

SALUS ALPHA SICAV

Société d'Investissement à Capital Variable

Annual Accounts and Audited financial statements for the year ended
31 December 2023

R.C.S. Luxembourg B 175 421

No subscription can be received on the basis of this financial report. Subscriptions are only valid if made on the basis of the current, Key Investor Information Document and prospectus supplemented by the latest annual report and the most recent semi-annual report, if published thereafter.

SALUS ALPHA SICAV

TABLE OF CONTENTS

ACTIVITY REPORT	5
INDEPENDENT AUDITOR'S REPORT	16
STATEMENT OF NET ASSETS	19
STATEMENT OF OPERATIONS AND OTHER CHANGES IN NET ASSETS	21
<u>SALUS ALPHA SICAV – SALUS ALPHA GLOBAL INVEST ONE</u>	
STATISTICAL INFORMATION	22
STATEMENT OF INVESTMENTS	23
INDUSTRIAL AND GEOGRAPHICAL CLASSIFICATION OF INVESTMENTS	24
<u>SALUS ALPHA SICAV - SALUS ALPHA SPECIAL SITUATIONS</u>	
STATISTICAL INFORMATION	25
STATEMENT OF INVESTMENTS	26
INDUSTRIAL AND GEOGRAPHICAL CLASSIFICATION OF INVESTMENTS	27
NOTES TO THE FINANCIAL STATEMENTS	28
UNAUDITED INFORMATION	33

SALUS ALPHA SICAV

ORGANISATION

Investment Company

Salus Alpha SICAV
2, rue de Canach
L-5368 Schuttrange

Board of Directors

Chairman:

Oliver Prock
Salus Alpha Capital Ltd
56, Industriestrasse
FL- 9491 Ruggell

Members

Harald Heidinger
c/o Salus Alpha SICAV
2, rue de Canach
L-5368 Schuttrange

Duncan McKay
138, Ridge Langley
UK-CR2 0AS Sanderstead

Investment Manager

Salus Alpha Capital Ltd
56, Industriestrasse
FL- 9491 Ruggell

Global Distributor

Salus Alpha Capital Ltd
56, Industriestrasse
FL- 9491 Ruggell

Conducting Officers

Responsibilities:

Risk Management

Vanicson Campos Lima
c/o Salus Alpha SICAV
2, rue de Canach
L-5368 Schuttrange

Responsibilities:

Fund Management and Administration

Guenther Schneider
c/o Salus Alpha SICAV
2, rue de Canach
L-5368 Schuttrange

Central Administration Agent

Apex Fund Services S.A.
3, rue Gabriel Lippmann
L-5365 Munsbach

Depositary

European Depositary Bank
3, rue Gabriel Lippmann
L-5365 Munsbach

SALUS ALPHA SICAV

ORGANISATION (Continued)

Auditors

Deloitte Audit

Société à responsabilité limitée
20, Boulevard de Kockelscheuer
L-1821 Luxembourg

Luxembourg Legal Advisors

M&S Law Sàrl

205, Route d'Arlon
L-1150 Luxembourg

SALUS ALPHA SICAV

ACTIVITY REPORT

For the year ending 31 December 2023

Organisational structure

Salus Alpha SICAV ("the Company") is organized as a société anonyme under the laws of the Grand Duchy of Luxembourg and qualifies as an open-ended société d'investissement à capital variable - (a "SICAV Type I - UCITS"). The Company was incorporated in Luxembourg on February 15, 2013 as an umbrella SICAV and added to the CSSF official list on December 15, 2015.

Market Review

Q1

The first quarter of the year began with positive sentiment on the growth outlook as energy costs fell and China's economy reopened. But there was also evidence that the encouraging inflation picture was starting to reverse as core inflation measures ticked higher once more. However, the collapse of Silicon Valley Bank in mid-March dwarfed concerns over re-accelerating inflation and prompted a sharp rally in government bond markets. As markets reacted to fears of a banking crisis, government bond markets went from pricing in rate hikes to discounting sizeable rate cuts in some markets. During Q1, growth improved as headwinds from higher inflation on consumers' real incomes, stemming from energy prices, started to abate. While there were signs that hiking cycles were already biting (particularly in housing markets), the full spill-over effects to the broader economy are yet to come. Core measures of CPI delivered upside surprises to inflation in both the US and Europe. US equities ended the quarter higher, with the bulk of the gains made in June. The advance came amid moderating inflation and signs that the US economy remains resilient in spite of higher interest rates. A revision to Q1 GDP growth indicated expansion of 2% (annualized), substantially more than the previous estimate of 1.3% growth.

Q2

In the second quarter, the Federal Reserve (Fed) raised interest rates by 25 basis points (bps) in May. However, it did not hike rates in June, adopting what economists have termed a "hawkish pause". The "dot plot" of rate predictions indicated two further rate rises in 2023. US inflation (as measured by CPI) declined to 0.1% (month-on-month) in May, easing from a 0.4% increase in April amid a continued decline in the cost of energy. This brought down the annual rate to 4.0%, below expectations of 4.1%. The economy more broadly remains in good health. The US unemployment rate increased in May to 3.7% from 3.4%, a larger than expected move but the labor market nonetheless remains historically tight. Eurozone shares posted gains in Q2 with the advance led by the financials and IT sectors. Underperforming sectors included energy and communication services. The IT sector was boosted by semiconductor stocks. This came in the wake of higher-than-expected sales projections from some US chipmakers, which helped demonstrate the growth potential stemming from AI. Late in the second quarter, the Dutch government confirmed that high-end chip manufacturing machines will require a licence to be shipped overseas, which could lead to reduced exports to China. The Netherlands is home to some leading chip equipment makers. Among financials, banks outperformed as their near-term earnings are expected to be strong. The European Central Bank (ECB) raised interest rates twice in the quarter, taking the main refinancing rate to 4.0%. Headline inflation declined during the period, with annual inflation estimated at 5.5% in June, down from 6.1% in May. However, the core inflation rate (which excludes energy, food, alcohol and tobacco prices) crept up to 5.4% in June from 5.3% in May. UK equities fell over the quarter. The large UK-quoted diversified energy and basic materials groups were the most significant detractors amid broad-based weakness in commodity prices and concerns over the outlook for the Chinese economy. Sterling strength also weighed on these resources sectors, as it did other significant US dollar earners such as consumer staples. The second quarter of 2023 saw a significant drop in market volatility. Government bond yields were on the rise again, although there was some divergence, with the UK and Australia underperforming due to higher-than-expected inflation and a greater resolve by central banks to combat inflation. With the exception of the Bo J, all major central banks kept raising interest rates over the quarter. However, the Fed was the first to pause in June, leaving rates at 5% to 5.25% after more than a year of consecutive rate increases. Corporate balance sheets remained relatively strong, despite some uptick in default rates. Global high yield outperformed global investment grade as immediate recessionary concerns were pared back. Investment grade

SALUS ALPHA SICAV

ACTIVITY REPORT (Continued)

For the year ending 31 December 2023

Market Review (Continued)

bonds are the highest quality bonds as determined by a credit rating agency; high yield bonds are more speculative, with a credit rating below investment grade.

