

DEAURIA FINANCE

Research and analysis to be ahead

January 2021



THE COMPANY

Research, Analysis and Experience to be ahead of times

DEAURIA FINANCE

- ❖ Swiss independent company, providing investment services to Swiss institutional counterparties
- ❖ Founded in March 2019 in Lugano, Switzerland, by a group of professionals who have been active with institutional clients for the last 30 years
- ❖ Limited Company, with a capital of CHF 100'000
- ❖ Management team with over 60 years of cumulative experience on financial markets
- ❖ Flexible and creative advisory services
- ❖ Proven experience in detecting innovative and de-correlated investment strategies
- ❖ Sophisticated in-house pricing tools
- ❖ Solid and long-term relationships with investment banks, asset managers and qualified investors
- ❖ Transparency and clarity in the communication

MISSION

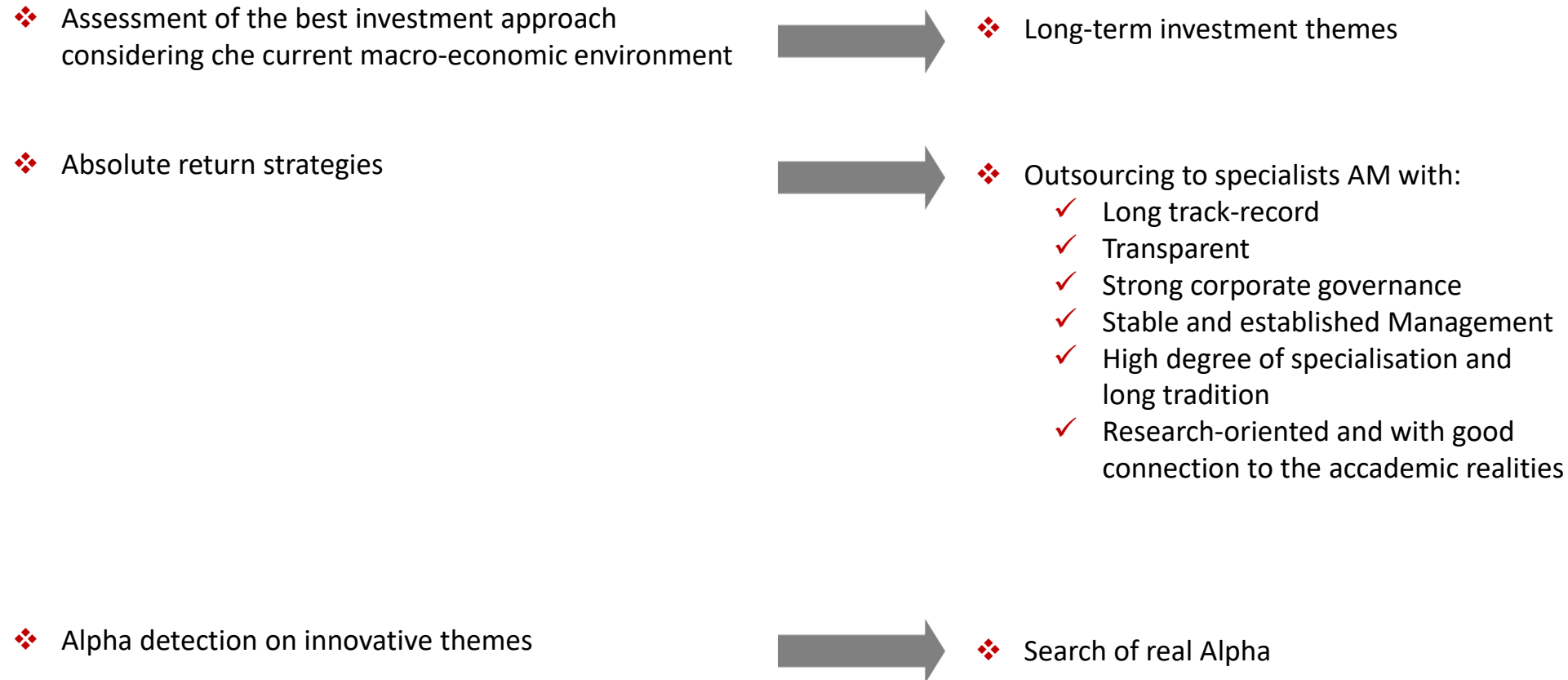
**TO IDENTIFY INVESTMENT OPPORTUNITIES PROVIDING
CAPITAL APPRECIATION ON A LONG-TERM TIME HORIZON**

