



Value – is this the best investment opportunity in two hundred years?

Global Equities Live, 8th December 2020

www.oldfieldpartners.com

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Please read the "Important Information" section on the last page of this presentation.

Performance year to date - OP Global versus MSCI Value and Growth indices



Source: Bloomberg, as at 30th November 2020, indexed from 2nd January 2020. Total Returns in USD. Overstone Global Equity Fund portfolio used.

Performance year to date - OP Global versus MSCI Value and Growth indices



Source: Bloomberg, as at 30th November 2020, indexed from 2nd January 2020. Total Returns in USD. Overstone Global Equity Fund portfolio used.

Strategy performance

| | \$ | | | £ | | |
|-----------------------------|------------------------------|------------|------------------|------------------------------|------------|------------------|
| | Overstone Global Equity Fund | MSCI World | MSCI World Value | Overstone Global Equity Fund | MSCI World | MSCI World Value |
| 06Nov20 to date | +9.5% | +4.7% | +8.6% | +7.9% | +3.1% | +7.0% |
| 2020 to date | -12.4% | +11.2% | -4.6% | -12.9% | +10.4% | -5.2% |
| 2019 | +16.4% | +27.7% | +21.7% | +11.8% | +22.7% | +17.0% |
| 2018 | -9.5% | -8.7% | -10.8% | -4.0% | -3.1% | -5.3% |
| 2017 | +18.2% | +22.4% | +17.1% | +7.9% | +11.7% | +6.9% |
| 2016 | +21.1% | +7.5% | +12.3% | +44.5% | +28.3% | +34.1% |
| Since inception annualised* | +4.9% | +7.5% | +5.2% | +7.0% | +9.7% | +7.3% |

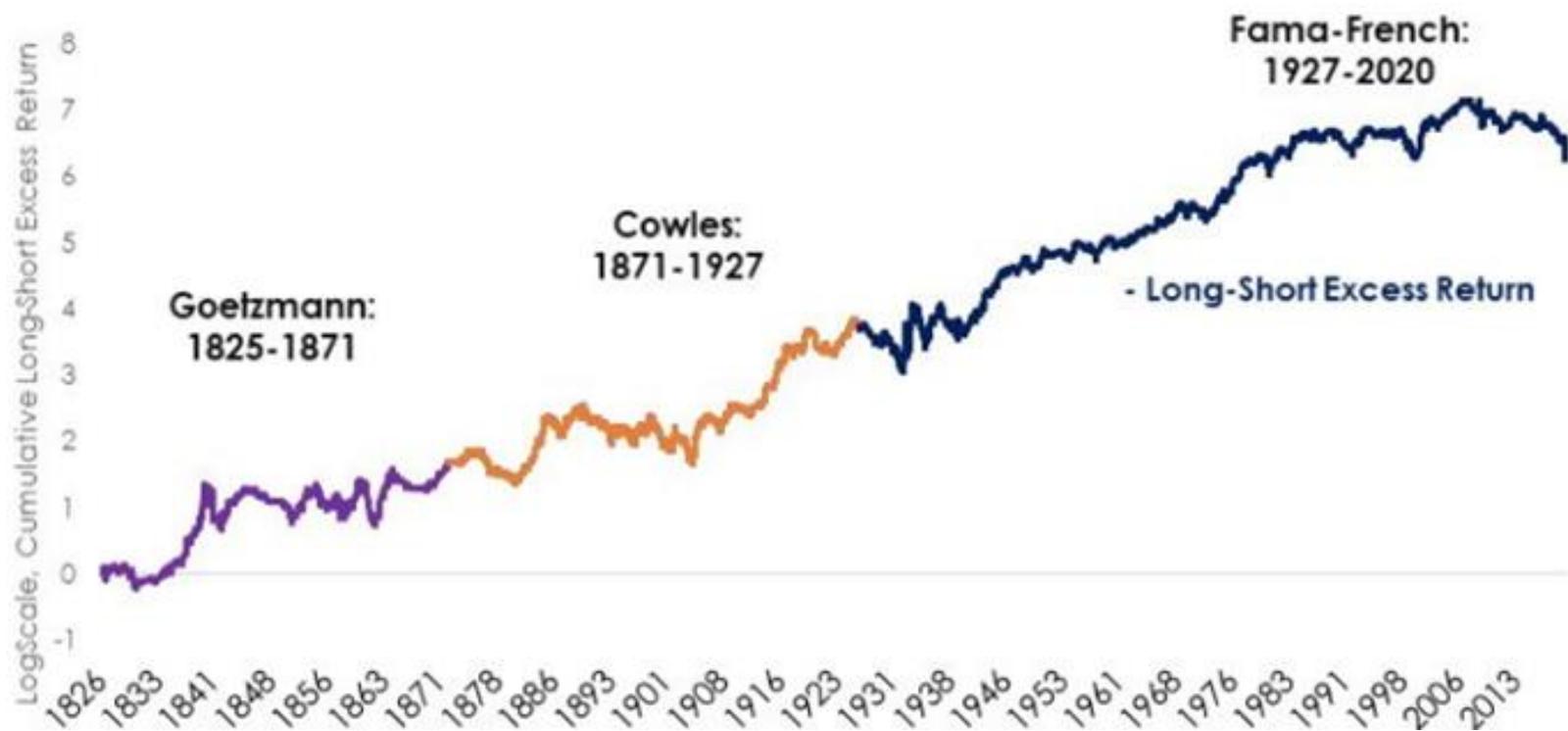
Performance shown is of the A shares, calculated on a Total Return basis net of investment management fees and expenses. Index is MSCI World (Net Dividends Reinvested) and MSCI World Value (Net Dividends Reinvested).

Source: OP, Bloomberg, Northern Trust Ireland and MSCI ©. Data as at 30th November 2020. *Inception Date is 1st June 2005.

Please refer to the Strategies section of our website (<https://www.oldfieldpartners.com>) for 5 year fund performance information covering complete 12 month periods.

Value investing – works over the long-term

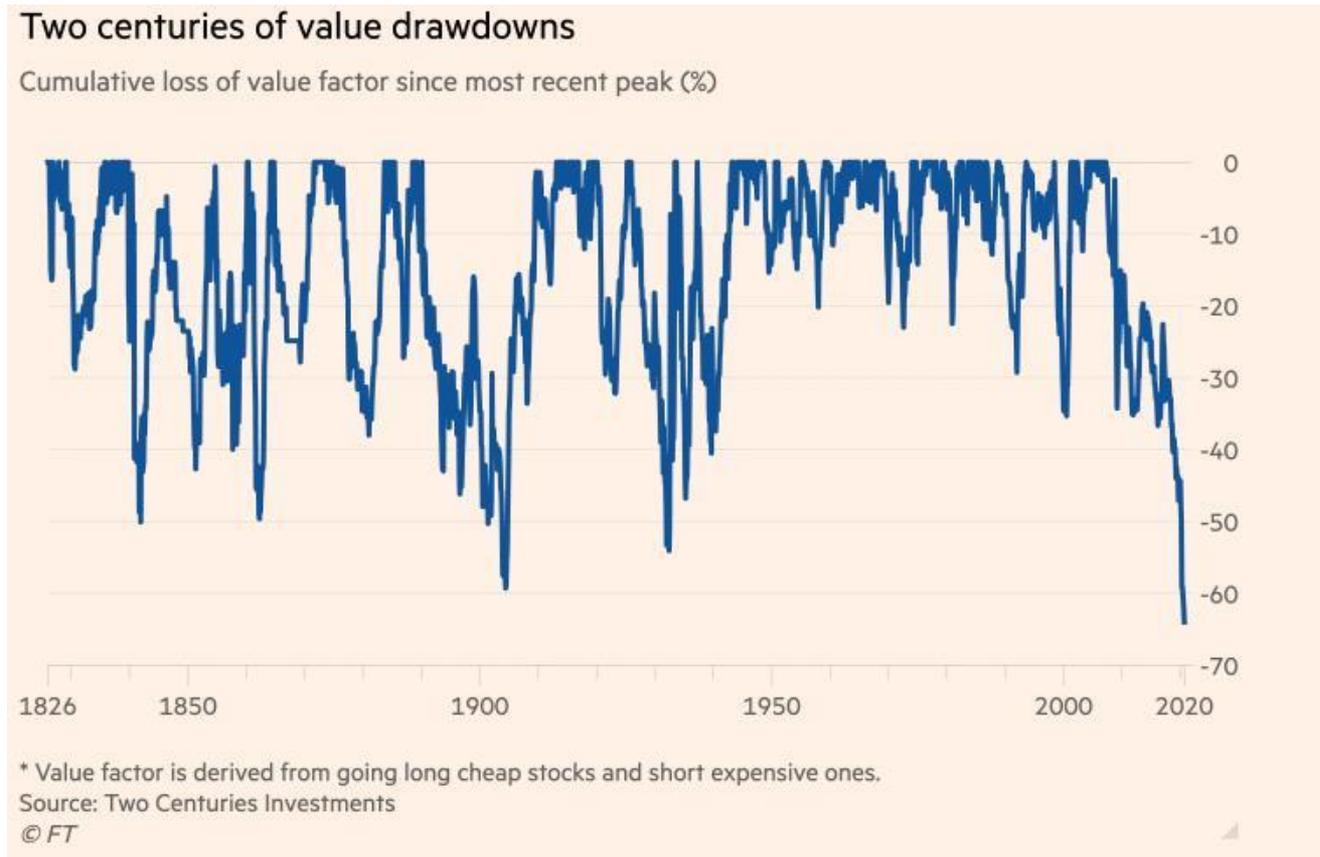
US Value versus Growth since 1825



Value outperforms growth over the long term

Value investing – works over the long-term

Value Factor Drawdowns 1825 – 2020



Value – is this the best investment opportunity in two hundred years?

