



COPERNICUS
Capital

Southern European Credit Portfolio Opportunities I

June 2025

Executive Summary

Market Opportunity

- ✓ Exclusive market opportunity to acquire small secured non-performing debt (NPL) portfolios in Southern Europe
- ✓ Since 2022, +200 small portfolios, with a total ERC¹ of +€4bn, have been transacted
- ✓ Small portfolios are below the radar of the major distressed debt investors, reducing competition and increasing potential returns
- ✓ This type of portfolio has a good diversification of risk deriving from its granularity, provides investors with downside protection due to the important discounts with which they are acquired, as well as being anticyclical and uncorrelated with public capital markets.

Investment Strategy

- ✓ Acquire SME and Individual NPL portfolios backed mostly by real estate collaterals and other type of guarantees at a discount from financial institutions, funds, and servicers in the primary and secondary markets
- ✓ Target locations: Spain, Italy and France
- ✓ Granular NPL portfolios from SMEs² and Individuals backed by Real Estate Assets
- ✓ Type of Collaterals: Primarily residential, but also industrial, commercial, government-backed guarantees, etc..
- ✓ Monetize the investments through different legal, negotiation and asset management strategies: consensual agreements with debtors, judicial auctions, insolvency proceedings, repossession of the assets and sale the collaterals

Target Investment

- ✓ Off-market and semi-off market transactions
- ✓ Target average number of debtors per portfolio of 50 / 200
- ✓ Investment Transaction Price per portfolio typically ranging from €1m to €20m
- ✓ Target Unlevered Gross IRR³: 15% // Gross MoM³ 1.5x – 1.6x

Investment Vehicle Overview

- ✓ Target size of €50m in commitments
- ✓ Luxembourg SICAV RAIF Closed End Fund
- ✓ Only eligible for subscription to Well Informed (Professional) Investors with a minimum commitment of €100k.
- ✓ 1 year Investment period (+ potentially 1 year extension) + 3 years harvesting + two annual discretionary harvest period extension

¹: ERC, Expected Recovery

²: SME, Small-Medium Enterprises (companies with under 250 employees).

³: IRR / MoM: Unlevered, gross of fund expenses and performance fees

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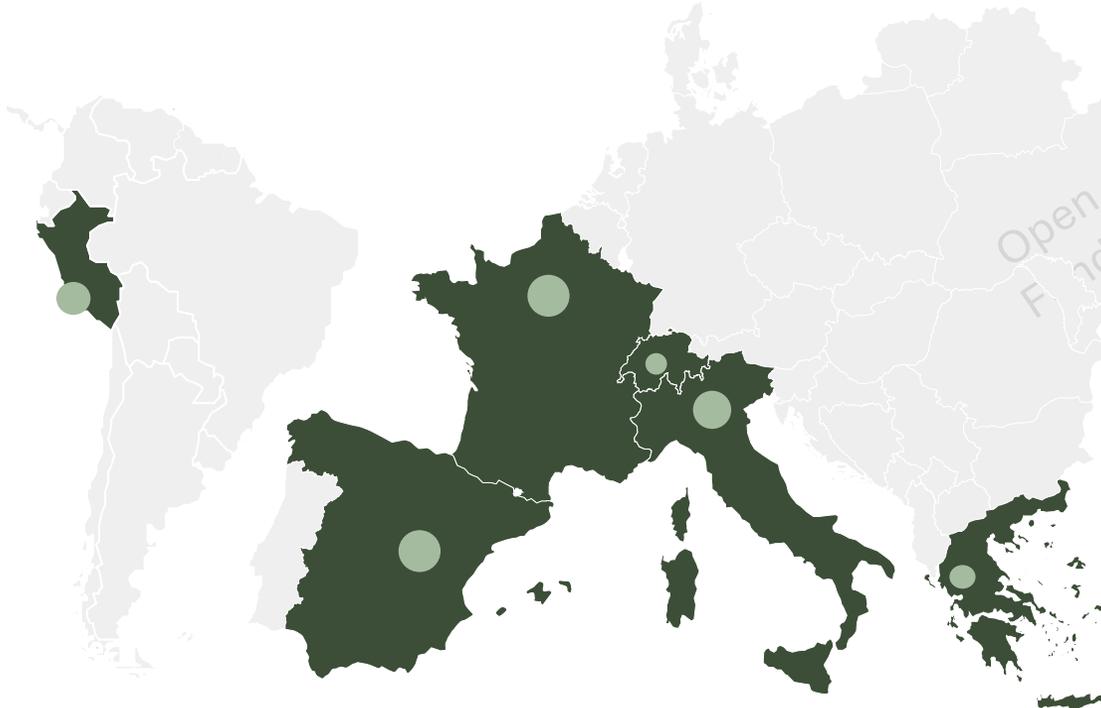
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Copernicus Group – Who are we?