With rapidly evolving markets DeAuria Finance anticipates the times ahead, carrying out research and identifying investment opportunities to achieve long-term capital enhancement

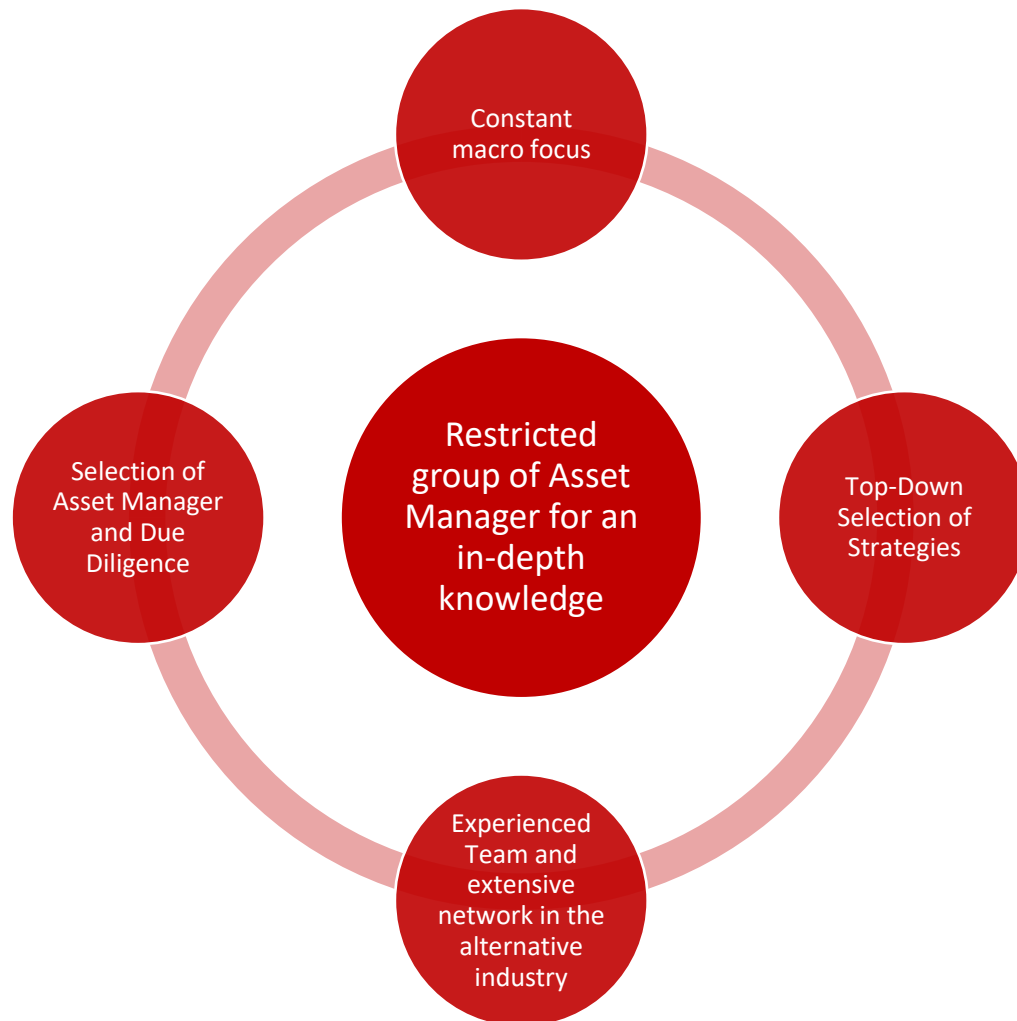
This objective is reached through the selection of specialized asset manager, implementing simple and well-defined strategies, aimed at producing lowly correlated results to financial markets and with several liquidity profiles

DeAuria is the point of reference for institutional investors by providing them with a good flow of information and for asset managers by locally enhancing their brands

INVESTMENT PHILOSOPHY



EXPERIENCE



International Herald Tribune, October 27, 1989. Kal, Cartoonists and Writers Syndicate, 1989.

