



Annual report

Lupus alpha Volatility Risk-Premium

as of 31 December 2023

Lupus alpha

Contents

Activity report for the period: 1 January 2023 - 31 December 2023	Page	3-4
Structure of the fund	Page	5
Statement of net assets	Page	6-12
Profit and loss account	Page	13-14
Development of fund assets	Page	15-16
Statement of appropriation of income	Page	17
Unit classes	Page	18
Appendix	Page	19-21
Comparative table covering the last three financial years	Page	22
Auditor's report	Page	23-24
Information about the management company, custodian and auditor	Page	25-26

Activity report for the period: 1 January 2023 - 31 December 2023

Investment objectives and investment policy to achieve the objectives:

The investment concept of the Lupus alpha Volatility Risk-Premium fund is based on an intelligent option strategy. The strategy's base investment consists of short-dated EUR-covered bonds with very high credit ratings and time deposits. This basic structure is enhanced with an overlay option strategy, which is implemented simultaneously on various international stock markets.

Premiums are earned from the regular sale of index options with a short remaining term.

The Lupus alpha Volatility Risk-Premium fund's return driver is the spread between implied and actual volatility (volatility Risk-Premium).

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities (under Article 7 of Regulation (EU) 2020/852 of the European Parliament and Council).

The main sources of income from disposals during the reporting period were gains on options and futures.

Portfolio structure and significant changes during the reporting period: Structure of the fund:

	31 December 2023	% quota	31 December 2022	% quota
Fixed interest securities	92,974,127.42	97.91	37,738,392.22	97.04
Futures	571,136.41	0.60	-85,264.39	-0.21
Options	-54,929.56	-0.06	-730,688.83	-1.87
Cash at banks, money market instruments and money market funds	2,136,700.90	2.25	1,776,432.76	4.57
Other assets	-1,101,134.33	-1.15	-102,099.96	-0.26
Fund assets	94,961,864.86	100.00	38,878,945.72	100.00

Fund earnings:

The 2022 financial year closed at 30 December 2022 with 20.89% implied volatility for the Eurostoxx50 (V2X Index). By the end of 2023, this had fallen slightly to 13.57%. Implied volatility for the S&P 500 (VIX index) was 21.67% at end 2022 and 12.45% at end 2023.

Class C of the Fund closed the 2023 financial year up 11.72%. Fund Class C volatility over the financial year was 3.37%.

Class R of the Fund closed the 2023 financial year up 10.92%. Fund Class R volatility over the financial year was 3.59%.

Significant risks:

The main types of risk assumed by the fund during the reporting period were as follows:

- Market price risk: Fund unit volatility over the financial year was 3.37%. This was well below major equity index (Eurostoxx50 and S&P 500) levels that showed historic volatility of 33.85% and 12.84% for the S&P 500.
- Default risk: The fund's underlying portfolio invested primarily in short-dated, EUR-denominated covered bonds with high credit ratings and liquidity. The focus was on German mortgage bonds (Pfandbriefe). By trading exclusively in exchange-traded derivatives, the risk of default is virtually eliminated.
- Interest rate risk: As the underlying investment consisted only of short-term EUR bonds with a maximum maturity of four years as well as time deposits, the interest rate risk was low. The fund's overall duration was generally kept between 0.5 and 1.6.
- Liquidity risk: The fund invested mainly in covered bonds with a minimum issue volume of EUR 500 million. Sales via the bond market were possible at any time. Traded derivatives were exclusively listed on the stock exchange. The liquidity risk was therefore low.
- Currency risk: The fund may only hold bonds denominated in euros. There is therefore only a small currency risk from the use of derivatives.
- Operational risk: In principle, the fund is exposed to operational risk in the management company's processes, but did not report any increased operational risk during the reporting period.

Other significant risks for investors

At 24:00 on 30 December 2022 Lupus alpha Volatility Invest merged with Lupus alpha Volatility Risk-Premium C of the Lupus alpha Volatility Risk-Premium Fund.

Lupus alpha Volatility Risk-Premium annual report

Statement of assets as of 31 December 2023

Investment focus on assets	Current value in EUR	% of fund assets ¹⁾
Fund assets	94,961,864.86	100.00
Fixed interest securities	92,974,127.42	97.91
Australia	3,305,394.00	3.48
Belgium	1,485,225.00	1.57
Federal Republic of Germany	38,763,247.08	40.82
Denmark	3,146,368.00	3.31
France	18,334,827.00	19.31
Great Britain, Northern Ireland and Channel Islands	8,391,608.00	8.84
New Zealand	3,226,612.50	3.40
Netherlands	4,213,301.00	4.44
Norway	2,424,125.00	2.55
Sweden	1,180,884.00	1.24
Singapore	2,194,730.84	2.31
Canada	6,307,805.00	6.64
Futures	571,136.41	0.60
Options	-54,929.56	-0.06
Cash at banks, money market instruments and money market funds	2,136,700.90	2.25
Other assets	435,964.02	0.45
Other liabilities	-1,101,134.33	-1.15

¹⁾ Minor rounding differences may arise as a result of rounding percentages in the calculation.