Founded in 2013, Copernicus Group is a global and independent operating asset manager in the Distressed Debt and Opportunistic Real Estate markets

Global Presence

We are active in the main distressed markets in the EU



+€14bn
Assets Managed

6
Countries

+300
Professionals

Business Lines

Secured Distressed Debt **+€40bn** **+€14bn**
Portfolios underwritten Assets Managed

Real Estate **+45,000**
Real Estate assets managed

Asset Backed Lending **+€150m**
in ABL deals

Hospitality **+€1bn**
In Hotels Managed

Investment & Fund Advisory **+€120m**
Funds & Vehicles

The Strategic Gateway to Southern European Investments

Copernicus has developed long-standing successful relationships with first class investment banks and funds

DE Shaw & Co

BainCapital

WATERFALL
Asset Management

cerberus

LGT

BAYVIEW®
ASSET MANAGEMENT

CPP
INVESTMENT
BOARD

Deutsche Bank

BARCLAYS

illimity

STARWOOD
CAPITAL GROUP

HoistFinance

LCM PARTNERS

PIMCO

LBI

ARES
ARES CAPITAL CORPORATION

MARATHON
ASSET MANAGEMENT

CHENAVARI
Investment Managers

ALCHEMY

DK PARTNERS



BANK OF AMERICA

VARADERO
CAPITAL

KING STREET

GoldenTree
ASSET MANAGEMENT LP

FARALLON
ESTABLISHED 1986

Goldman
Sachs

HAYFIN

M&G
INVESTMENTS

LYNXCAP

DavidsonKempner
Capital Management LP

Crestline

NYATH GROUP
Real Estate Investments & Development

ELLIOTT

TPG

AnaCap
Financial Partners

Copernicus Group – Senior Leadership

Experienced Senior Management with a long and proven track record in Real Estate, Debt and Capital Markets

Chairman Copernicus Group



**José
Nestola**

*Founder & Chairman
of Copernicus Group*

José founded Copernicus in 2013. Previous roles include Head of Citigroup Iberia, Co-Founder and Managing Director for Spain and Portugal at Salomon Smith-Barney, President and CEO of Nikko Securities SVSA. José has an MBA from Chicago Booth University and a BS in Business Administration with Honors from Coventry University.

Copernicus Group Management Committee



Juan Uscola

*Co-founder & Managing Director
Spain & Portugal*

Juan was co-founder of Copernicus in 2013.

Previously he was Head of Legal, Restructuring & Insolvency, at Banco Popular where he managed more than €15bn Corporate NPL debt and managed more than 20,000 delinquent mortgages.

Juan has a Law degree and a Master's degree in Corporate Law from Universidad Complutense.



Paul Tighe

*Co-founder & Global Head of
Advisory and Investor Relations*

Paul joined Copernicus in 2014 and has advised on +200 NPL portfolio transactions in Spain, Portugal, Italy and France.

Previous roles include Director, Restructuring and Transaction Services at KPMG in Spain.

Paul has a Bachelor of Business (First class honours) from the University of Limerick and is an Irish Chartered Accountant.

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Copernicus Group – The Team

Our investment committee team analyzes and recommends different investment opportunities which are originated and executed by a network of specialized local teams across Spain and Italy

Global Advisory Committee



Jose Nestola

Founder & CEO of Copernicus Group



Juan Uscola

Co-Founder & Managing Director Spain & Portugal

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Paul Tighe

Co-Founder & Global Head of Advisory and Business Development



Javier Sanchez

Global Head of Underwriting and Fund Management



Guillermo Poggio

Senior Portfolio Manager Copernicus Advisors

Copernicus Servicing Team



Fernando Roldán

Head of Portfolio Management



Daniel Gómez

Head of Underwriting Spain



Cristina Orasanu

Head of Real Estate AM Spain



Antonio Vaccanti

Senior Legal Manager, Italy



Begoña Díez de Ulzurrun

Director of Fund Operations, Copernicus Advisors



Fabrizio Gentile

Business Development, Italy



Diego Avizzano

Head of Underwriting Italy



Francesco Varisco

Head of Real Estate Italy



Margarita Arenas

Senior Portfolio Manager, Resi Mortgages, Spain



Jerome Vallee

CEO, Copernicus France

Copernicus Group – What makes us different?

