

#BANORTALKS

WORKSHOP LIVE EDITION 2022

MERCOLEDÌ 9 NOVEMBRE 2022
FOUR SEASONS HOTEL



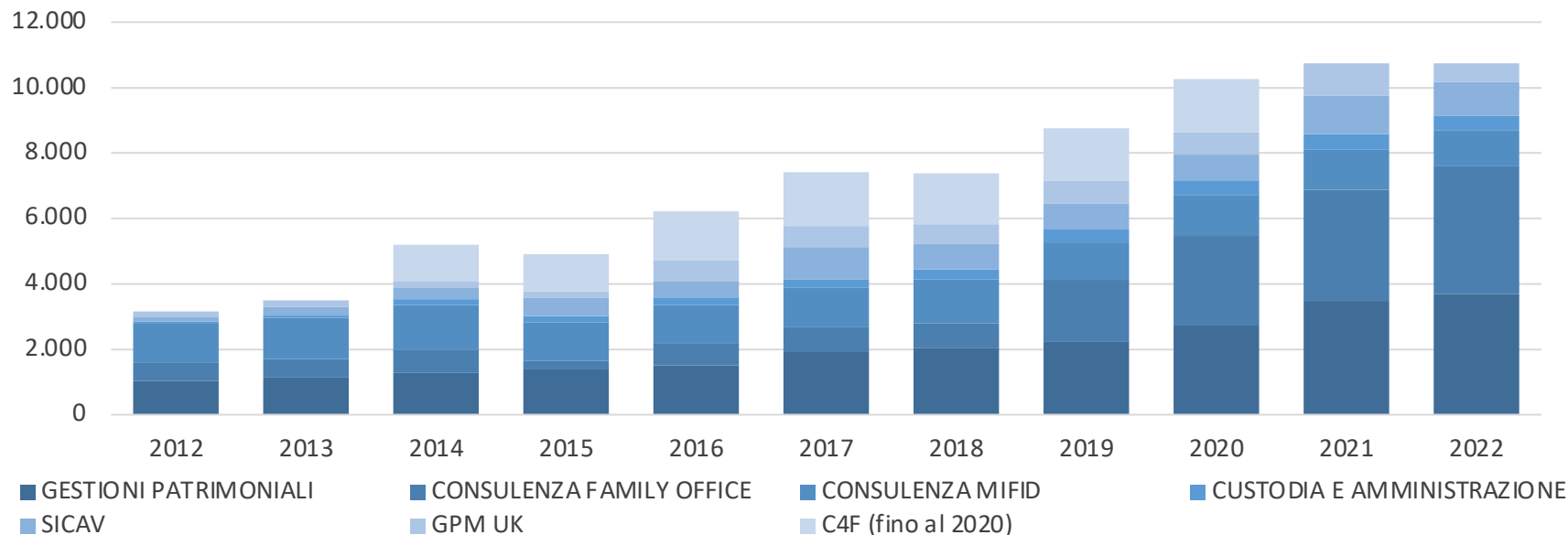
INTRODUZIONE



**MASSIMILIANO
CAGLIERO**

CEO Banor SIM

ASSET COMPLESSIVI (EURO MLN)



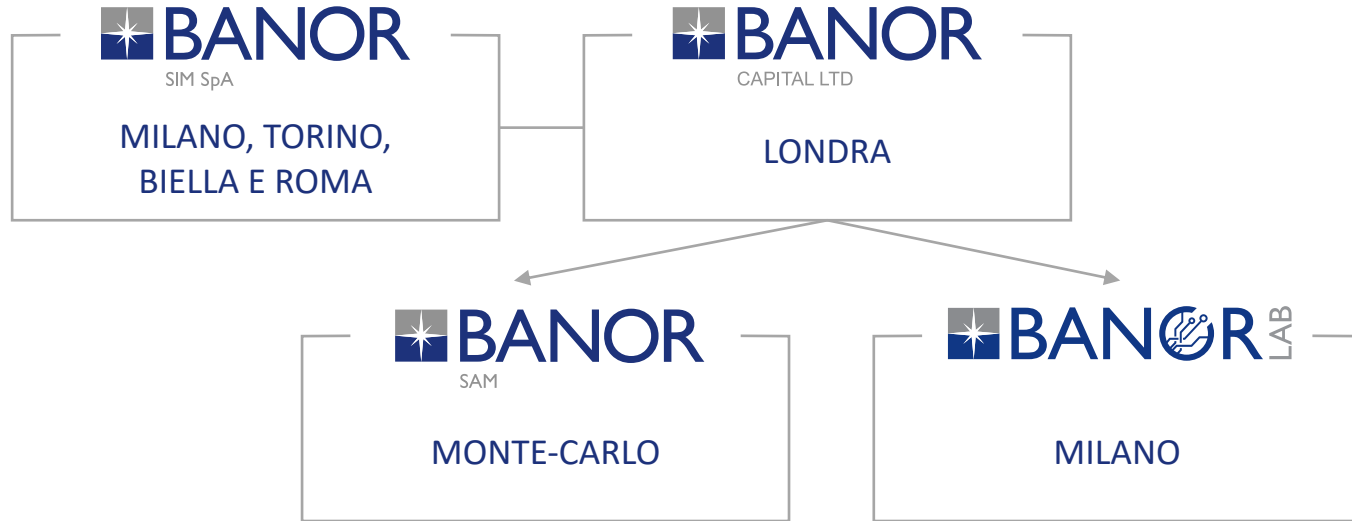
GLI «ASSET UNDER INFLUENCE» COMPLESSIVI RAGGIUNGONO 11MLD DI EURO

L'UNIVERSO BANOR

LONDRA
MILANO
ROMA
MONTE-CARLO
TORINO
BIELLA



IL TEAM



SIAMO UN TEAM DI OLTRE **150 PERSONE**

CONTESTO DI MERCATO: UNA SITUAZIONE COMPLESSA



EQUILIBRI GEOPOLITICI
DELICATI



INFLAZIONE ELEVATA E
POLITICA MONETARIA
MOLTO RESTRITTIVA DELLE
BANCHE CENTRALI



MERCATI AZIONARI E
OBBLIGAZIONARI IN
SOFFERENZA

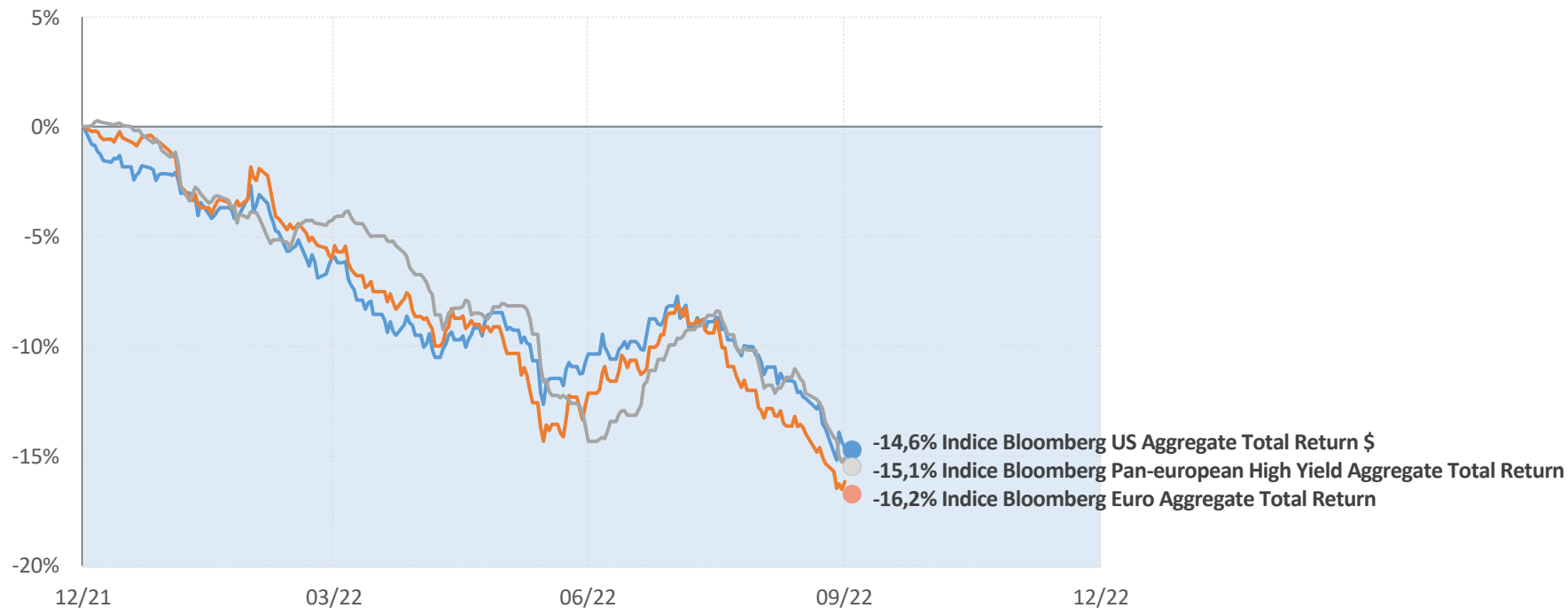
PRINCIPALI RENDIMENTI DEGLI INDICI AZIONARI

INDICI MONDIALI A CONFRONTO NEL 2022



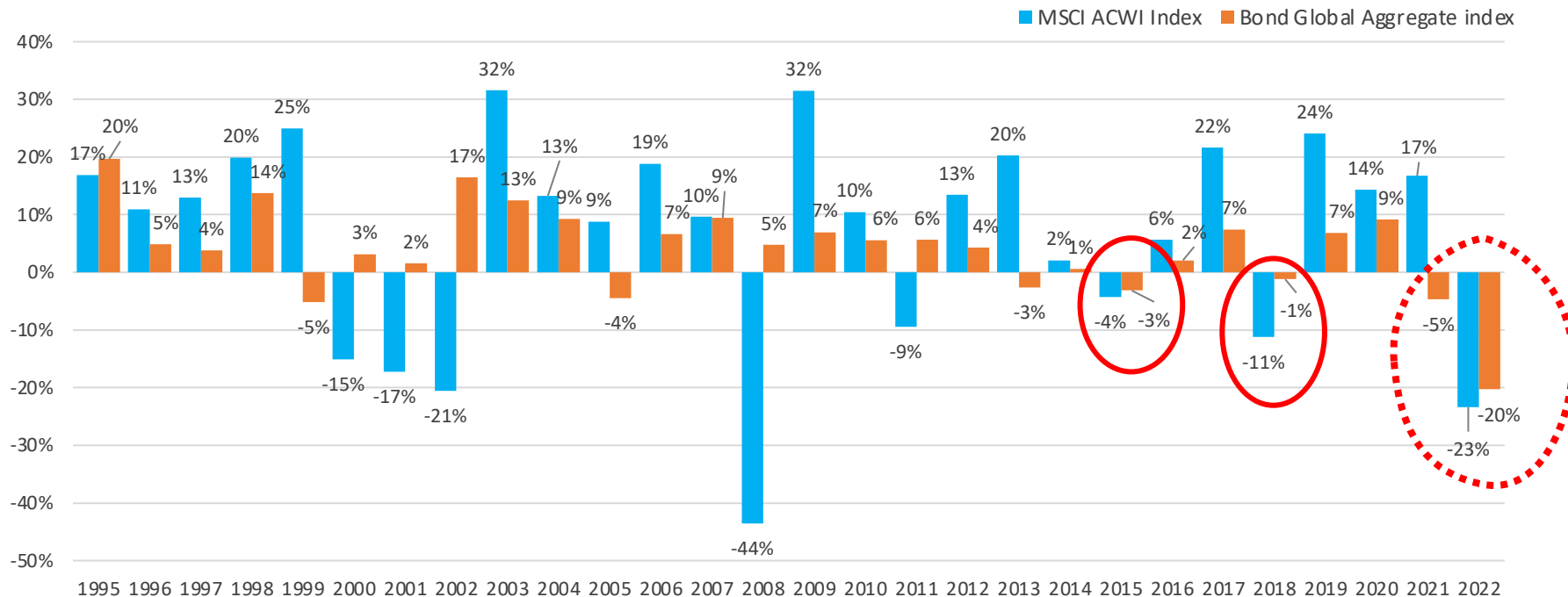
PRINCIPALI RENDIMENTI OBBLIGAZIONARI GLOBALI

INDICI MONDIALI A CONFRONTO NEL 2022



CONTESTO DI MERCATO

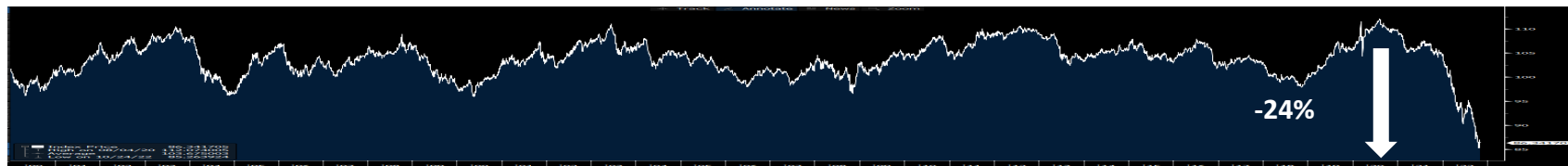
BOND ED EQUITY MAI SCESI COSÌ TANTO CONTEMPORANEAMENTE



CONTESTO DI MERCATO - DECENNALE US: L'ANNO PEGGIORE DA QUASI 100 ANNI

YEAR	RETURN	YEAR	RETURN	YEAR	RETURN	YEAR	RETURN	YEAR	RETURN	YEAR	RETURN	YEAR	RETURN	YEAR	RETURN	YEAR	RETURN	YEAR	RETURN
1928	0.8%	1938	4.2%	1948	2.0%	1958	-2.1%	1968	3.3%	1978	-0.8%	1988	8.2%	1998	14.9%	2008	20.1%	2018	0.0%
1929	4.2%	1939	4.4%	1949	4.7%	1959	-2.6%	1969	-5.0%	1979	0.7%	1989	17.7%	1999	-8.3%	2009	-11.1%	2019	9.6%
1930	4.5%	1940	5.4%	1950	0.4%	1960	11.6%	1970	16.8%	1980	-3.0%	1990	6.2%	2000	16.7%	2010	8.5%	2020	11.3%
1931	-2.6%	1941	-2.0%	1951	-0.3%	1961	2.1%	1971	9.8%	1981	8.2%	1991	15.0%	2001	5.6%	2011	16.0%	2021	-4.4%
1932	8.8%	1942	2.3%	1952	2.3%	1962	5.7%	1972	2.8%	1982	32.8%	1992	9.4%	2002	15.1%	2012	3.0%	2022*	-17,1%
1933	1.9%	1943	2.5%	1953	4.1%	1963	1.7%	1973	3.7%	1983	3.2%	1993	14.2%	2003	0.4%	2013	-9.1%		
1934	8.0%	1944	2.6%	1954	3.3%	1964	3.7%	1974	2.0%	1984	13.7%	1994	-8.0%	2004	4.5%	2014	10.7%		
1935	4.5%	1945	3.8%	1955	-1.3%	1965	0.7%	1975	3.6%	1985	25.7%	1995	23.5%	2005	2.9%	2015	1.3%		
1936	5.0%	1946	3.1%	1956	-2.3%	1966	2.9%	1976	16.0%	1986	24.3%	1996	1.4%	2006	2.0%	2016	0.7%		
1937	1.4%	1947	0.9%	1957	6.8%	1967	-1.6%	1977	1.3%	1987	-5.0%	1997	9.9%	2007	10.2%	2017	2.8%		

LA CORREZIONE PIÙ FORTE DA 40 ANNI*: perdita del 2022 (-17,1%) mai così elevata da quasi 100 anni, che si somma al -4,4% del 2021. In meno di 2 anni le obbligazioni più sicure al mondo hanno perso oltre il 20% del loro valore!



PERFORMANCE DEL DECENNALE US DAL 1928: il prezzo medio delle obbligazioni all'interno del Bloomberg aggregate index è 86,3\$ e quasi la totalità delle obbligazioni nell'indice scambiano sotto la pari.

OPPORTUNITÀ D'INVESTIMENTO

VEDIAMO DELLE OPPORTUNITÀ E SCENARI POSITIVI/COSTRUTTIVI



RENDIMENTI
OBBLIGAZIONARI
ELEVATI

VALUTAZIONI
EQUITY
INTERSSANTI

MOMENTO
GIUSTO PER
INVESTIRE

ASPETTATIVE DI INFLAZIONE

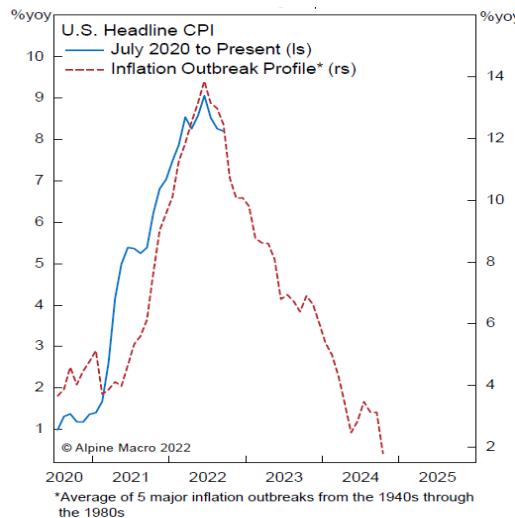
UN FORTE CALO IN VISTA

La storia mostra che i principali cicli di inflazione quasi sempre si sviluppano inaspettatamente e progrediscono in modo non lineare. Allo stesso modo, il calo dell'inflazione tende ad essere molto rapido.

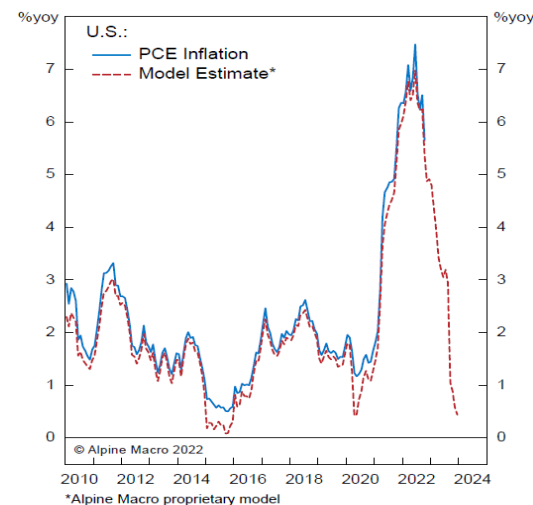
Dal 1930 abbiamo calcolato 16 cicli. La durata media di un aumento dell'inflazione CPI è 29 mesi, mentre il declino da picco a minimo richiede 27 mesi.

In altre parole, la maggior parte dei cicli di inflazione sono simmetrici nella loro ascesa e caduta e l'inflazione, quando raggiunge il picco, tende a cadere rapidamente.

Ci sono voluti 16 mesi prima che l'inflazione CPI aumentasse dall'1,7% di febbraio 2021 al 9% di giugno 2022.



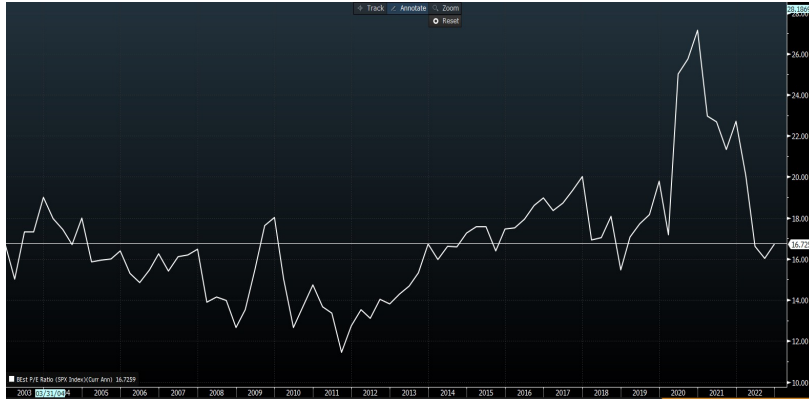
Il grafico confronta l'attuale ciclo di inflazione con la media profilo degli ultimi 5 principali focolai di inflazione negli USA.



Se la storia è una guida, vedremo l'inflazione tornare al di sotto del 2% entro la fine del 2023 o l'inizio del 2024.

