



Fund summary

The Fair Oaks Dynamic Credit Fund (the "Fund") offers global access to senior secured corporate loans through investments in Collateralised Loan Obligations ("CLOs"). The Fund is actively managed, not in reference to any benchmark, with a strong emphasis on bottom-up fundamental credit analysis, and portfolio construction is undertaken without reference to any benchmark index; the Investment Manager has full discretion to deviate completely from all indices. The Fund primarily seeks exposure to investment-grade rated CLO securities on a long-only basis and with no leverage used at fund level.

Commentary

The Fund generated a net return of +0.63% in July,¹ The JP Morgan European BBB Corporate Bond Index and the High Yield Index returned +0.52% and +1.14%, respectively.²

As of the end of July, the portfolio's current gross EUR yield stood at 5.9%, with an expected gross yield to maturity of 6.3%.³ This compares to yields to maturity of 3.0% for the JP Morgan European BBB Corporate Bond Index and 5.8% for the European High Yield Index.²

The trailing 12-month loan default rate remained unchanged at 1.1% in the US and 0.7% in Europe. The forward-looking distress ratio decreased from 5.1% to 4.8% in the US and remained unchanged at 3.2% in Europe.⁴ This contrasts with concerns about rising default risks in private credit markets.⁵

At the end of July, the US and European Union announced their anticipated trade agreement, providing clarity and stability to the markets. According to Fitch, tariffs on the EU will have the greatest impact on the chemical, automotive, and technology sectors, which together, in Q2 2025, represented approximately 13.0% of the European leveraged loan market.⁶ The Fund is well positioned to absorb any potential impact due to its diversified portfolio and underweight exposure of 7.8% to these sectors.⁷

Recent default data, along with emerging risks such as tariffs, reinforce a key theme we have frequently discussed with investors. Companies have taken an opportunistic approach to leverage demand across credit markets. This includes broadly syndicated loans and private credit with a potential transfer of risk to the latter - where significant investor demand is coupled with a requirement for higher yields. By contrast, the CLO arbitrage continues to rely primarily on the funding margin between loans and CLO liabilities, which does not create an incentive to add riskier or lower-rated loans to CLO portfolios.

The European CLO market delivered a busy start to the second half of the year, pushing gross CLO issuance to record volumes of €39bn year-to-date compared to €30bn in July 2024.⁸ CLO ETFs, including mezzanine ETFs, witnessed an inflow of \$2.2bn in July, pushing total AUM to a new global record of \$34bn.⁹

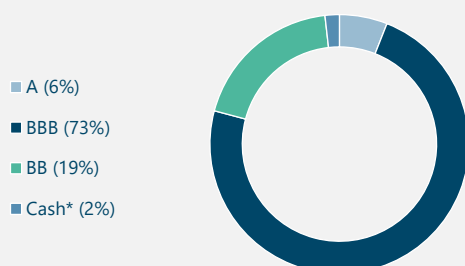
While activity is expected to undergo its usual slowdown in August, the CLO pipeline remains meaningful. Amid robust issuance volumes, Fair Oaks continued to use the primary market to enhance portfolio quality. Our preference for EUR investments continued (European CLOs continue to offer better relative value: primary EUR BBBs and BBs currently pricing at E+318bps and E+560bps, respectively, compared to S+288bps and S+508bps for US CLOs).¹⁰

Top 5 positions¹⁵

DEAL NAME	RATING	CLO MANAGER	% OF NAV
ARINI 2A D	BBB	Arini	2.2%
VOYE 8X D	BBB	Voya	2.1%
BRGPT 8X D	BBB	Bridgepoint	1.9%
SNDPE 15X D	BBB	Sound Point	1.7%
NEUBE 2021-2X D	BBB	Neuberger Berman	1.7%

TOTAL NUMBER OF ISSUERS IN THE PORTFOLIO:	864
LARGEST LOAN ISSUER (% MARKET VALUE):	0.87%

Portfolio rating breakdown^{15,16}



*Cash and cash equivalents.

Please refer to the footnotes and disclaimer section of this document. Past performance is no indication of future results. Inherent in any investment is the potential for loss. Class M is the initial share class of the Fund with the longest track record, but is no longer available for new investment.