Q3

US equities were weaker in Q3. Investors entered the quarter optimistic that the Federal Reserve (Fed) had orchestrated a soft landing for the economy, and that the era of policy tightening rates would soon end. That enthusiasm withered over August and September, however, as the prospect of a sustained period of higher rates sank in. This followed a revised Fed "dot plot" (the dot plot is a chart showing each Fed policymaker's forecast for interest rates). Overall, the US labour market remains very strong. However, according to the Bureau of Labor Statistics the unemployment rate rose by 0.3 percentage point to 3.8% in August. The number of unemployed persons increased by 514,000 to 6.4 million. The US composite flash purchasing managers index (PMI) fell marginally to 50.1 in September, down from 50.2 in August, emphasizing the US economy is cooling. (The PMI indices are based on survey data from companies in the manufacturing and services sectors. A reading below 50 indicates contraction, while above 50 signals expansion.) Inflation, while ticking up in August, remains on a downward trend. Comments from Fed policymakers suggest a further rate hike is to come before the end of the year, while the dot plot now illustrates a higher median rate for 2024 (5.1% vs 4.6%). Eurozone shares fell in Q3 amid worries over the negative effects of interest rate rises on economic growth. However, data released at the very end of the period showed Eurozone inflation slowed to a two-year low of 4.3% in the year to September, down from 5.2% in August. This could potentially pave the way for the European Central Bank to put an end to interest rate rises. Some of the steepest declines came in the consumer discretionary sector given concerns over the knock-on effects of higher interest rates on consumers' disposable income. The information technology sector was also under pressure. While there has been much enthusiasm this year around the long-term potential of artificial intelligence, nearer-term concerns over consumer spending are also affecting demand for chips. The energy sector was a notable exception to the declines, notching up gains amid higher oil prices as some oil exporting countries cut production. UK equities rose over the quarter. The large UK-quoted diversified energy and basic materials groups outperformed as they rebounded from weakness in the previous three-month period. They benefited from sterling weakness against a strong dollar. A sharp recovery in crude oil prices buoyed the energy groups in particular. During Q3 the US economy continued to surprise in its resilience, with the labour market remaining relatively robust and signs of improvement in the manufacturing sector. Concerns over rising US debt issuance weighed on the Treasury market. August saw Fitch Ratings downgrade the US's triple-A rating drop to double-A plus, citing the growing debt burden and an "erosion of governance" as reasons for its decision. Despite a significant rise in oil prices, there were better news on the inflation front, with year-on-year core measures easing across most economies. This allowed many major central banks to indicate a pause in further rate hikes. Both the US Federal Reserve (Fed) and the European Central Bank (ECB) raised rates in July by 0.25%, with the latter continuing hike in September. The ECB suggested that this rate might be sufficient to guide inflation back to its target. Despite the Federal Reserve and the Bank of England keeping rates steady in September, the market anticipates a longer period of elevated rates. This was the key driver of higher yields (meaning lower bond prices) over the quarter.

Q4

US shares registered strong gains in the final quarter of the year, buoyed by expectations that interest rate cuts may be approaching. The S&P 500 index ended the year just short of its record high set in early 2022. The annual inflation rate in the US (consumer price index) slowed over the period from 3.7% in September to 3.2% in October and 3.1% in November. The Federal Reserve's (Fed) preferred measure of inflation – the core personal consumption expenditure index – was softer than expected, rising 0.1% month-on-month in November. Meanwhile, economic growth for Q3 was revised down to an annualized rate of 4.9% from the previous reading of 5.2%. The data reinforced market expectations that the Fed has finished its rate hiking cycle and will move towards cuts in 2024. Fed chair Jerome Powell indicated that the central bank was aware of the risk of keeping rates at restrictive levels for too long.

SALUS ALPHA SICAV

ACTIVITY REPORT (Continued)

For the year ending 31 December 2023

Market Review (Continued)

Minutes from the Federal Open Market Committee's latest policy meeting showed policymakers expect rates to end next year at 4.5%-4.75%, down from the current 5.25%-5.5% range. US shares rallied strongly on expectations of imminent rate cuts. Top performing sectors were those most sensitive to interest rates, including information technology, real estate and consumer discretionary. The energy sector posted a negative return with crude oil prices weaker over the quarter. The final quarter of the year was a strong one for Eurozone shares, boosted by expectations that there may be no further interest rate rises. The MSCI EMU index advanced 7.8%. Top gaining sectors included real estate and information technology, while healthcare and energy were the two main laggards, registering negative returns. Shares were supported by softer inflation figures from both the Eurozone and the US, which raised hopes that interest rates may not only have peaked, but that cuts could soon be on the way in 2024. Euro area annual inflation fell to 2.4% in November from 2.9% in October. A year previously, the annual inflation rate was 10.1%. Higher interest rates have weighed on the Eurozone economy. Eurozone GDP fell by 0.1% quarter-on-quarter in Q3, Eurostat data showed. The HCOB flash Eurozone purchasing managers' index (PMI) fell to 47.0 in December. This suggests that the region's economy is likely to have contracted in Q4 as well. (The PMI indices are based on survey data from companies in the manufacturing and services sectors. A reading below 50 indicates contraction, while above 50 signals expansion. UK equities rose over the quarter. UK small and mid-cap indices outperformed the broader market as domestically focused stocks performed very strongly. This occurred as hopes built further that interest rates may have peaked and amid a continued pick-up in overseas "inbound" bids for smaller UK companies. Some of the large internationally exposed and economically sensitive areas of the market also performed well, especially in the industrial and financial sectors. More generally, however, larger companies were held back as sterling performed strongly against a weak US dollar. The final quarter of the year was a very positive one for fixed income markets, marking their best quarterly performance in over two decades, according to the Bloomberg Global Aggregate indices. The major driver of this performance was a perceived shift in monetary policy direction, from a "higher-for-longer" stance to prospective rate cuts. Government bond yields fell sharply, and credit markets rallied, outperforming government bonds. The US Federal Reserve (Fed) kept rates unchanged throughout the quarter, with a much clearer shift to a more dovish tone in December accelerating the market rally. The revised dot plot – a chart plotting Federal Open Market Committee (FOMC) projections for the federal funds rate - indicated that three rate cuts are now anticipated for 2024, up from the previously expected two. With more encouraging news on PCE inflation (the Fed's most watched measure), the FOMC appears more comfortable with the progress made in bringing inflation back towards the target. Other major central banks held steady rates, although they appeared more cautious about inflation. The European Central Bank (ECB) made progress in its plan to unwind some of its Pandemic Emergency Purchase Programme support, while highlighting concerns about domestic inflation. However, the market priced in several rate cuts for next year. Despite relatively healthy labour markets across the region, the Purchasing Manager Index (PMI) underscored a pessimistic growth outlook.

SALUS ALPHA SICAV – Global Invest One Fund

The Global Invest One Sub-Fund is an actively managed fund which targets the highest possible long-term yield with a target volatility of 10 - 15% p.a. The Sub-Fund invests in shares and financial indices in the most liquid markets worldwide and follows a purely technical approach where no fundamental data is taken into consideration. A minimum equity allocation of 51% will be held at all times.

To achieve its investment objective the Sub-Fund is actively managed and invests long in shares with high market capitalization and high trading volumes around the world as well as long and short in high-volume exchange-listed futures based on the fund manager's assessment of economic conditions, the situation on the capital markets and the outlook of risk assets. To support investment ideas the fund manager licensed a stock ranking list based on Markowitz portfolio optimization. When implementing the Sub-Fund's strategy, the fund is positioned depending on the direction of the expected return of each investment in the portfolio.

SALUS ALPHA SICAV

ACTIVITY REPORT (Continued)

For the year ending 31 December 2023

Market Review (Continued)

SALUS ALPHA SICAV – Global Invest One Fund (Continued)

	Return
	1.1.23-31.12.23
Salus Alpha Global Invest One R EUR	-1.01%
Benchmark Indices:	
MSCI World	17.59%
HFRX Equity Hedge Index	6.90%

Sub-fund Review

Q1/23

SALUS ALPHA SICAV – Global Invest One returned 2.71% Q1'23.

Global equities gained in Q1, buoyed by receding recession worries in developed markets. Gains came despite the collapse of Silicon Valley Bank, which caused significant volatility in bank shares. Growth stocks outperformed value in the quarter. In fixed income, government bond yields fell (meaning prices rose).

Q2/23

SALUS ALPHA SICAV – Global Invest One returned 2.07% Q2'23.

Global shares gained in the second quarter with the advance led by developed markets, notably the US, while emerging market stocks lagged behind. Enthusiasm over AI (Artificial Intelligence) boosted technology stocks. Major central banks raised interest rates in the period although the US Federal Reserve elected to stay on hold in June. Government bond yields rose (meaning prices fell).

Q3/23

SALUS ALPHA SICAV – Global Invest One returned of -10.06% in Q3'23.

After strong gains for shares in the first half of 2023, global equities posted a negative return in Q3. Government bonds also declined in the quarter, with yields rising. Commodities were a notable outperformer with energy gaining amid oil production cuts from Saudi Arabia and Russia.

Q4/23:

SALUS ALPHA SICAV – Global Invest One returned 4.99% in Q4'23.

It was a strong fourth quarter for global shares as the US Federal Reserve signaled that interest rate cuts may be on the way for 2024. Developed markets outperformed emerging markets amid ongoing worries over China's real estate sector. Crude oil prices fell despite some output cuts.