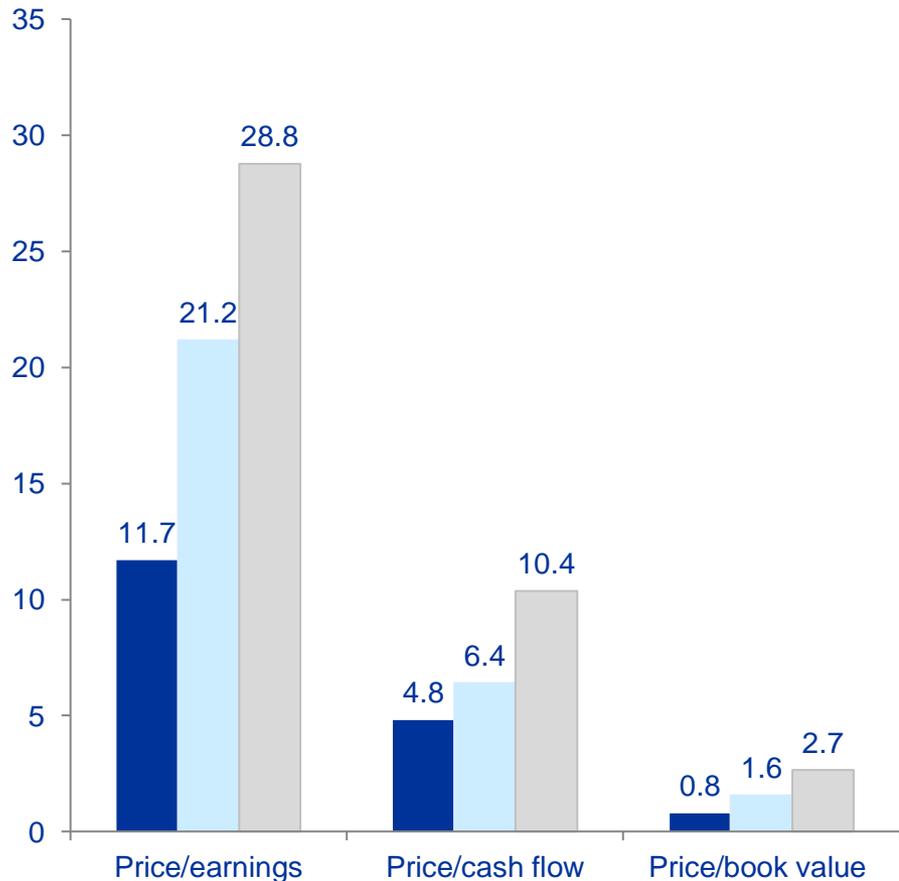
Global Equity Strategy - weighted average upside



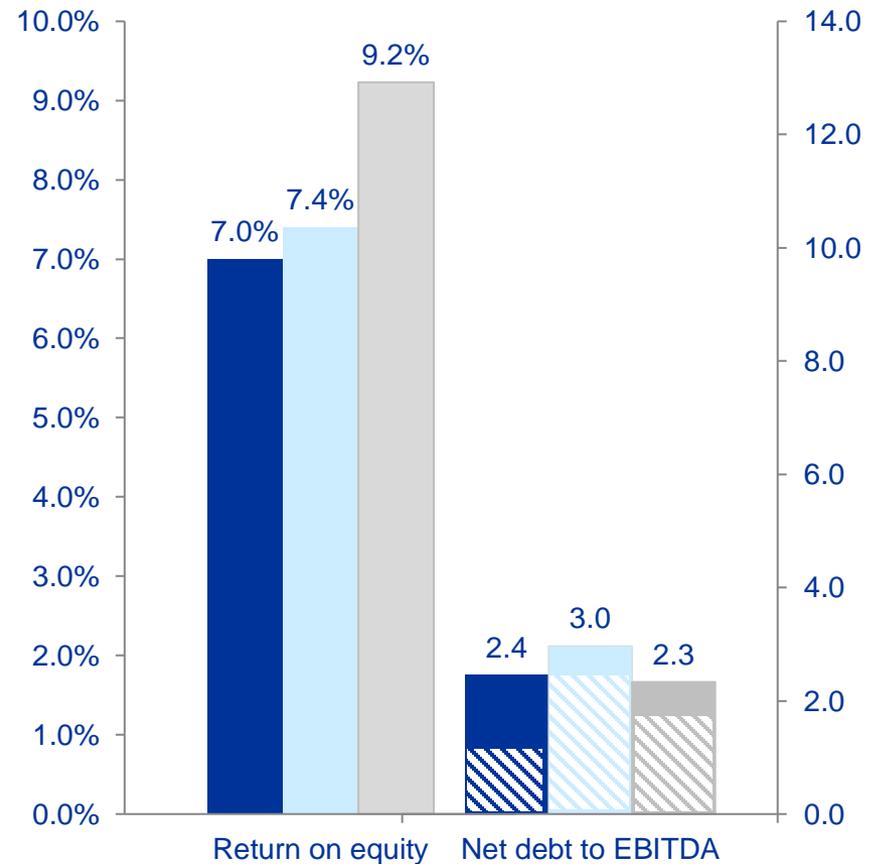
Data as at 30th November 2020.
Source: OP.
Representative portfolio used.

Global strategy - portfolio characteristics

Valuation



Fundamentals



■ OP ■ MSCI World Value ■ MSCI World

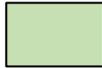
Source: OP, Bloomberg.

Date: As at 30th September 2020.

Representative global portfolio used. Based on MSCI method. Net debt/EBITDA excludes financials and includes only industrial net debt where applicable.

The ex-utilities net debt/EBITDA values are as follows: OP: 1.2x, MSCI World Value: 2.8x and MSCI World: 2.1x.

OP Global strategy vs MSCI World Value index Top 20

| | Fwd P/E | P/BV | P/CF | P/Sales | |
|------------------------------------|-------------|------------|------------|------------|--|
| OP Global Equities Strategy | 10.6 | 0.8 | 4.6 | 0.5 | |
| JOHNSON&JOHNSON | 18.6 | 6.4 | 15.8 | 4.5 |  Would raise the overall valuation metrics of our portfolio  Would lower the overall valuation metrics of our portfolio |
| PROCTER & GAMBLE | 25.3 | 7.3 | 20.9 | 4.7 | |
| JPMORGAN CHASE | 15.7 | 1.4 | 11.9 | 3.2 | |
| HOME DEPOT INC | 23.9 | n/a | 16.8 | 2.4 | |
| BERKSHIRE HATH-B | 24.2 | 1.2 | n/a | 2.0 | |
| VERIZON COMMUNIC | 12.7 | 3.8 | n/a | 1.9 | |
| WALT DISNEY CO | 95.1 | 3.1 | 43.6 | 3.9 | |
| COMCAST CORP-A | 19.2 | 2.5 | 8.7 | 2.0 | |
| PFIZER INC | 13.3 | n/a | n/a | 4.4 | |
| COCA-COLA CO/THE | 28.6 | 13.1 | 23.8 | 6.4 | |
| MERCK & CO | 13.6 | n/a | n/a | 4.0 | |
| AT&T INC | 9.1 | 1.1 | n/a | 1.2 | |
| INTEL CORP | n/a | 2.5 | 6.1 | 2.7 | |
| PEPSICO INC | 25.8 | 14.4 | 16.8 | 2.7 | |
| BANK OF AMERICA | 15.9 | 1.0 | 13.0 | 2.9 | |
| NOVARTIS AG-REG | 14.7 | 3.4 | n/a | 4.1 | |
| CISCO SYSTEMS | 12.5 | 4.2 | 11.4 | 3.4 | |
| NEXTERA ENERGY | 33.3 | 4.0 | 39.8 | 7.3 | |
| ABBVIE INC | 9.4 | n/a | n/a | 3.3 | |
| BROADCOM INC | 16.5 | 6.6 | 14.4 | 5.7 | |

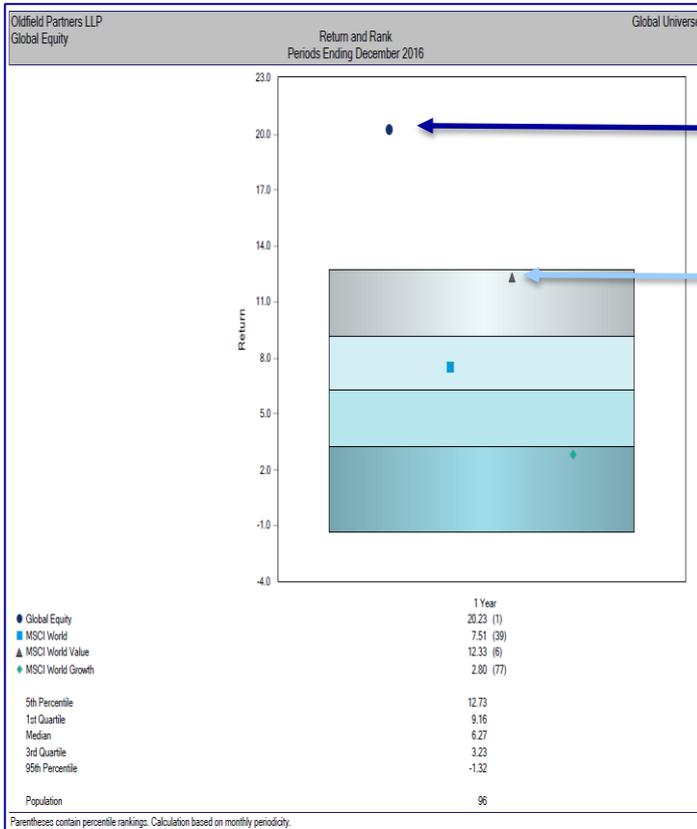
the MSCI Value index is no longer value

Source: MSCI and Bloomberg.

Top 20 constituents for the index as at 30th October 2020. Valuation data as at 11th November 2020.

