

Alegra CLO Opportunities Fund – Opportunity Fund 1

Annual report 31 December 2022

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Management and administration

Legal form	Collective Trust
Type	AIF for professional and private investors
Administrator	LLB Fund Services AG, Äulestrasse 80, Postfach 1238, 9490 Vaduz, Liechtenstein Telephone +423 236 94 00, Fax +423 236 94 06, E-mail fundservices@llb.li
Board of Directors	Natalie Flatz, President Dr. Stefan Rein, Vice President Dr. Thomas Vock, Member
Executive Board	Bruno Schranz, Chairman Patric Gysin, Member Silvio Keller, Member
Custodian	Liechtensteinische Landesbank AG, Städtle 44, Postfach 384, 9490 Vaduz, Liechtenstein Telephone +423 236 88 11, Fax +423 236 88 22, Internet www.llb.li , E-mail llb@llb.li
Auditor	Grant Thornton AG, Schaan
Asset Manager	Alegra Capital (Lie) AG, Vaduz
AIFM	LLB Fund Services AG, Vaduz
Sales Agent	LLB Fund Services AG, Vaduz

Publications / Information for investors

The organ of publication of the AIF is the website of the LAFV Liechtenstein Investment Fund Association (Liechtensteinischer Anlagefondsverband) www.lafv.li.

All communications to investors, including those relating to amendments of the Trust Agreement and of Appendix B shall be published in the organ of publication of the AIF.

Information about the current remuneration policy of the AIFM is published on the internet under www.llb.li. This includes a description of the calculation methods for remuneration and other benefits to certain categories of employees and the identity of the persons responsible for the allocation of the remuneration and other benefits. At the request of the Investor, the information shall also be made available to him by the AIFM free of charge in paper form.

The NAV as well as the issue and redemption price of the units of the AIF of each sub-fund shall be published on each valuation date in the organ of publication of the AIF.

The annual report audited by an auditor shall be made available to investors at the registered domicile of the AIFM and of the Custodian.

Valuation principles

The AIF assets shall be valued in accordance with the following principles:

1. Claims and debt instruments, in particular fixed deposits which are not listed on a stock exchange or regularly traded on another regulated market shall be valued at their nominal value or capital sum plus accrued interest. In the event of a payment default or a situation that could lead to a payment default, or in the event of the elimination or improvement in a situation of this nature, the AIFM shall decide on the basis of a well-founded application submitted by the Portfolio Manager whether and to what extent the adjustment of the valuation of claims or debt instruments is to be performed. The AIFM will continually assess this method of valuation and recommend changes, where necessary, to ensure that claims and debt instruments will be valued at their fair value as determined in good faith by the AIFM.
2. Securities that are officially listed on a stock exchange shall be valued in accordance with the most recent available price. If a security is listed on several stock exchanges, then the most recent available price of the respective stock exchange that represents the principal market for this security shall be relevant;
3. Securities that are not officially listed on a stock exchange, but that are traded on a market that is open to the public, shall be valued in accordance with the most recent available price;
4. Subject to the precondition described in the Trust Agreement, securities or money market instruments may be valued using the depreciation method;
5. Investments whose price is not market compliant and those assets that are not covered by Fig. 1, Fig. 3 and Fig. 4 above shall be valued at the price that they would probably achieve if sold in good faith at the time of the valuation, which shall be determined in good faith by the management of the AIFM or under its direction or supervision by authorised representatives;
6. OTC derivatives shall be valued on a daily basis, using verifiable valuation principles to be stipulated by the AIFM, at the price that they would probably achieve if sold in good faith at the time of the valuation, which shall be determined in good faith by the AIFM or under its direction or supervision by authorised representatives;
7. AIFs or other undertakings for collective investment (UCI) shall be valued at the most recently ascertained and available redemption price; If the redemption of units has been suspended, or if no redemption price can be ascertained, then these units shall be valued like all other assets at the respective market price, which shall be determined by the AIFM in good faith using generally accepted valuation models that are verifiable by auditors;
8. If no trading price is available for the respective assets, then these assets shall be valued like all other assets legally permissible at the respective market value, which shall be determined by the AIFM in good faith using generally accepted valuation models on the basis of the price that they would probably achieve;
9. Liquid assets shall be valued at their nominal value plus accrued interest;
10. The market value of securities and other investments that are denominated in a currency other than the respective AIF currency shall be converted into the corresponding currency at the most recent mean rate of exchange.

