



PREDICTABLE RETURNS

IN AN UNPREDICTABLE WORLD

What Does AWDR Do?

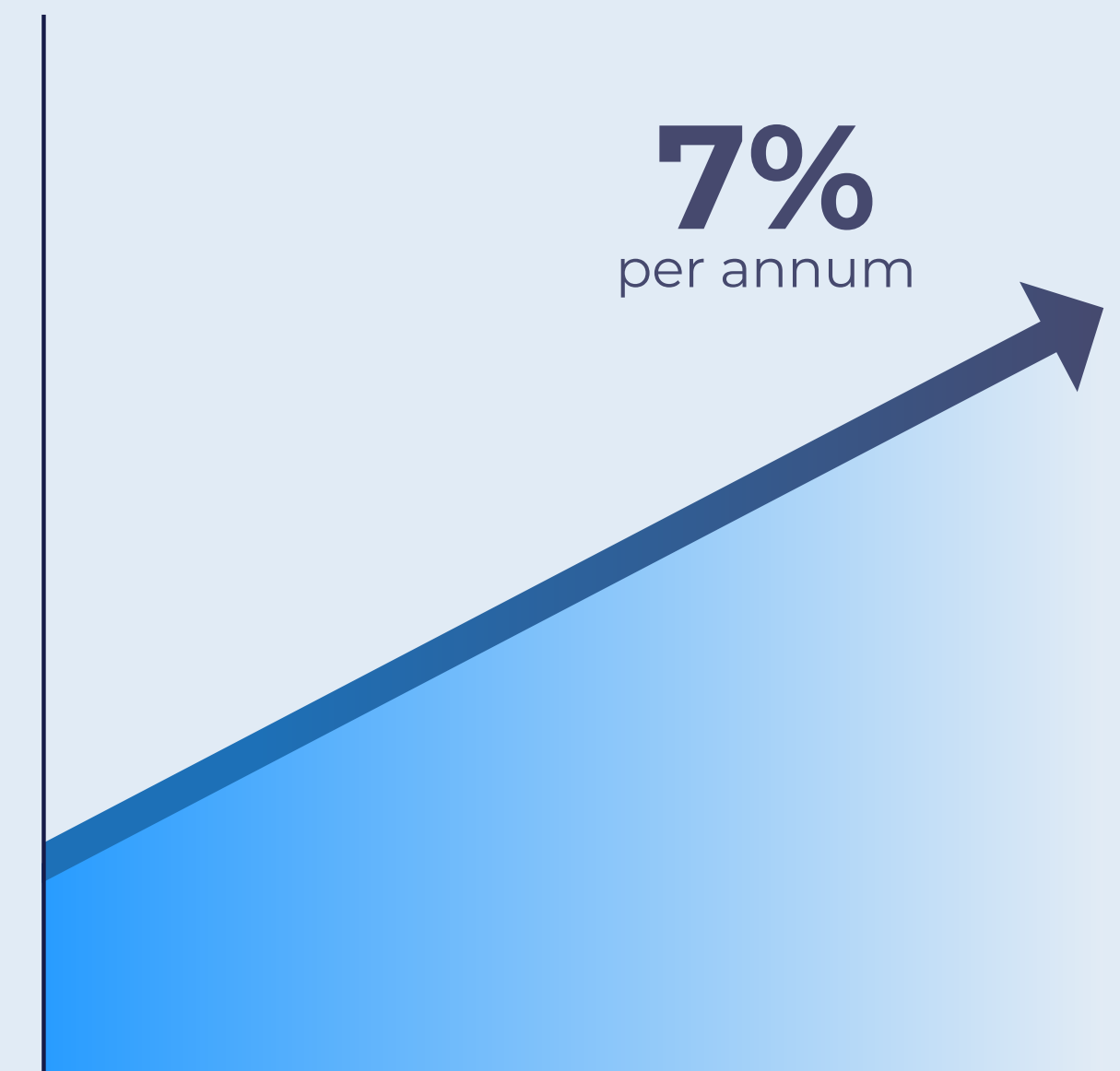


AWDR is a specialist international fund manager building portfolios of bespoke structured products intended to perform at 7% per annum in all market conditions and volatility.



Executive Summary

The All-Weather Defined Return Fund aims to generate an annualised net return of 7% (EUR) over the medium to long term, with reduced sensitivity to equity market fluctuations. The Fund will do so via an actively managed exposure to a portfolio of auto callable structured products linked to major global indices and market-leading equities. Daily liquidity is provided by a standing market-maker.



Our Senior Team



Whilst AWDR boasts a strong support staff to consult upon and construct its market-leading portfolios, please meet three members of our most senior team.



