

ALLEGRO SHORT TERM BOND FUND

Fonds Commun de Placement

Annual Report and Audited Financial Statements

For the financial year ending 31 March 2024



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ALLEGRO SHORT TERM BOND FUND

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ALLEGRO SHORT TERM BOND FUND

Management and Administration

Management Company

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Board of Managers of the Management Company

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Independent Auditor of the Fund and of the Management Company

Ernst & Young S.A.
35 E, Avenue John F. Kennedy
L-1855 Luxembourg

ALLEGRO SHORT TERM BOND FUND

Report of the Board of Managers of the Management Company

The Board of Managers of the Management Company (the “Board of Managers”) is pleased to present the annual report and audited financial statements of Allegro Short Term Bond Fund (the “Fund”) for the financial year ending 31 March 2024.

Code of conduct

The Board of Managers has adopted the ALFI Code of Conduct issued in September 2009 and last updated in June 2022, which sets out the principles of good governance, and considers that the Fund has been in compliance with it in all material respects throughout the financial year ended 31 March 2024. Any subsequent amendment to the ALFI Code of Conduct will be considered by the Board of Managers prior to adoption and necessary disclosure will be made in the annual financial statements.

Principal activities during the reporting year

Since the inception of the Fund, the Board of Managers has focused on building up a diversified portfolio of mainly short-to-medium duration government and corporate debt positions, with a focus on EUR-denominated floating rate notes (“FRN”). The debt positions are complemented by investments in open-ended, highly liquid investment funds.

During the financial year, the bonds issued by Banco the Sabadell, ING Groep NV and L’Oréal S.A. expired. Furthermore, the DWS Floating Rate Notes was fully sold, while the money market fund issued by Lyxor Barclays was converted into Amundi EUR F.R.Corp. In March 2024, the bonds issued by Apple Inc., Bayer AG, Deutsche Wohnen SE, Sanofi S.A., Unibail-Rodamco-Westfield and Wells Fargo were partially sold.

As at 31 March 2024, the Fund’s portfolio thus comprises 19 investments with a total value of approximately EUR 13.82 million. At the end of the financial year, the Fund’s portfolio showed a net unrealised loss of EUR 512,222, resulting mainly from the impact of the market prices.

Events after the end of the reporting year and likely future development of the Fund

There are no significant events that affected the Fund between 31 March 2024 and the date of the present report.

The Board of Managers would like to take this opportunity to thank the unitholders for their ongoing trust and support.

Luxembourg, 16 July 2024

The Board of Managers of the Management Company

The figures stated in this report are historical and not necessarily indicative of future performance.

ALLEGRO SHORT TERM BOND FUND

General Information

Information to Unitholders

The Fund's net asset value is calculated and disclosed twice per month.

A copy of the Annual Report may be obtained upon request from the Registered Office of the Management Company. Alternatively, please go to www.ocorianfunds.com.

Risk Management – Global Market Risk Exposure

The Board of Managers decided to adopt the commitment approach to determine the global market risk exposure of the Fund.

Portfolio movements

A detailed schedule of portfolio movements is freely available upon request at the Registered Office of the Management Company.

Remuneration policy

During the financial year ended 31 March 2024, both fixed and variable remuneration have been paid to an average of 33 executives and employees of the AIFM. Paid remuneration totalled to a fixed amount of EUR 3,039,788 and a variable amount of EUR 56,860 during the financial year.

Details of remuneration practices are freely available upon request at the Registered Office of the Management Company.

Independent auditor's report

To the Unitholders of Allegro Short Term Bond Fund
c/o Ocorian Fund Management S.à r.l.
17, Boulevard F.W. Raiffeisen
L-2411 Luxembourg

Opinion

We have audited the financial statements of Allegro Short Term Bond Fund (the "Fund"), which comprise the statement of net assets and the schedule of investments as at 31 March 2024, and the statement of operations and changes in net assets for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 March 2024, and of the results of its operations and changes in its net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements" section of our report. We are also independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Managers of the Management Company of the Fund is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of the "réviseur d'entreprises agréé" thereon.