The AIFM shall be entitled, on a temporary basis, to apply other appropriate valuation principles to the assets of the AIF if the aforementioned valuation criteria are deemed impossible or unreasonable as the result of extraordinary events. In the event of massive redemption applications, the AIFM may value the units of the corresponding AIF assets on the basis of the prices at which the necessary sales of securities would probably be performed. In this case, the same calculation method shall be applied for subscription and redemption applications that are submitted simultaneously.

Report on the activities of the past financial year

The Alegra CLO Opportunities Fund is a closed-ended fund that makes high yielding investments in the CLO market. During 2022, there were a number of opportunities to add to existing CLO equity positions and make an investment into a rated debt note. Whilst equity valuations fell to reflect the weakness in underlying leveraged loan prices, the Fund continued to receive strong equity distributions throughout the year which were used for reinvestment purposes. By year-end, the Fund had exposure to the same 12 European CLOs, but had increased its holdings across three of these positions. The strong positive performance in Q4 was driven mostly by equity distributions rather than a recovery in equity valuations, leaving the Fund well positioned to benefit from an eventual rebound in risk appetite.

Matters of particular business or legal significance

LLB Fund Services AG, Vaduz, as AIFM and Liechtensteinische Landesbank AG, Vaduz, as depositary of the classified AIF, have decided to make the following amendment to the trust agreement:

Article 33 Borrowing limit as well as prohibition on issuing loans and sureties

shall be adjusted as follows:

- a) The assets of the AIF may be pledged or otherwise encumbered, transferred for security or assigned for security, as long as it happens solely for the purpose of portfolio management, securities lending is not deemed to constitute credit lending.

and replace the current wording:

- a) The assets of the AIF may not be pledged or otherwise encumbered, transferred for security or assigned for security, securities lending is not deemed to constitute credit lending.

The amendments were published in full in the Investor Notice dated 15 February 2022 in the publication organ of the investment fund.

Currency table

				EUR
Japan	JPY	100	=	0.710934

Investment policy / investment objective and strategy

The goal is to generate attractive returns by investing in the CLO market.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Performance of key parameters

Class Euro R A

Date	Number of shares	Net assets in mio. EUR	Net asset value per unit in EUR	Performance
15.12.2020	74,000	7.4	100.00	
31.12.2021	74,000	8.0	107.84	7.84 %
31.12.2022	74,000	7.0	94.62	-12.26 %

Class Euro R B*

Date	Number of shares	Net assets in mio. EUR	Net asset value per unit in EUR	Performance
31.05.2021	24,000	2.4	100.00	
31.12.2021	53,340	5.7	107.04	7.04 %
31.12.2022	53,340	5.0	94.13	-12.06 %

Class Yen I

Date	Number of shares	Net assets in mio. EUR	Net asset value per unit in JPY	Performance
15.12.2020	250,000	19.8	10,000	
31.12.2021	250,000	20.8	10,823	8.23 %
31.12.2022	250,000	16.9	9,496	-12.26 %

The performance shown here is no guarantee of future performance. The value of a unit may rise or fall at any time. The performance data do not take issue and redemption commission and fees into consideration.

Historical fund performance

Fund / class	Currency	01.01.2022 bis 31.12.2022	2022	2020 bis 2022 cumulated ¹⁾	2020 bis 2022 annualised ¹⁾
Alegre CLO Opportunities Fund - Opportunity Fund 1 - Class Euro R A	EUR	-12.26 %	-12.26 %	n. a.	n. a.
Alegre CLO Opportunities Fund - Opportunity Fund 1 - Class Euro R B*	EUR	-12.06 %	-12.06 %	n. a.	n. a.
Alegre CLO Opportunities Fund - Opportunity Fund 1 - Class Yen I	JPY	-12.26 %	-12.26 %	n. a.	n. a.

¹⁾ If the fund or unit class was launched after 31.12.2019, the value "n. a." is displayed.

