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Fair Oaks Capital Launches First GBP Hedged Share Class of European-Domiciled AAA CLO ETF

Fair Oaks Capital has launched a GBP hedged share class of its European AAA CLO ETF, which is expected to list on the London Stock Exchange on Feb. 10, 2025 with the ticker XAAA.

This adds an additional share class to Fair Oaks AAA CLO ETF offering, which launched in September 2024, pioneering access to AAA-rated, floating-rate CLO notes in an ETF wrapper to European investors. The newly launched hedged share class is also the first of its kind, expanding the offering to GBP investors in an accessible format, with currency hedging and a lower denomination of 10 GBP per share.

The portfolio management team, led by Miguel Ramos Fuentenebro and Roger Coyle, has been managing the fund, exclusively investing in European senior CLOs, since 2019. The team's experience managing CLO portfolios has allowed Fair Oaks to open access to this asset class to a wider range of investors in an actively-managed fund.

"The addition of the industry's first GBP hedged option to access AAA-rated CLOs will enable additional investors to consider the asset class as an alternative for fixed-rate products such as investment grade corporate bonds", Miguel Ramos Fuentenebro commented, "all while benefiting from a track record of considerably lower volatility over the last 5 years, on account of their minimal interest rate risk. AAA-rated CLOs have a history of zero defaults and offer attractive yields, with a considerably higher spread than investment-grade corporates".

The Fair Oaks CLO ETF was launched on the Alpha UCITS fund platform as an additional listed share class of an existing Fair Oaks UCITS fund, the Fair Oaks AAA CLO Fund, initially launched in 2019. The Fund invests exclusively in AAA-rated CLOs, based on Fair Oaks' established investment processes. FAAA is a long-only portfolio with no leverage and is classified as Article 8 under the EU Sustainable Finance Disclosure Regulation (SFDR).

The total expense ratio for the GBP hedged share class of the Fair Oaks AAA CLO ETF is 0.35 percent.

About Fair Oaks Capital

Fair Oaks Capital is a specialist corporate credit investment manager. Established in 2013 and operating from London and New York, Fair Oaks specializes in CLOs and secured loans, managing $3 billion in assets for a global client base as of December 31, 2024. The Fair Oaks Dynamic Credit Fund, launched in 2016, was the investment industry's first global CLO UCITS fund and the Fair Oaks AAA CLO ETF was the investment industry's first European-domiciled CLO ETF. For more information, visit www.fairoakscap.com and www.CLO-ETF.com.

About Alpha UCITS

Alpha UCITS is one of the oldest UCITS distribution and structuring platforms. Alpha UCITS was founded in October 2009 by Stephane Diederich, formerly a partner at Brevan Howard Asset Management LLP. For more information, visit www.alpha-ucits.com or write to info@alpha-ucits.com.

Notes to investors

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Fair Oaks AAA CLO Fund (formerly known as Fair Oaks High Grade Credit Fund) is a sub-fund (the "Fund") of Alpha UCITS SICAV and issues both ETF share classes and non-ETF share classes. Alpha UCITS SICAV is an undertaking for collective investment in transferable securities organised as an "umbrella fund" comprising multiple compartments, organised as a SICAV, incorporated under the form of a public limited liability company (société anonyme) and authorised under Part I of the Luxembourg law of 17 December 2010 on undertakings for collective investment. This information contained in this press release does not constitute an offer or solicitation to buy shares in the Fund.

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Detailed information for article 8 sustainable investment products, as categorised under the Sustainable Finance Disclosure Regulation (SFDR) can be found in the Fund's Prospectus.

You should carefully read the Fund's Prospectus and relevant Key Investor Information Document (the "KIID"), as well as consult with your advisers before making a decision to buy shares of the Fund. Investing in the Fund involves risk, including without limitation risk of total investment loss and other risks noted in the Fund's latest Prospectus and KIID.

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