Our specialized local teams along with our global platform and proprietary technology, allow us to deliver superior returns to our investors

1

Independent Partnership



- ✓ Partnership model with employee/management equity participation
- ✓ Strong alignment of interests
- ✓ Attract and retain the best talent
- ✓ Independence

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3

Integrated Investment & Operating Platform



- ✓ End-to-end servicing platform integrating the whole value chain
- ✓ Multi-asset class with in-house specialization
- ✓ Optimal asset management
- ✓ Cost-efficient approach

2

Seasoned And Multidisciplinary Teams



- ✓ Track record in NPLs and RE opportunistic investments
- ✓ Multidisciplinary and multicultural team
- ✓ Proactive approach to resolve complex legal situations and negotiate a win-win for all parties

4

Strong Local Presence



- ✓ Local knowledge and network
- ✓ Local sourcing of opportunities
- ✓ Dedicated local teams with a “boots on the ground” approach

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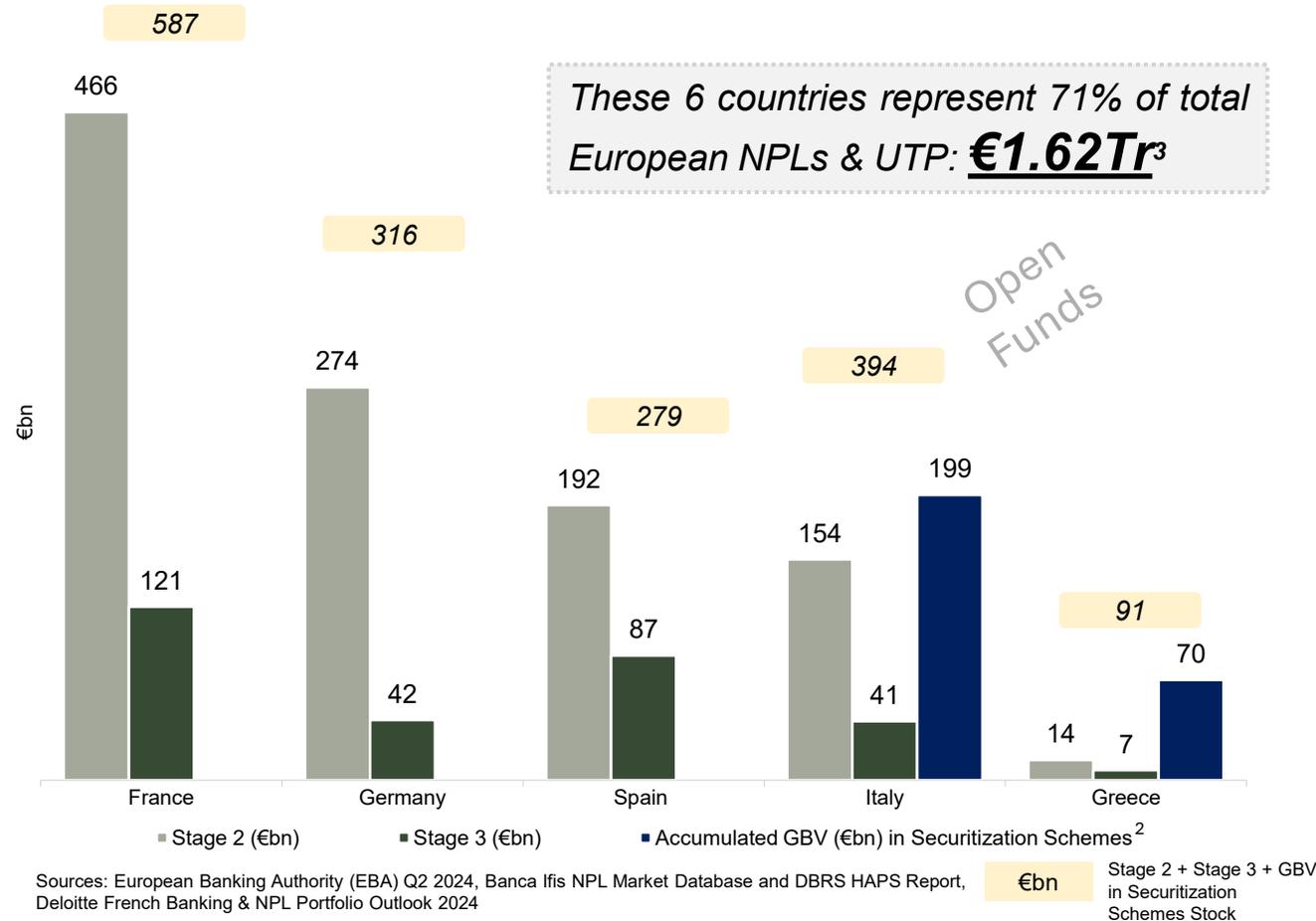
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Sizing the opportunity – Unresolved NPLs in Europe

In Q2 2024, European NPL volumes amounted to €441bn, with €334bn being held by banks in France, Germany, Spain and Italy

Amount of Non-Performing Exposure (Q2 2024) ¹



Sizing the Opportunity

- Bad loans in banks across Spain, France, Italy, Greece, and Germany amount to €1.62 trillion, representing 72% of Europe's distressed debt market.
- This significant concentration highlights a unique investment opportunity in key European economies.