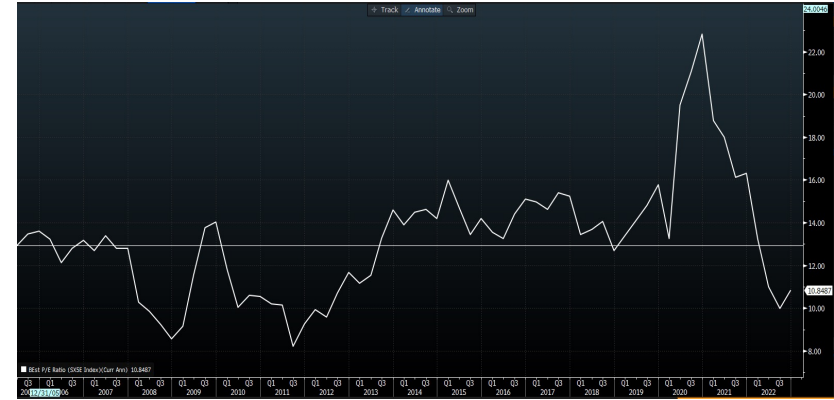
VALUTAZIONE MERCATO EQUITY

S&P INDEX BEST P/E RATIO E MEDIA STORICA



AMERICA: multipli tornati a livelli interessanti, non ancora clamorosamente *cheap* ma valutazioni sicuramente scontate rispetto a un anno fa.

STOXX 50 INDEX BEST P/E RATIO E MEDIA STORICA



EUROPA: rispetto all'America, non vedevamo valutazioni così straordinariamente *cheap* da 30 anni.

MERCATO OBBLIGAZIONARIO

RENDIMENTI ELEVATI

→ AUMENTO DEI TASSI

Il forte aumento dei tassi di interesse dall'inizio dell'anno, unito ad un incremento degli spread, ha comportato un drammatico *repricing* del costo del credito.

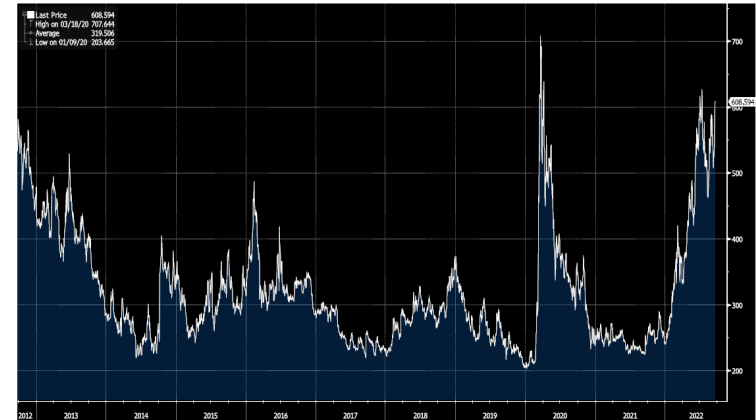
→ INCREMENTO DEGLI SPREAD

Il tasso il *mid-swap* europeo a 5 anni è passato dallo 0% alla fine dell'anno scorso all'attuale 3%, mentre lo spread sulle obbligazioni *corporate investment grade* è passato da 50 a 140 basis points, mentre sugli *high yield* addirittura da 240 agli attuali 640.

→ REPRICING COSTO DEL CREDITO

Di conseguenza il costo dell'indebitamento per un'emittente *investment grade* è passato dallo 0,5% a oltre il 4,3%, mentre per un'emittente *high yield* dal 2,4% a oltre il 9,4%.

SPREAD CDS HIGH YIELD 5Y



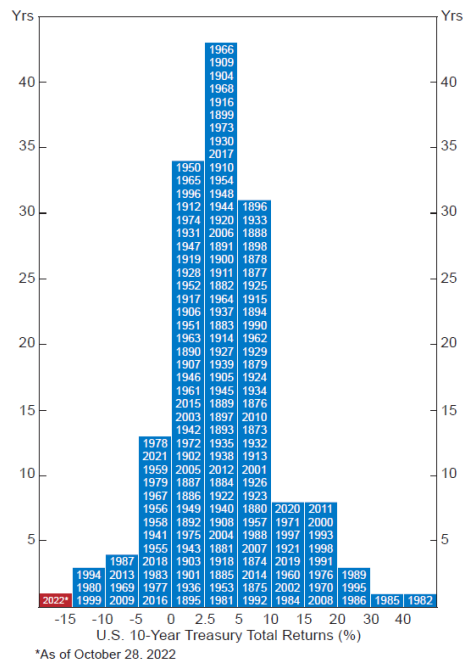
Lo Spread delle obbligazioni High Yield Europee non è stato mai così elevato dal “whatever it takes” di Draghi (2012), ad eccezione del *flash crash* legato al Covid.

SEGNALI POSITIVI

DISTRIBUZIONE STORICA DEI RENDIMENTI DI BOND ED EQUITY

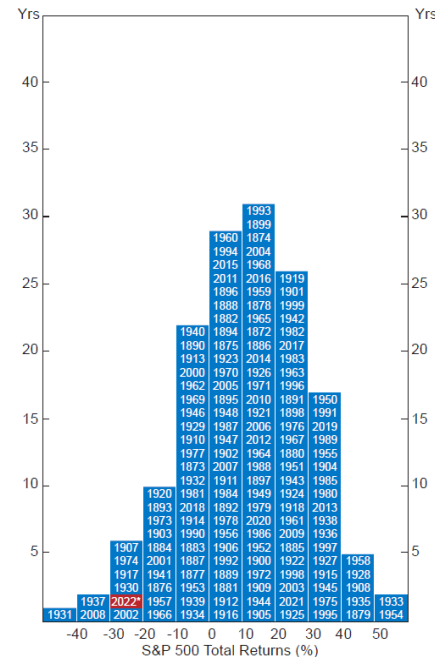
Quest'anno, la performance del mercato obbligazionario è caduta nella coda di estrema sinistra della distribuzione dei rendimenti.

Statisticamente, sono alte le probabilità che i rendimenti del mercato obbligazionario per il prossimo anno siano fuori misura, poiché alla carestia spesso segue la fase di «festa».



Per quanto riguarda le azioni, il profilo di rendimento è simile alle obbligazioni, anche se meno estremo rispetto alla storia.

Tuttavia, le probabilità di un rendimento superiore alla media per le azioni sono elevate per i prossimi 12-18 mesi.



INTRODUZIONE



UN INVESTITORE PASSIVO (ETF) COMPRA PER DEFINIZIONE I TITOLI PIÙ “PESANTI” IN OGNI INDICE. COSA SUCCEDDE IN FUTURO?

LARGEST COMPANIES GLOBALLY BY MARKET CAP

1980			1990		2000		2010		2020		2022/11
Rank	Company	10-Yr Fwd Return	Company	10-Yr Fwd Return	Company	10-Yr Fwd Return	Company	10-Yr Fwd Return	Company	10-Yr Fwd Return	
1	IBM	10%	Nippon Telegraph &	-1%	Microsoft	5%	PetroChina	-10%	Apple	?	Apple
2	AT&T	16%	Bank of Tokyo - Mitsubishi	-5%	General Electric	-6%	Exxon Mobil	-2%	Saudi Aramco	?	Saudi Aramco
3	Exxon	18%	Industrial Bank of Japan ⁽¹⁾	-12%	NTT DoCoMo	-8%	Microsoft	26%	Microsoft	?	Microsoft
4	Standard Oil	10%	Sumitomo Mitsui Banking	-5%	Cisco	-6%	ICBC	4%	Amazon	?	Alphabet
5	Schlumberger	0%	Toyota Motors	10%	Walmart	2%	Walmart	13%	Alphabet	?	Amazon
6	Shell	16%	Fuji Bank ⁽¹⁾	-10%	Intel	-2%	China Construction	4%	Facebook	?	Tesla
7	Mobil	11%	Dai-ichi Kangyo Bank ⁽¹⁾	-8%	Nippon Telegraph &	-6%	BHP Biliton	3%	Tencent	?	United Health
8	Atlantic Richfield	13%	IBM	14%	Exxon Mobile	8%	HSBC	-1%	Tesla	?	Exxon Mobil
9	General Electric	18%	UFJ Bank	-8%	Lucent	-28%	Petrobras	1%	Alibaba	?	Johnson & Johnson
10	Eastman Kodak	8%	Exxon	17%	Deutsche Telekom	-7%	Apple	30%	Berkshire Hathaway	?	JP Morgan Chase
	Top 10	12%	Top 10 Average	-1%	Top 10 Average	-5%	Top 10 Average	7%			
	S&P 500	14%	S&P 500	17%	S&P 500	1%	S&P 500	14%			

LA PERFORMANCE DELLE ASSET CLASS È MOLTO VARIABILE

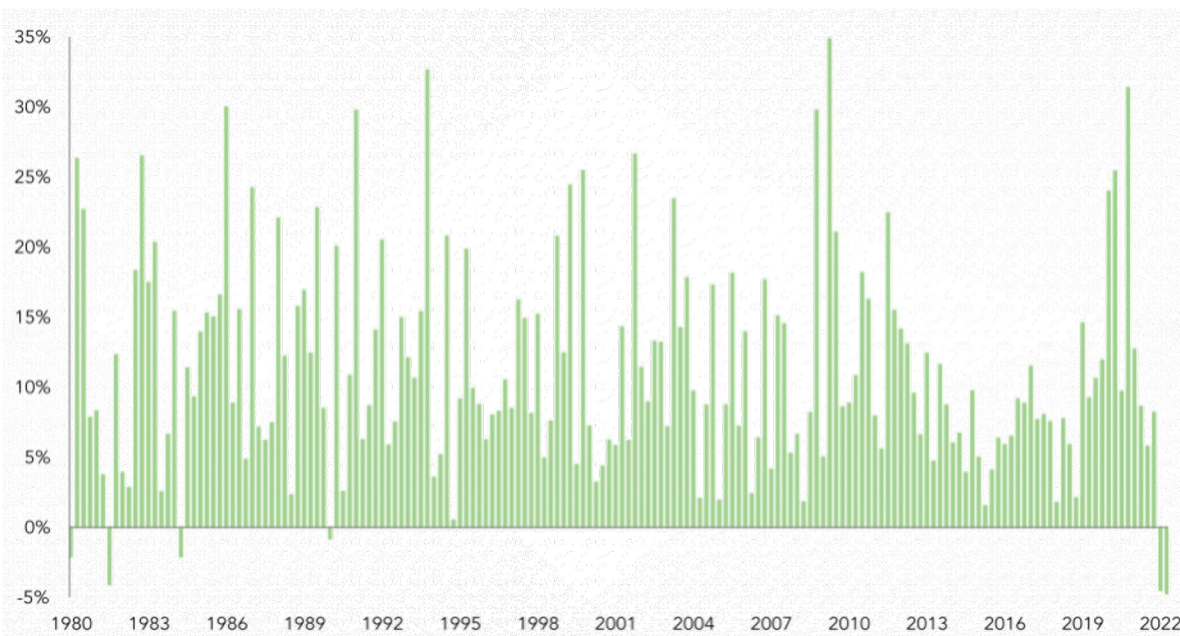
2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	Q3 '22	ann. return	
29.9% S&P 500 32.4%	20.8% S&P 500 13.7%	18.2% TOPX 12.1%	33.5% S&P 500 12.0%	29.8% Asia ex-Jp 35.9%	1.6% S&P 500 -4.4%	26.4% S&P 500 31.5%	21.5% Asia ex-Jp 22.7%	29.9% S&P 500 28.7%	-7.6% S&P 500 -23.9%	3.5% S&P 500 -4.9%	18.2% S&P 500 16.6%	GBP
26.3% Euro ex-UK 24.2%	11.7% Asia ex-Jp 7.7%	7.3% S&P 500 1.4%	33.1% MSCI EM 10.1%	25.8% MSCI EM 31.0%	-6.4% Portfolio -9.3%	21.0% Euro ex-UK 27.5%	15.0% MSCI EM 19.5%	18.3% FTSE All-Share 18.3%	-7.9% FTSE All-Share -7.9%	1.3% TOPX -0.8%	11.9% Euro ex-UK 11.6%	Local
24.7% TOPX 54.4%	7.6% Portfolio 7.5%	5.9% Euro ex-UK 9.1%	26.2% Asia ex-Jp 6.4%	17.0% Portfolio 21.4%	-8.4% TOPX -16.0%	19.6% Portfolio 23.2%	14.7% S&P 500 18.4%	17.6% Euro ex-UK 24.4%	-8.8% TOPX -5.5%	-1.3% Portfolio -5.1%	11.6% Portfolio 11.5%	
20.8% FTSE All-Share 20.8%	4.3% MSCI EM 5.6%	2.9% Portfolio 1.8%	25.4% Portfolio 9.8%	16.7% Euro ex-UK 14.5%	-8.8% Asia ex-Jp -12.0%	19.2% FTSE All-Share 19.2%	9.5% TOPX 7.4%	14.3% Portfolio 16.4%	-10.1% Portfolio -16.9%	-2.0% Euro ex-UK -4.5%	10.0% TOPX 13.0%	
18.6% Portfolio 23.6%	2.7% TOPX 10.3%	1.0% FTSE All-Share 1.0%	23.4% TOPX 0.3%	15.6% TOPX 22.2%	-8.9% MSCI EM -9.7%	14.6% TOPX 18.1%	8.2% Euro ex-UK 2.1%	2.0% TOPX 12.7%	-11.3% MSCI EM -20.5%	-3.4% FTSE All-Share -3.4%	9.8% Asia ex-Jp 8.8%	
1.4% Asia ex-Jp 6.2%	1.2% FTSE All-Share 1.2%	-3.6% Asia ex-Jp -5.3%	19.7% Euro ex-UK 3.2%	13.1% FTSE All-Share 13.1%	-9.1% Euro ex-UK -10.6%	14.3% MSCI EM 18.5%	7.8% Portfolio 8.4%	-1.3% MSCI EM 0.1%	-12.2% Asia ex-Jp -21.6%	-3.6% MSCI EM -8.0%	7.7% FTSE All-Share 7.7%	
-4.1% MSCI EM 3.8%	0.0% Euro ex-UK 7.4%	-9.7% MSCI EM -5.4%	16.8% FTSE All-Share 16.8%	11.3% S&P 500 21.8%	-9.5% FTSE All-Share -9.5%	13.9% Asia ex-Jp 18.2%	-9.8% FTSE All-Share -9.8%	-3.6% Asia ex-Jp -2.8%	-16.5% Euro ex-UK -21.0%	-6.1% Asia ex-Jp -10.5%	7.3% MSCI EM 8.4%	

NEL 2022 NESSUNA ASSET CLASS HA PERFORMANCE POSITIVA

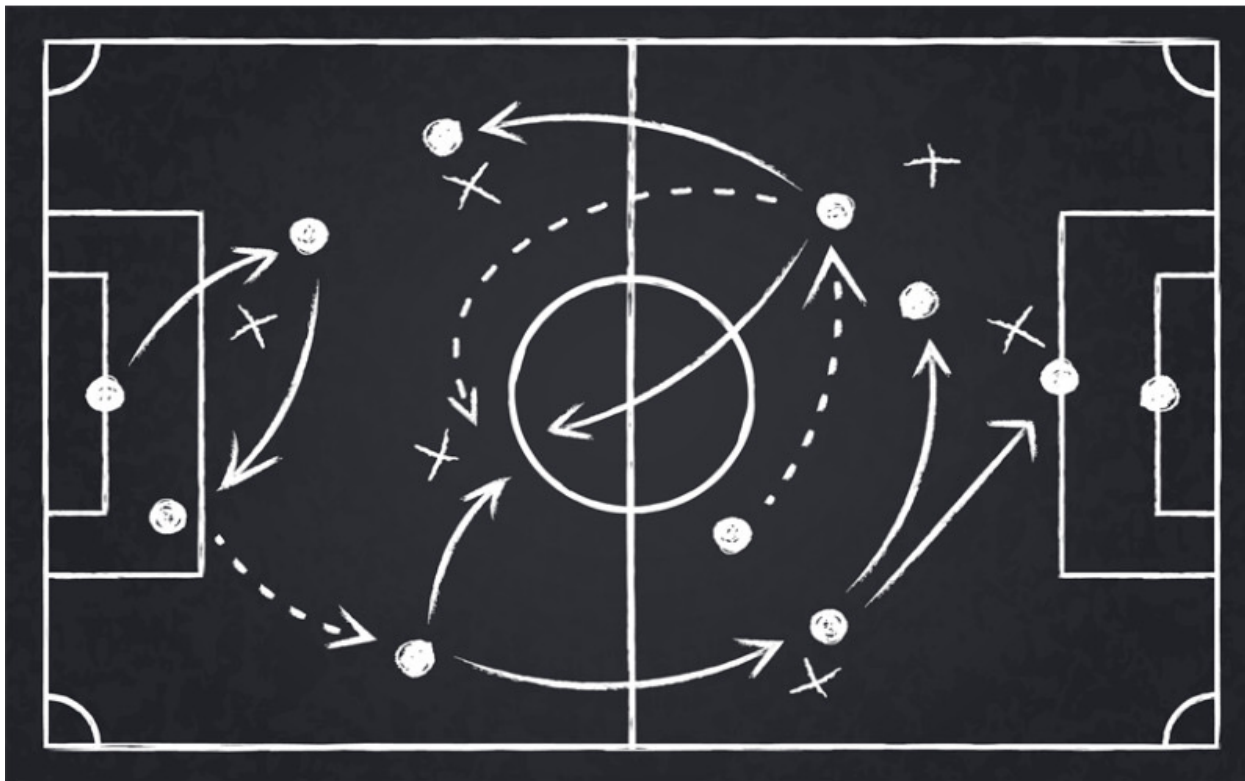
Q2 2022 TOTAL RETURN

Bloomberg US Aggregate	-4,7%
Bloomberg Global Aggregate	-8,3%
10 year Treasury	-8,3%
Bloomberg EM Bond (USD)	-8,7%
ICE BofA High Yield	-10,0%
MSCI EM (USD)	-11,3%
SP500 Composite	-13,7%
MSCI World (USD)	-14,2%
MSCI EAFE (USD)	-14,3%
Russell 2000	-17,2%
30 year Treasury	-17,6%

BEST QUARTERLY TOTAL RETURN ACROSS ASSET CLASSES



BANOR COME UN ALLENATORE DI CALCIO



REGOLA 1

Assicurarsi di avere giocatori di talento, in forma e lucidi.

REGOLA 2

Capire chi deve giocare in attacco e chi in difesa.

REGOLA 3

Disporre la squadra al meglio per la prossima partita (il vostro portafoglio).

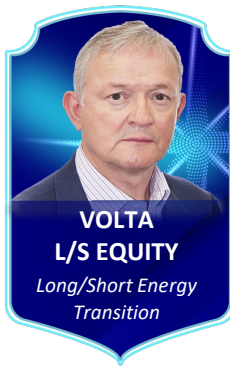
REGOLA 4

Continuare ad allenare e incoraggiare la panchina.

LA SQUADRA DEI FONDI BANOR NEL 2022 (ALCUNI ESEMPI)

IN ATTACCO

→
Giocatori che sono
in grado di segnare
in questa stagione



IN DIFESA

→
Giocatori che
lavorano duro per
limitare i danni e
rilanciare in avanti



IN POCHE PAROLE...

“La performance passata non costituisce una garanzia della performance futura.”

