Private Equity (Lux) Evergreen Secondary Fund

Société d'investissement à Capital Variable

Audited financial statements and Independent Auditor's Report for the period from 19 August 2022 (Date of incorporation) to 31 December 2022

R.C.S. Luxembourg B 270 853

Registered office:
33A, avenue J.F. Kennedy,
L-1855 Luxembourg
Grand Duchy of Luxembourg

Table of contents

Organisation of the Fund

Registered office	33A, avenue J.F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg
Board of Directors	Jan Stig Rasmussen, Independent Director, Luxembourg William Heath, Independent Director, Luxembourg Emmanuelle Ramponi, Independent Director, Luxembourg Dhruv Kochhar, Executive Director, Head of Real Estate & Private Markets Multi-Managers Business Management, UBS Asset Management, United Kingdom Tanja von Ehrlich-Treuenstätt, Executive Director, Investment/Sales Specialist, UBS Asset Management, Switzerland
Alternative Investment Fund Manager (AIFM)	UBS Fund Management (Luxembourg) S.A. 33A, avenue J.F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg
Depositary and Paying Agent	UBS Europe SE, Luxembourg Branch 33A, avenue J.F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg
Administrator, Registrar and Transfer Agent	Northern Trust Global Services S.E. 10, rue du Chateau d'Eau L-3364 Leudelange Grand Duchy of Luxembourg
Réviseur d'entreprises agréé	Ernst & Young S.A. 35E, avenue J.F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg
Legal Adviser as to matters of Luxembourg law	Goodwin Procter (UK) LLP Goodwin Procter (Luxembourg)
Sale in Switzerland*	*Representative agent* UBS Fund Management (Switzerland) AG Aeschenvorstadt 1, 4051 Basel Switzerland *Paying agent* UBS Switzerland AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland and its branches in Switzerland

* Private Equity (Lux) Evergreen Secondary Fund qualify as foreign open-ended collective investment schemes pursuant to article 119 para. 1 Swiss law on collective investment schemes ("CISA") as amended. The fund will not be authorized to be offered to non-qualified investors in Switzerland and their units will only be offered to qualified investors pursuant to article 10 para. 3 and para 3ter CISA.

Report of the Portfolio Managers

Investor activity of the fund

The fund was launched in September 2022. As of 31 December 2022 the fund was reaching total commitments of EUR 26.6m.

Investment activity of the fund

The Fund commenced its investment activities in Q4-2022 and is in its portfolio ramp-up phase. As of 31 December 2022, the fund had committed EUR 6.4m to 3 underlying funds.

NAV development

Given the early stages of the Fund, there were no significant developments to report in the underlying portfolio.

Outlook

The Fund is in its portfolio ramp-up phase and subsequent to year-end has completed several more transactions (as per the time of writing in early June, three additional transactions have closed, with another four transactions in late stages of diligence/ closing).

Ernst & Young
Société anonyme

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Independent auditor's report

To the Shareholders of
Private Equity (Lux) Evergreen Secondary Fund
33A, Avenue J.F. Kennedy
L-1855 Luxembourg

Opinion

We have audited the financial statements of Private Equity (Lux) Evergreen Secondary Fund (the "Fund"), which comprise the statement of financial position and the statement of investments as at 31 December 2022 and the statement of comprehensive income, the statement of changes in net assets and statement of cash flows for the period from 19 August 2022 (date of incorporation) to 31 December 2022, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2022, and of its financial performance and its cash flows for the period from 19 August 2022 (date of incorporation) to 31 December 2022 in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

Basis for Opinion

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

Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of the "réviseur d'entreprises agréé" thereon.

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

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

Responsibilities of the Board of Directors of the Fund

The Board of Directors of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS as adopted by the European Union, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund.

Building a better working world

- Conclude on the appropriateness of the Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Ernst & Young
Société anonyme
Cabinet de révision agréé

Pierre-Marie Boul

Luxembourg, 27 June 2023

Statement of financial position (in EUR)

	Note	
Assets		
Non-Current Assets		
Financial assets at FVTPL	4	5,835,927
Current Assets		
Cash and cash equivalents	2.4	20,508,052
Other receivables	2.9	35,173
Total assets		**26,379,152**
Liabilities		
Subscription received in advance		100,000
Accrued expenses	2.7, 9	397,651
Total current liabilities		**497,651**
Net assets value of the Fund	2.12	**25,881,501**
Total net assets attributable to holders of redeemable shares	10	**25,881,501**
Total net assets and liabilities		**26,379,152**

*The reconciliation below explains the difference between:
- the Fund's NAV calculated in accordance with the provisions of the prospectus and;
- the adjusted NAV in the financial statements as at 31 December 2022.

Reasoning for adjustment: following the obtention of the underlying audited financial statements (between April and May 2023), Management noted material differences between valuations used in the NAV calculated in accordance with the provisions of the prospectus, and valuations used for the audited financial statements of the underlying. As a consequence, the NAV has been adjusted in order to give a true and fair view of the financial position of the Fund.

NAV calculated in accordance with the provisions of the prospectus using latest available statements received from the underlying funds on the NAV calculation date	26,234,908
Adjustment for incorporation costs which are amortized for 5 years	(331,865)
Adjustment relating to valuation of underlying investments using 31 December 2022 statements from the underlying funds	(21,542)
NAV per the financial statements	25,881,501

The financial assets are investments in closed end funds with no defined maturity and no active market.