Secondary Market Dynamics

- In addition to the above, Investment funds and securitization vehicles hold a significant share of unresolved NPLs, sold by banks to these vehicles.
- Struggling to meet their business plans, they are expected to become key sellers in the secondary market, presenting substantial opportunities for acquisition.

¹: Data obtained from EBA Interactive Tool only includes the loan stock held by financial institutions, therefore it doesn't include the secondary market.

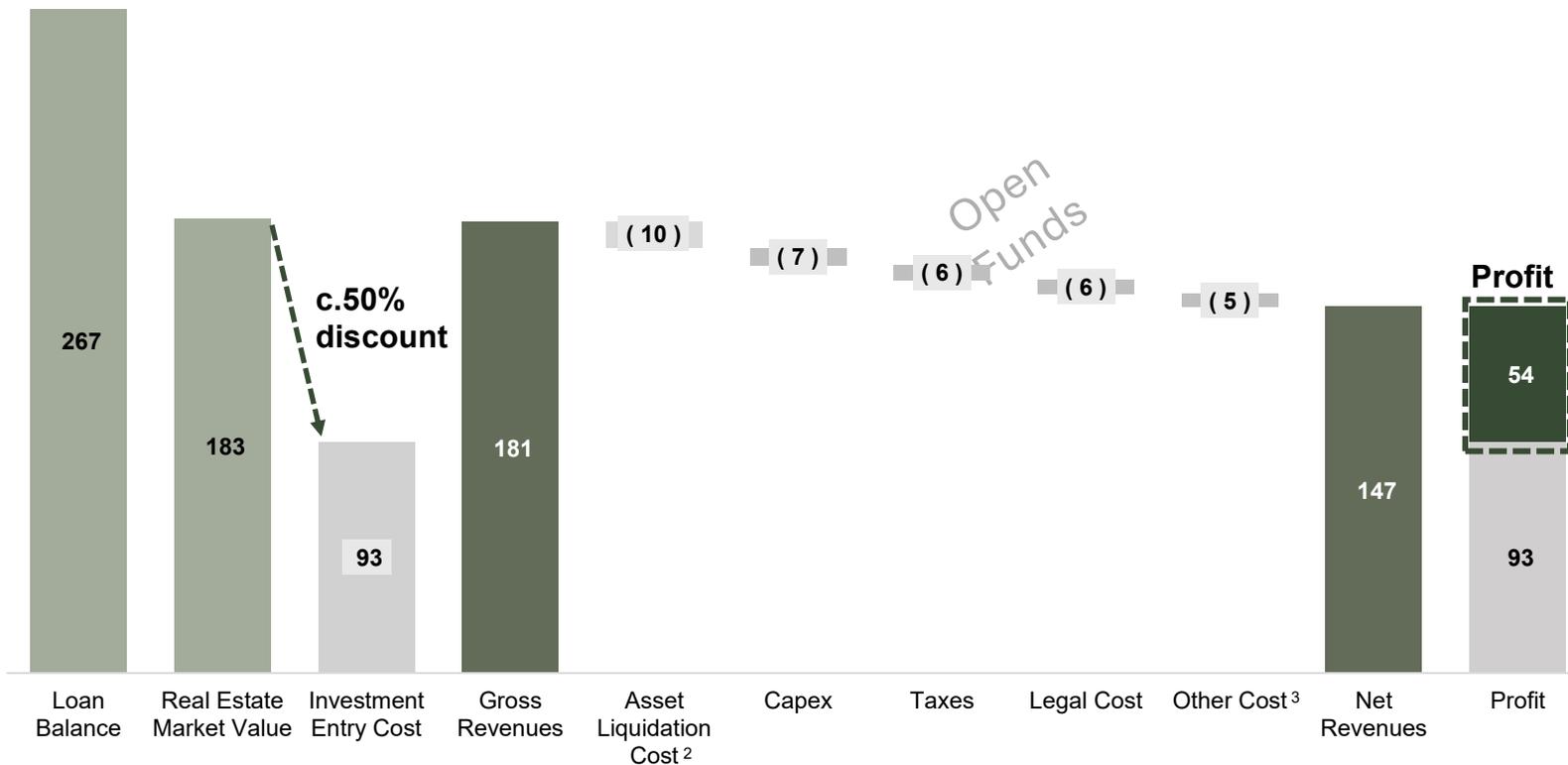
²: Data for Accumulated GBV (€bn) in Securitization Schemes includes the volume for Italians GACS (Banca Ifis Report) and Greek HAPS (DBRS Morningstar report) as of Q2 and Q3 2024.