**Solo il processo, la serietà,
il talento sono ripetibili e
prevedibili**



PRODOTTI UCITS: BANOR SICAV



EURO BOND ABSOLUTE RETURN

European Bonds. Fondo di credito mid-yield a bassa duration

Francesco Castelli, Banor Capital. Incluso da CityWire tra i 20 migliori gestori di obbligazionario globale (maggio 2020-2021)



Conforme all'articolo 8 SFDR¹

EUROPEAN DIVIDEND PLUS

European Equities. Esposti in modo attivo alla ripresa Europea

Gianmarco Rania, Banor Capital. Incluso da CityWire Italia a dicembre 2021 nella classifica dei migliori 20 gestori multi asset bilanciati



Conforme all'articolo 8 SFDR¹

GREATER CHINA EQUITY

Greater China Equities. Analisti sul campo. Cina del futuro

Dawid Krige, Cederberg Capital. 20 anni di esperienza di investimento in Asia e nei mercati emergenti

MISTRAL L/S EQUITY

Value L/S European and USA Equities. Investire con un grande esperto

Luca Riboldi, CIO di Banor SIM con 30 anni di esperienza e Angelo Meda, Responsabile azionario e della ricerca ESG per Banor SIM



Conforme all'articolo 8 SFDR¹

VOLTA L/S EQUITY

Focus sulla transizione energetica globale

Will Smith, co-CIO di Westbeck Capital, società di asset management con sede a Londra, fondata a giugno 2016



Conforme all'articolo 8 SFDR¹

RAFFAELLO PIR

Pir Alternativo. Liquidità, trasparenza e diversificazione con attenzione ai principi ESG

Luca Riboldi, CIO di Banor SIM con 30 anni di esperienza e Angelo Meda, Responsabile azionario e della ricerca ESG per Banor SIM



Conforme all'articolo 8 SFDR¹

PRODOTTI UCITS: ARISTEA SICAV



CHIRON TOTAL RETURN

Flexible European

Fondo flessibile su mercati europei

Francesco Castelli, Banor Capital. Incluso da CityWire tra i 20 migliori gestori di obbligazionario globale (maggio 2020-2021)

FIM GEM DEBT

Obbligazionario Paesi Emergenti

La soluzione fixed income per investire nei Paesi Emergenti

Francesc Balcells, FIM partners, società specializzata nell'asset management dei mercati emergenti e di frontiera con oltre 30 professionisti esperti basati negli Emirati Arabi Uniti, in Regno Unito e Arabia Saudita



Conforme all'articolo 8 SFDR¹

NEW FRONTIERS EQUITY

Frontier Markets Equities

Crescita con decorrelazione delle altre asset class

Andrea Federici, Kallisto Partners, boutique finanziaria indipendente specializzata da oltre 15 anni in investimenti azionari nei Mercati di Frontiera



Conforme all'articolo 8 SFDR¹

SHORT TERM

Obbligazionario Euro a Breve Termine

Investimenti a Breve Termine con volatilità minima

Francesco Castelli, Banor Capital. Incluso da CityWire tra i 20 migliori gestori di obbligazionario globale (maggio 2020-2021)

PRODOTTI ALTERNATIVI: BANOR ALTERNATIVE ASSETS



SPECIAL SITUATIONS

Opportunità di investimento in Distressed Trophy Assets

Fondo chiuso riservato a investitori professionali. Si concentra sulle opportunità d'investimento nell'ambito degli attivi più illiquidi (*distressed assets*) presenti sul mercato, con un particolare focus sui *trophy assets* immobiliari. Ha concluso la raccolta il 30 aprile 2019 con una dotazione di oltre 80 milioni di euro. Da tale data, il fondo ha tre anni per investire il suo capitale

PRIVATE OPPORTUNITIES

Opportunità di investimento nelle operazioni primarie e secondarie sui mercati di private equity e private debt

Fondo di investimento alternativo (AIF) che investe principalmente in un portafoglio diversificato di operazioni primarie e secondarie sui mercati di *private equity* e di *private debt*, direttamente o indirettamente attraverso fondi *target*

TECH GROWTH

Opportunità di investimento nelle operazioni primarie e secondarie sui mercati di private equity e tramite fondi target

Il focus principale è sui fondi *target*, domiciliati o concentrati in Europa e US, esposti a settori ad alta crescita, tra i quali: *software*, *hardware*, *fin-tech*, intelligenza artificiale, robotica, *e-commerce*, veicoli elettrici, energie alternative

ENHANCED CARRY HEDGED OPPORTUNITY

Fondo alternativo che investe in titoli governativi a tasso fisso o variabile

L'obiettivo del fondo è di ottenere, sul medio termine, crescita del capitale e rendimenti assoluti positivi in qualsiasi condizione di mercato. Il rischio è contenuto sfruttando la bassa volatilità degli *asset* in cui il fondo investe. Il team di Banor E.C.H.O. vanta una vasta esperienza nell'ambito del *trading*, dell'*asset* e del *risk management*

BANOR COME ALLENATORE DI UNA SQUADRA DI GIOCATORI “IN PRESTITO”



PORTFOLIO CONSTRUCTION

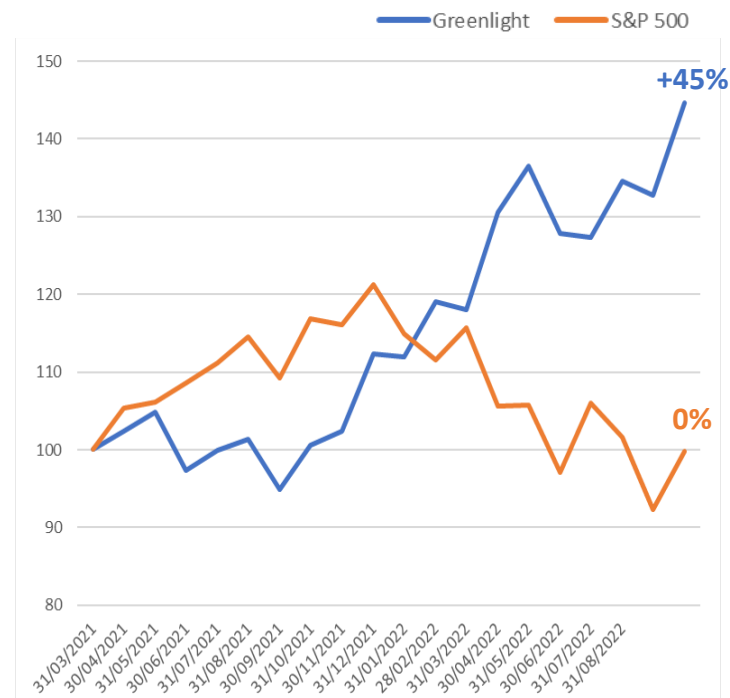
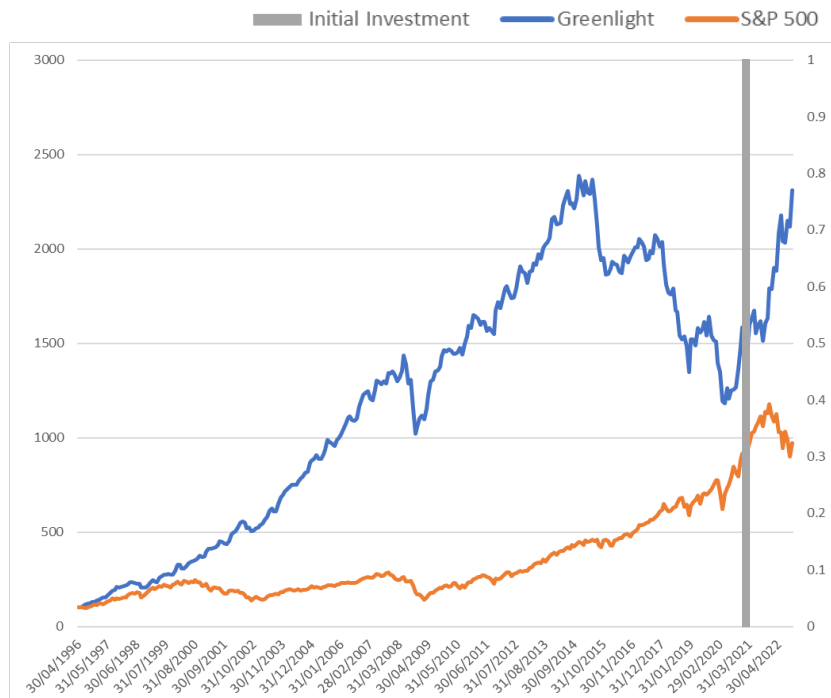
EXPOSURE

TOP 10 HOLDINGS	% WEIGHT	LONG	SHORT	GROSS	NET
Greenlight Offshore	18.02%	79.00%	-53.00%	132.00%	26.00%
Caburn Capital Ltd	14.94%	96.00%		96.00%	96.00%
Aurora Investment Trust PLC/ The Fund	13.09%	95.90%		95.90%	95.90%
Odey Investments PLC - Brook European Focus Absolute Return Fund	8.21%	76.30%	-29.10%	105.40%	47.20%
Westbeck Energy Opportunity Fund	6.17%	36.00%		36.00%	36.00%
Warburg Invest Luxembourg SA - Alpha Investments - Alpha Investments Asia	4.06%	90.00%		90.00%	90.00%
CQS Natural Resources Growth and Income plc	3.88%	109.60%		109.60%	109.60%
Banor Sicav - Volta Long Short Equity Fund	3.86%	64.00%	-50.00%	114.00%	14.00%
Hoskings Partners - Turtle Fund	1.92%	100.00%		100.00%	100.00%
Otus Smaller Companies Fund Ltd	1.84%	38.22%	-36.43%	74.65%	1.79%
TOP 10 CONCENTRATION		76.00%			

	% WEIGHT	LONG	SHORT	GROSS	NET
AGGREGATE PORTFOLIO	96.70%	82.1%	-16.4%	98.4%	65.7%

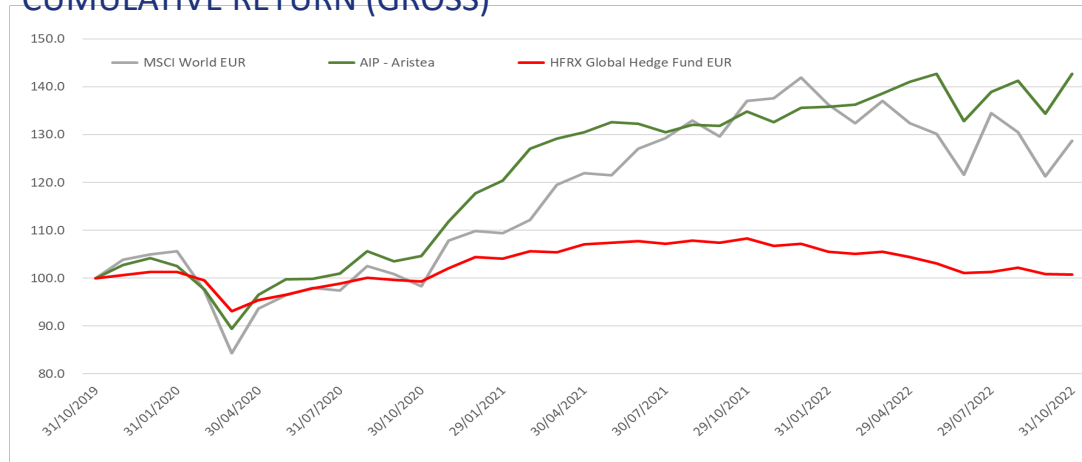
INVESTMENT EXAMPLE

GREENLIGHT OFFSHORE

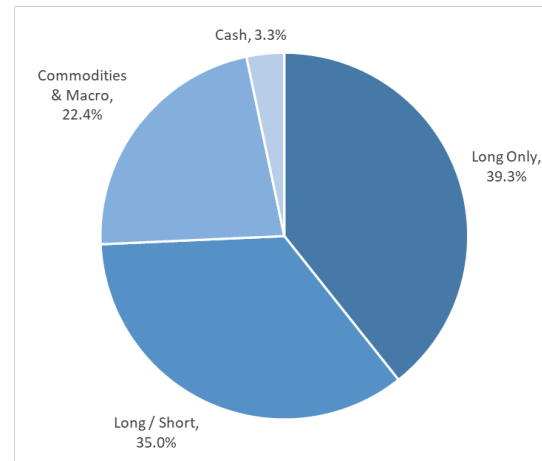


ARISTEA MULTI STRATEGY - PERFORMANCE AND PORTFOLIO

CUMULATIVE RETURN (GROSS)*



ASSET ALLOCATION



TRACK RECORD (NET)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT*	NOV	DEC	YTD*
2022	0.03%	0.18%	1.44%	1.62%	0.99%	-7.08%	4.43%	1.56%	-5.02%	6.00%			3.50%
2021	1.97%	5.28%	1.40%	0.82%	1.40%	-0.51%	-1.59%	0.92%	-0.33%	2.15%	-1.84%	2.10%	12.21%
2020	-2.05%	-5.09%	-8.85%	7.63%	2.96%	-0.29%	0.78%	4.28%	-2.37%	0.71%	6.51%	4.89%	8.10%
2019	-	-	-	-	-	-	-	-	-	-	2.42%	1.05%	3.49%

PANEL ENERGY TRANSITION



LUCA RIBOLDI

Banor SICAV Mistral
L/S Equity



WILL SMITH

Banor SICAV Volta
L/S Equity



MATT FERNLEY

Banor SICAV Volta
L/S Equity

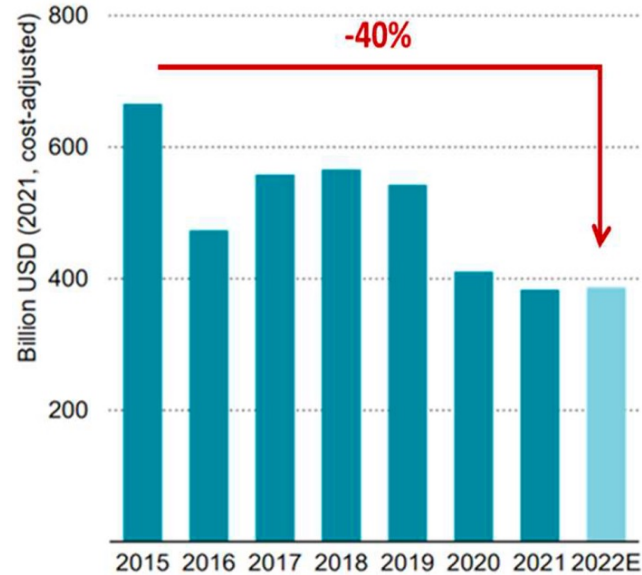


**MASSIMILIANO
CAGLIERO**

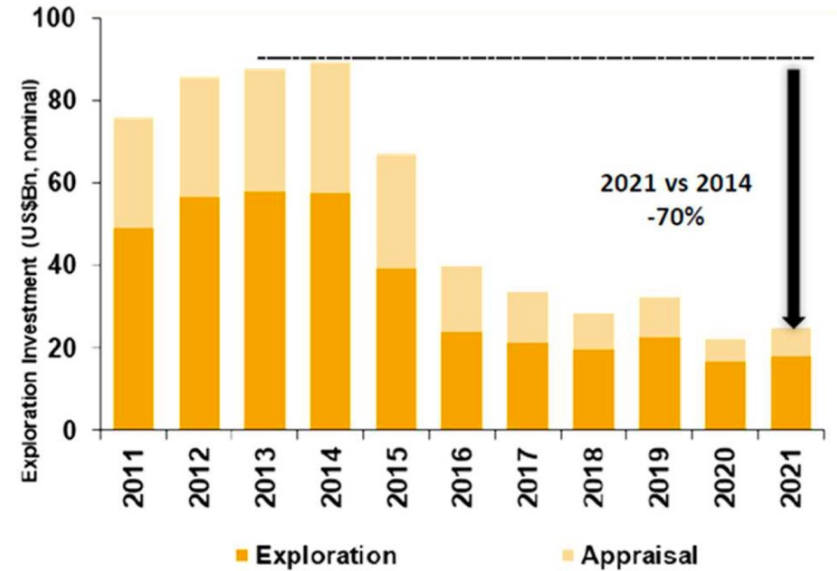
CEO Banor SIM

OIL AND GAS CAPEX (1)

INVESTMENT REBASED TO COST LEVEL IN 2021

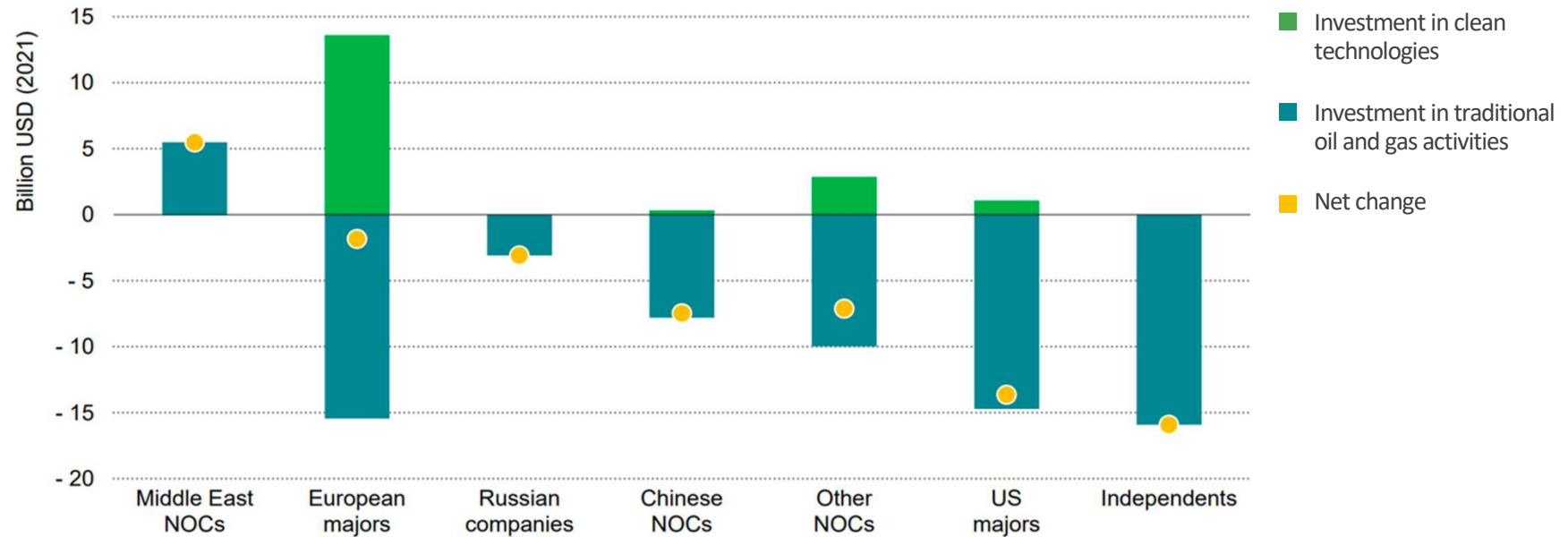


EXPLORATION AND APPRAISAL CAPEX



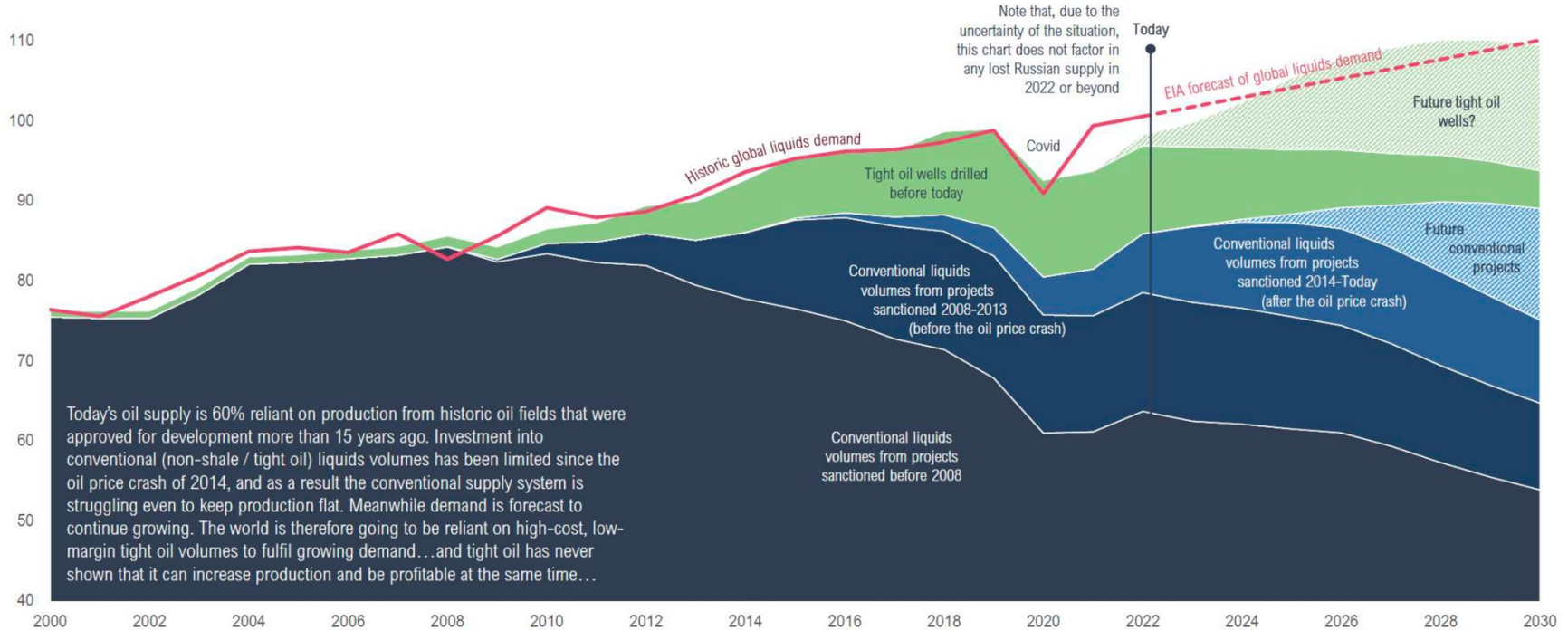
OIL AND GAS CAPEX (2)