Statement of comprehensive income (in EUR)

	Note	
Income		
Interest income	2.9	42,076
Total income		**42,076**
Expenses		
Unrealized losses on Financial assets at FVTPL	4	(10,976)
Realized FX losses	4	(19,565)
Unrealized FX losses	4	(155,494)
Management fees	7a	(10,485)
Depositary fees		(5,096)
Directors' fees	7b	(27,740)
Subscription duty (taxe d'abonnement)	2.13	(3,280)
Incorporation costs	2.8	(350,666)
Other operating expenses	8	(52,035)
Total expenses		**(635,337)**
Total comprehensive income		**(593,261)**

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

Statement of changes in net assets (in EUR)

As at 19 August 2022 (Date of incorporation)		**Class D-acc**	**Class seeding-acc**	**Class CHF seeding-acc**	**Class USD seeding-acc**
Net Subscriptions/(Redemptions)	26,474,762	24,995,381	537,679	259,731	681,972
Total comprehensive income	(593,261)	(560,110)	(12,049)	(5,820)	(15,282)
As at 31 December 2022	**25,881,501**	**24,435,271**	**525,630**	**253,911**	**666,690**

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

Statement of changes in net assets attributable to holders of redeemable shares

Number of redeemable shares outstanding as at 19 August 2022 (Date of incorporation)	**Class D-acc**	**Class seeding-acc**	**Class CHF seeding-acc**	**Class USD seeding-acc**
Redeemable shares issued during the year	250,000	5,360	2,540	7,000
Redeemable shares redeemed during the year	-	-	-	-
Number of redeemable shares outstanding as at 31 December 2022	**250,000**	**5,360**	**2,540**	**7,000**

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

Statement of cash flows (in EUR)

Cash flow from operating activities	
Total comprehensive income	(593,261)
Adjustments to reconcile to net cash flows	
Accrued interest income	(42,078)
Amortization of Incorporation Fees	350,666
Accrued fees	46,986
Net (gain)/loss on financial assets at FVTPL	166,470
	(71,217)
Increase in other receivables	32,869
Increase in accrued expenses	(46,986)
Increase in Financial assets at FVTPL	(6,002,397)
Cash (used in)/from operations	**(6,087,731)**
Interest received	21,021
activities	**(6,066,710)**
Cash flow from financing activities	
Proceeds from redeemable shares issued	26,474,762
Increase/(decrease) in Subscription received in advance	100,000
	26,574,762
Net change in cash balance	20,508,052
Cash and cash equivalents at the beginning of the financial period	-
Cash and cash equivalents at the end of the financial period	**20,508,052**

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

Statement of investments

		TOTAL COMMITMENT AS AT	UNDRAWN COMMITMENT AS AT	COST OF INVESTMENTS AS AT	FAIR VALUES AS AT	CUMULATIVE UNREALISED GAIN/ (LOSS) AS AT	PERCENTAGE OF NET ASSETS AS AT
		31 December 2022	**31 December 2022**	**31 December 2022**	**31 December 2022**	**31 December 2022**	**31 December 2022**
				EUR	**EUR**	**EUR**	**%**
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS							
USD							
Bain Capital Empire Holdings, L.P.	**USD**	1,780,316	258,146	1,638,550	1,515,459	(123,091)	5.86%
DB Sunshine Holdings I, Combined Fund	**USD**	2,810,963	-	2,841,435	2,809,033	(32,402)	10.85%
		4,591,279	**258,146**	**4,479,985**	**4,324,492**	**(155,493)**	**16.71%**
CHF							
Invision Logistics Limited Partnership	**CHF**	1,703,443	298,103	1522411	1511435	(10,976)	5.84%
		1,703,443	**298,103**	**1,522,411**	**1,511,435**	**(10,976)**	**5.84%**
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				**6,002,396**	**5,835,927**	**(166,469)**	**22.55%**
OTHER NET ASSETS					**20,045,574**		**77.45%**
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES					**25,881,501**		**100.00%**

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

Notes to the financial statements

Note 1 - General information

The Fund is an open-ended investment company *(Société d'investissement à capital variable – SICAV)* and qualifies as a part II undertaking for collective investment under the 2010 Law. The duration of the Fund is unlimited. The Fund was incorporated on 19 August 2022 and the initial capital on incorporation is EUR 30,000. On incorporation all of the Shares representing the initial capital will be subscribed for and were fully paid. The Articles of Incorporation are filed with the Luxembourg Trade and Companies Register under number B 270.853.

The Fund will aim to provide investors with attractive net returns by providing exposure to a broadly diversified portfolio of private equity assets. The Fund will either acquire assets on the private equity secondary market or commit to private equity funds or co-investment opportunities alongside private equity funds. The focus of the Fund's investment activities will be on the acquisition of private equity assets on the secondary market.

The financial period of the Fund ends on 31 December of each year.

These financial statements were authorized for issue by the Board of Directors on 27 June 2023.

Note 2 - Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

These policies have been consistently applied to all the periods presented, unless otherwise stated.

The Fund is an investment entity and interests in underlying investments are classified as fair value through profit or loss.

2.1 Basis of preparation

The financial statements of the Fund have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at FVTPL.

