

**FAAA**

Fair Oaks AAA CLO Fund - UCITS ETF EUR Dist.

Marketing communication for Institutional and Informed Investors only | March 2025

The Fair Oaks AAA CLO Fund ("FAAA") provides exposure to European AAA-rated CLO notes on a long-only, liquid basis. The Fund is not benchmarked against an index

AAA CLOs investment opportunity

0%Historical defaults since first CLO issued¹**<0.25 yrs**

Interest rate duration

E+1.2%+72 bps spread pick-up to AA corporates²

	AAA CLO primary	German 2Y Bund	AAA Sr banks	AA corporate bonds	BBB corporate bonds
EUR spread ² (Euribor + %)	+1.2%	-0.1%	+0.4%	+0.5%	+0.8%
10-year global defaults ¹ (cumulative, %)	0%	0%*	N/A	0.7%	2.9%

* Post 1958

100%Floating rate AAA CLOs³**€74 million**Fund AUM⁴**4.1% €**Gross current yield⁵

European fund

- EUR / GBP currencies
- UCITS
- Article 8 SFDR⁶
- Risk-retention compliant

FAAA: Europe's first CLO ETF

- **Access:** FAAA offers European investors access to a high-quality portfolio of exclusively AAA-rated CLOs. The ETF is UCITS compliant, offered in multiple currencies, Article 8 SFDR classified⁶ and risk-retention compliant
- **Attractive returns:** AAA CLOs can offer a spread pick-up to other fixed income products²
- **Defensive strategy:** No AAA CLO has ever defaulted.¹ Supported by minimal interest duration, structural resilience and a large investor base of AAA CLO notes
- **Actively managed:** Repeatable and fundamental approach to CLO investing has been applied since 2016 when Fair Oaks launched the industry's first global CLO UCITS fund
- **Experienced team:** Managed by a team of six investment professionals with extensive experience investing in CLOs, led by Miguel Ramos Fuentenebro and Roger Coyle, co-founders and partners of the firm, and supported by wider Fair Oaks credit team
- **Transparency:** ETF holdings are regularly published with a full portfolio breakdown
- **Efficiency and liquidity:** CLO ETFs can provide diversification to fixed income portfolios without taking illiquidity risk

Capital is at risk. The value of your investment may go down as well as up and you may not get back the amount you invested. Investors should read the key risks section and disclaimer section of this document, KIID and Prospectus prior to investing.

