



**UCITS V**

**Apuano Foundation China Fund**

**End of October 2022**





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# INTRODUCTION

## Why having a stable position for China in a portfolio?

- Number of Chinese companies listed in HK, Shanghai, Shenzhen and ADRs (US) is over 7000. In terms of number of listed companies, it is the world's second largest market after US.
- Combined market cap of HK, Shanghai, Shenzhen and ADRs is over USD 100 trillion. In terms of market cap, it is the world's second largest market after US.
- Monthly trading volume of HK, Shanghai, Shenzhen and ADRs is over USD 1.0 trillion. In terms of market cap, it is the world's second most liquid market after US.
- Number of large cap companies (> USD 10 billion market cap) in HK, Shanghai, Shenzhen and ADRs is more than 1400. The number of large caps is the world's second highest after US.





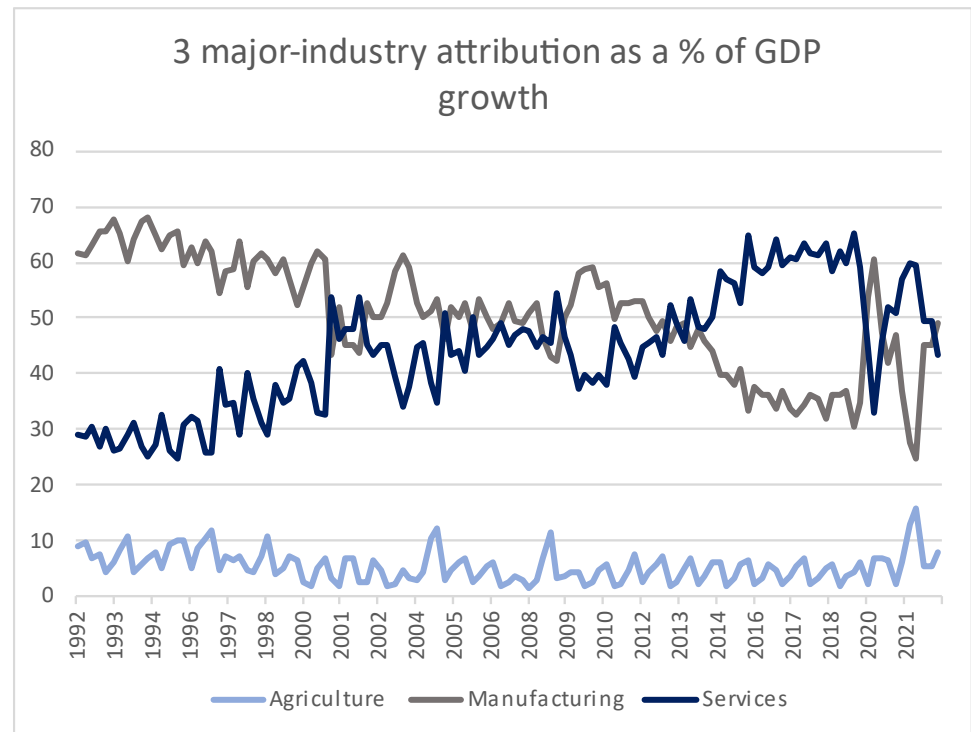
# INTRODUCTION – China Economy is Evolving

## Creating Long and Short opportunities

China, while growing at an exceptionally fast pace, is experiencing fundamental changes in its structure:

- From quantity to quality
- Supply-side reform, trade war => upgrade/exiting of certain manufacturing sectors, consumption differentiations etc.
- Contiguous industry consolidation usually means larger companies have better financing terms and pricing power at expenses of smaller companies

### 3 major-industry attribution as a % of GDP growth

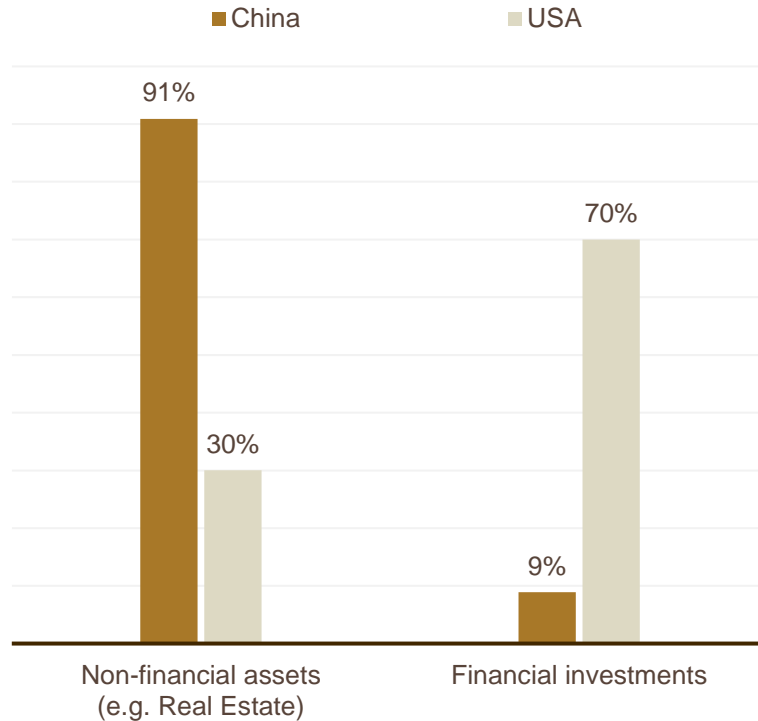




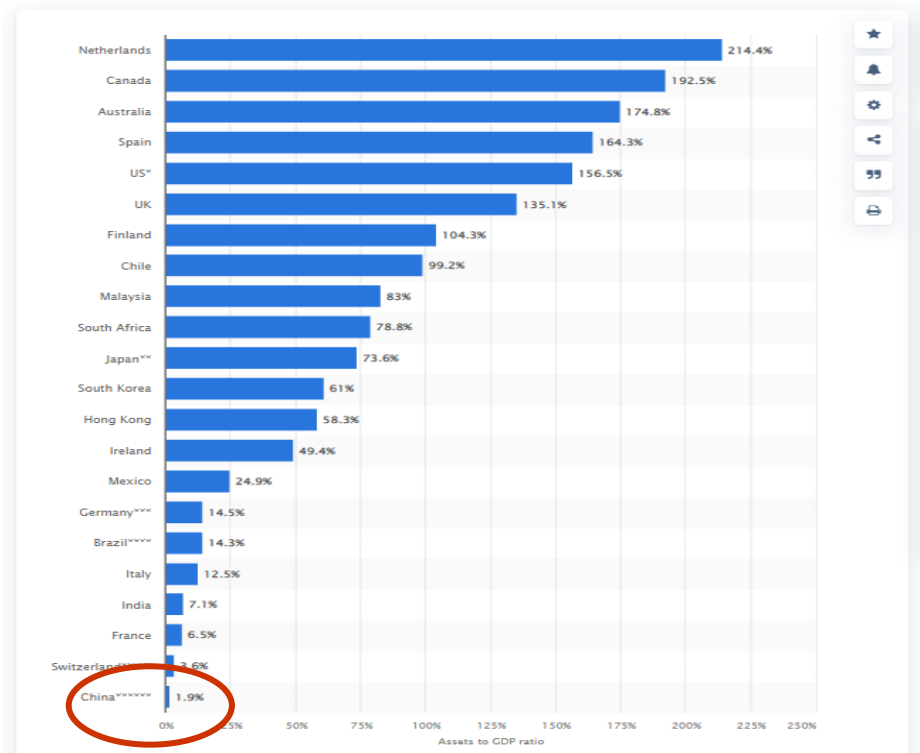
# INTRODUCTION – We remain long term positive on China

## Financial development still at its infancy

Chinese & USA Household Asset Allocation in 2020



Ratio of Pension Assets to GDP in selected Countries in 2020



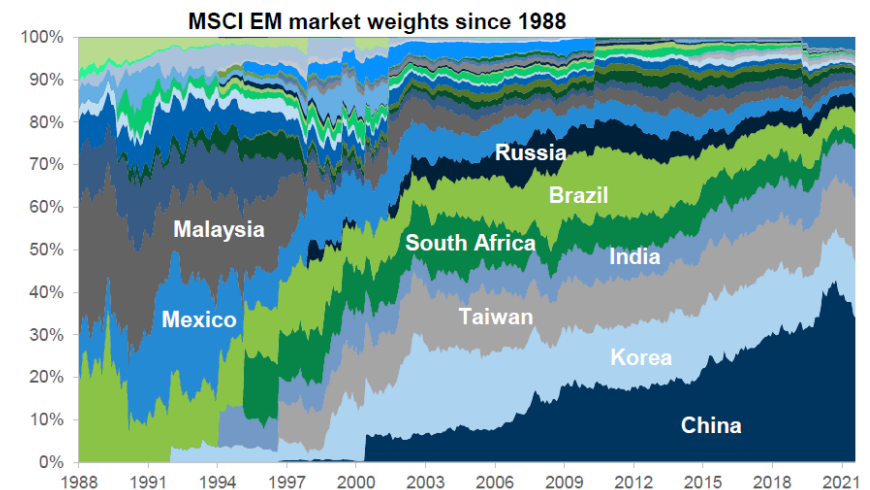
- With aging population, China's pension fund development with stronger institutional investors base will result in less volatile and stable rising equity market.