Alistair Evans

Advisor to the Fund

Was educated in Switzerland and at the exclusive Merchiston Castle School, Scotland. Alistair has over 20 years of experience in banking and finance, having held senior positions in various global investment banks, obtaining a wealth of knowledge across a wide variety of financial sectors and dealing with complex financial instruments. He holds multiple financial qualifications, including a Series 7.

Alistair was latterly with UBS before founding Sequence Capital in London. Alistair brings his knowledge of structured products to the table for AWDR, advising on our portfolio construction to ensure that the fund grows at a smooth and steady 7% per annum, regardless of equity market volatility.



David Russell

Advisor to the Fund

Was educated at the prestigious Law School of the University of Edinburgh (LLB Hons). David has held numerous senior positions internationally over a 25 year career in finance and advisory and holds a Diploma in Investment Advice and Securities from the Chartered Institute of Securities and Investments, London (DipFASec).

David is the founder of DRC, a specialist financial consultancy based in Edinburgh. He brings a deep knowledge of structured products and financial instruments to the table for AWDR and consulted to the largest provider of structured products to the UK market, over a number of years, during their rise to prominence.



Catarina Gonçalves

Chief Investment Officer

Catarina joined Fundbox ten years ago as a member of its asset management team, becoming CEO of Alternatives in 2025. Having attended both the University of Oxford (Templeton College) and Harvard Business School, Catarina has the qualifications, experience and pedigree to guide AWDR in its portfolio selections for our valued investors.