Note 2 - Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

The results and financial position of the Funds have been aggregated for presentation purposes.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the Fund's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

The prospectus, reports and changes in the portfolio of investments are available on request.

(a) Standards and amendments to existing standards effective 19 August 2022

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 19 August 2022 that have a material effect on the financial statements of the Fund.

(b) New standards, amendments and interpretations effective after 19 August 2022 and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 19 August 2022 and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund.

2.2 Foreign currency translation

(a) Functional and presentation currency

The Fund's functional and presentation currency is the Euro ("EUR"). The Fund's performance is evaluated and its liquidity is managed in EUR, therefore, the EUR is considered as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. All monetary foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the statement of financial position date.

Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income. Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statement of comprehensive income within "Realized FX gains/Realized FX losses".

Foreign exchange gains and losses relating to the financial assets and liabilities carried at FVTPL are presented in the statement of comprehensive income within "Unrealized FX gains/Unrealized FX losses".

Rate Date as of 31 December 2022

Currency	**Exchange Rate**
CHF/EUR	1.0127405803
EUR/EUR	1.0000000000
EUR/USD	1.0672500000
USD/EUR	0.9369875849

Note 2 - Summary of significant accounting policies (continued)

2.3 Financial instruments

(a) Classification

The Fund's policy requires the AIFM and the Board of Directors to evaluate the information about financial assets and liabilities on a fair value basis together with other related financial information.

The Fund applies IFRS 9 and classifies its financial assets and financial liabilities at initial recognition into categories of financial assets and financial liabilities as discussed below.

Financial assets

The Fund classifies its financial assets as subsequently measured at amortised cost or measured at fair value through profit or loss on the basis of both:

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

Financial assets measured at amortised cost:

A financial instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value through profit or loss ("FVTPL"):

(a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding, Or

(b) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell, Or

(c) At initial recognition, it is irrevocably designated as measured at FVTPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Fund includes in this category investments in private equity and venture capital funds, mutual funds, exchange traded funds, alternative investment funds, money market funds, derivatives and similar securities.

Financial Liabilities

Financial liabilities measured at amortised cost:

This category includes accrued expenses and due to brokers.

Note 2 - Summary of significant accounting policies (continued)

2.3 Financial instruments (continued)

(b) Recognition, derecognition and measurement

The Fund recognises a financial asset or financial liability when it becomes party to the contractual provision of the instrument.

Regular purchases and sales of investments are recognised on the trade date - the date on which the Fund commits to purchase or sell the investment. Financial assets at FVTPL are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

Financial assets and liabilities (other than those classified as at FVTPL) are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue.

Subsequent to initial recognition, all financial assets at FVTPL are measured at fair value. Gains and losses arising from changes in the fair value of the "financial assets at FVTPL" category are presented in the statement of comprehensive income within "Unrealized gains on financial assets and liabilities at FVTPL/Unrealized losses on financial assets and liabilities at FVTPL" in the period in which they arise.

Financial assets and financial liabilities other than those classified as at FVTPL are measured at amortized cost less allowance for impairment, if any. Gains and losses are recognised in profit or loss when the asset or liability are derecognised or impaired, as well through amortization process. The Fund includes in this category short-term non-financing receivables including cash collateral posted on derivative contracts, margin accounts and other receivables.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or the Fund has transferred substantially all risks and rewards of ownership. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

(c) Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The Fund utilises the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

The fair value of financial assets and liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date.

Valuation techniques used include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

Note 2 - Summary of significant accounting policies (continued)

2.3 Financial instruments (continued)

(c) Fair value estimation (continued)

The Fund's investments in other funds ('Investee Funds') are subject to the terms and conditions of the respective Investee Fund's offering documentation. The investments in Investee Funds are valued based on the latest available redemption price of such units for each Investee Fund, as determined by the Investee Funds' administrators. The Fund reviews the details of the reported information obtained from the Investee Funds and considers:
- the liquidity of the Investee Fund or its underlying investments;
- the value date of the net asset value (NAV) provided;
- any restrictions on redemptions; and
- the basis of accounting and, in instances where the basis of accounting is other than fair value, fair valuation information provided by the Investee Fund's advisors.

If necessary, the Fund makes adjustments to the NAV of various Investee Funds to obtain the best estimate of fair value.

(d) Transfers between levels of the fair value hierarchy

No transfers between levels of the fair value hierarchy have occurred during the reporting period.

(e) Hedge accounting

The Fund does not apply hedge accounting.

2.4 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term investments in an active market with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown in current liabilities in the statement of financial position.

2.5 Due from and due to brokers

Amounts due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. The due from brokers balance is held for collection.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on amounts due from broker at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance.

A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

Note 2 - Summary of significant accounting policies (continued)

2.6 Margin accounts

Margin accounts represent margin deposits held with broker in respect of derivative instruments.

2.7 Accrued expenses

Accrued expenses are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

2.8 Incorporation costs

For the purpose of the NAV calculation, the incorporation costs are amortized over five year whereas for the purpose of the financial statements these costs have expensed as incurred in accordance with IFRS.

2.9 Interest income and dividend income

Interest income is recognised on a time-proportionate basis. It includes interest income from cash and cash equivalents and deposits held.

Dividend income from financial assets at FVTPL is recognised in the statement of comprehensive income within dividend income when the Fund’s right to receive payments is established.