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

Responsibilities of the Board of Managers of the Management Company of the Fund for the financial statements

The Board of Managers of the Management Company of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Managers of the Management Company of the Fund 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 Managers of the Management Company of the Fund is responsible for assessing the Fund's 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 Managers of the Management Company of the Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the “réviseur d'entreprises agréé” 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 a report of the “réviseur d'entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF 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 the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism 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 Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Managers of the Management Company of the Fund.
- Conclude on the appropriateness of the Board of Managers of the Management Company of the Fund's 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 Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" 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 report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Fund 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 those charged with governance 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.

Ernst & Young
Société anonyme
Cabinet de révision agréé



Nicolas Bannier

Luxembourg, 16 July 2024

ALLEGRO SHORT TERM BOND FUND

Statement of Net Assets

As at 31 March 2024

	Note(s)	Allegro Short Term Bond Fund In EUR
Assets		
Investments in securities, at cost		14,336,287
Investments in securities, net unrealised loss		(512,222)
Total Investments in Securities, at market value		13,824,065
Cash at bank	3)	1,599,858
Interest receivable		94,196
Other receivable		501,875
Total Assets		16,019,994
Liabilities		
Professional fees payable		28,500
Management fees payable	4)	10,672
Other payables		8,700
Total Liabilities		47,872
Total Net Assets		15,972,122
Number of Units outstanding – Class I EUR		24,956.00
Net Asset Value per Unit – Class I EUR		640.01

The accompanying notes are an integral part of these financial statements.

ALLEGRO SHORT TERM BOND FUND

Statement of Operations and Changes in Net Assets

For the financial year ending 31 March 2024

	Note(s)	Allegro Short Term Bond Fund In EUR
NET ASSETS AT THE BEGINNING OF THE YEAR		22,179,592
INCOME		
Interest on bonds		186,601
Bank interest		23,836
TOTAL INCOME	5)	210,437
EXPENSES		
Management fees	4)	55,935
Legal and professional fees		42,566
Custodian bank fees		23,022
Other expenses		8,119
Subscription tax ("Taxe d'abonnement")		1,735
TOTAL EXPENSES	6)	131,377
NET GAIN FROM INVESTMENTS FOR THE YEAR		79,060
Net realised loss on investments		(30,077)
TOTAL NET REALISED LOSS		(30,077)
Net change in unrealised gain/ (loss) on investments		542,115
TOTAL NET CHANGE IN UNREALISED GAIN/(LOSS)		542,115
INCREASE IN NET ASSETS AS A RESULT OF OPERATIONS		591,098
MOVEMENTS IN CAPITAL		
Issue of units class I EUR *		-
Cancellation of units class I EUR *		(6,798,568)
Distributions	8)	-
NET ASSETS AT THE END OF THE YEAR		15,972,122

The accompanying notes are an integral part of these financial statements.

* Amount of Issue/ (Cancellation) of units includes subscription and redemption fees.

ALLEGRO SHORT TERM BOND FUND

Statement of Changes in the Number of Units

For the financial year ending 31 March 2024

	Allegro Short Term Bond Fund Class I EUR
Number of units in issue at the beginning of the year	35,694.00
Number of units issued	-
Number of units cancelled	(10,738.00)
Number of units in issue at the end of the year	24,956.00

Statistical Information

	Allegro Short Term Bond Fund
Net Assets (EUR):	
31 March 2024	15,972,122
31 March 2023	22,179,592
31 March 2022	23,140,915
Number of units in issue – Class I EUR:	
31 March 2024	24,956.00
31 March 2023	35,694.00
31 March 2022	36,429.00
Net Asset Value per unit (EUR) :	
31 March 2024	640.01
31 March 2023	621.38
31 March 2022	635.23