- Safely navigating through several market cycles and going through challenging financial market since 1987 has provided the Team with the necessary awareness when selecting strategies and asset managers to provide diversification and decorrelation.
- Once the macro picture is in place, the important is to be able to separate market rumors from real data. Behavioral finance is an answer, together with the valuation of official data accuracy and a good dose of common sense.
- This is done through a large network of professional in the hedge funds industry, providing research, new ideas and allowing to be ahead of times.

TEAM

❖ Giancarlo D'Oria, Founding Partner

Over 30 year experience in financial markets: 2 years at Prudential Bache Securities as a Eurobonds Sales Executive; 11 years at UBS AG in Lugano, Zurich and London as responsible for UHNWIs and institutional clients; 10 years as a Limited Partner of FIM Advisers LLP, London, an asset management company specializing in alternative investments; 6 years as partner and co-founder of AD Capital Partners SA in Lugano, where he successfully consulted industrial groups on renewable energy projects and institutional investors on alternative strategies. After having joined as a Partner in 2016 Mayfair Financial Services Ltd, a FINMA-regulated third parties distributor to qualified investors in Switzerland, he co-founded with a financial partner in Lugano DeAuria Finance SA in March 2019.

❖ Stefano Pezzoli (Lic. Oec. HSG) CEO of On finance SA

Over 30 years experience in financial markets: Stefano graduated from Hochschule of St. Gallen with a dissertation on “options and financial futures within asset management portfolio”. He has 34 years of experience in the derivatives and structuring industry: he worked for UBS for 13 years across different geographies (Lugano, Zurich, NY, London). He was an Executive Director and he was the head of equity risk management business for south Europe (i.e. insurance products, asset management businesses and corporates application). Since 2000 he is managing On finance.

❖ Stefano Sampietro Managing Director of On finance SA

Over 15 years' experience in financial markets. After graduating in Economics from University of Insubria (1999), he got a PhD in Quantitative Finance from the University of Southern Switzerland (2003). He was a university researcher, assistant professor of Statistics at Bocconi University (2002-2004) and professor of Statistics, Business Statistics and Modern Portfolio Theory at LIUC University (2001-2010). Since 2004 he has been working as a Quant and Structurer at On finance

SERVICES TO ASSET MANAGERS



SERVICES TO SWISS INSTITUTIONAL CLIENTS

Provision of selected research and analysis on specific topics

Extensive network of professional for quick and precise doublechecks

Detection of investment strategies complementary to core allocation, adding diversification and low correlation

Due diligence through third parties

One pager executive summaries for asset and wealth managers

SELECTION CRITERIA

STRATEGIES

- Absolute or Total Return: Benchmark Agnostic
- Highly Specialized
- Track-record > 10 years
- No Style Drift
- ESG compliant

MANAGERS

- Overseas
- No “Brand Names” largely known
- Highly Specialised
- Track-record > 10 years
- Team > 10 years
- Strong Risk Management
- AUM > USD 1 bn
- Transparency
- Alignement of interests
- ESG compliant