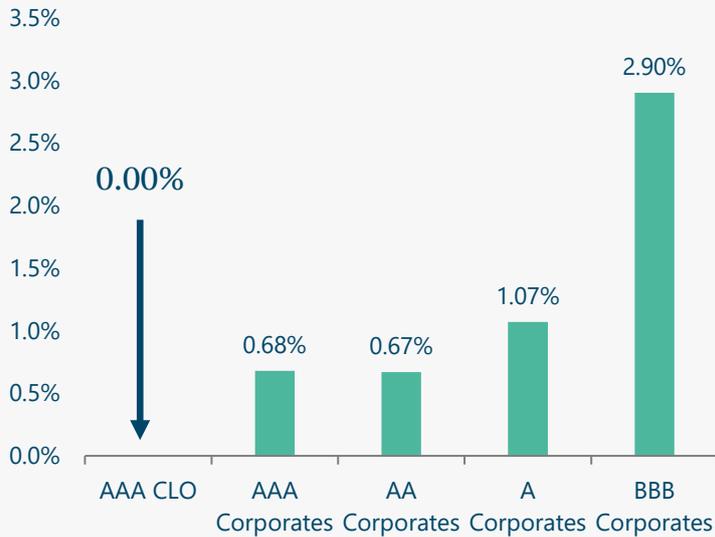
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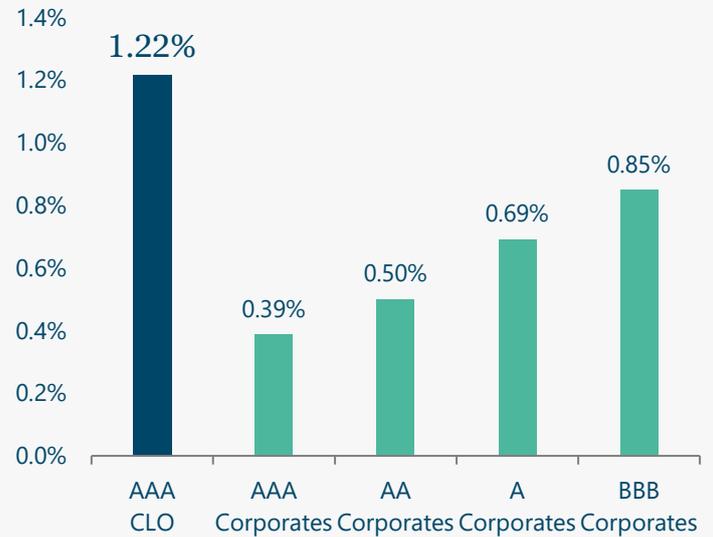
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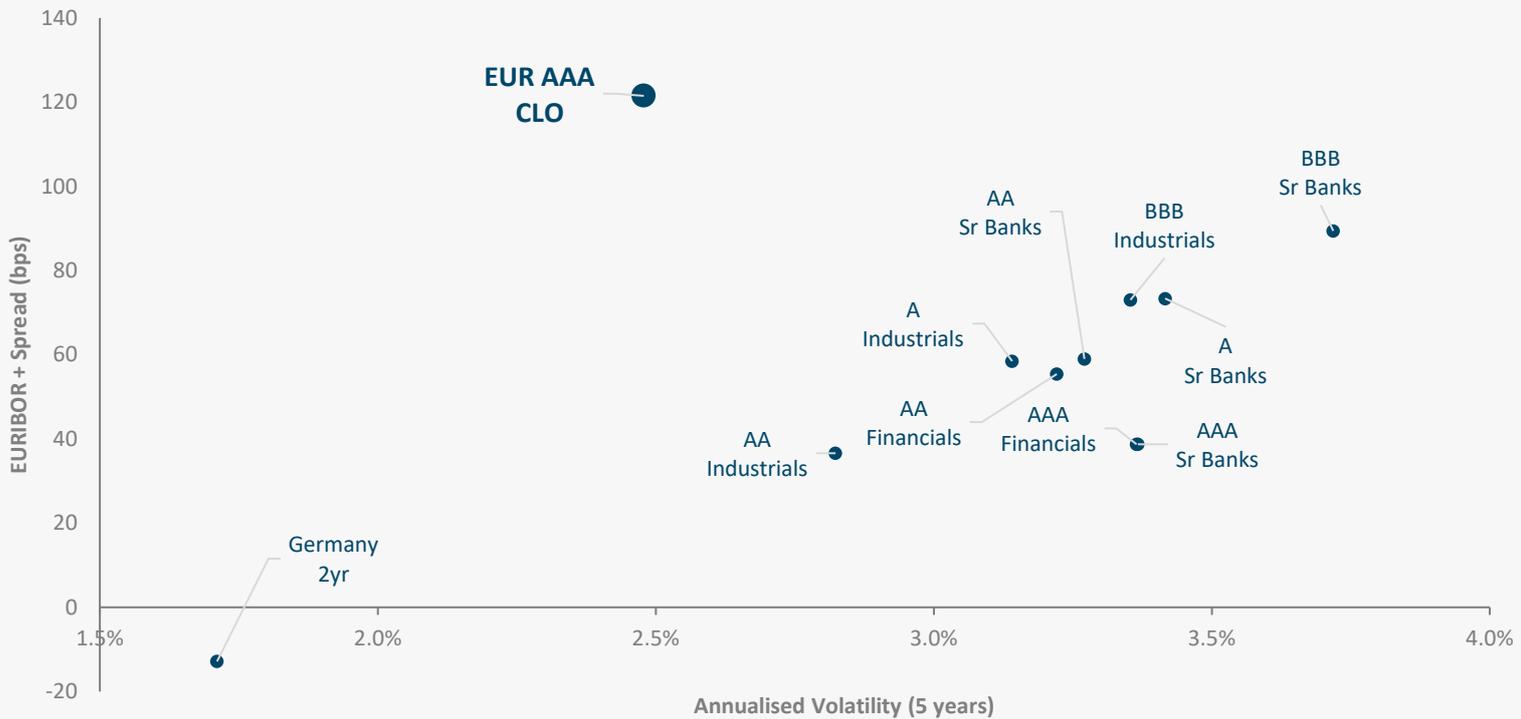
Global CLO defaults vs corporates¹