ALLEGRO SHORT TERM BOND FUND

Schedule of Investments

As at 31 March 2024

Investments	Currency	Nominal value	Cost in EUR	Fair Value in EUR	% of Net Assets
Transferable securities admitted to or dealt in on an Official Stock Exchange					
Automotive					
Volkswagen Fin. Services AG, 1.50% 01/10/2024	EUR	1,000,000	1,053,255	987,800	6.18
Communications					
BRIT T-COM, 0.50%, 12/09/2025	EUR	900,000	915,465	859,977	5.38
Consumer Products					
Unilever Fin. Netherlands B.V., 0.50%, 29/04/2024	EUR	500,000	484,500	498,760	3.12
Financials					
Bank of America, 2.375% 19/06/2024	EUR	1,000,000	1,081,265	996,650	6.24
Deutsche Wohnen SE, 1.00%, 30/04/2025	EUR	700,000	718,588	676,704	4.24
Goldman Sachs Group Inc., 2.125% 30/09/2024	EUR	1,000,000	1,073,855	991,230	6.21
Nestlé Finance Intl Ltd., 12/11/2024	EUR	800,000	764,000	782,984	4.90
Standard Chartered Plc, 3.125% 19/11/2024	EUR	900,000	996,992	894,429	5.60
Unibail-Rodamco-Westfield SE, 1.125%, 15/09/2025	EUR	700,000	726,253	674,233	4.22
Wells Fargo & Company, 2.125% 04/06/2024	EUR	700,000	751,512	697,781	4.37
Industrials					
Brenntag Finance BV, 1.125%, 27/09/2025	EUR	900,000	930,126	867,078	5.43
EssilorLuxottica S.A., 0.125%, 27/05/2025	EUR	800,000	744,664	770,312	4.82
Siemens Finan.maatschappij NV, 2.25%, 10/03/2025	EUR	500,000	489,050	494,110	3.09
Open ended investment funds					
AMUNDI ENH.UL.SH.TE.BD SRI ACT.AU P	EUR	4,05	432,710	454,264	2.84
Amundi EUR F.R.Corp.Bd ESG Nam.-Ant.UCITS ETF	EUR	4,950	499,677	520,554	3.26
Pharmaceuticals					
Bayer AG, 0.05%, 12/01/2025	EUR	700,000	699,332	679,497	4.25
Johnson & Johnson, 0.65%, 20/05/2024	EUR	600,000	587,352	597,540	3.74
Sanofi S.A., 0.625%, 05/04/2024	EUR	700,000	682,220	699,860	4.38
Technology					
Apple Inc., 0.875%, 24/05/2025	EUR	700,000	705,471	680,302	4.26
Total			14,336,287	13,824,065	86.53
Net unrealised appreciation / (depreciation) on securities				(512,222)	

The accompanying notes are an integral part of these financial statements.

ALLEGRO SHORT TERM BOND FUND

Notes to the Financial Statements

As at 31 March 2024

Note 1 – The Fund

Allegro Short Term Bond Fund (the “Fund”) has been established by the Management Company on 1 December 2014 as an undertaking for collective investment in transferable securities subject to Part I of the Luxembourg law of 17 December 2010, as amended, concerning undertakings for collective investment (the “Law”), in the form of a common fund (“*fonds commun de placement*”) for an unlimited duration.

Ocorian Fund Management S.à r.l. is the Management Company of the Fund, with the day-to-day responsibility for the administration, distribution, investment management and marketing functions of the Fund. It was incorporated by notarial deed in the Grand Duchy of Luxembourg on 1 February 2008, for an unlimited duration, as published in the Mémorial on 7 March 2008.

The Fund offers investors various types of unit classes:

- Units in class “I” are available to institutional investors committing to invest an initial amount above EUR 100,000.- while subsequent investments must be of at least EUR 10,000;
- Units in class “R” shall be available to retail investors committing to invest an initial amount above EUR 10,000.- while subsequent investments must be of at least EUR 1,000.

