abrdn Alpha

Société d'investissement à capital variable
- Specialised investment fund (a "SICAV-SIF")

Annual Report and Accounts
For the year ended 31 October 2024

abrdn.com

R.C.S. Luxembourg B 146.062

Contents

Incorporation

abrdn Alpha (the Company) was incorporated as a société anonyme qualifying as an open-ended "société d'investissement à capital variable – fonds d'investissement spécialisé" (SICAV-SIF) on 28 April 2009 for an unlimited period. It is registered under Number B 146 062 at the Register of Commerce and Companies of Luxembourg where its Articles of Incorporation have been deposited, are available for inspection and where copies thereof may be obtained. The Articles of Incorporation were also published in the RESA and were last amended on 5 June 2023.

As at 31 October 2024, the Company has issued shares in the following sub-fund:

abrdn Alpha – Global Loans Fund

Throughout the financial statements the sub-fund is referred to by its short name, Global Loans.

No subscriptions can be received on the basis of this document. Subscriptions are only valid if made on the basis of the current prospectus.

Statement of Changes in Portfolio

A statement giving the changes in the Schedule of Investments for the period ended 31 October 2024 can be obtained free of charge from the registered office of the Company.

Report of the Board of Directors

As at 31 October 2024, the total net assets of abrdn Alpha SICAV-SIF (the "Company") stood at USD 38,321,457.

The Company's objective is to provide the shareholders with a professionally managed sub-fund (the "Sub-Fund") investing in a globally diversified portfolio of secured loans (including assignments and participations) in order to achieve an optimum return from capital invested, while reducing investing risk through diversification.

The Board of Directors adheres to the Association of the Luxembourg Fund Industry ("ALFI") code of conduct for Luxembourg investment funds (revised June 2022). The code of conduct sets a framework of high-level principles and best practice recommendations for the governance of Luxembourg investment funds.

The Board of Directors considers that it has been in compliance with the Principles of the Code in all material respects for the year ended 31 October 2024.

The Board of Directors

Luxembourg, 14 February 2025

Report of the réviseur d’entreprises agréé

To the Shareholders of
abrdn Alpha
35a, avenue John F. Kennedy
L-1855 Luxembourg

Report on the audit of the financial statements

Opinion

We have audited the financial statements of abrdn Alpha ("the Fund"), which comprise the Statement of Net Assets and the Schedule of Investments as at 31 October 2024 and the Statement of Operations and Changes in Net Assets for the year then ended, and 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 abrdn Alpha as at 31 October 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 ("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 "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 Directors of the Fund is responsible for the other information. The other information comprises the information stated 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 Directors of the Fund for the financial statements

The Board of Directors 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 Directors 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 Directors 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 Directors 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

The objectives of our audit 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.

Report of the réviseur d'entreprises agréé (continued)

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements (continued)

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 Directors of the Fund.

* Conclude on the appropriateness of the Board of Directors 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.

Luxembourg, 17 February 2025
KPMG Audit S.à r.l.

Cabinet de révision agréé
39, avenue John F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Engin Irçag
Partner

Global Loans

Performance

For the year ended 31 October 2024, the Fund returned 10.64% (I QInc USD share class), compared with the 5.28% return of the benchmark, the Secured Overnight Financing Rate (SOFR). Over the calendar year to date, the Fund returned 7.28%, outperforming the SOFR return of 4.37% for the same period.

As at 31 October 2024, the European leveraged loan market (ELLI) returned 7.56% for the calendar year to date and 9.94% over the previous 12 months. The calendar year to date return for US leveraged loans was 7.45% and 10.56% over the 12 months to 31 October 2024.

The Fund outperformed the market through rigorous bottom-up analysis and balanced portfolio construction, overlaid with our views on the macroeconomic environment and credit markets. We focus heavily on relative value, given the Fund can invest in leveraged loans, emerging-market bonds, high-yield (HY) bonds and structured credit.

Fund return: Source: abrdn plc, Lipper, Basis: total return, published NAV to NAV, gross of annual fees, gross income reinvested, USD. Benchmark return: Source: Lipper, Basis: close of business return, income reinvested, gross of expenses, USD.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

The leveraged loan market outperformed most other risk asset classes given the defensive, income-centric nature of the product and its floating-rate return profile. The market benefited from rates moving lower over the period, albeit at a slower speed than investors had largely forecasted.

So far, 2024 has been a coupon-clipping year, with a 12-month interest return of 8.75% for the 10.64% total return of the Fund. The average yield to maturity of the index fell below 8% in October, to 7.72%, for the first time in two years. There is further repricing potential in 2024, with 36% of the ELLI still trading above par for example.

The average spread-to-maturity ended the period at +458 basis points (bps), down from the December 2023 level of +502bps and a recent market high of +618bps as at the end of 2022.

As is often the case, the loan market showed lower volatility than other liquid risk assets. This was because of the closed-end nature of the majority of the investor base, with over 70% of it comprising collateralised loan obligations (CLOs).

Recently, markets were supported by investors' dovish readings of the latest US Federal Reserve, European Central Bank and Bank of England rate-setting meetings, as well as some weaker-than-expected jobs data. These developments suggested that the central bank rate-cutting cycle in Europe and the US may be accelerating. This backdrop provided strong support for risk assets and also helped the Morningstar ELLI to rebound strongly.

The European primary leveraged loan market wrapped up the third quarter with year-to-date institutional activity of €157 billion (including repricings and extensions), which already exceeds 2021's full-year €143 billion tally. This represents the highest total on this measure since Leveraged Commentary & Data began tracking repricings in 2014.

Looking forward from October 2024, there is still a decent amount of CLOs expected to price, while Europe's primary loan market is expected to deliver an average of one-to-two weekly launches in the run up to the end-of-year holiday break.

In October, US loans returned 0.86%, topping Europe's 0.69% return (excluding currency). Both loan markets outperformed HY bonds over the month, which returned 0.56%. Meanwhile, the FTSE 100 Index of UK large-cap companies returned -1.45% (in total return terms). Overall, credit assets led equities over the period.

Defaults remain controlled at only 1.49% as at October 2024 and we expect this to remain contained.

Portfolio Review

Overall, the Fund's performance has been robust, outperforming the index every full year since its launch. Similarly, we outperformed the ELLI (which has 393 constituents and assets under management (AUM) of €298 billion) by 1.40% in 2023, 1.89% in 2022, 0.64% in 2021, over 0.7% in 2020 and 5.41% in 2019. We were ranked top quartile in 2023, 2022, 2021, 2020 and 2019.

The Fund ended the 31 October 2024 year-end in a strong position, returning 10.64%. This was due to active relative-value investing, strong security selection and by staying ahead of technical market drivers.

Global Loans (continued)

Portfolio Review (continued)

We reduced exposure to high-energy usage and large-ticket purchase consumer credits. Also, we are trying to stay nimble, as liquidity in all credit products has become increasingly challenged at times when the market is stressed or spreads are expanding.

Primary issuance has been muted for the portfolio vis à vis the market. For example, during the third quarter, we invested in names like Evri (UK delivery business).

Given the Fund's positioning and performance, as well as the investment backdrop, we expect AUM to grow in 2024-2025, helped by the Fund's floating-rate and defensive attributes. We have been part of fixed income fund launches, which had a core allocation to loans and the Fund.

We have a defensive investment strategy through sector allocation and credit selection, meaning we expect to continue to outperform the ELLI Index. Going forward, we are looking to increase our weighting to US dollar leveraged loans and move up in quality in terms of our HY allocation given our duration viewpoint. However, a large element of our bond allocation is in floating-rate notes.

The overweight position in European loans and underweight position in US loans that we have held for over two years have led to better visibility and lower volatility. This investor viewpoint is adapting as rate increases occur in the US sooner and on a steeper trajectory than previously expected.

We continue to take a more cautionary stance. The recent tightening of spreads and the large volume of primary issuance mean that we are being very selective and are emphasising security selection to keep the portfolio well diversified.

