemarle Eagle Fund launched on 6 July 2020. A supplement for this sub-fund was approved by Central Bank of Ireland on 8 June 2020.

Eterna Blockchain Fund II has, with effect from 10 August 2020, been approved by the Central Bank of Ireland as a sub-fund of Albemarle Alternative Funds plc.

There have been no other events after the Statement of Financial Position date, which, in the opinion of the Directors of the Company may have an impact on the Financial Statements for the financial year ended 30 April 2020.

Results

The loss for the financial year amounted to EUR (4,645,202) (2019: loss EUR (3,048,274)).

Dividends

The Directors do not recommend the payment of a dividend (2019: Nil).

Directors and Secretary

The following Directors held office during the financial year under review:

Peter Blessing* (Irish)
Dermot Butler* (Canadian)
Fabrizio De Tomasi (Italian)
Claudio De Ranieri (Italian)

*Non-executive and Independent Director.

Going Concern

After making all reasonable enquiries and having regard to the nature of the Company and its investments, the Directors are satisfied based on information available to them at the present time, that it is appropriate to adopt the going concern basis in preparing the Financial Statements and, after due consideration, the Directors consider that the Company is able to continue in the foreseeable future.

Directors' Interests in Shares and Contracts

None of the Directors or Secretary who held office at the financial year end had any interests in the Shares of the Company at that date or at any time during the financial year.

Transactions Involving Directors

Fabrizio De Tomasi is the Executive Director of the Investment Manager and Director of the Company, Claudio De Ranieri was both Portfolio Manager to the Investment Manager and Director of the Company, and thus had an interest in fees paid to the Investment Manager, as disclosed in note 14 to the financial statements.

There are no other contracts or arrangements of any significance in relation to the business of the Company in which the Directors or Company Secretary had any interest as defined in the Companies Act 2014, at any time during the financial year.

Directors' Report (Continued)**Transactions with Connected Parties**

In accordance with the Central Bank's AIF Rulebook, any transaction carried out with the Company by a depositary, investment manager and/or associate of these ("connected parties") are carried out as if negotiated at arm's length and are in the best interests of the shareholders.

The Directors of the Company are satisfied that there are arrangements in place (evidenced by written procedures) to ensure that this requirement is applied to all transactions with connected parties, and that all transactions with connected parties during the financial year complied with this requirement.

Accounting Records

The Directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of adequate accounting records by employing a service provider with appropriate expertise and by providing adequate resources to the financial function.

Those accounting records are maintained at the offices of the independent administrator to the Company,

Northern Trust International Fund Administration Services (Ireland) Limited
Georges Court
54-62 Townsend Street
Dublin 2
Ireland

Auditors

In accordance with Section 383 of the Companies Act 2014, Grant Thornton, Chartered Accountants and Statutory Audit Firm, have been appointed as auditors effective from 4 February 2020.

Statement on Relevant Audit Information

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware. The Directors have taken all the steps that should have been taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation should be interpreted in accordance with the provisions of Section 330 of the Companies Act 2014.

Corporate Governance

The Directors of the Fund adopted the Irish Funds Code of Corporate Governance (the "IF Code") as of 4 February 2013. In the Board of Directors' view the Company is compliant with the relevant provisions of the Code.

On Behalf of the Board of Directors

Fabrizio De Tomasi
Director



Peter Blessing
Director

24 August 2020

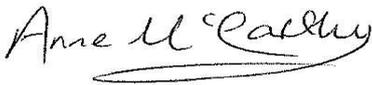
Annual Depositary Report to Shareholders

We, Northern Trust Fiduciary Services (Ireland) Limited, appointed Depositary to Albemarle Alternative Funds plc (“the Company”) provide this report solely in favour of the shareholders of the Company for the financial year ended 30 April 2020 (“Annual Accounting Period”). This report is provided in accordance with current Depositary obligation under the Central Bank of Ireland AIF Rule Book, Chapter 5 (iii). We do not, in the provision of this report, accept nor assume responsibility for any other purpose or person to whom this report is shown.

In accordance with our Depositary obligation under the AIF Rule Book, we have enquired into the conduct of the AIFM for this Annual Accounting Period and we hereby report thereon to the shareholders of the Company as follows;

We are of the opinion that the Company has been managed by the AIFM during the financial year, in all material respects:

- i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the constitutional document and by the Central Bank of Ireland under the powers granted to the Central Bank of Ireland by the investment fund legislation; and
- ii) otherwise in accordance with the provisions of the constitutional document and the investment fund legislation.



For and on behalf of Northern Trust Fiduciary Services (Ireland) Limited

24 August 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALBEMARLE ALTERNATIVE FUNDS PLC

Opinion

We have audited the financial statements of Albemarle Alternative Funds plc (or the “Company”), which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares, the Schedule of Investments, and the related notes to the financial statements, including the summary of significant accounting policies for the financial year ended 30 April 2020.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (or “Generally Accepted Accounting Practice in Ireland”).

In our opinion, the Company’s financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the assets, liabilities and financial position of the Company as at 30 April 2020 and of its financial performance for the financial year then ended; and
- have been properly prepared in accordance with the requirements of the relevant financial reporting framework and Companies Act, 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (or “ISAs (Ireland)”) and applicable law. Our responsibilities under those standards are further described in the ‘Responsibilities of the auditor for the audit of the financial statements’ section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, namely the Irish Auditing and Accounting Supervisory Authority (or “IAASA”) Ethical Standard concerning the integrity, objectivity and independence of the auditor, and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the Company. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (Ireland) require us to report to you where:

- the Board of Directors’ (or “Directors”) use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

Other information comprises information included in the annual report, other than the financial statements and our auditor’s report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALBEMARLE ALTERNATIVE FUNDS PLC

Matters on which we are required to report by the Companies Act, 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' report is consistent with the financial statements. Based solely on the work undertaken in the course of our audit, in our opinion, the directors' report has been prepared in accordance with the requirements of the Companies Act, 2014.

Matters on which we are required to report by exception

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

Under the Companies Act, 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by section 305 to 312 of the Companies Act, 2014 have not been made. We have no exceptions to report arising from this responsibility.

Responsibilities of those charged with governance for the financial statements

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, and for such internal control as they determine 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 Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Company's financial reporting process.

Responsibilities of the auditor for the audit of the financial statements

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

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. The auditor will 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 their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALBEMARLE ALTERNATIVE FUNDS PLC**Responsibilities of the auditor for the audit of the financial statements (continued)**

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a matter that achieves a true and fair view.

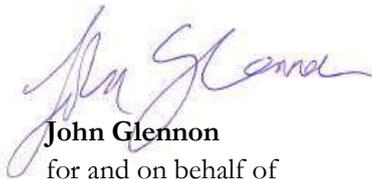
The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

Other matter

The financial statements for the financial year ended 30 April 2019 were audited by a predecessor auditor. Their opinion was unqualified and there were no matters to which the auditor drew attention. The audit report was signed on 29 August 2019.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act, 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**John Glennon**

for and on behalf of

Grant Thornton

Chartered Accountants & Statutory Audit Firm

13-18 City Quay

Dublin 2

D02 ED70

Ireland

Date: 24 August 2020

Statement of Comprehensive Income**For the Financial Year Ended 30 April 2020**

	Notes	Year ended 30 April 2020 EUR	Year ended 30 April 2019 EUR
Income			
Operating income	4	490,001	645,223
Net losses on financial assets and liabilities at fair value through profit or loss - held for trading	5	<u>(4,545,515)</u>	<u>(3,066,540)</u>
Net investment loss		(4,055,514)	(2,421,317)
Operating expenses	6	<u>(523,876)</u>	<u>(529,848)</u>
Net operating expense		(4,579,390)	(2,951,165)
Finance costs			
Interest expense		<u>(25,445)</u>	<u>(31,144)</u>
Loss for the financial year before tax		(4,604,835)	(2,982,309)
Non-reclaimable withholding tax		<u>(40,367)</u>	<u>(65,965)</u>
Loss for the financial year after tax		<u>(4,645,202)</u>	<u>(3,048,274)</u>
Decrease in Net Assets Attributable to Holders of Redeemable Participating Shares		<u><u>(4,645,202)</u></u>	<u><u>(3,048,274)</u></u>

There are no recognised gains or losses arising in the financial year other than the decrease in Net Assets Attributable to Holders of Redeemable Participating Shares of the Company. In arriving at the results for the financial year all amounts relate to continuing operations.

White Rhino Fund was the only Fund in the Company at the year end and therefore the above details of the Fund are also those of the Company for the financial year ended 30 April 2020 and 30 April 2019.

The accompanying notes form an integral part of the Financial Statements.

Statement of Financial Position

As at 30 April 2020

	Notes	As at 30 April 2020 EUR	As at 30 April 2019 EUR
Assets			
Cash and cash equivalents	7	201,853	4,449,567
Debtors (amounts falling due within one year)	8	39,387	687,515
Financial assets at fair value through profit or loss - held for trading	3	<u>28,689,995</u>	<u>27,816,281</u>
Total Assets		<u>28,931,235</u>	<u>32,953,363</u>
Liabilities			
Financial liabilities at fair value through profit or loss - held for trading	3	(51,768)	(2,838)
Amount due to broker	7	(202,449)	–
Creditors (amounts falling due within one year)	9	<u>(539,607)</u>	<u>(167,912)</u>
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		<u>(793,824)</u>	<u>(170,750)</u>
Net Assets Attributable to Holders of Redeemable Participating Shares	10,11	<u><u>28,137,411</u></u>	<u><u>32,782,613</u></u>

White Rhino Fund was the only Fund in the Company at the year end and therefore the above details of the Fund are also those of the Company as at 30 April 2020 and 30 April 2019.