The aim of the Fund is to invest in a diversified portfolio of liquid and safe short term assets, debt instruments and claims, including on ancillary basis cash and time deposits, not containing any speculative character, with an aggregated average maturity of less than three years, and the view to achieve adequate earnings, while giving due consideration to an adequate diversification of the Fund’s assets.

The Fund’s financial year ends on the last day of March.

Note 2 – Significant accounting policies

a) Basis of preparation

The financial statements are prepared and presented in accordance with generally accepted accounting principles relating to investment funds in the Grand Duchy of Luxembourg and they are expressed in euro (EUR).

ALLEGRO SHORT TERM BOND FUND

Notes to the Financial Statements (continued)

As at 31 March 2024

Note 2 – Significant accounting policies (continued)

b) Calculation of the Net Asset Value per Unit

The net asset value and the issue and redemption price per unit of each unit class are expressed in EUR and are calculated twice per month, on the 1st and 15th day of each month, and if such day is not a business day in Luxembourg on the next-following business day in Luxembourg, i.e. on the NAV Date, by dividing the overall net assets of the Fund attributable to each unit class by the number of units in circulation in this unit class.

The reference date used for such determination is the day immediately prior to the NAV Date, and the net asset value will be calculated on the basis of the end-of-day closing prices of the business day prior to the NAV Date.

The Net Asset Value per unit is rounded down to two decimal places.

c) Valuation of investments

The value of transferable securities, derivatives and other investments listed on a stock exchange are valued at the last-known market prices. If these securities, derivatives or other investments are listed on several stock exchanges, the latest available price on the stock exchange that represents the major market for these investments will apply.

Securities and other investments that are not listed on a stock exchange or traded on another regulated market, and for which no appropriate price can be obtained, are valued by the Management Company according to other principles chosen by it in good faith on the basis of the likely sales prices.

Units of other undertakings for collective investment in transferable securities (UCITS) and/or undertakings for collective investment (UCI) are valued at their last-known net asset value.

For money market instruments, the valuation price will be gradually adjusted to the redemption price, based on the net acquisition price and retaining the ensuing yield. The valuation price, calculated as such, may therefore deviate from the actual market price. In the event of a significant change in market conditions, the basis for the valuation of the individual investments is brought into line with the new market yields.

Fixed-term deposits and fiduciary investments are valued at their nominal value plus accumulated interest.

The Management Company is authorised to apply other generally recognised and auditable valuation criteria in good faith in order to achieve an appropriate valuation of the investments if, due to extraordinary circumstances, a valuation in accordance with the aforementioned regulations proves to be unfeasible or inaccurate.

ALLEGRO SHORT TERM BOND FUND

Notes to the Financial Statements (continued)

As at 31 March 2024

Note 2 – Significant accounting policies (continued)

d) Cash at bank and other assets

Liquidities - whether in the form of cash, bank deposits, bills of exchange and sight securities and receivables, prepaid expenses, cash dividends and declared or accrued interest that has not yet been received - are valued at their full value unless it is unlikely that this value will be fully paid or received, in which case their value is determined by taking into consideration a deduction that seems appropriate in order to portray their true value.

e) Foreign currency translation

Securities, money market instruments, derivatives and other investments denominated in a currency other than the reference currency of the Fund and not hedged by foreign-exchange transactions, are valued at the middle-market rate of exchange (midway between the bid and offer rate) known in Luxembourg or, if not available, on the most representative market for this currency.

f) Formation expenses

Formation expenses were amortised on a straight-line basis over a period of five years.

g) Interest and dividend income

Interest income is recognized on an accrual basis. Dividends are recorded as income on the ex-dividend date.

h) Realised/unrealised gains or losses on sales of investments

Realised gain or loss is recorded at the disposal of an investment and is the difference between the net proceeds from the sale and the cost of the investment. The Fund includes the fair value of all investments received in its net sales proceeds in determining the realised gain or loss on disposal.