2.10 Transaction costs

Transaction costs are costs incurred to acquire financial assets at FVTPL. They include fees and commissions paid to agents and brokers. Transaction costs, when incurred, are immediately recognised in profit or loss as an expense.

2.11 Distributions payable to Investors

Proposed distributions to Investors are recognised in the statement of changes in equity when they are appropriately authorised and no longer at the discretion of the Fund. This typically occurs when proposed distribution is ratified at the Annual General Meeting.

2.12 Net Asset Value of the Fund

Income not distributed is included in Net Asset Value of the Fund. Distributions made from the Net Asset Value of the Fund to the shareholder are recorded as dividend and are treated as a deduction from the Net Asset Value of the Fund.

2.13 Taxation

Under the prevailing laws and regulations, the Fund is subject in Luxembourg to a tax (“taxe d’abonnement”) at the annual rate of 0.01%, payable quarterly and calculated on the basis of its net assets attributable to holders of redeemable shares at the end of each quarter.

Income receivable by the Fund in the form of dividends and interest may be subject to withholding taxes at varying rates, deducted at source in their jurisdiction of origin.

Note 2 - Summary of significant accounting policies (continued)

2.14 Expenses

Expenses are charged in the period to which they relate.

2.15 Redeemable shares

Shares may be redeemed as of the last calendar day of each calendar quarter (each such day a "**Redemption Dealing Day**").

Payments will be made without interest in the currency of the relevant Share Class by telegraphic transfer to the bank account specified by the Shareholder in the application form or as subsequently notified to the Administrator in writing, at the risk and expense of the Shareholder. Third party payments will not be made.

Note 3 - Financial risks

3.1 Financial risk factors

The activities expose the Fund to a variety of financial risks: market risk (comprising currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The Fund is also exposed to operational risks such as custody risk. Custody risk is the risk of loss of securities held in custody occasioned by the insolvency or negligence of the custodian. Although an appropriate legal framework is in place that eliminates the risk of loss of value of the securities held by the custodian, in the event of its failure, the ability of the Fund to transfer securities might be temporarily impaired.

The Fund's overall risk management programme seeks to maximise the returns derived for the level of risk to which the Fund is exposed and seeks to minimise potential adverse effects on the Fund's financial performance.

The management of these risks is carried out by the AIFM under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, the use of derivative financial instruments and non-derivative financial instruments and the investment of excess liquidity.

The Fund uses different methods to measure and manage the various types of risks to which it is exposed; these methods are explained below.

3.1.1 Market risk

Market risk is understood as the risk of loss for the Fund resulting from fluctuation in the market value of positions in its portfolio attributable to changes in market variables, such as general economic conditions, interest rates, foreign exchange rates, or the creditworthiness of the issuer of a financial instrument. This is a general risk that applies to all investments, meaning that the value of a particular investment may go down as well as up in response to changes in market variables. Although it is intended that the Fund is diversified with a view to reducing market risk, the investments of the Fund remain subject to fluctuations in market variables and the risks inherent in investing in financial markets.

(a) Price risk

The value of investments held by the fund may decline in value due to factors affecting financial markets generally, such as real or perceived adverse economic conditions, changes in the general outlook for revenues or corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. The value of investments may also decline due to factors affecting a particular, industry, area or sector, such as changes in production costs and competitive conditions. During a general downturn in the economy, multiple asset classes may decline in value simultaneously. Economic downturn can be difficult to predict. When the economy performs well, there can be no assurance that investments held by the Fund benefit from the advance.

Note 3 - Financial risks (continued)

3.1 Financial risk factors (continued)

3.1.1 Market risk (continued)

(a) Price risk (continued)

Sensitivity Analysis

The fair value of the Fund's investments is linked to the fluctuation of the underlying investments.

The portfolio is invested into the following geographical regions in 2022:

		Combined weighted average
Region	**EUR**	**31 December 2022**
U.S.	4,324,492	74%
Developed Europe	1,511,435	26%
Total	**5,835,927**	**100%**

(b) Foreign exchange risk

The Fund operates internationally and holds monetary assets denominated in currencies other than the EUR, the functional currency. Foreign currency risk, as defined in IFRS 7, arises as the value of future transactions, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates.

Realized gains, losses and income related to the investments of the Fund, will be denominated in the local currency of the investments in the Fund's portfolio, whereas Capital Contribution to and distributions from the Fund will be made in EUR. Therefore, the amount of the distributions made by the Fund, as well as the EUR-denominated value of the Fund's Portfolio Investments, will be adversely affected by reductions in the value of such local currency relative to the EUR.

The Fund may conduct foreign currency exchange transactions in anticipation of funding investment commitments or receiving proceeds upon dispositions, but it will ordinarily not attempt to hedge currency risks over the long term.

The Fund values its investments in EUR. To the extent unhedged, the value of the Fund's non-EUR investments fluctuates with EUR exchange rates as well as the asset value changes of such non-EUR financial assets in local markets. Thus, an increase in the value of the EUR compared to the currencies of other countries in which the Fund has made investments, reduces the effect of increases, and magnifies the EUR equivalent to the effect of decreases, in the values of the investments in their local markets. Conversely, a decrease in the value of the EUR has the opposite effect on the Fund's non-EUR investments. The below tables are based on the currencies of the share classes of the funds invested and not on the currency exposures of the underlying investments of these funds.

