

Commercial Finance Opportunities

Alternative Fixed Income Opportunities

Q4 / 2023

Premium Alternative S.A. (SICAV-SIF) - Commercial Finance Opportunities Fund (“CFO” or the “Fund”)

H2/2023 General Liquidity Update

Dear Valued Investor,

Further to our last communication in September 2023, we would like to take the opportunity to provide important updates and developments relating to: Premium Alternative S.A. (SICAV-SIF) – Commercial Finance Opportunities Sub-Fund (“CFO” or “the Fund”), its Investment Manager and other key Service Providers.

As stated in previous communications this Fund is an experienced investor Fund and by virtue of its structure and underlying investment portfolio does not operate with regular UCIT / ETF type liquidity and redemptions are processed on a first received, best efforts basis. We recognise that the current liquidity situation may be frustrating for some investors wishing to exit however, the Fund is working hard to improve this situation from a combination of the above priorities. Furthermore, since the structure of both the Fund vehicle and its underlying investment debt and equity portfolio does not operate like traditional UCIT / ETF / Mutual Funds, both pricing and liquidity are by nature variable and are subject to limitations.

The process of managing investor redemption requests correlates to the availability of liquidity from the underlying assets of the Fund. A significant portion of the underlying assets are wholesale finance lending facilities which operate across a longer-term time horizon, and thus there is little expectation that any sale, or re-finance of these assets can be realised in the short-term to satisfy any redemption requests.

The last final NAV was 31 May 2023, and the last cash settlement was processed at the end of May associated with the 31 December 2022 NAV. As the Fund generates additional liquidity during H2 2023, further redemption cash settlements will be processed (see further details below).

The Fund recognises that recent performance and liquidity constraints have frustrated some Registered Shareholders and it is working hard to improve the situation. However, all Registered Shareholders are reminded that past performance is no guide to future results and investments can fall as well as rise. As with all investment opportunities lifecycles there are often periods of performance, over performance and under performance.

The Fund continues to prioritise liquidity generation over absolute return and during 2022-24 no new financing projects were or are expected be approved, although a limited amount of existing forward funding commitments remains throughout 2024. The Fund continues to reduce (and ultimately exit entirely) non-core portfolios to the end of 2023 and into 2024. Combined non-core portfolio exposures represent approximately 40% of NAV, which we anticipate will generate further redemption proceeds.

Premium Alternative S.A. (SICAV-SIF)
Commercial Finance Opportunities

Registered Office:

287-289 route d'Arlon, L-1150 Luxembourg, Grand Duchy of Luxembourg

E: info@prestigefunds.com

www.prestigecapitalmanagement.com.mt

www.prestigefunds.com

Directors:

Mr Luc Sunnen (Luxembourg), Mr Christophe Fender (Luxembourg), Mr Jonathan Scott (UK) and Mr Craig Reeves (UK)

Luxembourg Trade and Companies Register Number:

B 162681

During Q1 2023 approximately GBP 1m was returned from core portfolios operated by Finance Arranger - Nucleus Commercial Finance. These proceeds were used to process some pending redemption requests and the ongoing running costs of the Fund as well as maintaining non-GBP share class FX hedge margin balances.

Furthermore, the core portfolio operated by UK based, multi-award winning, Nucleus Commercial Finance is in on-going discussions to sell some existing performing loans into a new GBP 200m facility with a large UK bank expected to complete during Q4. Performing loans that are in scope will generate additional liquidity into CFO from Q4 onwards (assuming that this facility completes by its anticipated timeline).

Moreover, Nucleus continues to explore other funding opportunities with larger groups that may enable the sale or transfer of performing loan assets enabling further liquidity to be generated. That said, all these initiatives remain slow and complex, but as we have seen in previous years there remains a strong appetite from larger groups to acquire certain performing assets that are in scope. The UK SME lending environment remains strong with strong demand post macro-economic events for the past 3 years, which have put inflationary pressures on the UK markets and since 2011, Nucleus has lent more than GBP 2.3 billion to thousands of small / medium enterprises.

We thank you for your ongoing trust and confidence in us and look forward to continuing to manage your valuable assets. We will continue to provide material updates around this situation. Should you have any questions, please do not hesitate to contact us:

Investment Administration: admin@prestigecapitalservices.uk

Investment Marketing: info@prestigefunds.com

Premium Alternative S.A. (SICAV-SIF) Commercial Finance Opportunities

Registered Office:

287-289 route d'Arlon, L-1150 Luxembourg, Grand Duchy of Luxembourg

E: info@prestigefunds.com

www.prestigecapitalmanagement.com.mt

www.prestigefunds.com

Directors:

Mr Luc Sunnen (Luxembourg), Mr Christophe Fender (Luxembourg), Mr Jonathan Scott (UK) and Mr Craig Reeves (UK)