The accompanying notes form an integral part of the Financial Statements.

On Behalf of the Board of Directors


Fabrizio De Tomasi
Director



Peter Blessing
Director

24 August 2020

Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares**For the Financial Year Ended 30 April 2020**

	Year ended 30 April 2020 EUR	Year ended 30 April 2019 EUR
Net Assets Attributable to Holders of Redeemable Participating Shares at the beginning of the financial year	<u>32,782,613</u>	<u>39,035,540</u>
Decrease in net assets for the year attributable to holders of redeemable participating shares resulting from operations	<u>(4,645,202)</u>	<u>(3,048,274)</u>
Payments for redeemable participating shares redeemed	–	(3,204,653)
Decrease in net assets attributable to holders of redeemable participating shares resulting from capital transactions for the year	<u>–</u>	<u>(3,204,653)</u>
Net decrease in net assets for the financial year attributable to holders of redeemable participating shares resulting from operations and capital transactions	<u>(4,645,202)</u>	<u>(6,252,927)</u>
Net Assets Attributable to Holders of Redeemable Participating Shares at end of the financial year	<u>28,137,411</u>	<u>32,782,613</u>

White Rhino Fund was the only Fund in the Company at the year end and therefore the above details of the Fund are also those of the Company for the financial year ended 30 April 2020 and 30 April 2019.

The accompanying notes form an integral part of the Financial Statements.

Notes to the Financial Statements**For the Financial Year Ended 30 April 2020****1. Significant Accounting Policies****a) Basis of Preparation**

In preparing the financial statements for the financial year ended 30 April 2020, Albemarle Alternative Funds plc (“the Company”) has applied Financial Reporting Standard 102, “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”), issued by the Financial Reporting Council and Irish statute comprising the Companies Act 2014 (including amendments by the Companies (Accounting) Act 2017, hereinafter (“the Companies Act 2014”)).

The Financial Statements have been prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss.

The format and certain wordings of the Financial Statements has been adapted from those contained in the Companies Act 2014 and FRS 102 so that, in the opinion of the Directors, they more appropriately reflect the nature of the Company’s business as an Investment Fund.

The Company meets all the conditions set out in FRS 102, Section 7, and consequently has availed of the exemption available for certain Funds not to prepare a Statement of Cash Flows.

Fair Value Measurement

According to FRS 102, in accounting for its financial instruments a reporting entity is required to apply either a) the full requirements of FRS 102 relating to Basic Financial Instruments and Other Financial Instruments, b) the recognition and measurement provisions of IAS 39 Financial Instruments: Recognition and only the disclosure requirements of FRS 102 relating to Basic Financial Instruments and Other Financial Instruments, or c) the recognition and measurement provisions of IFRS 9 Financial Instruments and only the disclosure requirements of FRS 102 relating to Basic Financial Instruments and Other Financial Instruments.

The Company has chosen to implement the recognition and measurement provisions of IAS 39 Financial Instruments: Recognition and only the disclosure requirements of FRS 102 relating to Basic Financial Instruments and Other Financial Instruments.

Valuation Point

The valuation point used to value the securities for the purpose of the Financial Statements is that of 30 April 2020.

b) Investments**(i) Classification and Recognition**

Financial assets that are classified as loans and receivables include deposits and accounts receivable. Financial liabilities that are not at fair value through profit or loss include accounts payable and financial liabilities arising on Redeemable Participating Shares.

Investments are designated as financial assets or liabilities at fair value through profit or loss.

The category of financial assets and financial liabilities at fair value through profit or loss comprises:

- Financial instruments held for trading: these include futures and liabilities from short sales of financial instruments included as financial assets and financial liabilities at fair value through profit or loss on the Statement of Financial Position. All derivatives in a net receivable position (positive fair value), are reported as financial assets held for trading. All derivatives in a net payable position (negative fair value), are reported as financial liabilities held for trading.
- Financial instruments designated at fair value through profit or loss upon initial recognition: these include financial assets that are not held for trading purposes but are managed on a fair value basis.

The Company recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument, and all significant rights and access to the benefits from the assets, and the exposure to the risks inherent in those benefits, are transferred to the Company. The Company derecognises financial assets and financial liabilities when all such benefits and risks are transferred from the Company.

Notes to the Financial Statements (Continued)**For the Financial Year Ended 30 April 2020****1. Significant Accounting Policies (Continued)****b) Investments (Continued)****(i) Classification and Recognition (Continued)**

A regular way purchase of financial assets is recognised using trade date accounting. From this date, any gains or losses, arising from changes in fair value of the financial assets or financial liabilities, are recorded in the Statement of Comprehensive Income.

(ii) Measurement

Financial instruments are measured initially at fair value (transaction price) plus, in case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately, while on other financial instruments they are amortised.

Subsequent to initial recognition, all financial instruments classified at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the Statement of Comprehensive Income.

Financial assets classified as loans and receivables are carried at amortised cost using the effective interest method. Redeemable participating shares are puttable instruments and are classified as financial liabilities as they are not the most subordinate instruments. Financial liabilities, arising from the redeemable participating shares issued by the Company, are carried at the redemption amount representing the investors' right to a residual interest in the Company's assets. Financial liabilities, other than those at fair value through profit or loss and redeemable participating shares, are measured at amortised cost using the effective interest rate.

(iii) Derecognition

Financial assets are derecognised when the rights to receive cashflows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

(iv) Fair Value Measurement Principles

The fair value of financial instruments is based on their quoted market prices at the Statement of Financial Position date without any deduction for estimated future selling costs.

If a quoted market price is not available on a recognised stock exchange or from a broker/dealer for non-exchange traded financial instruments, the fair value of the instrument is estimated using valuation techniques, including use of recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtainable in actual market transactions.

Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

The fair value of derivatives, that are not exchange traded, is estimated at the amount that the Company would receive or pay to terminate the contract at the Statement of Financial Position date, taking into account current market conditions (volatility, appropriate yield curve) and the current credit-worthiness of the counterparties. Realised gains and losses on investment disposals are calculated using the average cost method.

The Fund utilises various methods to measure the fair value of their investments. FRS 102 establishes a hierarchy that prioritises the inputs to valuation methods.

A financial instrument is regarded as quoted in an active market if the quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The Fund uses a variety of methods and make assumptions that are based on market conditions existing at the financial year end date.

Notes to the Financial Statements (Continued)**For the Financial Year Ended 30 April 2020****1. Significant Accounting Policies (Continued)****b) Investments (Continued)****(v) Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position where there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. No balances have been offset during the financial year.

(vi) Cash and Cash Equivalents

Cash comprises current deposits with banks with maturities of less than 3 months. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Margin cash is held by the counterparty Banca IMI.

c) Income

Dividends, gross of foreign withholding taxes, where applicable, are included as income when the security is declared to be ex-dividend. Bank interest income is accounted for on an accrual basis. Interest income on fixed and floating rate securities is accounted for on an effective yield basis.

d) Fees and Charges

In accordance with the Prospectus, management fees, administration fees, depositary fees, sub-custody fees and other operating expenses are charged to the Statement of Comprehensive Income on an accrual basis.

e) Derivative Instruments

Changes in the value of futures contracts are recognised as gains and losses by marking to market on a daily basis to reflect the value of the contracts at the end of each day's trading. They are valued at the settlement price established each day on which they are traded, and the Company's investment therein, representing change in unrealised gain or loss on the contracts, is included in the Statement of Comprehensive Income.

Over-the-counter derivatives are valued by the respective counterparties on a regular basis using their own internal valuation models. Secondary pricing is obtained by the Directors where available.

f) Debtors (Amounts Falling Due Within One Year)

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Debtors are recognised initially at fair value plus transaction costs that are directly attributable to their acquisition origination.

g) Creditors (Amounts Falling Due Within One Year)

Creditors are recognised initially at fair value plus transaction costs and subsequently stated at amortised cost using the effective interest method. The difference between the proceeds and the amount payable is recognised over the period of the creditor using the effective interest method.

h) Redeemable Participating Shares

Redeemable Participating Shares are redeemable at the Shareholder's option and are classified as financial liabilities as they are not the most subordinate instruments. Any distributions on these shares are recognised in the Statement of Comprehensive Income as finance costs.

i) Gains and Losses on Investments

Realised gains or losses on disposal of investments during the financial year and changes in unrealised gains and losses on valuation of investments held at the financial year end are dealt with in the Statement of Comprehensive Income. All gains and losses are calculated based on average cost with the exception of futures contracts which are valued on a first in first out basis.