# **A** INTRODUCTION – China equity markets are evolving - institutionalizing MSCI and FTE indexes are hugely increasing their exposure to China markets

Chinese markets development over the last few years:

- In June 2018, MSCI announced the inclusion, for the first time, of domestic Chinese A Shares into its MSCI EM Index: this decision came after years of discussions based on capital controls and clearing/settlement issues
- FTSE Russell followed with the same decision in September 2018, including Chinese A shares into its FTSE EM and FTSE All-World Indices
- The initial weight of A shares into the MSCI EM Index was 0.8% as of the end of 2018. In February 2019, MSCI announced that the weight would have been quadrupled in 3 different steps, in May, August and November 2019. Midcaps and ChiNext shares were also included, alongside large caps
- As of 30.06.2021, the overall weight of China in the MSCI EM Index was 37.5%, having doubled its weight in the index in the last two years

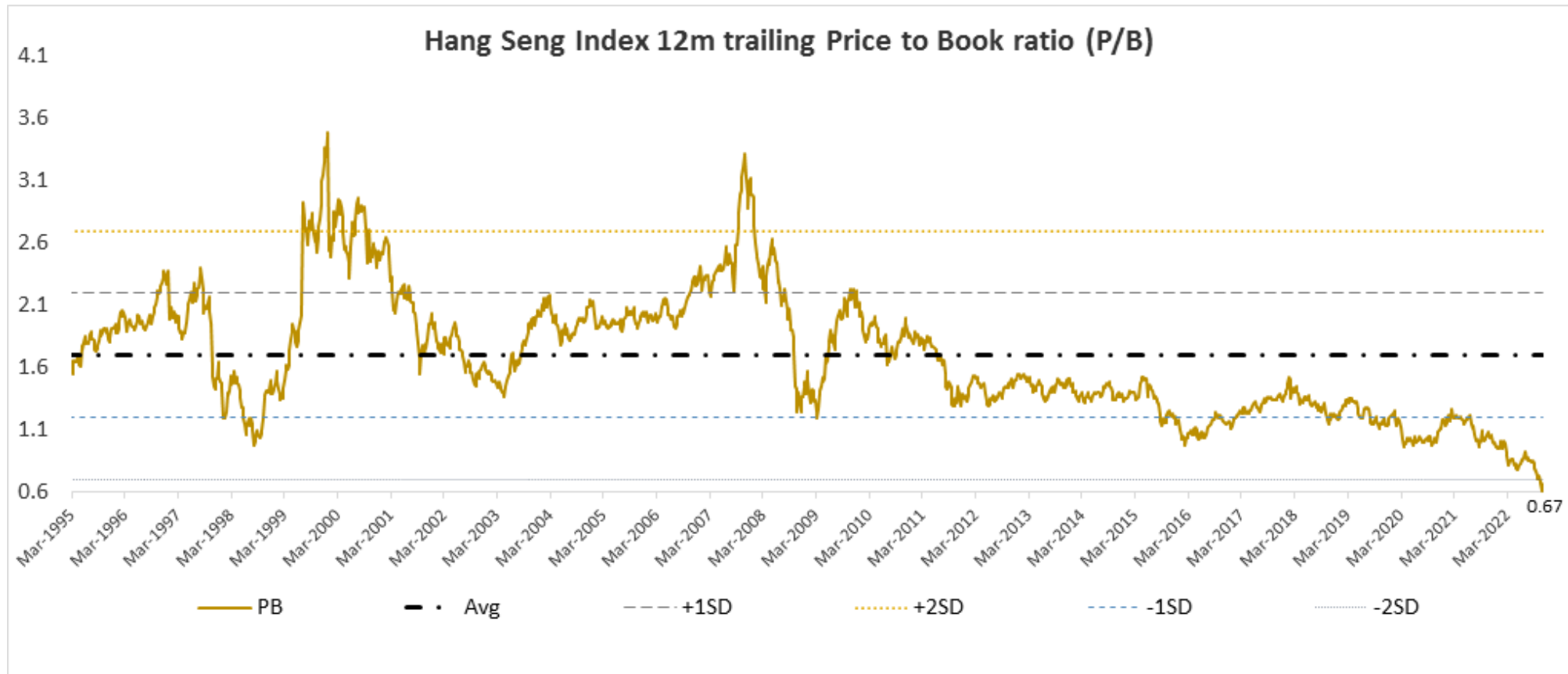
**These decisions will not only attract hundreds of billion USD of passive investment to this market, but will also increase the weight of sophisticated institutions invested**





# INTRODUCTION – Contrarian view

China markets are extremely cheap





# INTRODUCTION

## Product offered – Apuano tailor-made proposal

- Apuano Capital has launched a fund with the following characteristics:
  - Focused on the equity space, with a pure strong opportunistic bias towards Chinese exposure
  - Managed by Foundation Asset Management (FAM); an independent award winning asset management group based in Hong Kong, identified after an in-depth due diligence process in the China equity fund management companies space
  - Seeking to deliver superior risk-adjusted returns, adopting a long short equity approach and providing downside protection with an appropriate risk management process
  - Developed as the UCITS version of an existing successful hedge fund (Foundation China Opportunity Fund – FCOF) with 15 years of track record, with the exclusion of any Small Cap exposure in order to reduce volatility
  - A regulated (UCITS V) and liquid (daily) vehicle
  - Distributed to main EU & off-shore markets, via appropriate local sales forces





# INTRODUCTION

## Apuano Foundation China – Long Short Fund with China markets exposure





# EUROPEAN AND GLOBAL INVESTMENTS

Management Company and Global Distributor of the fund

- EGI is an independent fund management company established by investment professionals to provide tailored solutions to asset managers and investors.
- Compliant with UCITS V requirements and regulated by the Central Bank of Ireland.
- EGI was founded in Ireland in 2000. The current structure of the company is 85% owned by Management, with stakes in the hands of Italian and international financial institutions.
- EGI provides the following services to the Apuano funds:
  - Management: it acts as the Management Company of the umbrella
  - Risk Management: it provides all risk calculations, checking of the compliance with the Prospectus and regulatory limits
  - Legal services and compliance: it supports in the preparation and filing with regulatory authorities of all the legal documents required
  - Operations: it coordinates the funds portfolio manager, funds administrators, custodians, trustees and regulatory authorities
  - Distribution: it acts as funds global distributor in several different jurisdiction across Europe and facing different distribution platforms





# APUANO CAPITAL

Developer and Sponsor of the funds

## **Apuano's mission:**

- To identify unique investment opportunities that are not exploited by the market
- To develop and structure these opportunities into optimal solutions for investors

## **Apuano's expertise:**

- To create in-house funds, capturing unique opportunities through white label solutions
- To structure tailor made investment solutions, catering for investors' specific market
- Having more than 20 years of activities, developing products for over 500 Million CHF globally and launching from scratch more than 10 different funds
- Focused on different markets: mostly Italy and Switzerland, France, Monaco, Luxembourg, UAE and Bahamas
- Collaborated with different companies: IAM and Quercus (UK), Metropole Gestion (France), Sal. Oppenheim (Germany), China Southern (China), Maquarie (Australia) and others

## **Apuano has a proven track record in developing a wide range of financial instruments:**

- Hedge funds (Fund of hedge funds / Single manager hedge funds)
- Mutual funds (Bond / Equity / Flexible SICAV and Unit Trusts)
- Structured products and tailor made financial instruments
- Private Equity funds

**Apuano has built a solid reputation through different market cycles and complex legislation environments, developing several best-in-class opportunities**

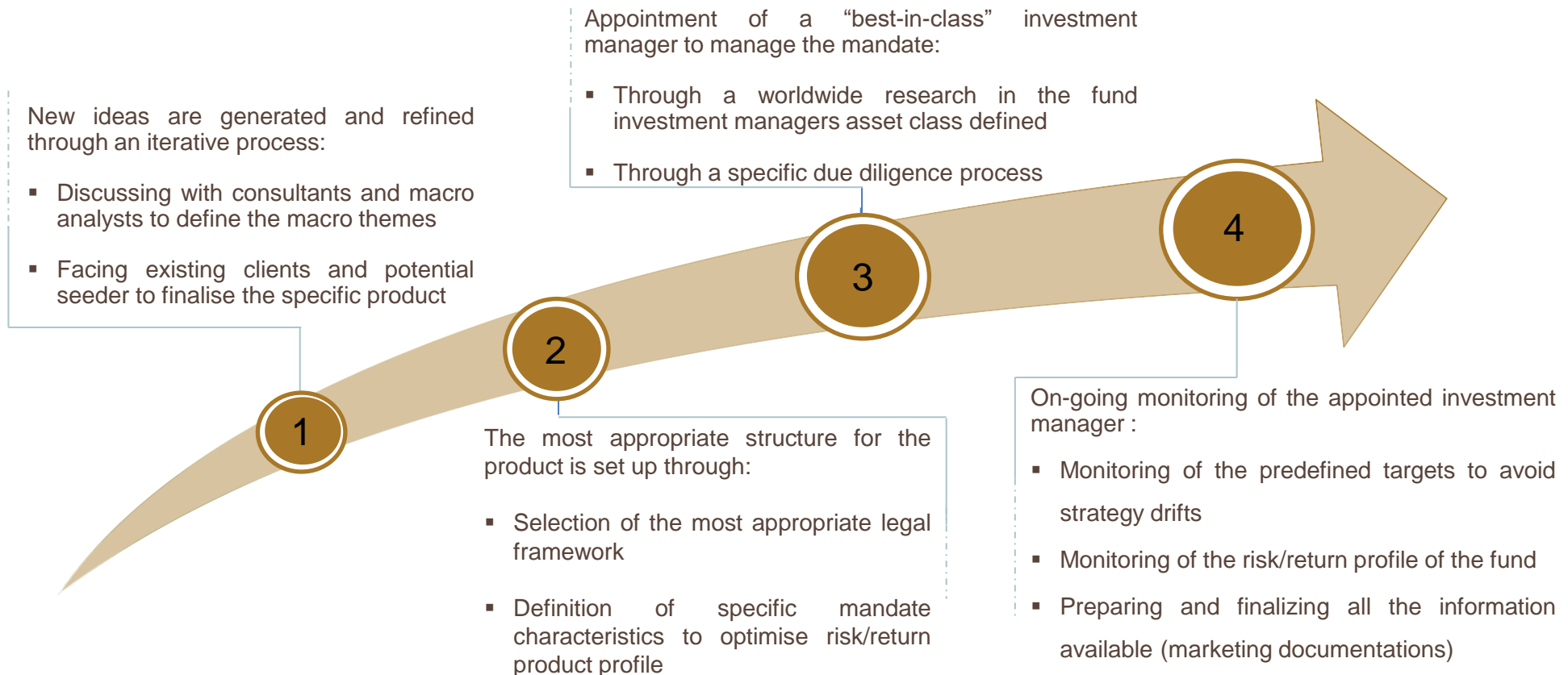




# APUANO CAPITAL

## Tailor-made family of funds

Apuano offers a tailor-made in-house range of funds, based on an systematic and independent selection and set-up process