SALUS ALPHA SICAV

ACTIVITY REPORT (Continued)

For the year ending 31 December 2023

Market Review (Continued)

SALUS ALPHA SICAV – Global Invest One Fund (Continued)

Outlook

As the world nears the midpoint of what was intended to be a transformative decade for development, the global economy is set to rack up a sorry record by the end of 2024—the slowest half-decade of GDP growth in 30 years, according to the World Bank’s latest Global Economic Prospects report.

By one measure, the global economy is in a better place than it was a year ago: the risk of a global recession has receded, largely because of the strength of the U.S. economy. But mounting geopolitical tensions could create fresh near-term hazards for the world economy. Meanwhile, the medium-term outlook has darkened for many developing economies amid slowing growth in most major economies, sluggish global trade, and the tightest financial conditions in decades. Global trade growth in 2024 is expected to be only half the average in the decade before the pandemic. Meanwhile, borrowing costs for developing economies—especially those with poor credit ratings—are likely to remain steep with global interest rates stuck at four-decade highs in inflation-adjusted terms.

Global growth is projected to slow for the third year in a row—from 2.6% last year to 2.4% in 2024, almost three-quarters of a percentage point below the average of the 2010s. Developing economies are projected to grow just 3.9%, more than one percentage point below the average of the previous decade. After a disappointing performance last year, low-income countries should grow 5.5%, weaker than previously expected. By the end of 2024, people in about one out of every four developing countries and about 40% of low-income countries will still be poorer than they were on the eve of the COVID pandemic in 2019. In advanced economies, meanwhile, growth is set to slow to 1.2% this year from 1.5% in 2023. To tackle climate change and achieve other key global development goals by 2030, developing countries will need to deliver a formidable increase in investment—about \$2.4 trillion per year.

Without a comprehensive policy package, prospects for such an increase are not bright. Per capita investment growth in developing economies between 2023 and 2024 is expected to average only 3.7%, just over half the rate of the previous two decades. The instability associated with higher procyclicality and volatility of fiscal policy produces a chronic drag on the growth prospects of commodity-exporting developing economies. The drag can be reduced—by putting in place a fiscal framework that helps discipline government spending, by adopting flexible exchange-rate regimes, and by avoiding restrictions on the movement of international capital. On average, these policy measures could help commodity exporters in developing economies boost their per capita GDP growth by as much as 1 percentage point every four or five years. Countries can also benefit by building sovereign-wealth funds and other rainy-day funds that can be deployed quickly in an emergency.

SALUS ALPHA SICAV - Salus Alpha Special Situations

Investment Strategy

The Salus Alpha Special Situations Fund is a Multi-Asset sub-fund of Salus Alpha SICAV, investing across the full range of eligible instruments like bonds, equities and cash. It combines an opportunistic core portfolio of selected, fundamentally attractively valued top companies (5% - 20% exposure) with positions in short- and medium-termed special situations (0% - 70% exposure). Employing a traditional stock-picker approach, the fund target is to achieve an absolute return independent of the development of the overall equity market. Special situations are for example acquisitions and bidding wars, changes in the capital structure, management changes, share buybacks, director's dealings, IPOs, capital increases, index changes or earnings surprises.

SALUS ALPHA SICAV

ACTIVITY REPORT (Continued)

For the year ending 31 December 2023

Market Review (Continued)

SALUS ALPHA SICAV - Salus Alpha Special Situations (Continued)

Market Environment

Global equity markets gained over the last twelve-month period despite fears that rising inflation and interest rates could lead to recession in many developed markets. However, the resilient economic backdrop and some robust corporate earnings helped markets to move higher.

The year began under the shadow of slowing growth and recession concerns in major developed markets and, as it progressed, saw considerable inflation uncertainty, the war in Europe, and new geopolitical concerns in the Middle East. However, the global equities made strong advance on the investors expectations that easing inflation and weakening global growth would eventually force major central banks to pursue less restrictive policies. Risk-on sentiment also supported by healthy corporate earnings results.

At the start of 2023, markets posted strong gains, with investor confidence supported by falling natural gas prices and resilient economic and corporate data. Emerging equities gained amid optimism around China's economic re-opening following its relaxation of Covid-19 related curbs and introduction of supportive policies. However, the turmoil in the banking sector in developed markets intensified concerns around global financial stability. The collapse of US regional lenders, Silicon Valley Bank and Signature Bank in March, and the subsequent failure of Credit Suisse in Europe led to fears of wider contagion in the banking system. Nonetheless, the swift actions by US and European policymakers managed contagion risks in the banking sector. However, inflationary pressure remained high across most global markets, driving major central banks to announce rate hikes during the period. Meanwhile, there was some investor caution around US debt ceiling concerns. However, a deal was reached in early June to suspend the debt limit until 2025.

Global equities declined in August by concerns around the outlook for the Chinese economy. However, the US economy remains resilient in spite of higher interest rates. The US GDP expanded by 2.0% in Q1, 2.1% in Q2 and further accelerated by 4.9% in Q3 2023. US inflation hit 3.1% in November (Vs 6.5% last year in December 2022), while the interest rate is 5.5% (the highest in 22 years, and after 11 consecutive rate hikes since early 2022). However, US equities rallied strongly towards year-end period on expectations that the Fed has finished its rate-hiking phase of its tightening cycle and will move towards rate cuts in 2024.

The European economy experienced a mild recession over the winter months, with GDP contracted by -0.1% in Q1. The growth picks up 0.3% in Q2, but contracted again by -0.1% in Q3 2023. Slowing inflationary pressures (2.4% in November 2023 from the peak over 10% in October 2022), a record-low unemployment rate (6.4% in November) and the expectations that there may be no further interest rate hikes have boosted equities and bonds markets, towards the year-end. While the ECB is more cautious and expected that the Eurozone inflation would come back to the 2% target if rates remained at current levels for long enough period. The ECB increased interest rates from -0.5% to 4.0% (the ten consecutive rate hikes during 2022/23), and pushing borrowing costs to the highest level since 2000.

The Salus Alpha Special Situations Fund combines a Core portfolio of a few selected and fundamentally first class companies with an opportunistic approach based on exploiting market independent short-term and medium-term Special Situations.

SALUS ALPHA SICAV

ACTIVITY REPORT (Continued)

For the year ending 31 December 2023

Market Review (Continued)

SALUS ALPHA SICAV - Salus Alpha Special Situations (Continued)

Market Environment (Continued)

Name	Returns from 1.1.2023 to 31.12.2023
Salus Alpha Special Situations R EUR	5.5%
Benchmark Indices:	
Dow Jones Credit Suisse All Hedge Event Driven Index USD	4.9%
HFRX Event Driven Index USD	0.5%
HFRX Special Situations Index USD	0.3%
Long-Only Equity Indices:	
ATX	9.9%
DAX 30	20.3%
Swiss Market Index SMI	3.8%
Dow Jones EuroStoxx 50	19.2%

Sub-Fund Performance – Review

During the reporting period (1/1/2023-31/12/2023), the Salus Alpha Special Situations Sub-Fund gained by 5.5%. While performance of traditional long-only indices during the same period were – the Euro Stoxx 50 Index: 19.2%, the DAX 30 Index: 20.3%, the ATX Index: 9.9%, and the Swiss Market Index (SMI): 3.8%.