The performance shown here is no guarantee of future performance. The value of a unit may rise or fall at any time. The performance data do not take issue and redemption commission and fees into consideration.

Fund information

Initial offering

15. December 2020

Initial issue price

Class Euro R A EUR 100.00

Class Euro R B* EUR 100.00

Class Yen I JPY 10,000

Net assets

EUR 28,900,343.52 (31.12.2022)

Valoren number / ISIN Class Euro R A

54 519 227 / LI0545192275

Valoren number / ISIN Class Euro R B*

58 450 271 / LI0584502715

Valoren number / ISIN Class Yen I

58 450 270 / LI0584502707

Valuation

monthly

Reference currency

EUR

Distribution

Class Euro R A Can be reinvested or distributed on an ad hoc basis at the full discretion of the AIFM and Portfolio Manager

Class Euro R B* Can be reinvested or distributed on an ad hoc basis at the full discretion of the AIFM and Portfolio Manager

Class Yen I Can be reinvested or distributed on an ad hoc basis at the full discretion of the AIFM and Portfolio Manager

Issue premium

Class Euro R A max. 0.00 %

Class Euro R B* max. 0.00 %

Class Yen I max. 0.00 %

Redemption premium

Class Euro R A max. 0.00 %

Class Euro R B* max. 0.00 %

Class Yen I max. 0.00 %

End of financial year

31 December

Sales restriction

United States of America

Fund domicile

Liechtenstein

Statement of assets as of 31.12.2022

		EUR
Bank deposits		576,736.82
Securities		27,646,767.23
Derivative financial instruments		648,608.31
Other assets		102,185.00
Total assets		28,974,297.36
Liabilities		-73,953.84
Net assets		28,900,343.52
Class Euro R A	7,001,984.16	
Class Euro R B*	5,020,810.94	
Class Yen I	16,877,548.42	
Number of shares outstanding		
Class Euro R A	74,000.00	
Class Euro R B*	53,339.85	
Class Yen I	250,000.00	
Net asset value per unit		
Class Euro R A	EUR	94.62
Class Euro R B*	EUR	94.13
Class Yen I	JPY	9,496

Off balance-sheet transactions as of 31.12.2022

Derivative financial instruments

Currency futures

Purchase JPY 2,210,000,000	Sale EUR 15,094,288	Maturity 20.01.2023
Purchase JPY 100,000,000	Sale EUR 698,403	Maturity 20.01.2023

Value of the available dedicated underlying securities

EUR 15,792,691

The derivative risk is calculated using the commitment approach. The corresponding limits were adhered to as at 31.12.2022. The derivative risk on the reporting date was 0.00 %.

Securities lending

Type of securities lending	Principal transaction
Commissions from securities lending	EUR 0
Value of the lent securities (in million EUR)	0.00

Income statement from 01.01.2022 to 31.12.2022

	EUR	EUR
Income from bonds, convertible bonds, Options	7,928,830.48	
Total income		7,928,830.48
Interest charges	-9,378.87	
Remuneration for portfolio management	-259,994.95	
Remuneration to the Administration	-35,041.16	
Dissolution/formation of performance fee	240,783.14	
Auditing expenses	-8,564.37	
Other expenses	-16,362.14	
Total expenses		-88,558.35
Net income		7,840,272.13
Realised capital gains and capital losses		-1,388,922.77
Realised income		6,451,349.36
Unrealised capital gains and capital losses		-11,993,216.79
Total profit		-5,541,867.43

Appropriation of profit

Class Euro R A

	EUR
Net income in financial year	1,831,239.69
Financial year capital gains available for distribution	0.00
Capital gains from earlier financial years available for distribution	0.00
Balance brought forward	0.00
Profit available for distribution	1,831,239.69
Profit intended for distribution to investors	0.00
Profit retained for reinvestment	1,831,239.69
Brought forward to new account	0.00

Class Euro R B*

	EUR
Net income in financial year	1,324,555.14
Financial year capital gains available for distribution	0.00
Capital gains from earlier financial years available for distribution	0.00
Balance brought forward	0.00
Profit available for distribution	1,324,555.14
Profit intended for distribution to investors	0.00
Profit retained for reinvestment	1,324,555.14
Brought forward to new account	0.00