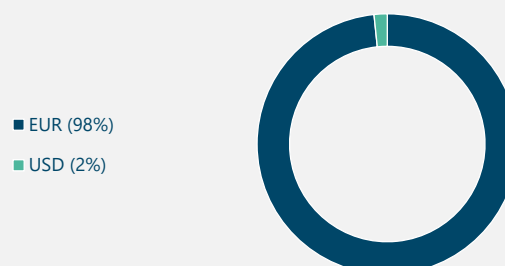
Fund facts

Data as of 31-Jul-25	
Legal structure	Luxembourg SICAV-Alpha UCITS SICAV
Domicile	Luxembourg
Launch date	13-Sep-16
Fund size	€537.4m
Dealing	Daily
Valuations	Daily dealing NAVs
Target gross return ^{11,12}	Euribor + 5% p.a. (see share class KIIDS for TER details)
Base currency	EUR
SFDR classification ¹³	Article 8
Investment manager	Fair Oaks Capital Limited ("Fair Oaks")
Management company ¹⁴	Waystone Management Company S.A.
Administrator / custodian	CACEIS Bank, Luxembourg branch
Auditor	Deloitte Audit Sàrl

Portfolio metrics

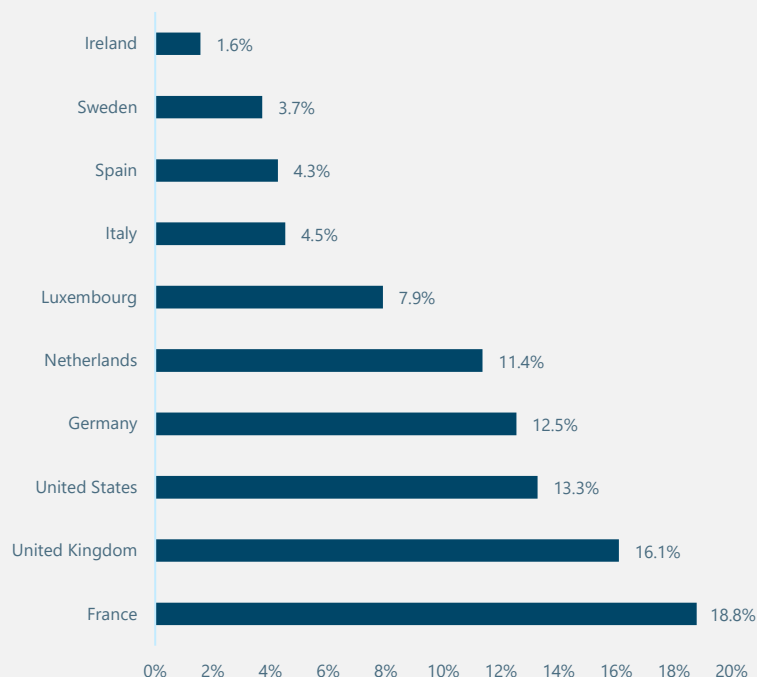
Number of positions:	122
Floating rate:	100%
Current yield ¹⁷ :	5.9%
Yield to maturity ¹⁸ :	6.3% (5.7 year duration)