Lupus alpha Volatility Risk-Premium annual report

Statement of net assets as of 31 December 2023

Generic name	ISIN	Market	Qty, units or currency in 1,000	As of 31 December 2023	Purchases/ Acquisitions	Sales/ Disposals		Market price	Market value in EUR	% of fund assets ¹⁾
					during the reporting period					
Securities traded on an exchange										
Interest-bearing securities										
3.4370 % A.N.Z.BKG.GR 23/25 MTN	XS2607079493		EUR	1,500	1,500	0	%	100.152	1,502,280.00	1.58
0.3750% ARKEA HOME LOANS 18-24 MTN	FR0013375797		EUR	4,000	700	0	%	99.434	3,977,360.00	4.19
0.5000% AXA BK EUROPE 18/25 MTN	FR0013329224		EUR	2,700	2,700	0	%	96.501	2,605,527.00	2.74
1.7500% BELFIUS BK 14/24 MTN	BE0002474493		EUR	1,500	0	0	%	99.015	1,485,225.00	1.56
1.2500% BERLIN HYP AG PF 22/25	DE000BHY0GK6		EUR	3,500	3,500	0	%	97.277	3,404,695.00	3.59
0.0100% BK NOVA SCOT 20/25 MTN	XS2138444661		EUR	3,500	3,500	0	%	96.058	3,362,030.00	3.54
0.5000% BNZ INTERNAT.FDG 17/24MTN	XS1639238820		EUR	1,250	1,250	0	%	98.337	1,229,212.50	1.29
5.3750% C.F.FINANC.LOC. 09/24 MTN	FR0010775486		EUR	800	0	0	%	100.729	805,832.00	0.85
0.5000% CAISS.FRANC. 19/25 MTN	FR0013396355		EUR	2,200	0	0	%	97.036	2,134,792.00	2.25
2.4000 % CAISSE.REF.HAB 13-25	FR0011388339		EUR	2,000	0	0	%	98.990	1,979,800.00	2.08
2.0000% CIE F.FONCIER 14/24 MTN	FR0011885722		EUR	1,300	0	0	%	99.375	1,291,875.00	1.36
0.7500 % CIE F.FONCIER 15-25 MTN	FR0012447696		EUR	2,700	2,700	0	%	97.313	2,627,451.00	2.77
0.3750% CIE F.FONCIER 17/24 MTN	FR0013281748		EUR	1,500	1,500	0	%	97.199	1,457,985.00	1.54
0.1250% CREDIT AGR. 20/24 MTN	FR0013505575		EUR	1,500	0	0	%	96.947	1,454,205.00	1.53
0.3750% DBS BANK 17/24 MTN	XS1720526737		EUR	2,258	1,400	0	%	97.198	2,194,730.84	2.31
0.5000% Dt. Apotheker- u. Ärztebank	XS1770021860		EUR	2,500	0	0	%	96.861	2,421,525.00	2.55
0.2500% DT.BANK MTH 16/24	DE000BL19SH3		EUR	1,100	1,100	0	%	99.384	1,093,224.00	1.15
1.6250% DT.KREDITBANK HPF 14/24	DE000DKB0333		EUR	1,000	0	0	%	99.018	990,180.00	1.04
0.5000% DT.PFBR.BANK PF.R.15280	DE000A2GSL7		EUR	3,300	0	0	%	98.720	3,257,760.00	3.43
0.2500% DT.PFBR.BANK PF.R.15286	DE000A2LQNP8		EUR	3,300	800	0	%	99.743	3,291,519.00	3.47
0.5000% DZ HYP PF.R.1205 MTN	DE000A2G9HE4		EUR	3,500	3,500	0	%	95.696	3,349,360.00	3.53
2.8750% FEDERAT.CAIS 22/24 MTN	XS2560673662		EUR	1,500	1,500	0	%	99.404	1,491,060.00	1.57
0.3750% HASPA PF.A.33 17/24	DE000A2DAFL4		EUR	4,000	0	1,500	%	98.687	3,947,480.00	4.16
0.3750% JYSKE REALK. 17/24 MTN	XS1669866300		EUR	3,200	0	0	%	98.324	3,146,368.00	3.31
0.6960% KRSPK.KOELN HPF.E.1076	DE000A1TM490		EUR	3,000	0	0	%	96.934	2,908,020.00	3.06
0.2500% LBBW MTN.HYP.18/25	DE000LB1M2X2		EUR	1,500	1,500	0	%	96.908	1,453,620.00	1.53
2.7500% LBBW MTN OPF 22/24	DE000LB381U7		EUR	1,600	1,600	0	%	99.494	1,591,904.00	1.68
0.5000% LEEDS BUILDING 17/24 MTN	XS1640668353		EUR	2,600	2,600	0	%	98.338	2,556,788.00	2.69
0.5000% NAT.-NEDERL.BANK 17/24MTN	NL0012650477		EUR	3,500	3,500	0	%	97.647	3,417,645.00	3.60
0.7500% NATL BK OF CDA 18/25 MTN	XS1790961962		EUR	1,500	1,500	0	%	96.981	1,454,715.00	1.53
0.2500% NATLBK 19/24 MTN	NL0013400401		EUR	800	800	0	%	99.457	795,656.00	0.84
0.2500% NORDLB MTN.HPF S.464	DE000DHY4648		EUR	3,700	2,000	0	%	98.698	3,651,826.00	3.85
0.3750% NORDLB OPF.17/24	DE000NLB2Q36		EUR	1,000	0	0	%	97.596	975,960.00	1.03
0.2500% SANTANDER CONS. MTN 17/24	XS1727499680		EUR	2,400	0	0	%	97.071	2,329,704.00	2.45
0.5000% SANTANDER UK 18/25 MTN	XS1748479919		EUR	2,000	2,000	0	%	97.011	1,940,220.00	2.04
0.2500% SKAND.ENSJ. 17/24 MTN	XS1633824823		EUR	1,200	0	0	%	98.407	1,180,884.00	1.24
0.0100% SKIPTON BLDG 19/24 MTN	XS2056376135		EUR	4,000	4,000	0	%	97.365	3,894,600.00	4.10