Overall, abrdn's leveraged loans investment team remains highly disciplined when it comes to reviewing the market for income and capital return opportunities.

Portfolio Outlook and Strategy

Looking ahead, it appears that market conditions are largely supportive for leveraged loans, and we expect outperformance compared to several other areas of the credit market.

We expect volatility to continue, with the fight between inflation (interest rates) and a possible recession (slower growth) dominating and geopolitical risk overhanging the whole market. Loans are a liquid product that tend to exhibit more idiosyncratic characteristics, making them favoured by investors in this investment backdrop.

As a floating-rate product, leveraged loans have benefited from interest-rate rises in terms of a return perspective. However, we are now firmly in an environment of central banks cutting interest rates around the world. In terms of credit fundamentals, we do not expect defaults to materially increase. We also expect primary issuance to be dominated by 'amend-and-extend' activity.

Overall, there is no immediate maturity wall in loans until 2026, and we expect leveraged loans to offer good relative value, particularly compared to other credit asset classes. We remain constructive on the leveraged loan investment landscape.

Global Leveraged Loans Team

December 2024

Statistical Information

	31.10.24	31.10.23	31.10.22	Shares outstanding as at 31.10.24	On Going Charges† % as at 31.10.24
Global Loans Fund					
Fund total net assets (USD '000)	**38,321**	**43,682**	**56,884**		
Net asset value per share in share class currency					
I Acc Hedged EUR	12.1453	11.0803	10.0159	411.658	0.89
I QInc Hedged EUR[1]	–	9.7540	8.9566	–	–
I QInc USD	11.1273	10.7613	9.6315	461.204	0.85
Z Acc Hedged AUD	13.5668	12.2665	10.9134	89,200.000	0.24
Z Acc Hedged GBP	13.3331	11.9702	10.5894	233,163.197	0.24
Z QInc Hedged GBP	10.4435	10.1210	9.1271	2,470,859.984	0.24
Z QInc USD[2]	–	10.7617	9.6167	–	–

† Source: abrdn plc.
The ongoing charges figure (OCF) is the total expenses paid by each share class, against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change.

[1] Share class closed on 2 November 2023.

[2] Share class closed on 28 March 2024.

Statement of Net Assets

As at 31 October 2024

	Global Loans Fund USD '000
Assets	
Investments in securities at market value (note 2.b)	33,721
Acquisition cost:	*35,212*
Cash and cash equivalents	4,149
Interest and dividends receivable, net	245
Receivables resulting from subscriptions	10
Unrealised appreciation on:	
Open forward foreign exchange contracts (note 2.f)	397
Other receivables	290
Total assets	**38,812**
Liabilities	
Fees payable	19
Unrealised depreciation on:	
Open forward foreign exchange contracts (note 2.f)	384
Other payables	88
Total liabilities	**491**
Net assets at the end of the year	**38,321**

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

Statement of Operations and Changes in Net Assets

For the year ended 31 October 2024

	Global Loans Fund USD '000
Net assets at the beginning of the year	**43,682**
Income	
Investment income (note 2.c)	2,943
Bank interest (note 2.c)	1
Total income	**2,944**
Expenses	
Depositary fees (note 4.b)	5
Taxe d'abonnement (note 7)	4
Administration fees (note 4.a)	74
Bank interest (note 4.h)	33
Other operational expenses (note 4.f)	210
Domiciliary agent, registrar, paying and transfer agent fees (note 4.c)	23
Expense cap (note 4.g)	(290)
Total expenses	**59**
Net income/(deficit)	**2,885**
Net realised gain/(loss) on:	
Investments (note 5)	82
Forward foreign exchange contracts (note 2.f, note 5)	1,437
Foreign currencies (note 2.d)	(194)
Net realised gain/(loss) for the year	**1,325**
Net change in unrealised appreciation/(depreciation) on:	
Investments (note 5)	2,026
Forward foreign exchange contracts (note 2.f, note 5)	179
Net change in unrealised appreciation/(depreciation) for the year	**2,205**
Increase/(decrease) in net assets as a result of operations	**6,415**
Movements in share capital	
Subscriptions	297
Redemptions	(9,432)
Increase/(decrease) in net assets as a result of movements in share capital	**(9,135)**
Dividend distribution (note 6)	(2,641)
Net assets at the end of the year	**38,321**

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

Schedule of Investments as at 31 October 2024

Global Loans Fund

Security	Coupon %	Maturity	Nominal/ Quantity	Market Value USD '000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market 22.16%					
Bonds 22.16%					
France 3.18%					
Banijay Entertainment	8.1250	1-May-2029	500,000	519	1.35
Bertrand Franchise Finance	6.9580	18-Jul-2030	156,000	170	0.44
Iliad Holding	8.5000	15-Apr-2031	200,000	213	0.56
Nova Alexandre III	8.4290	15-Jul-2029	298,000	318	0.83
				1,220	**3.18**
Italy 1.44%					
Neopharmed Gentili	7.4290	8-Apr-2030	500,000	551	1.44
				551	**1.44**
Luxembourg 4.54%					
Lion/polaris Lux 4	6.9510	1-Jul-2029	1,000,000	1,088	2.84
PLT VII Finance	6.9810	15-Jun-2031	234,000	255	0.66
Rossini	7.2200	31-Dec-2029	363,000	397	1.04
				1,740	**4.54**
Netherlands 2.84%					
United Group	7.7920	15-Feb-2031	1,000,000	1,087	2.84
				1,087	**2.84**
Sweden 0.94%					
Assemblin Caverion Group	6.8260	1-Jul-2031	330,000	359	0.94
				359	**0.94**
United Kingdom 6.18%					
Bellis Acquisition Co	8.1250	14-May-2030	500,000	642	1.67
Kier Group	9.0000	15-Feb-2029	371,000	512	1.34
Oeg Finance	7.2500	27-Sep-2029	116,000	130	0.34
Project Grand UK	9.0000	1-Jun-2029	710,000	801	2.09
Synthomer	7.3750	2-May-2029	252,000	285	0.74
				2,370	**6.18**
United States 3.04%					
Encore Capital Group	9.2500	1-Apr-2029	238,000	253	0.66
Helios Software Holdings Inc / Ion Corporate Solutions Finance	8.7500	1-May-2029	572,000	581	1.52
Ray Financing	6.9290	15-Jul-2031	300,000	329	0.86
				1,163	**3.04**
Total Bonds				**8,490**	**22.16**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market				**8,490**	**22.16**
Profit Participating Loans 65.80%*					
Luxembourg 65.80%					
Aberdeen Alpha Loan Investments†			26,567,984	25,216	65.80
				25,216	**65.80**
Total Profit Participating Loans				**25,216**	**65.80**
Special Purpose Vehicles 0.04%					
Luxembourg 0.04%					
Aberdeen Alpha Loan Investments†			15,000	15	0.04
				15	**0.04**
Total Special Purpose Vehicles				**15**	**0.04**

Schedule of Investments as at 31 October 2024 (continued)

Global Loans Fund (continued)

Open Forward Foreign Exchange Contracts

Counterparty	Buy	Sell	Expiration Date	Buy Amount	Sell Amount	Unrealised Appreciation/ (Depreciation) USD '000	Total Net Assets %
BNP Paribas	GBP	USD	13-Jan-2025	60,000	78,523	(1)	0.00
BNP Paribas	USD	EUR	13-Jan-2025	2,746,143	2,479,070	43	0.11
BNP Paribas	USD	EUR	13-Jan-2025	15,662,497	14,139,261	231	0.64
Citigroup	GBP	USD	12-Nov-2024	25,819,136	33,831,976	(313)	(0.85)
Citigroup	GBP	USD	12-Nov-2024	3,056,896	4,005,588	(38)	(0.10)
Citigroup	AUD	USD	12-Nov-2024	1,191,826	802,988	(20)	(0.05)
Citigroup	USD	GBP	12-Nov-2024	8,004	5,971	–	0.00
Citigroup	GBP	USD	13-Jan-2025	397,997	523,950	(7)	(0.02)
Citigroup	USD	GBP	13-Jan-2025	7,737,442	5,877,434	112	0.29
Deutsche Bank	USD	EUR	13-Jan-2025	2,189,827	2,000,000	9	0.02
NatWest Markets	USD	EUR	13-Jan-2025	1,086,815	1,000,000	(4)	(0.01)
NatWest Markets	USD	GBP	13-Jan-2025	51,867	40,000	–	0.00
NatWest Markets	EUR	USD	13-Jan-2025	1,000,000	1,088,657	2	0.00
Royal Bank of Canada	EUR	USD	13-Jan-2025	120,000	131,695	(1)	0.00
Unrealised appreciation on open forward foreign exchange contracts						**13**	**0.03**