Luxembourg Trade and Companies Register Number:

B 162681

INTERNATIONAL FUND REFERENCE CODES:

Accumulation M Shares

CURRENCY	ISIN Code	SEDOL Code	BLOOMBERG Code	VALOR Code	MORNING STAR Code	CUSIP Code	MEXID Code
USD	LU2430038732	BNYF294	PRCFOBG LX	116278164	F00001DDJS	L76483 327	PRAAYC
EUR	LU2430038658	BNYF2B6	PRCFOAG LX	116278166	F00001DDJT	L76483 335	PRAAYB
GBP	LU2430038815	BNYF2C7	PRCFOCG LX	116278168	F00001DDJU	L76483 343	PRAAYA
CHF	LU2430038906	BNYF2D8	PRCFODP LX	116051273	F00001DDJV	L76483 350	PRAAXZ
ILS	LU2430039037	BNYF2F0	PRCFOFG LX	116315926	F00001DDJW	L76483 368	PRAAXY

Accumulation IM Shares

CURRENCY	ISIN Code	SEDOL Code	BLOOMBERG Code	VALOR Code	MORNING STAR Code	CUSIP Code	MEXID Code
USD	LU2430039201	BNYF2G1	PRCFOIB LX	116048617	F00001DDJX	L76483 376	PRAAXX
EUR	LU2430039110	BNYF2H2	PRCFIAM LX	116316024	F00001DDJY	L76483 384	PRAAXW
GBP	LU2430039383	BNYF2J4	PRCFOIA LX	116316025	F00001DDJZ	L76483 392	PRAAXV
CHF	LU2430039466	BNYF2K5	PRCFOIM LX	116308027	F00001DDK0	L76483 400	PRAAXU
ILS	LU2430039540	BNYF2L6	PRCFIFM LX	116308041	F00001DDK1	L76483 418	PRAAXT

Distribution M Shares

CURRENCY	ISIN Code	SEDOL Code	BLOOMBERG Code	VALOR Code	MORNING STAR Code	CUSIP Code	MEXID Code
USD	LU2430039896	BNYF2M7	PRCFODB LX	116308072	F00001DDK2	L76483 426	PRAAXS
EUR	LU2430039623	BNYF2N8	PRCFDAM LX	116308078	F00001DDK3	L76483 434	PRAAXR
GBP	LU2430039979	BNYF2P0	PRCFDCM LX	116278244	F00001DDK4	L76483 442	PRAAXQ
CHF	LU2430040126	BNYF2Q1	PRCFDDM LX	116278378	F00001DDK5	L76483 459	PRAAXP
ILS	LU2430040399	BNYF2R2	PRCFODF LX	116279380	F00001DDK6	L76483 467	PRAAXO

Institutional Distribution M Shares

CURRENCY	ISIN Code	SEDOL Code	BLOOMBERG Code	VALOR Code	MORNING STAR Code	CUSIP Code	MEXID Code
USD	LU2430040555	BNYF2S3	PRCFOIP LX	116279957	F00001DDK7	L76483 475	PRAAXN
EUR	LU2430040472	BNYF2T4	PRCFIDA LX	116316005	F00001DDK8	L76483 483	PRAAXM
GBP	LU2430040639	BNYF2V6	PRCFIDM LX	116316006	F00001DDK9	L76483 491	PRAAXL
CHF	LU2430040712	BNYF2W7	PRCFIDD LX	116316007	F00001DDKA	L76483 509	PRAAXK
ILS	LU2430040803	BNYF2X8	PRCFOIG LX	116316008	F00001DDKB	L76483 517	PRAAXJ

Premium Alternative S.A. (SICAV-SIF) Commercial Finance Opportunities

Registered Office:

287-289 route d'Arlon, L-1150 Luxembourg, Grand Duchy of Luxembourg

E: info@prestigefunds.com

www.prestigecapitalmanagement.com.mt

www.prestigefunds.com

Directors:

Mr Luc Sunnen (Luxembourg), Mr Christophe Fender (Luxembourg), Mr Jonathan Scott (UK) and Mr Craig Reeves (UK)

Luxembourg Trade and Companies Register Number:

B 162681

INTERNATIONAL FUND REFERENCE CODES:

Accumulation Share Classes

CURRENCY	ISIN Code	SEDOL Code	BLOOMBERG Code	VALOR Code	MORNING STAR Code	CUSIP Code	MEXID Code
USD	LU0960650512	BCRYBR2	COMFOUS LX	22043791	F00000QIAU	L8176P 102	0AAAUG
EUR	LU0960650439	BCRYBQ1	COMFOEU LX	22043761	F00000QHSD	L8176P 110	0AAAUH
GBP	LU0960650603	BCRYBS3	COMFOBP LX	22043792	F00000QIAV	L8176P 128	0AAAUI
CHF	LU0960650785	BCRYBT4	COMFOCH LX	22043799	F00000QICS	L8176P 136	0AAAUI
SEK	LU0960650868	BCRYBV6	COMFOSK LX	22043801	F00000QICR	L8176P 169	0AAAUK