Class Yen I

	EUR
Net income in financial year	4,684,477.30
Financial year capital gains available for distribution	0.00
Capital gains from earlier financial years available for distribution	0.00
Balance brought forward	0.00
Profit available for distribution	4,684,477.30
Profit intended for distribution to investors	0.00
Profit retained for reinvestment	4,684,477.30
Brought forward to new account	0.00

Change in net assets from 01.01.2022 to 31.12.2022**Class Euro R A**

	EUR
Net assets at the beginning of the period under report	7,980,275.38
Balance from unit transactions	0.00
Total profit	-978,291.22
Net assets at the end of the period under report	7,001,984.16

Class Euro R B*

	EUR
Net assets at the beginning of the period under report	5,709,695.85
Balance from unit transactions	0.00
Total profit	-688,884.91
Net assets at the end of the period under report	5,020,810.94

Class Yen I

	EUR
Net assets at the beginning of the period under report	20,752,239.72
Balance from unit transactions	0.00
Total profit	-3,874,691.30
Net assets at the end of the period under report	16,877,548.42

Performance of the units from 01.01.2022 to 31.12.2022**Class Euro R A**

Number of units at the start of the period under report	74,000
Number of units issued	0
Number of units redeemed	0
Number of units at the end of the period under report	74,000

Class Euro R B*

Number of units at the start of the period under report	53,340
Number of units issued	0
Number of units redeemed	0
Number of units at the end of the period under report	53,340

Class Yen I

Number of units at the start of the period under report	250,000
Number of units issued	0
Number of units redeemed	0
Number of units at the end of the period under report	250,000

Fees and expenses

Portfolio management fee

1 % plus performance fee as described below. For subscriptions in class I with the minimum investment of EUR 5'000'000, the management fee is reduced to 0.75 %.

Maximum management fee for the AIFM management, administration and risk management as well as for the custodian

0.11 % p.a. plus max. CHF 25,000.- p. a

Service fee

max. CHF 2,500.- p. a.

Performance fee

Performance fee is subject to a minimum realized IRR of 7.5 % of the fund, including any distributions during the term. The IRR shall be calculated using the XIRR Formula in Excel.

Performance fee shall be charged based on positive IRR at fund's liquidation, whereby the hurdle rate applies as described below:

- 10 % ground-up, if investor IRR is between 7.50 % and 15.00 %

- 20 % ground-up, if investor IRR is above 15.00 %.

The performance fee shall also be payable on the redemption of any Share according to the above rules.

Hurdle rate: as described above

High watermark: Yes (as performance fee is only paid once at fund's liquidation)

Total Expense Ratio (TER 1) (without Performance)

1.20 % p. a.	Class Euro R A
1.20 % p. a.	Class Euro R B*
0.95 % p. a.	Class Yen I

Performance Fee in % of net assets

0.00 % p.a.	Class Euro R A
0.00 % p.a.	Class Euro R B*
0.00 % p.a.	Class Yen I

Total Expense Ratio (TER 2) (with Performance Fee)

As the payment of the performance fee will only be crystallized upon liquidation of the fund, the TER including the performance fee is not disclosed. As of the balance sheet date, there is a performance fee provision in the amount of EUR 0.

The total expense ratio ("TER") is calculated using the "ongoing charges" calculation method, taking account of the TER of investments in target funds if the present fund is also substantially invested in target funds. Insofar as performance-related remuneration ("performance fee") was applicable to the period under report, this shall also be reported separately as a percentage of the average net assets. In this case, TER2 shall be reported in addition to TER1, corresponding to the sum of TER1 as well as the percentage share of the performance fee.

Transaction fee

The fund bears all the incidental costs arising out of the administration of the fund assets in association with the purchase and sale of the investments. The transaction costs encompass brokerage, commission, stamp duties, taxes and third-party fees incurred during the period under report. These costs shall be offset directly against the cost and sales value of the investments concerned.

During the period under report transaction costs totalling EUR 853.81 were incurred.