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Lupus alpha Volatility Risk-Premium annual report

Statement of net assets as of 31 December 2023

Generic name	ISIN	Market	Qty, units or currency in 1,000	As of 31 December 2023	Purchases/ Acquisitions	Sales/ Disposals		Market price	Market value in EUR	% of fund assets ¹⁾
0.5000% SPAREBK 1 BOLIG.18/25 MTN	XS1760129608		EUR	2,500	2,500	0	%	96.965	2,424,125.00	2.55
1.8750 % UC-HVB PF 1832	DE000HV2AK00		EUR	2,548	0	0	%	99.496	2,535,158.08	2.67
0.0100 % UC-HVB PF 2063	DE000HV2AST3		EUR	1,600	1,600	0	%	97.582	1,561,312.00	1.64
3.4570% WESTPAC BKG 23/25 MTN	XS2606993694		EUR	1,800	1,800	0	%	100.173	1,803,114.00	1.90
0.5000% WESTPAC SEC.NZ 19/24 MTN	XS1936779245		EUR	2,000	2,000	0	%	99.870	1,997,400.00	2.10
Total interest-bearing securities								EUR	92,974,127.42	97.91
Total securities traded on an exchange								EUR	92,974,127.42	97.91
Total securities holdings								EUR	92,974,127.42	97.91

Derivatives

(Negative figures denote sold positions)

Equity index derivatives

Receivables/liabilities

Equity index futures contracts

EURO STOXX 50 Mar24 - 15.03.2024	EDT	EUR	Number	102					6,190.00	0.01
EURO STOXX 50 Mar24 - 15.03.2024	EDT	USD	Number	-98					23,520.00	0.02
S&P500 EMINI FUT Mar24 - 15.03.2024	NAR	USD	Number	33					171,739.59	0.18
Total equity index futures contracts								EUR	201,449.59	0.21

Options

Equity index options

DJES 50 4325.000 24.01.05 P	EDT		Number	-253		EUR	0.800		-2,024.00	0.00
DJES 50 4525.000 24.01.05 P	EDT		Number	-230		EUR	26.800		-61,640.00	-0.06
DJES 50 4725.000 24.01.05 C	EDT		Number	-211		EUR	0.200		-422.00	0.00
S&P 500 4325,000 24.01.03 P	EDT		Number	-13		EUR	0.075		-88.25	0.00
S&P 500 4410.000 24.01.04 P	EDT		Number	-13		EUR	0.225		-264.74	0.00
S&P 500 4425.000 24.01.03 P	EDT		Number	-12		EUR	0.125		-135.77	0.00
S&P 500 4510.000 24.01.04 P	EDT		Number	-12		EUR	0.225		-244.38	0.00
S&P 500 4525,000 24.01.03 P	EDT		Number	-12		EUR	0.125		-135.77	0.00
S&P 500 4610.000 24.01.04 P	NAE		Number	-12		USD	0.325		-352.99	0.00

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Lupus alpha Volatility Risk-Premium annual report

Statement of net assets as of 31 December 2023

Generic name	ISIN	Market	Qty, units or currency in 1,000	As of 31 December 2023	Purchases/ Acquisitions	Sales/ Disposals	Market price	Market value in EUR	% of fund assets ¹⁾
					during the reporting period				
S&P 500 4625.000 24.01.03 P		NAE		Number -11			USD 0.150	-149.34	0.00
S&P 500 4710.000 24.01.04 P		NAE		Number -11			USD 2.375	-2,364.57	0.00
S&P 500 4725.000 24.01.03 P		NAE		Number -11			USD 2.100	-2,090.78	0.00
S&P 500 4810.000 24.01.04 C		NAE		Number -11			USD 7.400	-7,367.52	-0.01
S&P 500 4825.000 24.01.03 C		NAE		Number -10			USD 1.700	-1,538.67	0.00
S&P 500 4910.000 24.01.04 C		NAE		Number -10			USD 0.075	-67.88	0.00
S&P 500 4925.000 24.01.03 C		NAE		Number -10			USD 0.025	-22.63	0.00
VIX 42.500 24.02.14 C		NAE		Number 152			USD 0.195	2,682.72	0.00
VIX 42.500 24.03.20 C		NAE		Number 501			USD 0.350	15,870.93	0.02
VIX 45.000 24.02.14 C		NAE		Number 274			USD 0.175	4,339.96	0.00
VIX 55.000 24.01.17 C		NAE		Number -400			USD 0.030	1,086.12	0.00
Equity index options							EUR	-54,929.56	-0.06
Total equity index derivatives							EUR	146,520.03	0.15
Other derivatives									
Receivables/liabilities									
CBOE VIX FUTURE Jan24 - 17.01.2024		CBO	EUR	Number -139				369,686.82	0.39
Total other derivatives							EUR	369,686.82	0.39
Cash at banks, money market instruments and money market funds									
Cash at banks									
EUR Balances with the custodian									
State Street Bank International GmbH			EUR	1,073,223.77		%	100.000	1,073,223.77	1.13
Total EUR-Balances with the custodian							EUR	1,073,223.77	1.13
Balances in non-EU/EEA currencies									
State Street Bank International GmbH			USD	1,174,982.71		%	100.000	1,063,477.13	1.12
Total balances in non-EU/EEA currencies							EUR	1,063,477.13	1.12
Total cash at banks							EUR	2,136,700.90	2.25
Total cash at banks, money market instruments and money market funds							EUR	2,136,700.90	2.25

¹⁾ Minor rounding differences may arise as a result of rounding percentages in the calculation.