Accumulation Institutional Share Classes

CURRENCY	ISIN Code	SEDOL Code	BLOOMBERG Code	VALOR Code	MORNING STAR Code	CUSIP Code	MEXID Code
USD	LU1350417850	BZ4BY34	COMFOIB LX	30561374	F00000X15Z	L8176P 201	0AYXF
EUR	LU1350417777	BZ4BY23	COMFOIA LX	30561373	F00000X15Y	L8176P 300	0AYXB
GBP	LU1350417934	BZ4BY45	COMFOIC LX	30561375	F00000X160	L8176P 409	0AYXC
CHF	LU1350418072	BZ4BY56	COMFOID LX	30562680	F00000X161	L8176P 508	0AYXD
SEK	LU1350418239	BZ4BY67	COMFOIE LX	30562681	F00000X162	L8176P 607	0AYXE

Distribution Share Classes

CURRENCY	ISIN Code	SEDOL Code	BLOOMBERG Code	VALOR Code	MORNING STAR Code	CUSIP Code	MEXID Code
USD	LU1808945783						
EUR	LU2050438295						
GBP	LU2152321662						
CHF	LU2152321746						
SEK	LU2152321829						

Institutional Distribution Share Classes

CURRENCY	ISIN Code	SEDOL Code	BLOOMBERG Code	VALOR Code	MORNING STAR Code	CUSIP Code	MEXID Code
USD	LU1974409705						
EUR	LU2050440606						
GBP	LU2152322041						
CHF	LU2152322124						
SEK	LU2152322397						

Premium Alternative S.A. (SICAV-SIF) Commercial Finance Opportunities

Registered Office:
287-289 route d'Arlon, L-1150 Luxembourg, Grand Duchy of Luxembourg
E: info@prestigefunds.com
www.prestigecapitalmanagement.com.mt
www.prestigefunds.com

Directors:
Mr Luc Sunnen (Luxembourg), Mr Christophe Fender (Luxembourg), Mr Jonathan Scott (UK) and Mr Craig Reeves (UK)
Luxembourg Trade and Companies Register Number:
B 162681

NOTE: This document is issued and approved by the Premium Alternative S.A. (SICAV-SIF) (PREM ALT) - Sub Fund Commercial Finance Opportunities Fund (CFO). It is not a solicitation or invitation to invest or financial advice. Investors should only rely on the Issuing Document of PREM ALT in respect of CFO and always seek independent professional financial advice when considering an investment. CFO is a Sub Fund of PREM ALT which is a Luxembourg-registered SICAV. It is classified as an Alternative Investment Fund (AIF) licenced by the Commission de Surveillance du Secteur Financier (CSSF) and is subject to the scope of the Alternative Investment Fund Managers Directive (AIFMD), under which it is actively managed by Prestige Capital Management Limited (PCM), a full scope AIFM authorised and regulated by the Malta Financial Services Authority. This document has also been approved by PCM.

CFO is an experienced investor fund, and potential investors should seek professional independent financial advice prior to making any decision to invest. Please also refer to the Issuing Document of PREM ALT in respect of CFO before making any final investment decisions.

This collective investment scheme may only be offered in Switzerland to qualified investors in accordance with Art. 10 of the Collective Investment Schemes Act (CISA) and Art. 4 para. 3-5, Art. 5 para. 1, Federal Act on Financial Services (FinSA). The representative in Switzerland is OpenFunds Investment Services AG, Seefeldstrasse 35, 8008 Zurich. The paying agent in Switzerland is Società Bancaria Ticinese SA, Piazza Collegiata, 6501 Bellinzona. The prospectus and the Key Information Document (KID), the fund contract as well as the annual and semi-annual reports can be obtained free of charge from the representative in Switzerland. In respect of units offered in Switzerland, the place of performance is at the registered office of the representative. The place of jurisdiction is at the registered office of the representative or at the registered office or place of residence of the investor.

In case of any discrepancy between the English text version and any translation thereof, the English version shall prevail and be regarded as binding. Unless advised otherwise, all sources of data are those of Prestige. © 2023

Premium Alternative S.A. (SICAV-SIF) Commercial Finance Opportunities

Registered Office:

287-289 route d'Arlon, L-1150 Luxembourg, Grand Duchy of Luxembourg

E: info@prestigefunds.com

www.prestigecapitalmanagement.com.mt

www.prestigefunds.com

Directors:

Mr Luc Sunnen (Luxembourg), Mr Christophe Fender (Luxembourg), Mr Jonathan Scott (UK) and Mr Craig Reeves (UK)

Luxembourg Trade and Companies Register Number:

B 162681