Supplementary information pursuant to Art. 106 AIFMG

Risk profile

The performance of the units is dependent upon the investment policy as well as the market performance of the individual AIF investments, and cannot be determined in advance. In this conjunction it is important to draw attention to the fact that the value of the units can rise or fall relative to the issue price at any time. It cannot be guaranteed that the investor will receive back his invested capital.

The AIF will invest specifically in CLO. Although these instruments are in general frequently traded, the risk of not being able to sell the position (liquidity risk) within a short period of time or with increased spreads may be substantial. Also depending on the tranche the AIF invests into, there is a substantial credit risk based on the underlying credit portfolios securitized in the CLO. Additionally, all general risks apply.

The overall risk associated with derivatives may not exceed 300 % (leverage 3) of the total NAV of the assets of the AIF. The AIFM may perform investments in derivatives as part of its investment strategy within the defined limits, insofar as the overall risk of the underlying securities does not exceed the investment limits. When calculating this risk, the market value of the underlying securities, the default risk, future market fluctuations and the liquidation period of the positions shall be taken into account.

In addition to the AIF-specific risks, the investments of the AIF may also be exposed to general risks.

- Derivative financial instruments
- Collateral management
- Issuer's risk (creditworthiness risk)
- Counterparty risk
- Monetary value risk
- Economic risk
- Country or transfer risk
- Settlement risk
- Liquidity risk
- Possible investment spectrum
- Concentration risk
- Market risk (price risk)
- Psychological market risk
- Legal and tax risk
- Entrepreneurial risk
- Currency risk
- Change of investment policy
- Amending the Trust Agreement
- Redemption suspension risk
- Key persons risk
- Interest change risk
- Sustainability risks

Share of non-liquid assets with special precautions as % of the NAV 0 %

Changes in the rules pertaining to the control of liquidity None

Deployed risk management procedure Commitment approach

Maximum leverage according to the constituent documents (fund prospectus) 0 %

Indebtedness on the reporting date 0 %

Change in the maximum indebtedness during the period under report None

Leverage finance pursuant to the gross method as at the reporting date as % of the NAV 152.77 %

Leverage finance pursuant to the commitment method as at the reporting date as % of the NAV 97.95 %

Rights to reuse the securities provided as collateral for leverage finance No reuse of the securities provided as collateral for leverage finance