Total investments	**33,734**	**88.03**
Other net assets	**4,587**	**11.97**
Total net assets	**38,321**	**100.00**

* Refer to note 11 in the notes to the financial statements.
† Managed by subsidiaries of abrdn plc.
Currently forward positions are not collateralised.
The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

1. Presentation

a) Organisation

abrdn Alpha (the Company) was incorporated under the laws of the Grand Duchy of Luxembourg on 28 April 2009 as a société anonyme and qualifies as an open-ended société d'investissement à capital variable – fonds d'investissement spécialisé (a "SICAV-SIF"). The Company is authorised as a specialised investment funds (SIF) under the Luxembourg law of 13 February 2007 as such law may be amended from time to time (the Law). abrdn Alpha qualifies as an alternative investment fund (AIF) under the law of 12 July 2013 on alternative investment fund managers as amended (Law of 12 July 2013) transposing Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010.

The Company appointed Aberdeen Management Services S.A. as its AIFM. With effect from 1 December 2015 the Company's AIFM became abrdn Investments Luxembourg S.A. following a merger between Aberdeen Global Services S.A. and Aberdeen Management Services S.A.. abrdn Alpha aims to provide investors with specialised actively managed Sub-Fund which, through their specific investment objectives and individual portfolios, offer investors the opportunity of exposure to selected areas.

As at 31 October 2024, the Company comprises one active Sub-Fund, the abrdn Alpha - Global Loans Fund (the Sub-Fund), with the aim of providing investors with a regular income by investing the majority of its assets in a globally diversified portfolio of secured loans, directly or indirectly.

The Sub-Fund may, where this is deemed more efficient from an operational and/or economic viewpoint, hold its investments via special purpose vehicles (SPVs), whether by investment by way of debt, equity or otherwise. Such SPVs will be wholly-owned by the Company for the account of the Sub-Fund, and will appoint the same auditors as the Company (or entities of the same group as the auditors of the Company for foreign SPVs), to the extent the appointment of an auditor is required under applicable law.

As at 31 October 2024 the Sub-Fund invests in abrdn Alpha Loan Investments S.à r.l. (the Soparfi) which is wholly owned by the Sub-Fund, and was incorporated under the laws of Luxembourg on 19 May 2017.

The Sub-Fund may grant profit participating loans (PPLs) to the Soparfi up to a maximum of USD 400 million to enable the Soparfi to acquire a portfolio of secured loans (including assignments and sub-participations) and to a lesser extent, senior unsecured and subordinated loans, senior and subordinated corporate debt obligations (such as bonds, debentures, notes and commercial paper) (the Underlying Investment).

b) Presentation of the financial statements

The accompanying financial statements present the assets and liabilities of the individual Sub-Fund and of the Company taken as a whole. The financial information of the Sub-Fund is expressed in the currency designated in the prospectus for the Funds which is United States Dollars ("USD"). The financial statements have been prepared in accordance with generally accepted accounting principles, applicable to AIFs, and with the format prescribed by the Luxembourg authorities for Luxembourg investment companies.

As the NAVs as of 31 October 2024 reflect the closing market prices as of this date, it is different from the official pricing point of the Sub-Fund which is calculated at 13:00 Luxembourg time. Accordingly, the NAVs shown throughout this report differs from those advertised on 31 October 2024 for dealing in the Sub-Fund. Those NAVs may include certain accounting adjustments relating to the year ended 31 October 2024.

The Company's financial year starts on 1 November and ends on 31 October of each year.

The financial statements have been prepared on a going concern basis.

2. Accounting policies

a) Accounting convention

The financial statements have been prepared under the historical cost convention modified by the revaluation of investments.

b) Assets and portfolio securities valuation

The market value of investments is calculated using the last available prices as at close of business on 31 October 2024 quoted on stock exchanges or over-the-counter market or any other organised market on which these investments are traded or admitted for trading.

2. Accounting policies (continued)

b) Assets and portfolio securities valuation (continued)

If such prices are not representative of their fair value, all such securities and all other permitted assets will be valued at their fair value at which it is expected they may be resold as determined in good faith by or under the direction of the Directors.

The market value of the Profit Participating Loan (PPL) is calculated using intra-day prices as at 31 October 2024, on the basis of the fair value of the investments held by the Soparfi. Should these not be available, valuation will be based on prior day prices as at close of business, from an external pricing vendor, Markit.

Security Acronyms

EMTN	Euro Medium Term Note	PERP	Perpetual
FRN	Floating Rate Note	VAR	Variable Rate Note

c) Investment Income

Interest is accrued on a day-to-day basis. In the case of debt securities issued at a discount or premium to maturity value, the total income arising on such securities, taking into account the amortisation of such discount or premium on an effective interest rate basis, is spread over the life of the security.

Interest income on bonds may be received either in cash or as a Payment in Kind ("PIK"). Where a PIK bond settles physically (either because it matures, or it pays interest) the interest income is recognised as the lower of the market value and the nominal value of the settlement.

In the event where there is no physical settlement, the factor change on that holding is recognised as interest income in the Statement of Operations at the point when the factor change occurs.

Interest income is stated net of irrecoverable withholding taxes, if any. Net interest received/paid on swap contracts are reflected in investment income in the statement of operations.

Interest income from profit participating loans is recognised in line with the Profit Participating Loan Agreement.

Bank interest income is accounted for on an accrual basis.

d) Foreign exchange

The cost of investments, income and expenses in currencies other than the Sub-Fund's relevant reporting currency have been recorded at the rate of exchange ruling at the time of the transaction. The market value of the investments and other assets and liabilities in currencies other than the relevant reporting currency has been converted at the rates of exchange ruling at 31 October 2024.

Realised and unrealised exchange differences on the revaluation of foreign currencies are taken to the Statement of Operations and Changes in Net Assets.

Main exchange rates used as at 31 October 2024 are as follows:

1 USD =	1.521723	AUD
1 USD =	0.920175	EUR
1 USD =	0.770564	GBP

e) Realised gains and losses on investments

A realised investment gain or loss is the difference between the historic average cost of the investment and the sale proceeds. These are converted into the base currency using currency exchange rates prevailing on the respective dates of the sale transactions.

f) Forward foreign exchange contracts

Unsettled forward currency exchange contracts are valued using forward rates of exchange applicable at the balance sheet date for the remaining period until maturity. All unrealised gains and losses are recognised in the Statement of Operations and Changes in Net Assets. Currently forward positions are not collateralised.

Notes to the Financial Statements (continued)

3. Share class information

a) General

Within each Sub-Fund, the Company is entitled to create different share classes. These are distinguished by their distribution policy or by any other criteria stipulated by Board of Directors. Base currency exposure classes may be available. Please refer to the Prospectus for further details. For a list of current live share classes please visit abrdn.com

The Sub-Fund is valued at 13:00 hours Luxembourg time on each dealing day which is monthly on the last business day of each month.

b) UK reporting fund regime

UK Reporting Fund Regime Status is granted prospectively by the UK taxation authorities. It is the intention of the Board of Directors to continue to comply with the requirements of the Reporting Fund Regime for Class I and Z shares.

Annually and within six months of the year end, the Investment Manager will publish the UK Reporting Regime Report to investors for all share classes granted reporting fund status on its website (www.abrdn.com).