Unrealised gain or loss reflects the difference between the market value of the investments and the cost basis of the investments.

ALLEGRO SHORT TERM BOND FUND

Notes to the Financial Statements (continued)

As at 31 March 2024

Note 2 – Significant accounting policies (continued)

i) Swing pricing

The Fund may suffer dilution of the net asset value per unit due to investors buying or selling units in the Fund at a price that does not reflect dealing and other costs that arise when security trades are undertaken by the Management Company to accommodate cash inflows or outflows. In order to counter this impact, a swing pricing mechanism has been adopted to protect the interest of the unitholders of the Fund. If on any valuation date, the aggregate net capital activity of the Fund exceeds a pre-determined threshold, as determined and reviewed on a periodic basis by the Board of Managers, the net asset value per unit shall be adjusted upwards or downwards to reflect the costs associated with net capital inflows or net capital outflows respectively.

The extent of the price adjustment is set by the Board of Managers to reflect dealing and other costs. The amount of the adjustment shall not exceed 2.00% of the original net asset value per unit.

The Fund has not applied the swing pricing mechanism during the financial year.

Note 3 – Bank deposits and cash at bank

As of 31 March 2024, cash placed with banks amounts to EUR 1,599,858.

Note 4 – Management fees

The Management Company is entitled to a management fee of up to 0.50% per annum. As of 31 March 2024, the Management Company receives a management fee of 0.25% per annum payable quarterly in arrears on the average net asset value of the Fund before subscription tax during such quarter.

Note 5 – Income

The total net income amounts to EUR 210,437 for the financial year ended 31 March 2024. This amount is composed of interest received on fixed income investments, net of foreign taxes and bank interest.

ALLEGRO SHORT TERM BOND FUND

Notes to the Financial Statements (continued)

As at 31 March 2024

Note 6 – Taxation

In accordance with current legislation in the Grand Duchy of Luxembourg, the Fund is not subject to any Luxembourg withholding, income, capital gains or wealth taxes.

From the total net assets of the Fund, however, a tax of 0.05% per annum ("*taxe d'abonnement*"), payable to the Grand Duchy of Luxembourg, is due at the end of every quarter, as calculated on the total net assets of the Fund at the end of every calendar quarter. This rate is reduced to 0.01%, inter alia, for classes of units reserved to one or more institutional investors.

Pursuant to article 175(a) of the Law, the net assets invested in UCI already subject to the "*taxe d'abonnement*" are exempt from this tax.

Note 7 – Transaction costs

The Fund incurred transaction costs which have been defined as standard brokerage and bank charges relating to purchase or sale of transferable securities. For the financial year ended 31 March 2024, no transaction costs incurred.

Note 8 – Distributions

Distributions as well as interim distributions may be composed of realised or unrealised income, capital gains and/or capital, and they may include or exclude fees and expenses. Any distribution results in an immediate reduction of the net asset value per unit of the Fund. The payment of distributions must not result in the net assets of the Fund falling below the minimum amount for fund assets laid down by the Law.

During the financial year ended 31 March 2024, no distributions were paid to the unitholders.

Note 9 – Statement of changes in investments

A list specifying for each investment the total purchases and sales which occurred during the financial year under review may be obtained free of charge at the registered office of the Management Company.

Note 10 – Subsequent Events

There are no major subsequent events that occurred since 31 March 2024 to the date of these financial statements.

ALLEGRO SHORT TERM BOND FUND

Additional information (“unaudited”)

Securities Financing Transactions Regulation (SFTR)

Allegro Short Term Bond Fund is not impacted by the requirements of the SFTR regulation 2015/2365 on transparency of securities financing transactions.

SFDR Disclosure

The Fund has applied Article 6 of the Sustainable Finance Disclosure Regulation.

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