



Global Credit Investing

The SphereInvest Group

This is a marketing communication. Please refer to the prospectus of the SphereInvest Global UCITS ICAV and to the KIID before making any final investment decisions.

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The SphereInvest Group, *at a glance*

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The SphereInvest Group, *at a glance*

- **SphereInvest** is a privately-owned, specialist Investment Management company founded in 2009 by **Joseph Strubel** and **Nicholas Snelling**.
- SphereInvest's team manages the Morningstar 5-Star rated **SphereInvest Global Credit Strategies** (UCITs), a **dynamically** traded, **unconstrained** and **opportunistic** fixed income fund, which invests principally in global high yield hard currency corporate bonds, agnostic to benchmarks.
- Prior to co-founding SphereInvest, Mr. Strubel was portfolio manager of the Millennium Global High Yield Fund, for which he was twice awarded **Best Performing Credit Fund** Manager of the Year by **EuroHedge**, and similarly recognized by **Hedge Fund Intelligence**.
- The SphereInvest Group is licensed as an Alternative Investment Fund Manager under the EU's **AIFM Directive** as well as licensed as a **UCITs** investment manager. SphereInvest has offices in Monaco, London, Bermuda and Malta.
- **SphereInvest** draws on its proven, longstanding expertise in credit to provide tailored investment solutions for investors in accordance with their return and liquidity preferences, through the following:
 - **UCITs Funds**
 - **Separately Managed Accounts**
 - **Offshore Funds**

Biographies of the Co-Founders

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Joseph Strubel

- 2009, Co-Founder, Senior Advisor and Board Member, the **SphereInvest Group**, Monaco
- 2015-2019, Independent Non-Executive Director, **S&P Global Ratings**, Dublin
- 2007-2010, Senior Advisor, **Millennium Global**, Geneva
- 1999-2007, Portfolio Manager and Managing Director of Alternatives, **Millennium Global**, London
- 1997-1999, Head of Fixed Income Investments, **Renaissance Capital Asset Management**, Moscow
- 1996-1997, Director, Proprietary Credit Trading, **SBC Warburg Inc**, NY
- 1991-1995, Director, Distressed Assets Portfolio Management, **HSBC Group**, NY
- 1987-1990, Senior Economist, **Merrill Lynch & Co**, NY
- 1987, The University of Rochester's **Simon Business School**, MBA in Finance and Applied Economics
- 1986, The **University of Rochester**, BA in Economics

Nicholas Snelling

- 2009, Co-Founder, COO and Board Member, the **SphereInvest Group**, Bermuda
- 2005-2009, Chief Operating Officer, **Cedar Investment Management**, Bermuda
- 2001-2004, Chief Financial Officer, **Agora Capital Management**, Bermuda
- 1996-2000, Chief Financial Officer, **Cameron Capital Management**, Bermuda
- 1991, **Institute of Chartered Accountants**
- 1988, **Sheffield Hallam University**, BA in Accounting and Financial Control

Investment Philosophy

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Our Investment Philosophy

- We draw on **60 year's** collective fixed income market expertise to formulate and execute the **unconstrained** and **opportunistic** SphereInvest Global Credit Strategies.
- We **target a mid+ single digit** annual coupon, seeking opportunities in dislocations with liquidity. To achieve this, the resultant portfolio management becomes a **Dynamic “Barbell”** approach to fixed income risk exposure, as we oscillate between Hard Currency Corporate **High Yield** bonds and cash/US Treasuries/risk-free investments.
- Since the **High Yield** asset class was delineated in the 1980s, SphereInvest estimates its return per unit of risk, **as measured by Sharpe**, has been **continuously greater**, compared to all other asset classes. Given our mandate of targeted return with liquidity, the majority of income derived from bond coupons, we believe Hard Currency Corporate High Yield the best asset class to achieve our investment goals.
- A **Global** approach improves access to companies, industries and countries operating at potentially **unsynchronized** stages of the business cycle, while allowing us to build insight we otherwise might miss.
- We combine our proprietary bottom-up **Quantitative** Augmented Intelligence screening model with **Qualitative** “equity approach” analysis, to understand each credit and where it fits within the global risk spectrum.
- Our goal: a capacity disciplined, **high conviction** portfolio of bonds, as we attempt to **avoid** the penalties of **over-diversification** and **stale positioning**.
- **“Risk off”** position: **raising cash**/investing in US Treasuries, as our preferred method to reduce market beta in a negative financial environment, while providing upside liquid reinvestment optionality.