The UK Reporting Regime Report to investors for each share class can also be requested in writing by contacting Abrdn Investments Luxembourg S.A. at the Shareholder Service Centre as detailed on the Management and Administration section at the end of this report.

c) Switches

There is no minimum exchange (or switching) amount. Shares may be exchanged or switched on a dealing day into shares in another class of the Sub-Fund, subject to the prior consent of the Board of Directors and provided that any conditions imposed on this new class are met.

A charge payable of up to 1% of the NAV of the shares being switched may be levied. The number of shares in the new class attributed after the switch is determined in accordance with the calculation method described in the Prospectus.

For full details on switching contact the Global Distributor, UK Distributor, Transfer Agent, or abrdn.alpha@ abrdn.com.

d) Swing pricing adjustment

Frequent subscriptions and redemptions can potentially have a dilutive effect on the Sub-Fund's NAV per share and be detrimental to the long term investors as a result of the transaction costs that are incurred by the Sub-Fund in relation to the trades undertaken by the investment manager.

The Board of Directors current policy is to impose a swing pricing adjustment to the Net Asset Value of each class of shares. A swing pricing adjustment is applied whenever net subscriptions or net redemptions exceed a certain threshold determined by the Board of Directors (having considered the prevailing market conditions).

If charged the swing pricing adjustment will be paid into the Sub-Fund and become part of the assets of the Sub-Fund.

The maximum Swing Factor is not expected to be higher than 3% of the Net Asset Value of the Sub-Fund.

As a result of a swing pricing adjustment, the Share price for subscription or redemption of Shares will be higher or lower than the Share price for subscription or redemption of Shares which would otherwise have been applied in the absence of a swing pricing adjustment.

As explained in note 1.b `Presentation of financial statements', the year-end NAV calculated and disclosed in the financial statements is one calculated for financial reporting purposes only, reflecting the closing market prices.

As such it is different than the one applied for dealing which reflects market prices at 13:00 hours Luxembourg time on dealing day. The year-end NAV calculated at 13:00 for dealing purposes on 31 October 2024 was not subject to swing pricing adjustment. As the year-end NAV calculated and disclosed in the financial statements is purely for reporting purposes and not for dealing , it is accordingly not subject to any swing pricing adjustment.

e) Equalisation on the subscription and redemption of shares

Equalisation is operated in connection with the subscription and redemption of shares. It represents the income element included in the price for the subscription and redemption of shares.

4. Expenses

a) Administration fees

The Administrator is entitled to receive a fee calculated in accordance with normal banking practice in Luxembourg and payable out of the assets of the Company. The fees will not exceed 0.2% per annum (plus VAT, if any) of the net assets of the Company as accrued daily and paid quarterly in arrears, with a minimum amount payable of € 56,250 per annum. The Administrator is entitled to be reimbursed by the Company for its reasonable out-of-pocket expenses properly incurred in carrying out its duties.

b) Depositary fees

The Depositary is entitled to receive a fee calculated in accordance with normal banking practice in Luxembourg and payable out of the assets of the Company. The fees will not exceed 2% per annum (plus VAT, if any) of the net assets of the Company as accrued daily and paid quarterly in arrears. In addition to the Depositary fees charged in accordance with the agreement, the Depositary is entitled to be reimbursed by the Company for its reasonable out-of-pocket expenses and disbursements and for the transaction charges of any correspondent banks.

c) Domiciliary agent, registrar, paying and transfer agent fees

The Domiciliary Agent is entitled to receive a fee calculated in accordance with normal banking practice in Luxembourg and payable out of the assets of the Company. The fees will not exceed 0.01% per annum (plus VAT, if any) of the net assets of the Company as accrued daily and paid quarterly in arrears.

The Registrar and Transfer Agent is entitled to receive a fee calculated in accordance with normal banking practice in Luxembourg and payable out of the assets of the Company. The fees will not exceed 0.2% per annum (plus VAT, if any) of the net assets of the Company as accrued daily and paid quarterly in arrears.

The Paying Agent is entitled to receive a fee calculated in accordance with normal banking practice in Luxembourg and payable out of the assets of the Company. The fees will not exceed 0.01% per annum of the net assets of the Company as accrued daily and paid quarterly in arrears.

d) Investment management fees

The Investment Manager is entitled to receive investment management fees calculated on the NAV of the Fund. For purpose of the calculation, the value of the Fund (and the value attributable to each share class) is taken as at the NAV per share on the previous dealing day, taking into account any subscriptions and/or redemptions on that day. These fees are accrued daily and are paid monthly in arrears.

Where the Sub-Fund invests in an open-ended collective investment scheme which is operated or managed by the Investment Manager or an associate of the Investment Manager, no additional annual management charge will be incurred by the Sub-Fund on such an investment.

The following management fee rates were applicable to 31 October 2024:

	Class of Shares (%)
Fund	**I**
Global Loans Fund	0.65

Class Z shares are not subject to any management fee charge.

The total investment management fees charged to the Global Loans Fund for the year ended 31 October 2024 amounted to USD 95.

e) AIFM fees

The AIFM is entitled to remuneration that is agreed with the Company from time to time. No fees were paid to the AIFM during the year.

f) Operational expenses

Operational expenses represent other amounts paid by the Company relating to the operation of the Sub-Fund. They include legal fees, audit fees, Directors' fees, cost of printing and distributing the prospectuses and annual reports, fees in connection with obtaining or maintaining any registration or authorisation of the Company with any governmental agency or stock exchange as well as the cost of publication of share prices.

Notes to the Financial Statements (continued)

4. Expenses (continued)

g) Expense caps

The Sub-Fund has an expense cap outside of the Management fee, of 0.20% based on average total net assets on Class I and Class Z shares, and 0.24% on Classes Z Acc Hedged AUD and Z Acc Hedged GBP such that the Investment Manager has agreed to bear any expenses incurred over and above this amount.

h) Bank interest

Bank interest expenses arise if there are negative interest rates on deposits and also owing to overdrafts that may arise from time to time.

5. Realised and unrealised gains/losses

Realised gains/losses for the year ended 31 October 2024 can be analysed as follows:

	USD '000
Realised gains on investments	143
Realised losses on investments	(61)
Net realised gains on investments	**82**

	USD '000
Realised gains on forward currency exchange contracts	6,361
Realised losses on forward currency exchange contracts	(4,924)
Net realised gains on forward currency exchange contracts	**1,437**

Unrealised appreciation/depreciation for the year ended 31 October 2024 can be analysed as follows:

	31 October 2024 USD '000	31 October 2023 USD '000	Change in unrealised appreciation/depreciation USD '000
Unrealised appreciation on investments	199	13	186
Unrealised depreciation on investments	(1,690)	(3,530)	1,840
Net unrealised appreciation/depreciation on investments	**(1,491)**	**(3,517)**	**2,026**

	31 October 2024 USD '000	31 October 2023 USD '000	Change in unrealised appreciation/depreciation USD '000
Unrealised appreciation on forward currency exchange contracts	397	231	166
Unrealised depreciation on forward currency exchange contracts	(384)	(397)	13
Net unrealised appreciation/depreciation on forward currency exchange contracts	**13**	**(166)**	**179**

6. Dividends (Distribution Class)

The Directors declared quarterly dividends for the Sub-Fund as listed below, for the year ended 31 October 2024 to all shareholders on record on the last day of the relevant quarter (expressed in USD unless otherwise stated).

Date	I QInc USD	Z QInc Hedged GBP	Z QInc USD
January 2024	0.245322	0.243445	0.263741
April 2024	0.156011	0.163471	–
July 2024	0.182403	0.185267	–
October 2024*	0.174360	0.181696	–

* These dividends were declared on 1 November 2024 and recorded in that day's NAV, in line with the provisions of the prospectus.