CHANGE IN INVESTMENT BY DIFFERENT GROUPING OF O&G COMPANIES, 2022e vs 2019



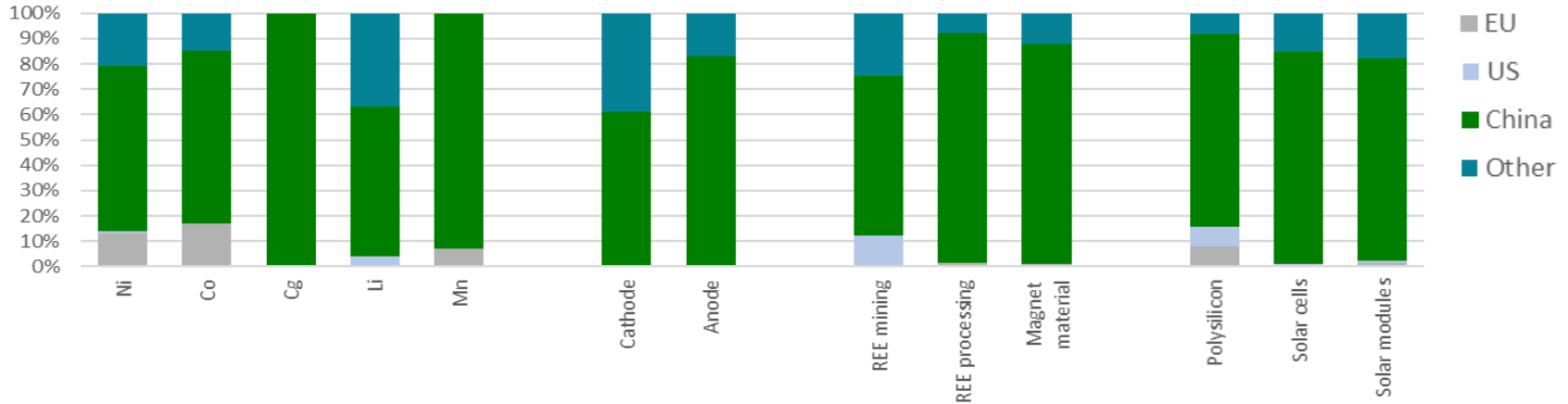
ENERGY SUPPLY UNCERTAINTY

GLOBAL LIQUIDS SUPPLY AND DEMAND



DEGLOBALISATION: NEED TO RE-REGIONALISE SUPPLY

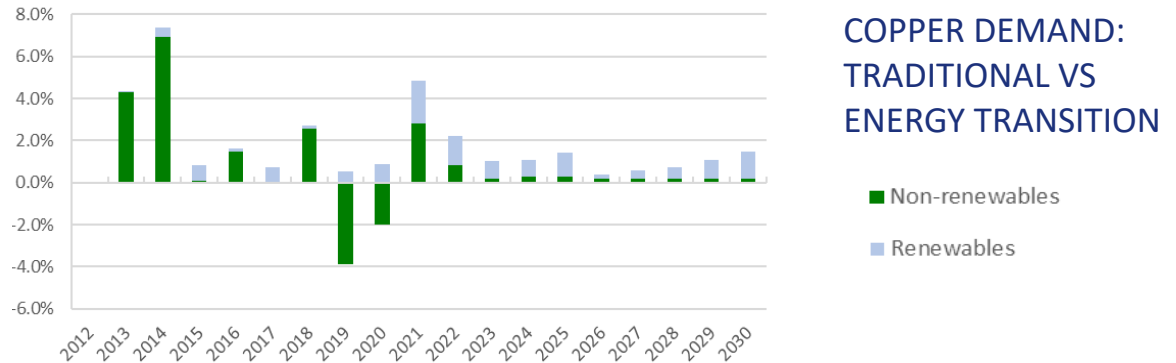
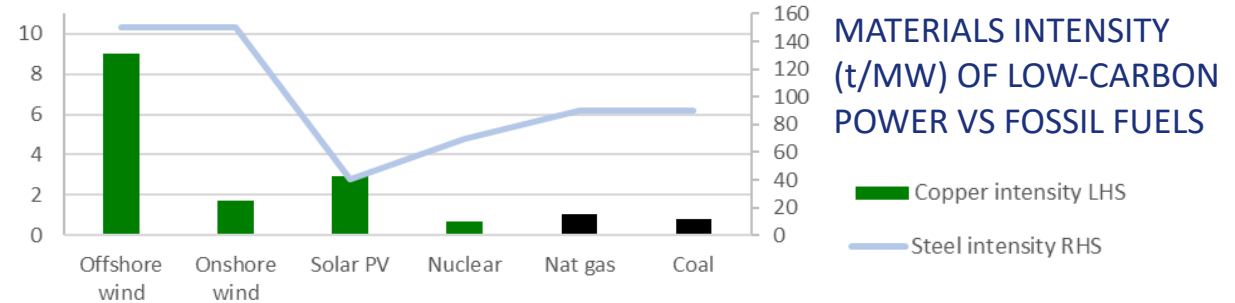
CHINA VS WESTERN WORLD SHARE OF KEY PROCEEDS MATERIALS FOR ENERGY TRANSITION



- ✦ China dominates raw and processed materials supply chains
- ✦ Need to reverse trend of past 20 years
- ✦ Europe is lagging due to over-regulation
- ✦ US taking leadership after launch of the Inflation Reduction Act (IRA)
- ✦ Regionalisation of supply chains positive for carbon-intensity of Energy Transition

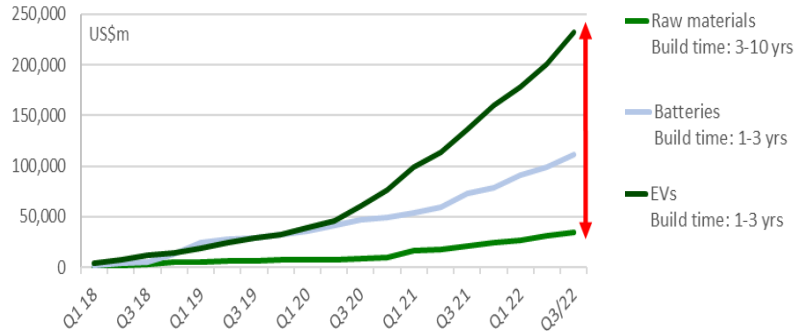
ENERGY TRANSITION IS VERY MATERIALS-INTENSIVE

- ✦ Renewables are more copper, REE, silicon, steel and concrete-intensive than fossil fuels
- ✦ T&D infrastructure will be copper, aluminium, steel-intensive
- ✦ EVs are lithium, nickel, graphite, copper-intensive



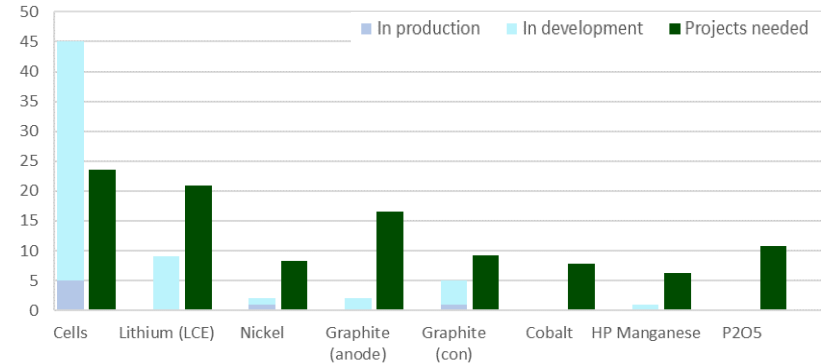
UNDERINVESTMENT IN PRIMARY EXTRACTION A BIG ISSUE

CUMULATIVE CAPITAL RAISED OR ALLOCATED FOR NEW INVESTMENT, 2018-PRESENT



- ✦ Massive under-investment in Upstream (raw materials) vs Downstream
- ✦ Downstream raising funds at 10x the rate of Upstream; Upstream takes much longer to develop
- ✦ **Under-investment in Upstream now biggest risk to the Energy Transition**

EUROPE BATTERY RAW MATERIALS: NUMBER OF BATTERY SUPPLY CHAIN PROJECTS REQUIRED

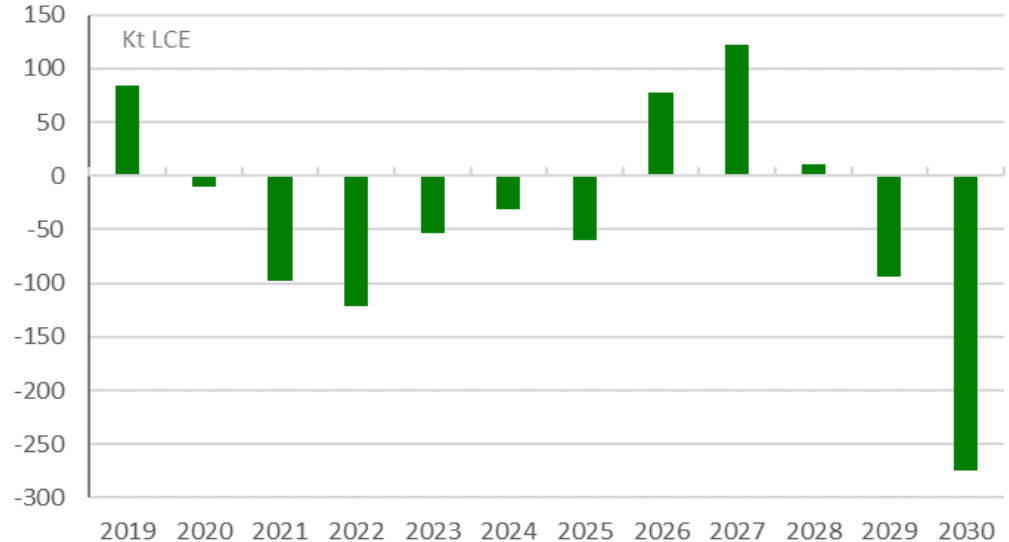


- ✦ Excess of cell plants under development
- ✦ Shortage of primary raw materials projects under development in Europe

ESG INVESTMENT NEEDED

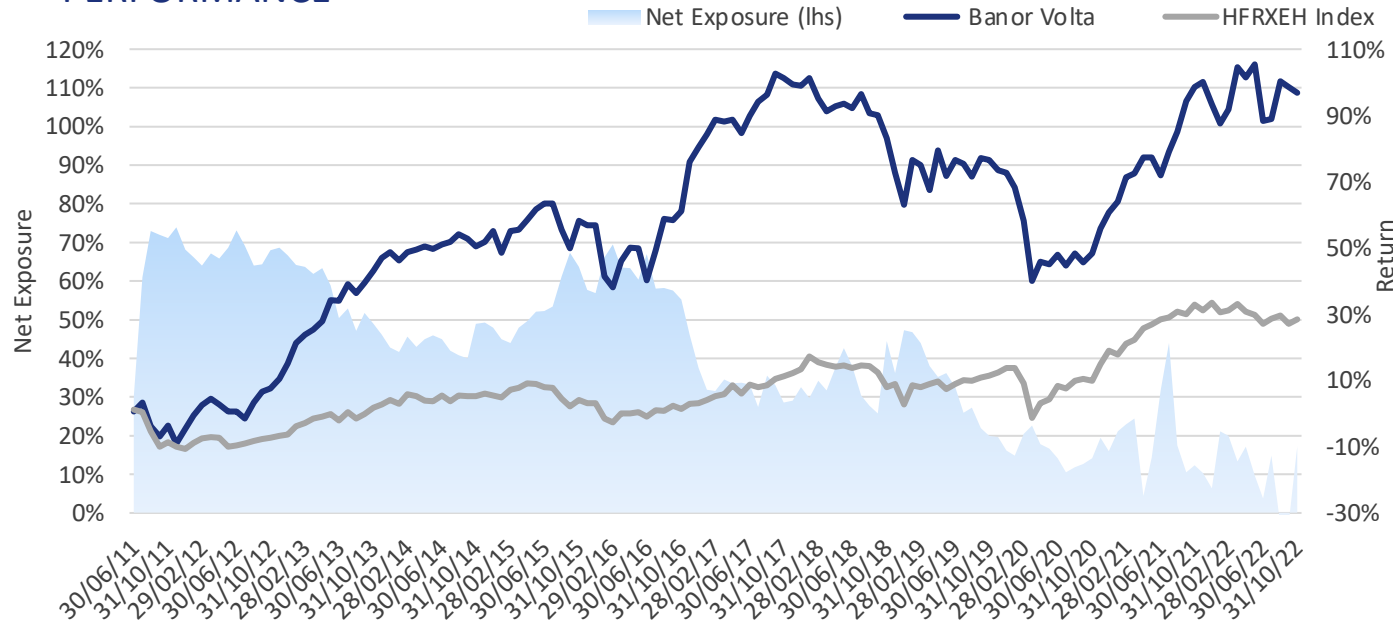
- ✦ Energy Transition more materials-intensive than many understand
- ✦ Huge risks to the viability of the Energy Transition if primary metal production remains under-invested
- ✦ Structural demand growth
- ✦ Raw materials prices to remain at elevated levels; may rise further
- ✦ Negative impact to economics of the Energy Transition

LITHIUM SUPPLY/DEMAND BALANCE, 2019-30E
MARKET TO REMAIN IN DEFICIT, SUPPORTING PRICES



BANOR SICAV – VOLTA LONG SHORT EQUITY +4.8% YTD

PERFORMANCE*



Volta
+17.6%
Since 1 April 2021



Benchmark
+4.8%

TOTAL SINCE 04/21 2022

Volta	17.6%
Net Exp.	12.5%

YTD 2022

Return	4.8%
Volatility	11.1%

*Data as at November 8, 2022. Performance shown is that of Banor Sicav North America Long Short Equity fund since april 1st 2021, when the fund started being managed by Westbeck Capital Management LLP. From July 1st, 2022 the sub-fund's name changed from Banor SICAV North America Long Short Equity into Banor SICAV Volta Long Short Equity. Past Performance is No Guarantee of Future Results.

PANEL EUROPEAN MARKET



FRANCESCO CASTELLI

Banor SICAV Euro Bond
Absolute Return



GIANMARCO RANIA

Banor SICAV European
Dividend Plus



LUCA RIBOLDI

Banor SICAV Mistral
L/S Equity



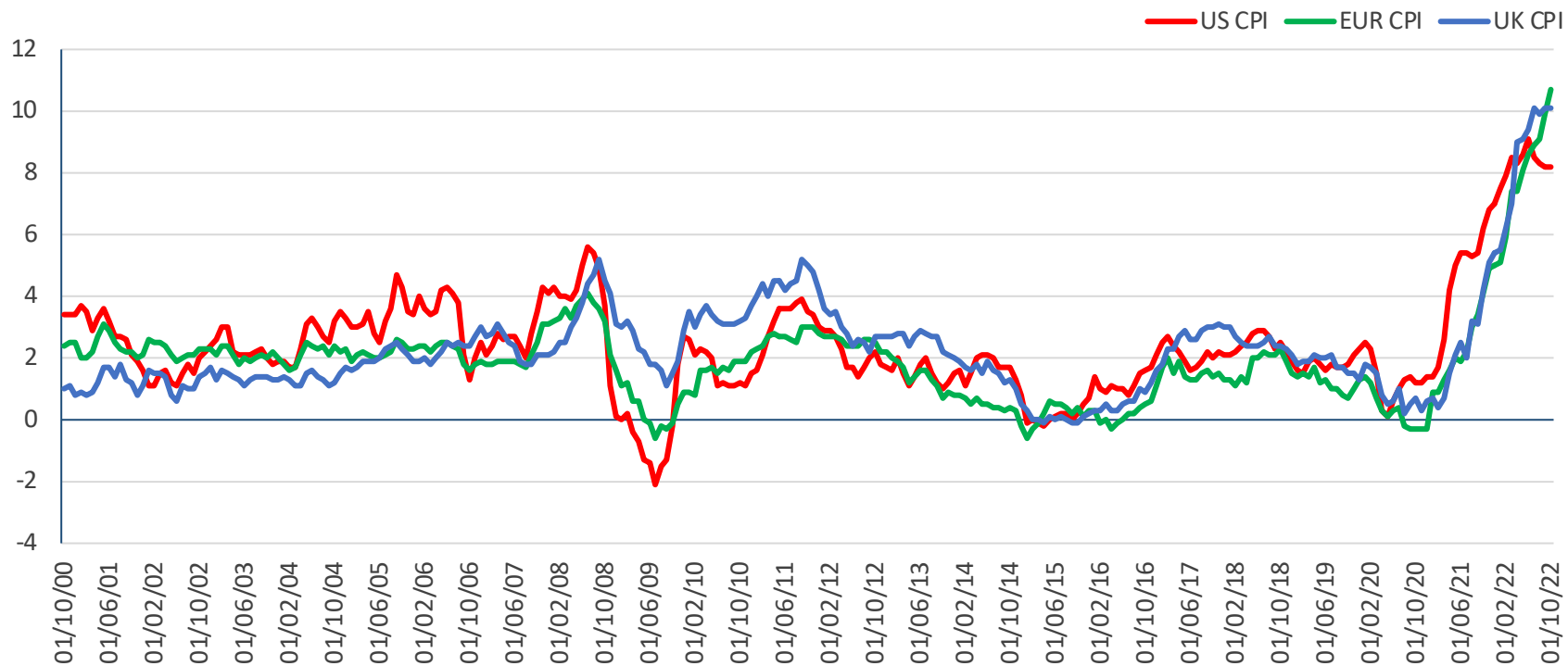
AMIR KUHDARI

Responsabile Sviluppo e
Clientela Istituzionale
Banor SIM

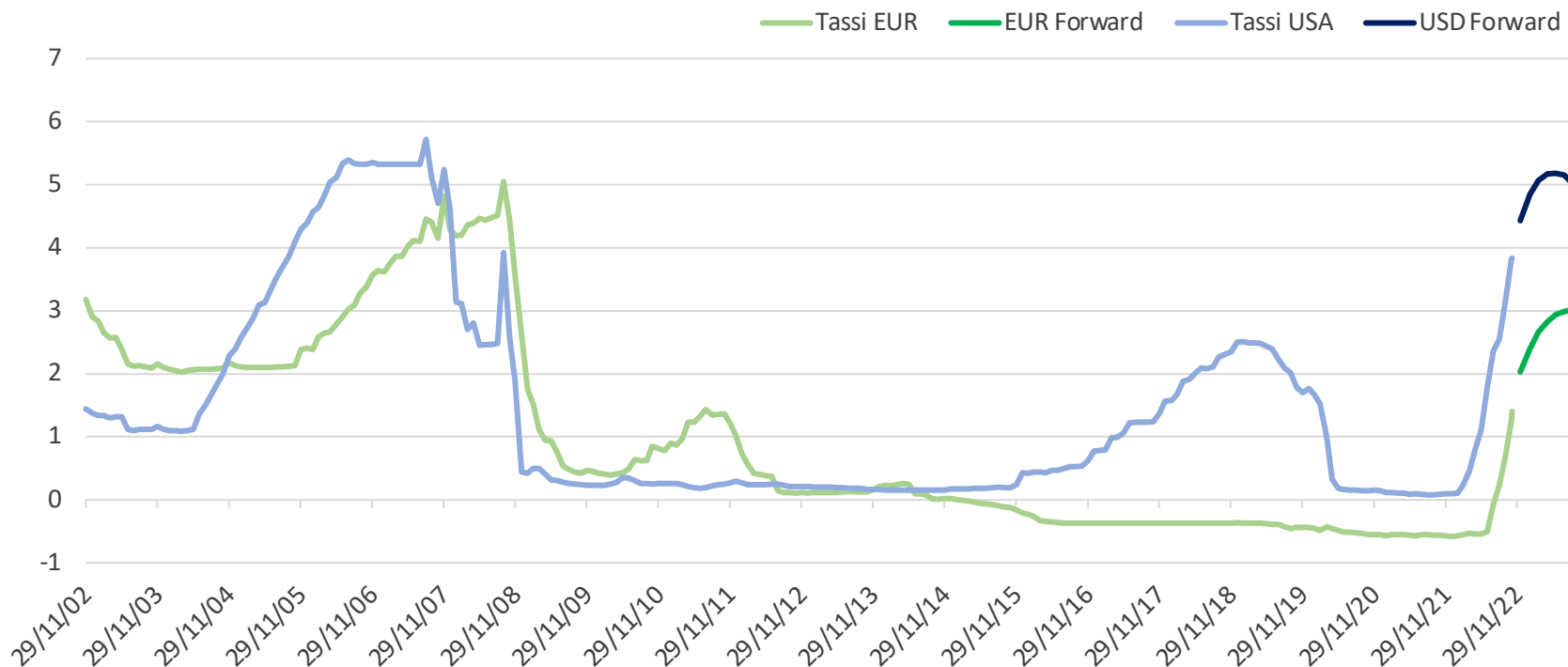
RENDIMENTI PRINCIPALI ASSET CLASS

AZIONARIO		OBBLIGAZIONARIO/LIQUIDITÀ		COMMODITIES/ALTERNATIVI/ALTRO	
	2022 YTD		2022 YTD		2022 YTD
America (S&P 500 - \$)	-18,8%	Governativi USA (\$)	-14,3%	Oro (\$)	-10,7%
Europa (Stoxx 600)	-15,5%	Governativi Europei	-16,5%	Petrolio (Brent) - \$	+21,9%
Italia (FTSE MIB)	-17,2%	BTP italiani	-15,7%	Agricoltura (Grains) - \$	+19,6%
Giappone (TOPIX - ¥)	-3,2%	Corporate Inv. Grade Euro	-14,5%	Commodities (CRB) - \$	+18,0%
Cina (MSCI G.D. - \$)	-41,8%	US High Yield (\$)	-12,5%	Commodities (Food) - \$	+12,6%
MSCI World (\$)	-21,2%	EU High Yield	-13,2%	Bitcoin	-56,0%
MSCI Emerging (\$)	-31,2%	Liquidità	-0,2%	Euro/Dollaro	-13,1%