Lupus alpha Volatility Risk-Premium annual report

Statement of net assets as of 31 December 2023

Generic name	ISIN	Market	Qty, units or currency in 1,000	As of 31 December 2023	Purchases/ Acquisitions	Sales/Disposals	Market price	Market value in EUR	% of fund assets ¹⁾
					during the reporting period				
Other assets									
Interest claims			EUR	435,964.02				435,964.02	0.45
Total other assets						EUR		435,964.02	0.45
Other liabilities									
Payables from pending transactions			EUR	-26,866.43				-26,866.43	-0.03
Accrued expenses			EUR	-503,131.49				-503,131.49	-0.52
Accepted variation margin - Derivatives			EUR	-571,136.41				-571,136.41	-0.60
Total other liabilities						EUR		-1,101,134.33	-1.15
Fund assets						EUR		94,961,864.86	100.00
Outstanding units - Class C						QTY		746,295.981	
Unit value – Class C						EUR		126.45	
Outstanding units - Class R						QTY		5,297.670	
Unit value - Class R						EUR		111.21	
Securities holdings as a percentage of fund assets									97.91

Securities prices/market rates

The investment fund assets are valued on the basis of the following list/market prices:

All assets: Prices/market rates as of 29 December 2023 or last known

¹⁾ Minor rounding differences may arise as a result of rounding percentages in the calculation.

Lupus alpha Volatility Risk-Premium annual report
Statement of net assets as of 31 December 2023

Generic name	ISIN	Market	Qty, units or currency in 1,000	As of 31 December 2023	Purchases/ Acquisitions	Sales/Disposals	Market price	Market value in EUR	% of fund assets ¹⁾
						during the reporting period			

Exchange rate(s)/conversion factor(s) (indirect quote) as of 29 December 2023

US dollar	(USD)	1.10485	= 1 euro (EUR)
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Market key

b) Futures exchanges

CBO	Chicago CBOE Futures Exchanges
EDT	EUREX
NAE	Chicago (CBOE)
NAR	Chicago Merc. Exch.

¹⁾ Minor rounding differences may arise as a result of rounding percentages in the calculation.

Lupus alpha Volatility Risk-Premium annual report

Transactions completed during the reporting period, not included in the statement of net assets:

- Purchases and sales of securities, investment fund units and bonded loans (market allocation as of the reporting date):

Generic name	ISIN	Qty, units, nominal value or currency in 1,000	Purchases/ Acquisitions	Sales/ Disposals
Securities traded on an exchange				
Interest-bearing securities				
2.3750% ABN AMRO 14/24 MTN	XS1020769748	EUR	0	600
0.3750% AKTIA BANK 18/23 MTN	XS1827629384	EUR	0	500
0.1250% ASB BANK 16/23 MTN	XS1502534461	EUR	0	1,200
0.2500% BERLIN HYP AG PF S209	DE000BHY0150	EUR	0	1,500
0.2500% CIBC 20/23 MTN	XS2146086181	EUR	0	1,500
0.3250% CIE F.FONCIER 17/23 MTN	FR0013231081	EUR	700	700
2.5000% CM HOME LOAN SFH 13/23 MTN	FR0011564962	EUR	0	1,500
0.6250% COBA MTH S.P23	DE000CZ40MU7	EUR	0	500
0.1250% COBA MTH S.P29	DE000CZ40NN0	EUR	0	2,100
2.0000% COBA MTH S.P3 23	DE000CZ40J26	EUR	0	2,800
0.5000% COVENTRY BLDG 17/24 MTN	XS1529880368	EUR	550	550
0.3750% DANSKE MTG BANK 18/23 MTN	XS1914497034	EUR	0	1,000
0.3750% DNB BOLIGKRED. 18/23 MTN	XS1909061597	EUR	0	1,000
0.2500% DT.BANK MTH 18/23	DE000DL19UA4	EUR	0	1,500
0.6250% DT.KREDITBANK OPF 15/23	DE000DKB0440	EUR	0	1,500
0.0100% DZ HYP PF.R.1220 MTN	DE000A2TSD55	EUR	0	4,500
0.3500% FEDERAT.CAIS 19/24 MTN	XS1943456829	EUR	3,000	3,000
0.3750% HCOB HPF S.2693	DE000HSH6K16	EUR	0	2,100
2.0000% HSBC SFH (FR) 13/23 MTN	FR0011470764	EUR	800	800
0.6250% ING BELGIUM 18-25 MTN	BE0002594720	EUR	0	700
0.2500 % ING-DIBA AG HPF 18/23	DE000A1KRJR4	EUR	0	2,500
0.2500% JYSKE REALK. 16/23	XS1435774903	EUR	0	2,000
0.6250% LAENSFOERSAEK.HYP 18/25	XS1799048704	EUR	0	1,400
0.3750% LB.HESS.-THR. 18/24	XS1767931477	EUR	0	1,000
0.5000% LB.HESS.-THR. 18/25	XS1883355601	EUR	0	600
0.0100% MUENCH.HYP.BK. MTN-PF1839	DE000MHB24J4	EUR	0	900
0.3750% NATL BK CDA 19/24 MTN	XS1935153632	EUR	1,000	1,000
0.2500% NORDEA MORTG.B. 16/23 MTN	XS1522968277	EUR	1,300	1,300
1.3750% NORDLB HPF.MTN22/25	DE000NLB3ZZ5	EUR	0	800
0.1250% NORDLB MTN.HPF S.488	DE000DHY4887	EUR	0	700
0.2500% ROYAL BK CDA 18/23 MTN	XS1847633119	EUR	0	1,200
0.3750% SANTANDER UK 18/23 MTN	XS1880870602	EUR	680	680
0.2500% SOC.GEN.SFH 17-24 MTN	FR0013232071	EUR	0	2,000
0.3750% SPAREBK V BOLIG.17/24 MTN	XS1565074744	EUR	500	2,300
0.3750% STADSHYPOTEK 17/24 MTN	XS1568860685	EUR	0	1,750
0.0000% TORON.DOM.BK 19/24 MTN	XS1980044728	EUR	1,000	1,600
2.3750 % UNICR.BK AUS. 14-24 MTN	AT000B049465	EUR	0	1,000
0.2500% UTD OV. BK 18/23 MTN	XS1877520194	EUR	0	1,000