SALUS ALPHA SICAV

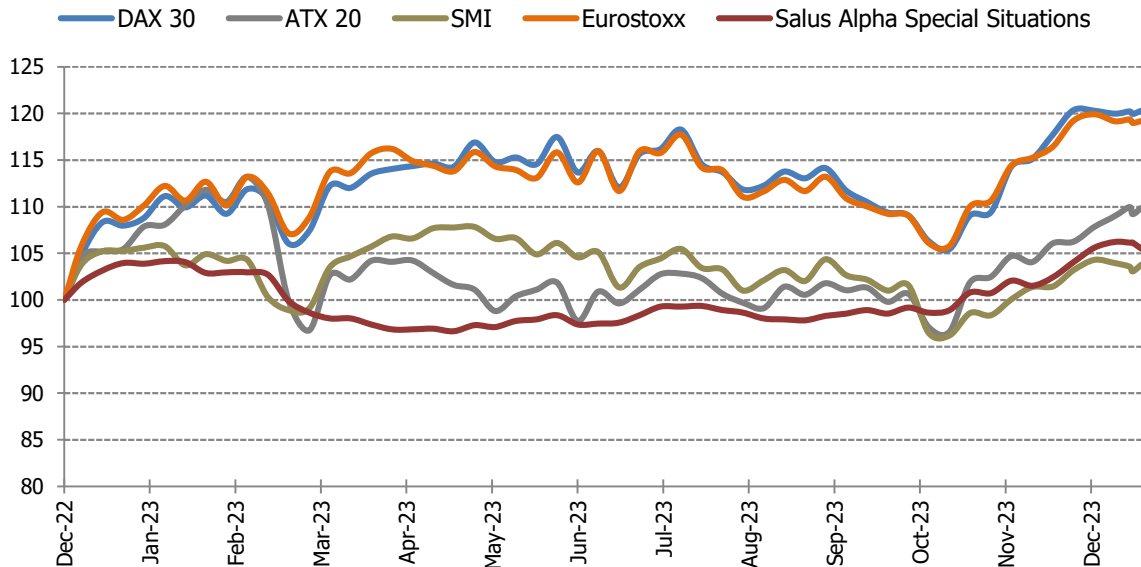
ACTIVITY REPORT (Continued)

For the year ending 31 December 2023

Market Review (Continued)

SALUS ALPHA SICAV - Salus Alpha Special Situations (Continued)

Sub-Fund Performance – Review (Continued)



(Period: 1.1.2023 to 31.12.2023. Source: Salus Alpha, Bloomberg)

The Salus Alpha Special Situations Sub-Fund retained its defensive investment strategy in the difficult market environment with a moderate risk profile in the overall Sub-Fund portfolio. The above chart highlights the fact that the Sub-Fund performed steadily (less volatile) compared to the benchmark indices.

The Sub-Fund started a period with relatively moderate risk profile of about 30% Equity and 50% Bond exposure. We started increasing our risk exposure in January as global markets focused on economic resilience and the positive corporate earnings. We increased our Equity exposure to 40% and Bond exposure to 56% at the end of Q1 2023. The markets remained volatile but economic sentiment improved in the first half of 2023. Meanwhile, the Federal Reserve (Fed) and European Central Bank (ECB) raised interest rates and made clear that their priority is fighting against inflation. However, global equities delivered negative returns in Q3 amid worries over the negative effects of interest rate rises on economic growth. Consequently, we increased our risk profile by taking advantage of lower market prices of the European companies.

While global equities and bonds fell in October as concerns over higher inflation, rising interest rates and geopolitical tensions have weakened the market sentiment. However, global equity and bond markets rebounded in Q4 amid expectations that the Fed has finished its rate-rising phase and will move towards rate cuts in 2024. The Sub-Fund benefitted by the strong equities and corporate bonds performance during the year-end period.

SALUS ALPHA SICAV

ACTIVITY REPORT (Continued)

For the year ending 31 December 2023

Market Review (Continued)

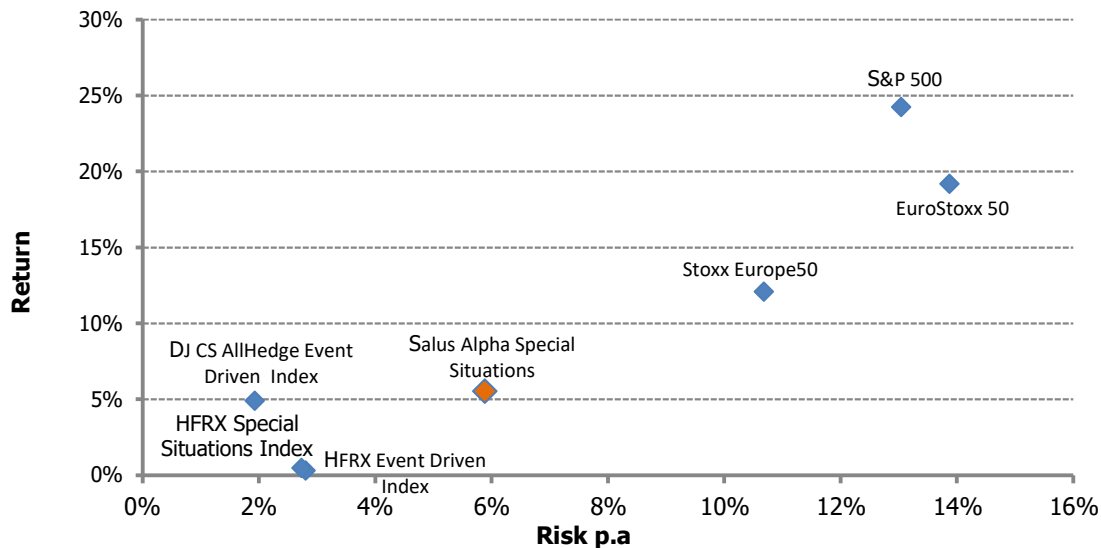
SALUS ALPHA SICAV - Salus Alpha Special Situations (Continued)

Sub-Fund Performance:

	Salus Alpha Special Situations	Eurostoxx	DAX	ATX
Returns for period 1.1.2023 to 31.12.2023	5.5%	19.2%	20.3%	9.9%
Volatility p.a.	5.9%	13.9%	12.9%	15.8%
Modified Sharpe Ratio	0.94	1.38	1.58	0.62
Correlation of Salus Alpha Special Situations with Equities	-	0.42	0.40	0.77

The graph below shows the compelling long term risk/reward profile of the Salus Alpha Special Situations Sub-Fund in comparison with other hedge fund indices and long only Equities benchmarks:

Salus Alpha Special Situations - Risk/Return Plot



(Period: 1.1.2023 to 31.12.2023. Source: Salus Alpha, Bloomberg.)

CORE PORTFOLIO:

The Strategies' Core position in Mayr-Melnhof AG (Europe's leading manufacturer of carton board and packaging boxes) offers an impressive history of stable and growing earnings and cash flows, and the long-term business prospects are clearly underpinned by sustainability qualities. We think the company's pricing power remains healthy, despite unprecedented cost inflation. We believe, M&A-driven investment case remains intact.

SALUS ALPHA SICAV

ACTIVITY REPORT (Continued)

For the year ending 31 December 2023

Market Review (Continued)

SALUS ALPHA SICAV - Salus Alpha Special Situations (Continued)

CORE PORTFOLIO: (Continued)

The Strategies' Core position (3% of the Sub-Funds total volume) in Agrana Beteiligungs AG, an Austrian refiner and processor of agricultural raw materials, offers a very balanced business model with strong regional positions. The positive pricing effects of Sugar and Fruit business lead to increase in revenue and operating profits. We like Agrana's investment case as its end markets exposure is very defensive with 75% of the company's revenues related to the food sector. The current improved sugar prices is a major earnings driver and should support to the company's profitability.

SPECIAL SITUATIONS:

The Strategies' high-conviction Special Situations in DO&CO AG (4% of the Sub-Funds total volume) has made excellent performance in FY2023. The share price of the Austrian catering company DO&CO rallied +52% in 2023 and thus, contributed significantly to the Sub-Funds performance. The company reported strong quarterly results, mainly driven by the recovery in international travel, increased demand for high-quality catering and ongoing market penetration. DO&CO expects its profit margin will continue to improve benefiting from favorable volumes.

The Strategies' Special Situations in the Austrian telecom service provider, Telekom Austria Group (TKA) remains an attractive investment case on the back of very robust operating performance, consistent deleveraging, an attractive dividend yield of 5% and an appealing valuation (40% valuation discount compared to Europe). In late-February, the company announced its plan to spin off the radio masts into a new separate tower company. We believe, the spin-off can be a very positive catalyst. TKA decided to spin off the radio towers and merge them into the new EuroTeleSites AG. Therefore, we sold our entire position at EUR 7.67 in mid-September (a profit of approx. 20%).

The rise in interest rates has benefited Austrian banks in terms of both interest margins and profitability. The strategies' Financials in Erste Group Bank, Raiffeisen International Bank and Bawag Group Bank have rallied since our entry levels, and thus, contributed significantly to the Sub-Funds annual performance. We also made good profits in the trading-position in OMV AG (Austrian Oil and Gas company). The energy crisis across in Europe intensified amid worries over supply and high costs.