SELECTION CRITERIA

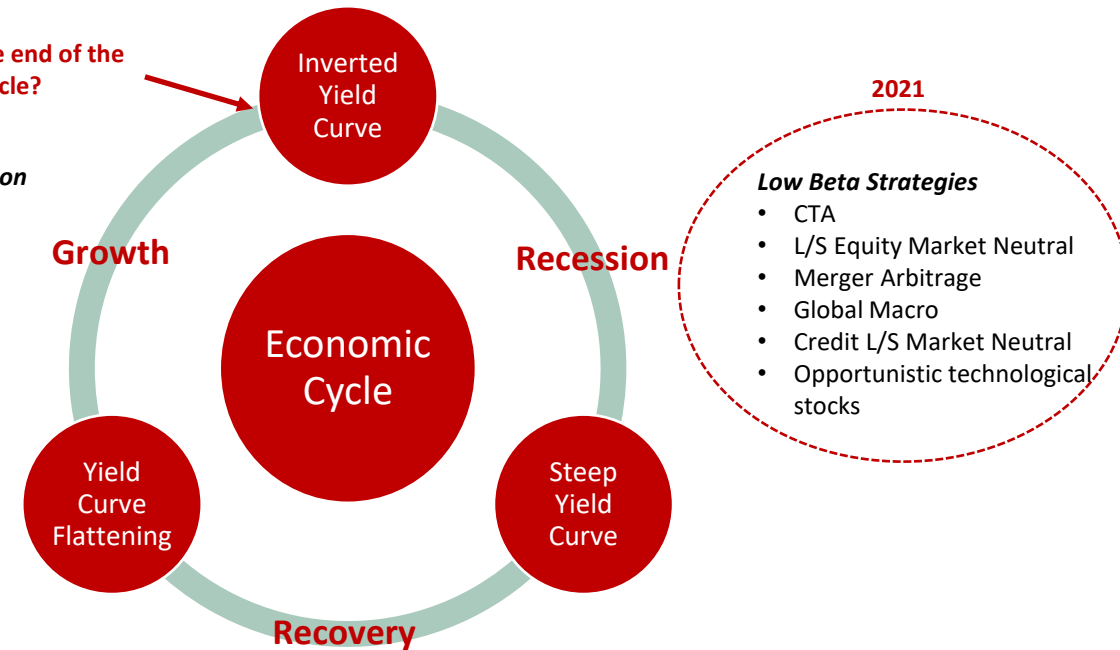
Strategies

| 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|-----------------------------------|-----------------------------------|-----------------------------------|------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Tail Risk 16.39 | Distressed Debt 14.15 | Equity Long Bias 19.82 | Trend Following 13.49 | Equity Market Neutral 7.36 | Distressed Debt 14.47 | Equity Long Bias 17.03 | Distressed Debt 8.20 |
| Long Volatility 12.83 | Equity Long Bias 12.92 | Long Short Equities 16.31 | CTA/Managed Futures 9.77 | FX 6.23 | Event Driven 10.55 | Long Short Equities 12.90 | Relative Value 3.93 |
| FX 8.84 | Fixed Income 11.58 | Distressed Debt 15.22 | FX 6.02 | Arbitrage 5.01 | Relative Value 7.71 | Event Driven 10.38 | Equity Long Bias 2.24 |
| Relative Value Volatility 5.46 | Event Driven 10.90 | Event Driven 14.14 | Macro 5.17 | Relative Value Volatility 4.47 | Relative Value Volatility 7.44 | Short Volatility 9.06 | Event Driven 1.63 |
| Fixed Income 4.32 | Relative Value 10.09 | Short Volatility 9.53 | Multi-Strategy 5.12 | Long Short Equities 3.45 | Commodity 6.95 | Multi-Strategy 8.82 | Long Short Equities 1.04 |
| Equity Market Neutral 2.47 | Short Volatility 9.07 | Multi-Strategy 8.17 | Short Volatility 4.47 | Multi-Strategy 2.47 | Fixed Income 6.69 | Relative Value 6.83 | Relative Value Volatility 0.73 |
| CTA/Managed Futures 2.31 | Relative Value Volatility 8.81 | Equity Market Neutral 7.84 | Fixed Income 4.26 | Macro 1.88 | Multi-Strategy 5.78 | Fixed Income 6.55 | FX 0.56 |
| Arbitrage 1.17 | Long Short Equities 8.55 | Arbitrage 7.64 | Relative Value 4.24 | Relative Value 1.81 | Equity Long Bias 5.24 | Distressed Debt 6.50 | Fixed Income 0.46 |
| Distressed Debt 1.15 | Multi-Strategy 7.81 | Relative Value 7.14 | Long Short Equities 3.82 | Short Volatility 1.09 | Short Volatility 5.09 | Arbitrage 5.27 | Equity Market Neutral 0.21 |
| Relative Value 0.79 | Arbitrage 7.34 | Relative Value Volatility 6.04 | Commodity 3.68 | CTA/Managed Futures 0.99 | Arbitrage 4.69 | Macro 3.98 | AI 0.00 |
| Trend Following 0.71 | Macro 4.84 | Fixed Income 5.75 | Equity Long Bias 3.45 | Fixed Income 0.88 | Long Short Equities 3.74 | Equity Market Neutral 3.85 | Arbitrage -0.25 |
| Macro 0.47 | FX 3.95 | Macro 4.50 | Equity Market Neutral 3.36 | AI 0.00 | Macro 3.49 | Relative Value Volatility 3.23 | Multi-Strategy -0.74 |
| AI 0.00 | Equity Market Neutral 3.20 | FX 3.61 | Event Driven 3.13 | Equity Long Bias -0.52 | CTA/Managed Futures 2.12 | CTA/Managed Futures 2.32 | CTA/Managed Futures -1.20 |
| Short Volatility -1.20 | CTA/Managed Futures 2.78 | Trend Following 1.02 | Arbitrage 3.00 | Event Driven -0.74 | FX 1.03 | Commodity 1.29 | Macro -1.32 |
| Multi-Strategy -1.24 | Long Volatility 0.27 | CTA/Managed Futures 0.72 | Long Volatility 1.58 | Long Volatility -1.07 | AI 0.00 | Trend Following 0.34 | Trend Following -2.19 |
| Commodity -1.51 | AI 0.00 | AI 0.00 | Distressed Debt 1.46 | Trend Following -1.94 | Equity Market Neutral -0.40 | AI 0.00 | Commodity -2.68 |
| Event Driven -4.58 | Commodity -0.61 | Long Volatility -4.44 | AI 0.00 | Distressed Debt -4.30 | Trend Following -1.02 | FX -0.19 | Short Volatility -5.59 |
| Long Short Equities -5.88 | Trend Following -1.86 | Commodity -5.85 | Relative Value Volatility -0.36 | Commodity -4.63 | Long Volatility -2.82 | Long Volatility -10.95 | Long Volatility -6.69 |
| Equity Long Bias -10.88 | Tail Risk -21.21 | Tail Risk -10.98 | Tail Risk -3.22 | Tail Risk -9.51 | Tail Risk -11.81 | Tail Risk -14.22 | Tail Risk -8.57 |