Notes to the Financial Statements (continued)

7. Taxation

a) Taxe d'abonnement

Under legislation and regulations prevailing in Luxembourg the Sub-Fund is subject to the "taxe d'abonnement" (subscription tax) at the rate of 0.01% based on the NAV of the Sub-Fund. The tax is payable quarterly on the basis of the value of the net assets of the Sub-Fund's at the end of the relevant calendar quarter. For investments in Funds already subject to taxe d'abonnement there are exemptions available. For more information, please refer to the prospectus.

b) Withholding tax reclaims

Where possible, withholding tax reclaims have been filed in respect of the withholding tax applied on dividends and interests on bonds received during recent years. Receivables with respect to the potential refunded amounts are only booked when they are virtually certain.

c) Provision for foreign taxes

Capital gains, dividends and interest on securities received from other countries may be subject to withholding or capital gains taxes imposed by such countries. It is the Company's policy to provide for any material liability to foreign capital gains and income taxes.

8. Soft commission/commission sharing

There are no soft commission arrangements for the Company.

9. Directors' interests and remuneration

None of the Directors were materially interested in any contracts of significance subsisting with the Company either during the year or at 31 October 2024.

The collective remuneration of the Board of Directors charged to the Company amounts to USD 99,146 for the year ended 31 October 2024.

10. Transactions with connected persons

a. Cross trades

During the year the Investment Manager/Adviser did not undertake any sale and purchase transactions between

i) the Sub-Funds' portfolio: and

ii) a) the Investment Manager; or

b) the Investment Adviser; or

c) a abrdn plc group company; or

d) other funds or portfolios managed by the Investment Manager/Adviser or any abrdn plc group company.

b. Other transactions

Transactions with connected persons outlined in the previous notes have been entered into in the ordinary course of business and on normal commercial terms.

As at 31 October 2024 other Funds/Trusts and mandates managed by abrdn plc held investments in the Company valued at USD 34,152,435.

11. Profit Participating Loan

The Sub-Fund currently holds a Profit Participation Loan (PPL). The PPL is effective from 19 May 2017 until 12 May 2032 as per the agreement between the lender (the Sub-Fund) and the borrower (the Soparfi). Pursuant to the PPL agreement, the loan is based on a fixed interest rate of 1% of the average outstanding loan amount made by the lender to the borrower

11. Profit Participating Loan (continued)

(drawdown) for each quarterly period, and a positive variable interest amount based on the underlying income less unpaid fixed interest, less an appropriate margin as determined by a transfer pricing study, less the underlying losses for each quarterly accrual period. For the year ended 31 October 2024 the fixed interest amounts to a total of USD 317,762 and the variable interest amounts to USD 2,236,052.

The borrower shall repay the outstanding loan amount with any accrued but unpaid interest in its entirety by 12 May 2032. The borrower can prepay part or all of the outstanding loan amount together with the interest accrued at any moment without penalty and without limitation on condition that the borrower has given prior written notice to the lender of its intention to effect a prepayment, specifying the amount to be prepaid and attaching every document the lender may require evidencing that the administrative or other necessary authorisations for such a prepayment have been or will be obtained.

The PPL is accounted for at fair value and the amount repayable of the loan depends on the performance of the underlying investments.

The drawdown amount below represents the outstanding loan which has been issued partly in EUR, GBP and USD. The EUR and GBP amount of the drawdowns have been converted in USD at the exchange rates prevailing as at 31 October 2024:

Sub-Fund	Description	Currency	Commitment	Drawdowns as of 31 October 2024
Global Loans Fund	Aberdeen Alpha Loan Investments S.à r.l.	USD	400,000,000	24,405,900

As at 31 October 2024 the fair value of the PPL amounts to USD 25,216,170 as demonstrated in the table below. The fair value represents the market value of the loan investments held by the borrower less the net liabilities of the SPV.

Statement of Investments of the Soparfi
As at 31 October 2024, expressed in USD:

Investments (term loans)	Fair Value
Albion Financing 3	501,037
Amber Finco	546,638
Bach Finance	1,092,760
Belron Finance	502,500
CAB	1,047,524
CD&R Firefly Bidco	845,845
Chrome Bidco	944,744
C-Tec III	1,089,282
Edge Finco	1,081,887
Element Materials Technology	996,148
Ephios Subco III	1,089,510
Froneri	998,660
Impala Bidco	1,839,561
Ineos Quattro	939,481
Inspired Finco	1,091,901
Lorca Holdco	2,090,764
Markermeer Finance	1,053,468
Matterhorn Telecom	929,917
Metrocentre Partnership	1,805,023
Modulaire Group	1,076,317
Motion Acquisition	1,190,898
Nomad Foods	982,242
One Hotels	1,089,853
SAM Bidco	1,003,750
Sigma Holdco	1,297,568
Summer (BC) Bidco	705,029
Techem Verwaltungsgesellschaft	1,090,630
UPC Financing Partnership	999,585
Total Investments	**29,922,522**
Other net assets	**(4,706,352)**
Fair value of the PPL held by Sub-Fund	**25,216,170**

Notes to the Financial Statements (continued)

12. Transaction charges

For the year ended 31 October 2024, the Sub-Fund incurred no transaction costs which have been defined as commissions and tax relating to purchase or sale of transferable securities, money market instruments, derivatives or other eligible assets.

13. Significant events during the reporting year

a) Closures of share classes

Share class closures

Share classes	Share class currency	Base currency	Closure date
Global Loans Fund			
I QInc Hedged EUR	EUR	USD	2 November 2023
Z QInc USD	USD	USD	28 March 2024

b) Ukraine conflict

The military offensive from Russia against Ukraine since February 2022 continues to pose widespread sanctions on Russian assets. Geopolitical events can adversely affect assets of sub-funds and performance thereon. To ensure the fair treatment of investors, abrdn's Investor Protection Committee (IPC) undertakes regular reviews of market liquidity across each asset class and fund, making appropriate adjustments where necessary.

abrdn's Valuation and Pricing Committee (VPC) also continue to review the valuation of assets and the recoverability of income from those assets, making appropriate adjustments where necessary. The VPC is made up of a wide range of specialists across abrdn with a wide range of experience in asset pricing. As at 31 October 2024 no Russian securities were held.

c) Directors changes

Hugh Young resigned as a Director of the Board of Directors, effective 13 December 2023.

Xavier Meyer was appointed as a Director of the Board of Directors, effective 2 February 2024.

Stephen Bird resigned as a Director of the Board of Directors, effective 14 June 2024.

Emily Smart was appointed as a Director of the Board of Directors, effective 22 August 2024.

d) Other significant events

As at 14 February 2025, abrdn Alpha has not been suspended and based on the Manager's assessment of the factors noted, above, has adequate financial resources to continue in operation.

14. Subsequent events

There are no other subsequent events to be reported after the year ended 31 October 2024.

Management and Administration

Directors

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Kennedy
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Grand Duchy of
Luxembourg

Nadya Wells
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United Kingdom

Hugh Young (until 13 December 2023)
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#01-01 Capital Square Two
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Ian Boyland
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Luxembourg

Susanne van Dootingh
Chairperson
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Xavier Meyer (from 2 February 2024)
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Emily Smart (from 22 August 2024)
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Registered Office

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Alternative Investment Fund Manager, Domiciliary Agent

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Registrar and Transfer Agent

International Financial Data Services (Luxembourg) S.A,
49, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of
Luxembourg

Management and Administration (continued)

For Shareholder Services	**abrdn Investments Luxembourg S.A.** c/o International Financial Data Services (Luxembourg) S.A, 49, avenue J. F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg Tel: (352) 46 40 10 820 Fax: (352) 24 52 90 56	
Paying Agent	**State Street Bank International GmbH, Luxembourg Branch** 49, avenue John F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg	
Depositary and Administrator	**Citibank Europe plc, Luxembourg Branch** 31 Z.A. Bourmicht L -8070 Bertrange Grand Duchy of Luxembourg	
Investment Managers	**abrdn Investments Limited** 1 George Street Edinburgh United Kingdom EH2 2LL abrdn Investments Limited is authorised and regulated by the Financial Conduct Authority	**abrdn Inc.** 2nd Floor 1735 Market Street, 32nd Floor Philadelphia, PA 19103 United States of America abrdn Inc. is authorised by the Securities and Exchange Commission of the United States of America.
	abrdn Asia Limited 7 Straits View #23-04 Marina One East Tower Singapore 018936	
Auditor	**KPMG Audit S.à r.l.** 39, avenue John F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg	
Legal Advisers as to matters of Luxembourg law	**Elvinger Hoss Prussen, société anonyme** 2, Place Winston Churchill L-1340 Luxembourg Grand Duchy of Luxembourg	

Appendix 1: Risk Management and Securities Financing Transactions (Unaudited)

Risk management function

abrdn plc (the Group) is committed to building and continuously improving a sound and effective system of internal control and a risk management framework that is embedded within its operations; this is the Group's first line of defence.