Oldfield Partners – Value investing is at our core

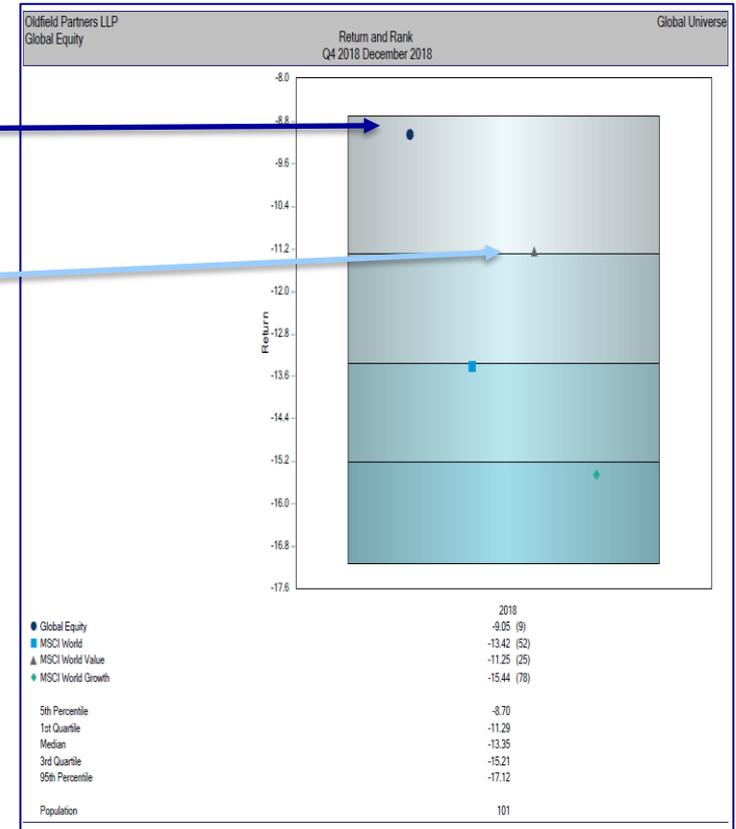
FY 2016



OP
Global
Strategy

Global
Value index

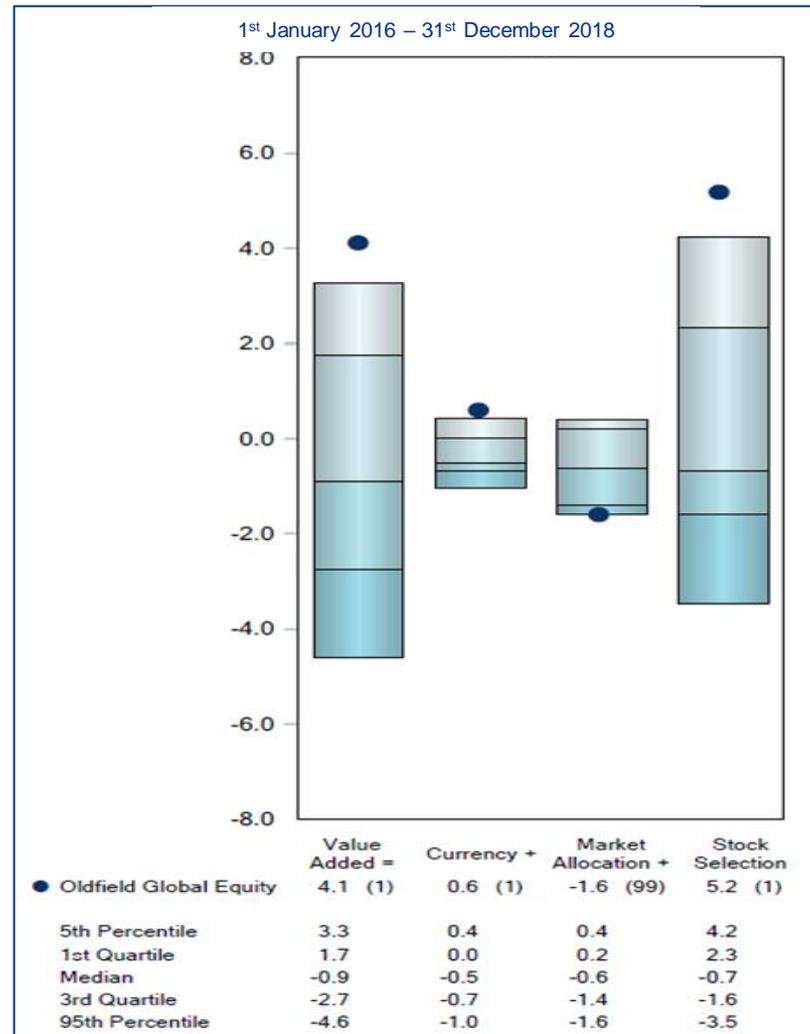
Q4 2018



“With every new wave of optimism or pessimism, we are ready to abandon history and time-tested principles.” - Benjamin Graham, The Intelligent Investor

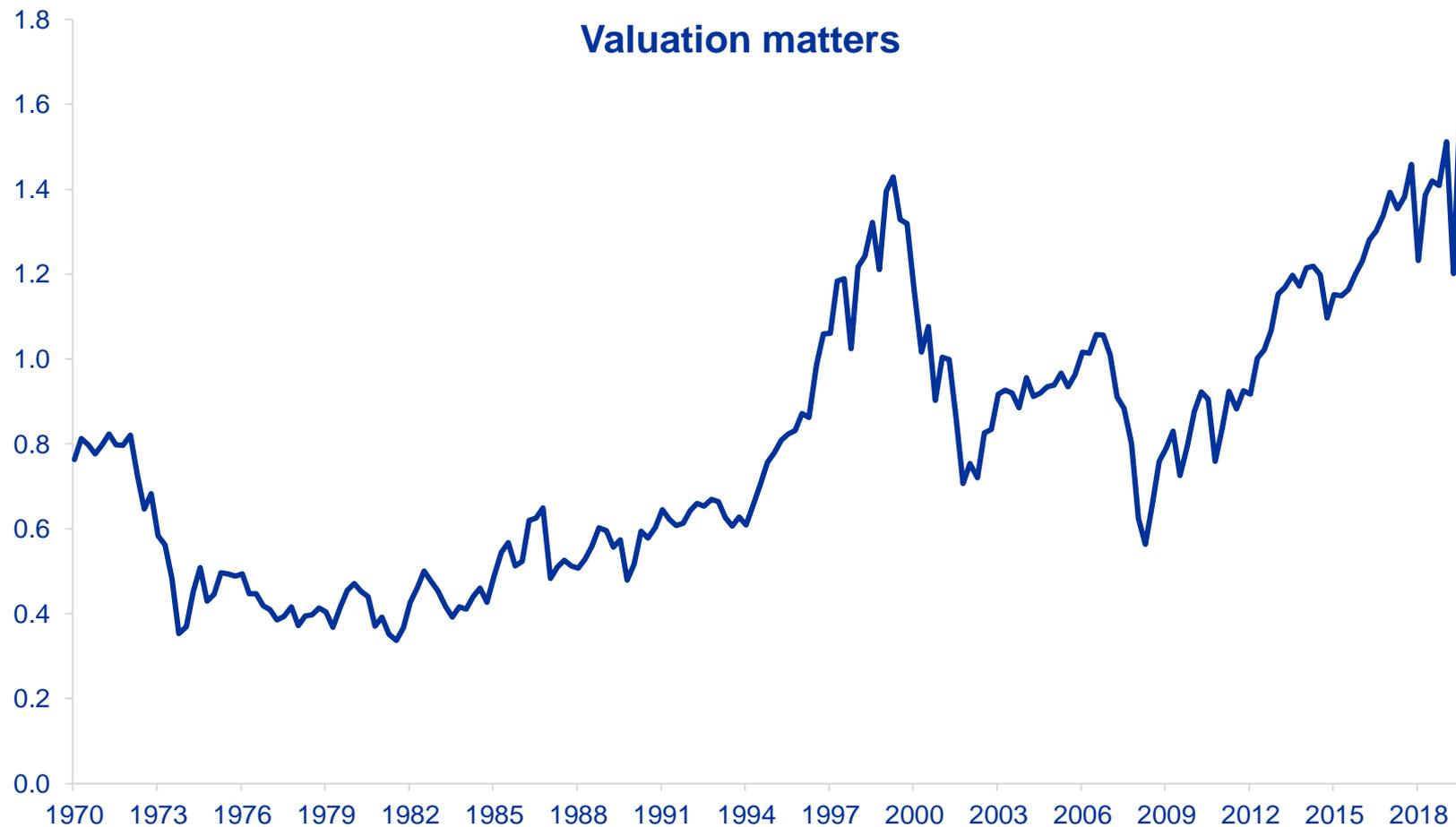
Delivering when Value works

Oldfield Partners are bottom-up stock selectors



Stock selection is the key driver of alpha

The valuation of the US – market cap to GDP to end Sep 2020

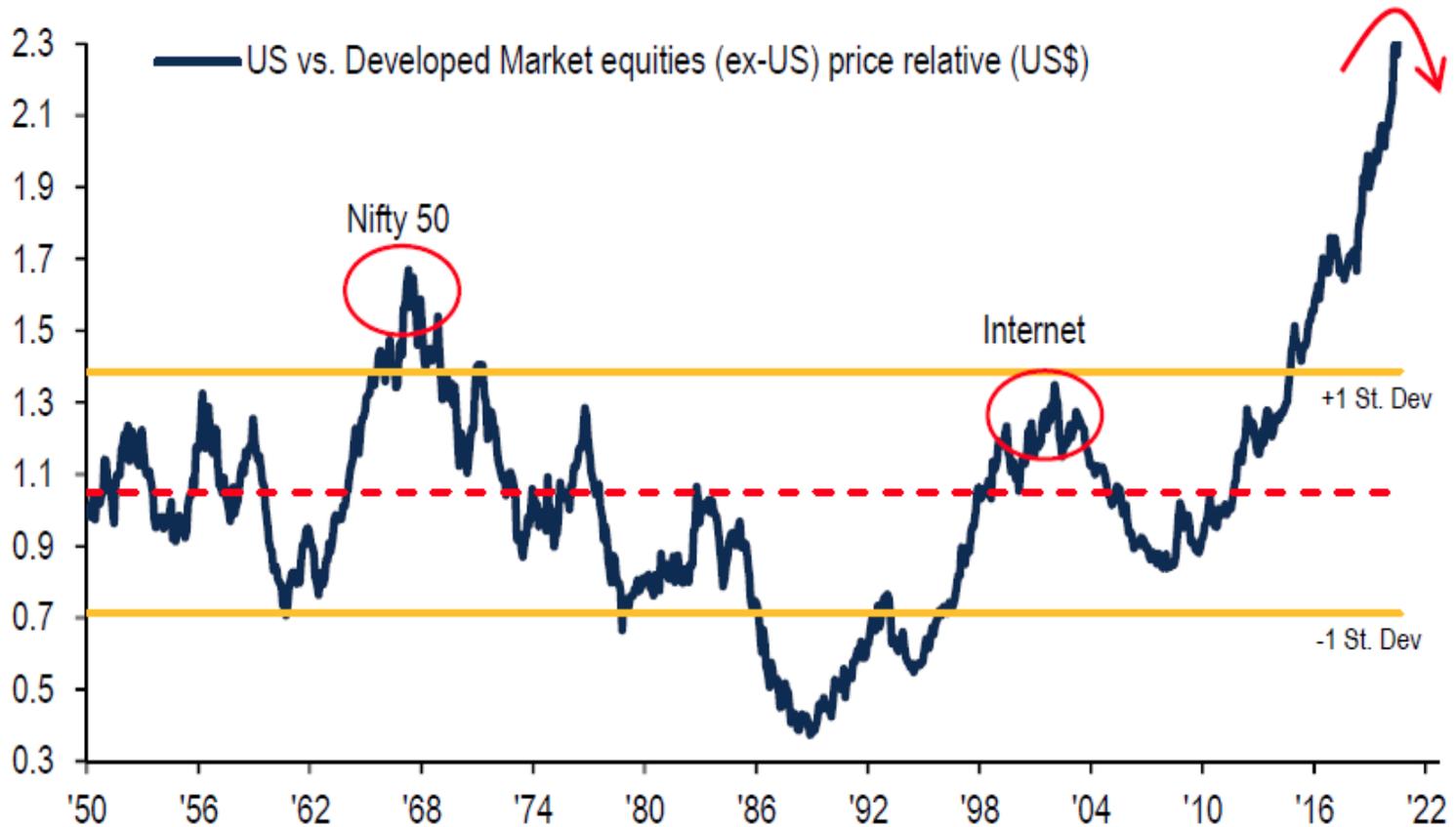


What could possibly go wrong?

Source: Bloomberg, 30th September 2020. Wilshire 5000/ US Nominal GDP.