EUR CLO spreads vs corporates²



European fixed-income return profile comparison⁷



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Footnotes

- 1) S&P's, "Default, Transition, and Recovery: 2023 Annual Global Leveraged Loan CLO Default And Rating Transition Study", cumulative 10-year default rates, 27-Jun-24. S&P's "Default, Transition, and Recovery: 2023 Annual Global Corporate Default And Rating Transition Study", cumulative 10-year default rates, 28-Mar-24.
- 2) JP Morgan as at 28-Feb-25. Primary Euro CLO AAA spread, Corporate (includes Industrials and Financials) AAA to BBB 3-5 year maturity asset swap spread, Sovereign 2Y Proceeds Asset Swap.
- 3) Fair Oaks Capital as at 28-Feb-25. Excludes cash and cash-equivalents.
- 4) Fair Oaks Capital as at 28-Feb-25. Fund level AUM includes all non-ETF and ETF classes.
- 5) Fair Oaks Capital as at 28-Feb-25. Based on the net asset value of CLO holdings. This analysis excludes cash, cash-equivalents and recent primary transactions. Before Fund fees, expenses and currency hedging. In addition to TER, investors in ETF class will be charged a subscription tax (Taxe d'Abonnement) and portfolio transaction costs. There is no guarantee that the yield stated will be achieved.
- 6) The Fund promotes environmental or social characteristics and is subject to enhanced sustainability disclosures within the meaning of Article 8 of the Regulation (EU) 2019/2088 on Sustainability-related disclosures in the financial sector. The Investment Manager sources environmental and social scores from a reputable third-party evaluation service, for the issuers of corporate loans held by the CLOs in which the Fund invests or considers investing. The Fund has weighted average environmental and social scores which are each above the average for the corporate loan market.
- 7) JP Morgan and Fair Oaks Capital as at 28-Feb-25. Spreads: Primary Euro CLO AAA spread, Corporate AAA to BBB 3-5 year maturity asset swap spread, Sovereign 2Y proceeds asset swap. Volatility: Euro CLOIE AAA Index return, Corporate (includes Industrials and Financials) and Senior bank AAA to BBB 3-5 year index level. Sovereign 2Y total return calculated using mid yield and average duration over the period.

Glossary

Collateralised Loan Obligation (CLO): Securities backed by corporate debt assets. Both CLO securities and underlying assets are typically floating-rate, meaning a regular but variable interest payment is received as it is tied to a benchmark rate (typically EURIBOR in Europe and SOFR in the US). CLO securities are issued in multiple classes ranging from rated debt notes (typically AAA to BB/single-B) to first-loss equity notes. The principal and interest received from CLO's assets is allocated sequentially between the classes. The payment of interest and principal to holders of CLO equity notes will only be made from the cash flows received on the CLO's assets after senior ranking classes and expenses of the CLO have been paid, starting from the most senior class outstanding. CLO debt is protected by loss-absorbing junior-ranking notes, while the equity note bears the first risk of default on the CLO's assets.

Sustainable Finance Disclosure Regulation (SFDR) classification: Article 8 indicates that the product promotes environmental or social characteristics.

Total Expense Ratio (TER): A measure of the total costs per annum associated with managing and operating the product. This primarily consists of management fees and operating expenses such as trustee, custody or registrations costs. Expressed as a percentage of assets under management.

Current yield: Weighted average current coupon of assets held by the portfolio divided by the weighted current market price of the portfolio. Expressed as a percentage. The coupon of a CLO is typically paid quarterly and is tied to a reference rate (typically EURIBOR in Europe and SOFR in the US). Expressed as a percentage.

Spread to maturity: The discount margin over the benchmark rate (typically EURIBOR in Europe and SOFR in the US) that equates the present value of the portfolio's cash flows with its market value, if all investments are held to their expected maturities. Expressed as an annual percentage.

Spread duration to maturity: Sensitivity of a bond's price to a change in credit spreads, modelled based on expected average life for the invested portfolio. Expressed in years.

Interest rate duration: A measure of the responsiveness of an investment's price to changes in interest rates. Expressed in years.

Total return: The change in value of an investment over a certain timeframe. It includes any net income (such as dividends) and change in capital value. Typically measured net of any fees. Expressed as a percentage change.

Undertakings for collective investment in transferable securities (UCITS): A European regulatory framework for open-ended funds investing in listed securities, authorised and monitored by a regulatory body (such as the Commission de Surveillance du Secteur Financier in Luxembourg or the Central Bank of Ireland in the Republic of Ireland).

Key investor information document (KIID): A short, two-page, document containing essential information about a fund, providing investors with an understanding of the key risks and helps them to make an informed investment decision.

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Key risks

The following risks may affect the Sub-Fund. Full details of all risks the Sub-Fund is exposed to are provided in the Prospectus and KIID.

CLO valuation: The value of a CLO may be affected by a number of factors, including: credit spreads, changes in the performance or the market's perception of the underlying assets backing the security and changes in the market's perception of the adequacy of credit support built into the security's structure to protect against losses.