**Apuano is committed to deliver its own set of tailor-made products through selected strategic partnership with “boutique” investment managers from across the world, with distinctive skills in different asset classes**



# FOUNDATION ASSET MANAGEMENT

## Key facts


- **A pure alpha generator in the Chinese market**
  - Founded in 2006, seeded by family office of UOB (Singapore's 3rd largest bank)
  - Team with a deep Chinese knowledge having an average experience of more than 20 years
  - AUM&A = 1.3 Billion USD approximately\*
- **Performance and downside protection as primary goal**
  - One of the Chinese pioneer in L/S equity and value investing
  - Committed to achieve a high absolute return
  - Reduced volatility offering downside protection by a systematic and dynamic short / hedging
- **Company's flagship fund (Foundation China Opportunity Fund) delivered a unique track record**
  - One of the longest standing China hedge funds
  - Performed cumulative return and standard deviation volatility much better respect the market
- **Company committed to expand its presence in Europe**
  - Developed a similar clone of its flagship fund portfolio to UCITS standards, reducing expected volatility having a lower Small Cap exposure
  - Launched through Apuano Capital a similar clone to its flagship fund without small cap exposure having also a pure clone of the European UCITS fund developed only for the Chinese domestic market





# FOUNDATION ASSET MANAGEMENT

## History and future plans

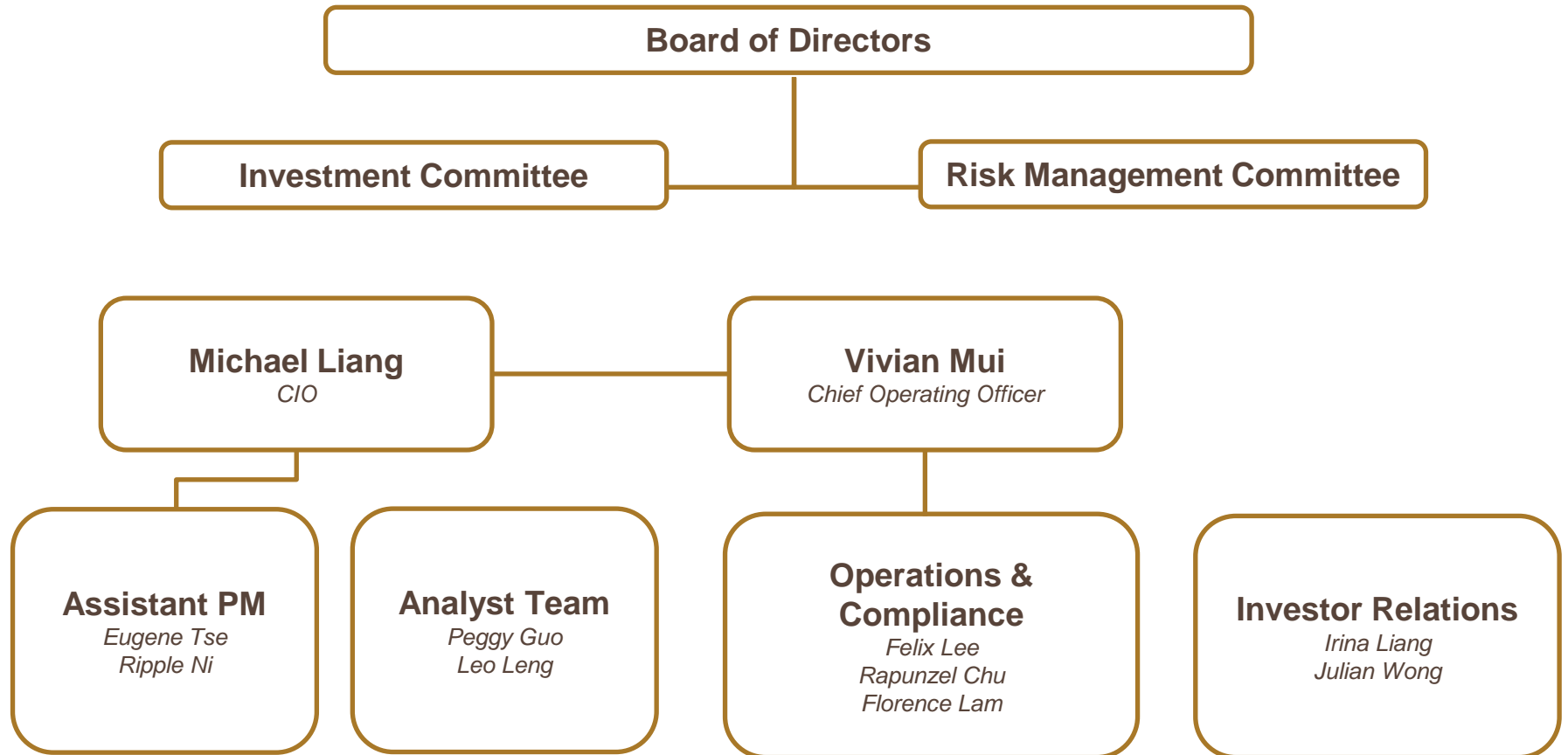
- 
- **2007:** Mr Michael Liang founded FAM with two institutional partners, initial AUM was USD 4.3 Mio
  - **2008:** China fund demonstrated great downside protection during the global financial crisis, beating market and most peers, lost 16.5% vs Hang Seng Index – 48%, Shanghai Comp – 65% and S&P 500 – 38%
  - **2016:** AUM reached about 200 Mio USD, serving a global client base from institutions, pension funds, FoFs to family offices and HNWs. FAM, won nomination and awards from AsiasHedge etc., has transformed from a start-up boutique firm into a full-fledged, mid-sized asset management firm
  - **2017:** won mainland China QD mandate from China Credit Trust Ltd (one of the top 3 companies in China with AUM RMB 357 Billion / USD 51.9 Billion)
  - **2019:** launched a retail version of FAM China fund with institutional seeders, taking advantage of mutual recognition between HK and China
  - **2020:** a UCITS V version of flagship FAM China fund (but with no exposure to small caps) is launched, mostly dedicated to European markets distribution in collaboration with Swiss boutique Apuano Capital
  - **By 2023:** to become the 2<sup>nd</sup> independent fund house to be listed on HK Stock Exchange (Value Partners was the 1st HK-listed fund house in 2007)



# FOUNDATION ASSET MANAGEMENT

## Organizational chart

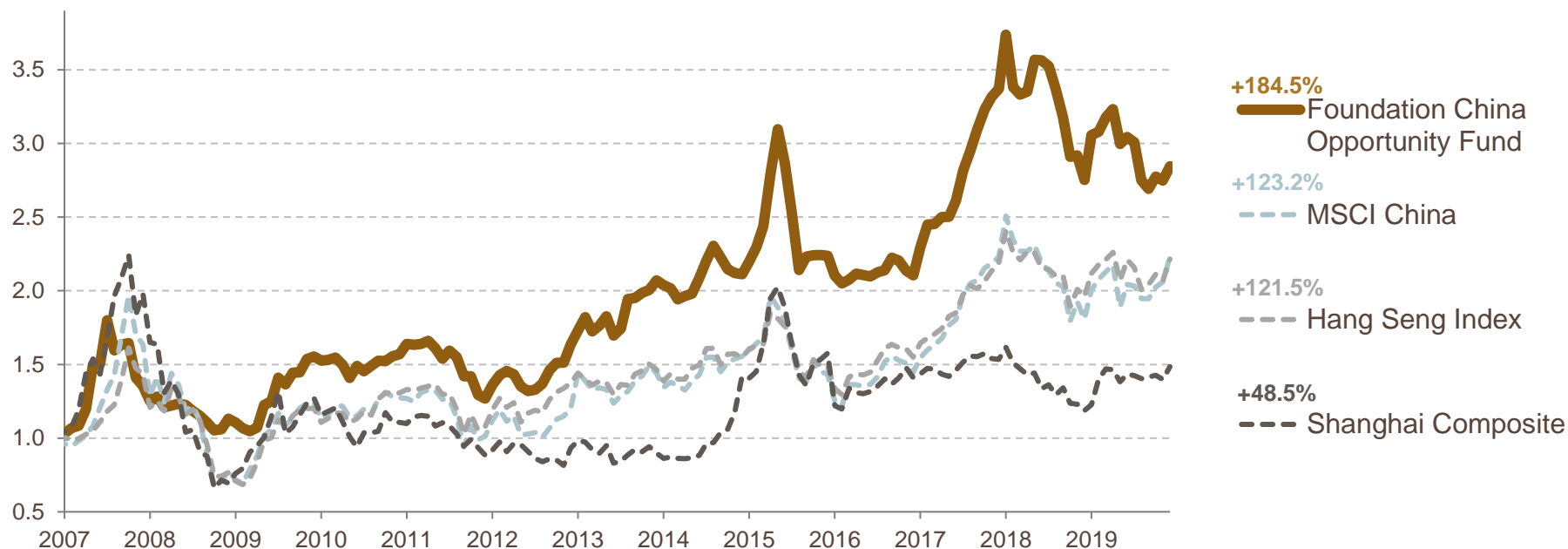
Our team's 13 professionals have an average 20 years of experience. Our key management has significant personal investment in our business and funds, interests of investment manager and investors are best aligned.