US has dominated returns

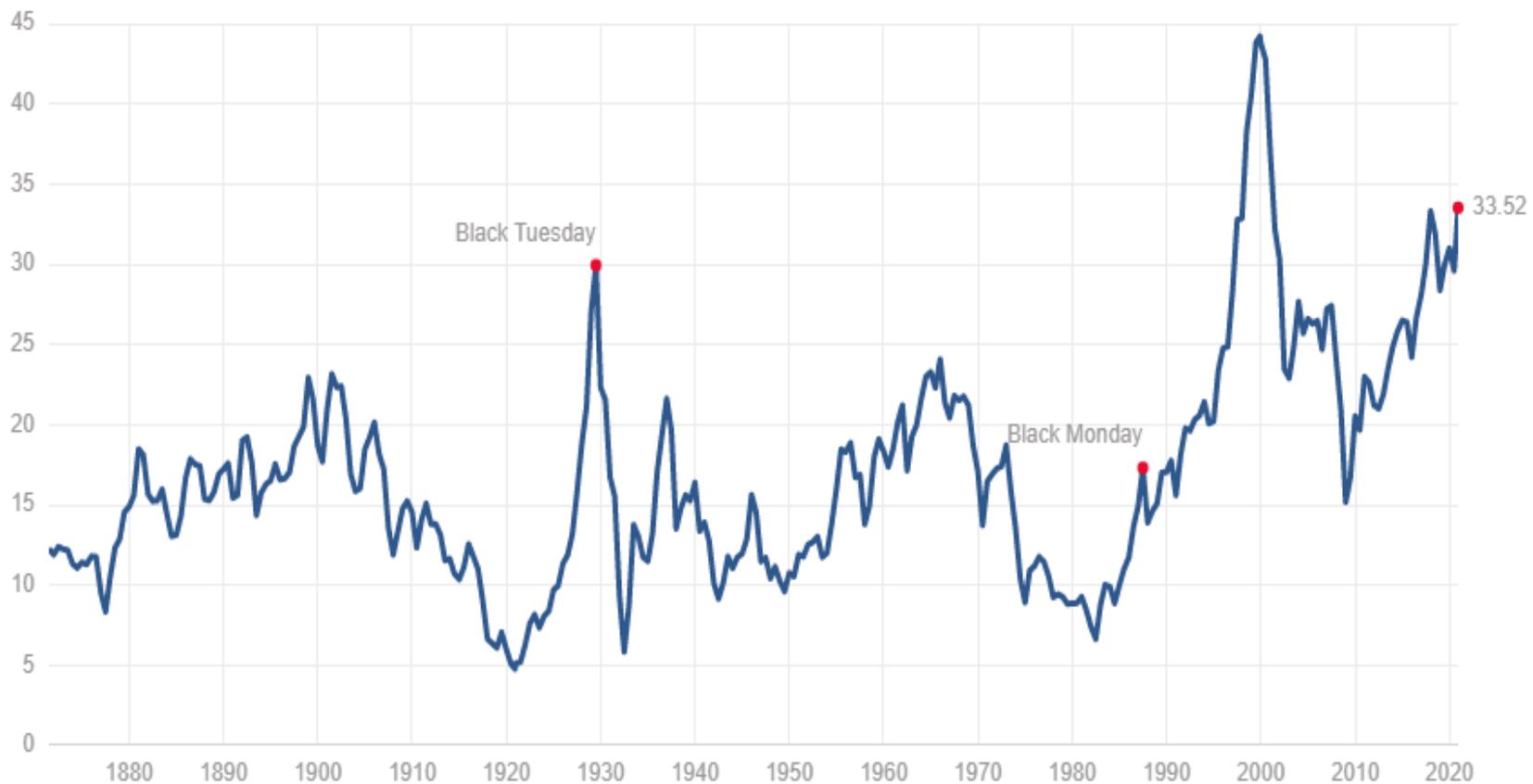
US vs World ex-US equities



Source: OP. BofA Investment Strategy, Global Financial Data, Bloomberg.
Overstone Global Equity Fund portfolio used.

The valuation of the US market is at historically high levels

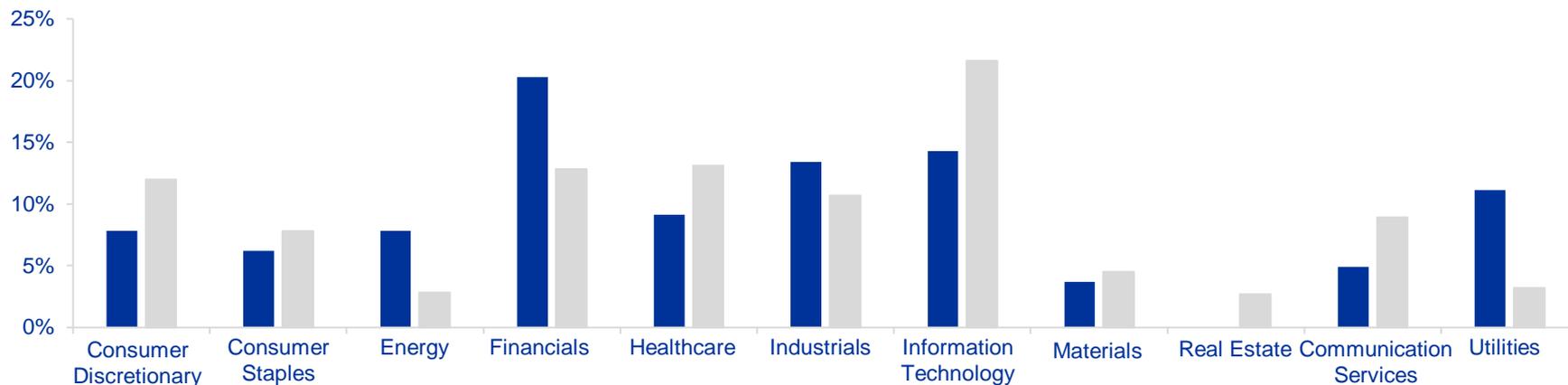
Shiller PE ratio for the S&P 500 Trailing PE



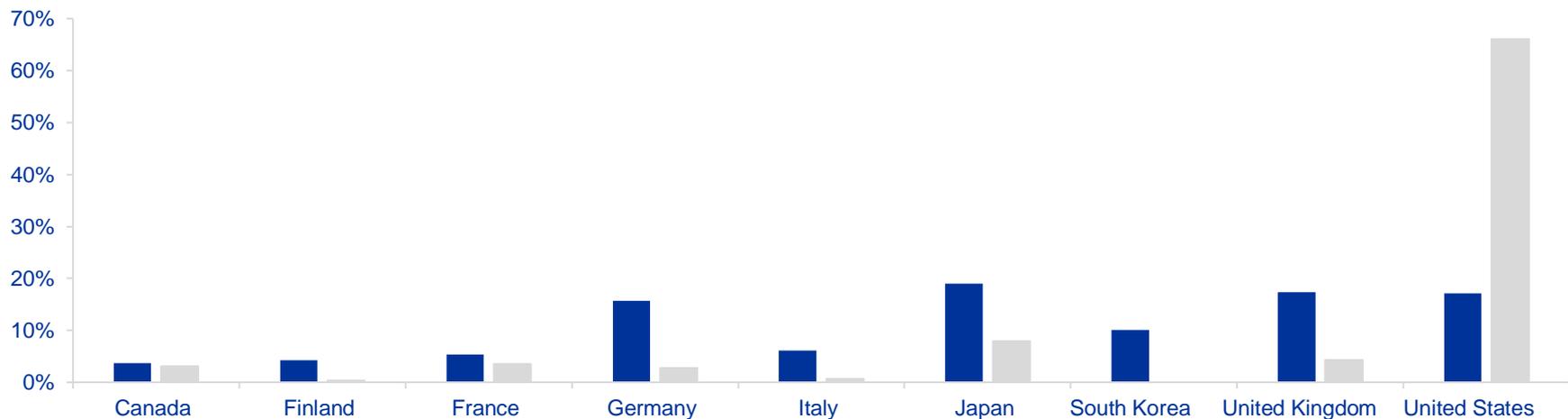
Source: Dec 2nd 2020, www.multip.com, Robert Shiller..

Global Equity Strategy - portfolio structure

Sector weights



Country weights



Source: OP, Bloomberg.
Date: 30th November 2020.

■ Global Equity Strategy ■ MSCI World Index

Top contributors and detractors – relative attribution

2020 to date

| Top Contributors | % | Top Detractors | % |
|--------------------|------|----------------|------|
| Samsung Electronic | +0.9 | Lloyds | -3.0 |
| Siemens | +0.7 | Carnival | -3.0 |
| Barrick Gold | +0.7 | BT | -2.9 |
| Allergan | +0.6 | MHI | -2.8 |
| General Motors | +0.5 | Eni Spa | -1.7 |

Source: OP, Bloomberg and MSCI ©.

Date: As at 30th November 2020.

% = the contribution to relative return of the Overstone Global Equity fund portfolio versus the MSCI World (Net Dividends Reinvested) Index in USD terms.

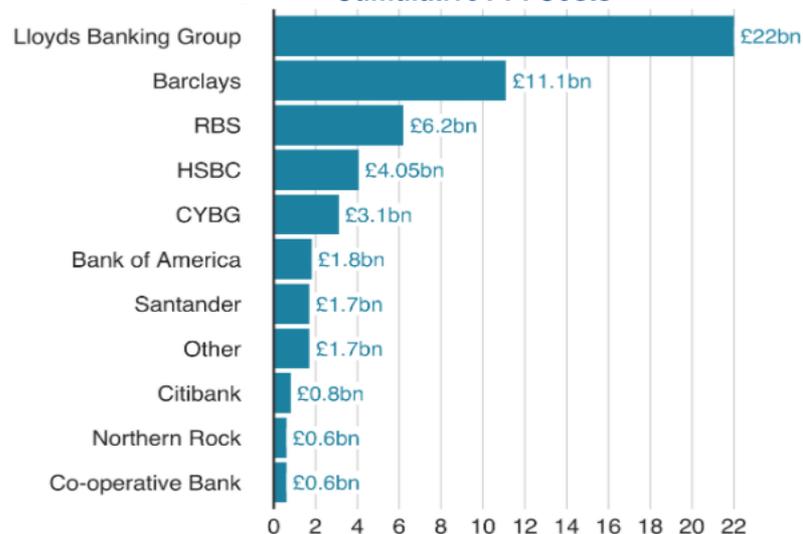
Lloyds Bank – biggest detractor to performance in 2020

- NIM pressures, regulatory headwinds and charge-offs
- Leverage – balance sheet
- Strong capital position - Tier 1 16.5% FL
- Stress testing: BofE vs ECB (Italy) and OP scenarios
- Structurally lower risk and low cost operator
- Ending of PPI nightmare - capital
- Stress testing: BofE vs ECB (Italy) and OP scenarios
- Compelling valuation < 0.6x P/BV
- +27% in November, still 84% upside over 2 years

UK Banks' Published LTV Ratios

| | LTV Stock | | | | | |
|---------------------|-----------|------|------|------|------|------|
| | 2010 | 2014 | 2017 | 2018 | 2019 | 1H20 |
| Lloyds | 56% | 49% | 44% | 44% | 45% | 44% |
| Nationwide* | 49% | 51% | 55% | 56% | 57% | 58% |
| Santander UK | 51% | 47% | 42% | 42% | 43% | N/A |
| NatWest** | 58% | 57% | 56% | 56% | 57% | 57% |
| Barclays UK | 43% | 52% | 48% | 49% | 51% | 52% |
| HSBC*** | n/a | 44% | 40% | 49% | 51% | |

Cumulative PPI Costs



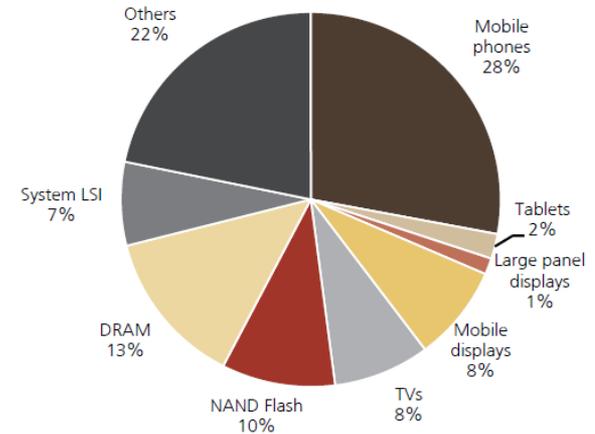
Strong balance sheet to drive long-term capital returns to shareholders