Product Summary

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SphereInvest - Global Credit Products Summary

Shared process, varying return targets and a choice of liquidity parameters

	The SphereInvest Global Credit Strategies (UCITs) Fund	Separately Managed Accounts
Investment Objective	Emphasis on Carry, Liquidity and Reducing Volatility	Choice of Carry- Capital Appreciation or Total Return Target. The target can be equivalent to the existing strategies or customised.
Targeted Annualised Coupon Targeted Yield to Maturity	7-9% 10-12%	5-12% 7-14%
Portfolio Exposure	<ul style="list-style-type: none"> •Diversified across liquid DM and EM Hard-Currency Corporate Credits •Targets BB Average Portfolio Rating •Unconstrained holdings of risk-free UST/Cash 	Exposure across the spectrum from Invest Grade Credit to distressed debt, according to investor preference.
Target Number of Credit Positions	•35-45	•20-50

Opportunities in Global Credit Markets

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Opportunities in Global Credit Markets

- **Uncertainty in markets reflects:**

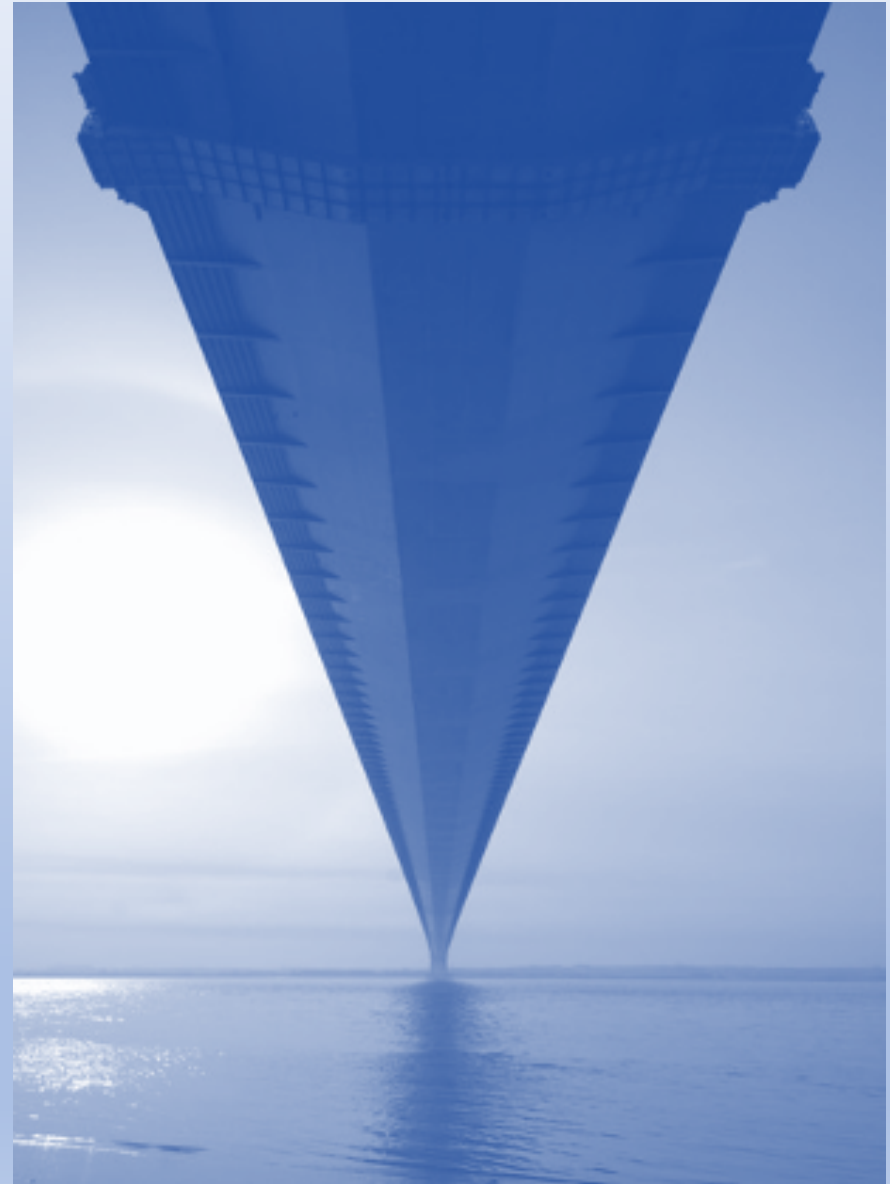
- Fiscal, monetary and mandated government policies, coupled with Russia/Ukraine conflict, have led to severe inflationary pressures in food and energy markets. Has inflation peaked? How quickly does it abate? How much damage will be done to the World's real incomes and growth prospects?
- What are the permanent shifts in both policies and behavior, affecting economies and growth?
- What of the above is already priced into markets and what is still unknown?

