31st March 2026
Private & Confidential

CRYSTAL FUND

BK Opportunities Fund 7

CLO Mezzanine Fund

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NAV 52.55%	Monthly Return [1]	-1.1%
	Year-to-Date	-3.4%
	Annual Return since inception [2]	13.0%
Distribution 6.25%	Cumulative Distributions [2,3]	89.9%
	Cumulative Return [2,3]	45.8%

1. Non-annualized — 2. Weighted average distribution of all classes — 3. since inception in October 2021.

The eurozone started 2026 with improving momentum, but the Middle East conflict has clouded the outlook — growth revised down, inflation revised up, ECB on hold. Corporate earnings remain still after three years without profit growth. Bank lending is tightening, though demand is picking up. Leveraged loan issuance hit records in 2025 but was mostly refinancing, not new deals. CLO issuance also hit records with strong pipeline activity, though the arbitrage is squeezed by tight loan spreads. Across the board, the market needs M&A to come back for fresh supply.

BK Opportunities Fund 7 is a closed-end fund investing in a diverse portfolio of BB tranches in European CLOs, with a time horizon of seven years from inception.

Creditflux by Debtwire
Manager Awards 2024
Best CLO Fund

Signatory of:
PRI Principles for Responsible Investment

CRYSTALFUND MEMBER OF
STRUCTURED FINANCE ASSOCIATION

BK Opportunities Fund 7 (BK-7) was launched in the second quarter of 2021. Over the years, we have actively traded BB and B-rated tranches of European CLOs. Our portfolio has remained highly diversified across all sectors, with low idiosyncratic exposure. In addition to capturing the usual extra return of CLOs from its niche market, we have employed various structural arbitrage strategies, in some cases linked to the duration of our positions.

This quarter, BK Opportunities Fund-7 is making a weighted average distribution of 6.25% (non-annualized, based on number of shares). Payments will be wired on April 30, 2026. The cumulative distribution of the fund is 89.92% (non-annualized, based on the weighted average distribution of all classes), and the annual return since inception is +13.0% (net), materially exceeding our expectations at the fund's launch.

The fund is now in reinvestment mode, a 2-year amortisation period, during which we will focus on monetising our positions. As we collect coupons & principal and now distribute all proceeds, the fund's performance should continue to strengthen, and distribution will accelerate.

NAV
52.55%

Distribution
6.25%

Payments will be wired on or around May 1, 2026.

MARKET COMMENTARY

The Economy

The eurozone's early 2026 momentum—marked by a 51.9 PMI and recovering manufacturing—is now threatened by escalating Middle East conflict, driving oil toward $90/bbl. Consequently, GDP forecasts have cooled to 0.8–1.3%, with a 0.2% drag from energy shocks. While Spain outperforms (1.8%), Germany and France lag (0.9%). Meanwhile, the ECB has raised inflation forecasts by 0.7pp and is expected to hold rates at 2% pending further data.

Corporate Markets

European Q4 2025 earnings fell 1.1%, a notable recovery from the 3.1% decline initially feared—yet the market's three-year rally remains fragile without stronger corporate results. While 2026 EPS growth for Europe is projected at a modest 4%, sectoral performance is split: autos and chemicals struggle with Chinese competition and high energy costs, whereas energy giants like TotalEnergies and Eni have surged 40–50% in Q1.

Despite these headwinds, corporate balance sheets remain resilient due to high cash reserves and inflation's erosion of real debt value. Furthermore, Europe's limited exposure to private credit (1.5% of total corporate credit vs. 7% in the US) provides a significant structural buffer against potential contagion from US private credit volatility.

Corporate Loans

Gross European loan issuance reached a post-GFC record of over €235bn in 2025, though activity was heavily dominated by refinancings, with net new issuance accounting for less than 30% of total volume. Looking ahead to 2026, forecasts project overall issuance between €95bn and €100bn, a target largely contingent on a sustained recovery in M&A and LBO activity. On the credit front, the European loan default rate remains low at 1.1%, though consensus estimates suggest speculative-grade defaults could rise toward the 2.4–3.25% range by late 2026 as higher-risk credits face increased pressure.

Despite these headwinds, the Morningstar ELLI delivered a 3.86% return in 2025, and analysts anticipate 2026 returns to climb into the 4.50–4.75% range.

CLO Markets

Primary European CLO issuance reached a record near €60bn in 2025, supported by an additional €49bn in resets, bringing the total market outstanding to approximately €300bn. The outlook for 2026 remains robust, with bank forecasts projecting between €50bn and €65bn in new issuance and a significant surge in resets as 2024 vintages exit their non-call periods. While AAA spreads have tightened considerably to around 123bps, market participants are preparing for modest widening throughout the year, even as lower funding costs begin to improve equity economics. Despite the entry of several debut managers and growing interest in private credit CLOs, the sector faces headwinds from geopolitical tensions in the Middle East and a deepening bifurcation in loan quality that is driving increased manager tiering.