On the downside, the strategies' positions in K+S AG (the German potash miner), Polytec Holding AG (Austrian car supplier) and Verbund AG (Austria's leading electricity company) fell, and thus, detracted from the Sub-Funds performance during the period.

As a result of risk-on market sentiment, corporate bonds saw good returns during the period. The Strategies' exposure to the Republic of Austria Government Bond, 0.85% Österreich, Republik (2120) has done exceptionally well and delivered good performance. The Strategies' new bond positions in: 7.5% Deutsche Rohstoff (2023/28), 7% Bayerische Landesbank (2023/34) and 3.875% Volkswagen International Finance FLR Notes have delivered strong returns, during the reporting period. Furthermore, we redeemed our bond position in 5.5% Vienna Insurance Group 2013/43 Notes in early October.

But, the Strategies' Fixed income in the Financials delivered negative returns. The Strategies' hybrid bond positions in 3.375% Erste Group Bank AG and 4.5% Raiffeisen Bank International AG were detracted from the Sub-Funds performance during the period.

The Strategies' market-hedges, Lyxor S&P 500 VIX Futures (the expected implied volatility of the S&P 500 Index) and Amundi ShortDAX Daily -1X Inverse Fund (the inverse performance of the DAX Index on a daily basis) performed positively during crisis period, given by the volatile equity markets.

SALUS ALPHA SICAV

ACTIVITY REPORT (Continued)

For the year ending 31 December 2023

Market Review (Continued)

SALUS ALPHA SICAV - Salus Alpha Special Situations (Continued)

Sub-Fund Performance – Outlook

The next 12 months are likely to see a further easing in inflation pressures and the major central banks moving towards rate cuts. This should be more supportive to the equity markets. We head into 2024 more optimistic on the state of global economies than we were entering 2023, as cooling inflation and the end of monetary tightening will return us to a normalized investing environment, in our view. Ultimately, we believe that 2024 will signal a resurgence of a balanced portfolio. However, global market volatility is likely to remain high with growth still slowing, shares historically tending to fall during the initial phase of rate cuts, and equities are still at risk of a correction given by the recession and earnings risks.

However, we see the European equities offering attractive valuations and strong upside potential. Thus, we continue to maintain our moderate risk profile and also trying to use market corrections for buying first class quality, but we don't shy away from selling again in order to lock-in profits. Our investment process will continue to focus on high-quality companies which are easy-to-understand and characterized by successfully established business models. We are confident in the fundamental strength of our portfolio and believe that it will serve well in the current environment. We believe our discerning investment approach and focus on quality should continue to reward over the long term.

To the Shareholders of
SALUS ALPHA SICAV
2, rue de Canach
L-5368 Schuttrange

REPORT OF THE *REVISEUR D'ENTREPRISES AGREE*

Opinion

We have audited the financial statements of SALUS ALPHA SICAV (the “Fund”) and of each of its sub-funds, which comprise the statement of net assets and the statement of investments as at 31 December 2023 and the statement of operations and other 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 the Fund and of each of its sub-funds as at 31 December 2023, and of the results of their operations and changes in their 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 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 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 the 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 dated 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 dated 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.

For Deloitte Audit, *Cabinet de révision agréé*

Rainer Mahnkopf, *Réviseur d'entreprises agréé*
Managing Director

Luxembourg, 30 April 2024

SALUS ALPHA SICAV

STATEMENT OF NET ASSETS

As at 31 December 2023

Expressed in EUR

	Notes	SALUS ALPHA GLOBAL INVEST ONE	SALUS ALPHA SPECIAL SITUATIONS	COMBINED
Assets				
Securities portfolio at market value	2.2	5,376,704.17	2,431,028.18	7,807,732.35
Cash at banks		794,631.32	52,581.86	847,213.18
Margin account		21,529.34	-	21,529.34
Interest receivable	2.4	6,425.33	37,089.17	43,514.50
Dividends receivable	2.4	2,879.97	-	2,879.97
Unrealised gain on futures contracts	2.7	84,971.24	-	84,971.24
Prepaid expenses		4,120.88	1,656.96	5,777.84
Due from broker		296,752.17	-	296,752.17
Other receivables		-	894.50	894.50
TOTAL ASSETS		6,588,014.42	2,523,250.67	9,111,265.09
Liabilities				
Bank overdrafts		2,355.69	857.24	3,212.93
Investment Management fees payable		7,046.08	3,774.18	10,820.26
Administration fees payable		3,600.00	3,669.59	7,269.59
Audit fee payable		26,301.55	13,812.09	40,113.64
Depositary fees payable		10,750.44	10,750.43	21,500.87
Subscription tax payable		807.32	282.80	1,090.12
Other liabilities		11,282.56	5,384.40	16,666.96
TOTAL LIABILITIES		62,143.64	38,530.73	100,674.37
TOTAL NET ASSETS		6,525,870.78	2,484,719.94	9,010,590.72

SALUS ALPHA SICAV

STATEMENT OF NET ASSETS (continued)

As at 31 December 2023

	<u>Number of shares outstanding</u>	<u>Net asset value per share</u>
SALUS ALPHA SICAV - SALUS ALPHA GLOBAL INVEST ONE		
Class P EUR LU1280953149	17,047.27	EUR 85.02
Class R EUR LU1280953735	582,209.80	EUR 8.39
Class P USD LU1280953222	2,000.00	USD 105.89

	<u>Number of shares outstanding</u>	<u>Net asset value per share</u>
SALUS ALPHA SICAV - SALUS ALPHA SPECIAL SITUATIONS		
Class F EUR LU1290231049	2.00	EUR 10.14
Class R EUR LU1280956597	212,368.37	EUR 11.68
Class P EUR LU1280955789	47.73	EUR 87.10

SALUS ALPHA SICAV

STATEMENT OF OPERATIONS AND OTHER CHANGES IN NET ASSETS

For the year ended 31 December 2023

Expressed in EUR

	Notes	SALUS ALPHA GLOBAL INVEST ONE	SALUS ALPHA SPECIAL SITUATIONS	COMBINED
Income				
Net dividends	2.4	26,633.74	20,812.62	47,446.36
Net interest on bonds	2.4	8,202.62	72,471.46	80,674.08
Bank interest on cash account		16,784.94	954.01	17,738.95
TOTAL INCOME		51,621.30	94,238.09	145,859.39
Expenses				
Amortisation of formation expenses	2.5	4,686.34	4,685.72	9,372.06
Investment Management fees	3	66,119.73	48,648.00	114,767.73
Depositary fees		20,904.12	20,904.08	41,808.20
Taxe d'abonnement	4	1,907.75	1,203.05	3,110.80
Administrative expenses		43,199.94	43,269.53	86,469.47
Audit fees		43,847.19	11,223.74	55,070.93
Performance fees	3	2,740.42	-	2,740.42
Salary expenses		94,760.14	53,949.36	148,709.50
Bank charges		2,122.05	984.54	3,106.59
Interest expenses		18,092.99	-	18,092.99
FATCA fees		2,037.83	2,036.62	4,074.45
Transaction fees	2.6	38,511.20	15,399.34	53,910.54
Director fees		7,648.97	4,384.05	12,033.02
Operating fees		5,547.79	3,709.87	9,257.66
Other expenses	5	59,762.07	43,710.55	103,472.62
Expense Rebate	8	(126,922.00)	(173,078.00)	(300,000.00)
TOTAL EXPENSES		284,966.53	81,030.45	365,996.98
NET INVESTMENT GAIN/(LOSS)		(233,345.23)	13,207.64	(220,137.59)
Net gain / loss from investments				
Net realised gains/(losses)				
- securities portfolio	2.3	(78,596.94)	95,775.18	17,178.24
- financial futures	2.7	(132,105.26)	-	(132,105.26)
- foreign currency transactions	2.8	(87,017.18)	-	(87,017.18)
NET REALISED GAINS/(LOSSES) FOR THE YEAR		(531,064.61)	108,982.82	(422,081.79)
Movement in net unrealised gains/(losses)				
- securities portfolio	2.9	235,131.01	45,862.05	280,993.06
- futures contracts	2.9	75,347.14	-	75,347.14
Increase/(decrease) in net assets as a result of operations		(220,586.46)	154,844.87	(65,741.59)
Subscription capitalisation shares		5,976,097.04	1,184,537.11	7,160,634.15
Redemption capitalisation shares		(2,326,669.65)	(1,419,523.68)	(3,746,193.33)
Increase/(decrease) in net assets		3,428,840.93	(80,141.70)	3,348,699.23
Net assets at the beginning of the year		3,097,029.85	2,564,861.64	5,661,891.49
Net assets at the end of the year		6,525,870.78	2,484,719.94	9,010,590.72