Source: OP, as at 30th November 2020. Charts taken from 1. Bloomberg Intelligence and 2. New City Agenda, 31st October 2019

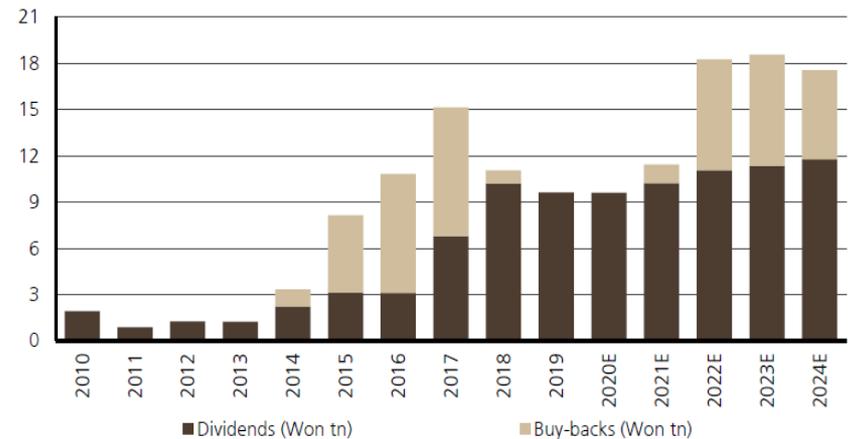
Samsung Electronics – biggest contributor to performance in 2020

- Consolidation in DRAM sector
- Technological leadership and scale = cost advantage
- Diversification leads to industry leading capex = maintains competitive advantage
- OP holding since 2011, +423% return vs MSCI World +170%
- OP consistent valuation – PE of 11x (+50% net cash)
- Potential for significant improvement in shareholder returns – death of Chairman ≈ higher dividends
- +27% year to date, still see 22% upside over 2 years (28% including dividends)

Samsung revenue by product segments 2020e



Samsung free cash flow generation (ex-M&A, Won tn)



Strong balance sheet and cost leadership drives long-term capital returns

Source: OP, as at 30th November 2020. Charts taken from UBS report dated 16th November 2020

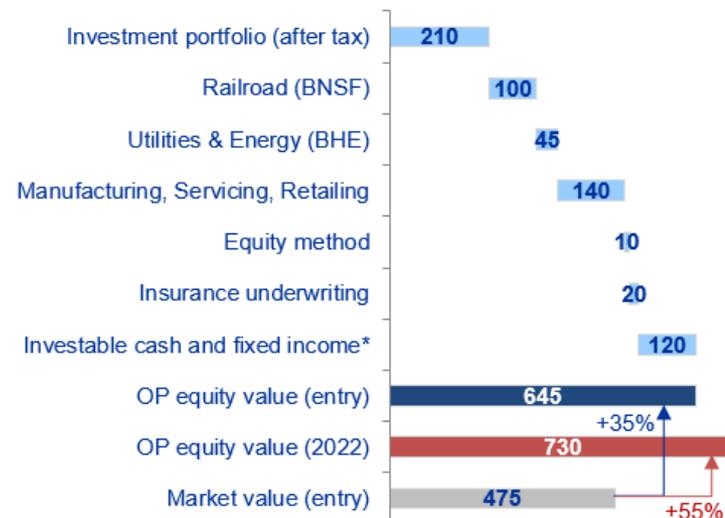
Key purchases and sales

| | Purchases | Sales |
|------------|--|--|
| Q1 2020 | Carnival, Easyjet, National Oilwell Varco, Nokia | Allergan, Carnival, Japan Post Holdings, ViacomCBS |
| Q2 2020 | Exor, Japan Airlines, Southwest Airlines | - |
| Q3 2020 | Berkshire Hathaway | - |
| Q4 to date | - | - |

Berkshire Hathaway – new purchase

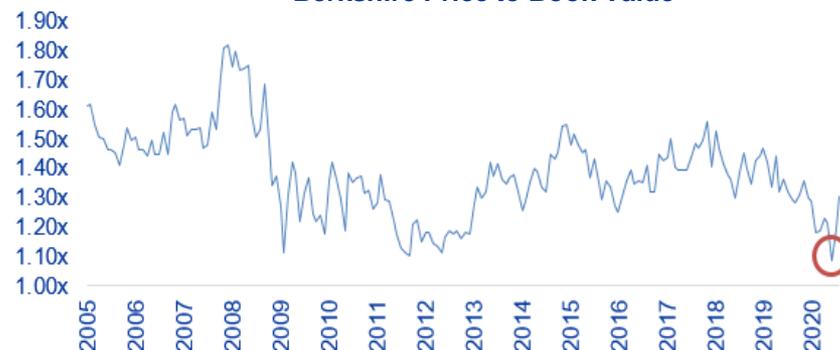
- Diversified, high-quality operating businesses which cannot be easily replicated in the public market
- Compounded book value per share at c.10% p.a.
- US exposure in a market hard to find value
- Attractive valuation entry point 1.1x P/BV
- Cash on hand \$130bn
- *(2015 annual letter) “We would be delighted to repurchase our shares should they sell as low as 120% of book value. At that level, purchases would instantly and meaningfully increase per-share intrinsic value for Berkshire’s continuing shareholders.”*
- Return of capital through buybacks \$5bn and \$9bn Q2 and Q3 of 2020

OP Valuation at purchase (\$bn)



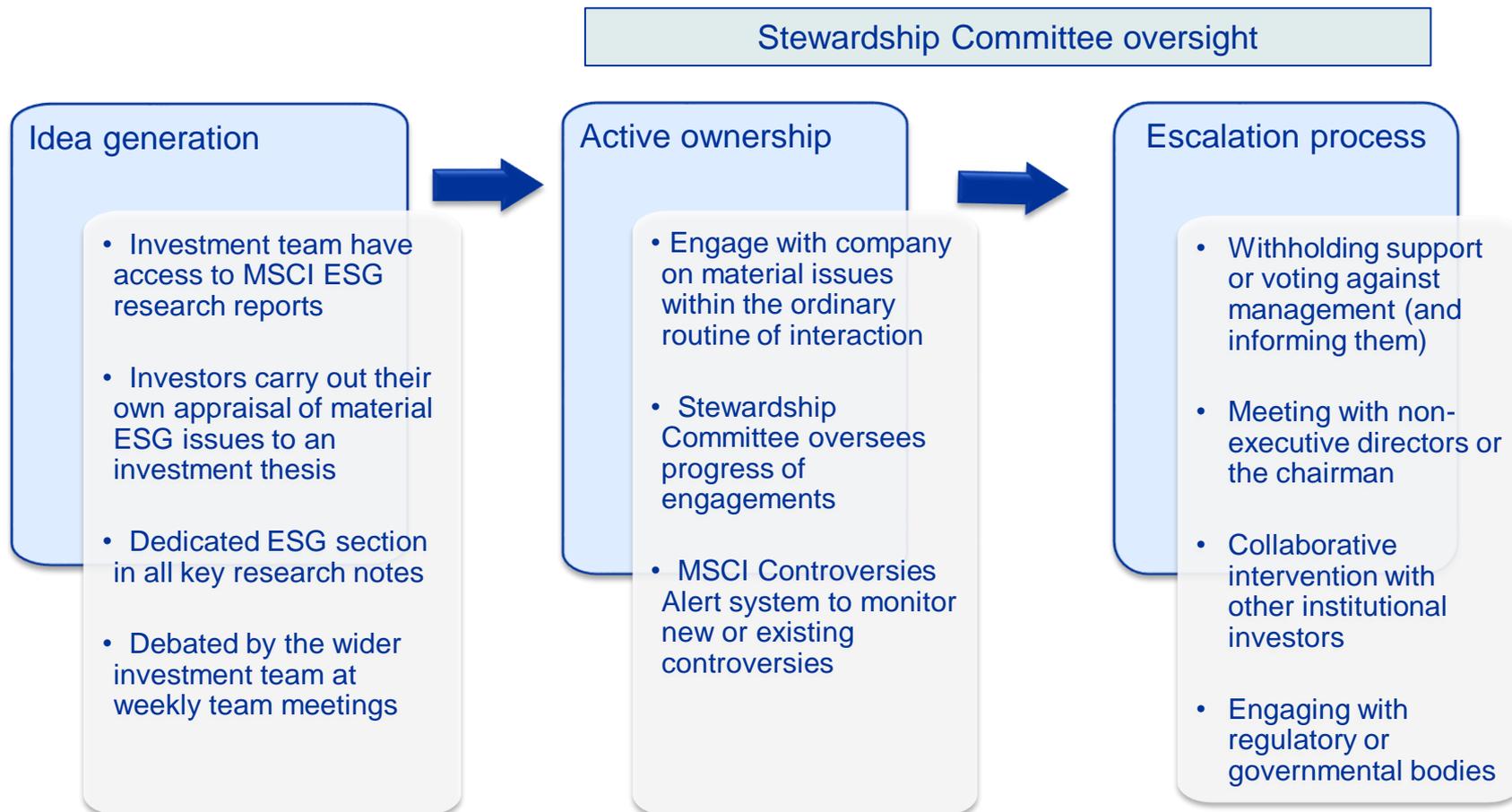
*Excludes \$30bn minimum cash requirement

Berkshire Price to Book Value



High quality businesses to drive long-term capital returns

Source: OP, as at 30th November 2020. Bloomberg



ESG integrated from idea generation and throughout the investment horizon

Climate Change



Share and gain knowledge for assessing and engaging on climate related risks

Stewardship Committee oversight

Idea generation

- Investment team have access to MSCI ESG research reports
- Investors carry out their own appraisal of material ESG issues to an investment thesis



Active ownership

- Engage with company on material issues within the ordinary routine of interaction
- Stewardship Committee oversees progress of engagements
- MSCI Controversies Alert system to monitor new or existing controversies



Escalation process

- Withholding support or voting against management (and informing them)
- Meeting with non-executive directors or the chairman
- Collaborative intervention with other institutional investors
- Engaging with regulatory or governmental bodies

- Dedicated ESG section in all key research notes
- Debated by the wider investment team at weekly team meetings

- Collaborative engagement with CA 100+ signatories

Include dedicated section for assessing transition risks to a low carbon economy structured on TCFD recommendations



Collaborative engagement with CA 100+ signatories

Engagement activity



Cyber Security - Throughout 2018, we participated in the UN PRI's collective initiative on cyber security, and co-led the engagement with **Tesco**. Drawing on this experience, we engaged on cyber security with **Lloyds Bank, Kansai Electric, BT, Toyota and MUFG** and most recently **easyJet**



Nomura, East Japan Railway, MHI, MUFG - board independence; cross-holdings as a source of capital



Korea Electric Power – joined a collaborative group of CA100+ signatories to dissuade KEPCO from proceeding with its development of coal-fired generation and press for improvements in carbon emissions disclosure



LLOYDS BANK

BT & Lloyds Bank – CEO & CFO compensation structure



Kansai – corporate governance reform following the 2019 bribery scandal



National Oilwell Varco – strategy for managing a transition to a low carbon economy