Note 3 - Financial risks (continued)

3.1 Financial risk factors (continued)

3.1.1 Market risk (continued)

(b) Foreign exchange risk (continued)

The table below summarises the monetary assets and liabilities of the fund, which are denominated in a currency other than the Euro. These tables are based on the currencies of the share classes of the funds invested and not on the currency exposures of the underlying investments of these funds:

Financial assets at FVTPL	**Currency**	**Market Value in Local Currency**	**Market Value in Fund Currency**
Invision Logistics L.P.	CHF	1,492,421	1,511,435
Bain Capital Empire Holdings, L.P.	USD	1,617,374	1,515,459
DB Sunshine Holdings I, L.P.	USD	2,997,940	2,809,033
Total			**5,835,927**

Assets in Foreign Currencies	**As of 31 December 2022**
Financial assets at FVTPL (CHF)	1,524,079
Financial assets at FVTPL (USD)	4,311,849
Cash and cash equivalents (CHF)	607
Cash and cash equivalents (USD)	48,925
Total	**5,885,460**

The percentage of volatility of the foreign exchange rates reflect the reasonably possible change for each of the currencies against EUR.

	Volatility of EUR 2022
US Dollar (USD)	3.17%
Swiss Franc (CHF)	2.41%

As at 31 December 2022, and considering the volatility of the foreign exchange rates, had the EUR strengthened or weakened in relation to USD and CHF with all other variables held constant the net assets attributable to investors would have increased by EUR 177,726.

The percentage of volatility of the foreign exchange rates reflect the reasonably possible change for each of the currencies against EUR.

Note 3 - Financial risks (continued)

3.1 Financial risk factors (continued)

3.1.1 Market risk (continued)

(b) Foreign exchange risk (continued)

The percentage of volatility of the foreign exchange rates reflect the reasonably possible change for each of the currencies against EUR.

The Fund does not invest directly in interest bearing assets but invests in units of fixed income funds are susceptible to price risk.

There were no outstanding borrowings at the balance sheet date in the Fund and hence, no exposure to interest rate risk.

3.1.2 Liquidity risk

Liquidity refers to the speed and ease with which investments can be sold or liquidated or a position closed. On the asset side, liquidity risk refers to the inability of the Fund to dispose of investments at a price equal or close to their estimated value within a reasonable period of time. On the liability side, liquidity risk refers to the inability of the Fund to raise sufficient cash to meet a redemption request due to its inability to dispose of investments. In certain circumstances, investments may become less liquid or illiquid due to a variety of factors including adverse conditions affecting a particular issuer, counterparty, or the market generally, and legal, regulatory or contractual restrictions on the sale of certain instruments. In addition, the Fund may invest in financial instruments traded over-the-counter or OTC, which generally tend to be less liquid than instruments that are listed and traded on exchanges.

Market quotations for less liquid or illiquid instruments may be more volatile than for liquid instruments and/or subject to larger spreads between bid and ask prices. Difficulties in disposing of investments may result in a loss for the Fund and/or compromise the ability of the Fund to meet a redemption request.

The Fund’s exposure to liquidity risks is detailed in the table below.

Expressed in EUR **As at 31 December 2022**	**Less than 1 month**	**1-12 months**	**More than 12 months**	**Total**
Assets				
Financial assets at FVTPL	-	-	5,835,927	5,835,927
Other receivables	35,173	-	-	35,173
Cash and cash equivalents	7,508,052	13,000,000	-	20,508,052
Total assets	**7,543,225**	**13,000,000**	**5,835,927**	**26,379,152**
Liabilities				
Subscription received in advance	(100,000)	-	-	(100,000)
Accrued expenses	(46,985)	-	(350,666)	(397,651)
Total liabilities	**(146,985)**	**-**	**(350,666)**	**(497,651)**

Note 3 - Financial risks (continued)

3.1.3 Credit risk

Sub-Funds investing in fixed income instruments through funds are indirectly exposed to the creditworthiness of the issuers of the instruments and their ability to make principal and interest payments when due in accordance with the terms and conditions of the instruments. The creditworthiness or perceived creditworthiness of an issuer may affect the market value of fixed income instruments. Issuers with higher credit risk typically offer higher yields for this added risk, whereas issuers with lower credit risk typically offer lower yields. Generally, government debt is considered to be the safest in terms of credit risk, while corporate debt involves a higher credit risk. Related to that is the risk of downgrade by a rating agency. Rating agencies are private undertakings providing ratings for a variety of fixed income instruments based on the creditworthiness of their issuers. The agencies may change the rating of issuers or instruments from time to time due to financial, economic, political, or other factors, which, if the change represents a downgrade, can adversely impact the market value of the affected instruments.

Cash and cash equivalents are held by parties with a credit rating of AA/Aa or higher.

3.2 Capital risk management

The capital of the Fund is represented by the net assets attributable to holders of redeemable shares. The amount of net asset value attributable to holders of redeemable shares can change significantly, as the fund is subject to monthly subscriptions and redemptions at the discretion of shareholders, as well as changes resulting from the Fund's performance.

The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for shareholders, provide benefits for other stakeholders and maintain a strong capital base to support the development of the investment activities of the Fund.

The Board of Directors and the AIFM monitor capital on the basis of the value of net assets attributable to redeemable shareholders.