Notes to the Financial Statements (Continued)**For the Financial Year Ended 30 April 2020****1. Significant Accounting Policies (Continued)****j) Taxation**

Dividend and interest income received by the Company may be subject to withholding tax imposed in the country of origin. Investment income is recorded gross of such taxes.

k) Going Concern

The Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the Financial Statements, and there is a reasonable expectation that the Company has and will maintain adequate resources to continue in operation for the foreseeable future.

l) Income Equalisation

Income equalisation is a process by which accrued income included in the price of shares purchased and redeemed during the accounting period is reported to Shareholders. The subscription price of Shares is deemed to include an equalisation payment calculated by reference to the accrued income of the relevant Fund and the first distribution in respect of any Share will include a payment of income usually equal to or greater than the amount of such equalisation payment. The redemption price of each Share will also include an equalisation payment in respect of the accrued income of the relevant Fund up to the date of redemption. Income equalisation is classified in the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares.

m) Functional Currency and Foreign Exchange

The functional currency of the Company is Euro. The Directors have determined that this reflects the Company's primary economic environment, as the majority of the Company's Net Assets Attributable to Holders of Redeemable Participating Shares are denominated in Euro.

Assets and liabilities denominated in currencies other than the functional currency of the Company have been translated at the rate of exchange ruling at 30 April 2020.

Transactions in foreign currencies are translated into Euro at the exchange rate ruling at the date of the transaction. Gains and losses on foreign exchange transactions are recognised in the Statement of Comprehensive Income in determining the result for the financial year.

The following exchange rates were used to convert investments, assets and liabilities to the functional currency of the Company:

	Exchange Rate to EUR As at 30 April 2020	Exchange Rate to EUR As at 30 April 2019
British Pound Sterling	0.8684	0.8597
Danish Kroner	7.4597	7.4657
Hong Kong Dollar	8.4912	8.7923
Singapore Dollar	1.5419	1.5255
South African Rand	20.1152	16.0666
United States Dollar	1.0953	1.1207

n) Transaction Costs

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisors, brokers and dealers. Transaction costs, when incurred, are included as part of the cost of such purchases.

Transaction costs are included in realised and unrealised gain/loss on investments. See note 12 on page 33 for further information.

Notes to the Financial Statements (Continued)**For the Financial Year Ended 30 April 2020****2. Financial Risk Management****Strategy in using Financial Instruments**

During the financial year under review, the Company consisted of one Fund (30 April 2019: one Fund). The overall objective of the Fund is to achieve superior long-term capital appreciation. Day-to-day risk management is undertaken by the Investment Manager, as detailed in the following sections. Risk management issues are reported separately to the Directors by the Administrator and Depositary monthly.

The Fund is subject to a number of investment restrictions imposed by external regulators or self-imposed by the Prospectus and Memorandum and Articles of Association. These restrictions are intended to reduce the risks associated with the Funds financial instruments. Compliance by the Fund with these investment restrictions is monitored weekly and reported to the Directors monthly by the Depositary. During the financial years ended 30 April 2020 and 30 April 2019, the Funds' were compliant with these restrictions.

The Investment Manager also reports quarterly to the Directors on whether the Fund has been operated in accordance with the investment guidelines as defined in the Prospectus as well as any self-imposed limitations.

These policies for managing risk have been applied consistently throughout the financial year.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: price risk, currency risk and interest rate risk.

The Investment Manager moderates market risk through a careful selection of securities and other financial instruments within specified limits. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments, possible losses from derivatives can be unlimited. The Funds overall market positions are monitored on a daily basis by the Company's Investment Manager and are reviewed on a regular basis by the Board of Directors.

At 30 April 2020, the Company's market risk is affected by three main components:

- a) changes in actual market prices ("market price risk");
- b) foreign currency movements ("foreign currency risk"); and,
- c) interest rate movements ("interest rate risk").

a) Market Price Risk

The Company's equity and futures investments are susceptible to market price risk arising from uncertainties about future prices of the instruments.

The Company manages the market price risks inherent in the investment portfolio by ensuring full and timely access to relevant information from the Investment Manager. The Board of Directors meets quarterly and at each meeting reviews investment performance and overall market positions. They monitor the Investment Manager's compliance with the Company's objectives. There were no material changes to the Company's policies and processes for managing market risk and the methods and assumptions used to measure risk during the financial year.

Details of the nature of the Fund's investment portfolio at the Statement of Financial Position date are disclosed in the Schedule of Investments on pages 37 to 40.

Notes to the Financial Statements (Continued)

For the Financial Year Ended 30 April 2020

2. Financial Risk Management (Continued)

Market Risk (Continued)

a) Market Price Risk (Continued)

Market Price Risk – Sensitivity Analysis

If the actual market price of equities, corporate bonds and futures contracts had increased by 10%, at 30 April 2020 and 30 April 2019, with all other variables held constant, this would have increased Net Assets Attributable to Holders of Redeemable Participating Shares of the Fund by the amounts shown below. Conversely, if equity prices and futures contracts had decreased by 10%, at 30 April 2020 and 30 April 2019, this would have decreased Net Assets Attributable to Holders of Redeemable Participating Shares of the Fund by an equal amount, all other variables held constant.

	30 April 2020	30 April 2019
White Rhino Fund	EUR 2,774,294	EUR 2,630,039

b) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Certain of the Fund assets, liabilities and income are denominated in currencies other than Euro. The Fund is, therefore, exposed to currency risk as the value of the securities denominated in other currencies will fluctuate due to changes in exchange rates. Income denominated in foreign currencies is converted to Euro for White Rhino Fund on the transaction date.

In accordance with Company's policy, the Investment Manager monitors the Fund's currency position on a daily basis and the Board of Directors review it on a regular basis. There were no material changes to the Company's policies and processes for currency risk and the methods used to measure risk during the financial year.

As at 30 April 2020

White Rhino Fund (all expressed in EUR)	GBP	USD	Total EUR
Financial assets			
Cash and cash equivalents	35,184	13,635	48,819
Debtors (amounts falling due within one year)	2,306	–	2,306
Financial assets at fair value through profit and loss - held for trading	175,346	–	175,346
Gross Exposure	212,836	13,635	226,471
Financial Liabilities			
Net Exposure	212,836	13,635	226,471

As at 30 April 2019

White Rhino Fund (all expressed in EUR)	GBP	USD	Total EUR
Financial assets			
Cash and cash equivalents	43,621	43,728	87,349
Debtors (amounts falling due within one year)	–	16	16
Gross Exposure	43,621	43,744	87,365
Net Exposure	43,621	43,744	87,365

Foreign Currency Risk – Sensitivity Analysis

At 30 April 2020 and 30 April 2019, had the functional currency of the White Rhino Fund appreciated in value by 10% in relation to all currencies above, with all other variables held constant, Net Assets Attributable to Holders of Redeemable Participating Shares and the change in Net Assets Attributable to Holders of Redeemable Participating Shares, per the Statement of Comprehensive Income, would have changed by the amounts shown below.

Notes to the Financial Statements (Continued)**For the Financial Year Ended 30 April 2020****2. Financial Risk Management (Continued)****Market Risk (Continued)****b) Foreign Currency Risk (Continued)*****Foreign Currency Risk – Sensitivity Analysis (Continued)***

White Rhino Fund	30 April 2020	30 April 2019
Currency	EUR	EUR
GBP	(21,284)	(4,362)
USD	(1,364)	(4,374)
Total	(22,648)	(8,736)

A 10% depreciation in value of the Euro, against the above currencies, would have resulted in an equal but opposite effect on the Financial Statements by the amounts shown above, on the basis that all other variables remain constant.

c) Interest Rate Risk

Interest rate risk is defined in FRS 102 as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Fund holds debt securities and futures linked to interest rates, which are exposed to fair value interest rate risk where the value of these securities may fluctuate as a result of a change in market interest rates. The Investment Manager may from time to time enter into derivative contracts on behalf of the Fund that seek to mitigate the effect of these movements.

All other financial assets and financial liabilities held by the Fund, with the exception of cash and cash equivalents are not directly exposed to interest rate risk. The Fund is exposed to interest rate risk on the interest earned on its cash and bank balances. This exposure is not considered to be significant.

Interest rate risk is managed, in part, by the security selection process of the Investment Manager which includes predictions of future events and their impact on interest rates, diversification and duration. In accordance with Company policy, the Investment Manager monitors the Fund's overall interest sensitivity on a daily basis. The Directors rely on the Investment Manager to keep them informed of any material event. There were no material changes to the Company's policies and processes for managing interest rate risk and the methods used to measure risk during the financial year.

No sensitivity analysis has been presented as the interest rate risk for the Fund is not considered to be significant.

Global Exposure

The Investment Manager uses the Commitment Approach to evaluate the global exposure of the Fund. The Commitment Approach is a standard methodology used to calculate the gross notional exposure and global exposure (net leverage/gearing) arising from a portfolio's derivatives. The global exposure is the absolute value of the notional exposure of each individual derivative after applying any hedging and netting benefits of longs and shorts.

At 30 April 2020, the global exposure for the Fund was equivalent to 8.32% of Net Asset Value. (30 April 2019: 4.62%).

Credit Risk

Credit risk is defined in FRS 102 as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Fund is exposed to credit risk on its investments, cash and securities lending arrangements. This risk is limited in respect of investments as the majority of Fund's financial assets are equity securities. The Fund has exposure to bonds, but its exposure to credit risk is minimal as it only holds one bond at 30 April 2020. The Fund limits its exposure to counterparties to derivative instruments in accordance with the investment restrictions set out in the Company's Prospectus.

Notes to the Financial Statements (Continued)**For the Financial Year Ended 30 April 2020****2. Financial Risk Management (Continued)****Credit Risk (Continued)**

Transactions in securities are generally settled or paid for on delivery, or cleared through the appropriate clearing system for the market on which the securities are traded. The risk of default is not considered to be material, as delivery of securities sold is only made once the Fund's depository has received confirmation of payment. Payment is also only made on a purchase once confirmation of delivery of the securities has been received by the depository. The trade will fail if either party fails to deliver the required confirmations.