- **Uncertainty highlights both challenges and opportunities to take advantage of dislocations:**

- Eventually, based on poor demographics, US/European Central Banks need to recommit to regimes of low real rates, supportive of companies and bond markets. When will this theme recommence?
- In many countries, high leverage and political uncertainty will restrict corporate investment plans, further subduing potential economic growth.
- Experiences across industries and regions will vary greatly. Which will benefit and when? Which will require restructuring and how deep?
- Dispersion creates opportunity.

Core Strengths of SphereInvest

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Core Strengths of SphereInvest

Investment Expertise

- Mr. Strubel has more than 38 years' experience managing portfolios of global fixed income securities, across the Americas, Asia, and EMEA, through numerous investment cycles.
- Investment and Operations teams have a wealth of experience in global financial markets.
- The group shares an alignment of interest with investors, having significant capital invested in its own products.

Portfolio Construction

- Global Investment Universe, screened for best ideas.
- Pragmatic approach to allocation by regions and markets, depending on identified risks and opportunities.
- Investment Approach combines top-down quantitative augmented intelligence screening with bottom-up credit analysis.
- Capacity Disciplined, enabling flexibility and nimbleness.

Institutional-Quality Operations & Systems

- Comprehensive portfolio oversight is provided by Calypso's Trading and Risk Management platform.
- Strong infrastructure emphasises strict separation of front, middle and back office responsibilities.
- Apex Investment Services provides middle and back office support and independent portfolio valuation.

Investor Choice and Flexibility

- Calypso is a flexible and robust platform enabling fully customised portfolio investment parameters.
- Managed account investors can exercise their own choice of Prime Broker and Custodian.
- SphereInvest offers a UCITs compliant fund as well as a diversified range of co-mingled (offshore) vehicles.

Investment Process - Initiation and Review

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Investment Process - Initiation

Quantitative Augmented Intelligence Screening

- Process-Driven "Top Down" Quantitative Augmented Intelligence Screening of 10k+ Universe.
- Geared to developing a 400 "Focus List", comprising bonds, which yield at or above target threshold, meet required creditworthiness criteria (maximum leverage & interest coverage) and are better-ranked across a range of relative value measures, i.e. offer more spread per unit of risk.
- Bottom-up "Equity Style" fundamental credit analysis to generate insight into;
 - Individual Companies.
 - Global Industry Themes.
 - Individual Countries.

Selection, Approval & Monitoring

- *Selection:*
 - 400 Focus List, combining Quantitative Augmented Intelligence Screening & Qualitative Analysis.
 - Target "Favorite 10%" "(40) investments for inclusion in the portfolio.
 - Portfolio risk management and trading review against portfolio constraints.
- *Approval:*
 - PM approves/disapproves recommendations; or directs other research initiatives.
 - Once approved, progressed to trade execution within portfolio constraints
- *Monitoring:*
 - Portfolio evaluation - continuous and dynamic.
 - Existing positions reviewed for additions, withdrawals or potential switches.