BK Opportunities Fund 7

March 31st, 2025

NET PERFORMANCE	
Monthly Return [1]	-1.1%
Year-to-Date	-3.4%
Annual Return since inception [3]	13.0%
Cumulative Distributions since inception/October 2021 [3]	89.9%
Cumulative Return since inception/October 2021 [3]	45.8%

NAV	Distribution
52.55%	6.25%

Payments will be wired on or around May 1, 2026.

EUR FUND AND MARKET PERFORMANCES

Returns	BK 7	JPM CLO BB Index [5]	Palmer Square Index	Hedge Fund Index [6]	Euro S&L Loan Index [7]	EuroStoxx 600
Monthly Return [1]	-1.1%	-2.0%	0.2%	-3.3%	-0.3%	-8.0%
Year-to-Date Return [1]	-3.4%	-3.2%	-0.4%	0.0%	-1.1%	-1.5%
Annual Return [2, 3]	13.0%	9.9%	7.5%	5.2%	4.9%	5.7%

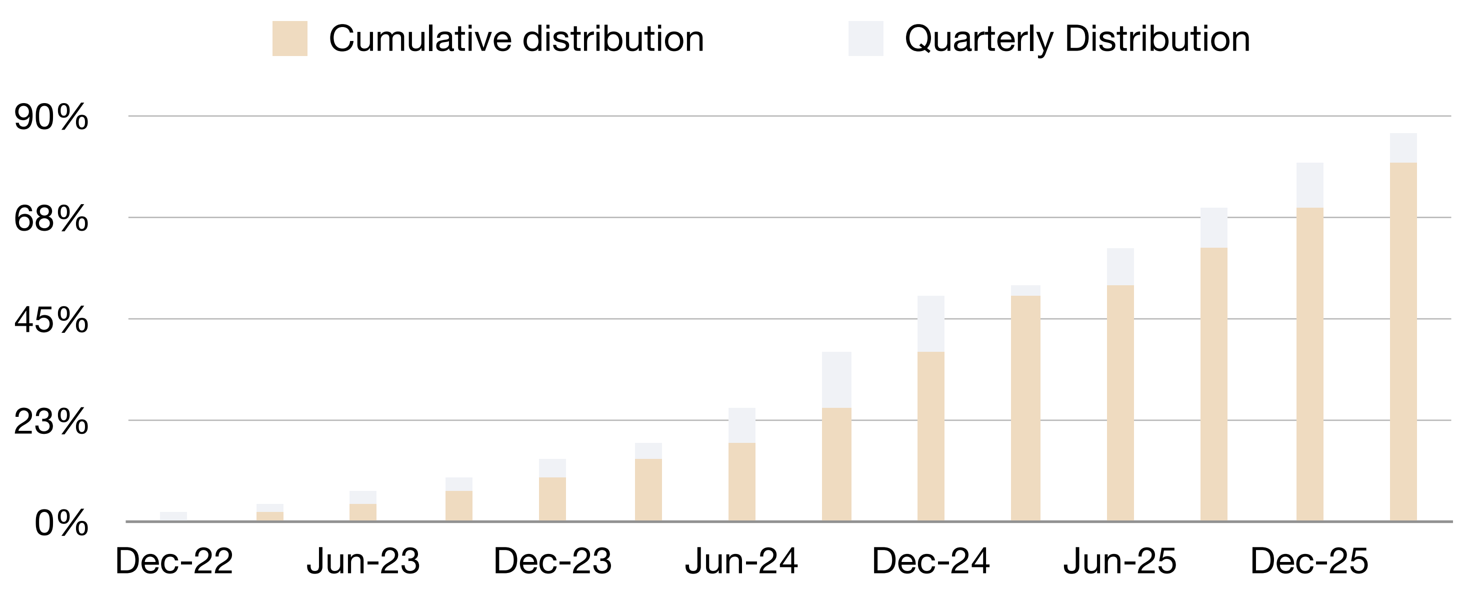
EUR MONTHLY PERFORMANCE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2026	0.6%	(2.9%)	(1.1%)										(3.41%)
2025	2.0%	1.3%%	0.5%	(0.5%)	1.6%	1.0%	0.8%	1.2%	0.6%	0.1%	0.4%	1.3%	10.7%
2024	5.0%%	2.9%%	2.3%%	1.5%%	1.3%%	0.9%	0.4%	0.5%	0.4%	1.5%	0.2%	1.4%%	19.6%
2023	5.8%	7.2%	(2.6%)	4.6%	0.6%	2.0%	2.5%	3.0%	0.4%	0.5%	0.0%	6.1%%	34.1%
2022	0.1%	(2.5%)	(1.1%)	0.9%	(9.0%)	(8.4%)	(1.4%)	5.0%	(3.3%)	(1.7%)	2.6%	1.3%	(17.1%)
2021										2.4%	1.0%	0.5%	4.0%