SALUS ALPHA SICAV – SALUS ALPHA GLOBAL INVEST ONE

STATISTICAL INFORMATION

As at 31 December 2023

Total net assets

- as at 31 December 2023	EUR 6,525,870.78
- as at 31 December 2022	EUR 3,097,030.30
- as at 31 December 2021	EUR 2,761,591.98

Number of Class P EUR shares

- outstanding at the beginning of the year	15,365.33
- issued	23,941.92
- redeemed	(22,259.98)
<hr/>	<hr/>
- outstanding at the end of the year	17,047.27

Net asset value per Class P EUR shares

- as at 31 December 2023	EUR 85.02
- as at 31 December 2022	EUR 85.46
- as at 31 December 2021	EUR 106.51

Number of Class R EUR shares

- outstanding at the beginning of the year	187,415.10
- issued	439,837.37
- redeemed	(45,042.67)
<hr/>	<hr/>
- outstanding at the end of the year	582,209.80

Net asset value per Class R EUR shares

- as at 31 December 2023	EUR 8.39
- as at 31 December 2022	EUR 8.48
- as at 31 December 2021	EUR 10.62

Number of Class P USD shares

- outstanding at the beginning of the year	2,000.00
- issued	-
- redeemed	-
<hr/>	<hr/>
- outstanding at the end of the year	2,000.00

Net asset value per Class P USD shares

- as at 31 December 2023	USD 105.89
- as at 31 December 2022	USD 104.62
- as at 31 December 2021	-

SALUS ALPHA SICAV – SALUS ALPHA GLOBAL INVEST ONE

STATEMENT OF INVESTMENTS

As at 31 December 2023

(Expressed in Euro)

Currency	Nominal/ Quantity	Description	Cost	Market value	% of total net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market					
Equity shares					
<i>China</i>					
HKD	9,050.00	BYD CO LTD-H (HK)	246,524.51	225,116.44	3.45%
		<i>Total China</i>		<i>225,116.44</i>	<i>3.45%</i>
<i>France</i>					
EUR	330.00	LVMH MOET HENNESSY LOUIS VUI	242,012.50	242,088.00	3.71%
		<i>Total France</i>		<i>242,088.00</i>	<i>3.71%</i>
<i>Germany</i>					
EUR	1,605.00	ADIDAS AG.	267,055.36	295,576.80	4.53%
EUR	6,350.00	DEUTSCHE POST AG-REG	274,861.25	284,829.25	4.36%
EUR	2,100.00	SAP SE	261,450.00	292,908.00	4.49%
EUR	1,850.00	SIEMENS AG	269,934.00	314,352.00	4.82%
		<i>Total Germany</i>		<i>1,187,666.05</i>	<i>18.20%</i>
<i>The Netherlands</i>					
EUR	2,000.00	AIRBUS SE	278,780.12	279,560.00	4.28%
		<i>Total The Netherlands</i>		<i>279,560.00</i>	<i>4.28%</i>
<i>India</i>					
USD	11,300.00	ICICI BANK LIMITED - SPONSORED ADR_	236,776.24	244,069.76	3.74%
		<i>Total India</i>		<i>244,069.76</i>	<i>3.74%</i>
<i>Ireland</i>					
EUR	430.00	LINDE PLC	134,321.25	158,498.00	2.43%
USD	320.00	LINDE PLC	110,126.48	119,073.34	1.82%
		<i>Total Ireland</i>		<i>277,571.34</i>	<i>4.25%</i>
<i>United States</i>					
USD	450.00	ADBE US	255,224.28	243,234.43	3.73%
USD	1,200.00	ADVANCED MICRO DEVICES	139,770.78	160,264.55	2.46%
USD	2,000.00	AMAZON.COM INC	247,971.91	275,315.96	4.22%
USD	250.00	LAM RESEARCH CORP (US)	159,660.70	177,408.83	2.72%
USD	250.00	MICROSTRATEGY INC	118,458.44	143,062.29	2.19%
USD	650.00	NETFLIX INC	287,919.36	286,724.35	4.39%
USD	6,500.00	NEWMONT CORP	249,104.87	243,746.32	3.74%
USD	650.00	NVIDIA CORP	282,104.64	291,635.78	4.47%
USD	2,000.00	REPUBLIC SERVICES INC.	252,584.51	298,817.67	4.58%
USD	4,500.00	GLOBAL X LITHIUM & BATTERY T	270,605.98	207,682.90	3.18%
		<i>Total United States</i>		<i>2,327,893.08</i>	<i>35.68%</i>
		Total equity shares	4,585,247.18	4,783,964.67	73.31%
Bonds					
<i>Germany</i>					
EUR	350,000.00	BUNDESREPUB. DEUTSCHLAND 15 Feb 2024	348,394.20	349,219.50	5.35%
EUR	250,000.00	BUNDESREPUB. DEUTSCHLAND Feb 25 0.5%	240,950.00	243,520.00	3.73%
		<i>Total Germany</i>		<i>592,739.50</i>	<i>9.08%</i>
		Total bonds	589,344.20	592,739.50	9.08%
TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING AND/OR DEALT IN ANOTHER REGULATED MARKET			5,174,591.38	5,376,704.17	82.39%

SALUS ALPHA SICAV – SALUS ALPHA GLOBAL INVEST ONE

INDUSTRIAL AND GEOGRAPHICAL CLASSIFICATION OF INVESTMENTS

In percentage of Net Assets
As at 31 December 2023

Industrial classification of investments

Sector	% of total net assets
Technology	17.87%
Industrial	13.23%
Non financial corporations	8.27%
Consumer Discretionary	7.93%
Basic Materials	7.98%
Treasury Bonds	5.35%
Consumer, Cyclical	4.53%
Entertainment	4.39%
Banking	3.74%
Treasury	3.73%
Battery materials	3.18%
Information Technology	2.19%
TOTAL	82.39%

Geographical classification of investments

Country	% of total net assets
United States	35.68%
Germany	27.28%
The Netherlands	4.28%
Ireland	4.25%
India	3.74%
France	3.71%
China	3.45%
TOTAL	82.39%

SALUS ALPHA SICAV – SALUS ALPHA SPECIAL SITUATIONS

STATISTICAL INFORMATION

As at 31 December 2023

Total net assets

- as at 31 December 2023	EUR 2,484,719.94
- as at 31 December 2022	EUR 2,564,861.64
- as at 31 December 2021	EUR 3,678,192.81

Number of Class F EUR shares

- outstanding at the beginning of the year	2.00
- issued	-
- redeemed	-
- outstanding at the end of the year	2.00

Net asset value per Class F EUR shares

- as at 31 December 2023	EUR 10.14
- as at 31 December 2022	EUR 9.43
- as at 31 December 2021	EUR 11.49

Number of Class R EUR shares

- outstanding at the beginning of the year	231,505.66
- issued	107,712.86
- redeemed	(126,850.15)
- outstanding at the end of the year	212,368.37

Net asset value per Class R EUR shares

- as at 31 December 2023	EUR 11.68
- as at 31 December 2022	EUR 11.07
- as at 31 December 2021	EUR 13.82

Number of Class P EUR shares

- outstanding at the beginning of the year	14.10
- issued	33.63
- redeemed	-
- outstanding at the end of the year	47.73

Net asset value per Class P EUR shares

- as at 31 December 2023	EUR 87.10
- as at 31 December 2022	EUR 82.00
- as at 31 December 2021	-

SALUS ALPHA SICAV – SALUS ALPHA SPECIAL SITUATIONS

STATEMENT OF INVESTMENTS

As at 31 December 2023

(Expressed in Euro)