Investment Process - Review

Investment Themes

- Bottom-Up analysis yields insights into companies, industries and regions.
- Investment Theme examples;
 - Mature Telecom Incumbents and Food Producers provide stable revenues and outsized risk-adjusted returns.
 - Short Duration Credit of high-quality issuers provides both income and optionality to eventually reinvest in high yielding opportunities once risks are better understood.
 - With subjective constraints from ESG reducing investor demand artificially, many commodity producers and manufacturers continue to offer intriguing spread per unit of leverage, then otherwise would be the case.
 - Valuations of a growing list of companies with strong assets and low leverage, able to survive the continued near-term shock to revenue, provide attractive medium-term investment opportunities.

Portfolio Management and Construction

- Investment approach begins with targeting a 2yr hold.
- Yield targets, once attained, trigger profit taking.
- Greater liquidity in the UCITs portfolio allows for more dynamic exposure management.
- Adverse market conditions prompt higher levels of cash/UST, as both a defense and, later, an offense.
- Capacity Disciplined.

Risk Management

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Risk Management

Portfolio Risk Management

- The Calypso portfolio management system incorporates hard limits for each mandate by issuer, industry, country, region and rating.
- >5% move in one day triggers review of position.
- Pre-set individual position limits trigger either profit taking or stop loss discussion.
- Stop loss discussion leads to an exit or hold decision.
- High levels of cash facilitate re-positioning into more attractive investment opportunities after a downturn.