# FOUNDATION ASSET MANAGEMENT

Foundation China Opportunity – Track record before Apuano Foundation China fund launch  
Strong performance and downside protection



Net return	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2007 - 2019
<b>Foundation China Opportunity Fund</b>	35.6%	-16.5%	37.4%	1.0%	-19.2%	29.0%	26.6%	2.0%	5.9%	-5.8%	60.0%	-18.3%	3.4%	<b>184.5%</b>
<b>MSCI China</b>	66.2%	-50.8%	62.3%	4.6%	-18.4%	22.7%	3.6%	8.0%	-7.8%	0.9%	54.1%	-18.9%	23.5%	<b>123.2%</b>
<b>Hang Seng Index</b>	43.4%	-46.4%	56.6%	8.6%	-17.4%	27.5%	6.6%	5.5%	-3.9%	4.3%	41.3%	-10.5%	13.0%	<b>121.5%</b>
<b>Shanghai Composite</b>	98.0%	-64.9%	82.6%	-12.8%	-20.2%	5.8%	-3.9%	58.0%	11.2%	-10.5%	8.8%	-22.7%	25.3%	<b>48.5%</b>

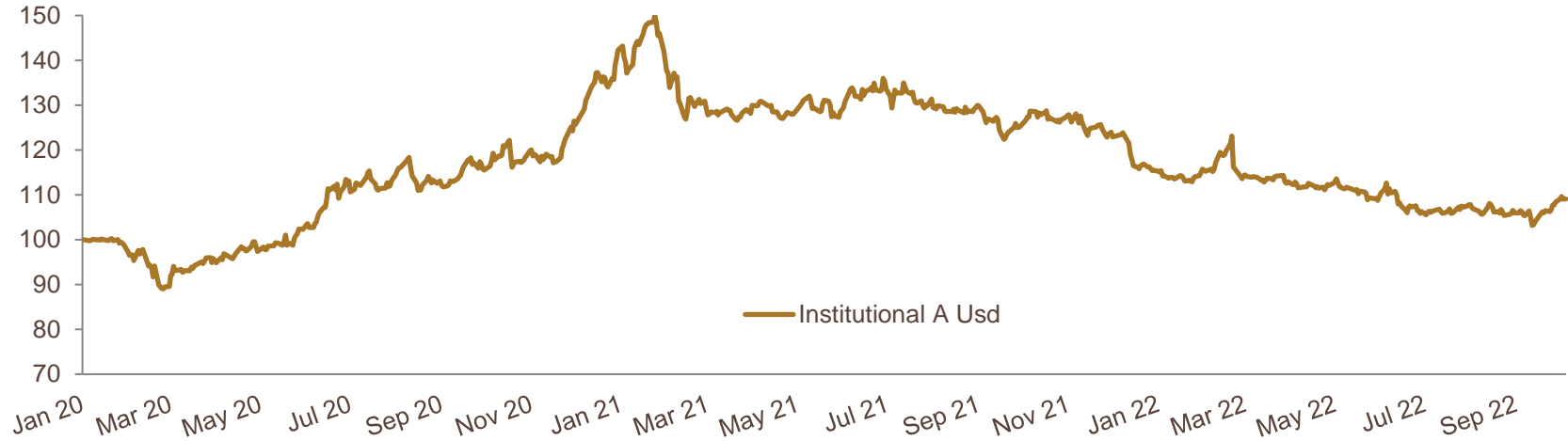
Source: Foundation China Opportunity Inst. Class  
Data from inception, 2007 - updated end of December 2019





# APUANO FOUNDATION CHINA – Performance since Inception

## Over two years fund track record



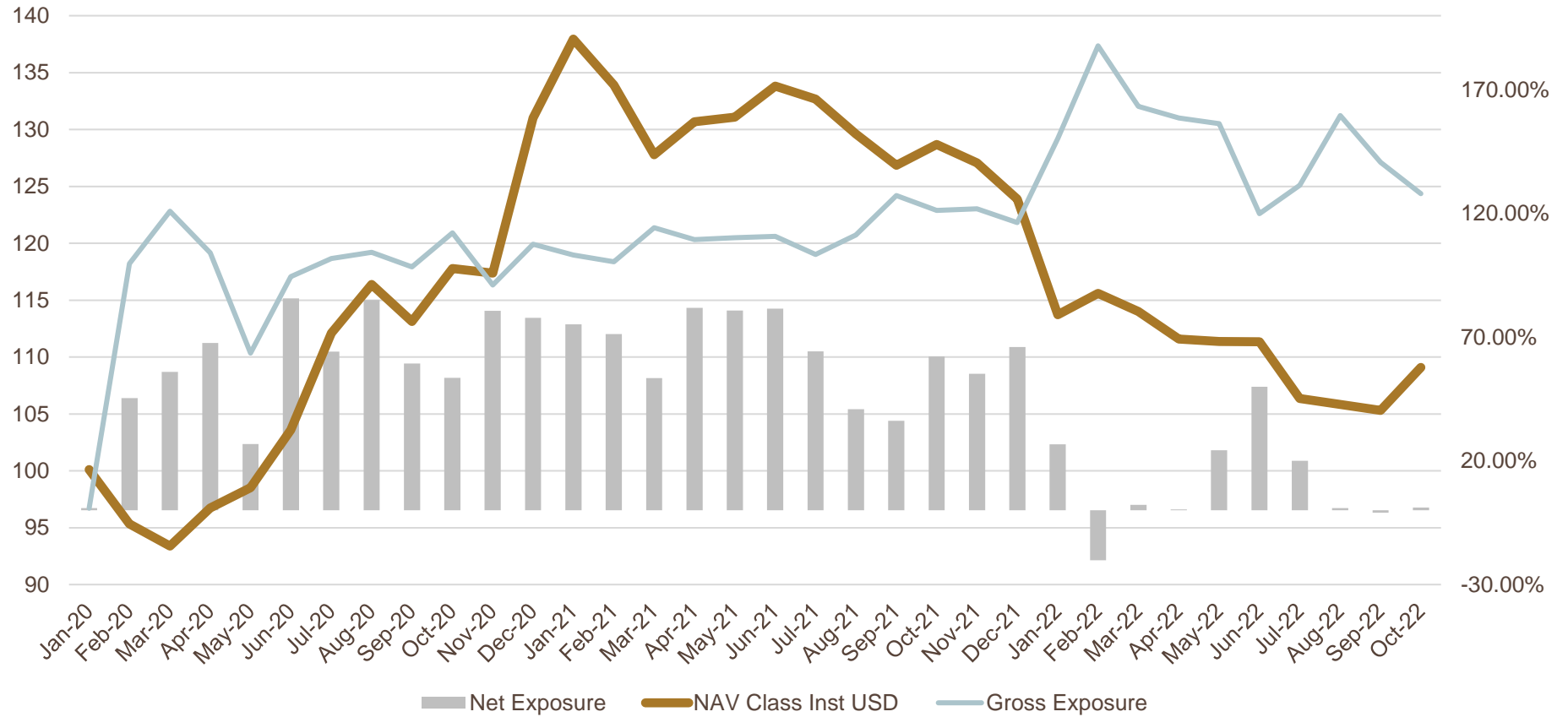
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2020	0.11	-4.77	-2.03	3.57	1.85	5.15	8.21	3.81	-2.78	4.11	-0.35	11.63	31.02
2021	5.28	-2.93	-4.58	2.27	0.31	2.09	-0.85	-2.31	-2.14	1.44	-1.25	-2.51	-5.45
2022	-8.20	1.64	-1.37	-2.12	-0.2	-0.01	-4.49	-0.49	-0.48	3.58			-11.94



# APUANO FOUNDATION CHINA

## Gross vs Net historical exposure

Apuano Foundation China Fund Gross / Net Exposure Since Inception





# APUANO FOUNDATION CHINA – Fund characteristics

## Objectives and limits

### Objectives Universe Constraints

- Investment objective: The Fund aims to maintain a consistent value-investing approach with a focus on liquidity and high return. The Fund may temporarily include cash and cash equivalents, up to 70% of its Net Asset Value, under exceptional market conditions for capital protection and risk management.
- Target net return/volatility: about 10% p.a. / <6% p.m. over the medium to long term
- Investment universe: primarily investing in equities issued by companies that are incorporated in China or companies which have significant operations in or derive a significant portion of revenue or profits from China.
- Investment approach: primarily by strong stock picking ability and discipline (focused on strong Free Cash Flow companies with attractive valuations) and unique portfolio construction (e.g. c20% in utility-like companies with low but stable growth between 5-10%); Short highly-leveraged companies with accounting, governance issues and growth story only supported by subsidies and M&A (negative Free Cash Flow); Supported by top-down systematic and dynamic shorting/hedging (gross exposure <200% & net exposure between 0% and 60%)