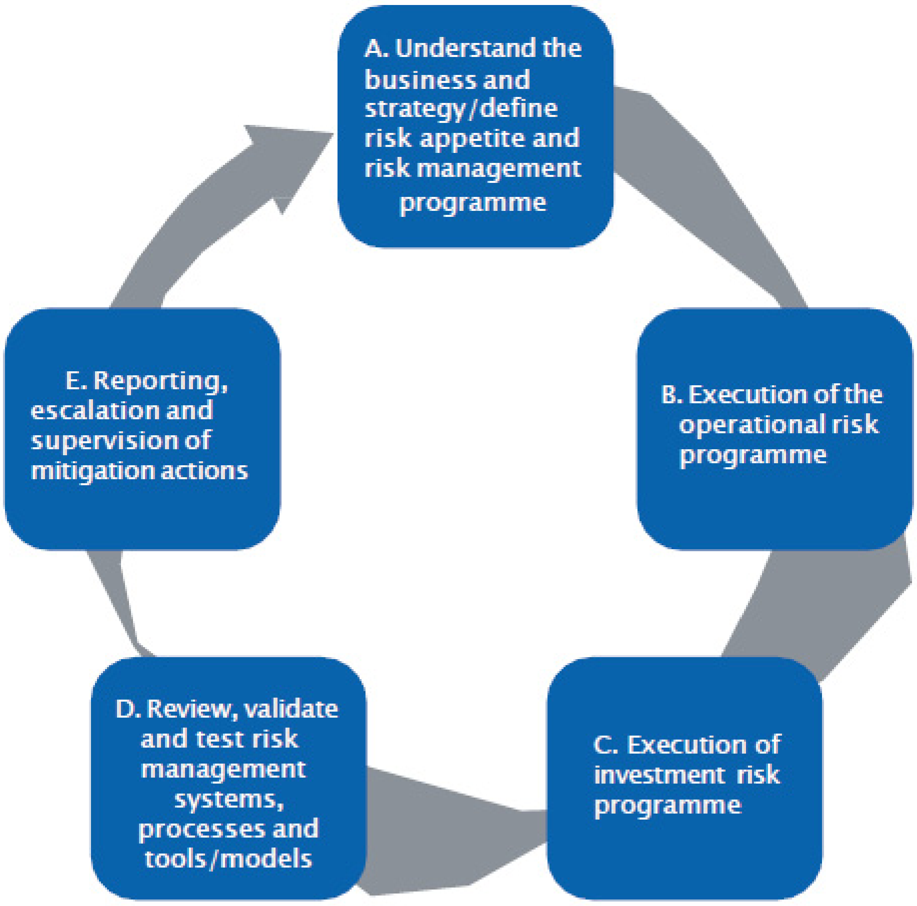
The Group's Risk Division, as the second line of defence, exists to support management in the identification and mitigation of risks and provides independent monitoring of the business. The Division includes Conduct & Compliance, Operational Risk and Investment Risk Governance. The team is headed by the Group's CRO, who reports to the Chief Executive Officers of the Group. The Risk Division achieves its objective through embedding the Risk Management Framework throughout the organisation using the Group's operational risk management system (SHIELD).

The Group's Internal Audit Department is independent of the Risk Division and reports directly to the Group CEO and to the chair of the Audit Committee of the Group's Board of Directors. The Internal Audit Department is responsible for providing an independent assessment of the Group's control environment; it is the Group's third line of defence.

The Group's corporate governance structure is supported by several committees and forums that bring together Group's subject matter experts from different departments, to assist the Boards of Directors of abrdn plc, its subsidiaries and the funds to fulfil their roles and responsibilities. The Group's Risk Division is represented on all committees and forums, with the exception of those that deal with investment recommendations to the Boards. The specific goals and guidelines on the functioning of these committees are described in their respective terms of reference.

Risk management programme

The risk management programme is typically aligned with the valuation and reporting cycle of the funds and can be summarised broadly in five steps, see the chart below.



The first step of the programme allows the risk teams to identify, assess and understand the inherent risks of the fund and to define the risk models and measuring methods; limits and triggers for further investigation – Fund risk profile. It is as well at this stage that the risk team assesses whether its risk management processes and/ or systems need to be enhanced

Appendix 1: Risk Management and Securities Financing Transactions (Unaudited) (continued)

Risk management programme (continued)

to provide relevant risk data. Investment risk execution relates to the identification and measurement of risks embedded in the investments of the fund. The operational risk programme allows the risk teams to assess whether the internal controls mitigating those risks are sufficient and effective. The review of the risk management systems allows the risk teams to confirm whether the processes are operating as described in the procedures and whether they are still fit for purpose.

The results of the independent risk assessment are escalated to the relevant committees and boards which are responsible for overseeing how the business implements the necessary mitigating actions.

Description of the process of identifying, assessing and managing risks

Market risk:

Is monitored through factor modelling used to calculate both absolute and relative ex ante quantities such as tracking error (TE) and Value at Risk (VaR).

The VaR is computed on a NAV basis as the maximum loss that the portfolio should incur over 20 days, 99% of the time under normal market conditions. The fund's portfolio risks are decomposed into intuitive components to pinpoint areas of unexpected market risk. The techniques are applied to all relevant asset classes.

The market risk is further monitored through sensitivity analysis towards interest rate changes (duration) and credit risk (spread duration), stress tests and the computation of the level of leverage by both the gross and net approach. The leverage is calculated by converting each FDI into the equivalent position in the underlying assets of those derivatives, on a NAV basis. The market risk linked to the concentration risk is mitigated through investment restrictions set according to the basic principle of diversification.

Liquidity risk:

The Group has a Liquidity Risk Management Policy in place applicable to the funds and set out in accordance with its overall Risk Management Process, relative to the size, scope and complexity of the funds. Liquidity Risk is monitored on both the asset and liability sides. To measure and monitor asset liquidity risk the Group employs a number of methods specific to the underlying assets. In all cases, the approach is to reference the actual holdings of the sub-fund against a true measure of the market at both an aggregate and a position level. The Group has implemented a Group Pricing Policy which details the operational responsibilities for pricing assets, this policy is owned and overseen by the Group pricing Committee. On the liability side, investor transactions and, beyond this, investor behaviour are the main driver of liquidity within each sub-fund. In this context, the articles and prospectuses contain certain key provisions or limits which provide protection to the Funds and ultimately investors, in situations where liquidity might become a concern. In addition, the fund receives and analyses periodic reports in respect of the shareholder concentration within each sub-fund. Any shareholder concentrations and transactional behaviour are identified at sub-fund level and any particular concerns noted are escalated to the relevant Group Committee and respective Boards, if material.