Toyota – greater disclosure to international investors



OP 2020 'A' rated



OP Tier 1 respondent to FRC's UK Stewardship Code

Global Equity Strategy – holdings and valuation methodologies

| Valuation | | Target Valuation (Analyst) | | | | | |
|------------------------------|-------------|----------------------------|------------------------------------|------------|--------|------------------------|-------|
| Company Name | % Portfolio | Share Price | Primary valuation method | Fair value | Upside | Total return (2 years) | Resp. |
| SAMSUNG ELECTRONICS CO LTD | 7.1 | 66,700 | PE + net cash per share | 81,398 | 22% | 27% | AF |
| TESCO PLC | 6.2 | 227 | P/E, P/B, P/CF, EV/EBITDA | 299 | 32% | 39% | NW |
| SIEMENS AG-REG | 5.7 | 112 | P/E | 140 | 24% | 31% | SZ |
| E.ON SE | 5.5 | 9.09 | P/E | 12.50 | 37% | 48% | SZ |
| SANOFI | 5.3 | 85 | P/E | 104 | 23% | 30% | SZ/RG |
| BT GROUP PLC | 4.9 | 117 | SOTP + P/E | 226 | 93% | 100% | SZ |
| LLOYDS BANKING GROUP PLC | 4.7 | 35.62 | P/TBV + P/E | 66 | 84% | 90% | RG/SZ |
| TOYOTA MOTOR CORP | 4.4 | 6,999 | P/B | 9,700 | 39% | 45% | JM |
| NOKIA OYJ | 4.3 | 3.35 | EV/Sales + P/B | 3.55 | 6% | 10% | JL |
| mitsubishi UFJ FINANCIAL GRO | 4.0 | 449 | P/TBV | 537 | 20% | 31% | AG |
| ENI SPA | 3.9 | 8.30 | P/B | 12.80 | 54% | 64% | NW |
| NATIONAL OILWELL VARCO INC | 3.9 | 12.26 | P/E | 37.00 | 202% | 203% | HF |
| BAYER AG-REG | 3.7 | 48.59 | SOTP | 62 | 27% | 36% | CO |
| BARRICK GOLD CORP | 3.7 | 29.81 | P/B | 48.75 | 64% | 66% | RG |
| MITSUBISHI HEAVY INDUSTRIES | 3.5 | 2,352 | P/B | 3,770 | 60% | 67% | AG |
| CITIGROUP INC | 3.5 | 55 | P/TBV | 76 | 38% | 45% | RG |
| GENERAL MOTORS CO | 3.5 | 43.84 | P/E | 46.50 | 6% | 9% | AG |
| NOMURA HOLDINGS INC | 3.3 | 524 | P/B, P/E +SOTP | 636 | 21% | 31% | JM |
| KOREA ELECTRIC POWER CORP | 3.1 | 21,450 | EV/Sales + EV/IC + P/B | 35,550 | 66% | 73% | CO |
| HEWLETT PACKARD ENTERPRISE | 3.0 | 11.04 | P/E | 15.00 | 36% | 45% | NW |
| KANSAI ELECTRIC POWER CO INC | 2.5 | 955 | P/B | 1,863 | 95% | 105% | AG |
| BERKSHIRE HATHAWAY INC-CL B | 2.4 | 229 | SOTP + look through earnings + P/B | 300 | 31% | 31% | JL |
| EXOR NV | 2.2 | 58 | SOTP | 85 | 45% | 46% | SZ |
| EASYJET PLC | 1.4 | 805 | P/S + P/E | 1,450 | 80% | 83% | SZ |
| JAPAN AIRLINES CO LTD | 1.1 | 1,977 | P/B | 2,450 | 24% | 25% | JL |
| SOUTHWEST AIRLINES CO | 0.8 | 46.34 | EV/Sales | 56 | 22% | 23% | CO |
| SIEMENS ENERGY AG | 0.7 | 25.01 | SOTP | 32.00 | 28% | 30% | CO |
| Weighted Average Upside | | | | | 46% | | |

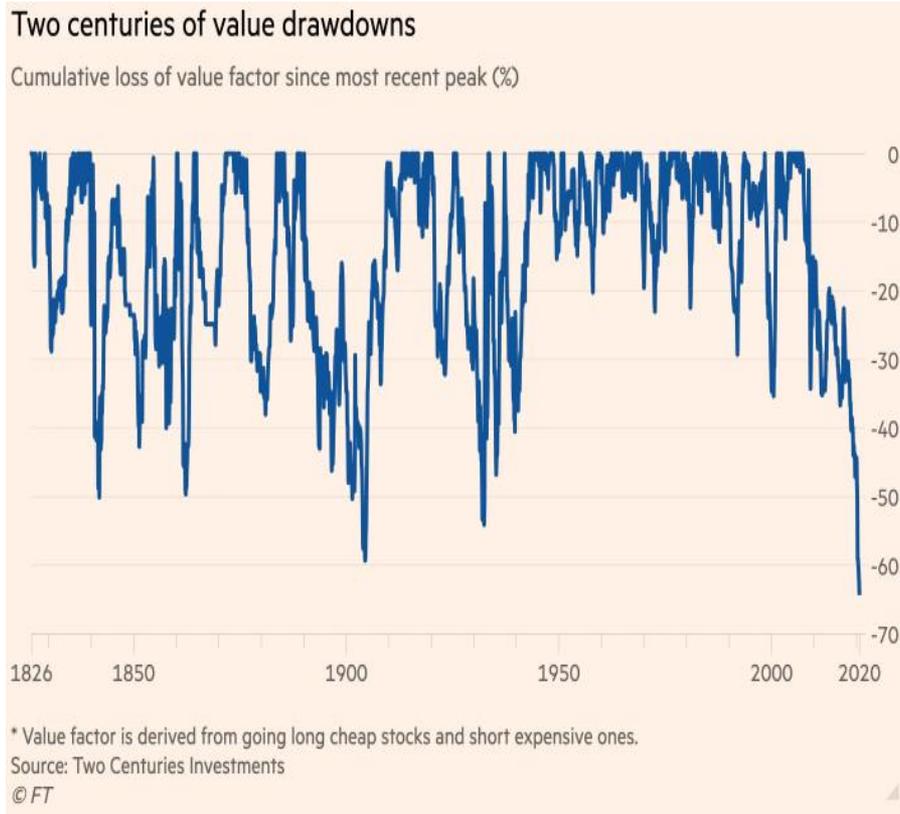
Source: OP.

Date: As at 30th November 2020.

Representative global portfolio used.

Conclusion

Value Drawdowns over nearly 200 years



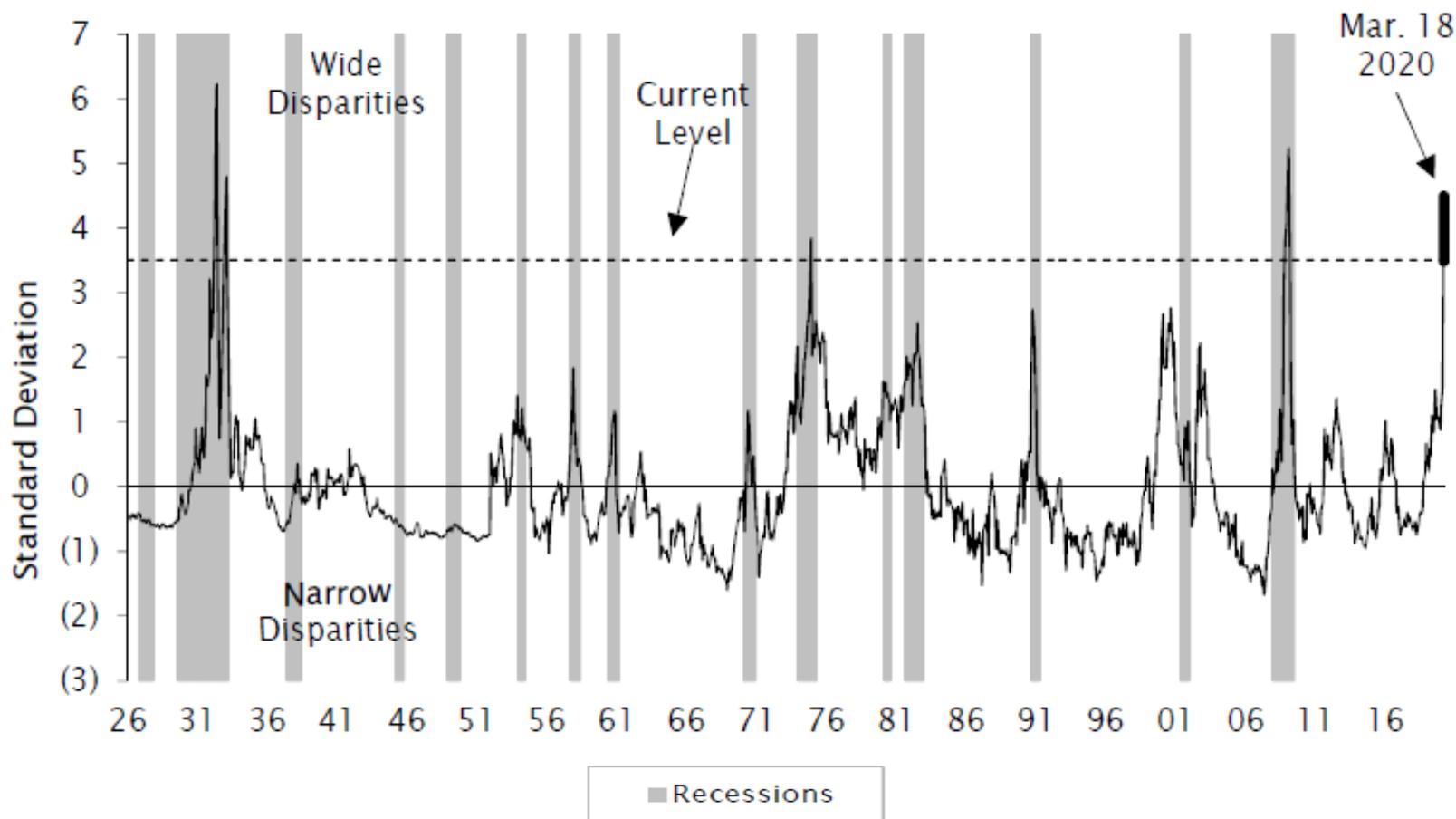
- Value has long-term track record of outperformance
- Only a true value manager will capture the opportunity
- The last decade worst on record
- Every time in history value has recovered relative to growth
- Value needs +150% outperformance of growth to return to parity