Lupus alpha Volatility Risk-Premium annual report

Name	Qty or Units or currency	Volume in 1,000
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Derivatives (Option premia/volumes in opening transactions; purchases/sales shown for warrants)

Futures contracts

Equity index futures contracts

Contracts bought:

(Underlying[s]: EURO STOXX 50, S&P 500)

EUR 608,426

Contracts sold:

(Underlying[s]: CBOE Volatility Index (VIX), EURO STOXX 50, S&P 500)

EUR 597,762

Options

Options on equity index derivatives

Equity index options

Exercised call options:

(Underlying[s]: CBOE Volatility Index (VIX))

EUR 4,895

Call options sold:

(Underlying[s]: EURO STOXX 50, S&P 500)

EUR 2,489,443

Put options sold:

(Underlying[s]: EURO STOXX 50, S&P 500)

EUR 5,525,688

Lupus alpha Volatility Risk-Premium C annual report

Profit and loss account (including income equalisation) for the period from 1 January 2023 to 31 December 2023

I. Income

1. Interest on investments in liquid assets, domestic	EUR	47,159.39
2. Interest from securities of foreign issuers without deducting withholding tax	EUR	357,631.34
3. Interest from securities of domestic issuers	EUR	239,004.01
4. Other income	EUR	55.40
Total income	EUR	643,850.14

II. Expenses

1. Interest from borrowings	EUR	-221.23
2. Auditing and publication charges	EUR	-22,720.59
3. Custodian fee	EUR	-54,844.95
4. Management fee	EUR	-1,074,785.28
Of which performance fee EUR -436,135.51		
5. Other expenses	EUR	-51,958.20
Total expenses	EUR	-1,204,530.25

III. Ordinary net income

EUR -560,680.11

IV. Disposals

1. Realised gains	EUR	21,613,894.00
2. Realised losses	EUR	-14,339,257.56
Income from disposals	EUR	7,274,636.44

V. Realised earnings for the fiscal year

EUR 6,713,956.33

1. Net change in unrealised gains	EUR	782,569.44
2. Net change in unrealised losses	EUR	2,643,798.42

VI. Unrealised income for the financial year

EUR 3,426,367.86

VII. Net income for the financial year

EUR 10,140,324.19

Lupus alpha Volatility Risk-Premium R annual report

Profit and loss account (including income equalisation) for the period from 1 January 2023 to 31 December 2023

I. Income

1. Interest on investments in liquid assets, domestic	EUR	292.97
2. Interest from securities of foreign issuers without deducting withholding tax	EUR	2,231.31
3. Interest from securities of domestic issuers	EUR	1,500.27
4. Other income	EUR	0.35
Total income	EUR	4,024.90

II. Expenses

1. Interest from borrowings	EUR	-1.39
2. Auditing and publication charges	EUR	-128.39
3. Custodian fee	EUR	-7,448.05
4. Management fee	EUR	-3,424.04
5. Other expenses	EUR	-306.75
Total expenses	EUR	-11,308.62

III. Ordinary net income

EUR -7,283.72

IV. Disposals

1. Realised gains	EUR	134,522.56
2. Realised losses	EUR	-89,455.89
Income from disposals	EUR	45,066.67

V. Realised income for the financial year

EUR 37,782.95

1. Net change in unrealised gains	EUR	4,669.07
2. Net change in unrealised losses	EUR	15,773.78

VI. Unrealised income for the financial year

EUR 20,442.85

VII. Earnings for the fiscal year

EUR 58,225.80

Lupus alpha Volatility Risk-Premium C annual report

Development of fund assets

	2023	
I. Value of the investment fund at the beginning of the financial year	EUR	38,369,367.26
1. Distribution for the previous year/tax allowance for the previous year	EUR	0.00
2. Interim dividends	EUR	-1,532,701.36
3. Inflow/outflow of funds (net)	EUR	47,146,850.70
a) Cash inflow from unit sales ²⁾	EUR	55,505,334.31
of which unit sales	EUR	7,339,804.59
of which merger	EUR	48,165,529.72
b) Cash outflow from redemption of units	EUR	-8,358,483.61
4. Income/expense equalisation	EUR	248,896.25
5. Net income for the financial year	EUR	10,140,324.19
of which unrealised gains	EUR	782,569.44
of which unrealised losses	EUR	2,643,798.42
II. Value of the investment fund at the end of the financial year	EUR	94,372,737.04

2) On 31.12.2022 Lupus alpha Volatility Invest merged with Lupus alpha Volatility Risk Premium.