Are we at the end of the expansion cycle?

Growth and Capital Preservation

- Merger Arbitrage
- FI Arbitrage
- L/S Credit low beta
- Global Macro
- L/S Equity variable bias



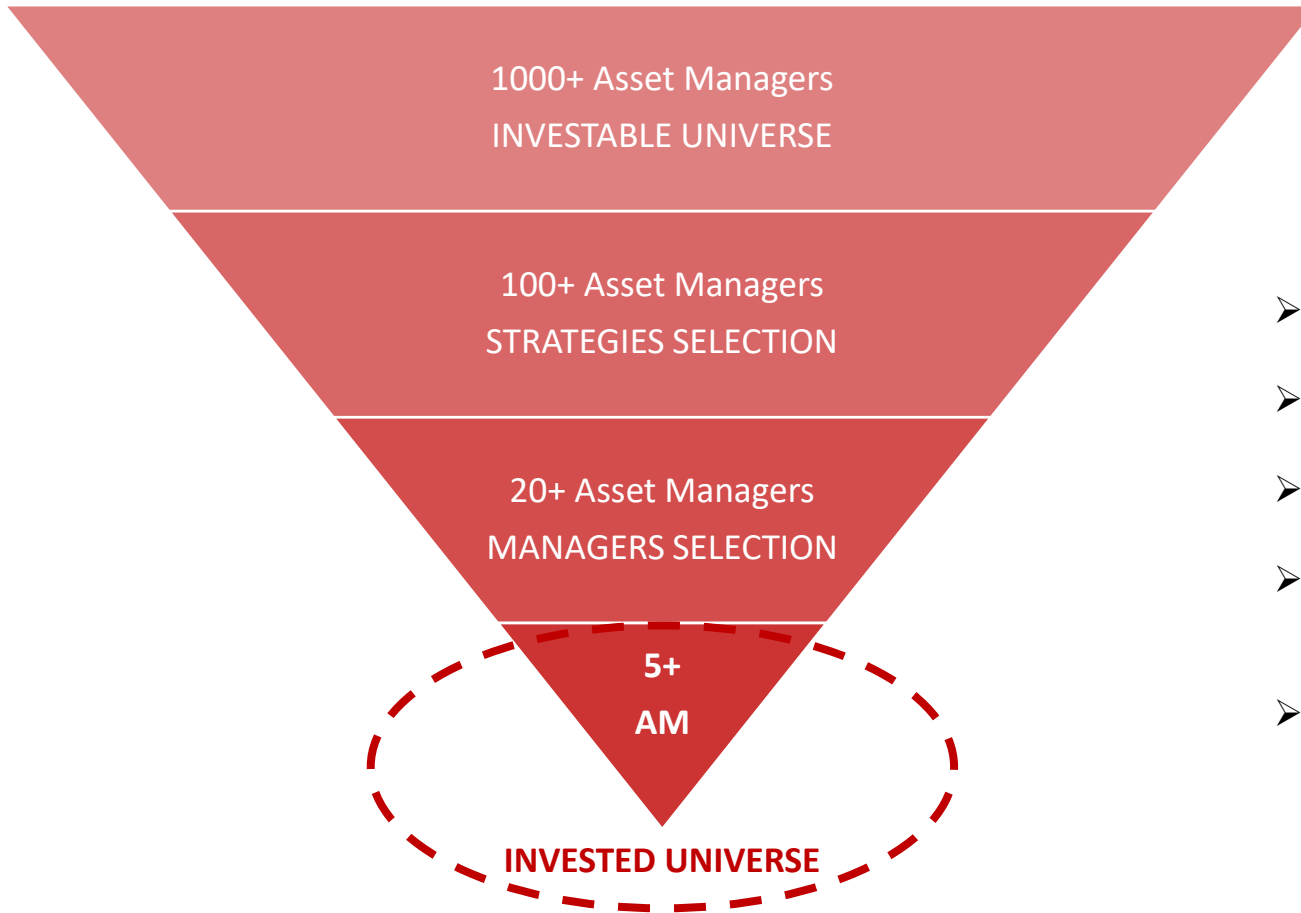
Low Beta Strategies

- CTA
- L/S Equity Market Neutral
- Merger Arbitrage
- Global Macro
- Credit L/S Market Neutral
- Opportunistic technological stocks

High Beta Strategies

- Equity Long/Short Long Bias
- Special Situations
- L/S Credit directional
- Distressed

RESEARCH



- Focus on a limited number of asset managers
- In-depth knowledge
- Fullfillment of the agreements
- Reduction of geographical distances between the manager and institutional customers
- Good reputation in the world of alternatives

INVESTMENTS

- ❖ **Technological innovation:** access to the in-depth know-how of partners committed to study themes regarding new technologies, able to disrupt industrial dynamics and productive processes. Identification of players who will benefit of these new technological trends in the next 3 to 5 years
- ❖ **Absolute return alternative investments:** co-investments, direct investments with our overseas partners

Investment Opportunities Summary

| Strategy | Liquidity | Theme | Instruments |
|-------------------------|--------------|--------------------------|---|
| Liquid Alternative | Daily-Weekly | Absolute Return | Offshore UCITS Managed accounts |
| Global Equity Long-Only | Daily | Technological Innovation | AMCs UCITS Managed Accounts Indexes |
| Alternative Credit | Quarterly | Trade Finance | Specialized funds Co-investments Managed accounts |
| Alternative Credit | < 5 years | Mezzanine, Private Debt | Specialized Funds Co-investments Managed accounts |
| Alternative Equity | > 5 years | Private Equity | Specialized Funds Co-investments Managed accounts |