Capturing the value opportunity now at a 200 year extreme

Appendix

Value investing – valuation now at an extreme

Valuation spread of most expensive quintile of US large-caps to historic average

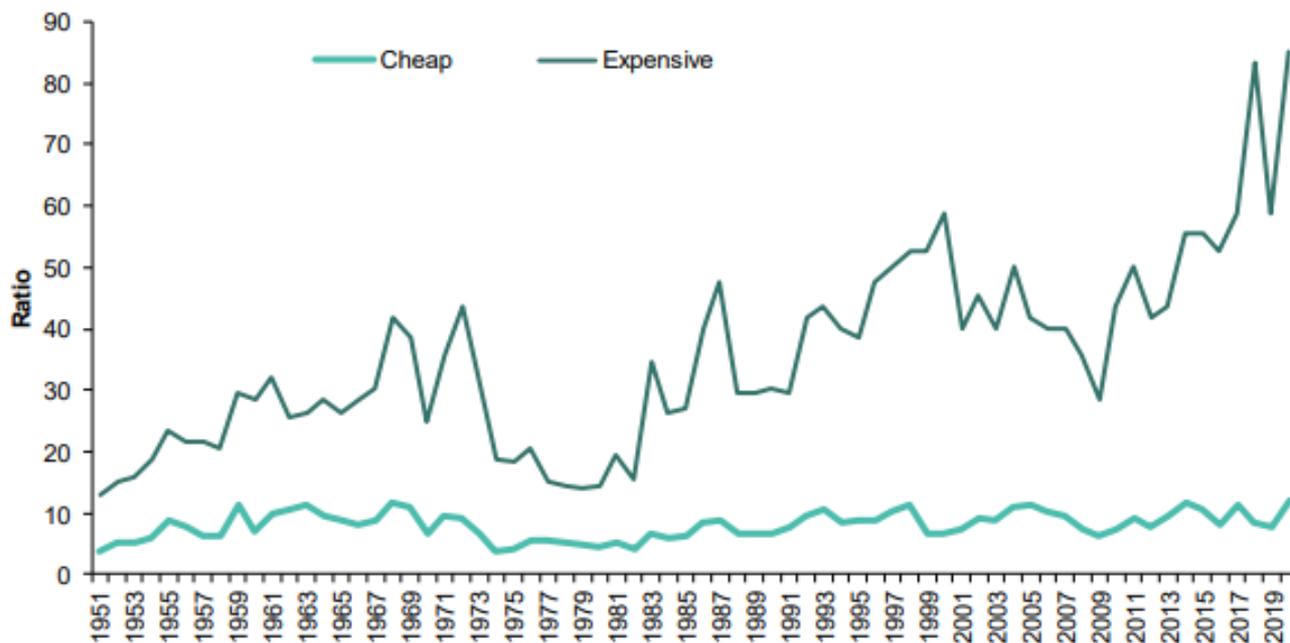


“value stocks trade at one of the lowest trailing multiples seen in the last 70 years”

Source: Empirical Research - March 26th, 2020. US Large Capitalization Stocks Valuation Spread The Top Quintile compared to the average 1926 to late March 2020

Value investing – valuation now at an extreme

Valuation spread of most expensive quintile of US large-caps to cheapest



Valuation spreads are at 70-year extreme levels

Source: Ken French Data Library, MSCI, Bloomberg, Factset, Bernstein analysis. The historic series is derived from the Ken French Data Library and it is the market cap weighted inverted trailing earnings yield for the most expensive and cheapest quintile of stocks out of the largest 1200 US stocks. The latest data point (the dots) on the chart are estimates derived by us from current valuation data. Note that we exclude stocks with negative trailing earnings. As of 24th September 2020.

Portfolio upside versus realised return - post GFC

2009

| | Portfolio weight | Upside | Total return to 31/12/2010 (Local Currency) |
|-------------------------|------------------|------------|---|
| ABB | 3.2% | 30% | 37% |
| Barrick | 7.3% | 26% | 48% |
| BHP | 5.1% | 56% | 50% |
| British Land | 4.8% | 74% | 54% |
| Canon | 7.0% | 73% | 67% |
| Cisco | 3.1% | 30% | 25% |
| Conoco | 7.2% | 113% | 95% |
| DR Horton | 2.4% | 85% | 45% |
| eBay | 2.0% | 30% | 129% |
| Fanuc | 6.9% | 24% | 95% |
| Hitachi | 5.3% | 93% | 63% |
| Investor | 4.6% | 33% | 46% |
| JNJ | 3.8% | 42% | 29% |
| Legg Mason | 2.9% | 199% | 161% |
| Microsoft | 8.0% | 89% | 71% |
| MUFJ | 4.2% | 91% | -3% |
| Pulte | 2.2% | 72% | -26% |
| Shinsei | 0.8% | 78% | 5% |
| Statoil | 3.8% | 34% | 30% |
| Vivendi | 8.5% | 67% | 22% |
| Vodafone | 4.1% | 35% | 53% |
| Weighted average | | 63% | 54% |

Source: OP portfolio weights and upside as at 17th March 2009.
Overstone Global Equity Fund portfolio used.

Portfolio upside versus realised return

2016

| | Portfolio weight | Upside | Total return to 4th Jan. 2018 (local currency) |
|------------------------------|------------------|------------|--|
| BARRICK GOLD CORP | 2.4% | 155% | 78% |
| BP PLC | 5.2% | 46% | 76% |
| CITIGROUP INC | 6.7% | 51% | 52% |
| E.ON SE | 4.3% | 80% | 33% |
| EAST JAPAN RAILWAY CO | 5.3% | 30% | 4% |
| ENI SPA | 3.5% | 77% | 18% |
| GENERAL MOTORS CO | 5.7% | 67% | 49% |
| HEWLETT PACKARD ENTERPRISE | 3.1% | 33% | 77% |
| HP INC | 2.4% | 43% | 96% |
| KANSAI ELECTRIC POWER CO INC | 4.6% | 95% | 1% |
| KOMATSU LTD | 5.0% | 66% | 131% |
| KYOCERA CORP | 5.4% | 38% | 48% |
| LUKOIL PJSC-SPON ADR | 4.0% | 204% | 110% |
| MICROSOFT CORP | 2.1% | 9% | 66% |
| mitsubishi UFJ FINANCIAL | 6.6% | 72% | 21% |
| NOMURA HOLDINGS INC | 4.7% | 66% | 9% |
| RIO TINTO PLC | 6.3% | 75% | 129% |
| SAMSUNG ELECTRONICS | 5.8% | 55% | 119% |
| STAPLES INC | 4.4% | 34% | 14% |
| TESCO PLC | 4.9% | 101% | 47% |
| TOYOTA MOTOR CORP | 5.6% | 62% | 10% |
| VOLKSWAGEN AG-PREF | 2.2% | 42% | 46% |
| Weighted average | | 68% | 55% |

2018

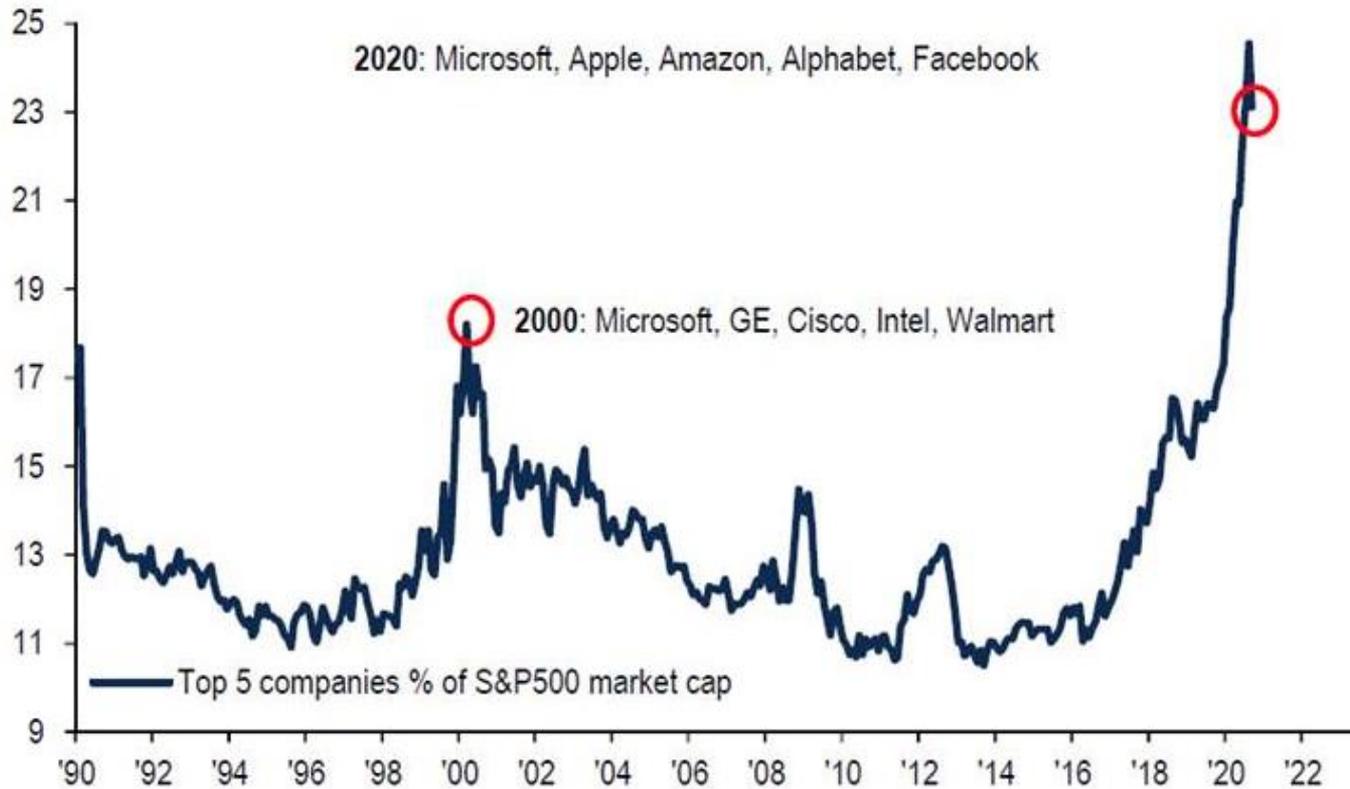
| | Portfolio weight | Upside | Total return to 2nd Jan. 2020 (local currency) |
|-----------------------------|------------------|------------|--|
| BARRICK GOLD CORP | 2.8% | 68% | 29% |
| BT GROUP PLC | 4.5% | 27% | -17% |
| CITIGROUP INC | 5.8% | 13% | 15% |
| EAST JAPAN RAILWAY CO | 5.5% | 54% | -8% |
| ENI SPA | 4.3% | 27% | 13% |
| E.ON SE | 5.8% | 38% | 14% |
| GENERAL MOTORS CO | 3.2% | 10% | -3% |
| HEWLETT PACKARD ENTERPRISE | 3.5% | 13% | 17% |
| KANSAI ELECTRIC POWER | 3.0% | 60% | -2% |
| KOREA ELECTRIC POWER | 3.0% | 69% | -25% |
| KYOCERA CORP | 0.2% | 6% | 6% |
| LLOYDS BANK | 5.7% | 21% | 4% |
| LUKOIL ADR | 4.9% | 47% | 89% |
| mitsubishi HEAVY INDUSTRIES | 5.0% | 34% | 7% |
| mitsubishi UFJ | 6.8% | 16% | -23% |
| NOMURA HOLDINGS INC | 4.8% | 39% | -10% |
| RIO TINTO PLC | 6.4% | 13% | 35% |
| SAMSUNG ELECTRONICS CO | 4.9% | 55% | 15% |
| TESCO PLC | 6.1% | 34% | 28% |
| TOYOTA MOTOR CORP | 5.3% | 21% | 14% |
| VIACOM INC-CLASS B | 5.5% | 118% | -19% |
| Weighted average | | 36% | 0% |

- The last 12 years have been very poor for value, especially the last two
- Our weighted average upside has proved a good indicator in the two prior times in early 2009 and early 2016 when we saw historic peaks in upside

Source: OP portfolio weights and upside as at 4th January 2016 and 2nd January 2018. Overstone Global Equity Fund portfolio used.