Lupus alpha Volatility Risk-Premium R annual report

Development of fund assets

	2023	
I. Value of the investment fund at the beginning of the financial year	EUR	509,578.41
1. Distribution for the previous year/tax allowance for the previous year	EUR	0.00
2. Interim dividends	EUR	-9,629.26
3. Inflow/outflow of funds (net)	EUR	31,882.10
a) Cash inflow from sale of units	EUR	31,882.10
b) Cash outflow from redemption of units	EUR	0.00
4. Income/expense equalisation	EUR	-929.23
5. Net income for the financial year	EUR	58,225.80
of which unrealised gains	EUR	4,669.07
of which unrealised losses	EUR	15,773.78
II. Value of the investment fund at the end of the financial year	EUR	589,127.82

Lupus alpha Volatility Risk-Premium annual report

Appropriation of net income from unit class C

Calculation of distribution (overall and per unit)

	overall	per unit
I. Available for distribution	EUR 19,592,142.53	26.25
1. Carried forward from the previous year	EUR 12,878,186.20	17.26
2. Realised income for the financial year	EUR 6,713,956.33	9.00
3. Addition from the investment fund	EUR 0.00	0.00
II. Not appropriated for distribution	EUR 18,059,441.17	24.20
1. Allocated to reinvestment	EUR 3,903,530.61	5.23
2. Amount carried forward	EUR 14,155,910.56	18.97
III. Total distribution	EUR 1,532,701.36	2.05
1. Interim distributions	EUR 1,532,701.36	2.05
2. Final dividend	EUR 0.00	0.00

Appropriation of net income from unit class R

Calculation of distribution (overall and per unit)

	overall	per unit
I. Available for distribution	EUR 39,103.97	7.38
1. Carried forward from the previous year	EUR 1,321.02	0.25
2. Realised income for the financial year	EUR 37,782.95	7.13
3. Addition from the investment fund	EUR 0.00	0.00
II. Not appropriated for distribution	EUR 29,474.71	5.56
1. Allocated to reinvestment	EUR 0.00	0.00
2. Amount carried forward	EUR 29,474.71	5.56
III. Total distribution	EUR 9,629.26	1.82
1. Interim distributions	EUR 9,629.26	1.82
2. Final dividend	EUR 0.00	0.00

Lupus alpha Volatility Risk-Premium annual report

Unit classes

The unit classes listed in the following table were issued in the reporting period

Unit class	currency	Management fee (per cent p.a.)		Front load (per cent)		Minimum investment amount in currency	Appropriation of income
		maximum	current	maximum	current		
C	EUR	0.70	0.70	4.00	4.00	500,000.00	distributing
R	EUR	0.70	0.70	4.00	4.00	0.00	distributing

In addition, the management company receives a performance-related fee from the investment fund for managing the investment fund in accordance with the prospectus.

Pursuant to § 7 (9) KARBV [Capital Investment Accounting and Valuation Regulations]

Information pursuant to the German Derivatives Regulation (Derivateverordnung)

underlying exposure through derivatives 18,101,900.29 EUR

counterparty to derivatives transactions

Eurex, CBOE, CBOT, CME

Total amount of securities pledged by third parties under derivatives transactions:

0.00 EUR

Securities holdings as a percentage of fund assets

97.91 %

Derivatives holdings as a percentage of fund assets

0.54 %

The use of the market risk limit for this investment fund was determined using the qualified approach in accordance with the Derivatives Regulation.

Information according to the qualified approach:

Potential risk exposure for market risk

lowest potential risk exposure

1.836 %

highest potential risk exposure

5.975 %

average potential risk exposure

3.324 %

Risk model used pursuant to § 10 of the Derivatives Regulations

Monte Carlo simulation

Parameters used pursuant to § 110 of the Derivatives Regulations

Confidence level = 99%, holding period 10 days

Effective historical observation period 12 months = 250 days

Average amount of leverage achieved during the financial year through derivative transactions

0.450

Composition of benchmark assets

Composition of the benchmark assets (§ 37 (5) of the Derivatives Regulations):

EURO STOXX 50 Net Return Index EUR (SX5T Index)

Other information

Unit value – Class C

126.45 EUR

Outstanding units - Class C

746,295.981 Qty.

Unit value - Class R

111.21 EUR

Outstanding units - Class R

5,297.670 Qty.

Information on the asset valuation method

Additional information pursuant to § 16 (1) (2) of the KARBV - Information about the valuation method

Valuation is done by the management company. The management company generally relies on external sources for this purpose.

If no trading prices are available, valuation models are used to determine prices (derived fair values) that are agreed between the custodian and the management company and are based as far as possible on market parameters. This procedure is subject to a permanent control process. Price information from third parties is checked for plausibility by other price sources, model invoices or by other appropriate procedures.

For assets admitted to trading on an exchange or admitted to or included in another organised market, as required under §27 KARBV, the last available trading price is used ensure the valuation is reliable. For assets that are neither admitted to trading on exchanges nor admitted to or included in another organised market, or for which no trading price is available, as required under §28 KARBV taken together with §168(3) KAGB, market values are used, based on careful assessment that involves appropriate valuation models and takes current market conditions into account. The underlying fair value may also be determined and communicated by an issuer, counterparty or other third party. In this case, this value is checked for plausibility by the management company or the custodian and this plausibility check is documented. Units in domestic investment funds, EC investment units and foreign Units in investment funds are valued at their most recent available redemption price or at a current price, as required under §27(1) KARBV. If no current price is available, the value of the units is determined in accordance with § 28 KARBV; reference is made to this in the annual report. Bank deposits are valued at their nominal value plus accrued interest. Fixed-term deposits are measured at fair value. Liabilities are recognised at their repayment amount.