CLO liquidity: The secondary market for CLOs may not be as liquid as the secondary market for corporate debt. As a result, the Investment Manager could find it more difficult to sell these investments or may be able to sell them only at prices lower than if they were more widely traded. It may be difficult to establish accurate prices for such investments for the purposes of calculating the Sub-fund's Net Asset Value. Therefore, prices realised upon the sale of such investments may be lower than the prices used in calculating the Sub-fund's Net Asset Value.

Dependence on Managers of CLOs: The performance of the Sub-fund's investments in CLOs will depend in part upon the performance and operational effectiveness of the managers of the CLOs.

Secondary Market Trading Risk: There is no guarantee that trading of ETF Shares on stock exchanges shall be possible including in, but not limited to, the following circumstances (i) such listing has not been achieved and/or maintained, (ii) the rules and requirements of any stock exchanges applicable to the listing of ETF Shares have changed or (iii) trading on such stock exchanges is suspended due to market conditions. Notwithstanding the listing of the ETF Shares on one or more stock exchange, there is no guarantee as to the liquidity of the ETF Shares on any stock exchange or as to the correlation of the trading price of ETF Shares on any stock exchange and the Net Asset Value for such ETF Share. On any given stock exchange, ETF Shares may trade at, above or below their Net Asset Value and such trading price may fluctuate in accordance with changes in the daily Net Asset Value, intraday changes in the Net Asset Value and market supply and demand for ETF Shares.

Disclaimer

IMPORTANT INFORMATION

FOR INSTITUTIONAL AND INFORMED INVESTORS ONLY. THE FUND'S ETF SHARES MAY NOT BE OFFERED TO RETAIL INVESTORS WHO ARE BASIC INVESTORS, OR TO RETAIL INVESTORS ON AN EXECUTION ONLY BASIS, IN EACH CASE AS PRESCRIBED IN THE EUROPEAN MIFID TEMPLATE.

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Past performance is no indication of future results. Inherent in any investment is the potential for loss. Target returns and distributions are hypothetical targets only and are neither guarantees nor predictions or projections of future performance. There can be no assurance that such targeted returns will be achieved or that the product will be able to achieve its investment objective, policy or strategy or avoid substantial losses. Any decision to invest should be based on the information contained in the appropriate prospectus and after seeking independent investment, tax and legal advice. The content of this document does not constitute investment advice nor an offer for sale nor a solicitation of an offer to buy any product or make any investment.

The classes of ETF Shares (hereafter the "ETF Shares") referenced in this document are issued by Fair Oaks AAA CLO Fund (the "Sub-Fund"), a sub-fund of Alpha UCITS SICAV (the "Company"), a public limited liability company incorporated as an investment company with variable capital under the laws of Luxembourg and registered pursuant to part I of the act dated 17 December 2010 on undertakings for collective investment. This document should be read in conjunction with the prospectus, the relevant supplement and the Key Investor Information Document (KIID) relating to the Sub-Fund and its ETF Shares (together the "Offering Documents"). Any offer or subscription for ETF Shares may only be made on the basis of such Offering Documents. The indicative intra-day net asset value of the Sub-Fund is available at <https://www.solactive.com>

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Disclaimer (continued)

Investors may not create or redeem ETF Shares of the Sub-Fund directly with the Company. Only Authorised Participants may trade directly with the Sub-Fund. Investors must buy and sell ETF Shares on the secondary market, being those stock exchanges on which the ETF Shares trade, although certain investors may be able to create/redeem through Authorized Participants. Please refer to the Offering Documents for further details. There can be no guarantee that an active trading market for ETF Shares will develop or be maintained on such exchanges or that those exchange listings will be maintained.

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Information about investor rights is available here (in English only): <https://www.clo-etf.com/summary-of-investor-rights/>

ADDITIONAL INFORMATION

Notice to Swiss investors: The distribution of the Sub-Fund is restricted exclusively to qualified investors in accordance with art. 10 para. 3 of the Swiss Collective Investment Schemes Act. Performance results referring to a period of less than twelve months are no reliable indicator for future results due to the short comparison period. Issuance and redemption commissions are not included in the performance figures. The domicile of the Sub-Fund is Luxembourg. For interested parties, the Offering Documents, articles of association as well as the annual and semi-annual reports may be obtained free of charge from the Swiss representative and paying agent in Switzerland: RBC Investor Services Bank S.A., Esch-sur-Alzette, Zurich Branch, Bleicherweg 7, CH-8027 Zurich.

Notice to UK investors: The Fund is authorised overseas and not in the United Kingdom. The UK Financial Ombudsman Service is unlikely to consider complaints related to the Fund, its management company, or its custodian. Claims for losses related to the management company or custodian are unlikely to be covered under the UK Financial Services Compensation Scheme. Prospective investors should seek financial advice before investing and refer to the Fund's prospectus for more information.