Currency	Nominal/ Quantity	Description	Cost	Market value	% of total net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market					
Equity Shares					
<i>Austria</i>					
EUR	4,900.00	AGRANA BETEILIGUNGS AG	87,065.70	69,090.00	2.78%
EUR	2,500.00	OMV AG	99,462.25	99,425.00	4.00%
EUR	20,000.00	POLYTEC HOLDING AG	97,500.00	70,100.00	2.82%
EUR	28,953.00	WARIMPEX FINANZ- UND BETEILI	36,852.12	21,569.99	0.87%
EUR	15,000.00	ZUMTOBEL GROUP AG	91,723.50	94,200.00	3.79%
		<i>Total Austria</i>		<i>354,384.99</i>	<i>14.26%</i>
<i>Germany</i>					
EUR	2,000.00	COVESTRO AG	94,056.00	105,360.00	4.24%
EUR	4,500.00	K+S AG	127,513.80	64,395.00	2.59%
EUR	1,200.00	SILTRONIC AG	146,280.00	106,140.00	4.27%
EUR	18,328.00	TUI AG_1	197,030.40	129,468.99	5.21%
		<i>Total Germany</i>		<i>405,363.99</i>	<i>16.31%</i>
<i>Luxembourg</i>					
EUR	8,000.00	AMUNDI SHORTDAX DAILY - 1X INVERSE - AHYK GR ETF	113,089.06	104,400.00	4.20%
EUR	70,000.00	LYXOR S&P500 VIX FTURES ER	100,856.00	92,750.00	3.73%
		<i>Total Luxembourg</i>		<i>197,150.00</i>	<i>7.93%</i>
		Total equity shares	1,191,428.83	956,898.98	38.50%
Bonds					
<i>Austria</i>					
EUR	200,000.00	AT & S AG DEC 99 5%	200,000.00	180,072.00	7.25%
EUR	200,000.00	ERSTE GROUP BANK AG DEC 49 3.375%	199,949.00	164,784.00	6.63%
EUR	100,000.00	LENZING AG DEC 99 5.75%	100,000.00	87,127.00	3.51%
EUR	100,000.00	OBERBANK AG	99,651.00	83,421.00	3.36%
EUR	220,000.00	REPUBLIC OF AUSTRIA JUN 20 0.85%	98,010.00	103,303.20	4.16%
EUR	100,000.00	S IMMO AG	100,000.00	95,000.00	3.82%
EUR	80,000.00	UBM DEVELOPMENT AG	80,000.00	69,396.00	2.79%
		<i>Total Austria</i>		<i>783,103.20</i>	<i>31.52%</i>
<i>Germany</i>					
EUR	100,000.00	BAYERISCHE LANDESBANK JAN 34 7%	99,350.00	103,744.00	4.18%
EUR	100,000.00	DEUTSCHE ROHSTOFF AG SEP 28 7.5%	100,000.00	108,000.00	4.35%
EUR	200,000.00	GRENKE AG BBG00HPPNPN6-FLOATING RATENEW	200,000.00	187,708.00	7.55%
EUR	100,000.00	INFINEON TECHNOLOGIES AG DEC 49 3.625%	99,121.00	96,021.00	3.86%
		<i>Total Germany</i>		<i>495,473.00</i>	<i>19.94%</i>
<i>Netherlands</i>					
EUR	100,000.00	VOLKSWAGEN INTL FIN NV JUN 17 FLOATING	90,650.00	95,657.00	3.85%
		<i>Total Luxembourg</i>		<i>95,657.00</i>	<i>3.85%</i>
		Total bonds	1,466,731.00	1,374,233.20	55.31%
Shares/Units in investment funds					
<i>Austria</i>					
EUR	800.00	ADVISORY FLEXIBEL FUND	80,000.00	99,896.00	4.02%
		<i>Total Austria</i>		<i>99,896.00</i>	<i>4.02%</i>
		Total shares/units in investment funds	80,000.00	99,896.00	4.02%
TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING			2,738,159.83	2,431,028.18	97.83%

SALUS ALPHA SICAV – SALUS ALPHA SPECIAL SITUATIONS

INDUSTRIAL AND GEOGRAPHICAL CLASSIFICATION OF INVESTMENTS

In percentage of Net Assets

As at 31 December 2023

Industrial classification of investments

Sector	% of total net assets
Technology	11.12%
Consumer, Cyclical	10.82%
Banks	9.99%
Basic Materials	8.59%
Credit Institution	8.33%
Financial	7.84%
Diversified	7.55%
ETF	7.93%
Energy & Resources	6.59%
Non financial corporations	4.27%
Consumer Discretionary	3.85%
Industrial	3.79%
Chemicals	3.51%
Food & Beverage	2.78%
Real Estate	0.87%
TOTAL	97.83%

Geographical classification of investments

Country	% of total net assets
Austria	49.80%
Germany	36.25%
Luxembourg	7.93%
Netherlands	3.85%
TOTAL	97.83%

SALUS ALPHA SICAV

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2023

NOTE 1 - Activity

SALUS ALPHA SICAV (the “Fund”) is a company organised as an open-ended investment company with variable capital (*société d’investissement à capital variable*) set up as a public limited liability company and registered in the Grand Duchy of Luxembourg as an Undertaking for Collective Investment in Transferable Securities (“UCITS”) pursuant to Part I of the Luxembourg law of 17 December 2010.

The Fund was incorporated on 15 February 2013 for unlimited duration and is registered with the *Registre de Commerce et des Sociétés*, Luxembourg under number RCS B175 421. It was registered in the official list of collective investment funds of the *Commission de Surveillance du Secteur Financier* with effective date on 15 December 2015.

The Fund is an umbrella fund and as such can operate separate Sub-Funds, each of which being represented by one or more classes of shares.

As at 31 December 2023, the following share classes are available for subscriptions:

Sub-Funds	Share Class
SALUS ALPHA SICAV - Salus Alpha Global Invest One	Class P EUR, Class R EUR and Class P USD
SALUS ALPHA SICAV - Salus Alpha Special Situations	Class F EUR, Class R EUR and Class P EUR

The Fund’s financial year starts on 1 January and ends on 31 December each year.

NOTE 2 - Summary of most significant accounting policies

2.1 Presentation of the financial statements

The financial statements are prepared in accordance with legal and regulatory requirements relating to undertakings for collective investments and generally accepted accounting principles in Luxembourg.

2.2 Valuation of assets

The value of the cash in hand or on deposit, the bills and promissory notes payable at sight and the accounts receivable, the prepaid expenses, dividends and interest declared or due but not yet received shall consist of their nominal value, unless it proves unlikely that this value can be obtained. If this should be the case, the value of these assets will be determined by deducting an amount in good faith pursuant to the procedures established by the Board of Directors of the Fund;

Securities quoted on an official stock exchange or another regulated market which operates regularly and is recognised and open to the public, are valued on the basis of the latest available price known on the calculation date, unless said price is not representative; if the security in question is quoted on several markets, it is valued on the basis of the price on the main market. If the price is not representative, the valuation shall be based on the last known price, if this is also not representative, the valuation shall be determined prudently and in good faith pursuant to procedures established by the Board of Directors of the Fund;

All other securities not quoted on an official stock exchange or another regulated market which operates regularly and is recognised and open to the public, or any other asset that is quoted but its price is not representative, is valued at fair market value as determined in good faith pursuant to the procedures established by the Board of Directors of the Fund. If no fair values are available or only inadequate fair values are available, the value of the assets will be determined prudently and in good faith pursuant to procedures established by the Board of Directors of the Fund.

SALUS ALPHA SICAV

NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 December 2023

NOTE 2 - Summary of most significant accounting policies (Continued)

Investments in other UCITS or UCIs are valued on the basis of the latest available net asset value.

2.3 *Net realised gains and/or losses on sales of securities*

The net realised gains *and/or* losses on sales of securities are determined on the basis of the average cost of the securities sold and are recorded in the statement of operations and changes in net assets.

2.4 *Income*

Dividends are accounted at the ex-date. Interest is accounted on a prorata temporis basis.

2.5 *Formation expenses*

Expenses in connection with the incorporation of the Fund and the launch of R and P shares class of various Sub-Funds are amortised on a straight line basis over maximum five years period.

2.6 *Transaction fees*

The transaction fees, i.e. fees charged by the brokers and the Depositary agent for securities transactions and similar transactions, are recorded separately in the statement of operations and other changes in net assets under the caption "Transaction fees".

2.7 *Futures contracts*

Futures contracts are posted off-balance sheet and valued at their last known price on the stock exchanges or regulated markets for that purpose. The unrealised gain or loss is disclosed in the statement of net assets. Realised gains or losses and changes in unrealised gains or losses are disclosed in the statement of operations and changes in net assets.