US has dominated returns

S&P 500 5 largest stocks as % of market cap



Value Traps – the occupational hazard of the value investor

Margin of safety



- Primary research process
- Low starting multiples
- Operational and financial leverage

'3 bites'



- Price vs value
- -20% = full review = 2nd bite
- -40% = new analyst review = 3rd bite

Controls



- Limit to 3 bites
- Limit to 10% at cost
- Distance - price and time

Discipline



- Target valuation reached
- Thesis violation
- Reluctant sale

Without Value Traps the value investing proposition would not exist

Pandemic: what did we do when it struck?

- **Existing holdings reviewed and stressed**

- Sold Carnival, Allergan
- Additions made to Bayer, Citigroup, ENI, Lloyds Bank, MHI, Nokia and Siemens

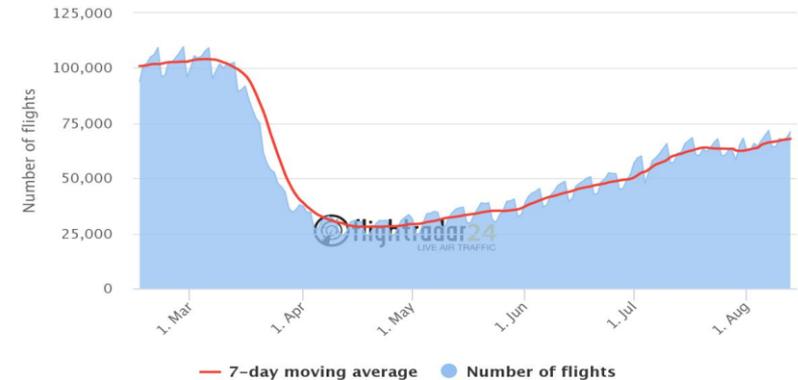
- **New opportunities reviewed at the height of the sell off**

| | | |
|-------------|---|--|
| Aerospace | – | Rolls Royce, United Technologies |
| Airlines | – | EasyJet, JAL, Southwest , Lufthansa, Ryanair |
| Banks | – | Handelsbanken, ING, Synchrony, Wells Fargo |
| Energy | – | National Oilwell Varco , Baker Hughes, BP, Lukoil |
| Industrials | – | Exor , CNH, Deere, NXP, Renault, Thyssenkrupp |
| Lodging | – | Booking.com, IHG |

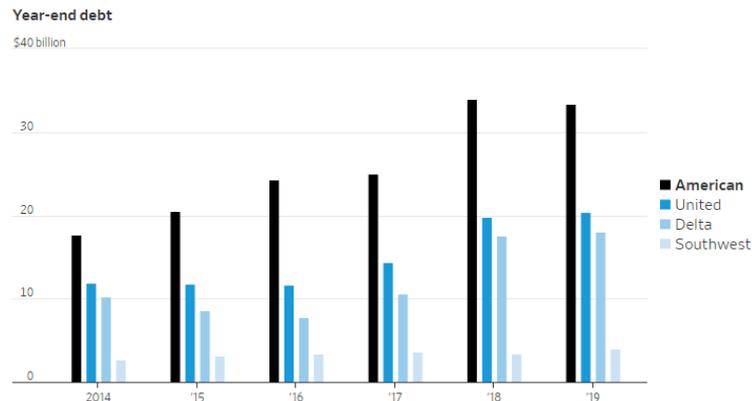
Airlines – picking the winners

- Epicentre of risk – clear dislocation
- Focus on balance sheets and superior business models
- Stress test – no flying for a year
- Diversified basket and limited position
- New holdings in Easyjet, JAL and Southwest
- Upsides +50 to 100% at time of purchase

Number of commercial flights tracked by Flightradar24, per day (UTC time), last 180 days



US Airlines' debt



Source: Capital IQ

JAL – EV/sales 0.3x



Historically low valuations and balance sheet strength

Southwest Airlines – the original low-cost carrier

“Cash in this environment is an asymmetrical risk. Not enough, that is a huge problem. Too much, we’ll pay down debt or we’ll buy available assets opportunistically.” – Gary Kelly, CEO of Southwest Airlines, 28 April 2020

- Low cost operator with exceptional customer service – no fees for checked bags, flight changes, seat selection etc.
- Maintained investment-grade rating for 30+ years and is currently the only major US airline with an IG-rating
- Able to survive under current conditions for +2 years before raising further liquidity
- Remained profitable for 47 consecutive years through FY19. Generating high teens ROCE in a normal market
- History of taking market share during downturns
- US market benefiting from high industry concentration and population growth



| | 1990 | 2000 | 2010 | 2019 |
|----------------------------------|------|--------|--------|--------|
| Daily departures ¹ | >960 | >2,500 | >3,200 | >4,000 |
| Market share ² | 5% | 12% | 21% | 22% |
| Number of cities | 33 | 58 | 69 | 101 |
| Number of states ³ | 14 | 29 | 35 | 40 |
| Number of countries ³ | 1 | 1 | 1 | 11 |
| Fleet ⁴ | 106 | 344 | 548 | 747 |
| ROIC ⁵ | 8% | 20% | 10% | 22.9% |

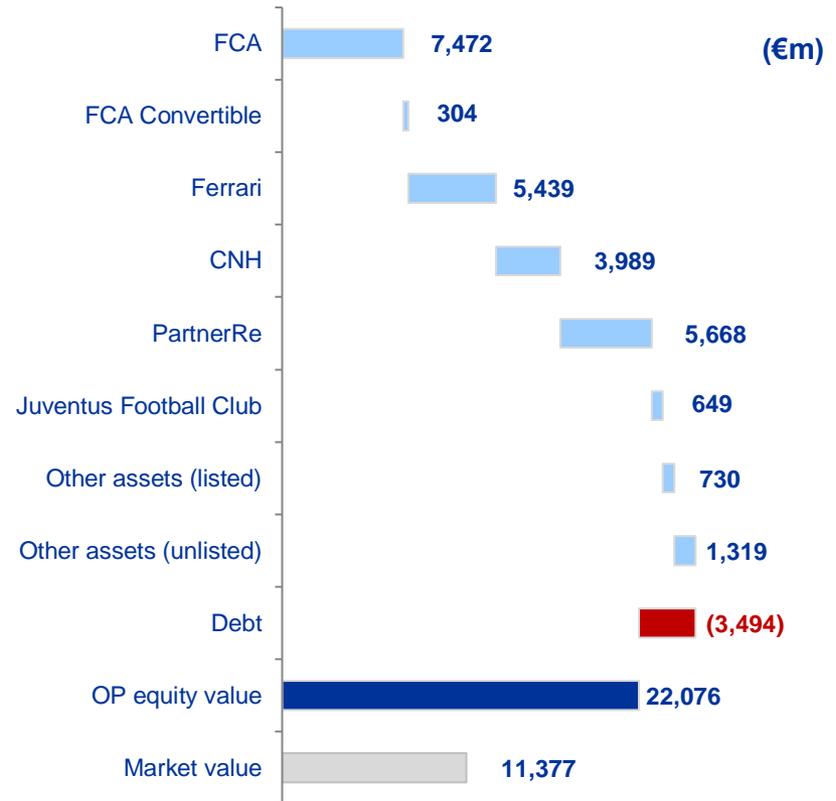
Source: Southwest Airlines

Initiated position in May 2020 at \$29 → 65% upside at 1.4 EV/Sales

Exor – idiosyncratic stock specific opportunity

- Shareholder alignment
- Strong track record
- Known values - PartnerRe, listed
- Recovery potential - FCA, CNH
- FCA merger with Peugeot €3.7bn
- New holding in 2020 with 80% upside at time of purchase

Exor – Sum of the Parts (OP fair value)

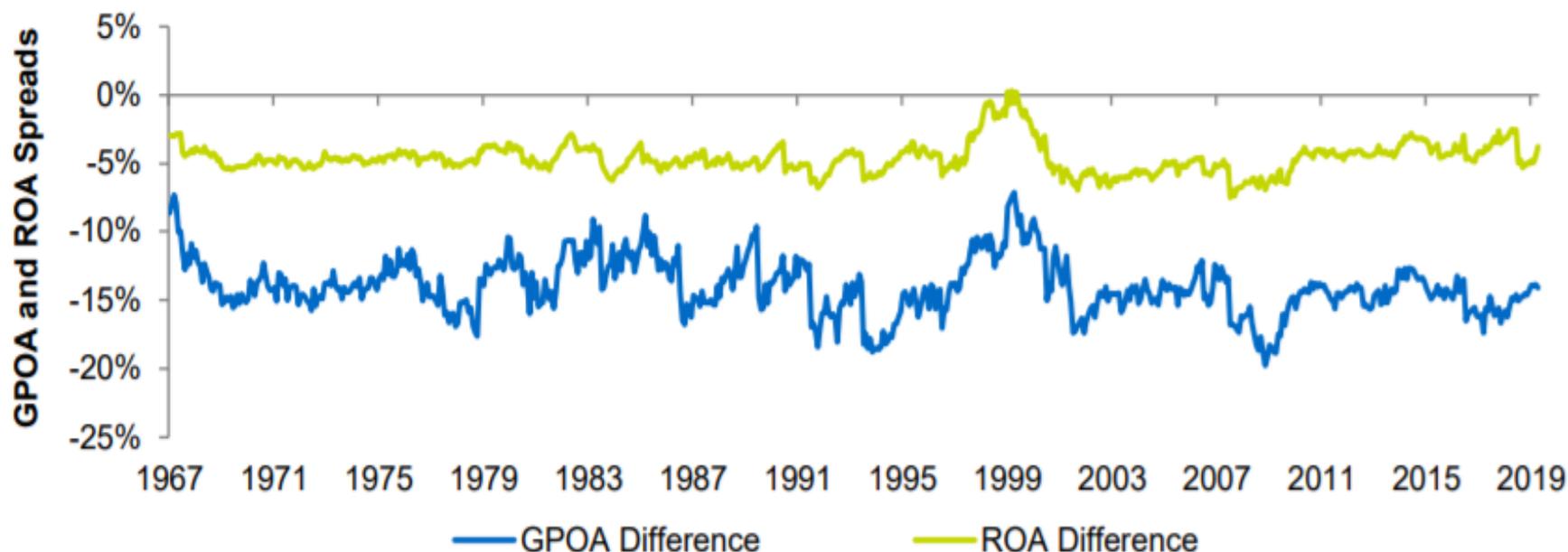


Margin of safety throughout

Value investing – fundamentals are not that different to history

Gross Profitability and Return-on-Assets Spreads, Equal-Weighted Top 1000 Stocks, Industry-Neutral, Price-to-Book Sort

December 31, 1967 – March 31, 2020



This time is not different

Source: AQR Capital Management, "Is (Systematic) Value Investing Dead?" – May 8th 2020

Risk warning and other important information

The value of all investments and the income from them can go down as well as up; this may be due, in part, to exchange rate fluctuations. Past performance is not necessarily a guide to future performance.

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The foregoing summary list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Fund. Prospective investors must read the entire Offering Memorandum of the Company and consult with their own legal, tax and financial advisers before deciding to invest in a Fund.