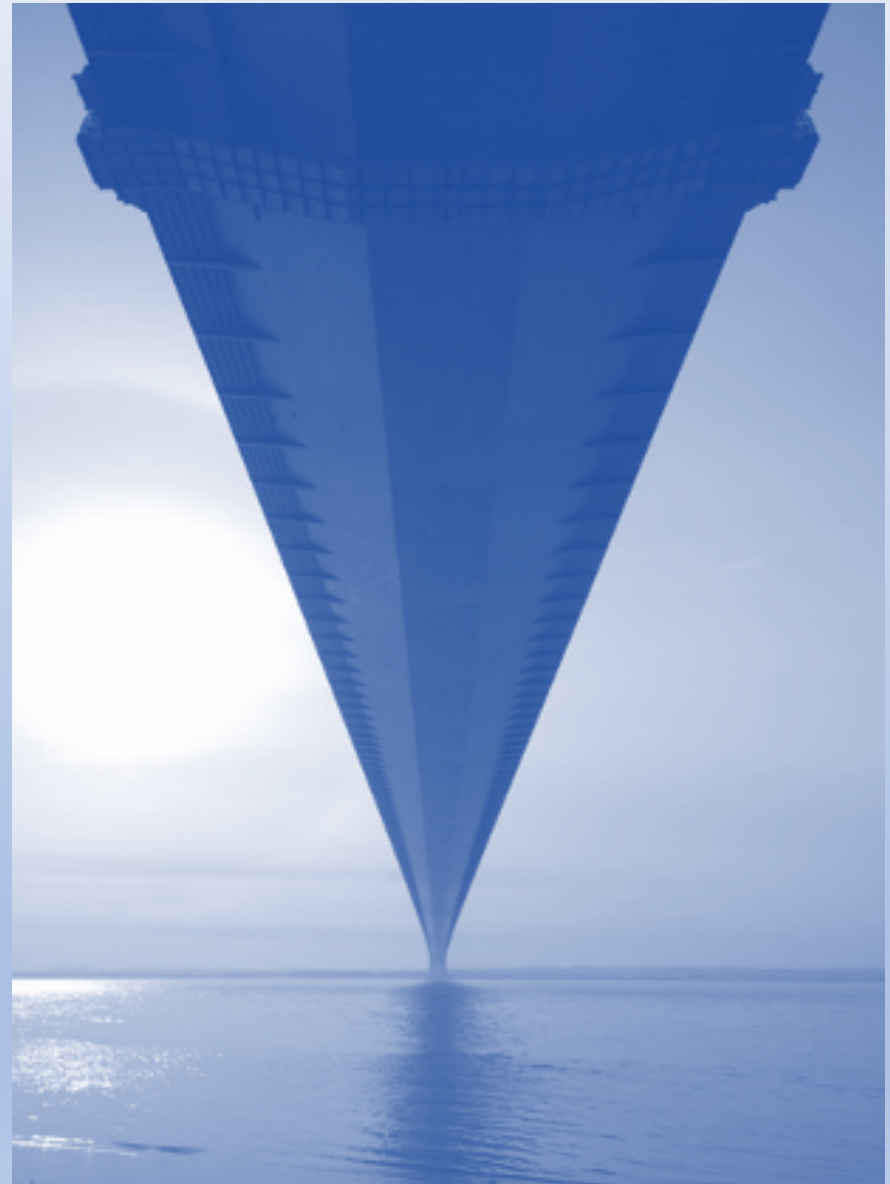
Risk Monitoring

- Adherence to the parameters of each investment mandate is monitored by the risk management team utilising the Enterprise Risk System module in Calypso.
- Risk Policy and Procedure for each mandate determined by the Risk Manager, which includes identification and description of the mandate's risks.
- The risk management team monitor, measure and at any time take appropriate steps to mitigate and control the market, credit, liquidity, counterparty and compliance related risks.
- Reconciliation with all counterparties and administrator is overseen by an external, independent valuation team.



Product Terms & Service Providers

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SphereInvest - Product Terms & Service Providers

	SphereInvest Global Credit Strategies (UCITs) Fund		Separately Managed Accounts
Domicile	Ireland		Investor's preference
Regulatory Framework	UCITs V		Investor's preference
Launch Date	2 nd July 2012		
Management Fee	Retail Share Class - 1.5%; Institutional Share Class – 1%		Customised
Performance Fee	5% - paid annually, above high water mark		Customised
Share Classes	<u>Retail</u>	<u>Institutional</u>	
Minimum Investment:	25,000 nominal	200,000 nominal	USD 20mn
Accumulating:	USD EUR GBP CHF CAD NOK	USD EUR GBP CHF CAD NOK	Customised
Distributing:	USD EUR	USD EUR	Customised
Series Accounting:		USD EUR CHF	Customised
Liquidity	Daily NAV, Weekly Trading, with 8 business days' notice for redemption		Customised
Administrator	Apex Fund Services (Ireland) Ltd.		Investor's preference
Custodian & Global Custodian	European Depository Bank SA, Dublin & Citibank N.A., London		Investor's preference
Legal Advisor	Eversheds Sutherland (EU Law)		Investor's preference
Auditor	Deloitte Ireland LLP		Investor's preference
Regulator	Central Bank of Ireland		Investor's preference

Our UCITS fund is currently onboarded on the following databases:

ALBOURNE

SIX TELEKURS



hedge pole

MORNINGSTAR®

MERCER

Infront

Our UCITS fund is currently onboarded on the following platforms:



ALLOCATOR

defaqto



attrax



alpha portfolio advisors
Beratung institutioneller Anleger



The SphereInvest Team

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Credit Products Investment Team