The fund has the following tools and mechanisms to manage liquidity:

Dealing frequency: monthly

Gating: Redemptions exceeding 10% of the number of Shares in one day may be deferred

Liquidity facility: the fund may borrow funds from financial institutions up to 10% of its NAV to satisfy redemption requests

Suspension: exceptional

Credit and counterparty risk:

The credit and counterparty risks linked to derivatives transactions are managed through processes outlined in the Group's Counterparty Credit Risk Policy. This Policy underpins on the following principles: Internal Credit assessments; credit limits; exposure calculation and oversight and Control. Credit research on counterparties is carried out by the Credit Investment Team. Research is conducted on the basis of qualitative and quantitative analysis and is presented for discussion at the Global Counterparty and Credit Risk Forum on a monthly basis. Each counterparty is reviewed at least once per annum. Furthermore the Global Counterparty and Credit Risk Forum can impose house level restrictions on concentrations. Credit risk exposures are calculated net of collateral received. Acceptable collateral and other commercial and credit terms for inclusion in the International Swap and Derivative Association (ISDA) documentation is defined in the Global Permissible Investment Universe Policy. Counterparty credit exposures are monitored against internal limits by an investment control team and monitored by the Counter-party and Credit Risk Forum.

Appendix 1: Risk Management and Securities Financing Transactions (Unaudited) (continued)

Description of the process of identifying, assessing and managing risks (continued)

Legal risk:

All key contractual arrangements entered into by the funds are reviewed by the Legal Department and, where required, by external legal counsel. If these contracts refer to delegation arrangements, where applicable, there is an operating memorandum defining information flows between the parties, frequency of services and deadlines, a clear attribution of rights and responsibilities of each party and, when applicable, the key performance indicators to measure performance. Any litigation issues are also handled by the Legal Department, which would provide updates to the Risk Management Department on any existing litigation, status of the litigation and the extent of any impact to the funds.Each OTC derivative is framed within the legal provisions of the ISDA Master agreement which defines the rights and obligations of parties engaging in derivatives trading. The ISDA master agreements are negotiated and signed between each umbrella/ sub-fund and the counterparty. The Credit Support Annexe (CSA) is a legally binding document which is annexed to the ISDA agreement and details the Minimum Transfer Amount (MTA) or collateral required when engaging in OTC derivatives trading with counterparties. The Global Derivatives, Markets, and Instruments Forum is responsible for approving the commercial terms associated to derivative documentation for the Group.

Tax risk:

The Group uses external tax consultants to advise on tax structuring, transactions and tax reporting.

Operational risk:

The Operational Risk Management Framework ensures that the operational risks taken and their contribution to the overall risk profile are accurately measured on the basis of sound and reliable data and that the risk measurement arrangements, processes and techniques are adequately documented. The identification, measurement, management and monitoring of operational risk within the Group are achieved through the use of the Group's Operational Risk Management Framework System, SHIELD.

This system provides the following key Risk Management Modules:

Event Management: This module serves as a historical loss database, in which any operational failures, loss and damage experience (Events) will be recorded. The records include professional liability damages. The process for recording, investigation and mitigation of Events aims to ensure that they are not repeated.

Issues and Actions Plan: The issues and actions module provides a standardised mechanism for identifying, prioritising, classifying, escalating and reporting internal audit findings and other on-going/ unresolved matters impacting the Group from a risk or regulatory perspective (Issues).

Risk and Control Self Assessment (RCSA): The RCSA process is to ensure key risks and key controls are identified and managed effectively in order to satisfy, at a Group level, Internal Capital Adequacy (ICAAP) requirements. The RCSA also provides a systematic and holistic means of identifying risk and control gaps that could impact business or process objectives which are agreed by senior management to complete.

Business Continuity Plan (BCP): Is in place and designed for invocation where there has been significant disruption to normal business functions at any abrdn Group office that is likely to last longer than 24 hours.

Measuring risk

Where appropriate the Group applies the following measurements for each fund:

Leverage:

Has the effect of gearing a fund's expected performance by allowing a fund to gain greater exposure to underlying investment opportunities (gains and losses). The higher the leverage the greater the risk (potential loss), (see below).

Volatility, Value-at-Risk (VaR) and Conditional VaR (CVaR):

Volatility measures the size of variation in returns a fund is likely to expect. The higher the volatility the higher the risk. VaR measures with a degree of confidence the maximum the fund could expect to lose in any one given day. Assuming a normal (Gaussian) distribution, this is a function of the volatility of the fund. The higher the volatility, the higher the VaR, the greater the risk. CVaR calculates the expected loss, under the assumption that the VaR has been reached.

Tracking error (TE):

Measures the expected magnitude of divergence of returns between the fund and benchmark over a given time.

Appendix 1: Risk Management and Securities Financing Transactions (Unaudited) (continued)

Measuring risk (continued)

Sensitivity Analysis:

Effective duration and Dollar value per basis point (DV01) allow the quantification of the interest rate risk across portfolios. Credit risk is quantified through DTS (Duration Times Spread).

Stress test and scenario analysis:

Captures how much the current portfolio will make or lose if certain market conditions occur.

Concentration risk:

By grouping the portfolio through various different exposures: country, sector, issuer, asset etc., to identify where concentration risk exists.

For some of the risk measurements above the funds' Boards of Directors and Risk Management team will determine and set specific risk limits, which will be appropriate for each fund.

Use of Leverage over the Period

Net Leverage (Commitment)

	Leverage	Maximum Limit	Utilization
Min	109%	250%	44%
Max	152%	250%	61%
Average	128%	250%	51%
Actual	130%	250%	52%

Gross Leverage

	Leverage	Maximum Limit	Utilization
Min	134%	330%	41%
Max	180%	330%	54%
Average	155%	330%	47%
Actual	172%	330%	52%

Escalation and reporting

The Group recognises timely and adequate reporting measures as well as escalation channels to be key components of the control process and management of risk.

The Risk Management Department provides regular updates to the Board/senior management on the adequacy and effectiveness of the Risk Management Process indicating, where applicable, actual or anticipated deficiencies and the remedial measures.

Risks identified at the level of the funds are reported to the Board of each fund, to the Board of the Manager and to the relevant Group Committee.

In addition, all issues and events impacting any abrdn entity or the funds are logged in SHIELD, by the relevant area within the prescribed time limits.

Securities Financing Transactions

The Securities Financing Transactions Regulation (EU) 2015/2365 (SFTR) came into force on 12 January 2016. Its aim is to improve the transparency of securities financing transactions.

The Management has considered the SFTR disclosure requirements and concluded that no disclosures are required in the Notes to the financial statements as the Sub-Fund did not hold any securities financing transactions, as defined in the SFTR, as at 31 October 2024.

Appendix 2: Remuneration Policy (Unaudited)

Alternative Investment Fund Managers Directive (AIFMD)

Remuneration Disclosure AIF Annual Report and Accounts

Remuneration Policy

The abrdn plc Remuneration Policy applies with effect from 1 January 2023. The purpose of the abrdn plc Remuneration Policy (the "Policy") is to document clearly the remuneration policies, practices and procedures of abrdn as approved by the abrdn plc Remuneration Committee (the "Committee"). The Policy is available on request.

The Policy applies to employees of the abrdn group of companies ("Group" or "abrdn") including AIFMD Management Companies ("ManCos") and the AIFMD funds that the ManCo manages.

Remuneration Principles

abrdn applies Group wide principles for remuneration policies, procedures and practices ensuring that:

· Remuneration within the Group is simple, transparent and fair.

· Our Policy supports our long-term strategy by reinforcing a performance-driven culture. It aligns the interests of our employees, shareholders and, importantly, our clients/customers.

· Our remuneration structure is flexible to accommodate the different challenges and priorities across all businesses and functions as appropriate.

· Remuneration policies, procedures and practices promote good conduct, including sound and effective risk management and do not encourage risk taking that exceeds the level of tolerated risk appetite.

· Remuneration extends beyond the provision of fixed and variable pay, with a focus on the retirement provision and the wellbeing needs of our employees, as part of our remuneration philosophy.

· Total remuneration delivered is affordable for the Group.

Remuneration Framework

Employee remuneration is composed of fixed and variable elements of reward as follows:

a) Fixed remuneration (salary and cash allowances, where appropriate) and Benefits (including pension).

b) Variable remuneration (bonus, a proportion of which may be subject to retention or deferral depending on role and regulatory requirements; senior employees may also be awarded a long-term incentive award).