Northern Trust Fiduciary Services (Ireland) Limited ("NTFSIL") is the appointed Depository of the Company, responsible for the safe-keeping of assets. NTFSIL has appointed The Northern Trust Company ("TNTC") as its global sub-custodian. Both NTFSIL and TNTC are wholly owned subsidiaries of Northern Trust Corporation ("NTC"). As at year-end date 30 April 2020, NTC had a long term credit rating from Standard & Poor's of A+ (30 April 2019: A+).

TNTC (as global sub-custodian of NTFSIL) does not appoint external sub-custodians within the U.S., the U.K., Ireland and Canada. However, in all other markets, TNTC appoints local external sub-custodians.

NTFSIL, in the discharge of its depository duties, verifies the Fund's ownership of Other Assets, (as defined under Other Assets, Art 21 (8)(b) of Directive 2011/61/EU), by assessing whether the Fund holds the ownership based on information or documents provided by the Fund or where available, on external evidence.

TNTC, in the discharge of its delegated depository duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of TNTC and (ii) all financial instruments that can be physically delivered to TNTC. TNTC ensures all financial instruments (held in a financial instruments account on the books of TNTC) are held in segregated accounts in the name of the Fund, clearly identifiable as belonging to the Fund, and distinct and separately from the proprietary assets of TNTC, NTFSIL and NTC.

In addition TNTC, as banker, holds cash of the Fund on deposit. Such cash is held on the Statement of Financial Position of TNTC. In the event of insolvency of TNTC, in accordance with standard banking practice, the Fund will rank as an unsecured creditor of TNTC in respect of any cash deposits.

Insolvency of NTFSIL and or one of its agents or affiliates may cause the Fund's rights with respect to its assets to be delayed.

The Responsible Party (the Board of Directors or its delegate(s)) manages risk by monitoring the credit quality and financial position of the Depository and such risk is further managed by the Depository monitoring the credit quality and financial positions of sub-custodian appointments.

Risk is managed by monitoring the credit quality and financial positions of the Depository the Company uses. Northern Trust acts as its own sub-custodian in the U.S., the U.K., Ireland and Canada. In all other markets Northern Trust appoints a local sub-custodian. Northern Trust continually reviews its sub-custodian network to ensure clients have access to the most efficient, creditworthy and cost-effective provider in each market.

The Company's main credit risk concentration is spread between bonds and futures contracts. The carrying amounts of financial assets best represent the maximum credit risk exposure at the Statement of Financial Position date.

There were no significant concentrations of credit risk to counterparties for the Fund at 30 April 2020 (30 April 2019: same).

The counterparty on open derivative contracts, and its associated S&P rating at financial year end 30 April 2020 was as follows: Banca IMI: BBB (30 April 2019: BBB).

The Company has a securities lending agreement with TNTC who act as agent. To manage the credit risk associated with the securities lending arrangement, the agent has entered into a securities lending agreement on behalf of the Company, with each borrower on terms that the borrower shall deliver to the Escrow agent, concurrently with or prior to the delivery of the loaned securities, collateral having a market value at the time of delivery of at least equal to or in excess of 102%, where the collateral currency equals the security currency or 105% of the market value of the loaned securities in all other cases. Note 17 on page 34 contains details of the securities lending agreement.

Notes to the Financial Statements (Continued)**For the Financial Year Ended 30 April 2020****2. Financial Risk Management (Continued)****Credit Risk (Continued)**

The Funds financial assets exposed to credit risk were concentrated in the following types of instruments:

As at 30 April 2020

	White Rhino Fund %
Corporate Bonds	0.01
	<u>0.01</u>

As at 30 April 2019

	White Rhino Fund %
Corporate Bonds	0.01
	<u>0.01</u>

Cash and cash equivalents are held with TNTC and margin cash is held by the counterparty Banca IMI.

There were no past due or impaired assets held by the Fund at 30 April 2020 (30 April 2019: Nil).

In accordance with Company policy, the Investment Manager monitors the Fund's credit risk exposure on a daily basis. The Directors rely on the Investment Manager to keep them informed of any material event. There were no material changes to the Company's policies and processes for managing credit risk and the methods used to measure risk during the financial year.

Concentration Risk

As at 30 April 2020, the Fund had a 22.19% exposure to Esprinet SpA (2019: 13.46% exposure to Esprinet SpA) but the Fund ultimately achieves diversification via the other underlying investments held in the Fund.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or other financial assets.

The Fund is exposed to monthly cash redemptions of redeemable participating shares. The deadline for the Fund is 85 days prior to the relevant Dealing Day. The Fund generally retains a certain portion of its assets in cash, which is available to satisfy redemptions.

In accordance with Company policy, the Investment Manager monitors the Fund's liquidity position on a daily basis. The Directors rely on the Investment Manager to keep them informed of any material event. There were no material changes to the Company's policies and processes for liquidity risk and the methods used to measure risk during the financial year.

Notes to the Financial Statements (Continued)**For the Financial Year Ended 30 April 2020****2. Financial Risk Management (Continued)****Liquidity Risk (Continued)**

The following tables analyse the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the Statement of Financial Position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances as the impact of discounting is not significant. All amounts are stated in the base currency of the Fund.

As at 30 April 2020

White Rhino Fund	Less than one month EUR	More than one month EUR	Total EUR
Financial liabilities at fair value through profit or loss - held for trading	–	51,768	51,768
Bank overdraft	202,449	–	202,449
Creditors (amounts falling due within one year)	539,607	–	539,607
Redeemable participating shares	–	28,137,411	28,137,411
Total financial liabilities	742,056	28,189,179	28,931,235

As at 30 April 2019

White Rhino Fund	Less than one month EUR	More than one month EUR	Total EUR
Financial liabilities at fair value through profit or loss - held for trading	–	2,838	2,838
Creditors (amounts falling due within one year)	167,912	–	167,912
Redeemable participating shares	–	32,782,613	32,782,613
Total financial liabilities	167,912	32,785,451	32,953,363

3. Fair Value Measurements

FRS 102 requires the Company to classify financial instruments measured at fair value into the following hierarchy:

1) Instruments fair valued using a quoted price for an identical asset or liability in an active market. Quoted in an active market in this context means quoted prices are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm's length basis.

2) Instruments for which a quoted price is unavailable and which have been fair valued using the price of a recent transaction for an identical asset or liability provided there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place.

3) Instruments for which fair value has been estimated using a valuation technique.

The following table analyses within the fair value hierarchy the Funds financial assets and liabilities at 30 April 2020:

White Rhino Fund	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR
Assets				
Financial Assets at Fair Value through Profit and Loss - Held for Trading				
Equities	24,218,138	–	3,249,992	27,468,130
Corporate Bonds	–	–	2,000	2,000
Collective Investment Schemes	–	1,219,865	–	1,219,865
Total Assets	24,218,138	1,219,865	3,251,992	28,689,995
Liabilities				
Financial Liabilities at Fair Value through Profit and Loss - Held for Trading				
Futures Contracts	(51,768)	–	–	(51,768)
Total Liabilities	(51,768)	–	–	(51,768)

Notes to the Financial Statements (Continued)

For the Financial Year Ended 30 April 2020

3. Fair Value Measurements (Continued)

The following table analyses within the fair value hierarchy the Funds financial assets and liabilities at 30 April 2019:

White Rhino Fund	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR
Assets				
Financial Assets at Fair Value through Profit and Loss - Held for Trading				
Equities	27,814,281	–	–	27,814,281
Corporate Bonds	–	2,000	–	2,000
Total Assets	27,814,281	2,000	–	27,816,281
Liabilities				
Financial Liabilities at Fair Value through Profit and Loss - Held for Trading				
Futures Contracts	(2,838)	–	–	(2,838)
Total Liabilities	(2,838)	–	–	(2,838)

The following table shows reconciliation of securities held in Level 3 during the year:

	Beginning balance	Realised gain or losses	Unrealised gain or losses	Transfers between level 2 and level 3	Purchases, sales, other settlements, and instruments net	Ending balance
	€	€	€	€	€	€
Assets						
Equities	–	–	(8)	–	3,250,000	3,249,992
Bonds	–	–	–	2,000	–	2,000
Total	–	–	(8)	2,000	3,250,000	3,251,992

As at 30 April 2020, the Company held two level 3 investments as detailed below.

During the financial year ended 30 April 2020, the Company purchased 3,372,376 shares in Elaia SpA, an unlisted real estate company. As the company is unlisted, no observable price is available and so the Company has used valuation techniques to derive the fair value of the position. The Investment Manager has reviewed the data available on the value of the position and has considered it prudent to price at average cost for the valuation of Elaia SpA.

During the year ended 30 April 2020, the Company's investment in Espirito Santo Financiere SA FRN 5.25% 12/06/15 transferred from a level 2 investment to a level 3 investment as this bond is in default and is being valued at the last available price.

There were no transfers between level 1 and level 2 during the financial year ended 30 April 2019.

There were no level 3 securities held during the financial year ended 30 April 2019.