³: €1.6tr is the sum of Stage 2 and Stage 3 loans reported by EBA.

Non-Performing Assets Asymmetrical Risk/Return

The core of our strategy is the ability to acquire secured debt or real estate at significant discounts to the market value of the underlying asset

Illustrative Example of an NPL Investment ¹



¹: Unlevered Cash Flows, gross of management fees and performance fees
²: Asset Liquidation Cost include costs associated with the REO management, Broker Fees and Liquidation Fees
³: Other Cost include Miscellaneous Expenses and Asset Management costs

Alpha Investment Strategy

Downside Protection

- High quality assets are typically acquired at c. 50% discount to the market value, providing significant downside protection

Equity-like returns

- Investment period ranging typically from 1 to 4 years, with Investment Cash-on-Cash multiples in the range of 1.4x-5x

Risks & Mitigants

- Main investment risk resides in the delay in the execution, primarily as a result of court delays
- Conservative business plans are used to control this risk, while at the same time a proactive management strategy is pursued to negotiate a solution and accelerate cashflows

The Opportunity–Strong pipeline and reduced competition

Copernicus is constantly in contact with sellers allowing the investor to choose the best investment opportunities

Historical Pipeline in Spain and Italy¹

	# of Deals ²	Total Investment Value €m ³
FY22	14	€145m
FY23	39	€380m
FY24	37	€399m
Q1 2025	14	€108m

Pipeline of Small Secured Portfolios in Spain and Italy⁴

Deal Name	Country	# of debtors	OB/AV (€m)	Investment Value (€m)	Opportunity Live Status	Process Type	Transaction Category	Type of opportunity	Vendor
Portfolio 1	Spain	654	64	19	Live	Competitive	Small REOs	REO & Residential	No Bank
Portfolio 2	Spain	300	60	18	Live	Competitive	Small Chunky	NPLs & REOs Portfolio	No Bank
Portfolio 3	Spain	507	50	16	Live	Competitive	Small Granular	NPL Portfolio	Bank
Portfolio 4	Spain	250	30	10	Live	Competitive	Small Granular	Resi Mortgages, SME, CRE NPL Portfolio	No Bank
Portfolio 5	Spain	250	25	8	Live	Competitive	Small Granular	Resi Mortgages, SME, CRE NPL Portfolio	Bank
Portfolio 6	Spain	150	20	6	Live	Competitive	Small Granular	Resi Mortgages, SME, CRE NPL Portfolio	Bank
Portfolio 7	Spain	30	5	2	Live	Competitive	Small Granular	Individuals & Resi Mortgages NPL Portfolio	Bank
Portfolio 8	Spain	398	76	23	Live	Competitive	Small Granular	Resi Mortgages & SME NPL Portfolio	Bank
Portfolio 9	Italy	78	50	15	Live	Competitive	Small Chunky	SME, CRE NPL Portfolio	No Bank
Total		2617	380	117					

¹: Historical Pipeline since FY22 only includes deals that have been recorded by Copernicus, many deals have not been included as they were sold bilaterally.

²: # of deals includes deals in Spain and Italy with a total Investment Value below €20m.

³: There is a difference between the Outstanding Balance and the Investment Value of the portfolio, highlighting the core advantage of these investments: purchase discount to the underlying value.

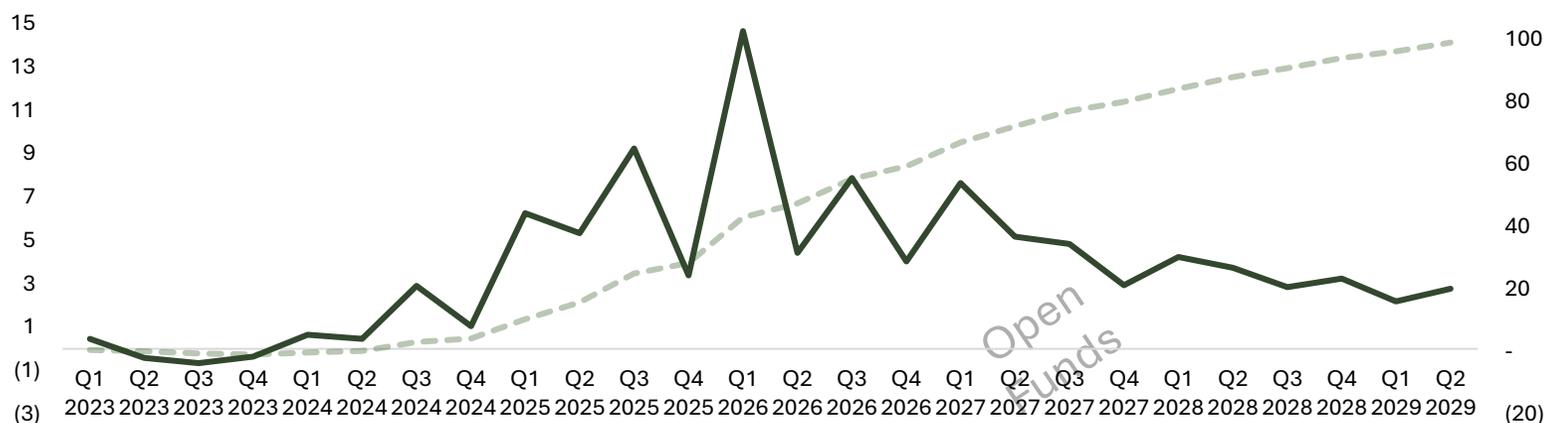
⁴: Pipeline only includes deals with an OB below €65m that have been recorded by Copernicus in Spain and Italy, many deals have not been included as they were sold bilaterally.