3.3 Fair value estimation

In accordance with the Articles of Association and the AIFM's valuation policy, the valuation of the assets of the Fund will be conducted as follows:

1) The value of any cash on hand or on deposit, bills or notes payable, accounts receivable, pre-paid expenses, cash dividends, and interest accrued but not yet received shall be equal to the entire nominal or face amount thereof, unless the same is unlikely to be paid or received in full, in which case the value thereof shall be determined after making such discount as the AIFM may consider appropriate in such case to reflect the true value thereof.

2) Transferable securities and money market instruments which are quoted, listed or traded on an exchange or regulated market will be valued, unless otherwise provided under paragraphs 3) and 6) below, at the last available market price or quotation, prior to the time of valuation, on the exchange or regulated market where the securities or instruments are primarily quoted, listed or traded. Where securities or instruments are quoted, listed or traded on more than one exchange or regulated market, the AIFM will determine on which exchange or regulated market the securities or instruments are primarily quoted, listed or traded and the market prices or quotations on such exchange or regulated market will be used for the purpose of their valuation. Transferable securities and money market instruments for which market prices or quotations are not available or representative, or which are not quoted, listed or traded on an ex-change or regulated market, will be valued at their probable realisation value estimated with care and in good faith by the AIFM using any valuation method approved by the AIFM.

Note 3 - Financial risks (continued)

3.3 Fair value estimation (continued)

3) Notwithstanding paragraph 2) above, where permitted under applicable laws and regulations, money market instruments may be valued using an amortisation method whereby instruments are valued at their acquisition cost as adjusted for amortisation of premium or accrual of discount on a constant basis until maturity, regardless of the impact of fluctuating interest rates on the market value of the instruments. The amortisation method will only be used if it is not expected to result in a material discrepancy between the market value of the instruments and their value calculated according to the amortisation method.

4) Financial derivative instruments which are quoted, listed or traded on an exchange or regulated market will be valued at the last available closing or settlement price or quotation, prior to the time of valuation, on the exchange or regulated market where the instruments are primarily quoted, listed or traded. Where instruments are quoted, listed or traded on more than one exchange or regulated market, the AIFM will determine on which exchange or regulated market the instruments are primarily quoted, listed or traded and the closing or settlement prices or quotations on such exchange or regulated market will be used for the purpose of their valuation. Financial derivative instruments for which closing or settlement prices or quotations are not available or representative will be valued at their probable realisation value estimated with care and in good faith by the AIFM using any valuation method approved by the AIFM.

5) Financial derivative instruments which are traded "over-the-counter" (OTC) will be valued daily at their fair market value, on the basis of valuations provided by the counterparty which will be approved or verified on a regular basis independently from the counterparty. Alternatively, OTC financial derivative instruments may be valued on the basis of independent pricing services or valuation models approved by the AIFM which follow international best practice and valuation principles. Any such valuation will be reconciled to the counterparty valuation on a regular basis independently from the counterparty, and significant differences will be promptly investigated and explained.

6) Notwithstanding paragraph 2) above, shares or units in target investment funds will be valued at their latest available official net asset value, as reported or provided by or on behalf of the investment fund or at their latest available unofficial or estimated net asset value if more recent than the latest available official net asset value, provided that the AIFM is satisfied of the reliability of such unofficial net asset value. The Net Asset Value calculated on the basis of unofficial net asset values of the target investment fund may differ from the Net Asset Value which would have been calculated, on the same Valuation Day, on the basis of the official net asset value of the target investment fund. Alternatively, shares or units in target investment funds which are quoted, listed or traded on an exchange or regulated market may be valued in accordance with the provisions of paragraph 2) above.

7) The value of any other asset not specifically referenced above will be the probable realization value estimated with care and in good faith by the AIFM using any valuation method approved by the AIFM.

The fair value hierarchy has the following levels:
- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

Note 3 - Financial risks (continued)

3.3 Fair value estimation (continued)

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

As at 31 December 2022, financial assets at FVTPL are composed of Investments in other Funds (also called Investee Funds).

The following table analyses within the fair value hierarchy the Fund's assets and liabilities measured at fair value at 31 December 2022:

Financial assets at FVTPL	Level 1	Level 2	Level 3	Total balance	% of Financial assets at FVTPL
Private Equity and Venture Capital Funds	-	-	5,835,927	5,835,927	100%
Total financial assets at FVTPL	**-**	**-**	**5,835,927**	**5,835,927**	**100%**

The following table presents the movement in level 3 instruments for the year ended 31 December 2022 by class of financial instrument.

	Private Company Equity securities	Total
Opening balance	-	-
Purchases	6,002,397	6,002,397
Net gains/(losses) recognised in other net changes in fair value on	(166,470)	(166,470)
financial assets and financial liabilities at FVTPL	-	-
Closing balance	**5,835,927**	**5,835,927**

The Investee Funds classified in Level 3 were fair valued using the net asset value of the Investee Fund, as reported by the respective Investee Fund's administrator. For these Investee Funds, management believes the Fund could have redeemed its investment at the net asset value per share at the statement of financial position date. The Investee Funds' valuations are reported by the GPs on a quarterly basis and once a year such valuations are independently audited.

No transfers between levels of the fair value hierarchy have occurred during the reporting period.