4. Operating Income

For the Financial Year Ended 30 April 2020

	White Rhino Fund EUR
Dividend income	460,291
Deposit interest	75
Securities lending income	29,635
	490,001

Notes to the Financial Statements (Continued)**For the Financial Year Ended 30 April 2020****4. Operating Income (Continued)****For the Financial Year Ended 30 April 2019**

	White Rhino Fund EUR
Dividend income	602,425
Deposit interest	256
Securities lending income	42,542
	<u>645,223</u>

5. Net Gains/(Losses) on Financial Assets and Liabilities at Fair Value Through Profit or Loss**For the Financial Year Ended 30 April 2020**

	White Rhino Fund EUR
Realised gains on sale of investments	402,396
Realised gains on spot/forward currency contracts	28,823
Realised losses on futures contracts	(173,467)
Net currency losses	(39,491)
Net change in unrealised depreciation on investments	(4,714,845)
Net change in unrealised depreciation on futures contracts	(48,931)
	<u>(4,545,515)</u>

For the Financial Year Ended 30 April 2019

	White Rhino Fund EUR
Realised gains on sale of investments	3,054,092
Realised losses on spot/forward currency contracts	(52,366)
Realised losses on futures contracts	(13,111)
Net currency gains	56,876
Net change in unrealised depreciation on investments	(6,098,131)
Net change in unrealised depreciation on futures contracts	(13,900)
	<u>(3,066,540)</u>

6. Operating Expenses**For the Financial Year Ended 30 April 2020**

	White Rhino Fund EUR
Administration fees	42,000
Audit fees	11,250
Central bank levy	3,890
Corporate secretarial fee	7,705
Depository fees	30,846
Directors' fees	20,400
Financial reporting fee	6,519
General expenses	35,182
Investment management fees	314,572
Legal fees	49,208
Transfer agency fee	2,304
	<u>523,876</u>

Notes to the Financial Statements (Continued)**For the Financial Year Ended 30 April 2020****6. Operating Expenses (Continued)****For the Financial Year Ended 30 April 2019**

	White Rhino Fund EUR
Administration fees	42,000
Audit fees	12,600
Central bank levy	3,963
Corporate secretarial fee	7,682
Depository fees	30,708
Directors' fees	20,000
Financial reporting fee	6,501
General expenses	21,395
Investment management fees	346,728
Legal fees	38,208
Transfer agency fee	63
	<u>529,848</u>

7. Cash, Cash Equivalents and Overdrafts**As at 30 April 2020**

	White Rhino Fund EUR
The Northern Trust Company	(202,449)
Banca IMI†	201,853
	<u>(596)</u>

As at 30 April 2019

	White Rhino Fund EUR
The Northern Trust Company	4,426,424
Banca IMI†	23,143
	<u>4,449,567</u>

† Cash held with Banca IMI relates to futures margin cash.

8. Debtors (Amounts Falling Due Within One Year)**As at 30 April 2020**

	White Rhino Fund EUR
Dividend income	2,307
Prepaid expenses	4,096
Reclaims receivable	28,557
Sale of securities awaiting settlement	4,427
	<u>39,387</u>

As at 30 April 2019

	White Rhino Fund EUR
Deposit interest receivable	16
Dividend income	157,488
Prepaid expenses	3,706
Reclaims receivable	28,557
Sale of securities awaiting settlement	497,748
	<u>687,515</u>

Notes to the Financial Statements (Continued)**For the Financial Year Ended 30 April 2020****9. Creditors (Amounts Falling Due Within One Year)****As at 30 April 2020**

	White Rhino Fund EUR
Administration fees	10,673
Audit fees	15,744
Central bank levy	5,187
Depository fees	8,394
Directors' fees	6,667
Financial reporting fee	1,685
General expenses	2,686
Interest payable	581
Investment management fees	28,966
Legal fees	4,031
Purchase of securities awaiting settlement	454,983
Transfer agency fees	10
	<u>539,607</u>

As at 30 April 2019

	White Rhino Fund EUR
Administration fees	4,027
Audit fees	14,760
Central bank levy	1,297
Corporate secretarial fees	2,460
Depository fees	2,904
Directors' fees	6,667
Financial reporting fee	652
Interest payable	2,349
Investment management fees	35,304
Legal fees	5,756
Purchase of securities awaiting settlement	91,726
Transfer agency fees	10
	<u>167,912</u>

10. Share Capital

The Authorised Share Capital of the Company is 500,000,000,002 Shares of no par value initially divided into 2 Subscriber Shares of no par value and 500,000,000,000 Redeemable Participating Shares of no par value.

The Subscriber Shares were issued and are held by Albemarle Asset Management Limited and Matteo Rigginiello.

Subscriber Shares

The Subscriber Shares entitle holders to attend and vote at general meetings of the Company but do not entitle the holders to participate in the profits or assets of the Company except for a return of capital on a winding-up. Following the expiration of the initial offer of Shares in the Fund, the Subscriber Shares may at the option of the Directors either be redesignated as Shares at the Offer Price or repurchased. The Subscriber Shares shall have one vote for each Subscriber Share held.

Redeemable Participating Shares

The Shares issued by the Company are freely transferable and entitled to participate equally in the profits and dividends of the relevant Fund and in its assets upon liquidation. The Shares, which are of no par value and which must be fully paid upon issue, carry no preferential or pre-emptive rights and are entitled to one vote each at all meetings of the relevant class of Shareholders.

Notes to the Financial Statements (Continued)**For the Financial Year Ended 30 April 2020****10. Share Capital (Continued)****Redeemable Participating Shares (Continued)**

In accordance with the objectives listed in the Directors' Report and in the risk management policies in note 2 to the financial statements, the Company strives to invest the subscriptions of redeemable participating shares in appropriate investments, while maintaining sufficient liquidity to meet shareholder redemptions. The Company also invests in short-term commercial paper and debt and disposes of listed securities, when necessary, to meet liquidity needs.

For the Financial Year Ended 30 April 2020**Number of Participating Class A Shares Issued and Fully Paid**

	White Rhino Fund
Balance at beginning of the financial year	137,848
Total number of shares in issue at end of the financial year	<u><u>137,848</u></u>

For the Financial Year Ended 30 April 2019**Number of Participating Class A Shares Issued and Fully Paid**

	White Rhino Fund
Balance at beginning of the financial year	151,611
Redeemed during the financial year	<u>(13,763)</u>
Total number of shares in issue at end of the financial year	<u><u>137,848</u></u>

11. Net Asset Value**As at 30 April 2020**

	White Rhino Fund EUR
Net Asset Value Class A Shares	28,137,411
Net Asset Value per Share Class A Shares	204.12

As at 30 April 2019

	White Rhino Fund EUR
Net Asset Value Class A Shares	32,782,613
Net Asset Value per Share Class A Shares	237.82

As at 30 April 2018

	White Rhino Fund EUR
Net Asset Value Class A Shares	39,035,540
Net Asset Value per Share Class A Shares	257.47

12. Fees

The Investment Manager is entitled to receive Management and Performance fees out of the Net Asset Value of the Fund:

Investment Management Fees

The Company will pay the Investment Manager an investment management fee, out of the assets of the Fund, at the following percentage per annum of the Net Asset Value of the Fund for the Class A Shares and Class B Shares, accruing daily and payable monthly in arrears on the last Business Day of each month. The Company will also reimburse the Investment Manager for its reasonable out-of-pocket expenses.

White Rhino Fund 1.00%

Notes to the Financial Statements (Continued)**For the Financial Year Ended 30 April 2020****12. Fees (Continued)****Performance Fees**

The Company will pay the Investment Manager a performance fee equal to 10% with respect to the Class B Shares of the outperformance in value of the Class B Shares, over the amount of the High Watermark for those Shares multiplied by the weighted average number of Class B Shares in issue during the Calculation Period. The High Watermark is the highest closing Net Asset Value per Share on which a performance fee was paid for all the previous periods since inception or the initial offer price in the case of the first Calculation Period. The performance fee is accrued at each Valuation Point and payable quarterly in arrears, calculated by the Administrator and verified by the Depositary as at the last Dealing Day in each calendar quarter.

White Rhino Fund

No performance fee is payable with respect to the Class A Shares.

Performance fees for the Company in total, during the financial year, amounted to Nil (30 April 2019: EUR Nil), of which Nil (30 April 2019: EUR Nil) was payable at the financial year end.

Depositary Fees

The Depositary is entitled to receive out of the assets of the Fund, a monthly fee, accrued daily and payable monthly in arrears, based on the number of transactions and the Net Asset Value of the Fund, up to a maximum fee of 0.12% of the Net Asset Value of the Fund (plus VAT, if any) per annum. Depositary fee is subject to a minimum annual fee of EUR 15,000.

In addition to such remuneration, the Depositary is entitled to be repaid all of its reasonable disbursements, including the fees and expenses of any Sub-Custodian (which shall be at normal commercial rates) and transaction charges (which shall also be at normal commercial rates) levied by the Sub-Custodian and which shall be payable by the Fund.

Depositary fees for the Company, during the financial year, amounted to EUR 30,846 (30 April 2019: EUR 30,708), of which EUR 8,394 (30 April 2019: EUR 2,904) was payable at the financial year end.