Joseph Strubel, *Senior Advisor*

Mr. Strubel is co-founder, Senior Advisor and Board Member of the SphereInvest Group and has been actively involved in financial markets for more than 38 years. From 2015 to 2019, Mr. Strubel served as an Independent Non-Executive Director representing Europe on the Board of S&P Global Ratings, in accordance with the ESMA Directive. From 2007 to 2010, Mr. Strubel was a Senior Advisor to Millennium Global (Suisse) SA; from 1999 to 2007, Managing Director of Alternatives for Millennium Global Investments and Portfolio Manager of the Millennium Global High Yield Fund. From 1997 to 1999, Mr. Strubel was co-founder & Head of Fixed Income Investments for Renaissance Capital Asset Management, continuing as an advisor until 2001. From 1996 to 1997, Mr. Strubel was Director, Proprietary Credit Trading, for SBC Warburg Inc. (Swiss Bank/UBS). Additionally, Mr. Strubel worked from 1991 to 1995 as Director, Distressed Assets Portfolio Management, with the HSBC Group and, from 1987 to 1990, as a Senior Economist with Merrill Lynch & Co. Mr. Strubel is a graduate of the University of Rochester, with a BA in Economics and, from the University's Simon Business School, an MBA in Finance and Applied Economics.

Boris Fischer, *Portfolio Manager/Credit*

Mr. Fischer joined SphereInvest in 2010 from BlueBay Asset Management, London, where he worked from 2006 as Senior Credit Analyst of Global Emerging Markets Corporates and Financials. Previously, Mr. Fischer worked as Publishing Credit Analyst of CIS Corporates at Barclays Capital, London. Mr. Fischer is a CFA Charter Holder and holds a Grande Ecole Diploma, majoring in Finance, from the ESSEC Business School in Paris. Mr. Fischer has previously held analytical positions with Lazard Freres Gestion in Paris, Axa Investment Managers in London and PIMCO in Munich.

Tiberiu Samareanu, *Senior Credit Analyst/Trader*

Mr. Samareanu joined SphereInvest in 2018 from TradExec Ltd, Geneva, where he worked from 2014 as Head of Trading, responsible for trade execution of all products, including corporate bonds, government bonds, FX and derivatives. Previously, Mr. Samareanu held internship positions at Union Capital Group, Geneva on their Derivatives Team; the National Bank of Romania, in Macroeconomic Research; and at the Erste Group, Bucharest, in Financial Database Management. Mr. Samareanu is a CFA Charter Holder and holds a Master of Science Diploma in Finance from HEC University of Lausanne, Switzerland.

Operations and Marketing Team

Nicholas Snelling, *Chief Operating Officer*

Mr. Snelling is co-founder, Chief Operating Officer and Board Member of the SphereInvest Group. Mr. Snelling has more than 30 years' experience in financial services, inclusive of the offshore hedge fund, investment fund and trading industry. Mr. Snelling has served as chief operating officer and chief financial officer for various investment groups, including Cedar Investment Management Limited, a short-term currency and commodity trading group, where he was responsible for all aspects of the group's financial and operational management, global risk management and regulatory compliance. Prior to this, Mr. Snelling was Chief Financial Officer of Agora Capital Management Ltd., a Geneva-based fund of hedge funds, carrying out similar duties. As a part of Agora's Executive Management Committee, he took part in detailed reviews of investment strategy, risk management and internal/external controls. Mr. Snelling holds a BA in accounting and financial control from Hallam University, Sheffield, England, and is a member of the Institute of Chartered Accountants in England & Wales.

Joshua Snelling, *Marketing Analyst and Database Management*

Mr. Snelling joined SphereInvest in 2019 to build SphereInvest Group's in-house marketing capabilities, as well as manage the Company's marketing database. Mr. Snelling held a previous customer relationship role at a large multi-national cell phone provider. Mr. Snelling studied Computer Sciences at Northampton University, UK.

Finance, Risk Management and Compliance Team

Roscoe Camilleri, *Chief Financial Officer*

Mr. Camilleri is responsible for finance, risk management and compliance, as well as assisting in managing the day-to-day operations of the Group. He is also the NFA Compliance Officer, Money Laundering Reporting Officer and an Approved Person by the Malta Financial Services Authority. Mr. Camilleri is a Chartered Certified Accountant and holds a Higher Diploma in Management and Business Administration from the Malta Institute of Management. He is a Fellow of the Association of Chartered Certified Accountants and a Member of the Chartered Institute of Securities & Investments. Prior to joining SphereInvest in 2011, Mr. Camilleri was responsible for managing a portfolio of captive insurance, investment and treasury companies of several FTSE100 multinational groups while at Marsh Management Services. Mr. Camilleri has over 20 years' accounting and management experience, across both industry and the financial services sector.