### Portfolio Exposure levels Long portfolio Short portfolio

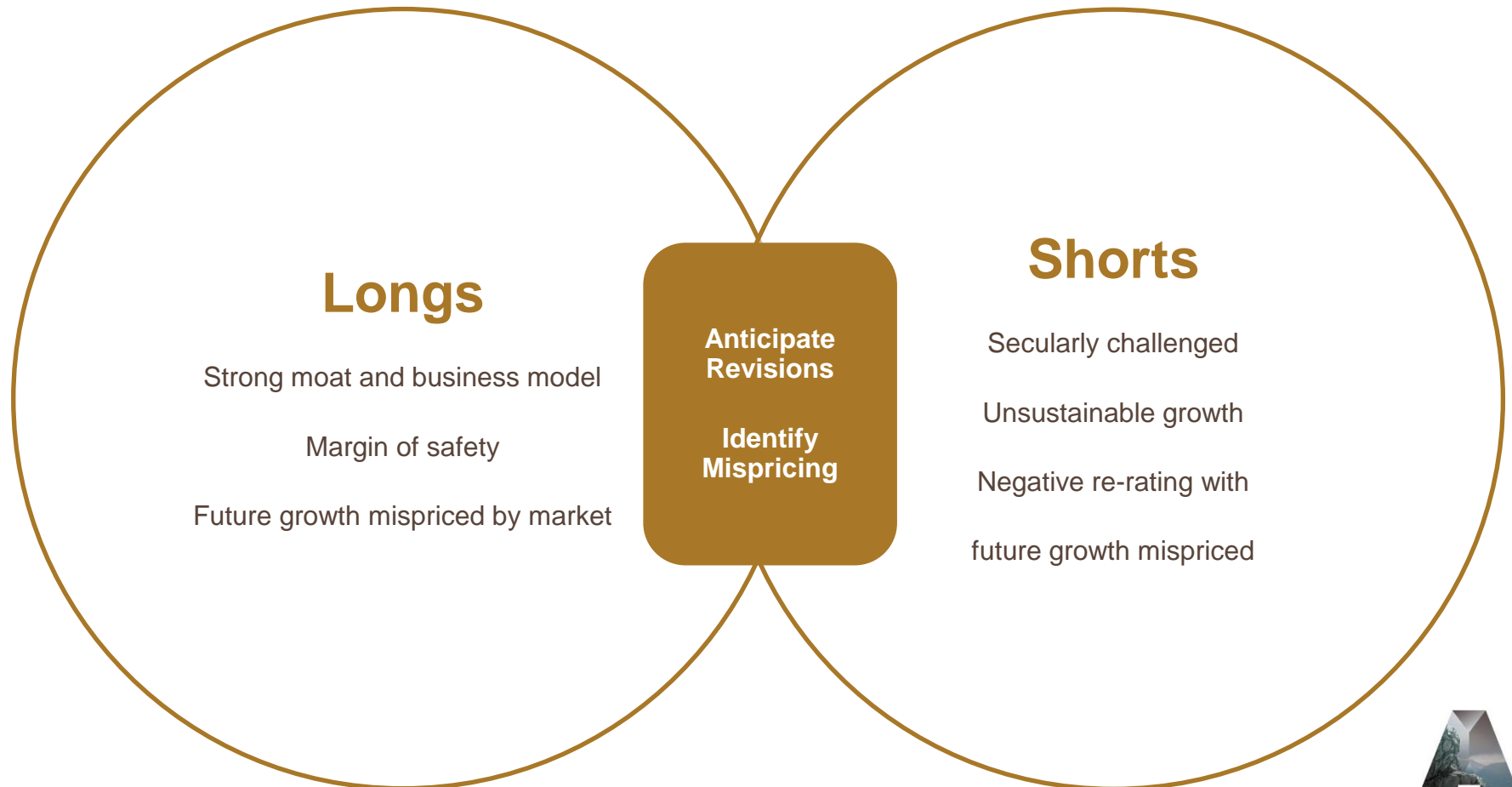
- Number of core holdings: 25-50
- Single name maximum exposure: 10%
- Maximum long exposure: up to 100%
- Expected gross exposure: 100 to 120% (max 200%)
- Use of future: for hedging purpose only
- Additional UCITS concentration and limit exposure rules apply:  
e.g. total positions >5% account for <40% of fund NAV



# APUANO FOUNDATION CHINA – Investment Process

## Bottom-Up Value Investing

QARP approach best to take advantage of mispricing in different sectors, with focus on technology, consumer, healthcare and industrials

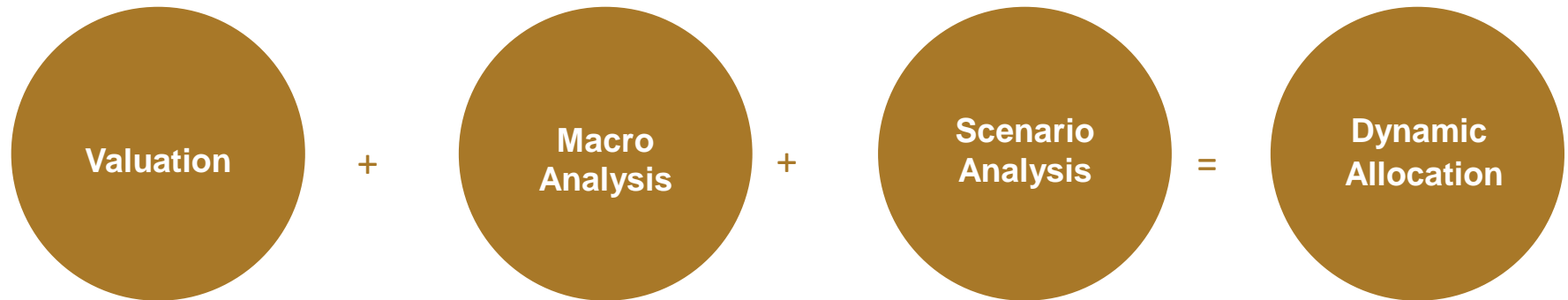




# APUANO FOUNDATION CHINA – Investment Process

## Top-Down ‘Quantamental’ analysis

- Intrinsic valuation approach based on asset value, profitability, or earnings growth
- Beyond fundamentals, other macro indicators that assist in the prediction of market movements
- Study of asset price performances when assumption changes
- Dynamic portfolio allocation to increase or reduce net exposures according to results from proprietary quantitative analysis



- Market valuation
- Peers valuation
- Up/downstream valuation
- Company valuation
- E.g. When asset valuation is one standard deviation below its historical average, the asset price downside risk is likely to be limited

- Macro economy data
- Foreign reserves
- Market liquidity indicators
- E.g. When PMI records a substantial increase from previous months, that implies manufacturing orders improved, indicating possible upside in market valuations

- Historical scenario
- Virtual scenario
- Mixed scenario
- Sensitivity analysis
- E.g. To test out how asset value reacts to different scenarios, such as interest rate up by 25 bps, or surge in raw material prices

- Asset allocation
- Gearing
- Hedging
- Net exposure
- E.g. Hedging to limit downside exposure when market shoots up with support of volume, as these are signs of short term optimism



# APUANO FOUNDATION CHINA – Investment Process

Disciplined and rigorous process



## Bottom-Up Value Investing



## Top-down Analysis



## Portfolio Construction



## Risk Management

### Intrinsic value as our foundation

- Anticipate revisions, identify mispricing
- Deep dive fundamental research: company calls, visits, conferences, channel checks
- Financial statements and valuation analysis
- Ideas forced-ranked and reviewed continuously

### ‘Quantamental’ investment process

- Market valuation analysis
- Macro analysis
- Scenario analysis
- Proprietary quantitative analysis

### Define portfolio subject to portfolio constraints

- Create or fine-tune recommendation list of securities
- ESG at our core
- Sector diversification, position limits, liquidity etc
- Risk/return characteristics of all portfolios

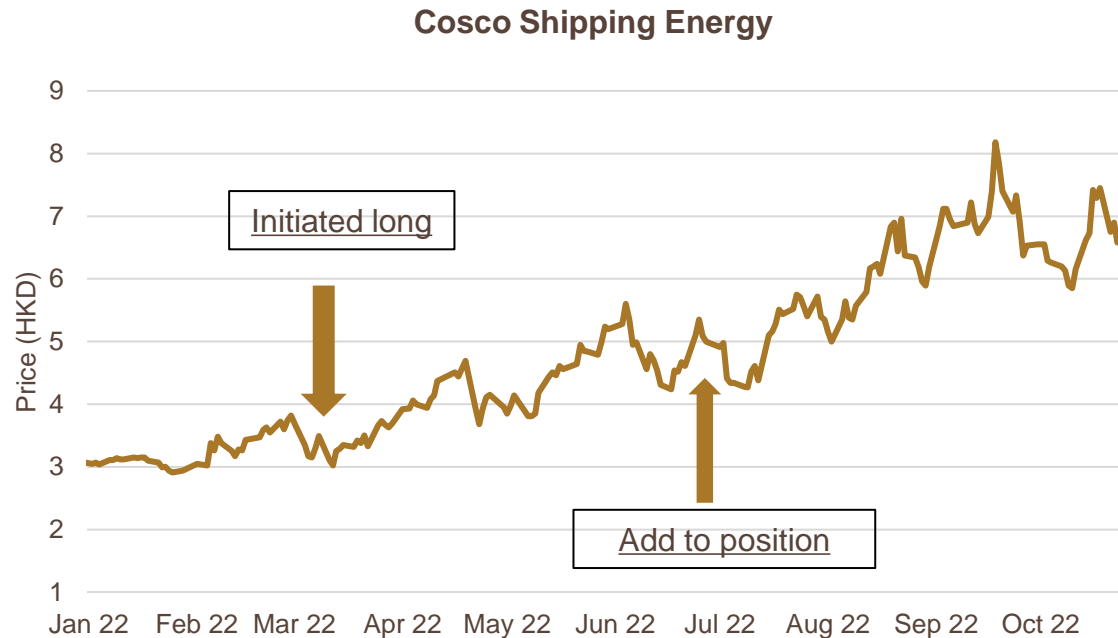
### Monitoring portfolio risk and compliance

- Risk reporting
- Operational risk management
- Monitor position sizes
- Stop loss
- Value-at-Risk and stress test
- Realized and implied volatility control