Information on transparency and the total expense ratio

The total expense ratio expresses all charges and payments borne by the fund during the year, (excluding transaction charges) in relation to the average net asset value of the fund; it must be shown as a percentage.

0.85 Unit class C
2.19 Unit class R

Performance-related fee as a percentage of average net asset value

0.48 Unit class C
0.00 Unit class R

The management company does not receive any rebates on fees and expense reimbursements paid from the fund to the custodian or any third parties.

The management company does not grant any broker trail commissions to intermediaries to a significant extent from the fees paid to it by the fund.

Significant other income and other expenditure

no significant other income and other expenditure

Transaction charges (total of incidental acquisition charges plus selling charges)

211,967.32 EUR

Information pursuant to Regulation (EU) 2015/2365 on securities financing transactions

During the reporting period, the fund was not invested in any securities financing transactions pursuant to Regulation (EU) 2015/2365, which is why no disclosure is made below regarding this type of transaction.

Other information required for understanding the report
Explanation of net change in unrealised gains and losses:

The net change in unrealised gains and losses is determined by comparing the values of the assets included in the unit price with their respective historical cost in each fiscal year, the amount of positive differences is included in total unrealised gains, the amount of negative differences is included in total unrealised losses, and net changes are determined by comparing the totals at the end of the fiscal year with the totals at the beginning of the fiscal year.

Information on staff remuneration

Lupus alpha Group remuneration policy

Management company's remuneration system

Lupus alpha Investment GmbH is a subsidiary of Lupus alpha Asset Management AG. Lupus alpha (which means "the leader of the pack") is an owner-managed, independent asset management group that offers specialist investment products to institutional and private investors. We focus on a small number of attractive asset classes for which special expertise is required and in which we may realise sustainable added value for our customers. Our focus is on

European second-tier stocks as well as alternative solutions. As a specialist provider, we systematically open up new sources of alpha for institutional investors through specialist, innovative strategies and open up avenues for broader and deeper diversification of their overall portfolios.

Lupus alpha's partnership-based corporate structure creates the conditions for the highest possible level of staff continuity at management level. Together with its role as a specialist provider and the focus of its own investments on liquidity investments, limitation to the usual risks of a medium-sized asset manager is guaranteed.

Performance-related and entrepreneurial-oriented remuneration for employees is a central component for the design of Lupus alpha's remuneration system. By adopting a holistic remuneration concept, management intends to support the medium to long-term corporate goals defined as part of the strategy development process and to avoid incentives to take disproportionately high risks. All requirements arising from the decree concerning the Supervisory Requirements for Institutions' Remuneration Systems (InstitutsVergV), § 13 and 22 of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers (AIFM Directive), the guidelines for sound remuneration policies taking account of the AIFMD (German translation of the ESMA Guidelines) and Annex II Remuneration Policy of the AIFM Directive, are complied with in this regard.

Results of the annual review of the remuneration policy

Lupus alpha regularly reviews the appropriateness of the remuneration concept with the involvement of compliance and makes adjustments if necessary. The remuneration policy and its application are also subject to review by the internal audit department and monitoring by the Supervisory Board. There were no complaints.

Significant changes to the established remuneration policy

There were no significant changes to the remuneration system in the reporting period.

Total amount of employee compensation paid to the management company in 2022: EUR 6.6 million,

of which fixed remuneration 59.24%

of which variable remuneration 40.76%

Remuneration paid directly out of the fund in EUR million 0.00

Total employees incl. management 90

Total remuneration paid by the management company to risk takers in the financial year just ended: EUR 2.33 million,

of which indirectly via cost allocation by the parent company to senior management: EUR 2.33 million

Information on non-financial performance indicators

Conventional products under Article 6 of Directive (EU) 2019/2088 (Disclosure Regulation)

The most important principal adverse impacts (PAIs) on sustainability factors are taken into account in the investment process at the company level. As there is no binding requirement to consider PAIs on the fund level, this has not been done.

This fund has not been classified either as a product promoting environmental or social characteristics within the meaning of the Disclosure Regulation (article 8) or as a product that has sustainable investment as its objective (article 9). The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Lupus alpha Volatility Risk-Premium annual report

Comparative table covering the last three financial years

Fiscal year		Fund assets at the end of the financial year	Unit value
Unit class C			
2023	EUR	94,372,737.04	126.45
2022	EUR	38,369,367.31	115.04
2021	EUR	48,899,786.70	118.40
Unit class R			
2023	EUR	589,127.82	111.21
2022	EUR	509,578.41	101.92
2021	EUR	0.00	0.00

Frankfurt, 29 January 2024

Lupus alpha Investment GmbH

Michael Frick
Managing
Director

Dr. Götz Albert
Managing
Director

Report of the independent auditor

To Lupus alpha Investment GmbH, Frankfurt am Main

Audit opinion

We have audited the annual report of the Lupus alpha Volatility Risk-Premium fund – consisting of the activity report for the fiscal year from 1 January 2023 to 31 December 2023, the statement of assets and the statement of net assets as of 31 December 2023, the profit and loss account, the statement of appropriation of income, the statement of changes in fund assets for the fiscal year from 1 January 2023 to 31 December 2023, as well as the comparative three-year overview, the statement of transactions completed during the reporting period not included in the statement of net assets, and the notes.

In our opinion, based on our audit, the accompanying annual report complies, in all material respects, with the provisions of the German Investment Code (Kapitalanlagegesetzbuch – KAGB) and the relevant European regulations, and presents a comprehensive and true picture of the position and developments of the investment fund in compliance with these provisions.