Portfolio currency breakdown^{15,16}

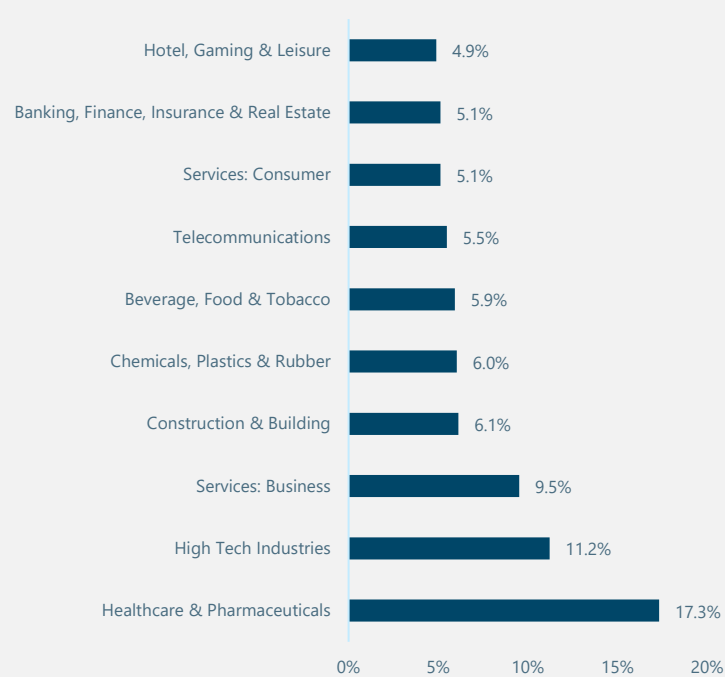




Look-through geographic breakdown (top 10)¹⁹



Look-through industry diversification (top 10)^{19,20}



Monthly performance²¹



TRAILING PERIODS							ANNUALISED	
	1M	3M	6M	YTD	1Y		3Y	5Y
Class M EUR	+0.63%	+3.64%	+2.94%	+3.93%	+7.23%		11.83%	6.81%

CALENDAR PERIODS	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 (YTD)
Class M EUR	+0.25%	+5.89%	-2.46%	+5.17%	+0.53%	+3.63%	-9.31%	+16.35%	+13.56%	+3.93%



Share class performance²²

SHARE CLASS	LAUNCH DATE	ISIN	BLOOMBERG TICKER	DIST POLICY	MINIMUM AMOUNT (Local)	AVAIL-ABILITY	NAV (31-Jul-25)	PERFORMANCE				
								1M	YTD	1Y	3Y (Ann)	5Y (Ann)
Class A CHF	Feb-20	LU1344615353	FODCFAC	Acc.	1,000,000	Yes	1,127.21	+0.34%	+1.89%	+3.51%	+8.32%	+4.41%
Class A EUR	Aug-17	LU1344614893	FODCFAE	Acc.	1,000,000	Yes	1,275.40	+0.54%	+3.37%	+6.24%	+10.76%	+5.90%
Class A GBP	Dec-17	LU1344615270	FODCFAG	Acc.	500,000	Yes	1,343.37	+0.70%	+4.23%	+7.74%	+12.32%	+7.10%
Class A USD	Aug-19	LU1344615197	FODCFAU	Acc.	1,000,000	Yes	1,382.20	+0.76%	+4.52%	+8.09%	+13.18%	+7.65%
Class A2 EUR	Nov-23	LU1758468752	FODCA2E	Dist.	1,000,000	Yes	1,094.60	+0.54%	+3.22%	+6.10%	-	-
Class A2 GBP	Nov-23	LU1758468919	FODCA2G	Dist.	500,000	Yes	1,098.99	+0.73%	+4.86%	+8.29%	-	-
Class D ILS	May-17	LU1577731786	FODCFDS	Acc.	150,000	Yes	6,364.74	+0.68%	+3.61%	+6.21%	+10.49%	+5.61%
Class E EUR	Sep-16	LU1344621674	FODCFEE	Acc.	1,000,000	Yes*	1,373.74	+0.60%	+3.75%	+6.90%	+11.48%	+6.48%
Class E USD	Sep-16	LU1344621757	FODCFEU	Acc.	1,000,000	Yes*	1,612.63	+0.82%	+4.86%	+8.69%	+13.48%	+7.99%
Class E2 GBP	Jun-17	LU1628743905	FODCE2G	Dist.	500,000	Yes*	1,028.98	+0.80%	+4.91%	+8.57%	+12.18%	+6.87%
Class K EUR	Apr-24	LU2605922207	FODCKEU	Acc.	10,000,000	Yes	1,094.16	+0.57%	+3.48%	+6.42%	-	-
Class L EUR	Nov-18	LU1344622219	FODCFLE	Acc.	30,000,000	Yes	1,273.04	+0.58%	+3.60%	+6.63%	+11.20%	+6.21%
Class L2 GBP	Sep-17	LU1683328667	FODCL2G	Dist.	25,000,000	Yes	1,024.41	+0.78%	+4.75%	+8.31%	+12.00%	+6.69%
Class M EUR	Oct-16	LU1344623373	FODCFME	Acc.	10,000,000	n.a.	1,412.68	+0.63%	+3.93%	+7.23%	+11.83%	+6.81%
Class N EUR	Dec-16	LU1539542248	FODCFNE	Dist.	1,000,000	Yes*	955.33	+0.60%	+3.66%	+6.71%	+10.68%	+5.78%
Class O EUR	Mar-17	LU1570265261	FODCFOE	Dist.	30,000,000	Yes*	962.56	+0.57%	+3.59%	+6.62%	+10.68%	+5.67%
Class Q SEK	Oct-18	LU1886619987	FODCFQS	Acc.	1,000,000,000	Yes	12,662.68	+0.60%	+3.39%	+6.13%	+11.06%	+6.26%
Class Q EUR	Nov-18	LU1902638607	FODCFQE	Acc.	100,000,000	Yes	1,069.01	+0.59%	+3.63%	-	-	-
Class S EUR	Sep-19	LU1892528388	FODCFSE	Acc.	100,000	Yes	1,258.43	+0.58%	+3.58%	+6.59%	+11.16%	+6.18%
Class S USD	Dec-19	LU1892528461	FODCFSU	Acc.	100,000	Yes	1,379.19	+0.79%	+4.71%	+8.40%	+13.19%	+7.73%
Class XL EUR	Jul-25	LU3035753162	FODCXLE	Acc.	100,000,000	Yes	-	-	-	-	-	-