Appropriate ratios of fixed: variable remuneration will be set to as to ensure that:

a) Fixed and variable components of total remuneration are appropriately balanced and

b) The fixed component is a sufficiently high proportion of total remuneration to allow abrdn to operate a fully flexible policy on variable remuneration components, including having the ability to award no variable remuneration component in certain circumstances where either individual and/or Group performance does not support such an award.

Base salary	Base salary provides a core reward for undertaking the role and depending on the role, geographical or business market variances or other indicators, additional fixed cash allowances may make up a portion of fixed remuneration. Periodic reviews take into account the employee's role, scope of responsibilities, skills and experience, salary benchmarks (where available) and, where relevant, any local legislative or regulatory requirements.
Benefits (including retirement benefit where appropriate)	Benefits are made up of core benefits which are provided to all employees; and extra voluntary benefits that may be chosen by certain employees which may require contribution through salary sacrifice or other arrangements. Retirement benefits are managed in line with the relevant legislative requirements and governance structures. In certain, very limited circumstances, a cash allowance may be offered in lieu of a retirement arrangement.

Appendix 2: Remuneration Policy (Unaudited) (continued)

Annual Performance Bonus Awards	Employees who have been employed during a performance year (1 January to 31 December) may be eligible to be considered for an annual bonus in respect of that year. Annual bonuses are based upon Group, Business/Function, Team and Individual performance (with individual performance assessed against agreed goals and behaviours). The variable remuneration pool for all eligible employees, including Identified Staff or Material Risk Takers ("MRTs"), is determined initially by reference to profitability and other quantitative and qualitative financial and non-financial factors including risk considerations (on an ex-post and ex-ante basis). In reaching its final funding decision, the Committee exercises its judgement to ensure that the outcome reflects holistic Company performance considerations. abrdn Investments Luxembourg S.A. has specific obligations to act in the best interests of the AIFMD funds it manages and its investors. Accordingly, the performance of the underlying funds and the interests of investors (including, where relevant, investment risk) are also taken into account as appropriate. The Risk and Capital Committee and the Audit Committee formally advise the Committee as part of this process. The overall bonus pool is allocated to businesses and functions based on absolute and relative performance of each business and function and their alignment with strategic priorities and risk considerations. Allocation by region and subdivision/ team is determined on a discretionary basis by the business/function and regional heads based on the absolute and relative performance of the constituent teams and alignment with strategic priorities. Individual annual bonus awards are determined at the end of the 12-month performance period with performance assessed against financial and non-financial individual objectives, including behaviour and conduct. Individual awards for Identified Staff are reviewed and approved by the Committee (with some individual award approvals delegated, as appropriate, to the Group's Compensation Committee, over which the Committee retains oversight). In carrying out these approvals, the Committee seeks to ensure that outcomes are fair in the context of overall Group performance measures and adjusted, where appropriate, to reflect input from the Risk and Capital Committee and the Audit Committee. Variable remuneration awards are subject to deferral for a period of up to three years. A retention period may also be applied as required by the relevant regulatory requirements. Deferral rates and periods comply, at a minimum, with regulatory requirements. In addition to the application of ex-ante adjustments described above, variable remuneration is subject to ex-post adjustment (malus / clawback arrangements).

Appendix 2: Remuneration Policy (Unaudited) (continued)

Other elements of remuneration – selected employees	The following remuneration arrangements may be awarded in certain very limited circumstances: Carried Interest Plans – These arrangements are designed to reward performance in roles where a carried interest plan is appropriate. Selected employees are granted carried interest shares in private market funds established by the Group. Buy-Out Awards/Guaranteed Bonuses – These are intended to facilitate/support the recruitment of new employees. Buy-outs are not awarded, paid or provided unless they are in the context of hiring new employees. Guaranteed bonuses are not awarded, paid or provided unless they are exceptional and in the context of hiring new employees and limited to the first year of service. These awards are only made where such a payment or award is permitted under any relevant remuneration regulations and are designed to compensate for actual or expected remuneration foregone from previous employers by virtue of their recruitment. Retention and Special Performance Awards / LTIP – Supports retention and/or the delivery of specific performance outcomes and/or to incentivise senior employees to support the long-term, sustained performance of abrdn. The Company may determine that it is appropriate to grant such awards in limited circumstances. Awards are structured to deliver specific retention and/or performance outcomes. Retention and/or special performance awards comply with all relevant regulatory requirements. Severance Pay – Payment made to support an employee whose role is considered to be redundant. Severance payments comply with any legislative and regulatory requirements and any payments are inclusive of any statutory entitlement. In the event of severance, the treatment of any individual elements of an employee's remuneration is governed, as appropriate, by relevant plan or scheme rules.

Control Functions

The Group ensures that, as appropriate, senior employees engaged in a control function are independent from the business units they oversee and have appropriate authority to undertake their roles and duties. These include, but are not necessarily limited to, Risk, Compliance and Internal Audit function roles. Senior employees engaged in a control function are remunerated in a way that ensures they are independent from the business areas they oversee, have appropriate authority and have their remuneration directly overseen by the Committee.

Conflicts of Interest

The Policy is designed to avoid conflicts of interest between the Group and its clients and is designed to adhere to local legislation, regulations or other provisions. In circumstances or jurisdictions where there is any conflict between the Policy and local legislation, regulations or other provisions, then the latter prevail. Where the Committee receives input from members of management on the remuneration arrangements in operation across the Group, this never relates to their own remuneration.

Personal Investment Strategies

The Company adheres to the regulatory principles and industry best practice on the use of personal hedging strategies which act in restricting the risk alignment embedded in employee remuneration arrangements.

AIFMD Identified Staff/MRTs

The 'Identified Staff' or MRTs of abrdn Investments Luxembourg S.A. are those employees who could have a material impact on the risk profile of abrdn Investments Luxembourg S.A. or the AIFMD funds it manages. This broadly includes senior management, decision makers and control functions. For the purposes of this disclosure, 'Identified Staff' includes employees of entities to which activities have been delegated.

Quantitative remuneration disclosure

The table below provides an overview of the following:

· Aggregate total remuneration paid by abrdn Investments Luxembourg S.A. to its entire staff; and

· Aggregate total remuneration paid by abrdn Investments Luxembourg S.A. to its AIFMD 'Identified Staff'.

Amounts shown reflect payments made during the financial reporting period in question. The reporting period runs from 1 January 2023 to 31 December 2023 inclusive.

Appendix 2: Remuneration Policy (Unaudited) (continued)

	Headcount	Total Remuneration GBP'000
abrdn Investments Luxembourg S.A.[1]	**337**	**67,264**
of which		
Fixed remuneration		49,198
Variable remuneration		18,066
abrdn Investments Luxembourg S.A. 'Identified Staff'[2]	**117**	**42,416**
of which		
Senior Management[3]	44	22,425
Other 'Identified Staff'	73	19,991

1. As there are a number of individuals indirectly and directly employed by abrdn Investments Luxembourg S.A. this figure represents an apportioned amount of abrdn's total remuneration fixed and variable pay, apportioned to the ManCo on an AUM basis. The headcount figure provided reflects the number of beneficiaries calculated on a Full-Time-Equivalent basis.

2. The Identified Staff disclosure relates to AIFMD MRTs and represents total compensation of those staff of the ManCo who are fully or partly involved in the activities of the ManCo.

3. Senior Management are defined in this table as ManCo Directors and members of the abrdn plc Board, together with its Executive Committee, Investment Management Committee and Group Product Committee.

Appendix 3: Sustainability Related Disclosures (Unaudited)

Fund	SFDR Article (as at 31 October 2024)
Global Loans Fund	Article 6

The above Article 6 sub-fund does not promote environmental or social characteristics and have no sustainable investment objectives. The investments underlying these financial products do not take into account the EU criteria for environmentally sustainable economic activities. This sub-fund also does not consider principle adverse impacts.

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