Tracey Mifsud, *Financial Controller*

Prior to joining SphereInvest, Ms. Mifsud was first a Senior Auditor, and then an Audit Supervisor, for Parker Russell Turner, overseeing several audit teams on numerous audit engagements for both domestic and international clients, across numerous industries. Prior to this, she interned and became an Associate Auditor for Grant Thornton. Tracey has Bachelor of Commerce and Master of Accountancy degrees from the University of Malta.

Contact Information

E-mail:

contact@sphereinvestgroup.com

Dublin

Floor 2, Block 5, Irish Life Centre
Abbey Street Lower

Tel: +353 89 600 9545

Bermuda

2, Reid Street
Hamilton, HM11

Tel: +1 441 292 3637

Monaco

Bd Princesse Charlotte 13
MC 98000

Tel: +33 6 0793 7989

Malta

Airways House, High Street
Sliema, SLM 1549

Tel: +356 2134 3297

Key Risks

The value of shares in the UCITS and income received from it can go down as well as up and investors may not get back the full amount invested. Performance may also be affected by currency fluctuations.

The UCITS seeks to achieve its investment objective by principally investing in a diversified portfolio of publicly-issued bonds. The UCITS may utilise financial derivative instruments for hedging, efficient portfolio management and/or investment purposes.

Bonds or other debt securities involve credit risk represented by the possibility of default of the issuer. In the event any issuer experiences financial or economic difficulties, this may affect the value of the relevant securities and any amounts paid on such securities, in turn affecting the Net Asset Value per Share of the UCITS.

Investment instruments have historically been subject to price movements, due to market or issue-specific factors. As a result, the performance of the UCITS can fluctuate over time.

Other significant risks include liquidity risk and operational risk. For full details of the risks applicable to the UCITS, please refer to the 'Risk Factors' sections in the current Prospectus of SphereInvest Global UCITS ICAV and the Offering Supplement of the UCITS sub-fund - SphereInvest Global Credit Strategies Fund.

Disclaimer - Important Information

This is a marketing communication issued by SphereInvest Group Limited ("SIGL"), a company incorporated in Malta, authorised and regulated by the Malta Financial Services Authority ("MFSA") as a UCITS and AIFM Investment Management Company.

SIGL is the Investment Manager of SphereInvest Global UCITS ICAV (the "UCITS"), a company incorporated under the laws of Ireland, authorised and regulated by the Central Bank of Ireland. Please refer to the Prospectus of the UCITS, the Offering Supplement of SphereInvest Global Credit Strategies Fund (a sub-fund of the UCITS) and to the Key Investor Information Document, available in English for all authorised share classes of the sub-fund upon request and via www.sphereinvest.com. In addition, a summary of investor rights is also available in English, upon request and via www.sphereinvest.com.

SphereInvest Global Credit Strategies Fund is notified for marketing in a number of European Member States under the UCITS Directive. The UCITS can terminate such notification for any share class and/or for the sub-fund (as a whole) at any time by using the process contained in article 93a of the UCITS Directive.

This publication is being provided for illustrative purposes only. It should not be construed as investment advice or an offer, invitation or recommendation to transact in any of the investment instruments mentioned. The investment which is being promoted through this communication concerns the acquisition of investor shares in SphereInvest Global Credit Strategies Fund (a sub-fund of the UCITS) and not in any of the underlying assets of this sub-fund.

Past performance does not predict future returns. Performance details provided are in share class currency, include reinvested dividends (if any), net of all fees, including any management and performance fees, as well as, all costs incurred by, and charged to, the UCITS.

Potential investors should seek their own independent financial advice. Every investment involves risk, especially with regard to fluctuations in value, currency movement and return. The value of investments and the income therefrom can go down as well as up. Prospective Investors should read the Prospectus and Offering Supplement for details and specific risk factors of the UCITS promoted herein.