DINAMICA INFLAZIONISTICA FUORI CONTROLLO



DINAMICA DEI RIALZI: BCE VS FED

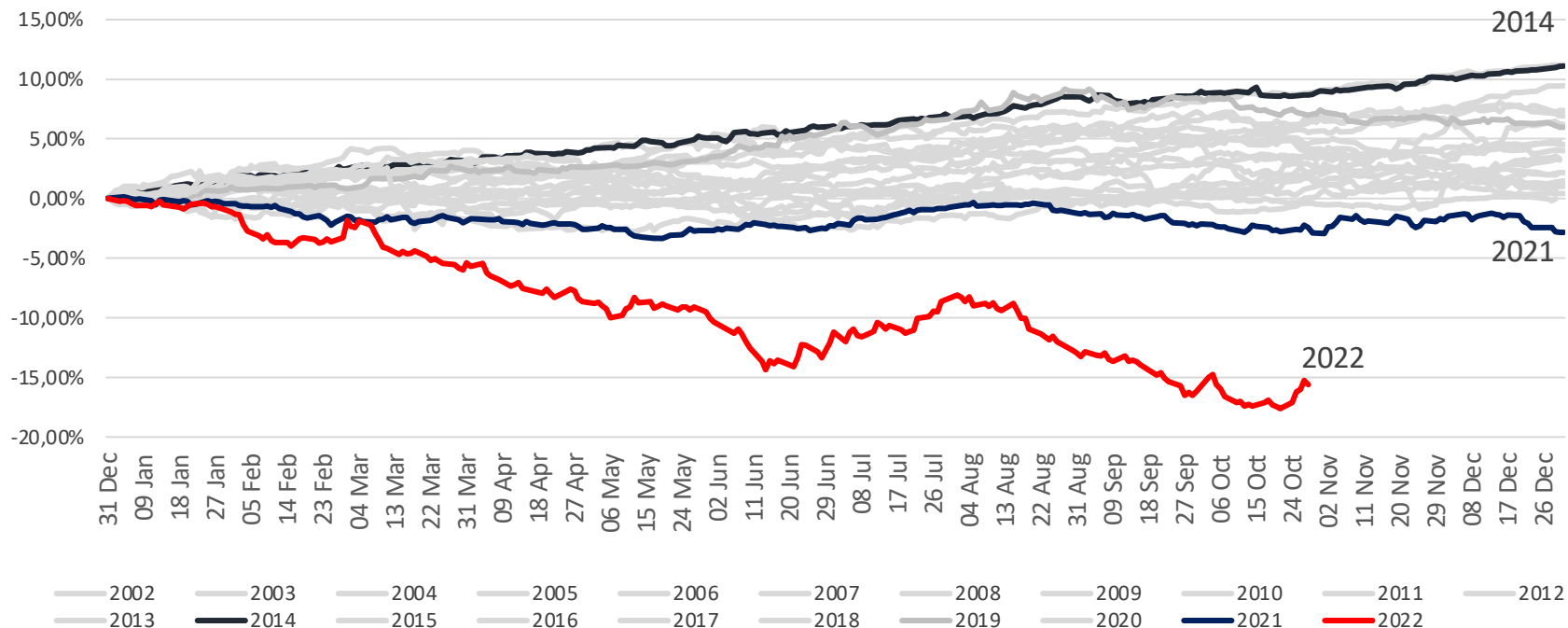


COSA SCONTANO I MAGGIORI TITOLI EUROPEI OGGI

	P/E	DIVIDEND YIELD	P/E MEDIO	P/E STORICO PIÙ BASSO	TAGLIO IMPLICITO UTILI VS MEDIA STORICA	CRESCITA UTILI 2023	TAGLIO IMPLICITO UTILI VS STIME 2023
KERING	12,6	3,2	28,6	19,5	-56,1%	10,6%	-66,7%
DANONE	13,2	4,2	21,5	15,5	-38,4%	8,3%	-46,7%
DEUTSCHE POST AG-REG	8,7	5,8	15,5	8,9	-44,1%	2,5%	-46,6%
ENI SPA	4,3	7,4	12,1	5,4	-64,7%	35,2%	-99,8%
INTESA SANPAOLO	6,1	8,8	14,8	7,2	-58,8%	28,8%	-87,6%
DEUTSCHE TELEKOM AG-REG	10,6	4,0	15,8	10,8	-32,6%	10,1%	-42,7%
BASF SE	8,5	8,2	14,5	9,0	-41,2%	7,4%	-48,6%
MERCEDES-BENZ GROUP AG	4,8	8,6	11,7	6,3	-58,9%	2,5%	-61,4%
VOLKSWAGEN AG-PREF	3,6	6,9	8,8	4,4	-59,6%	9,2%	-68,8%
AXA SA	6,9	7,2	12,3	7,7	-43,7%	9,2%	-52,9%
ALLIANZ SE-REG	7,0	6,8	12,5	8,1	-43,8%	18,5%	-62,3%
BNP PARIBAS	5,8	9,4	9,9	6,5	-41,1%	21,2%	-62,3%
MEDIA DEI PRIMI 30 TITOLI	9,6	5,5			-43%	15%	-58%

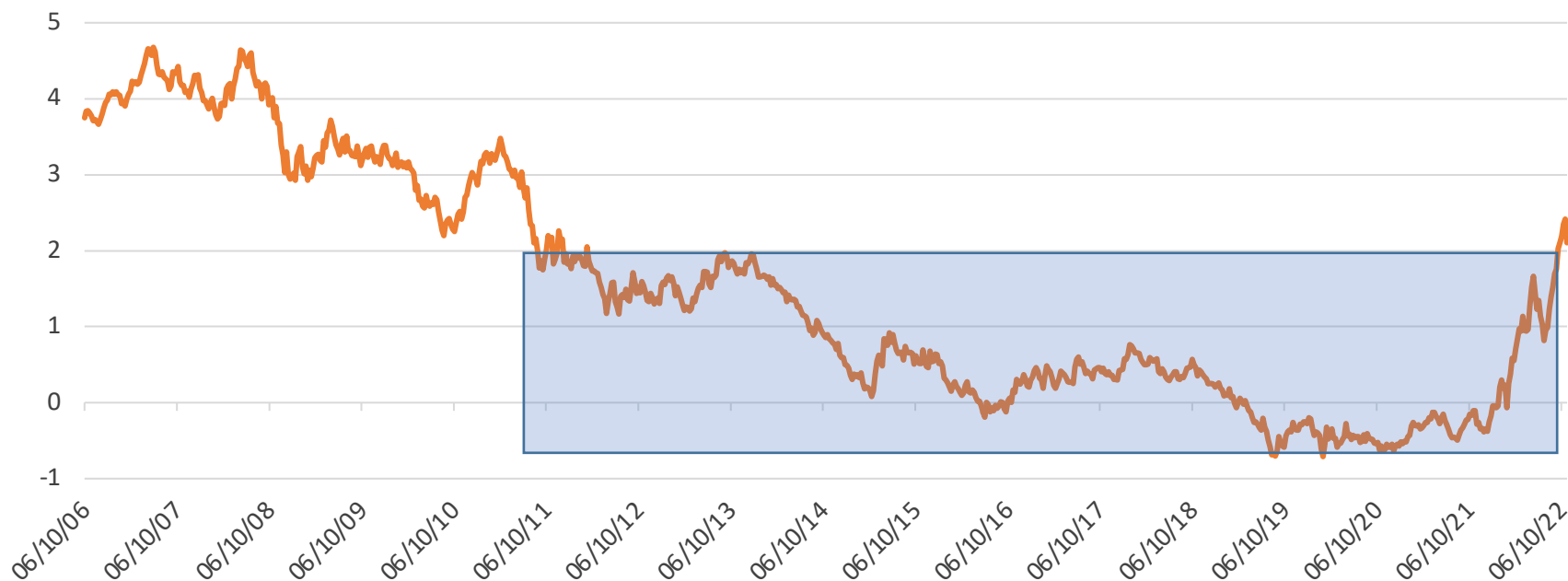
ANNO ORRIBILE, OPPORTUNITÀ IRRIPETIBILE?

INDICE BLOOMBERG EUR AGGREGATE

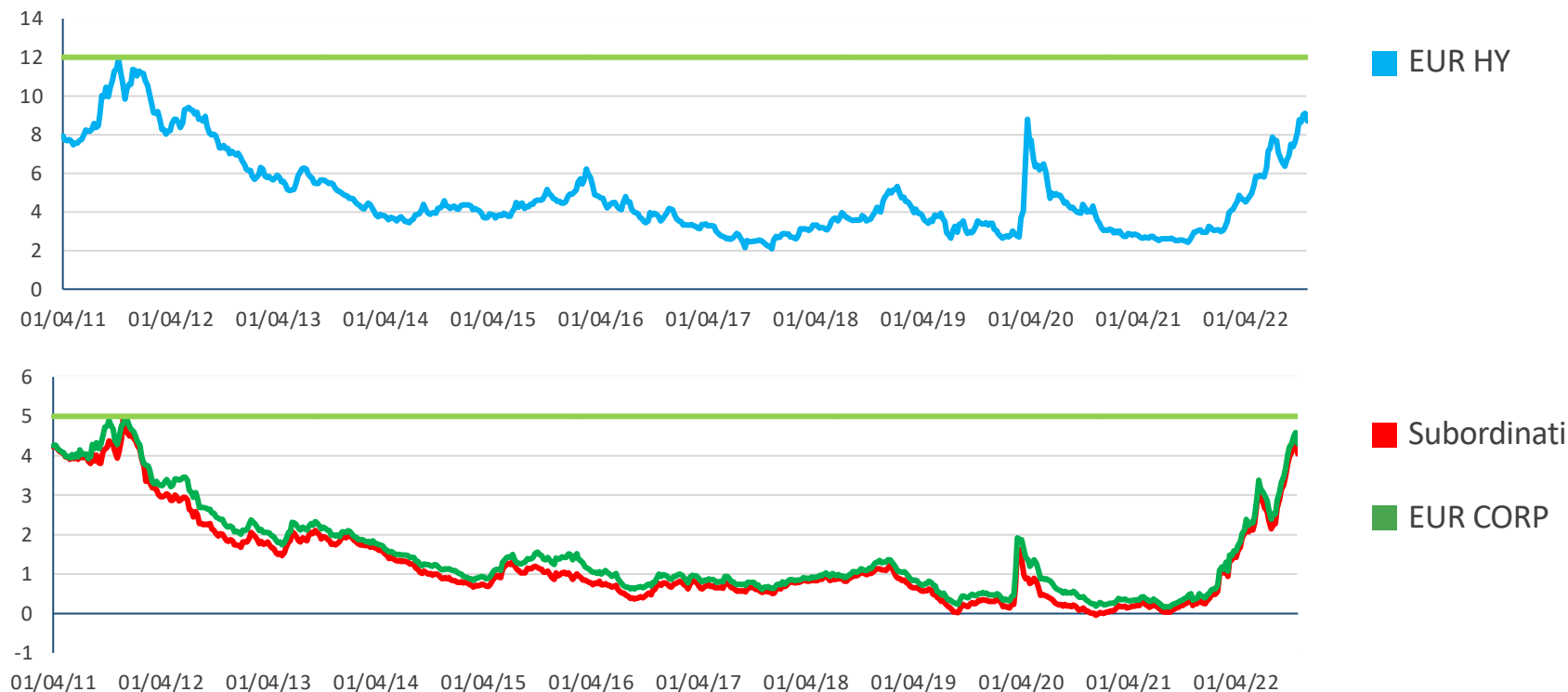


FINE DI UN DECENNIO DI FINANCIAL REPRESSION?

TASSO DECENNALE TEDESCO



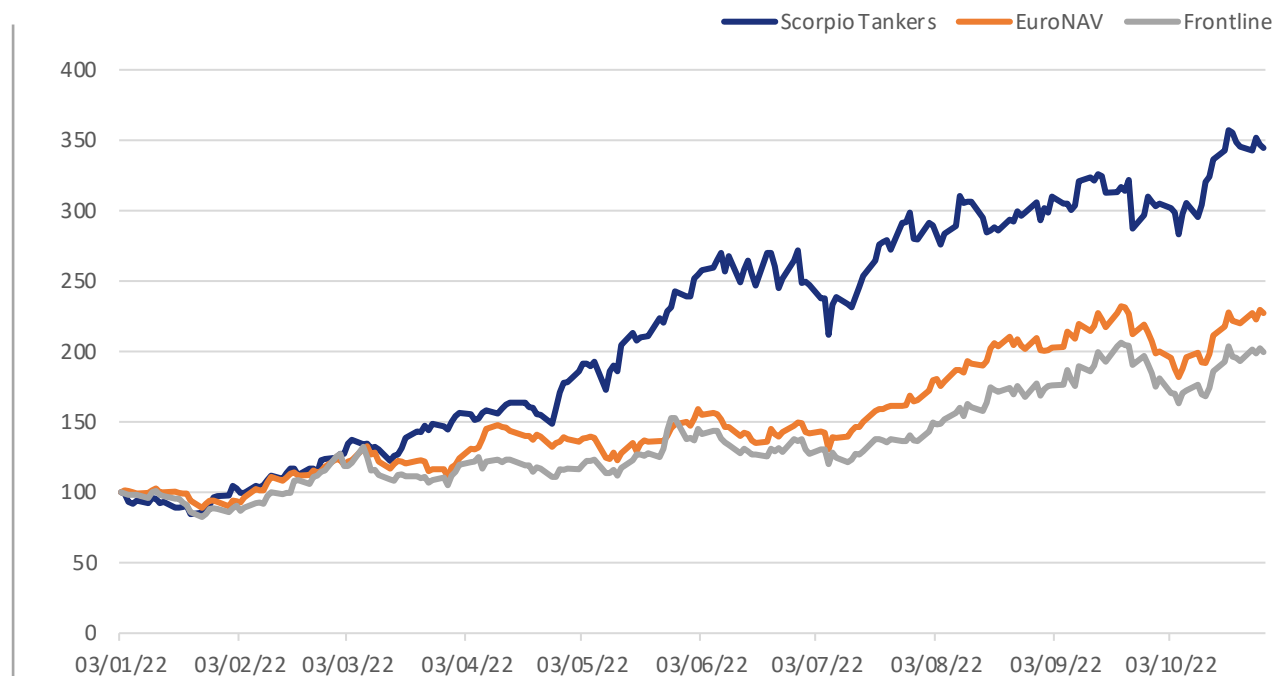
RECESSIONE NON PIENAMENTE SCONTATA NEI PREZZI



ENERGY: CASO TENARIS



OIL TANKERS



NON PROFITABLE TECH

GSXUNPTC Index
(GS Non Profitable Tech)



VALUTAZIONI DIVERGENTI



EV/SALES 4,2x

EV/EBITDA 14,9x

EV/EBIT 20,7x

ROE 11,3%

Ebitda Margin 27%

EV/SALES 3,6x

EV/EBITDA 15,6x

EV/EBIT 24,3x

ROE 10,4%

Ebitda Margin 23%

EV/SALES 0,7x

EV/EBITDA 3,2x

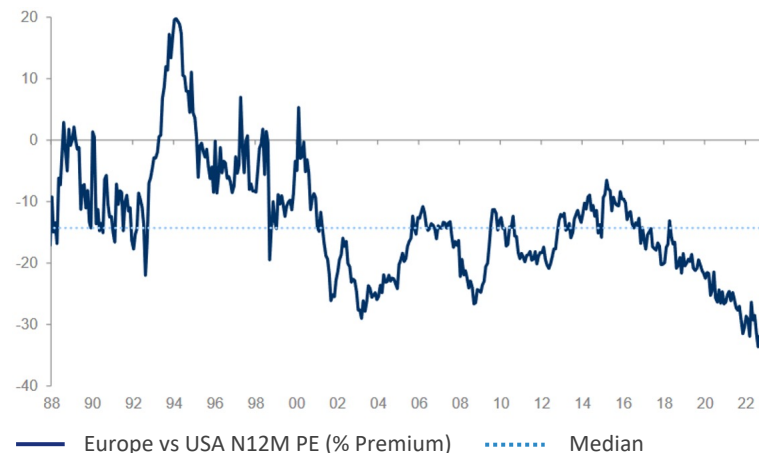
EV/EBIT 5,8x

ROE 9,8%

Ebitda Margin 23%

SOTTOVALUTAZIONE DELL'EUROPA IN TERMINI RELATIVI

EUROPE VS USA 12 M FORWARD PRICE TO EARNINGS

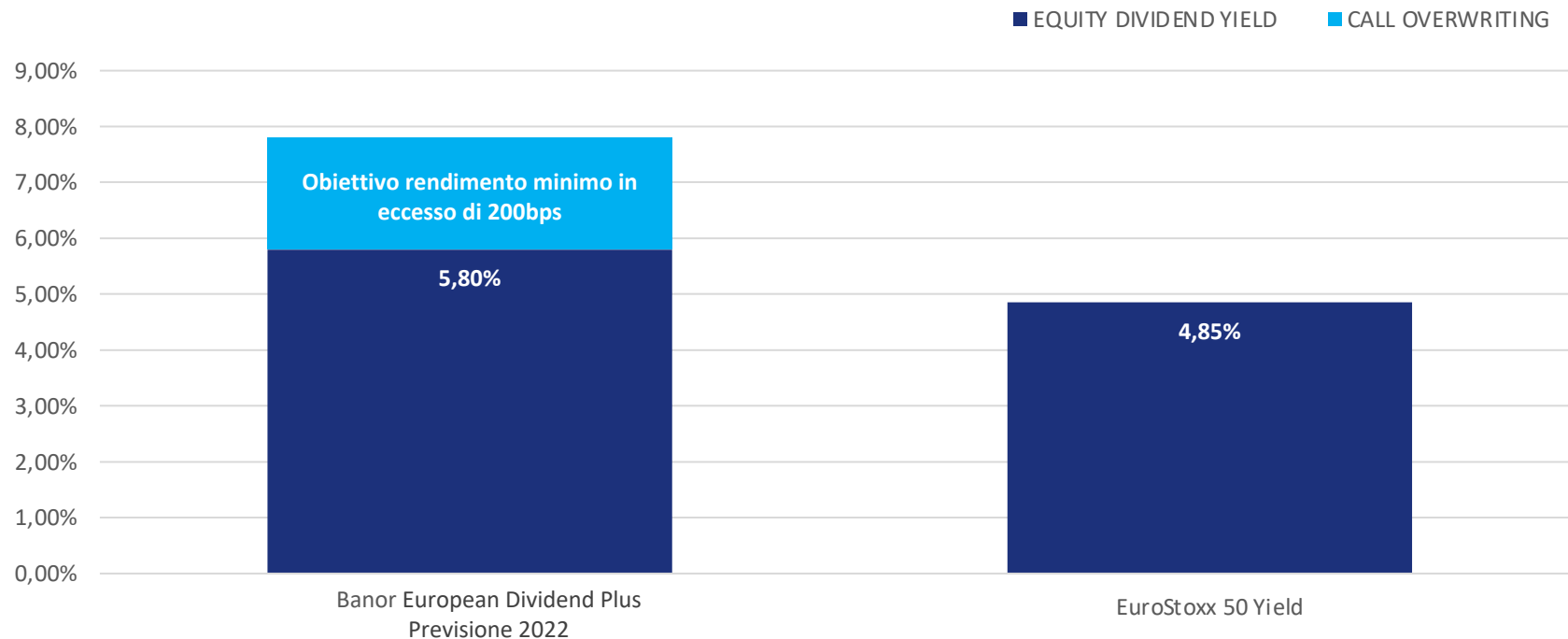


Dati dal 1988 al 2022

	VALUTAZIONI FORWARD 12M			PERCENTILE VALUTAZIONE RELATIVA VS 10Y			
	PE	DY%	PBV	PE	DY%	PBV	AVG
MSCI WORLD	14.0	2.5	2.3	59	93	95	82
EAFE	10.9	4.0	1.4	2	3	4	3
EMU	10.3	4.1	1.3	3	3	2	2
EUROPE	10.7	4.1	1.5	2	3	3	3
JAPAN	11.8	2.8	1.1	38	14	18	23
PACIFIC	11.9	3.6	1.2	20	8	16	15
USA	16.0	1.8	3.2	95	90	78	88

Dati al 31.10.2022

PERCHÉ DIVIDEND «PLUS»



Le performance passate non costituiscono un indicatore affidabile dei risultati futuri. Il valore degli investimenti e il reddito da essi derivante possono scendere e salire e può essere influenzato dalle fluttuazioni dei mercati e dai tassi di cambio.