*Available only to existing investors in the share class.

Registered regions

One or more share classes of the sub-fund are available in the following regions:

Austria	Ireland	Norway	Switzerland
Denmark	Italy	Portugal	United Kingdom
Finland	Luxembourg	Singapore	
France	Malta	Spain	
Germany	Netherlands	Sweden	

Footnotes

- 1) Fair Oaks Capital data. Performance is of M EUR and is net of fees. The M Share Class is the earliest share class with the longest track record (M GBP shares launched Sep-16 and M EUR shares launched in Oct-16) and is no longer available for new investment.
- 2) JP Morgan as at 31-Jul-25. European Corporates BBB 3-5 maturity Index, Euro High Yield Index.
- 3) Fair Oaks Capital data as at 31-Jul-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.
- 4) Pitchbook LCD as at 31-Jul-25. Default rate by principal value. Distress ratio by issuer count.

Please refer to the footnotes and disclaimer section of this document. Past performance is no indication of future results. Inherent in any investment is the potential for loss. Class M is the initial share class of the Fund with the longest track record, but is no longer available for new investment.

Date of creation: **Aug-25**
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Footnotes (continued)

- 5) Pitchbook LCD, "[Private credit faces 'alarming surge' in selective defaults – S&P](#)", 05-Aug-25.
- 6) Fitch Ratings as at 16-May-25.
- 7) Intex and Fair Oaks Capital data as at 31-Jul-25. Based on Fitch Industries.
- 8) Pitchbook LCD as at 31-Jul-25. CLO databank.
- 9) Bank of America, "CLO Weekly", 01-Aug-25.
- 10) JP Morgan, Bloomberg, Palmer Square and Fair Oaks Capital data as at 04-Aug-25.
- 11) Target gross return is before Fund expenses and management fees. Share class KIIDs including TERs are available on Management Company's Waystone website (<https://www.waystone.com/our-funds/waystone-managed-funds/>).
- 12) The Fund is not managed in reference to any benchmark. The Euribor reference is solely included as a metric to reflect the current yield.
- 13) 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.
- 14) The management company, Waystone Management Company S.A., has the right to terminate the Fund's marketing arrangements upon notice or in certain other limited circumstances.
- 15) Based on the current valuation of the assets in the Fund's base currency and current rating at month-end.
- 16) Due to rounding errors, the percentages may not sum to 100%. Currency breakdown of CLO investments excludes cash balance.
- 17) Fair Oaks' data. Based on the market value of CLO holdings. This analysis excludes cash, cash-equivalents and recent primary transactions. Before Fund fees, expenses and currency hedging.
- 18) Intex. Yield and modified duration of portfolio to expected maturity, assuming a 20% loan prepayment rate. This analysis excludes cash, cash-equivalents and recent primary transactions. Before Fund fees, expenses and currency hedging.
- 19) Intex. Based on the par value of loans to issuers in the underlying bank loan portfolios. This analysis excludes recent purchases that have not settled in the reporting month.
- 20) Based on available Moody's classification of the loan issuers. This analysis excludes recent purchases that have not settled in the reporting month.
- 21) Fair Oaks' data. Performance is from the launch of M EUR and is net of fees. The M share class is the earliest share class with the longest track record (M GBP share class launched Sep-16 and M EUR share class launched in Oct-16) and are no longer available for new investment.
- 22) NAVs calculated net of fees. Performance information is not yet available for some share classes (Class XL EUR) as they do not have a full 12-month track record. Share classes R2 and S2 have not launched as of the reporting month.