QUARTERLY DISTRIBUTION

Quarterly Distribution [8]	6.25%
Cumulative Distribution [8, 9]	86.00%
NAV [10]	52.55%
Investor Value [11]	138.55%

DISTRIBUTION

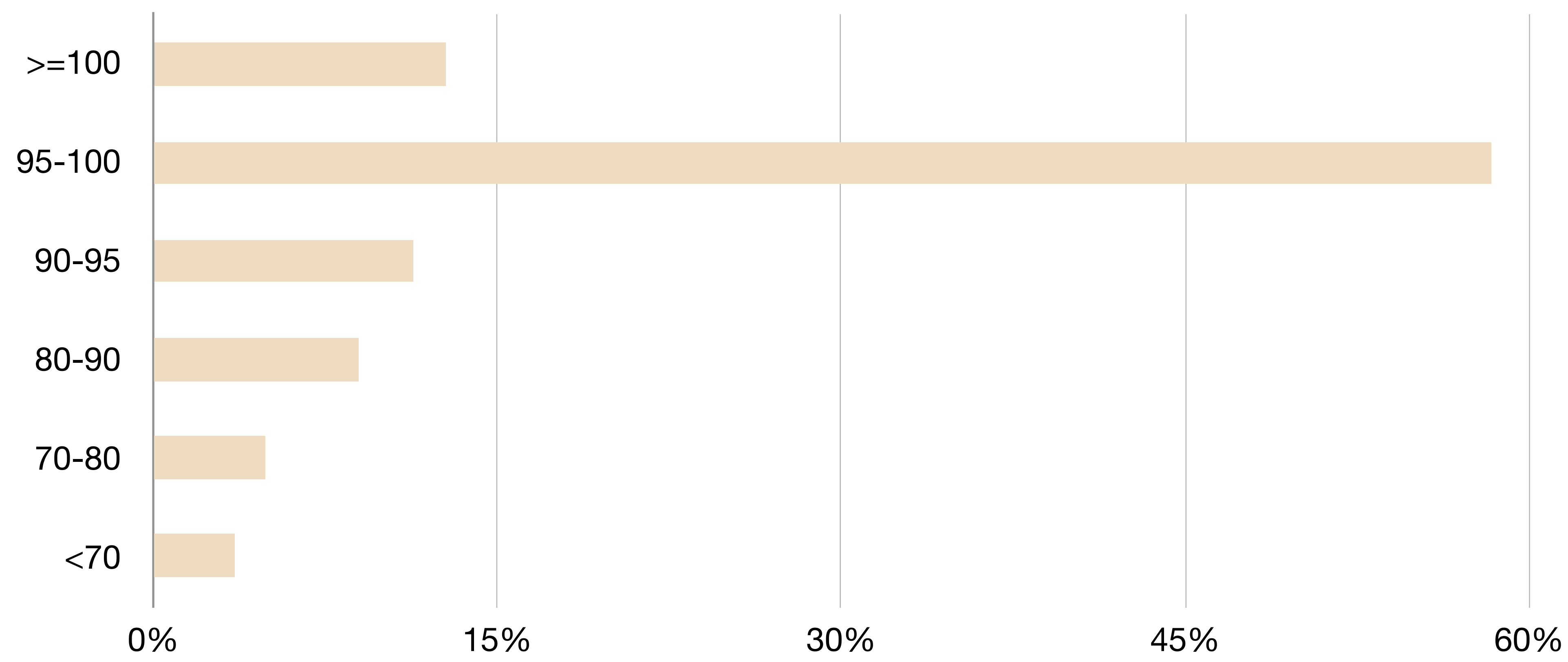


1. Non-annualized — 2. Since inception — 3. Weighted average distribution of all classes — 4. Based on the total return level of the JPM CLOIE Index — 5. Based on the total return level of the JPM CLOIE Index. We used the USD index due to the absence of a euro CLO index. — 6. Index designed to present the overall hedge fund universe. — 7. European Corporate Lond Index , sums principal, interest and reinvestment returns — 8. Cash on cash, based on the Contribution Amount — 9. Since inception of BK Opportunities Fund-7, Oct 2021 — 10. Net Asset Value after distributions as of 31st December 2024, as a percentage of Contribution Amount — 11. Sum of the cumulative distributions since inception and the 31st December 2023 NAV based on weighted average calculation.