Administration Fees

The Administrator is entitled to receive out of the assets of the Fund, a monthly fee, accrued daily and payable monthly in arrears, up to a maximum of 0.10% of the Net Asset Value of the Company subject to a minimum annual fee of EUR 42,000 per Fund. This minimum fee may be waived by the Administrator for such period or periods of time as may be agreed between the Company and the Administrator from time to time. An account opening fee per shareholder, a maintenance fee per shareholder account, per annum, a fee per transaction noted on the register and a fee for Financial Statements preparation are also payable by the Fund. These fees will be at normal commercial rates. The Administrator is also entitled to be reimbursed by the Fund for all of its reasonable disbursements and out of pocket expenses.

Administration fees for the Company, during the financial year, amounted to EUR 42,000 (30 April 2019: EUR 42,000), of which EUR 10,673 (30 April 2019: EUR 4,027) was payable at the financial year end.

Directors' Fees

The Directors who are not partners, officers or employees of the Sponsor, the Investment Manager, the Depositary or the Administrator, will be entitled to remuneration by the Company for their services as Directors provided however that the aggregate emoluments of each Director in respect of any twelve month accounting period shall not exceed EUR 75,000 or such higher amount as may be approved by the Company in a general meeting. In addition, the Directors will also be entitled to be reimbursed for their reasonable and vouched out of pocket expenses incurred in discharging their duties as Directors. In the case of the Company, Fabrizio de Tomasi and Claudio de Ranieri have elected to waive their directorship fees.

Directors' fees during the financial year amounted to EUR 20,400 (30 April 2019: EUR 20,000), of which EUR 6,667 (30 April 2019: EUR 6,667) was payable at financial year end.

Notes to the Financial Statements (Continued)**For the Financial Year Ended 30 April 2020****12. Fees (Continued)****Transaction Costs**

Transaction costs included in realised and unrealised gain/loss on investments are as follows:

	30 April 2020	30 April 2019
	EUR	EUR
White Rhino Fund	70,374	7,636

13. Efficient Portfolio Management

The Investment Manager may utilise derivatives and other techniques and instruments (including, but not limited to, options, swaps, futures and forward foreign currency contracts) with the intention of providing protection against risk of gaining exposure to certain markets, sectors or securities, or of increasing the return on the Assets of the Portfolio. Such derivatives and other techniques and instruments will only be used for efficient portfolio management purposes in accordance with the conditions and limits laid down by the Central Bank of Ireland. The Investment Manager may also, when facilities become available in the relevant markets, lend the Portfolio securities and/or purchase securities subject to repurchase agreement.

During the financial year, the Investment Manager has used financial derivative instruments in the portfolio for the purpose of efficient portfolio management. This includes futures contracts.

Open financial derivative instrument contracts at the financial year end are disclosed in the relevant Schedule of Investments, including the relevant broker/counterparty, the underlying securities, currencies or indices, and the market value or unrealised gain/loss on the contract at the financial year end.

14. Related Party Transactions

FRS 102 requires an entity to include in its Financial Statements the disclosures necessary to draw attention to the possibility that its financial position and profit or loss have been affected by the existence of related parties and by transactions and outstanding balances with such parties. All transactions with connected parties have been carried out at arm's length and in the best interest of shareholders.

During the financial year, Fabrizio De Tomasi is an Executive Director of the Investment Manager and Director of the Company; Claudio De Ranieri was Portfolio Manager at the Investment Manager and Director of the Company. Investment Managers' fees during the twelve months to 30 April 2020 amounted to EUR 314,572 (30 April 2019: EUR 346,728), of which EUR 28,966 (30 April 2019: EUR 35,304) was payable at the financial year end. Directors' fees during the twelve months to 30 April 2020 amounted to EUR 20,400 (30 April 2019: EUR 20,000), of which EUR 6,667 (30 April 2019: EUR 6,667) was payable at the financial year end.

The Investment Manager is also entitled to a performance fee. Performance fees for the Company in total, during the financial year, amounted to Nil (30 April 2019: EUR Nil), of which Nil (30 April 2019: EUR Nil) was payable at the financial year end.

The Subscriber Shares were issued and are held by Albemarle Asset Management Limited and Matteo Riggino, who hold 1 Subscriber Share each. Matteo Riggino (until his resignation on 9 September 2014) was Executive Directors of the Investment Manager and Director of the Company.

15. Taxation

The Company qualifies as an investment undertaking as defined in Section 739B of Taxes Consolidation Act 1997.

The Company is not liable for tax in respect of its income and gains, other than on the occurrence of a chargeable event. A chargeable event includes any distribution or any redemption or transfer of Shares.

A chargeable event does not include:

- (i) Any transactions in relation to Redeemable Participating Shares held in a recognised clearing system as designated by order of the Revenue Commissioners of Ireland; or,
- (ii) An exchange of Redeemable Participating Shares representing one Fund for another Fund of the Company; or,

Notes to the Financial Statements (Continued)**For the Financial Year Ended 30 April 2020****15. Taxation (Continued)**

(iii) An exchange of Redeemable Participating Shares arising on a qualifying amalgamation or reconstruction of the Company with another fund.

A chargeable event will not occur in respect of Redeemable Participating Shareholders who are neither resident nor ordinarily resident in Ireland and who have provided the Company with a relevant declaration to that effect. There were no chargeable events during the financial year.

In the absence of an appropriate declaration, the Company will be liable for Irish tax on the occurrence of a chargeable event and the Company reserves its right to withhold such taxes from payments to relevant shareholders.

Capital gains, dividends and interest received may be subject to withholding taxes imposed by the country of origin and such taxes may not be recoverable by the Company or its Shareholders. A chargeable event includes any distribution payment to shareholders or any encashment, redemption or transfer of shares or an ending of a relevant period.

16. Auditors' Remuneration

The remuneration for the audit of the Company's financial statements the statutory audit firm, including reimbursement for all out of pocket expenses, in respect of the financial year ended is as follows:

	30 April 2020	30 April 2019
	EUR	EUR
Statutory audit of company account excluding VAT	11,250	12,600
	<u>11,250</u>	<u>12,600</u>

There were no fees paid to the audit firm for the other assurance services, tax advisory services and other non-audit services.

17. Securities Lending

Securities lending is the market practice whereby securities are temporarily transferred by one party (the lender) to another (the borrower). The borrower is obliged to return the securities to the lender, either on demand, or at the end of an agreed term. For the period of the loan the lender is secured by acceptable assets delivered by the borrower to the lender as collateral.

Securities used in the stock lending program were held at fair value and were recorded on the Global Securities Lending System of Northern Trust Fiduciary Services (Ireland) Limited.

For the Financial Year Ended 30 April 2020

	White Rhino Fund EUR
Income earned during the financial year	29,635
Value of securities on loan at the financial year end	1,882,375
Value of collateral held by the Fund at the financial year end in respect of securities on loan	2,009,784
Gross earnings	44,851
Direct and indirect costs	17,938

The following borrowers were participants in the securities lending program at 30 April 2020:

White Rhino Fund

- J.P Morgan Securities Plc
- Merrill Lynch International
- UBS AG, London Branch

Notes to the Financial Statements (Continued)**For the Financial Year Ended 30 April 2020****17. Securities Lending (Continued)****For the Financial Year Ended 30 April 2019**

	White Rhino Fund EUR
Income earned during the financial year	42,542
Value of securities on loan at the financial year end	7,579,637
Value of collateral held by the Fund at the financial year end in respect of securities on loan	8,066,705
Gross earnings	77,042
Direct and indirect costs	30,814

The following borrowers were participants in the securities lending program at 30 April 2019:

White Rhino Fund

- Deutsche Bank Ag, London Branch
- J.P Morgan Securities Plc
- Merrill Lynch International
- Morgan Stanley & Company International Plc
- Societe Generale, Paris Branch
- UBS AG, London Branch

18. Soft Commission Arrangements

From the beginning of 2011, Albemarle has commenced “Commissions Sharing Agreements” (“CSA”) with brokers to receive their equity research in return for broker execution commissions. The market research fees paid were 5 basis points of the brokerage commission of 15 basis points. The total commission paid for the White Rhino Fund for the year ended 30 April 2020 was EUR 24,000 (30 April 2019: EUR 14,886).

19. Segregated Liability

The Company is an open-ended umbrella investment company with segregated liability between Funds. Whilst each Fund will accordingly be treated as bearing its own liabilities, Irish law does recognise that there may not be complete segregation of liability between Funds in all circumstances. At 30 April 2020 there is only one active sub-fund: White Rhino Fund.

20. Significant Events During the Financial Year

Deloitte Ireland LLP resigned as and Grant Thornton were appointed as independent auditors on 4 February 2020.

In December 2019, an outbreak of a contagious respiratory virus now known as the COVID - 19 (Coronavirus) occurred and it has since spread globally. The virus has resulted in government authorities in many countries (including the People’s Republic of China and Hong Kong, the United States and Europe) taking extreme measures to arrest or delay the spread of the virus including the declaration of states of emergency, restrictions on movement, border controls, travel bans and the closure of offices, schools and other public amenities such as bars, restaurants and sports facilities. This has resulted in a major disruption to businesses both regionally and globally. It is anticipated that these events will have a material effect on general economic conditions and market liquidity, which may in turn adversely affect the financial performance of the Company and its net asset value. The full impact of this COVID-19 pandemic, or other future epidemics/pandemics, is currently unknown.

The Directors are actively monitoring the situation and, with the support of the Investment Manager, continue to manage the Company’s assets and liabilities within its investment and risk parameters that have been established. The Board of Directors have also noted the operational risks that are posed to the Company and its service providers due to global and local movement restrictions that have been enacted by various governments. The Directors will continue to review the situation in order to navigate through this period of heightened uncertainty.