Note 4 - Financial assets and liabilities at fair value through profit or loss

	As of 31 December 2022 EUR
Financial assets at fair value through profit or loss	
Equity instruments	
Unlisted Investment funds	5,835,927
Total financial assets at fair value through profit or loss	**5,835,927**

Net changes in fair value of financial assets and liabilities through profit or loss	**For the period ended as of 31 December 2022 EUR**
Realised	
- Equity instruments	(19,565)
Unrealised	
- Equity instruments	(166,470)
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	**(186,035)**

Note 5 - Critical accounting estimates and judgments

5.1 Critical accounting estimates and assumptions

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined below.

The assets and liabilities of the Fund will be valued in accordance with the AIFM's valuation policy and the provisions outlined below.

Specific details on the method of valuation of the assets and liabilities of the Fund are set out in the AIFM's valuation policy and include the following:
- details of the competence and independence of the personnel who are effectively carrying out the valuation of assets;
- the specific investment strategies of the Fund;
- the controls over the selection of valuation inputs and the assets that the Fund might invest in;
- the escalation channels for resolving differences in values for assets;
- the valuation of any adjustments related to the size and liquidity of positions, or to changes in the market conditions, as appropriate;
- the appropriate time for closing the books for valuation purposes; and
- the appropriate frequency for valuing assets.

Note 5 - Critical accounting estimates and judgments (continued)

5.1 Critical accounting estimates and assumptions (continued)

The AIFM may apply, in good faith and in accordance with generally accepted valuation principles and procedures, other valuation principles or alternative methods of valuation that it considers appropriate in order to determine the probable realization value of any asset if applying the rules described below appears inappropriate or impracticable.

The AIFM may adjust the value of any asset if the AIFM determines that such adjustment is required to reflect its fair value taking into account its denomination, maturity, liquidity, applicable or anticipated interest rates or dividend distributions or any other relevant considerations. The carrying values of the Investee Funds may be materially different to the values ultimately realized on redemption.

5.2 Critical judgements

Functional currency

The Board of Directors considers the EUR the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The EUR is the currency in which the Fund measures its performance and reports its results, as well as the currency in which it receives subscriptions from its investors. This determination also considers the competitive environment in which the Fund is compared to other European investment products.

Note 6 - Distribution payable

No distribution has been made during the financial period.

Note 7 - Related-party transactions

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

(a) Management fee

	2022
The AIFM received during the period from 19 of August to 31st of December 2022 equal to:	10,485

(b) Board of Directors' remuneration

The total remuneration paid to directors in 2022 was EUR 27,740 and consisted of only fixed directors' fees.

Note 8 - Other operating expenses

	For the period from 19 August 2022 to 31 December 2022
Audit fees current year	25,000
CSSF fees	4,400
Legal fees	2,367
Other fees	20,268
Total	**52,035**

Note 9 - Accrued expenses

	31 December 2022
Portfolio management fee payable	294
Other payables	397,357
Total	**397,651**

Note 10 - Equity

Historical Data	**ISIN**	**31 December 2022**
Class D-acc	LU2461279213	
Total net assets in EUR		24,434,398
Shares outstanding		250,000
NAV per share		97.74
Class seeding-acc	LU2461279726	
Total net assets in EUR		525,947
Shares outstanding		5,360
NAV per share		98.12
Class CHF seeding-acc	LU2519446871	
Total net assets in CHF		250,867
Shares outstanding		2,540
NAV per share		98.76
Class USD seeding-acc	LU2519447333	
Total net assets in USD		711,954
Shares outstanding		7,000
NAV per share		101.71

Each Share entitles the shareholder to one vote at all general meetings of shareholders of the Fund and at all meetings of the Share Class concerned.

Shares are each entitled to participate in the net assets allocated to the relevant Share Class in accordance with their terms. Shares will be issued on each Subscription Day immediately after the time of valuation and entitled to participate in the net assets of the Fund or Share Class as of that point. Shares will be redeemed on each Redemption Day at the time of valuation and entitled to participate in the net assets of the Fund or Share Class until and including that point.

Note 11 - Significant Events

In 2022, EUR Million 6.4 of commitment have signed, out of which EUR Million 0.6 is uncalled as at 31 December 2022.

Note 12 - Subsequent Events

The Management of the Fund has determined that there are no material subsequent events that could have affected either the financial situation as at 31 December 2022 or the Going Concern assumption.

Appendix 1 – Remuneration Policy of the AIFM (unaudited)

Private Equity (Lux) Evergreen Secondary Fund (the "AIF" or the "Fund"), qualifying as an Alternative Investment Fund (AIF) within the meaning of Article 1(39) of the Luxembourg Act of 12 July 2013 (the AIFM Act) implementing Directive 2011/61/EU on alternative investment fund managers (AIFMs) (the AIFM Directive) which is externally managed by UBS Fund Management (Luxembourg) S.A. (the AIFM), a subsidiary of UBS AG.