Fonte: Bloomberg, Banor Capital. Dati al 31.10.2022

MATRICE TASSI EURO – UN ANNO FA

	3M	6M	1Y	2Y	3Y	4Y	5Y	6Y	7Y	8Y	9Y	10Y	15Y	30Y
Germany	-0,67	-0,68	-0,68	-0,77	-0,82	-0,80	-0,74	-0,69	-0,63	-0,60	-0,53	-0,45	-0,19	0,03
Neatherlands	-0,72	-0,66	-0,70	-0,82	-0,81	-0,76	-0,72	-0,65	-0,64	-0,56	-0,40	-0,33	-0,05	0,11
Austria	-0,77	-0,77	-0,76	-0,76	-0,73	-0,72	-0,64	-0,60	-0,51	-0,40	-0,32	-0,23	0,03	0,39
Finland	-0,73	-0,73	-0,69	-0,79	-0,80	-0,71	-0,70	-0,58	-0,49	-0,40	-0,30	-0,20	0,04	0,31
France	-0,64	-0,65	-0,64	-0,72	-0,71	-0,68	-0,53	-0,52	-0,39	-0,29	-0,20	-0,10	0,18	0,69
Slovakia	-1,00	-1,00	-1,00	-1,07	-0,71	-0,65	-0,72	-0,61	-0,51	-0,48	-0,26	-0,15	0,22	0,67
Belgium	-0,65	-0,67	-0,65	-0,76	-0,75	-0,70	-0,63	-0,54	-0,47	-0,36	-0,27	-0,12	0,04	0,66
Slovenia	-0,57	-0,56	-0,89	-0,80	-0,70	-0,65	-0,58	-0,47	-0,39	-0,29	-0,18	-0,14	0,19	0,61
Ireland	-0,68	-0,68	-0,73	-0,70	-0,66	-0,65	-0,60	-0,51	-0,42	-0,31	-0,20	-0,07	0,16	0,64
Bulgaria	-1,27	-1,27	-1,75	-0,57	-0,03	-0,03	-0,05	0,06	0,06	0,06	0,07	0,09	0,37	0,54
Spain	-0,61	-0,60	-0,60	-0,60	-0,51	-0,50	-0,40	-0,24	-0,17	0,00	0,12	0,26	0,71	1,16
Portugal	-0,67	-0,67	-0,63	-0,65	-0,63	-0,56	-0,49	-0,33	-0,23	-0,14	0,01	0,16	0,46	1,10
Italy	-0,62	-0,53	-0,52	-0,46	-0,31	-0,19	-0,06	0,12	0,20	0,35	0,49	0,61	1,09	1,33
Greece	-0,55	-0,41	-0,36	-0,46	-0,38	-0,26	-0,18	-0,04	0,07	0,19	0,39	0,59	0,72	1,39
Switzerland	-0,93	-0,90	-0,83	-0,80	-0,80	-0,77	-0,72	-0,65	-0,59	-0,52	-0,47	-0,41	-0,24	-0,19
Sweden	-0,27	-0,27	-0,27	-0,35	-0,33	-0,31	-0,21	-0,15	-0,09	-0,03	-0,01	0,08	0,37	0,65

MATRICE TASSI EURO – OGGI

	3M	6M	1Y	2Y	3Y	4Y	5Y	6Y	7Y	8Y	9Y	10Y	15Y	30Y
Germany	0,69	1,08	1,54	1,59	1,58	1,72	1,79	1,79	1,82	1,83	1,87	1,94	2,08	1,93
Neatherlands	0,49	1,27	1,33	1,56	1,79	1,87	1,93	2,09	2,06	2,10	2,12	2,26	2,44	2,27
Austria	0,02	0,80	1,23	1,59	1,83	2,03	2,11	2,38	2,39	2,46	2,52	2,63	2,78	2,68
Finland	1,51	1,53	1,58	1,64	1,97	2,10	2,17	2,34	2,35	2,42	2,48	2,59	2,66	2,52
France	0,69	1,20	1,76	1,65	1,84	2,05	2,18	2,18	2,23	2,31	2,40	2,54	2,84	2,81
Slovakia	1,66	1,68	1,75	2,16	2,13	2,15	2,42	2,55	2,72	2,98	3,00	3,10	3,60	3,31
Belgium	0,84	1,49	1,84	1,64	1,76	1,90	2,14	2,16	2,26	2,29	2,47	2,59	2,88	2,90
Slovenia	0,91	0,75	0,90	1,11	1,49	1,78	2,19	2,43	2,74	2,96	3,00	3,06	3,31	3,20
Ireland	0,91	0,93	0,96	1,61	1,73	1,85	2,01	2,15	2,19	2,20	2,30	2,49	2,71	2,82
Bulgaria	0,91	1,03	1,11	2,34	3,03	3,45	4,03	4,04	4,04	4,33	4,87	4,71	4,60	N.A.
Spain	0,52	1,16	1,93	1,99	2,20	2,26	2,47	2,62	2,77	2,83	2,96	3,10	3,39	3,55
Portugal	0,74	1,26	1,82	1,93	1,98	2,09	2,38	2,50	2,56	2,75	2,85	2,99	3,23	3,46
Italy	0,58	1,77	2,11	2,69	3,15	3,30	3,68	3,69	3,88	4,01	4,16	4,30	4,21	4,18
Greece	0,98	1,33	1,56	2,19	2,21	3,08	3,61	3,72	3,85	4,10	4,41	4,66	4,78	4,64
Switzerland	0,21	0,49	0,64	0,48	0,51	0,59	0,71	0,79	0,83	0,89	0,98	1,00	1,00	0,77
Sweden	1,18	1,37	1,43	2,33	2,30	2,31	2,27	2,25	2,20	2,15	2,10	2,01	1,92	N.A.

MOLTIPLICAZIONE DEI RENDIMENTI

	YTC 31/12	YTC FINE OTTOBRE	
ISPIM 7,5% Perp call 2027	3,04%	9,30%	3 X
VW 4,625% Perp	1,45%	6,02%	4,1 X
Generali 4,59% 6 Perpetuo, call 2025	1,52%	5,41%	3,6 X
Peugeot 6% 2033	1,51%	5,37%	3,6 X

BANOR SICAV EURO BOND ABSOLUTE RETURN



Duration

2,5

YTM

Yield To Maturity

7,86%



Numero emissioni

157



Numero emittenti

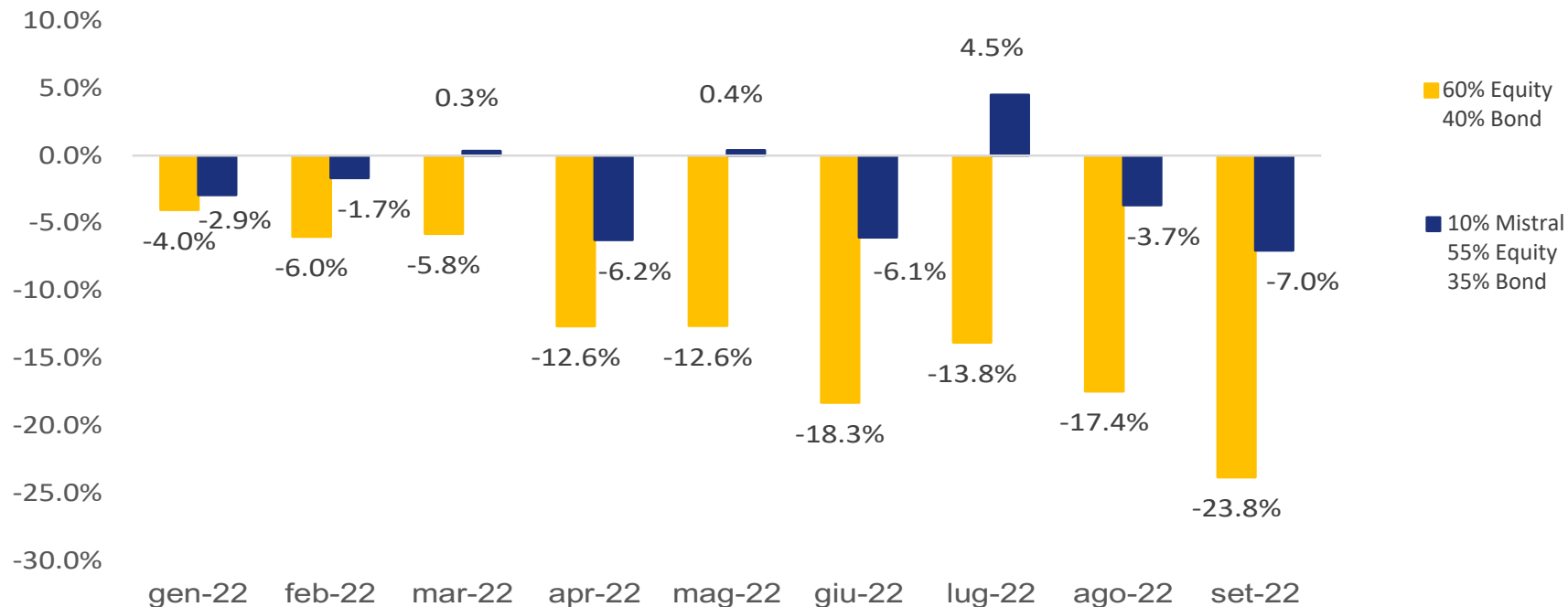
131



Rating medio

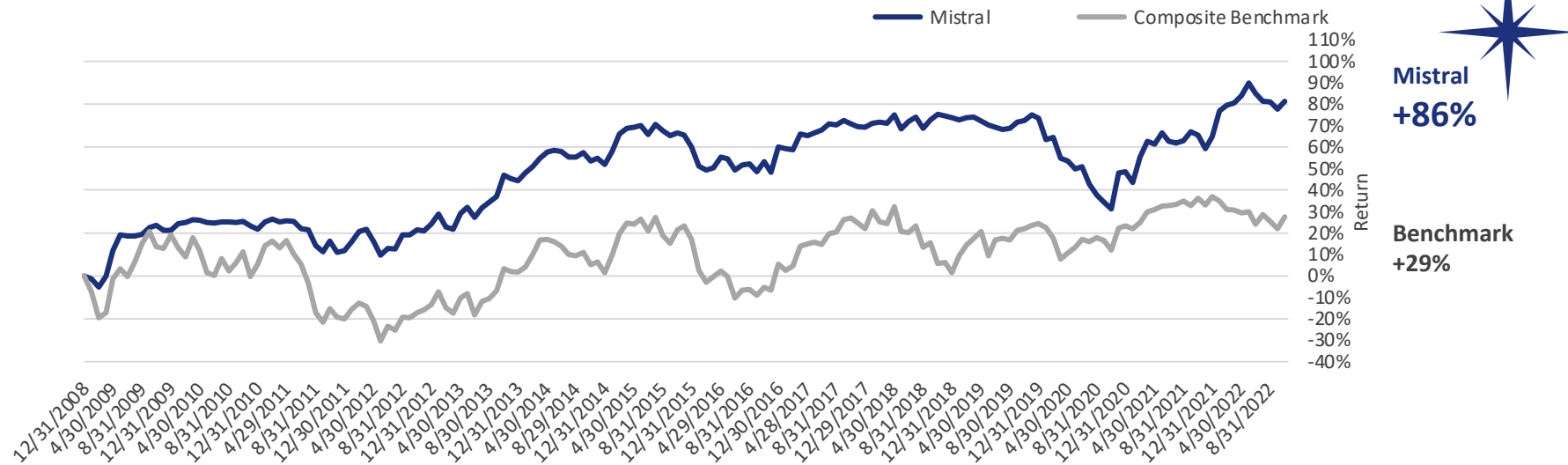
BBB

STRATEGIA L/S IN ELEVATA VOLATILITÀ = DOWNSIDE PROTECTION



BANOR SICAV – MISTRAL LONG SHORT EQUITY: +13% YTD

TRACK RECORD



I dati al 30/06/2010 si riferiscono a Athena Investment Fund (BVI). I dati dal 30/06/2010 al 30/09/2019 si riferiscono a Banor Sicav Italy Long Short Eq. classe I. Benchmark: fino al 30/9/2019 100% FTSE Italy All Shares; dall'1/10/2019 al 31/12/2021 50% di Eurostoxx50 e 50% di EONIA Capitalization; dal 1/1/2022 50% Eurostoxx50 e 50% DBDCONIA. I rendimenti passati non sono indicativi di quelli futuri.

PERFORMANCE CONTRIBUTION

Long	3,3%
Short	7,8%
Derivati	1,7%
Fees	-0,77%

I TRE FONDI SONO CONFORMI ALL'ART.8



BANOR SICAV
MISTRAL L/S EQUITY



ARTICOLO 8



MSCI ESG RATING



BANOR SICAV
EURO BOND ABS. RETURN



ARTICOLO 8



MSCI ESG RATING



BANOR SICAV
EUROPEAN DIVIDEND PLUS



ARTICOLO 8



MSCI ESG RATING

FOCUS ALTERNATIVE ASSETS



EXECUTIVE SUMMARY

OPPORTUNITY FOR THE INVESTORS

- **Banor Special Situations II (“BSS”)** is a closed-end fund, incorporated through a Luxembourg-based SICAV-RAIF
- BSS provides access to its investors to a stream of **special situations investments**, with a particular focus on secured loans and/or real estate assets in prime locations in UK and Italy
- Special situations include judicial procedures, forced liquidations, rescue financings and any other legally complex situation where **BSS can acquire assets and loans, or lend capital at substantially more attractive conditions than in the open market**

STRATEGY & POSITIONING

- The strategy focuses on **single assets or loans** with equity requirement typically between **€5.0m and €20m** per deal, which is a market segment with a reduced level of competition where **we can originate attractive returns on a bilateral, off-market basis**
- This approach allows us to identify and extract value on the basis of **our own punctual credit and/or real estate analysis, and through our active management** of every single investment

MANAGEMENT TEAM & TRACK RECORD

- **Investment Manager** (Banor Capital) with a strong **“value investing”** background and a clear **alignment of interests**
- **Portfolio Manager** with a strong **background in investments in credit and real estate related special situations**, on behalf of major international financial institutions
- **Strong track record of the first fund** (BSS I, exp. **12.0% IRR and 1.56x MOIC**) launched in this strategy and managed by the **same team since 2018**

EXPECTED RETURNS & FUND TERMS

- **Expected returns: 12-13%** per annum (net of management and performance fees), **1.5x-1.7x** on invested capital
- **Terms:**
 - **Management fee: 1.5%** pa for Seed Investors (**1.75%** for Follow-up Investors) on committed capital
 - **Performance fee: 20%** above a hurdle of **8.0%** (net of costs, with full “catch-up”), paid at end of fund’s life
 - **Investment Period: 4 years** (+1yr extension option) from Final Closing
 - **Divestment Period: 2 years** (+1yr extension option) from the end of the Investment Period

MARKET OPPORTUNITY

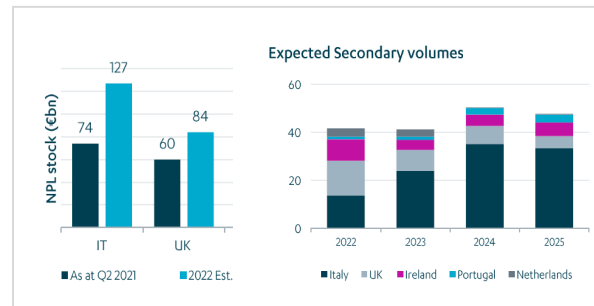
MACROECONOMIC DYNAMICS

- Starting from early 2020, the macroeconomic landscape has been disrupted by the **Covid-19 pandemic**, which has caused economies to shut down, causing a **dramatic drop in activity**, and a subsequent **liquidity crisis**, especially in certain real estate sectors
- These factors, combined with the **rise of inflation and of interest rates** which we observe since early '22 (also due to the current geopolitical situation), has lead to an **increase in volatility in financial markets, as well as insolvencies and defaults**
- We therefore expect a **new wave of loan defaults** and **lower recovery levels** on the new NPL stocks, following the end of the moratoria period, which expired at the end of '21 in most European countries
- The above dynamics have also pushed **European banks to be particularly inflexible on lending criteria, leaving wide areas of lending opportunity unexploited** (mezzanine, special situation lending, bankruptcy bridge loans, etc.)

INVESTMENT OPPORTUNITIES

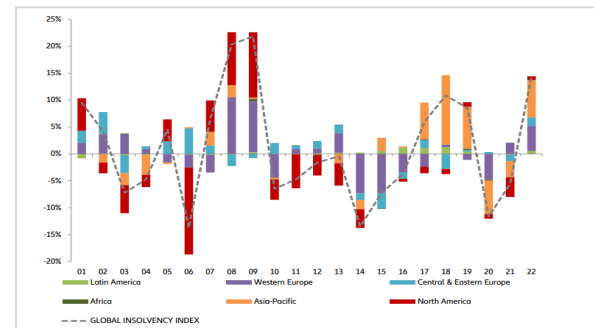
- The above factors will lead to very interesting investment opportunities, especially in the **medium-low segment of the UK and Italian market**, which remains too complex for individual investors, and not sufficiently relevant for the larger investment funds
- Non Performing Loans:** we expect a large flow of interesting NPLs purchase opportunities, mostly from the Italian credit servicers, which will need to make up for the lower recoveries of 2020-21
- Lending Opportunities:** we expect interesting short-term asset-backed lending opportunities from counterparties in need of liquidity, mostly due to the low risk appetite of commercial banks
- Real Estate:** we also expect interesting prime asset purchase opportunities, coming from owners in need of liquidity (refinancing, margin calls), as well as assets being auctioned in judicial enforcement procedures, especially in the hospitality sector, and involving substantial capex programs

GROWING NPL STOCK ANTICIPATED (1)



Source: EBA, KPMG

INSOLVENCY TRENDS ON THE RISE (2)



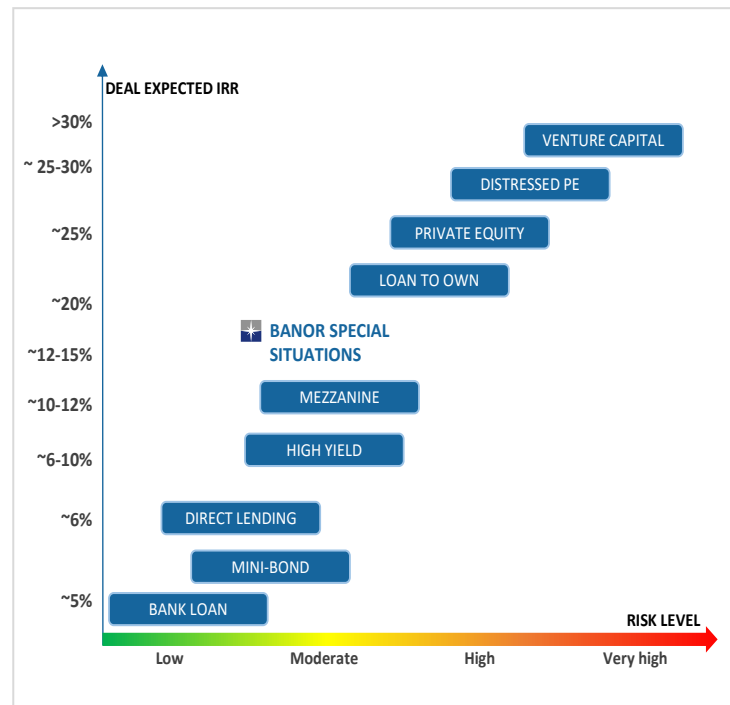
Source: Euler Hermes, Allianz Research

STRATEGY AND POSITIONING

STRATEGY

- The strategy of the fund focuses on **single high-quality special situation investments**, deriving from defaults, judicial procedures, legal complexity, forced liquidations, etc.
- Special situation investments can be of **3 types**: 1. purchases of single loans (typically non performing) 2. new financing (in both cases collateralised by real estate assets), or 3. direct acquisition of real estate assets (or a combination of both, i.e. acquisition of the loan in order to repossess the underlying asset) **at values that we believe being substantially below open market levels**
- On the real estate side, the focus is on assets of **particularly high quality** and a recurring strategy is to acquire a loan in order to repossess the underlying asset **in order to reposition it and resell into the open market**
- The complexity of the illiquid special situations are such to still generate **interesting arbitrage opportunities** for those who are familiar investing in such context
- The equity requirement are typically between **€5m and €20m** per deal, which means that **BSS focuses mostly on smaller, off-market deals, which typically can originate higher returns**. This implies that BSS II expects to complete ca. 15-20 deals over its investment period (with average investment horizons of 18-24 months)
- The main geographic focus remains on **Italy and the UK**, although BSS has started to diversify in other markets as **France**