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.

Disclaimer

CLASS S AND CLASS R SHARES ARE AVAILABLE TO RETAIL INVESTORS. ALL OTHER SHARE CLASSES AVAILABLE TO INSTITUTIONAL AND WELL-INFORMED INVESTORS. NO OTHER PERSONS SHOULD RELY ON THE INFORMATION CONTAINED WITHIN THIS DOCUMENT.

This document relates to the Fair Oaks Dynamic Credit Fund (the "Sub-Fund"), a sub-fund of Alpha UCITS SICAV. In making any investment in the Sub-Fund, investors should rely solely on the prospectus ("Prospectus"), the relevant supplement ("Special Section") and the Key Investor Information Document ("KIID") (together the "Offering Documents") and not any information set out in this document. The distribution of this document in jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document may come should inform themselves about and observe any such restrictions. In particular this document is not for distribution in or into the United States or Canada.

Copies of the Prospectus, the Special Section and information about investor rights (which are each only available in English) may be obtained at: <https://fairoakscap.com/>. Copies of the KIIDs (which are available both in English and the languages of each EU country in which the Sub-Fund has been passported) may be obtained from Waystone Management Company S.A (the "Management Company") at: <https://www.waystone.com/our-funds/waystone-managed-funds/>

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Signatory of:





Disclaimer (continued)

Important Risk Disclaimers: Past performance is no indication of future results. Inherent in any investment is the potential for loss. Returns may increase or decrease as a result of currency fluctuations. 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 Sub-Fund will be able to implement its investment strategy, achieve its investment objective or avoid substantial losses. Classes of shares that are denominated in a currency other than the base currency of the Sub-Fund may engage in currency hedging at a share class level. All costs and gains/losses incurred from such hedging transactions will be borne by the relevant class of shares. Further details of currency hedging are contained in the Offering Documents.

Aside from the Class Q shares of the Sub-Fund which are not available for investment, no subscription fee, redemption fee or other commission is charged by the Sub-Fund with respect to a subscription or redemption of Shares. In exceptional circumstances a Dilution Levy (which may vary on a class-by-class basis) may be charged on the subscription, redemption or conversion of Shares as more particularly described in the Offering Documents and which could impact any stated performance returns of forward-looking statements.

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ESG Disclaimer: Fair Oaks Capital's investment process routinely integrates environmental, social, and governance factors into all investment decisions, ensuring that sustainability characteristics are considered in alignment with Article 8 and the firms responsible investing guidelines. Please visit our website for further information: <https://fairoakscap.com/corporate-responsibility/>. For further information regarding certification, please visit: <https://www.unpri.org/signatory-directory/fair-oaks-capital/2208.article>.

This document has been communicated by Fair Oaks Capital Limited, 1 Old Queen Street, London SW1H 9JA, authorised and regulated in the UK by the Financial Conduct Authority, FRN: 604090.

ADDITIONAL INFORMATION

Notice to EU Investors: Gestion Fondo Endowment, Agencia De Valores, S.A., an entity authorised and regulated by the Spanish Comisión Nacional del Mercado de Valores, has been appointed to market the Sub-Fund in various European member states. As a MIFID registered and passported firm, Gestion Fondo Endowment, Agencia De Valores, S.A. is authorised to provide investment services in those European member states and in each case is registered as such with the relevant local regulator.

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.

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