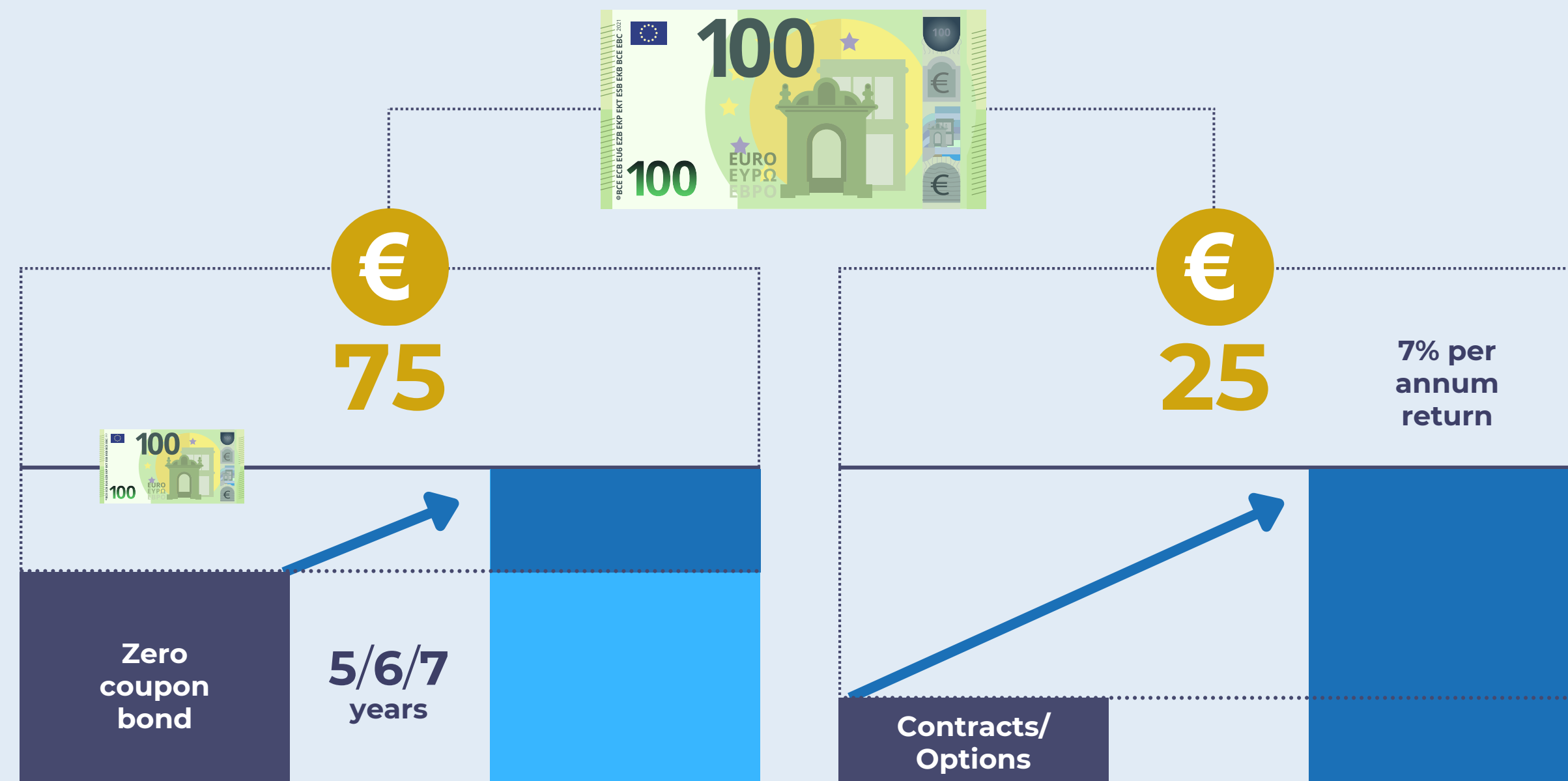


What Are Structured Products?

Structured products are contracts or agreements entered into by investors with major global banks. These contracts feature a strict range of pre-defined returns or “payoff profiles” which the investor can achieve during the life of the investment. This means that investors have, and understand, the limited possible outcomes which can arise before investing. The same cannot be said for merely purchasing an equity or bond index tracker.

A vast majority of investment funds incorporate what is known as a “long-only” strategy. “Long-only” means essentially that the underlying asset pool which the fund invests in must rise in value in order for the fund and investor to make money. Conversely, with a portfolio of structured products, profit can be generated even when underlying assets fall in value, due to clauses in the contracts for investment. The All Weather Fund gets its very title from this fact. It can perform and make profits for investors in all market conditions.

How does it all work



When an investor invests €100 into a structured product, typically around €75 euro is used to purchase a zero coupon bond, which grows back to the original €100 over the next 5/6/7 years. This bond provides an element of capital protection to the invested monies.

The remaining €25 is used to purchase contracts/options with major global banks. It is these contracts which provide the profit to the product, even in falling market conditions.

What Are Structured Products?

contd.



What is incredibly valuable for investors to note is that our structured product contracts and strategies, unaltered, can be “dropped” into historic markets to examine how they would have performed at the time. This back-testing allows the fund manager to instantly understand how their chosen portfolio would have performed across previous decades. Whilst the old adage of “past performance is no indication of future performance” must always be abided by, it is very reassuring to note that this is known prior to investment by the fund.

This is invaluable data for us to have and illustrates that our strategy will be timeless and sound.

The underlying assets in our portfolio are comprised of large major global world indices and individual market-leading stocks, nothing more, nothing less. These markets will rise and fall over the course of the next twenty years as they always have done in line with global events. Where the AWDR fund differs from typical global equity funds is that, on top of the bare unfiltered return of a typical stock market, is overlaid a contract with a major bank, with strictly agreed parameters, metrics, and returns set well ahead of time, which protects investors from market fluctuation.

If X happens, the fund will receive €Y. If A happens, the fund will receive €B.

Not only are we able to spread our investments geographically among the major global indices and equities, but we can also vary the types of contracts we purchase on behalf of investors. Do they make money when markets fall, for example? These ‘stepdown’ plans are incredibly popular with clients around the world and pay out a profit, even if the underlying index which the contract relates to has fallen over that time.

Our Investment Process



We have a strict and methodical investment process, prior to a structure/shape/contract, being included in our fund portfolio.

PRODUCT IDENTIFIED AND DESIGNED

Our portfolio team, alongside David and Alistair, firstly determines a particular product design.

PRICING SOUGHT FROM LARGEST GLOBAL BANKS

Leading global banks are then approached for best pricing on this particular product.

INVESTMENT COMMITTEE VOTE

Our investment committee then vote to approve.

MANAGER FINAL APPROVAL

Finally, only after all of this, does the product go to our fund manager Catarina, for final approval and inclusion in the portfolio.

Investment Focus

The strategy pairs capital preservation with equity-style growth by holding a portfolio of structured notes, managed in Portugal.

Underlying collateral is drawn from a balanced mix of:

Global indices
for upside exposure
in structured notes



Selective private-debt
to enhance yield

Investment-grade stocks
for increased upside
in structured notes



Cash
for near-term liquidity

How the Fund Works



STRUCTURED NOTE PORTFOLIO

The portfolio holds a series of notes linked to major global equity indices and blue-chip stocks, each with staggered maturities. As one note pays out its coupon and capital, the proceeds are reinvested into new positions, keeping capital at work and compounding returns.

DEFINED-OUTCOME PROFILE

Every note has a pre-determined payoff profile, so the team can model a range of market scenarios and know in advance how each position should behave.