RISK / RETURN POSITIONING



INVESTMENT TEAM TRACK RECORD

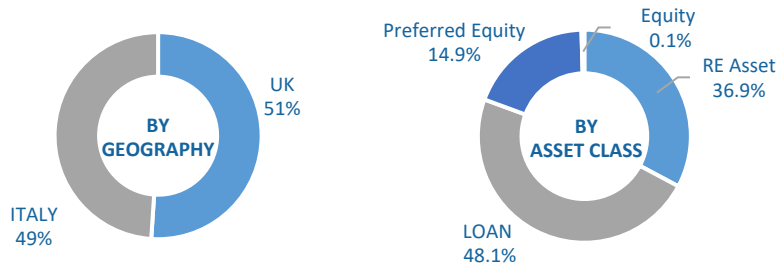
BSS I - PORTFOLIO METRICS

- **Called Capital to date:** **€62.2m** (80% of total commitments)
- **Distributed Capital to date:** **€7.8m** (10% of total commitments)
- **Investors co-investments:** **€29.4m** (investors co-investments and/or financings in fund deals)
- **Completed transactions:** **21**
- **Jurisdictions of transactions:** **3:** Italy, UK and France
- **Fully realized transactions:** **8** (realized average IRR of 21.5%, average multiple 1.5x ⁽¹⁾)
- **Expected investors net return ⁽²⁾:** **ca. 12.0% IRR (1.56x MOIC), ca. 3.3 yrs WAL**

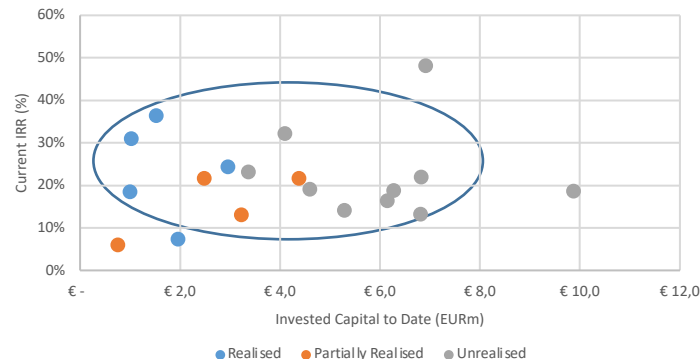
(1) Net of reinvestment of interim realizations

(2) Net of all fund costs, AM and performance fees

PORTFOLIO AT Q3 2022



CURRENT DEAL IRR BY PORTFOLIO INVESTMENT



TERM SHEET

NAME OF THE FUND	Banor Special Situations II Sicav RAIF
DOMICILIATION & GOVERNING LAW	Luxembourg
CURRENCY	EUR
TARGET SIZE	€200m
INVESTOR TYPE	Professional Investors
SHARE CLASSES	Class S for seed investors, Class F for follow-up investors
LAUNCH DATE	June 2022
INVESTMENT PERIOD	4 years (+ 12 months optional extension)
DIVESTMENT PERIOD	2 years (+ 12 months optional extension)
ANNUAL MANAGEMENT FEE ^{(1) (2)}	1.5% on Class S , 1.75% on Class F
PERFORMANCE FEE	20% above a 8% hurdle (net, with full catch-up), paid upon realization of the Fund
CO-INVESTMENT RIGHTS	Priority to Class S and Class F investors on any co-investment opportunity
MANAGEMENT COMPANY (AIFM)	Link Fund Solutions (Luxembourg) S.A. (Link Group)
INVESTMENT MANAGER	Banor Capital Ltd
DEPOSITARY BANK	Quintet Luxembourg
AUDITOR	PWC Luxembourg
NAV FREQUENCY	Semi-annual
CLOSING DATES	Class S : est. Q4 2022; Class F : est. Q4 2023
TIMING OF CAPITAL CALLS	Upon conclusion of transactions, over the course of the first 4 years from final closing
TIMING OF CAPITAL REPAYMENTS	Starting from the 5th year (from final closing)

(1) The management fee is payable on committed capital until the end of the investment period. Thereafter, it will be payable on NAV

(2) For investment tickets of €5m or above, the management fee is 1.25% pa for **Class S** shares, and 1.45% for **Class F** shares

BSS I - CASE STUDY #1

NPL PURCHASE FLORENCE (ITALY)

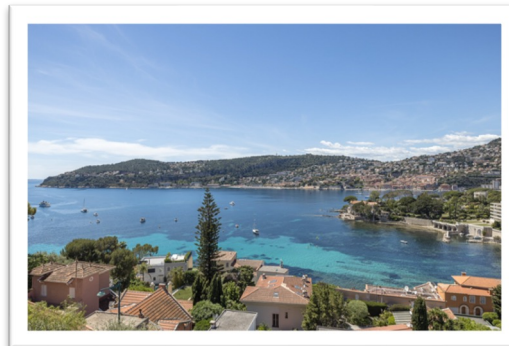
- + In December '18, BSS **acquired two loans, from two different sellers**, which were part of the same bankruptcy procedure, one with a first and the other with a second lien on a prime residential asset in the heart of Florence, with an internal surface of ca. 200m²
- + The first loan was sold from a **debt servicer**, who needed to increase realizations in view of the **year-end targets**, and the second loan was sold by an **industrial conglomerate** which BSS was able to approach thanks to its **private banking network**
- + **BSS had already bid on the first loan in early '18**, but the servicer decided to keep it as the auction was planned for July '18. The auction was successful, but **was subsequently challenged by a third-party bidder** who offered 15% more than the sale price just few days after the auction date. This **forced the judge to hold a new auction**, which was scheduled for January '19, and would have caused the **debt servicer to miss the recovery timeline** on the loan, so it gave us the opportunity to **successfully re-bid on the loan**
- + The two loans were acquired for **€1.7m and had a combined Gross Book Value (GBV) of €5.05m;**
- + The underlying real estate asset was sold in January '19 at a price of **€2.35m;**
- + After various cost deductions from the bankruptcy estate's waterfall, we managed to accelerate the timeline for our distribution which took place in September '19 for a total of **ca. €2.18m;**
- + On that basis, **our realized IRR was 35.7% (1.3x), with profits of €443k**, which compares to our underwriting base case, where we expected an **IRR of 30.5% (1.17x) and profits of €256k**



BSS I - CASE STUDY #2

NPL PURCHASE & REAL ESTATE REPOSSESSION CAP FERRAT (FRANCE)

- + At the end of December '18, BSS acquired a **loan with a nominal amount of €1.22m, for €960k** (79% of GBV)
- + The collateral asset was a **residential unit in Sain-Jean Cap Ferrat** (with about 200m² of commercial surface), which was about to be sold in a judicial auction in France
- + We then concluded an **out-of-court agreement** with the debtor to acquire the asset (which prevented the asset to be auctioned), by compensating our loan and paying an **extra cash amount of €400k**, bringing our **all-in cost base to ca. €1.4m** (ca. €7.0k/m²)
- + We then carried out a **refurbishment process** in which we have redone most of the external and internal of our units (façade, roof and all the internal reconfiguration and refurbishments), **spending a further €2.0k/m²**
- + This process has been **delayed due to the Covid crisis** (and complicated by few adverse findings, as for instance the **finding of asbestos in the roof**, which was not mentioned in the surveyor's report when we acquired the asset) and has been **completed in March '21**
- + We then **mandated two local brokers** to **market the asset for €2.7m** (or €13.5k/m²), and eventually **accepted an offer for €2.45m in July '21**
- + **We therefore realised an IRR of 8.8%** and a multiple of **1.2x**, with profits of **€389k**, which compares to our underwriting expectations of 13.2%, 1.3x and €190k, respectively



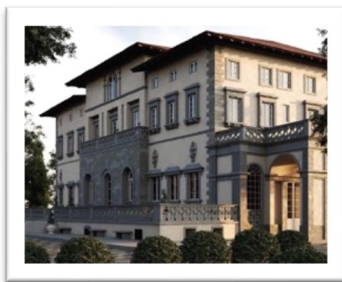
BSS I - CASE STUDY #3

MEZZANINE FINANCING SILVERSTONE (UK)

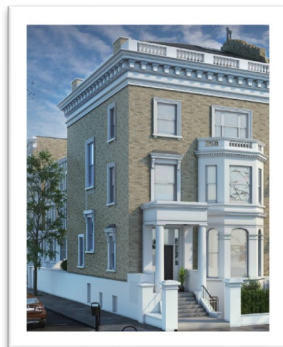
- + **Financing**, through a mezzanine loan, **of the completion of a newly built hotel located next to the finish line at the Silverstone racing track**, which is run by Hilton under the Garden Inn brand
- + The **development has included also the construction of a pedestrian bridge** which connects the hotel to the opposite conference centre
- + The borrower is a private equity investor, **Bricks Group**, specialised in hospitality and student housing
- + The loan is structured in **four tranches, which add up to £16.5m of principal**, at an **average interest rate of 21.0%**
- + The loan is **subordinated to a Senior Loan facility of £21.9m**, which brings our **base to ca. £38.4m, or ca. 66% LTV** (on the basis of the latest valuation of £58.0m)
- + **Constructions works have been completed in June '22** and the hotel had a **soft opening in July**, for the hospitality of the British F1 GP, and **starting selling rooms in September '23**, at **average rates well above** what initially forecasted
- + The repayment of first two tranches (**ca. £9.0m**) is **expected at the end of Q4 '22** while the residual is expected to be **repaid at the end of Q2 '23**
- + The transaction is expected to generate **an IRR of 23.8% and profits of £7.2m (1.44x)**



SELECTION OF ASSET PICTURES



Villa Covoni (Florence)
Façade (rendering)



Redcliffe Gardens (London, UK)
Façade (rendering)



Hotel Dolomiti (Cortina d'Ampezzo)
Façade (rendering)



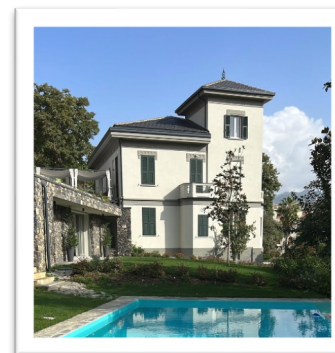
Via Rovello (Milan)
Façade (rendering)



Panciatichi (Florence)
Rendering



City in Bergamo
Rendering



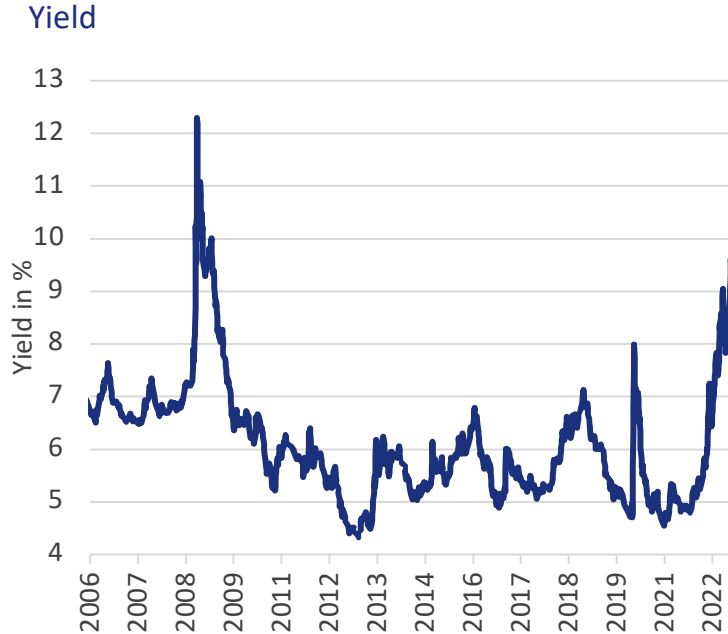
Santa Margherita (Italy)
External View

FOCUS EMERGING MARKETS

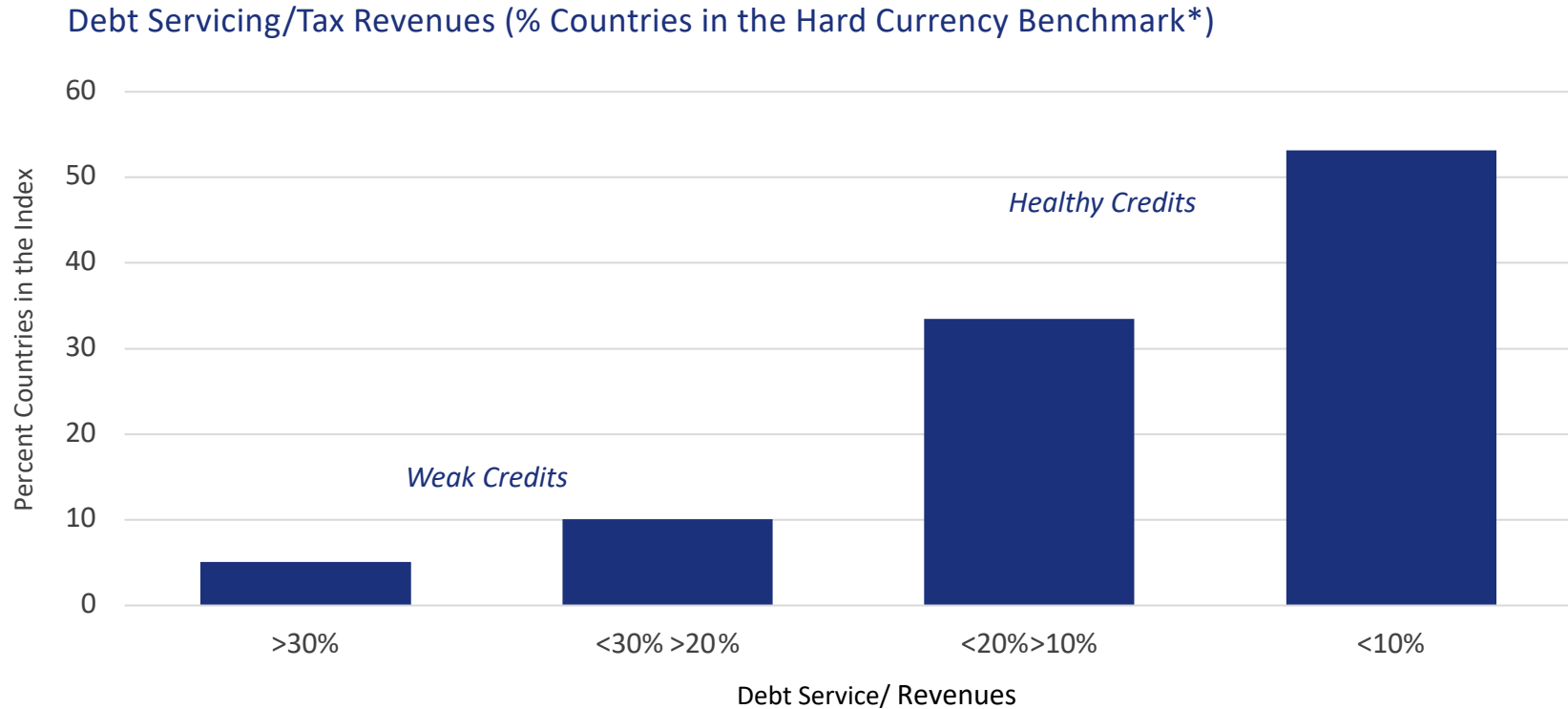


CARRY....ALMOST AS BAD AS THE GFC

EM HARD CURRENCY BONDS*

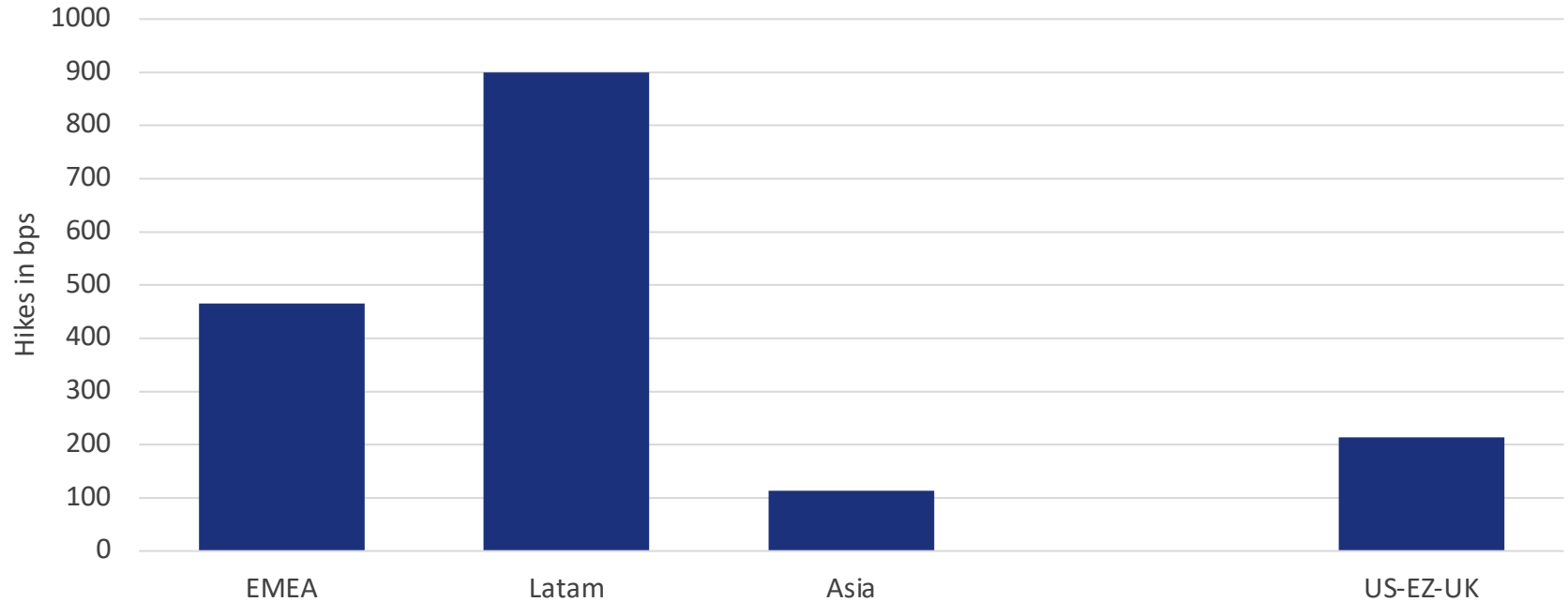


A BIFURCATED MARKET

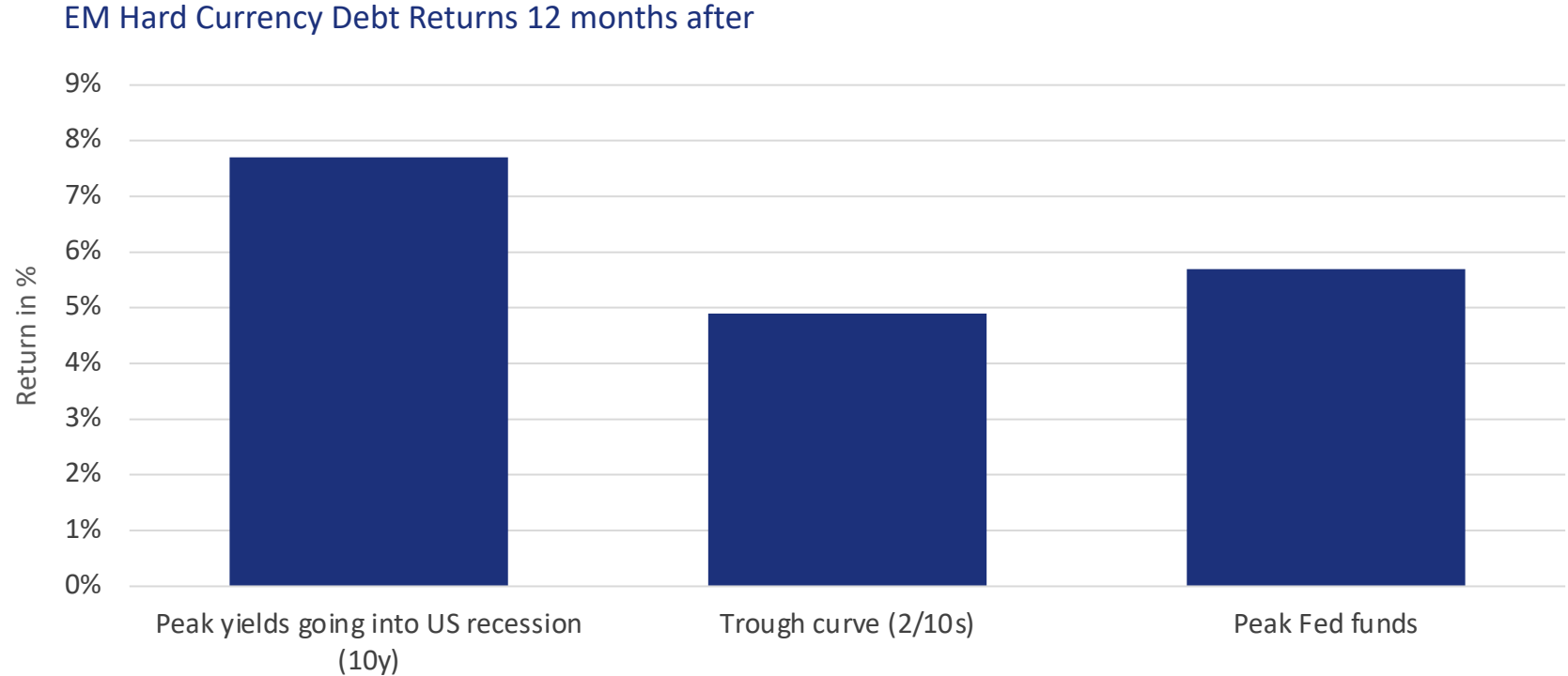


AHEAD IN THE POLICY RESPONSE

EM Rate Hikes in Current Cycle(change in bps)