The Board of Directors of UBS Fund Management (Luxembourg) S.A. (the "AIFM") has adopted a remuneration framework (the "Framework") whose objectives are:

on one hand; to ensure that the remuneration framework is in line with the applicable laws and regulations, and more specifically with provisions defined under

(i) the Luxembourg Law of 17 December 2010 on Undertakings for Collective Investment in Transferable Securities as amended from time to time (the "UCITS Law") transposing the UCITS Directive 2009/65/EC (the "UCITS Directive") as amended by Directive 2014/91/EU (the "UCITS V Directive");
(ii) the Alternative Investment Fund Managers Directive ("AIFMD") 2011/61/EU, transposed into the Luxembourg AIFM Law dated from 12 July 2013, as amended from time to time;
(iii) the ESMA's guidelines on sound remuneration policies under the UCITS Directive - ESMA/2016/575 and ESMA's guidelines on sound remuneration policies under the AIFMD - ESMA/2016/579 both published on 14 October 2016;
(iv) the CSSF Circular 10/437 on Guidelines concerning the remuneration policies in the financial sector issued on 1 February 2010;
(v) the Directive 2014/65/EU on markets in financial instruments (MiFID II);
(vi) the Commission Delegated Regulation 2017/565/EC of 25 April 2016 supplementing Directive 2014/65/EU (MiFID II Level 2);
(vii) Regulation (EU) 2019/2088 of the European parliament and of the council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("SFDR"); and
(viii) the CSSF Circular 14/585, transposing the ESMA Guidelines 2013/606 on remuneration policies and practices (MiFID ESMA Guidelines).

and on the other hand, to comply with the UBS Group AG (the "UBS Group") Total Reward Principles.

The Framework is meant not to encourage excessive risk taking, to contain measures to avoid conflicts of interest, to be consistent with, and promote, sound and effective risk management, including sustainability risk where applicable, and to be consistent with the UBS Group business strategy, objectives and values.

More details about the Framework of the AIFM, which describes, but not limited to, how remuneration and benefits are determined, are available at

https://www.ubs.com/global/en/asset-management/investment-capabilities/white-labelling- solutions/fund-management-company-services/fml-procedures.html

The Framework is subject to an annual review by the control functions of the AIFM after review and update by the Human Resources department; and is approved by the Board of Directors of the AIFM. Last approval by the Board of Directors took place on 23 September 2022. The changes made to the Framework relate to the extension of the AIFM license to cover non-core services investment advice and reception and transmission of orders in relation to financial instruments.

Appendix 1 – Remuneration Policy of the AIFM (unaudited) (continued)

Application of the requirements and remuneration disclosure

In accordance with the Article 151 of the UCITS Law and Article 20 of the AIFM Law, the AIFM is required to disclose at least annually certain information concerning its remuneration framework and the practices for its Identified Staff.

The AIFM complies with the UCITS Directive/AIFMD principles in a way and to the extent that is appropriate to its size, internal organisation and the nature, scope and complexity of its activities.

Considering the total size of funds under management, both UCITS and AIFs although a significant portion is not complex or risky investment, the AIFM judges that the proportionality principle may not be applicable at the level of the company but at the level of the Identified Staff.

By application of the proportionality principle for the Identified Staff, the following requirements on pay-out processes for Identified Staff are not applied:

- The payment of variable remuneration in instruments related mainly to the funds in relation to which they perform their activities;
- Deferral requirements;
- Retention periods;
- Incorporation of ex-post risk factors (i.e. malus or clawback arrangements).

The deferral requirements remain however applicable when the employee's total annual compensation is exceeding the threshold defined under the UBS Group Compensation Framework; the variable compensation will be treated in line with the plan rules defined under the UBS Group Compensation Framework.

Remuneration of AIFM staff

The aggregate amounts of total remuneration, split into fixed and variable, paid by the AIFM to its staff and its Identified Staff during the financial year ended as at 31 December 2022 are as follows:

EUR 1000	Fixed remuneration	Variable remuneration	Total remuneration	No of beneficiaries
All staff	10,669	1,787	12,456	100
- whereof Identified Staff	4,644	985	5,629	33
- thereof Senior Management*	2,341	714	3,055	11
- thereof Other Identified Staff	2,303	271	2,574	22

*Senior Management includes the CEO, the Conducting Officers, the Head of Compliance and the Independent Director.

Appendix 1 – Remuneration Policy of the AIFM (unaudited) (continued)

Remuneration of delegates staff

As market or regulatory practice develops UBS Asset Management may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other UBS fund disclosures in that same year.

For the year ending 31 December 2022, the aggregate total remuneration paid by the delegated Investment Manager to its Identified Staff in relation to the Fund amounted to EUR 16,588 of which EUR 9,881 represented the variable remuneration (10 beneficiaries)

Appendix 2 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

Article 6:

The investments underlying this Fund do not take into account the EU criteria for environmentally sustainable economic activities (Art. 7 Taxonomy).

Consideration of sustainability risks are not integrated due to the investment strategy and the nature of the underlying investments (SFDR Art. 6). Sustainability risks are not currently expected to have a material impact on achieving the return objectives of the Fund.

The Fund does not consider principal adverse impacts on sustainability factors due to its investment strategy and the nature of the underlying investments (SFDR Art. 7).

Appendix 3 – Leverage (unaudited)

Private Equity (Lux) Evergreen Secondary Fund has no leverage.

In line with the Law of 12 July 2013 and required leverage disclosure to investors, below are leverage levels for the year ended 31 December 2022.

Commitment Method: 100.58%

Gross Method: 22.52%

Private Equity (Lux) Evergreen Secondary Fund doesn't have any derivatives, hedging exposures, leverage from reinvestment of collateral and borrowings for the year ended 31 December 2022.