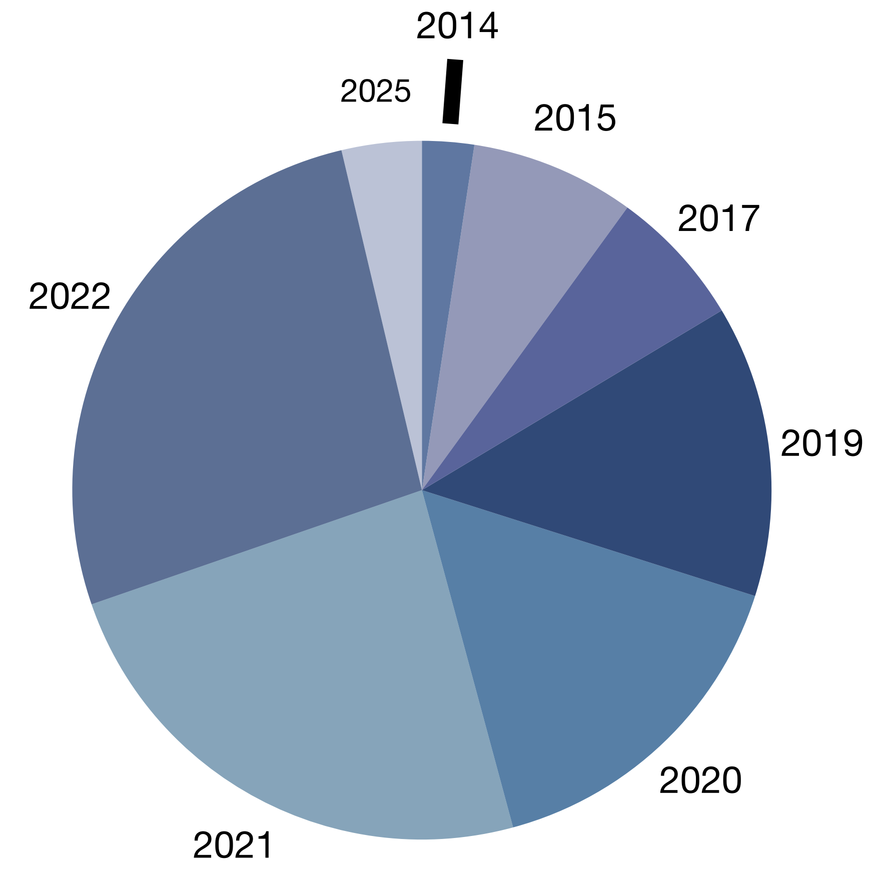
BK Opportunities Fund 7

March 31st, 2025

LOOK-THROUGH COLLATERAL PRICE



VINTAGE



FUND SUMMARY

2021 –PRESENT €

BK-7

Currency: EUR
Fund's Inception: October 2021
Maturity*: October 2026
Distribution: Quarterly
Investment Manager: Oristan Ireland DAC
Administrator: Apex Funds Services
Custodian: CIBC Bank & Trust
Banker: Northern Trust
Counsel: Dillon Eustace
Auditor: Deloitte

Bloomberg Page:
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** Excluding the possible 2-year extension*

TOP 10 INDUSTRY

Industry	% of Portfolio
Healthcare & Pharmaceuticals	14.6%
Services: Business	9.2%
High Tech Industries	7.2%
Chemicals, Plastics, & Rubber	6.9%
Telecommunications	6.2%
Construction & Building	5.7%
Banking, Finance, Insurance	5.4%
Beverage, Food & Tobacco	5.1%
Capital Equipment	4.7%
Services: Consumer	4.2%

TOP 10 ISSUERS EXPOSURE

Issuer	% of Portfolio
Ineos Ltd	2.0%
Liberty Global Plc	1.9%
Lorca JVCO	1.2%
Vmed O2	1.1%
3I Group	1.0%
TK Elevator Topco	0.8%
Kantar Global	0.8%
ICV Acquisition Pickco	0.8%
Ion Platform	0.8%
Quimper	0.8%

CRYSTAL FUND RECENT AWARDS

PAN·FINANCE Award Winner 2025	Creditflux Manager Awards 2024 Winner	Worldwide Finance Awards	2024 Preqin Awards	Creditflux Manager Awards 2023 Winner
Best CLO Fund 2025	Best CLO Fund 2024	Best CLO Investment Management Firm 2024 – Europe	Top Performing Credit Strategy hedge funds 2024	Best CLO Fund 2023