Performance of Current Investment Book

Secured NPL Portfolios provide a unique risk-return profile

Lifecycle of a Small Secured NPL Portfolio

Net Cash Flow and Accumulated Recoveries of the Portfolio €k^{1,2}



The lifecycle of an NPL portfolio begins with its acquisition, with a significant portion of recoveries typically occurring during the second and third years of management.



Portfolio is expected to generate cash from the moment of the acquisition, allowing for distributions or reinvestment

Secured NPL Portfolios Acquired since Q1 2022

Portfolio #	Country	Purchase Date	Purchase Price €m	Net Targeted Recoveries CF €m	Gross Targeted IRR Unlevered	Targeted Net MoM	Targeted WAL (Years)	Gross IRR Current BP	MoM current BP
Portfolio 1	Italy	Q1 2022	4,8	10,1	19,04%	1,59x	2,95	27,9%	1,67x
Portfolio 2	Spain	Q1 2023	14,1	23,9	20,38%	1,69x	3,01	19,2%	1,67x
Portfolio 3	Spain	Q1 2023	13,2	21,2	12,82%	1,61x	4,03	17,4%	1,55x
Portfolio 4	Spain	Q2 2023	5,3	9,6	18,80%	1,81x	3,62	19,9%	1,77x
Portfolio 5	Spain	Q2 2023	5,6	10,6	20,87%	1,89x	3,52	25,5%	2,99x
Portfolio 6	Spain	Q3 2023	4,5	7,4	17,76%	1,64x	3,19	18,8%	1,67x
Portfolio 7	Spain	Q4 2023	4,5	8,3	18,40%	1,85x	3,77	22,6%	1,85x
Portfolio 8	Spain	Q2 2024	7,3	12,5	17,00%	1,71x	3,53	20,7%	1,77x
Total			59,3	103,6	17,7%	1,71x	3,47	20,6%	1,67x



Unlevered IRR >18%



>1.7x MoM



Avg. Duration ≈ 3.5 yrs

¹: The Net Cash Flows represented in the graph above correspond to the Underwriting Business Plan for the 7 Spanish Portfolios in the table above. Please note that for illustrative purposes the graph doesn't include the acquisition costs.

²: We assume that once the portfolio reaches +90% of the Net Recoveries we will proceed to sell the Portfolios "Tail", providing our investors with liquidity.

The Opportunity – Summary

Secured NPLs present investors with unparalleled downside protection and a compelling risk-return investment proposition



Niche market with limited competition

- ✓ +€2bn in over 100 deals since 2022 and a current active pipeline of +€520m ERC
- ✓ Market with significant barriers to entry (knowledge and access to platform)
- ✓ Target deals of small size which are typically below the radar of the major NPL players



Equity-returns with downside protection

- ✓ Money Multiples: 1.4x – 1.5x
- ✓ Gross IRRs: 15% - 18%
- ✓ NPLs acquired with a high discount over the market value of the collaterals, providing with capital preservation due to the strong downside buffer protection



Excellent risk-adjusted returns with low volatility

- ✓ Very good diversification of risk obtained from Granularity¹ of these portfolios
- ✓ Anticyclical and uncorrelated with public capital markets



A trusted operating partner to guide you

- ✓ Copernicus Group has extensive experience in sourcing, analyzing, acquiring and managing secured NPL portfolios in Southern Europe

¹: Granular: Portfolios where the average outstanding balance per debtor is below €500k.