There have been no other events during the financial year, which, in the opinion of the Directors of the Company may have an impact on the Financial Statements for the financial year ended 30 April 2020.

Notes to the Financial Statements (Continued)**For the Financial Year Ended 30 April 2020****21. Significant Events After the Financial Year End**

Albemarle Eagle Fund launched on 6 July 2020. A supplement for this sub-fund was approved by Central Bank of Ireland on 8 June 2020.

Eterna Blockchain Fund II has, with effect from 10 August 2020, been approved by the Central Bank of Ireland as a sub-fund of Albemarle Alternative Funds plc

There have been no other events after the Statement of Financial Position date, which, in the opinion of the Directors of the Company may have an impact on the Financial Statements for the financial year ended 30 April 2020.

22. Approval of Financial Statements

The Financial Statements were approved and authorised for issue by the Board of Directors on 24 August 2020.

Schedule of Investments

White Rhino Fund

As at 30 April 2020

Holdings	Financial Assets at Fair Value Through Profit or Loss	Fair Value EUR	% of Net Assets
	Transferable Securities: 97.63% (2019: 84.85%)		
	Equities: 97.62% (2019: 84.84%)		
	France 1.59% (2019: 1.75%)		
	Leisure Time		
6,670	Trigano SA	447,890	1.59
	Total France	447,890	1.59
	Germany 0.51% (2019: 0.00%)		
	Machinery-Construction & Mining		
12,640	Wacker Neuson SE	142,453	0.51
	Total Germany	142,453	0.51
	Ireland 11.55% (2019: 0.00%)		
	Common Stock		
3,372,376	Elaia SpA	3,249,992	11.55
	Total Ireland	3,249,992	11.55
	Italy 63.92% (2019: 69.18%)		
	Advertising		
30,000	Triboo Spa	42,300	0.15
	Apparel		
50,443	Aeffe SpA	54,277	0.19
	Auto Parts & Equipment		
351,774	Carraro SpA	514,294	1.83
18,200	Freni Brembo SpA	141,368	0.50
173,620	Pirelli & C SpA	616,959	2.19
	Banks		
26,750	Banca Mediolanum SpA	149,064	0.53
187,200	Intesa Sanpaolo SpA	266,423	0.95
26,600	Mediobanca SpA	140,688	0.50
21,300	UniCredit SpA	149,728	0.53
	Beverages		
36,470	Massimo Zanetti Beverage Group SpA	130,745	0.46
	Building Materials		
26,504	Buzzi Unicem SpA	474,289	1.69

Schedule of Investments (Continued)**White Rhino Fund (Continued)**

As at 30 April 2020

Holdings	Financial Assets at Fair Value Through Profit or Loss	Fair Value EUR	% of Net Assets
	Transferable Securities: 97.63% (2019: 84.85%) (Continued)		
	Equities: 97.62% (2019: 84.84%) (Continued)		
	Italy 63.92% (2019: 69.18%) (Continued)		
	Building Materials (Continued)		
12,800	Buzzi Unicem SpA RSP	121,856	0.43
30,000	LU-VE SpA	345,750	1.23
	Commercial Services		
25,200	ASTM SpA	447,804	1.59
	Distribution/Wholesale		
1,455,772	Esprinet SpA	6,146,997	21.84
11,039	MARR SpA	131,916	0.47
	Electrical Components & Equipment		
17,400	Cembre SpA	260,565	0.93
17,560	Prysmian SpA	301,417	1.07
	Entertainment		
50,000	Rai Way SpA	245,875	0.87
	Food		
101,310	La Doria SpA	975,615	3.47
	Hand/Machine Tools		
4,200	Industria Macchine Automatiche SpA	261,345	0.93
	Internet		
43,750	Cerved Group SpA	272,016	0.97
	Machinery-Construction & Mining		
62,889	Danieli & C Officine Meccaniche SpA	425,130	1.51
	Machinery-Diversified		
40,000	Gefran SpA	213,600	0.76
304,715	Piovan SpA	1,282,088	4.56
	Media		
1,421,313	Arnoldo Mondadori Editore SpA	1,769,535	6.29
	Retail		
63,570	Autogrill SpA	299,097	1.06

Schedule of Investments (Continued)

White Rhino Fund (Continued)

As at 30 April 2020

Holdings	Financial Assets at Fair Value Through Profit or Loss	Fair Value EUR	% of Net Assets
	Transferable Securities: 97.63% (2019: 84.85%) (Continued)		
	Equities: 97.62% (2019: 84.84%) (Continued)		
	Italy 63.92% (2019: 69.18%) (Continued)		
	Retail (Continued)		
219,038	Fila SpA	1,804,873	6.42
	Total Italy	17,985,614	63.92
	Netherlands 16.77% (2019: 9.90%)		
	Auto Manufacturers		
102,458	Fiat Chrysler Automobiles NV	821,508	2.92
	Building Materials		
631,219	Cementir Holding SpA	3,534,826	12.56
	Machinery-Diversified		
63,550	CNH Industrial NV	363,443	1.29
	Total Netherlands	4,719,777	16.77
	Spain 2.66% (2019: 4.01%)		
	Iron/Steel		
107,785	Acerinox SA	747,058	2.66
	Total Spain	747,058	2.66
	United Kingdom 0.62% (2019: 0.00%)		
	Oil & Gas Services		
83,500	Hunting PLC	175,346	0.62
	Total United Kingdom	175,346	0.62
	Total Equities	27,468,130	97.62
	Corporate Bonds: 0.01% (2019: 0.01%)		
	Luxembourg 0.01% (2019: 0.01%)		
100,000	Espirito Santo Financiere SA FRN 5.25% 12/06/2015	2,000	0.01
	Total Luxembourg	2,000	0.01
	Total Corporate Bonds	2,000	0.01
	Total Transferable Securities	27,470,130	97.63

Schedule of Investments (Continued)

White Rhino Fund (Continued)

As at 30 April 2020

Holdings	Financial Assets at Fair Value Through Profit or Loss		Fair Value EUR	% of Net Assets		
	Transferable Securities: 97.63% (2019: 84.85%) (Continued)					
	Collective Investment Schemes: 4.33% (2019: 0.00%)					
	Ireland 4.33% (2019: 0.00%)					
8,624	Albemarle Longevity Fund		1,219,865	4.33		
	Total Ireland		1,219,865	4.33		
	Total Collective Investment Schemes		1,219,865	4.33		
	Total Financial Assets at Fair Value Through Profit or Loss		28,689,995	101.96		
	Financial Liabilities at Fair Value Through Profit or Loss					
	Financial Derivative Instruments: (0.18%) (2019: (0.01%))					
Broker/ Counterparty	Description	Maturity Date	Notional Value	No. of Contracts	Unrealised Loss EUR	% of Net Assets
	Futures Contracts: (0.18%) (2019: (0.01%))					
Banca IMI	FTSE MIB IDEM Future June 2020	19/06/2020	702,440	8	(20,210)	(0.07)
Banca IMI	Long Gilt Icf Future June 2020	30/06/2020	(1,268,605)	(8)	(19,934)	(0.07)
Banca IMI	US 10-Year T-Note Future June 2020	30/06/2020	(380,889)	(3)	(11,624)	(0.04)
	Total Futures Contracts				(51,768)	(0.18)
	Total Financial Derivative Instruments				(51,768)	(0.18)
	Total Financial Liabilities at Fair Value Through Profit or Loss				(51,768)	(0.18)
	Total Value of Investments (Cost : 32,436,284)				28,638,227	101.78
	Bank Overdraft				(202,449)	(0.72)
	Margin Cash				201,853	0.72
	Other Net Liabilities				(500,220)	(1.78)
	Net Assets Attributable to Holders of Redeemable Participating Shares				28,137,411	100.00

Schedule of Portfolio Changes (Unaudited)**White Rhino Fund**

Only the top 20 purchases and sales for the year ended 30 April 2020 have been included in the schedule of portfolio changes.

Description	Purchases	Cost EUR
Elaia SpA	2,500,000	2,500,000
iShares Core FTSE 100 UCITS ETF	209,300	1,843,515
Piovan SpA	304,715	1,771,893
Esprinet SpA	460,839	1,499,063
Pirelli & C SpA	212,030	1,158,477
Trigano SA	13,610	1,098,407
Albemarle Longevity Fund	8,624	1,000,000
Hunting PLC	197,350	895,918
Tinexta SpA	52,398	607,388
La Doria SpA	51,980	454,156
Buzzi Unicem SpA	22,820	421,112
ASTM SpA	25,200	392,681
Cementir Holding SpA	63,500	389,323
Interpump Group SpA	14,320	341,820
Fiat Chrysler Automobiles NV	25,200	340,673
Aperam SA	15,000	331,619
SAES Getters SpA	21,331	321,302
Fluidra SA	26,850	302,650
Cerved Group SpA	43,750	294,179
CNH Industrial NV	33,500	293,794

Description	Sales	Proceeds EUR
SAES Getters SpA	80,271	1,695,434
iShares Core FTSE 100 UCITS ETF	209,300	1,428,776
Fiat Chrysler Automobiles NV	102,758	1,385,244
Trigano SA	13,670	1,275,523
Esprinet SpA	219,113	1,103,523
Caltagirone SpA	270,212	747,618
Fluidra SA	59,030	698,701
Tinexta SpA	52,398	685,429
Hunting PLC	113,850	565,498
Buzzi Unicem SpA	24,816	507,424
CNH Industrial NV	49,700	478,099
Danieli & C Officine Meccaniche SpA Class C	41,780	420,252
Rai Way SpA	71,000	405,986
Interpump Group SpA	14,320	351,763
Aeffe SpA	130,618	349,858
Autogrill SpA	38,250	346,457
Aperam SA	15,000	339,945
Pirelli & C SpA	57,560	334,338
Manitou BF SA	16,466	320,427
Fila SpA	20,000	274,713

Appendix I: Additional Information AIFM (Unaudited)**1. Leverage Note**

The Albemarle Alternative Funds plc is a Qualified Investor Alternative Investment Fund (“QIAIF”), which delegated the investment management process to Albemarle Asset Management Limited (“AIFM”). In accordance with the requirements of applicable regulations, the AIFM must set a maximum level of leverage for the Fund and report to investors the total amount of leverage employed by the Fund.