# APUANO FOUNDATION CHINA – Long Example

- Our industry expertise generate alpha away from crowded names



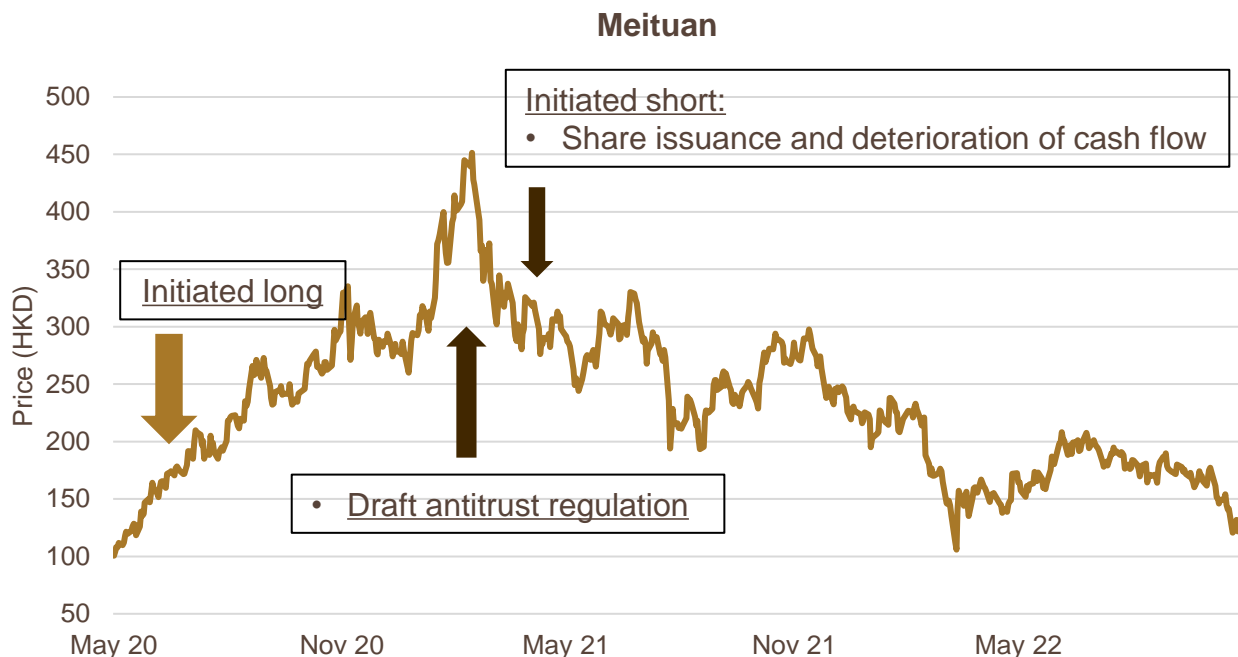
Largest global fleet of oil tankers, mainly focus on the Very Large Crude Carriers (VLCC) market

- **Long thesis:**
  1. **Reposition** of oil supply chain due to Russian sanctions, leading to longer tonne miles
  2. **Oversupply** problem in the past, no upcoming incremental supply until 2025 earliest
  3. **Depressed valuation**



# APUANO FOUNDATION CHINA – Short Example

- Contrarian approach stems from value investing philosophy, differentiated perspective on consensus longs



Tech platform with business in food delivery, hotel/travel bookings and community group buying

- **Initial long thesis:** Inflection in food delivery profitability, acceleration in bookings and travel segment
- **Reduction:** Draft antitrust rules in November 2020 5-Year Plan, we expected increased government regulation
- **Exit and short pivot:** Rolling stop-loss alert, also announced share issuance and negative inflection of FCF

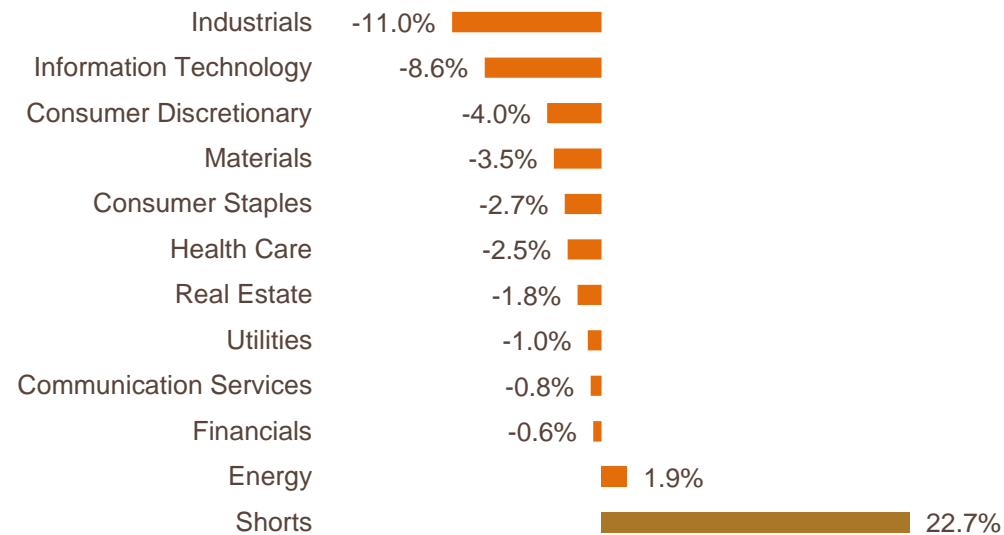




# APUANO FOUNDATION CHINA – Shorts generate Alpha

- Shorts exist to generate alpha, including **single name and customized baskets**
- Even with the recent rebound, our shorts significantly outperformed vs indexes

## Performance Attribution 2022



## Our shorts book outperformed vs indexes:

Attribution	Apuano Foundation China fund	MSCI China	Hang Seng TR
2022	+24.3%	+21.8%	+21.1%



# APUANO FOUNDATION CHINA

## Variable Net Strategy – ‘Quantamental’

- Dynamically adjust exposures based on proprietary ‘quantamental’ analysis

Performance (%)	Jan 2020	Dec 2020	July 2021	Feb-Apr 22	Sept-Oct 22
<b>Apuano Foundation China</b>	<b>0.11%</b>	<b>11.63%</b>	<b>-0.85%</b>	<b>-2.1%</b>	<b>3.1%</b>
Hang Seng TR	-6.7%	3.4%	-9.6%	-11.1%	-28.9%
MSCI China	-5.1%	2.8%	-14.1%	-14.7%	-29.1%

CH Earnings (yoy chg 2D)

1.7

Valuations

-1.7

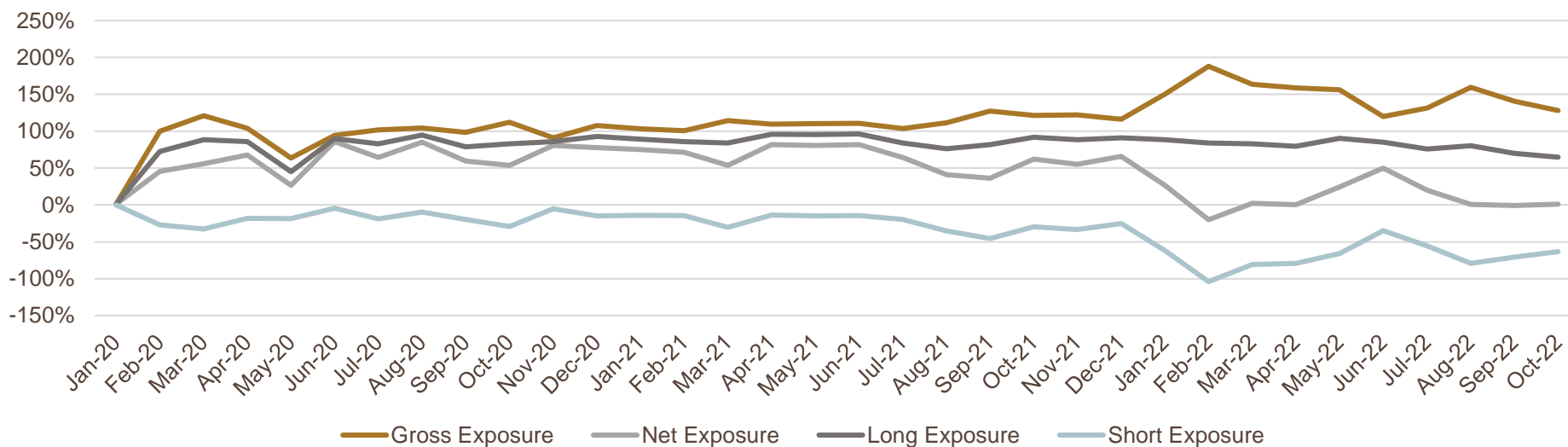
Macro indicators

-0.4

Leading indicators

187

0.1





# APUANO FOUNDATION CHINA – Risk Management

## Disciplined and rigorous process

- Independent risk manager - no investment role (COO – Vivian Mui)
- It is not possible to avoid risk, we make sure we are paid properly to take it
- Long clean companies with strong balance sheets; short highly-leveraged companies with accounting and governance issues and deteriorating prospects
- Aggregate long portfolio of companies (ex finance stocks) are generally in net cash
- Hedge event risks by the means of shorting index futures or long cash
- Single position percentage control; focus on investment portfolio liquidity
- Stop loss discipline for shorts, +10% reduce ½ position, +20% fully covered
- Reduced or no allocation to small caps (<1 Billion USD market cap) compared to FCO fund





# APUANO FOUNDATION CHINA – Risk Management

## Main guidelines

Parameter	Guidelines
Investment Themes	Emphasis on dynamicity and decorrelation to adapt fund's portfolio facing different market scenarios
Concentration	Long book: maximum 100% of NAV exposure Short book: maximum 30% of NAV exposure
Leverage	ca. 0% (0% long and 0% short)
Liquidity	No single position to exceed 10% No single position to exceed 300% of ADV 90% of the portfolio should be liquidate within 5 days being at most 30% of ADV
Currency Exposure	The master fund is USD denominated / investors classes in different currencies (Euro) will be fully hedged
Volatility (annualized)	Expected 12% to 18% ex post
Monthly turnover	0-20%