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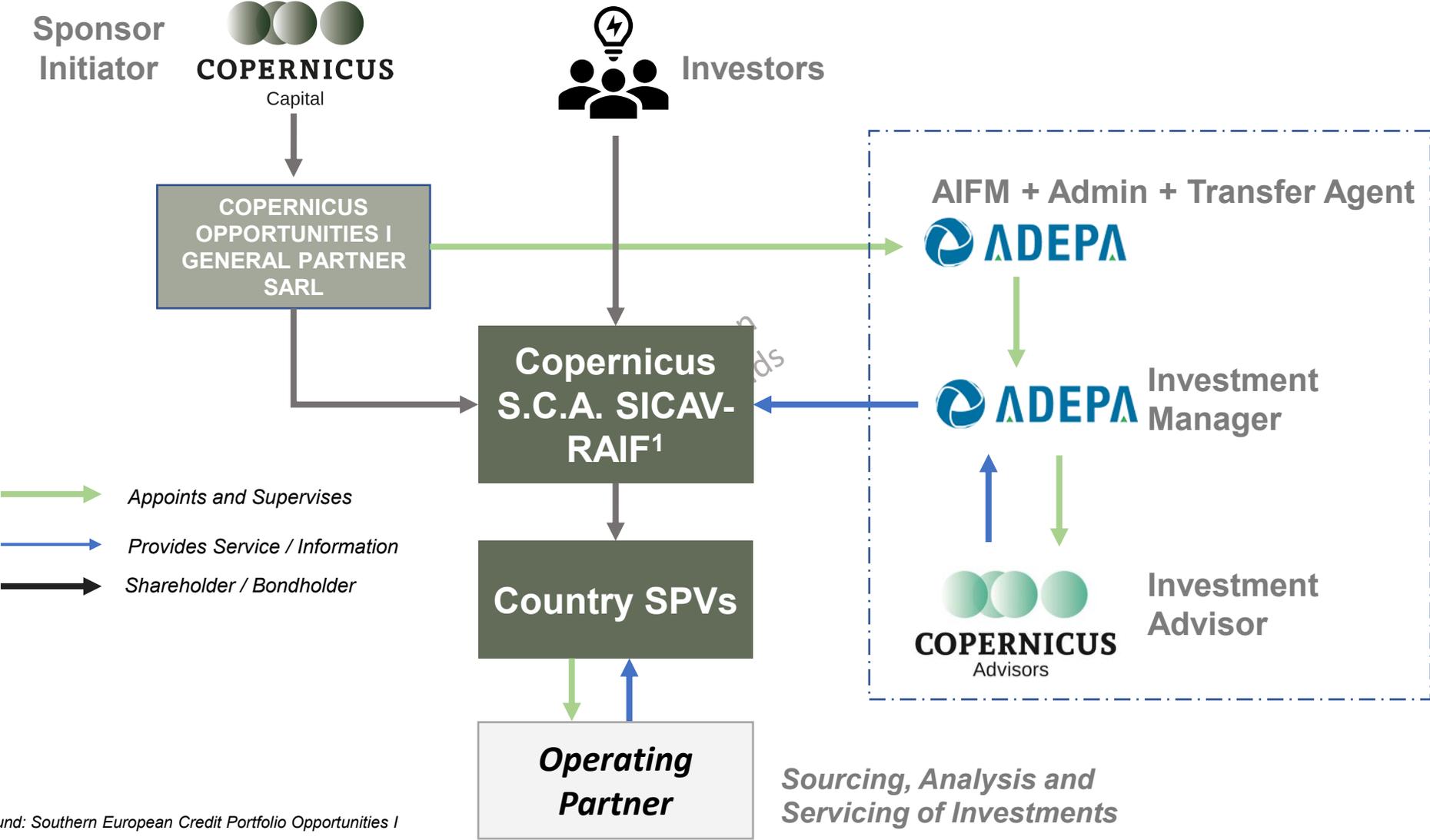
Fund Indicative Terms and Conditions

DRAFT SUBJECT
TO CHANGES

Fund Structure	Luxembourg SICAV-RAIF			
AIFM	Adepa Asset Management S.A.			
Investment Manager	Adepa Asset Management S.A.			
Investment Advisor	Copernicus Advisors, S.L.			
Eligibility	Well-Informed Investors (Qualified and professional investors)			
Fees	Type	Class Name	Minimum Commitment €	Management Fee⁽²⁾
	A1	Standard - 1st closing	100.000	1,80%
	A2	Standard - 2nd closing	100.000	2,00%
	B	Institutional ⁽¹⁾	1.500.000	1,70%
	C	Clean class	100.000	1,35%
	D	GP & affiliates	N/A	0,45%
	<i>(1) Institutional investors joining in the first closing will have the right a rebate of 20bps</i>			
	<i>(2) Paid quarterly in advance and calculated over the Committed Capital during the Investment Period and over the Asset Value afterwards</i>			
Performance Fee	15% applicable on the distributable proceeds in accordance with a waterfall mechanism and a hurdle rate of 8% net IRR per annum (full catch up)			
Target size	€50m			
Final closing	No later than 18 months after 1 st closing			
Fund Term	4 years, plus potentially 1 year extension of investment period and 2 annual extensions of harvesting period			
Investment Period	One year from Final Closing			
Harvesting Period	Three years from end of investment period, plus two annual extensions			
NAV calculations	The Net Asset Value (NAV) will be calculated and communicated quarterly and audited once per year.			
Distributions	Any time during the life of the Fund			