2.8 *Conversion of foreign currencies*

Transactions in other currencies than currency of the Sub-Fund are recorded in the currency of the Sub-Fund based on the exchange rates in effect on the date of the transactions. Assets and liabilities denominated in other currencies than currency of the Sub-Fund are translated at the rate of exchange ruling at each balance sheet date. Exchange gains and losses are disclosed in the statement of operations and changes in net assets.

The following exchange rate was used by the Fund as at 31 December 2023:

1 CHF =	EUR	1.0766
1 HKD =	EUR	0.1160
1 USD =	EUR	0.9060

2.9 *Movement in net unrealised gain/loss*

In accordance with current practices, movement in net unrealised gain/loss at the end of the financial year is accounted for in the financial statements.

2.10 *Combined statements*

The various items appearing in the combined financial statements of the Fund are equal to the sum of the corresponding items in the financial statements of each Sub-Fund and are drawn up in EUR.

SALUS ALPHA SICAV

NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 December 2023

NOTE 3 - Management and performance fees

Management fees:

Salus Alpha Capital Ltd, the Investment Manager, is entitled to receive a management fee per annum, accrued on each Valuation Day and payable monthly in arrears out of the assets of each class of shares. The management fee is based on the average net assets of each Sub-Fund at a maximum rate of 1.25% for the P shares classes and 1.90% for the R shares classes. There is no management fee for the F Shares class.

Performance fees:

In addition to the management fee, the Investment Manager is entitled to a performance fee which is calculated on each Valuation Date on the basis of the net asset value of the relevant class of shares and paid quarterly. The performance fee may only be levied and set aside if the following criterion is fulfilled: the net asset value of a class of shares used in the calculation of a performance fee must be greater than previous net asset values ("High Water Mark"). Each preceding decline in the net asset value per share of the relevant class of shares must be offset by a further increase above the last maximum value at which a performance fee was incurred. Calculation of the performance fee and the necessary provisioning takes place on each Valuation Date.

If, on the Valuation Date, the net asset value of a class of shares is greater than the preceding net asset values (prior to deduction of the performance fee), a performance fee at the rate of 20% shall be deducted on the difference between the net asset value of the class of shares and the all-time High Water Mark.

For the year under review, the performance fee was EUR 2,740.42 for SALUS ALPHA SICAV - Salus Alpha Global Invest One (only on Class P USD, the performance fees represents 1,40% of the average net assets of the share class) and nil for SALUS ALPHA SICAV - Salus Alpha Special Situations.

Note 4 - Subscription tax ("taxe d'abonnement")

The Fund is subject in Luxembourg to a subscription tax levied at the rate of 0.05% per annum based on the net asset value of the Fund at the end of the relevant quarter, calculated and paid quarterly. The rate of this tax is reduced to 0.01% of the net assets for the Sub-Funds exclusively available to institutional investors.

SALUS ALPHA SICAV

NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 December 2023

NOTE 5 - Other expenses

As at 31 December 2023, other expenses are represented as follows :

	SALUS ALPHA GLOBAL INVEST ONE	SALUS ALPHA SPECIAL SITUATIONS	SALUS ALPHA SICAV
	EUR	EUR	EUR
Account Bank fee	5,890.29	5,888.77	11,779.06
Accounting Fee	2,454.09	2,636.12	5,090.21
Insurance expense	394.24	131.42	525.66
KiiD Fees	6,825.13	5,276.26	12,101.39
Legal fee	13,190.52	7,435.69	20,626.21
Other expenses	373.85	-159.65	214.20
Out-of-Pocket Expenses	3,394.88	3,395.18	6,790.06
Paying Agent Fee Expense	3,124.09	2,769.30	5,893.39
Secretarial fee	2,796.51	2,792.91	5,589.42
VAT Expense	3,022.80	1,007.61	4,030.41
EMIR fee expense	990.99	991.00	1,981.99
Legal Advisors Fees	44.27	39.25	83.52
LEI License Fee	165.00	164.99	329.99
Office Rent and facilities	11,220.39	6,955.76	18,176.15
Other Professional Services Expense	1,442.03	960.03	2,402.06
Price Publication Fee expense	400.00	399.99	799.99
Service Fee Expense	4,032.99	2,919.40	6,952.39
UK Tax Reporting Expense	0.00	106.52	106.52
Total	59,762.07	43,710.55	103,472.62

NOTE 6 - Financial futures contracts

SALUS ALPHA SICAV - Salus Alpha Global Invest One

Unrealised gain on financial futures contracts as at 31 December 2023 are as follows:

Currency	Counterparty	No. of Contracts	Underlying Securities	Expiration Date	Commitment in EUR	Unrealised gain in EUR
USD	European Depository Bank SA	20.00	ECH4 CME	March, 2024	2,508,487.50	23,216.31
USD	European Depository Bank SA	5.00	NQH4 CME	March, 2024	1,542,329.10	61,754.93
					Total	84,971.24

SALUS ALPHA SICAV

NOTES TO THE FINANCIAL STATEMENTS (continued)

As at 31 December 2023

NOTE 7 - Changes of the investment portfolio

Details of changes in the securities portfolio for the year referring to this report are available upon request - free of charge - at the registered office of the Fund.

NOTE 8 - Expense rebates

The delegated manager Salus Alpha Capital GmbH did support the ongoing charges of the fund with 300,000 EUR for 2023.

NOTE 9 - Significant event during the year

There was no significant event during the year ended 31 December 2023.

NOTE 10 - Subsequent event

There were no subsequent events after the financial year-end.

SALUS ALPHA SICAV

UNAUDITED INFORMATION

Risk Management Disclosure

The Sub-Funds Salus Alpha SICAV - Global Invest One and SALUS ALPHA SICAV - Salus Alpha Special Situations use the commitment approach in order to monitor and measure the global exposure.

The Company is exposed to a variety of financial risks as a result of its activities. These risks include market risk, liquidity risk, counterparty risk, operational risk, credit risk, compliance risk and concentration risk. For a description of other relevant risk factors, please refer to the current prospectus of the Company.

The Fund is required by applicable laws and regulations to ensure that the Sub-Funds' global exposure relating to derivative instruments does not exceed the total net value of its portfolio. The risk exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions. According to ESMA Guideline 10-788, the global exposure may be calculated through the commitment approach or through the Value-at-Risk ("VaR") methodology. The commitment approach is based, in part, on the principle of converting the exposure to derivative instruments into equivalent positions of the underlying assets and quantifying the exposure in absolute value of the total commitments (which may account for coverage and netting). VaR provides a measure of the potential loss that could arise over a given time interval under normal market conditions, and with a given probability, defined as confidence level. Please refer to the relevant appendix to see which methodology each Sub-Fund uses to calculate its global exposure.

Securities Financing Transactions and of Reuse Regulation ("SFTR")

The Fund does not use any instruments falling into the scope of SFTR.

Remuneration policy

Salus Alpha SICAV is a self-managed SICAV, an investment company with variable capital that has designated to manage itself. The Fund has no direct staff involved in the portfolio management. The self-managed investment company is subject to the most of UCITS management company requirements as set in the Law of 17 December 2010, as amend and the CSSF Circular 12/546, as amended.

The Fund's Directors, Conducting Officers and staff are remunerated by the Fund and are subject to its remuneration policy.

The Fund pays fees for the services it receives from its service providers and such fees do not include a variable component related to the Fund's performance and the Fund does not pay its service providers bonuses based on the Fund's performance.

The amount of the total remuneration awarded by Salus Alpha SICAV to its staff consisting of 6 persons (including 2 conducting persons and 3 directors) for the financial year ending 31 December 2023 is comprised of fixed remuneration of EUR 160,743 and variable remuneration of EUR 0 as Salus Alpha SICAV's remuneration policy is not allowing any variable salary component. There were a total of 6 beneficiaries of the remuneration described above.

The Board of Directors of the Fund reviews and adopts the Remuneration Policy on annual basis. As at 19th December 2023, the Board of Directors reviewed the Remuneration Policy and found it to be appropriate. The remuneration policy can be found on www.salusalphabet-sicav.com.

Sustainable Finance Disclosure Regulation ("SFDR")

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