# APUANO FOUNDATION CHINA – Risk Management

## Multi-layered process

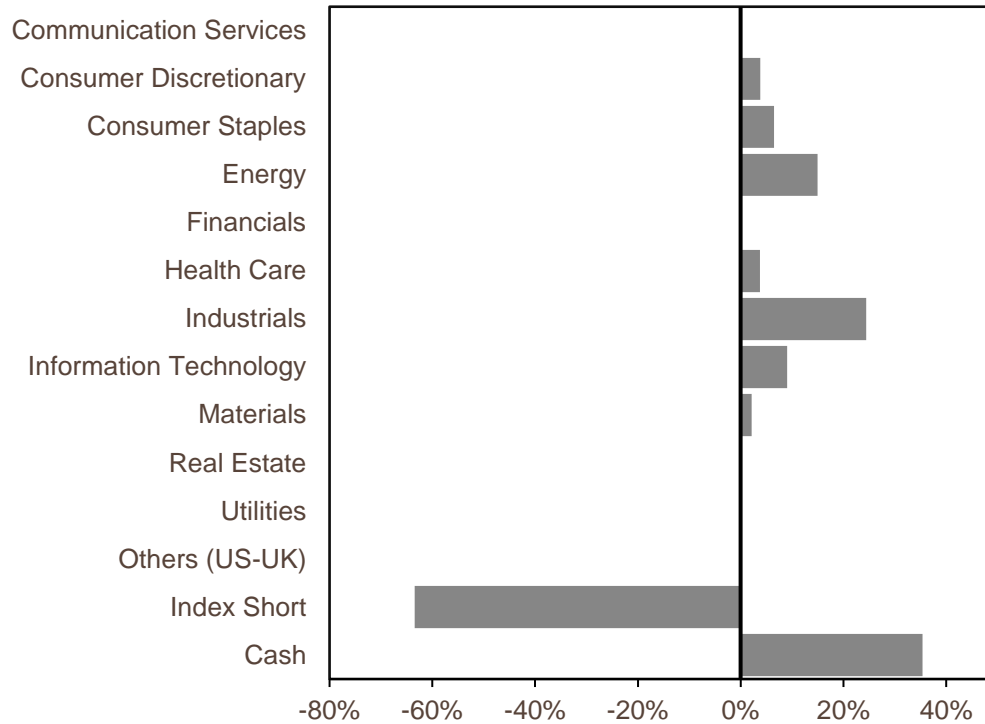
<b>Approach</b>	<ul style="list-style-type: none"><li>• Given the low complexity of the investment instruments the focus is on:<ul style="list-style-type: none"><li>– Liquidity and size of the single positions</li><li>– Respect of regulatory and internal limits</li><li>– Volatility and Drawdown control</li></ul></li></ul>
<b>Responsibility</b>	<ul style="list-style-type: none"><li>• Ex-ante:<ul style="list-style-type: none"><li>– Investment Manager (Foundation Asset Management)</li></ul></li><li>• Ex-post:<ul style="list-style-type: none"><li>– Management Company (European and Global Investments)</li></ul></li></ul>
<b>Control</b>	<ul style="list-style-type: none"><li>• 3 levels:<ul style="list-style-type: none"><li>– Compliance with UCITS regulations</li><li>– Compliance with Prospectus guidelines</li><li>– Compliance with Internal guidelines</li></ul></li></ul>



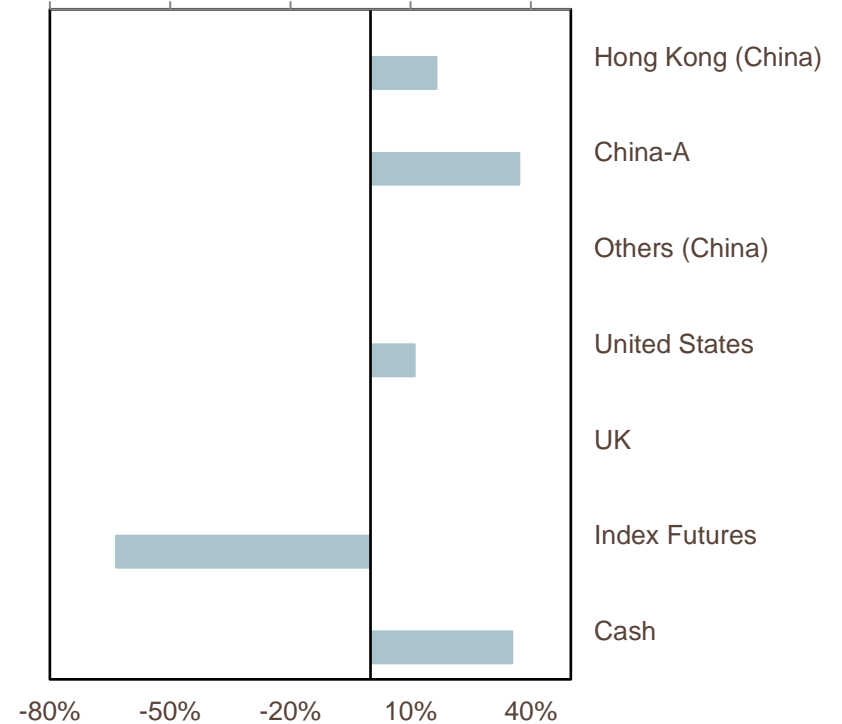
# APUANO FOUNDATION CHINA – Fund details

## Apuano Foundation China Fund – Sector and Geographical Exposure

### Sector Exposure



### Geographical Exposure

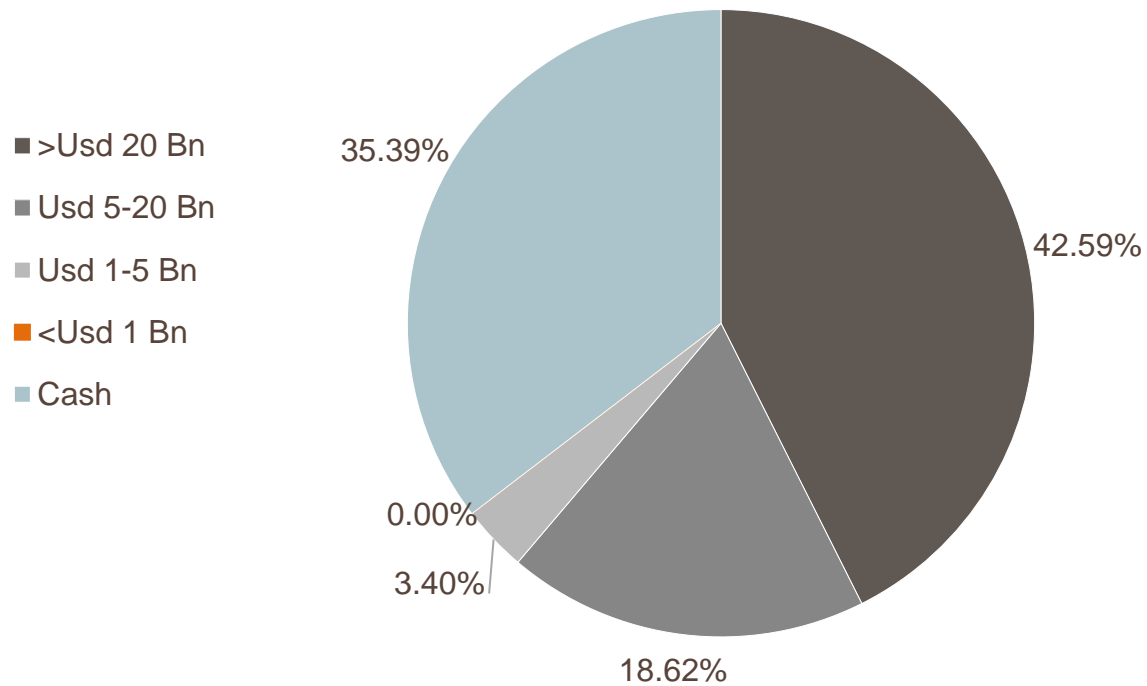




# APUANO FOUNDATION CHINA – Fund details

## Market Capitalization and Long versus Net Exposure

### Market Capitalization Exposure (Long)



**Net exposure 1.15%**  
**Index Future Hedging -63.46%**  
**Long exposure 64.61%**



# APUANO FOUNDATION CHINA – Fund details

## Main characteristics

<b>Inception Date</b>	<ul style="list-style-type: none"> <li>• First day NAV: 24<sup>th</sup> January 2020</li> </ul>
<b>Structure</b>	<ul style="list-style-type: none"> <li>• Umbrella Fund: Apuano Funds, an open-ended unit trust established as a UCITS</li> <li>• Sub-fund: Apuano Foundation China Fund</li> <li>• Domicile: Ireland</li> <li>• Base Currency: EUR</li> <li>• Benchmark: NA</li> <li>• NAV: Daily</li> <li>• Manager and Global Distributor: European and Global Investments Ltd</li> <li>• Portfolio Manager: Foundation Asset Management Ltd</li> <li>• Developer and Sponsor: Apuano Capital SA</li> </ul>
<b>Service Providers</b>	<ul style="list-style-type: none"> <li>• Administrator: CACEIS Ireland Ltd</li> <li>• Trustee: CACEIS Ireland Ltd</li> <li>• Auditors: Deloitte &amp; Touche</li> <li>• Legal Advisors: Dillon Eustace, Dublin</li> </ul>
<b>Fee Structure</b>	<ul style="list-style-type: none"> <li>• Class A Institutional EUR: 1.50% management fee, 15% performance fee with HWM</li> <li>• Class A Institutional USD: 1.50% management fee, 15% performance fee with HWM</li> <li>• Class A Institutional ES EUR: 1.50% management fee, 15% performance fee with HWM</li> <li>• Class A Retail Premium EUR: 2.25% management fee, 15% performance fee with HWM</li> <li>• Class A Retail Plus EUR: 2.25% management fee, 15% performance fee with HWM with an up-front fee up to 3%</li> <li>• Class A Retail EUR: 2.40% management fee, 15% performance fee with HWM</li> <li>• Class A Retail ES EUR: 2.50% management fee, 15% performance fee with HWM</li> </ul>