The White Rhino did not employ any leverage during the financial year ended 30 April 2020 (30 April 2019: the White Rhino Fund did not employ any leverage).

2. Realised and Unrealised Gains and Losses on Investments

For the financial year ended 30 April 2020	White Rhino Fund EUR
Realised gains on investments	2,958,177
Realised losses on investments	(2,555,781)
Unrealised gains on investments	2,810,495
Unrealised losses on investments	(7,525,340)

For the financial year ended 30 April 2019	White Rhino Fund EUR
Realised gains on investments	4,670,514
Realised losses on investments	(1,616,422)
Unrealised gains on investments	1,805,009
Unrealised losses on investments	(7,903,140)

3. Remuneration Code***Introduction to the AIFMD requirements***

These disclosures are made in accordance with the Alternative Investment Fund Managers Directive (the “AIFMD”), the European Commission Delegated Regulation supplementing the AIFMD (the “Delegated Regulation”) and the “Guidelines on sound remuneration policies under the AIFMD” issued by the European Securities and Markets Authority.

Remuneration Committee

The remuneration committee of Albemarle Asset Management Limited (“Albemarle”) is established for the purpose of reviewing remuneration policies, practices, and principles as required by local or regional rules set by the Financial Conduct Authority. Specifically, the committee’s primary purposes are to review and make recommendations concerning:

- executive remuneration programs;
- employee benefit plans;
- such other remuneration plans as may be established from time to time;

The committee consists of three members and is constituted in a way that enables it to exercise its judgement and demonstrate its ability to make decisions which are consistent with the current and future financial status of the business. Only members of the committee have the right to attend these type of meetings, and the committee may request the attendance of any executive or other person (as deemed appropriate) to facilitate the review of remuneration recommendations and policy design, to ensure that the remuneration practices are consistent with effective risk management and do not encourage excessive risk taking.

Decision-making process

Remuneration decisions for employees are made once annually in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for remuneration decision-making is tied to financial performance, significant discretion is used to determine individual remuneration based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

Appendix I: Additional Information AIFM (Unaudited) (Continued)**3. Remuneration Code (Continued)*****Decision-making process (continued)***

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual remuneration amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award.

Following the end of the performance year, the committee approves the final bonus pool amount and individuals are not involved in setting their own remuneration.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and remuneration programmes which are designed to meet the following objectives as detailed below:

- Attract, retain and motivate employees capable of making significant contributions to the long-term success of the business;
- Control fixed costs by ensuring that remuneration expense varies with profitability;
- Discourage excessive risk-taking.

When setting remuneration levels a number of factors are considered, as well as individual performance, which may include:

- the performance of Albemarle, the funds managed by Albemarle and/or the relevant functional department;
- factors relevant to an employee individually (e.g. relevant working arrangements (including part-time status if applicable); relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business);
- the management of risk within the risk profiles appropriate for Albemarle's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A proportionality assessment has been conducted to evaluate the risk profile of Albemarle in the context of its UCITS remuneration policy. This analysis has concluded that the size, nature and complexity of Albemarle and, where relevant, the funds that they manage, is sufficiently low and therefore the UCITS remuneration requirements on the pay-out processes were subsequently dis-applied.

AIFMD Remuneration Code Staff

The Albemarle UCITS Remuneration Policy sets out the process that will be applied to identify staff as “Code Staff”, being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

Quantitative Remuneration Disclosure

Members of staff and senior management of Albemarle typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of Albemarle. Therefore, the figures disclosed are a sum of each individual’s portion of remuneration attributable to the Albemarle Funds according to an objective apportionment methodology which acknowledges the multiple-service nature of Albemarle.

Accordingly the figures are not representative of any individual’s actual remuneration or their remuneration structure.

The table in the next page summarises the fixed and variable remuneration paid to Investment Manager’s Identified Staff for the financial year 01 May 2019 to 30 April 2020.

Appendix I: Additional Information AIFM (Unaudited) (Continued)**3. Remuneration Code (Continued)***Quantitative Remuneration Disclosure (Continued)*

	Number of Beneficiaries	Total Fixed Remuneration for the financial year	Total Variable Remuneration for the financial year	Total remuneration
White Rhino Fund Identified Staff	4	€319,329	€0	€319,329

Conflicts of Interest

The Directors, the AIFM, the Investment Manager, the Administrator and the Depositary and their respective affiliates, officers, directors and shareholders, employees and agents (collectively the “Parties”) are or may be involved in other financial, investment and professional activities which may on occasion cause a conflict of interest with the management of the Company and/or their respective roles with respect to the Company. These activities may include managing or advising other funds (including other collective investment schemes), purchases and sales of securities, banking and investment management services, brokerage services, valuation of unlisted securities (in circumstances in which fees payable to the entity valuing such securities may increase as the value of assets increases) and serving as directors, officers, advisers or agents of other funds or companies, including funds or companies in which the Company may invest. In particular, the AIFM and other companies may be involved in advising or managing other investment funds (including other collective investment schemes) or other real estate portfolios which have similar or overlapping investment objectives to or with the Company or Funds. Each of the Parties will use its reasonable endeavours to ensure that the performance of their respective duties will not be impaired by any such involvement they may have and that any conflicts which may arise will be resolved fairly and in the best interests of Shareholders.

Appendix II: Securities Financing Transactions Regulation (Unaudited)

The Securities Financing Transactions Regulation, as published by the European Securities and Markets Authority, aims to improve the transparency of the securities financing markets. Disclosures regarding exposure to Securities Financing Transactions (“SFTs”) will be required on all reports and accounts published after 13 January 2017. The following information is presented with regard to Regulation (EU) 2015/2365 on transparency of securities financing.

A Securities Financing Transaction (“SFT”) is defined as per Article 3(11) of the SFTR as:

- a repurchase transaction;
- securities or commodities lending and securities or commodities borrowing;
- a buy-sell back transaction or sell-buy back transaction; or
- a margin lending transaction.

As at 30 April 2020 Albemarle Alternative Funds plc held the following types of SFTs: Securities Lending.

White Rhino Fund**Global Data**

Securities and commodities on loan as a proportion of total lendable assets 7%

Assets engaged by SFT Type	EUR	% of AUM
Securities lending	1,882,375	6%

Concentration Data

Top Counterparties	Collateral EUR
1 JP Morgan Securities PLC	1,110,179
2 Merrill Lynch International	489,221
3 UBS AG, London Branch	474,726

Largest collateral issuers	Collateral EUR
1 Japan Equity	402,322
2 Germany Government Bond	320,307
3 United States Government Bond	243,182
4 Netherlands Government Bond	214,356
5 Netherlands Equity	191,136
6 United Kingdom Equity	172,107
7 United States Equity	132,393
8 Canada Government Bond	72,030
9 United Kingdom Government Bond	53,048
10 Finland Government Bond	51,819

Aggregate Transaction Data

Securities lending							
Collateral type:	Government Bonds 48%	Equities 52%					
Collateral currency:	AUD 1%	CAD 4%	DKK 1%	EUR 39%	GBP 14%	HKD 1%	JPY 19%
	SEK 0%	USD 21%					
Maturity:	<1 day	1 day - 1 week	1 week - 1 month	1-3 months	3 months - 1 year	> 1 year	Open maturity
- Collateral			1%		2%	53%	44%
- Securities Lending		100%					
- Countries of counterparties		UK					
- Settlement & clearing type:	Bilateral 0%	Tri-party 100%					

Appendix II: Securities Financing Transactions Regulation (Unaudited) (Continued)**Reuse of Collateral**

Share of collateral re-used	0%
Maximum permitted collateral re-use	0%
Return on cash collateral re-investment	0%

Safekeeping – Collateral Received

All collateral received is held with The Northern Trust Company (TNTC) on behalf of Northern Trust Fiduciary Services (Ireland) Limited (NTFSIL).

The total collateral received as at 30 April 2020 was EUR 2,009,784.

Safekeeping – Collateral Granted

Collateral held in:	Collateral volumes
Segregated accounts	0%
Pooled accounts	100%
Other	0%

Return & Cost*

	Fund		Administrator		Total	
	EUR	%	EUR	%	EUR	%
Return	26,913	60%	17,938	40%	44,851	100%
Cost	17,938	100%	-	-	17,938	100%

*The return on this SFTR table differs from that disclosed in the notes to the Financial Statements due to timing.