Basis for the audit opinion

We conducted our audit of the annual report in accordance with § 102 KAGB, considering German generally accepted auditing standards determined by the *Institut der Wirtschaftsprüfer* [Institute of Public Auditors in Germany] (IDW). Our responsibility under these provisions and standards is described in more detail in the section “Responsibility of the auditor for the audit of the annual report” of our report. We are independent of Lupus alpha Investment GmbH in accordance with German commercial law and the professional rules and regulations, and have fulfilled our other German professional duties in accordance with these requirements. We believe that the audit evidence we have obtained is suitable and sufficient to serve as a basis for our audit opinion of the annual report.

Responsibility of the legal representatives for the annual report

The legal representatives of Lupus alpha Investment GmbH are responsible for preparing the annual report, which is compliant in all regards with the provisions of the KAGB and the relevant European regulations, as well as for ensuring that the annual report presents a comprehensive and true picture of the position and developments of the investment fund, in compliance with these provisions. Furthermore, the legal representatives are responsible for the internal controls they have deemed necessary under these provisions in order to ensure that the annual report is free of material misstatement, whether due to fraud or error (i.e. fraudulent financial reporting and misappropriation).

In preparing the annual report, the legal representatives are responsible for including in the report such events, decisions and factors that may materially affect the future growth of the investment fund. This means that in preparing the annual report, the legal representatives must assess Lupus alpha Investment GmbH’s operation of the investment fund as a going concern and are responsible for disclosing facts concerning the continuation of the investment fund, if applicable.

Responsibility of the auditor for the audit of the annual report

Our aim is to obtain reasonable assurance that the annual report as a whole is free of material misstatement, whether due to fraud or error, and to issue a report containing our audit opinion on the annual report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted pursuant to § 102 KAGB, in accordance with German Generally Accepted Standards for Financial Statement Audits issue by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements may be due to fraud or error and are considered material when it may reasonably be expected that these, individually or as a whole, could influence economic decisions of users made on the basis of this annual report.

During the audit, we exercise professional judgement and adopt a critical stance. In addition:

- We identify and assess the risk of material misstatements in the annual report due to fraud or error, plan and carry out audit procedures in response to these risks, and obtain sufficient and appropriate audit evidence to provide a basis for our audit opinion. The risk that material misstatements due to fraud will not be detected is higher than the risk that material misstatements due to error will not be detected, as fraud may involve collusion, forgery, intentional omissions, misleading representations, or bypassing of internal controls.
- We obtain an understanding of internal controls 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 controls.
- We assess the appropriateness of the account methods used by the legal representatives of Lupus alpha Investment GmbH in preparing the annual report and the justifiability of the estimated values presented by the legal representatives and related information.
- On the basis of the audit evidence obtained, we reach a conclusion as to whether a material uncertainty exists in connection with events or circumstances that could raise serious doubt about Lupus alpha Investment GmbH's operation of the investment fund as a going concern. If we conclude that a material uncertainty exists, we are obliged to draw attention in our report to the relevant information in the annual report or, if such information is inadequate, to amend our audit opinion. We draw our conclusion on the basis of the audit evidence obtained up until the date of our report. However, future events or circumstances may result in Lupus alpha Investment GmbH's discontinuation of the investment fund.
- We assess the overall presentation, structure and content of the annual report, including figures and whether the annual report presents the underlying transactions and events in such a way that the annual report, in compliance with KAGB and the relevant European regulations, presents a picture of the fund's actual circumstances and performances.

Among other things, we discuss the planned scope and time frame of the audit with those responsible for governance, as well as significant findings including any deficiencies in the internal control system identified during our audit.

Frankfurt am Main, 27 March 2024

KPMG AG Wirtschaftsprüfungsgesellschaft

Kuppler
Auditors

Neuf
Auditors

Information about the management company, custodian and auditor

Lupus alpha Investment GmbH
Speicherstraße, 49-51
D-60327 Frankfurt am Main, Germany

Telephone: 0049 69 365058-70 00

Fax: 0049 69 365058-80 00

Supervisory Board

Chairman
Dr. Oleg De Lousanoff, lawyer and notary
Vice Chairman
Dietrich Twietmeyer, Dipl.Agr.Ing.
Dr. Helmut Wölfel, Legal counsel

Mandates of the Executive Board

Michael Frick
Management Board of Directors of Lupus alpha Asset Management AG, Frankfurt am Main, Germany
Ralf Lochmüller
Spokesman of the Board of Directors of Lupus alpha Asset Management AG, Frankfurt am Main
Shareholder of Lupus alpha Holding GmbH, Frankfurt am Main, Germany
Dr. Götz Albert
Management Board of Directors of Lupus alpha Asset Management AG, Frankfurt am Main, Germany

Capital as of 31 December 2022
subscribed and paid in: EUR 2.560 million

Shareholder

Lupus alpha Asset Management AG (100%)

Executive Board

Ralf Lochmüller
Michael Frick
Dr. Götz Albert

Information about the management company, custodian and auditor (Part II)

Custodian

Kreissparkasse Köln
Neumarkt 18-24
50667 Cologne

Liable equity capital as of 31 December
2022
EUR 2.573 bn

Auditor of the fund and the management company

KPMG AG Wirtschaftsprüfungsgesellschaft
THE SQUAIRE
Am Flughafen
D-60549 Frankfurt am Main, Germany

The above information is updated in the annual and semi-annual reports.

Other investment funds managed by the management company:

As of 31 December 2023, 10 mutual funds and 10 funds were managed by the management company.