# APUANO FOUNDATION CHINA – Fund details

## Main characteristics (cont'd)

<b>Subscriptions Redemptions</b>	<ul style="list-style-type: none"> <li>• Minimum Initial Subscription:             <ul style="list-style-type: none"> <li>– Class A Institutional EUR: EUR 100,000 (*)</li> <li>– Class A Institutional USD: USD 100,000 (*)</li> <li>– Class A Institutional ES EUR: EUR 100,000 (*) (***)</li> <li>– Class A Retail Premium EUR: EUR 1,000</li> <li>– Class A Retail Plus EUR: EUR 1,000</li> <li>– Class A Retail EUR: EUR 1,000 (*)</li> <li>– Class A Retail ES EUR: EUR 1,000 (*) (***)</li> </ul> </li> <li>• Minimum Additional Investment: no minimum amount required</li> <li>• Subscriptions / Redemptions: daily</li> </ul>
<b>ISIN codes</b>	<ul style="list-style-type: none"> <li>• Class A Institutional EUR: IE00BKTNRB94</li> <li>• Class A Institutional USD: IE00BKTNRG40</li> <li>• Class A Institutional ES EUR: IE0006NINYT4 (***) / Retail ES EUR: IE000050PXM0 (***)</li> <li>• Class A Retail Premium EUR: IE00BKTNRC02</li> <li>• Class A Retail Plus EUR: IE00BKTNRD19</li> <li>• Class A Retail EUR: IE0009US87U6</li> </ul>
<b>Bloomberg codes</b>	<ul style="list-style-type: none"> <li>• Class A Institutional EUR: APAFCAI ID</li> <li>• Class A Institutional USD: AFAFCAI ID</li> <li>• Class A Institutional ES EUR: TBD (***) / Class A Retail ES EUR: TBD (***)</li> <li>• Class A Retail Premium EUR: APAFCAR ID</li> <li>• Class A Retail Plus EUR: AFAFCAR ID</li> <li>• Class A Retail EUR: TBD</li> </ul>
<b>Notes</b>	<p>Available platforms: (*) AllFunds          All classes are authorized to be sold to retail investors in Italy and to qualified investors in Switzerland          (***) Authorized to be sold in Spain</p>



# Why APUANO FOUNDATION CHINA fund?

## Outperform Return

In different market scenarios  
**+9.08%\* delivered net returns since inception vs HSI -46.8%  
vs MSCI China -43.5%**

## Proven

**15 years Investment Manager track record –  
About 3 years track record of Apuano  
Foundation China fund**

## Team

**Core members have 10+ years experience of  
managing Foundation strategies**

### Why Apuano Capital?

Apuano Capital identifies unique investment opportunities:

- through tailor-made dedicated funds
- with «best-in-class» investment manager partners
- having a dedicated pan-European sales force
- providing a unique and fully transparent connection between clients and investment manager partners

### Why FAM?

Foundation Asset Management stood out for:

- proven 15 years of track record
- a deep understanding of China with global perspective and local presence
- showing outperformance of their funds
- a unique team culture and background
- ability to conduct an independent and differentiated analysis

### Why Apuano Foundation China fund?

Apuano Foundation China has outperformed in a tough environment, protecting capital and minimizing downside, compared to its reference indexes:

**Net Return since inception\*:**

AFC Inst USD +9.08% vs HSI -46.8% vs MSCI China -43.5%



# BIOGRAPHIES

## Andrea Favilla

Andrea is the founder and CEO of Apuano Capital with the responsibility of Switzerland markets Business Development. He started his career almost 20 years ago as a financial analyst with some Italian private banks. In 1998 he moved to Switzerland where he worked for 4 years for Arner Bank as hedge fund specialist and later as head of the Family Office team.

After this experience, in 2002 he funded Bullet Capital Management and lately in 2011 he set up Quercus Advisors, supporting international asset management companies in the placement of their products mainly in Switzerland, Italy, and assisting HNW private clients via his family office department. During this period he started to build and issue various financial products dedicated to institutional clients mostly in the hedge fund space; as most important were an offshore fund of hedge fund and advised an Italian SGR to set up a tailor-made “Fondo speculativo”. At the end of 2012 he set up Apuano Capital SA focused on developing in-house financial investment solutions to connect superior asset managers to institutional clients, catering for their specific interests.

Andrea holds a MSc degree in Management Engineering from “Politecnico di Milano” with a specialization in Finance.

He is Italian national / Swiss resident.

## Antonio Luise

Antonio is the founder and CEO of Mizar Capital (CH).

Mizar acts as a consultant to Apuano Capital on Emerging Markets Due Diligence and Research activities and has sourced Foundation Asset Management as Investment Manager of Apuano Foundation China fund. Mizar is also instrumental in the business development of the fund.

Antonio has a long buy side experience in the selection, monitoring and due diligence of Alternative Investments, with a unique track record in investing in China since 2006 with long-short equity and macro managers.

Antonio spent 10 years until 2013 as CEO of Sagres Advisory (CH), a family office investing in alternative investments based in Switzerland. He has coordinated the launch of several vehicles investing in Hedge Funds, Private Equity and Private Debt funds, directly or through a proprietary managed account platform. Antonio is an Economist by formation:

he holds a Master’s degree in Economics at Bocconi University, Milan. He is a professional journalist in Italy having contributed to Bloomberg and Il Corriere della Sera among other publications. He is Italian national / Swiss resident.





## BIOGRAPHIES – cont'd

### **Michael Liang**

Michael founded Foundation Asset Management in 2006 with two institutional partners.

He has been the firm's CIO from the start and he is in charge of the firm's business and corporate activities. Under his responsibilities, Foundation Asset Management AuM and AuA have reached about US\$1.1billion with several funds and corporate awards won, building up a global client base. As one of the pioneers in creatively applying value investing to regional markets he regularly presents at media and conferences including CNN, Bloomberg TV, AsianInvestor and HK's most popular financial journal as Economic Digest and Ming Pao, sharing his view on the economy, markets, investment strategy and ideas. Prior to Foundation Asset Management Michael career in finance started with Macquarie Bank in Australia in 1993 as an investment analyst and then held various senior positions of major financial institutions responsible for securities broking and research. He has an MBA degree from Peking University, a Bachelor Degree in Economics from Renmin University of China and Wollongong University in Australia; he is also a CFA. Michael is Chinese national / Chinese resident

### **Eugene Tse**

Eugene has 13 years experience of working with Michael Liang at Foundation AM.

Eugene is a Senior Analyst, and a member of the Investment Committee. He has been with the company since 2009 and has worked together with CIO Michael Liang for over 13 years. His coverage responsibilities include technology, renewables and utilities. He graduated from University of New South Wales with bachelor's degree major in Finance and International Business and has been an analyst with Foundation ever since. Eugene is Chinese national / Chinese resident.

### **Ripple Ni**

Ripple covered A-share consumer at leading onshore brokers before joining Foundation AM. He has deep understanding of Chinese consumer trends and Gen Z habits. Ripple has a Master in Economics at the Chinese University of Hong Kong. Ripple is Chinese national / Chinese resident.

# BIOGRAPHIES – cont'd

## **Leo Leng**

Leo Leng has a family background in one of China's state-owned banks dating back generations. He has previous experience at Bank of China, close relationship with financial regulators and SOEs

Leo is Responsible for structured financing at Huarong during state bailout amid US\$16bn loss, witnessed first hand the issues in Chinese financial companies. Leo is Chinese national / Chinese resident.

## **Peggy Guo**

Peggy Guo has a background in a variety of medical consulting firms, advised top pharmaceutical companies on research/evaluation of drugs, clinical trial design and commercialisation of products. She started her own health care ecommerce company before joining Foundation AM. Peggy has a Bachelor degree of Pharmaceutical Engineering from Sichuan University.

She is Chinese national / Chinese resident.

## **Julian Alworth**

Julian Alworth is Chairman of EGI, a position he assumed in December 2002, prior to which he was Managing Director of the Company from January 2001.

Before joining the Company Mr. Alworth worked as Managing Director of Mediolanum International Funds (Dublin) from 1997 to 2000 as well as Managing Director of both Vicenza Funds Ltd. and Mediolanum AM.

Mr. Alworth designed and had prime responsibility for launching Fondamenta, the first Italian private equity fund of funds. Prior to Mediolanum, Mr. Alworth worked in the Monetary and Economics department of the Bank for International Settlements (1981-93) and was responsible for research on international capital markets and the BIS quarterly report. Mr. Alworth has taught in several universities.

Lately, from 2003 to 2010 he lectured on Taxation and Business Strategy at Oxford Said Business School where he was also Associate Fellow. His main research focuses on taxation and finance with more than fifty academic publications. he has also been a consultant to the OECD, the European Commission, the IMF, the World Bank and the Inter-American Development Bank, as well as for the government of Chili, Mexico and Peru. In 2004 he founded a consulting company in Milan, European Investment Consulting Srl.

He holds a D.Phil. from Oxford University, an M.Sc. from the University of Maryland and graduated summa cum laude from the Università di Roma.

He is Italian and U.S. national / Italian resident.



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