Portfolio / purchases and sales

Title	Currency	Position as at 01.01.2022	Purchase ¹⁾	Sale ¹⁾²⁾	Position as at 31.12.2022	Price	Value in EUR	Shares in %
Transferable securities								
Bonds								
Bonds traded on a stock exchange								
EUR								
North Westerly VII ESG 2021-15.5.35 M1		2,312,671			2,312,671	0.01	231	0.00 %
North Westerly VII ESG 2021-15.5.35 M2		3,083,562			3,083,562	0.01	308	0.00 %
North Westerly VII ESG 2021-15.5.35 SUB		8,000,000			8,000,000	64.00	5,120,000	17.72 %
Nts Armada Euro CLO III DAC 2018.15.7.31		4,100,000	2,500,000		6,600,000	44.50	2,937,000	10.16 %
Nts Armada Euro CLO III DAC 208-15.07.31		101,000			101,000	0.01	1	0.00 %
Nts Aurium Clo I Designated Activity Company 2018-16.01.31 S Variable Rate		2,485,000			2,485,000	38.50	956,725	3.31 %
Nts BNPP AM Euro CLO 2021-15.12.33 1X		3,993,000			3,993,000	65.90	2,631,427	9.11 %
Nts BNPP AM Euro CLO 2021-15.2.33		4,007,000			4,007,000	72.50	2,904,875	10.05 %
Nts Cairn CLO VII DAC 2017-31.01.30		3,000,000			3,000,000	29.00	870,000	3.01 %
Nts Contego CLO III B.V. 2016-15.04.29		5,000,000			5,000,000	29.50	1,475,000	5.10 %
Nts North West VI 2020-05.07.32 Series VI-X Class SUB		3,850,000	1,000,000		4,850,000	46.00	2,231,000	7.72 %
Nts Northwoods 24 2021-15.10.35		93			93	0.01	0	0.00 %
Nts Northwoods 24 2021-15.10.35 S21-24X		3,000,000			3,000,000	76.00	2,280,000	7.89 %
Nts Northwoods 26 2022-15.05.35 S22-26X			2,000,000		2,000,000	77.06	1,541,200	5.33 %
Nts Northwoods Cap 23 Eur 2021-15.3.34		1,000,000	3,000,000		4,000,000	65.00	2,600,000	9.00 %
Nts Sound Point Euro CLO 2021-25.7.35		1,000,000			1,000,000	68.00	680,000	2.35 %
Total							26,227,767	90.75 %
Total Bonds traded on a stock exchange							26,227,767	90.75 %
Total Bonds							26,227,767	90.75 %
Convertible bonds								
Convertible bonds traded on a stock exchange								
EUR								
Asset Backed CVC Cordatus 2016-15.08.29		2,200,000			2,200,000	34.50	759,000	2.63 %
CVC Cordatus Loan Fund VI Designated Activity Company 2016-15.4.29		3,000,000			3,000,000	22.00	660,000	2.28 %
Total							1,419,000	4.91 %
Total Convertible bonds traded on a stock exchange							1,419,000	4.91 %
Total Convertible bonds							1,419,000	4.91 %
Total Transferable securities							27,646,767	95.66 %
Derivative financial instruments								
Currency futures								
Purchase JPY Sale EUR Maturity 20.01.2023		100,000,000	698,403				13,342	0.05 %
Purchase JPY Sale EUR Maturity 20.01.2023		2,210,000,000	15,094,288				635,266	2.20 %
Purchase JPY Sale EUR Maturity 20.10.2022		2,270,000,000	16,309,923					
Purchase JPY Sale EUR Maturity 19.01.2022		2,650,000,000	19,950,053					
Purchase JPY Sale EUR Maturity 19.07.2022		2,710,000,000	19,828,946					
Purchase JPY Sale EUR Maturity 19.04.2022		2,710,000,000	20,721,516					
Total Currency futures							648,608	2.24 %

Title	Currency	Position as at 01.01.2022	Purchase ¹⁾	Sale ¹⁾²⁾	Position as at 31.12.2022	Price	Value in EUR	Shares in %
Total Derivative financial instruments							648,608	2.24 %
Bank deposits								
Bank deposits							576,737	2.00 %
Total Bank deposits							576,737	2.00 %
Other assets							102,185	0.35 %
Total assets 31.12.2022							28,974,297	100.26 %
Liabilities							-73,954	-0.26 %
Net assets as at 31.12.2022							28,900,344	100.00 %
Number of shares outstanding Class Euro R A				74,000.000000				
Number of shares outstanding Class Euro R B*				53,339.850000				
Number of shares outstanding Class Yen I				250,000.000000				
Net asset value per unit Class Euro R A						EUR	94.62	
Net asset value per unit Class Euro R B*						EUR	94.13	
Net asset value per unit Class Yen I						JPY	9,496	
Value of the lent securities (in million EUR)							0.00	

1) incl. split, bonus shares and allocation of rights

2) incl. exercise of subscription rights, parity of treatment

Any possible differences in value and in percentage weightings are attributable to rounding off.

Custodians as of 31.12.2022

On the closing date for the financial statements, securities were deposited with the following custodians:
SIX SIS AG

Report of the Independent Auditor on the Financial Statements

Opinion

We have audited the financial statements of the Alegra CLO Opportunities Fund – Opportunity Fund 1, which comprise the statement of net assets and the asset inventory as at 31 December 2022, the income statement for the year then ended, and the changes of net assets and the supplementary information to the financial statements.

In our opinion, the financial statements give a true and fair view of the financial position of the Alegra CLO Opportunities Fund – Opportunity Fund 1 as at 31 December 2022 and its financial performance for the year then ended in accordance with Liechtenstein law.

Basis for Opinion

We conducted our audit in accordance with Liechtenstein law and International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the “Auditor’s Responsibilities for the Audit of the Financial Statements” section of our report.

We are independent of the Alternative Investment Fund Manager in accordance with the provisions of Liechtenstein law and the requirements of the audit profession, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Alternative Investment Fund Manager is responsible for the other information. The other information comprises of the information in the annual report other than the financial statements listed in the paragraph “Opinion” and our auditor’s report.