RETURNS GOING INTO RECESSIONS



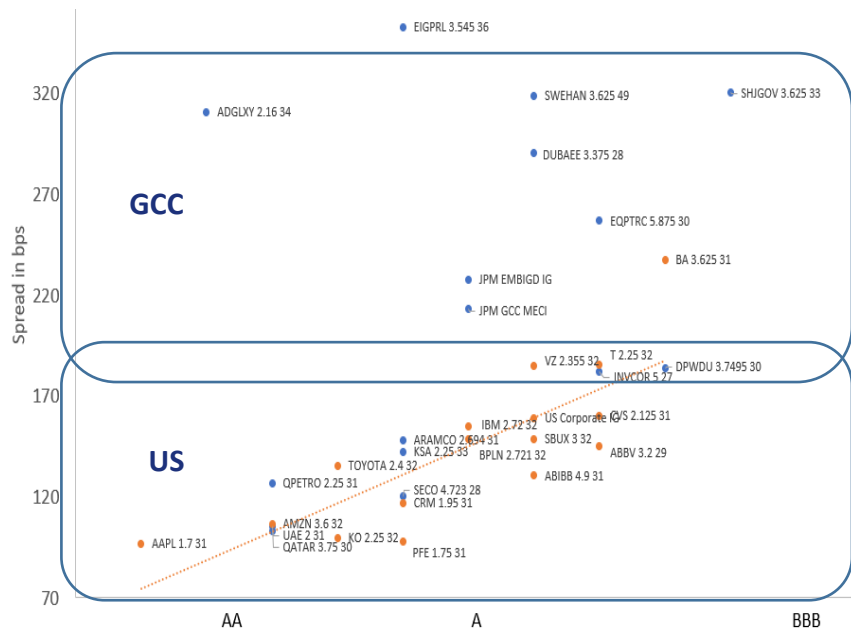
The chart displays the spread in basis points (bps) over time from 2010 to 2022. The y-axis ranges from -300 to 600 bps in increments of 100. The x-axis shows years from 2010 to 2022. The spread starts at approximately -150 bps in 2010, reaches a low of -250 bps in early 2011, and then generally trends upwards with significant volatility. It peaks at 250 bps in 2013, drops to 100 bps in 2014, and then fluctuates between 50 and 200 bps until 2019. After 2019, the spread rises sharply, reaching over 500 bps by early 2022.

Year	Spread (bps)
2010	-150
2011	-250
2012	-50
2013	250
2014	100
2015	150
2016	100
2017	100
2018	250
2019	150
2020	250
2021	300
2022	550



VALUE IN IG CORPORATES IN GCC

SPREADS IN GCC VS GLOBAL IG

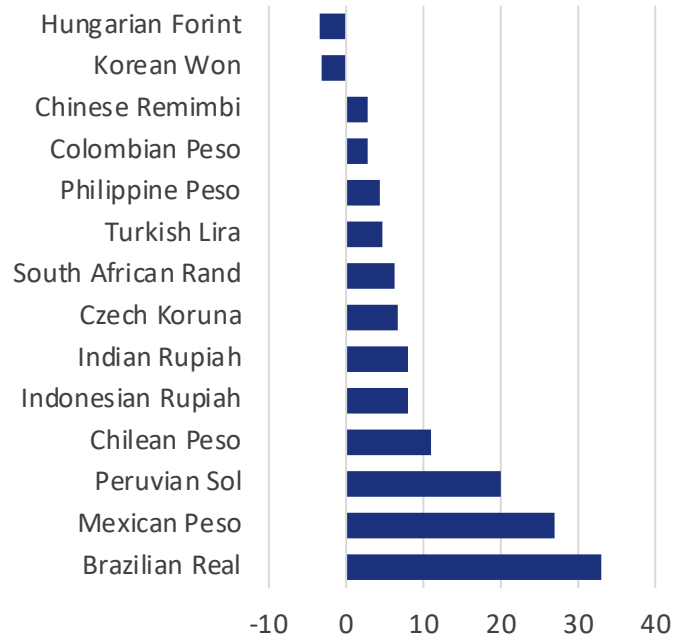


GLOBAL AGG (H) US IG EM IG EM CORP

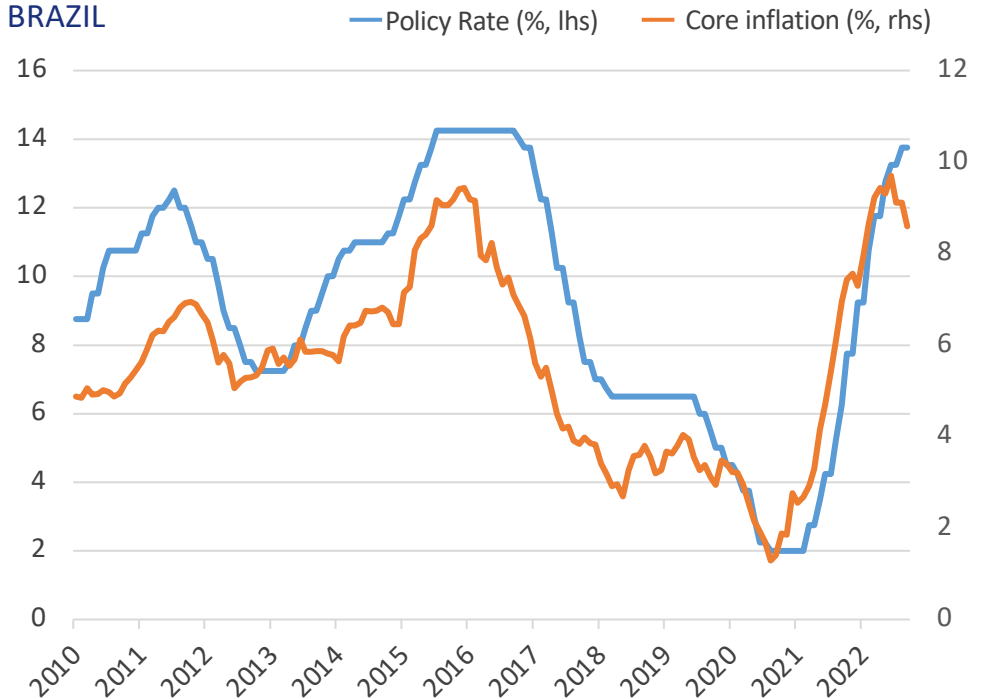
YTM	3.8	5.9	6.2	6.6
Duration	6.8	7.2	7.6	4.7
Carry/Dur	0.56	0.82	0.81	1.41

EM LOCAL NO LONGER THE UNDERPERFORMER

EMFX Total Returns vs. EUR (YTD, %)



BRAZIL



FOCUS CHINA: A BUMPY ROAD TO A BRIGHTER FUTURE



AGENDA

01



DESPITE ITS CURRENT ISSUES, CHINA'S FUTURE IS BRIGHT.

02



EQUITY VALUATIONS ARE AT A 25-YEAR LOW.

03

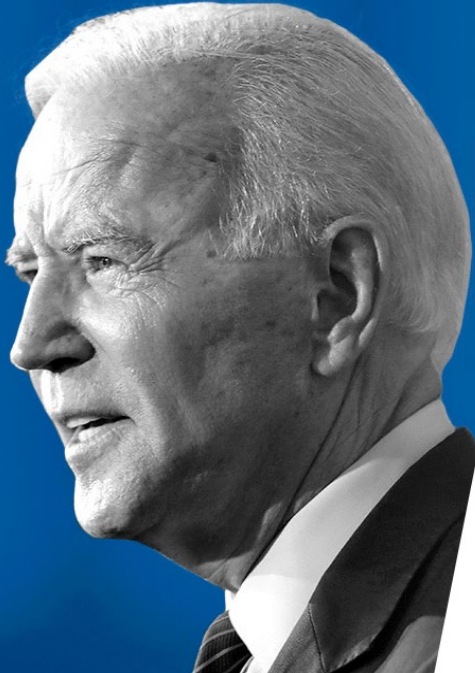


BANOR'S HOLDINGS BENEFIT FROM RAPID GROWTH AND CHEAP PRICES.

CHINA HAS ITS PROBLEMS



GEOPOLITICS: NEW COLD WAR



US-CHINA BATTLE FOR
POWER, RESOURCES, AND
TECH WILL PERSIST

BUT CHINA WILL
REMAIN THE WORLD'S
FACTORY

DOMESTIC CHINESE
COMPANIES SHOULD DO
WELL REGARDLESS



TAIWAN WAR? IT DOESN'T APPEAR LIKELY ANY TIME SOON

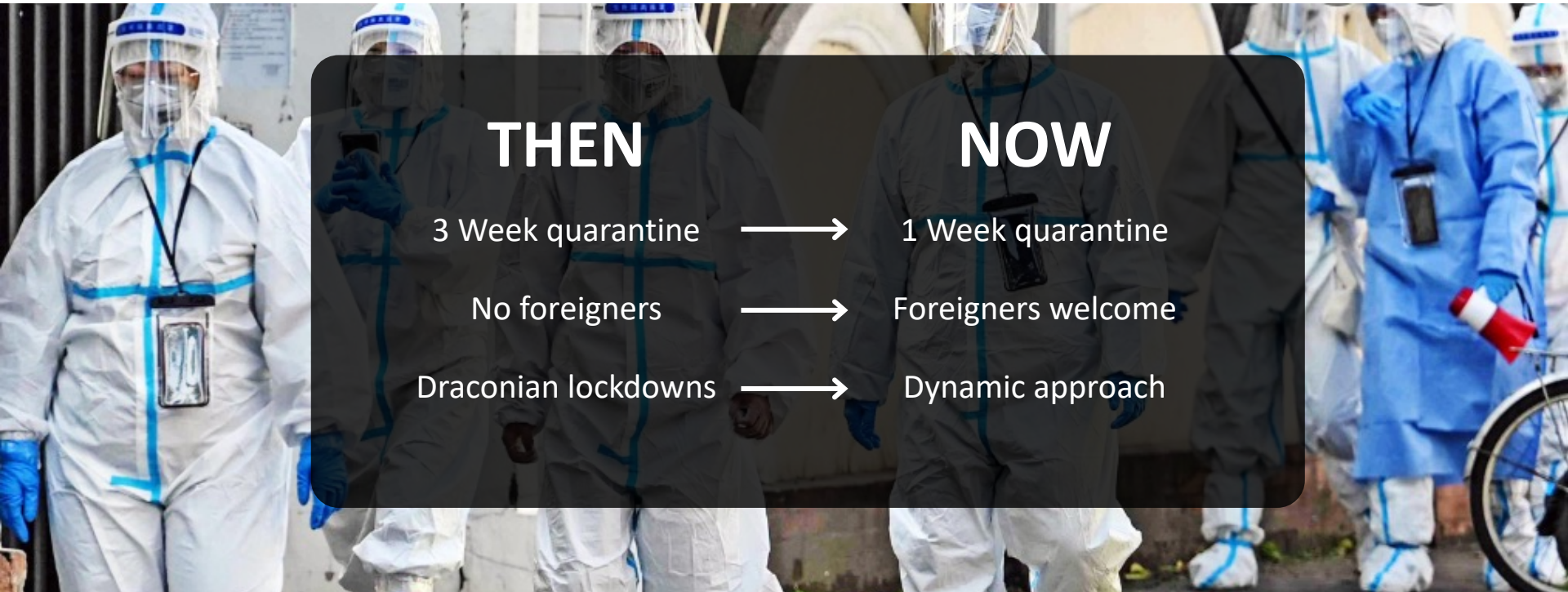


GREAT POWERS HAVE A POOR
INVASION TRACK RECORD:

- USA → Korea (1950-1953)
- USA → Vietnam (1955-1975)
- USSR → Afghanistan
(1979-1989; 2001-2021)
- USA → Iraq (2003-2011)
- Russia → Ukraine (2022)

“The supreme art of war is to subdue the
enemy without fighting.” – Sun Tzu

COVID POLICIES ARE SOFTENING



WHY CHINA'S BEST DAYS LIE AHEAD

COMPETENT AND
VISIONARY LEADERS

02

MIDDLE CLASS: FROM 200MN
TO 800MN+ BY 2032

04

01

COVID AND REAL ESTATE ISSUES
ARE TEMPORARY

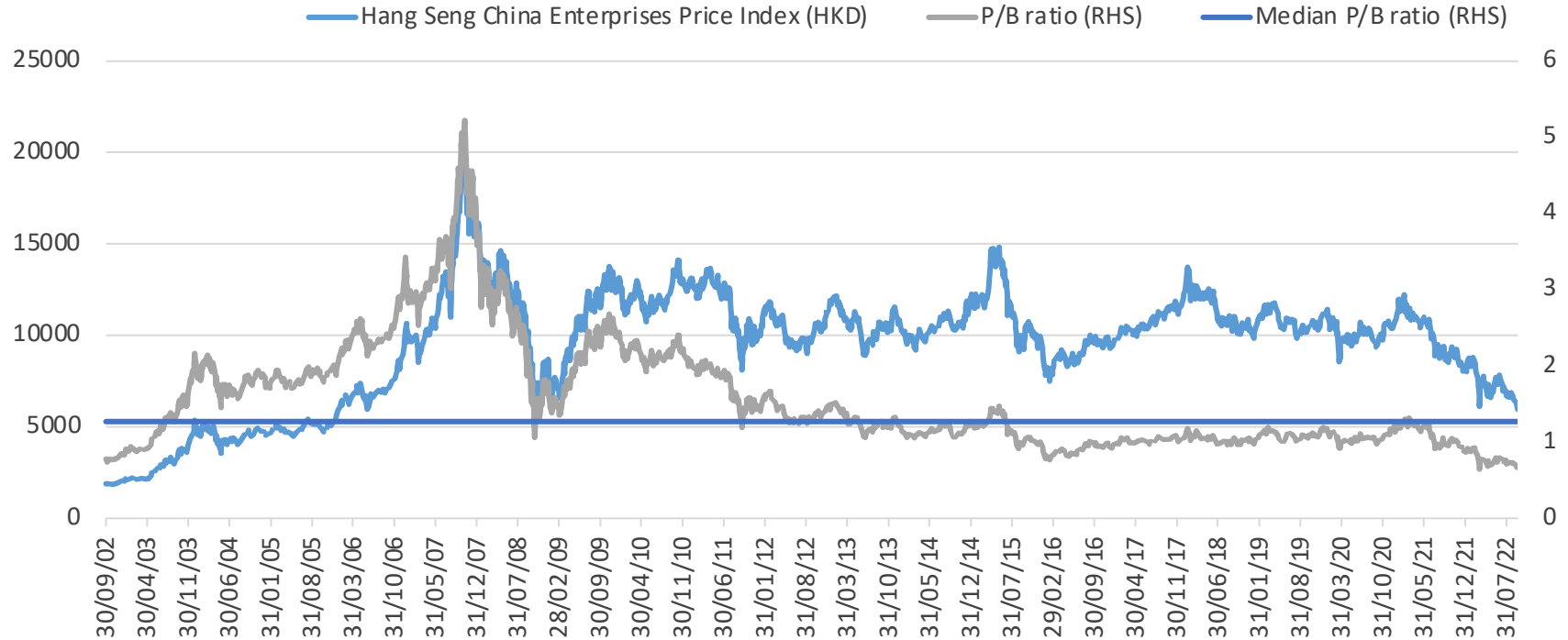
03

EDUCATED, ENTREPRENEURIAL
PEOPLE

05

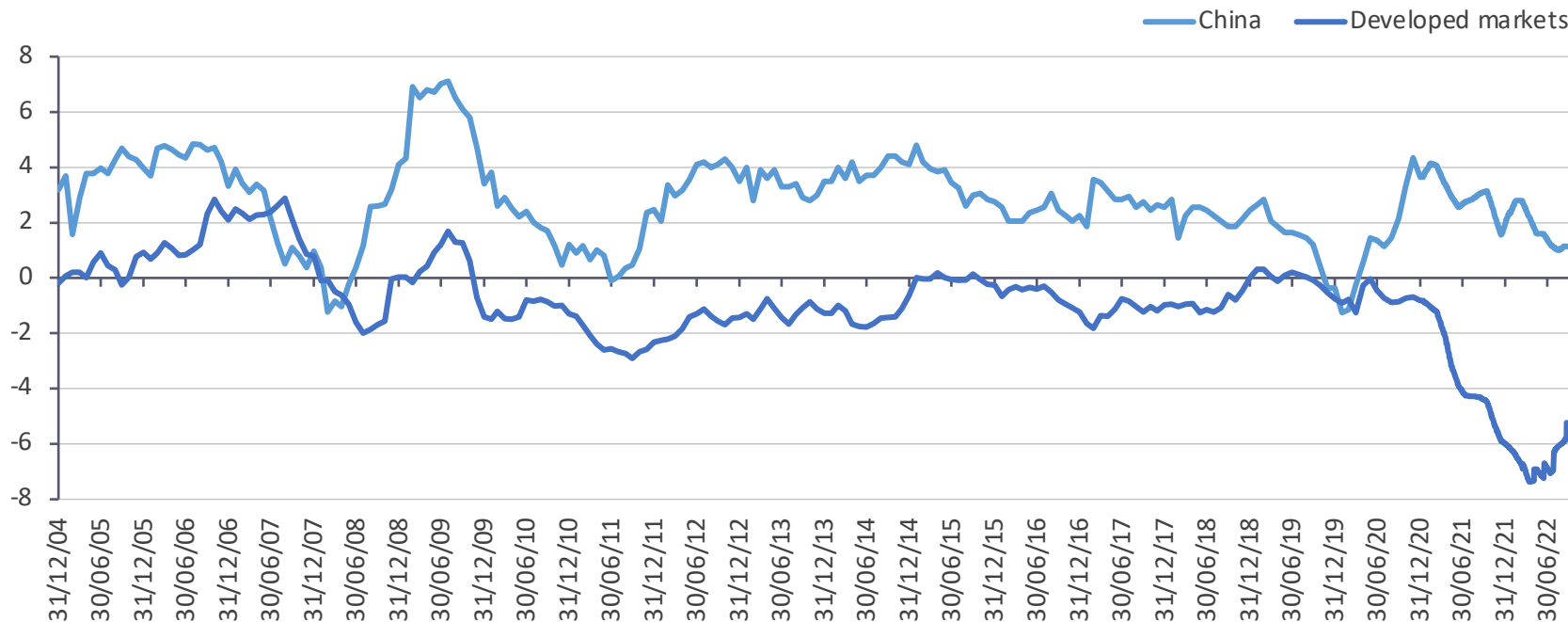
CONSUMPTION!

OFFSHORE VALUATIONS AT AN ALL-TIME LOW



HIGHEST INFLATION-ADJUSTED INTEREST RATES GLOBALLY

REAL INTEREST RATES IN CHINA VS DEVELOPED MARKETS



WHY BANOR GREATER CHINA?



We have a
world-class team.



We are resilient.



We are aligned with
our clients.



**Our portfolio offers a highly
attractive risk-reward.**

CHINA SENTIMENT: WE HAVE BEEN HERE BEFORE



THANK YOU!



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