

PRESS RELEASE

BANOR CAPITAL ILLUSTRATES THE RESULTS OF ITS VALUE STRATEGIES AGAINST TODAY'S MARKET BACKGROUND

CEO Giacomo Mergoni: “Our performance flourishes in places where the market gets its valuations wrong”

Milan, 7 November 2017 - **Banor Capital Ltd** (Banor Capital), a UK-based independent investment management firm regulated by the Financial Conduct Authority, met the financial community in Milan today to present its investment strategies and the performance of Banor SICAV's alternative and absolute return sub-funds: Greater China Long Short Equity (year-to-date (YTD) performance 56.2%), North America Long Short Equity (YTD performance 11.6%), Italy Long Short Equity (YTD performance 7%) and Euro Bond Absolute Return (YTD performance 3.7%).

*“Our approach is simple and can be successfully repeated over time”, explained **Giacomo Mergoni, chief executive officer at Banor Capital.** “We’re value investors with proven experience and concentrate on the fundamentals, taking a long-term view. Our investment decisions, whether long or short-term, are based on in-depth analysis and valuations of companies and on a perception of their future prospects which is often different from the market’s. Our aim is to understand the mistakes the market is making in evaluating the company so that we can identify new sources of revenue”.*

Banor SICAV Greater China L/S Equity is the fund that has performed best YTD, with 56.2% to 31 October 2017. It is in first place for 1, 3 and 5-year products in its category (source, Morningstar). *“The market has rewarded our decision to focus on domestic consumption and keep the stocks of leading companies in sectors like beverages, internet services and healthcare in our portfolio”, explained **Dawid Krige, advisor for the fund, as he illustrated the outlook for the Chinese economy.** “The Chinese market has performed best in 2017. In addition, the Chinese economy has contributed over one quarter of the world’s GDP growth. In view of its growing economic and political weight at the global level, we feel that China merits more attention by all international investors, not least because, unlike other markets, it still offers many interesting opportunities”.*

Banor SICAV North America Long Short Equity had achieved a performance of 11.6% at 31 October 2017 and is in first place for 1, 3 and 5-year products in its category (source, Morningstar). According to advisor **Eddie Ramsden, who teaches value investing at London Business School:** *“Right now we’re in the ninth year of the second-longest bull market in history. The volatility of the US stock market is close to its historic minimum levels and the S&P500 index is trading at about 18 times net earnings. However”, continues Ramsden as he illustrates the outlook for the market, “even if the stock market as a whole doesn’t seem to be in a ‘bubble’ situation, we’ve identified some segments that are markedly over-valued. That enables us to find interesting opportunities to include in the short part of our portfolio. Many of these stocks are linked to companies that have stable, but modest, growth prospects in fairly competitive sectors. The future variable that will need to be monitored more closely in the US is the development of monetary policy under the current administration. That’s an area where it’s quite easy to get things wrong and an error of evaluation in monetary policy could have very significant consequences”.*

*“The **Banor SICAV Italy Long Short Equity fund** is following a fundamentals-based bottom-up approach”, explained **Luca Riboldi, advisor for the fund,** “with a long-term vision and specialisation in 15 sectors, 10 of which on a global scale. Our declared objective, one that, historically, our team has amply attained, is to obtain a risk-adjusted*

return that is better than the FTSE Italia All-Share Index. Our investment ideas are generated by experience, sector studies, meetings with the companies, rigorous in-depth analyses and due diligence on the ground". The fund has achieved performances of 7% since the start of the year.

Banor SICAV Euro Bond Absolute Return *"is a flexible bond fund with an absolute return approach", comments Francesco Castelli, who manages the fund. "The sub-fund focuses on low volatility and positive returns in the different phases of the credit cycle. In addition, we recently launched a new segment dedicated to UNICEF, which will donate a percentage of the fees earned to the Italian Committee for UNICEF* to support the 'Fighting Child Mortality' campaign".* The fund has gained 3.7% since the start of the year and has coupon-bearing segments. The last one paid, in June, was 4% annualised.

Banor SICAV funds are also available through the online platform and network of financial advisors of FinecoBank, Banca Ifigest, Banca Leonardo, Banor SIM, UBS (Italia), Credit Suisse (Italia), IWBank, Online SIM and Invest Bank, and through Banca Generali, Allfunds, Banca Apulia, AlpenBank, Banca Passadore, Innofin SIM, Nextam Partners, Unica SIM and Veneto Banca.

**The Italian Committee for UNICEF does not promote any products or services.*

Banor SICAV is a Luxembourg-based open-end investment firm (SICAV UCITS IV) offering a range of products, all with a value approach to investment. Banor SICAV is managed by Banor Capital Ltd, which combines in-house expertise with excellent relations with advisors selected from the foremost financial boutiques for their skill and knowledge, strategic approach and consolidated track record. www.banorsicav.com

Banor Capital Limited is a UK-based independent investment management firm authorised by the Financial Conduct Authority. The firm was set up by a team of financial professionals who have been working together for over 16 years. Banor Capital specialises in value strategies and manages sub-funds for Banor SICAV and Aristea SICAV, two families of Luxembourg-based UCITS IV umbrella funds distributed in Italy and other European countries. The "fundamentals" approach is the strong point in Banor Capital's strategy. Disciplined research and meticulous risk management have made Banor Capital's range of products extremely competitive and enabled them to achieve significant results in their categories as the best 1, 3 and 5-year funds. Banor Capital currently has over €1.5 billion in assets under management. Banor Capital is increasingly, and specifically, incorporating issues around responsible investment in its philosophy. The firm is constantly engaged in researching and implementing environmental, social and governance (ESG) practices, with the aim of helping to generate a widespread culture of investment sustainability. www.banorcapital.com

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