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, we have the responsibility to read the other information and to 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, on the basis of our work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Alternative Investment Fund Manager for the Financial Statements

The Board of Directors of the Alternative Investment Fund Manager is responsible for the preparation of the financial statements that give a true and fair view in accordance with Liechtenstein law, and for such internal control as the Board of Directors 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 is responsible for assessing the alternative investment fund's and its sub-funds 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 either intends to liquidate the alternative investment fund or one or several of its sub-funds, or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Liechtenstein law and ISAs 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 Liechtenstein law and ISAs, we exercise professional judgement and maintain professional scepticism 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 Alternative Investment Fund Manager's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Alternative Investment Fund's or one of its sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report 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 auditor's report. However, future events or conditions may cause the Alternative Investment Fund or one of its sub-funds 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 the Board of Directors of the Alternative Investment Fund Manager 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.

Schaan, June 19, 2023

Grant Thornton AG

Egon Hutter
Certified accountant
auditor in charge

ppa Thomas Walch

Disclosure of remuneration information UCITS/AIF (unaudited)

The following remuneration information relates to LLB Fund Services AG (the "Company"). This remuneration was paid to staff of the Company for the management of all UCITS or AIF (collectively "Funds"). Only a portion of the reported remuneration was used to compensate the services provided to Alegra CLO Opportunities Fund - Opportunity Fund 1.

The amounts shown here comprise the fixed and variable gross remuneration before deduction of taxes and employee contributions to social security institutions. The Board of Directors is responsible for the annual review of the Company's remuneration principles, the determination of the "identified staff" (note 4) and the approval of the total remuneration actually paid. The approval of the variable remuneration by the Board of Directors can take place after the report has been prepared. There were no significant changes to the remuneration principles valid for the calendar year 2022.

The funds managed by the Company and their volume can be viewed at www.lafv.li. A summary of the Company's remuneration policies is available at <https://llb.li/de/institutionelle/fund-services/llb-fund-services-ag/anlegerinformationen/verguetungsgrundsaeetze>. Furthermore, the Company will provide access to the relevant internal guidelines free of charge upon request.

The remuneration paid by service providers, e.g. delegated asset managers, to their own identified staff is not reflected.

Remuneration of staff of the company (note 1)

Total remuneration for the past calendar year 2022	CHF	2.19 m
thereof fixed remuneration	CHF	1.91 m
thereof variable remuneration (note 2)	CHF	0.28 m

Remuneration paid by the fund (note 3) none

Carried Interests or Performance Fees paid to staff none

Total number of staff of the company as of 31.12.2022 20

Total assets under management of the company as of 31.12.2022	Number of funds	Assets under Management
in UCITS	60	CHF 7'344 m
in AIF	26	CHF 1'977 m
Total	86	CHF 9'321 m

Remuneration of individual employee categories of the Company

Total remuneration for "identified staff" (note 4) for the past calendar year 2022	CHF	1.09 m
thereof fixed remuneration	CHF	0.87 m
thereof variable remuneration (note 2)	CHF	0.22 m

Total number of identified staff of the company as of 31.12.2022 8

Total remuneration for <u>other</u> staff of the company for the past calendar year 2022	CHF	1.09 m
thereof fixed remuneration	CHF	1.04 m
thereof variable remuneration (note 2)	CHF	0.06 m

Total number of other staff of the company per 31.12.2022 12

Notes

1 - The total compensation refers to all employees of the company including members of the Board of Directors. The disclosure of employee compensation is made at the level of the Company in accordance with Art. 107 of Regulation 231/2013. An allocation of the actual work and time expenditures to individual funds cannot be reliably collected.

2 - The amount recognized includes cash bonus as well as deferral instruments owned by the employee. Employee loyalty schemes assigned to employees have been considered at their current value.

3 - No remuneration is paid directly to employees from the funds, as all remuneration is received by the Company.

4 - "Identified staff" are employees whose professional activities have a material impact on the risk profile of the Company or the risk profiles of the managed funds. Specifically, these are the members of the management bodies as well as other employees at the same remuneration level, risk takers and the holders of significant control functions.

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