OUR PARTNERS



❖ On finance SA (<http://www.onfinance.ch/>)

- Founded in 2000
- Financial Engineering
- Risk management
- Long experience and track-record
- Consolidated Team (> 15 years)
- Extensive professional network
- In-depth Know-How
- Quantitative and statistical in-house models
- Best Execution

OUR PARTNERS



❖ AtonRa Partners SA (<http://www.atonra.ch/>)

- Founded in 2004
- Extensive knowledge and in-depth research in technology, energy and healthcare
- Team of engineers highly specialized
- Strong links to the academic world
- Detection of strong medium to long-term technological trends
- Selection of quoted companies that will benefit of the trends

OUR PARTNERS



❖ Ruffer LLP (<https://www.ruffer.co.uk/>)

- Founded in 1993
- \$26 bn of AUM
- Since the beginning realizing the investment objective of preserving the invested capital in any 12 months period and of beating cash (annualised return of 8.5% and standar deviation of 5%)
- Extensive knowledge and in-depth research in capital preservation
- Team of 350 people, out of which 55 in research
- Strong links to the academic world
- Preservation of the purchasing power of the capital
- Unconventional approach

OUR PARTNERS



❖ SIG (www.sig-global.co.uk)

- Founded in 2002
- 100% Partner Owned
- Regulated by the Financial Conduct Authority in the UK
- Approved Fund Promoter by the Central Bank of Ireland
- SEC Regulated partner in the US
- Manage a proprietary UCITS fund platform for investors to access traditional and hedge fund strategies
- Funds managed by a select group of reputable portfolio managers with proven track records
- Seek to minimize operational risks
- Specialized in Long-Only absolute return or alternative strategies



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