Tentative terms subject to change

Investment structure – Subject to Change



¹: Sub fund: Southern European Credit Portfolio Opportunities I

Investors Relations Contacts



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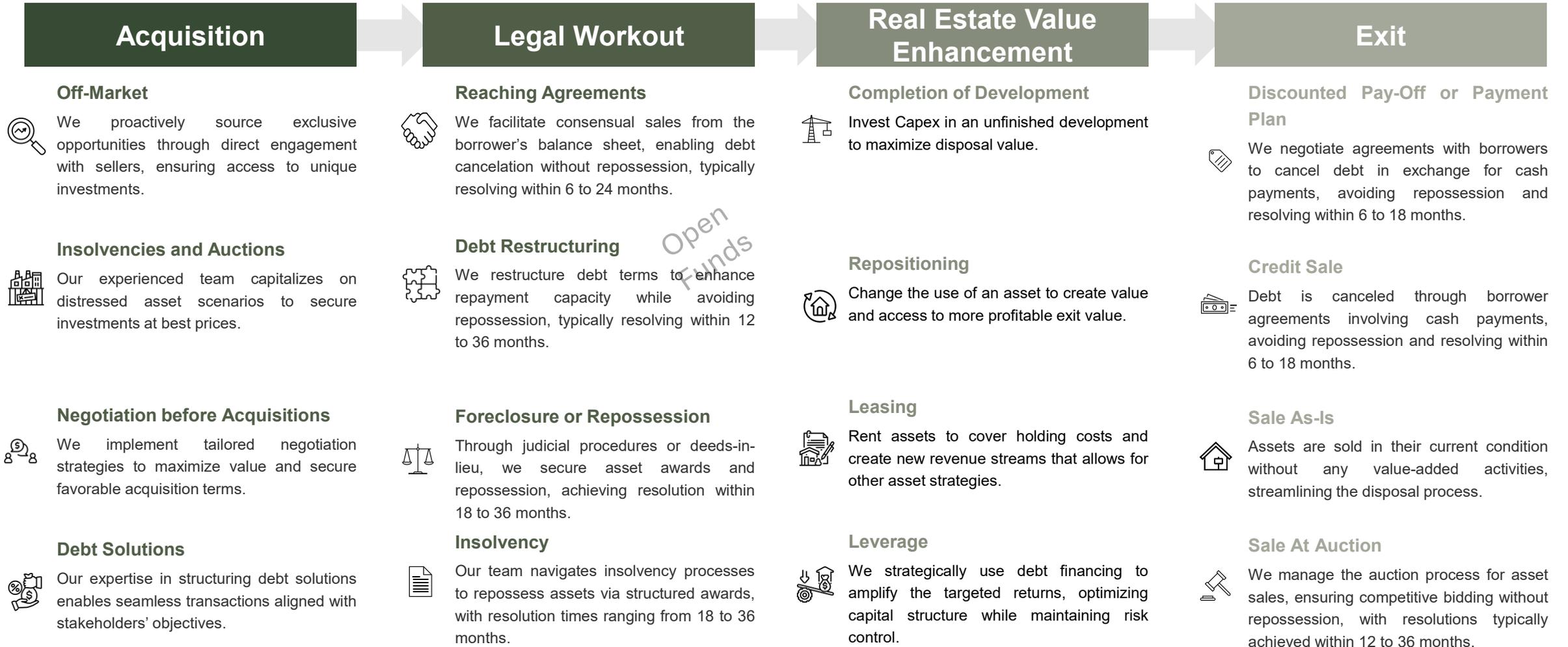
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Copernicus' Value Creation Approach

Building on over more than a decade of experience, a strong local presence across Europe, and a top-tier multidisciplinary team, Copernicus maximizes the potential of investments



Copernicus Capital Investment Approach

The proposed Fund will have the same investment approach to that which has been successfully implemented in prior funds and vehicles



Selective Screening



Market-Driven appreciation as upside, not as an assumption



Rigorous DD



Embedded Capital Gain



Conservative Underwriting



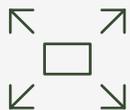
Unlocking value from Legal & Structural complexity



Risk-Adjusted Pricing



Value Maximization Culture



Agnostic on Asset Type



Capital Preservation Mindset

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