ACTIVE MANAGEMENT

New structured notes are issued every month. The team continuously scans this fresh supply and puts each candidate through a rigorous schematic and strategic filter-testing payoff shape, credit strength and fit with the existing portfolio.

BUILT-IN DIVERSIFICATION

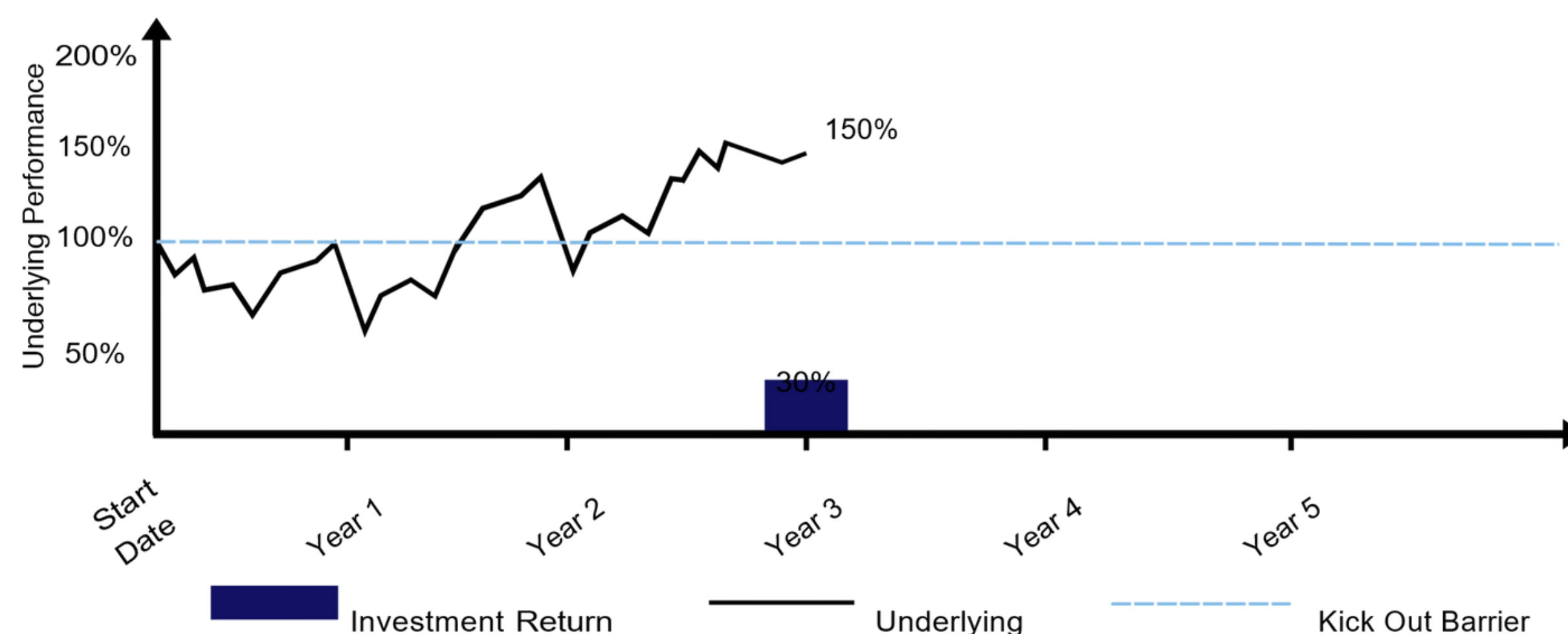
Because the notes reference multiple indices and equities, geographies, and maturities, no single market event can dominate performance.

Structured Products Examples

Key features

A kick-out structured product, commonly referred to as an autocall, has the potential to mature early (kick-out) prior to the final maturity date. This can occur on an anniversary date if any of the referenced indices are at or above a predetermined kick-out level, paying the coupon(s) plus return of capital and ending the contract ahead of schedule. If these conditions are met on any of the annual observation dates, the product matures early and returns capital plus accrued interest to the fund.

Below is an example timeline and return profile of a kick-out structured product, with the condition to kick out when the underlying index or stock is at or above 100% of the opening level at any of the annual observation dates.



Assuming the fund invested the minimum amount of €100,000 in a note offering the target 10% simple (non-compounding) interest, the fund would collect a total return of 30% – capital plus €30,000 – provided the reference index is at or above its starting level on the third annual observation date (the “kick-out” date).

If the underlying remains below the kick-out barrier at every scheduled observation and only meets the final-maturity check, no interest is paid; the fund simply receives its original capital back. Only the index levels recorded on those fixed observation dates count toward this outcome.

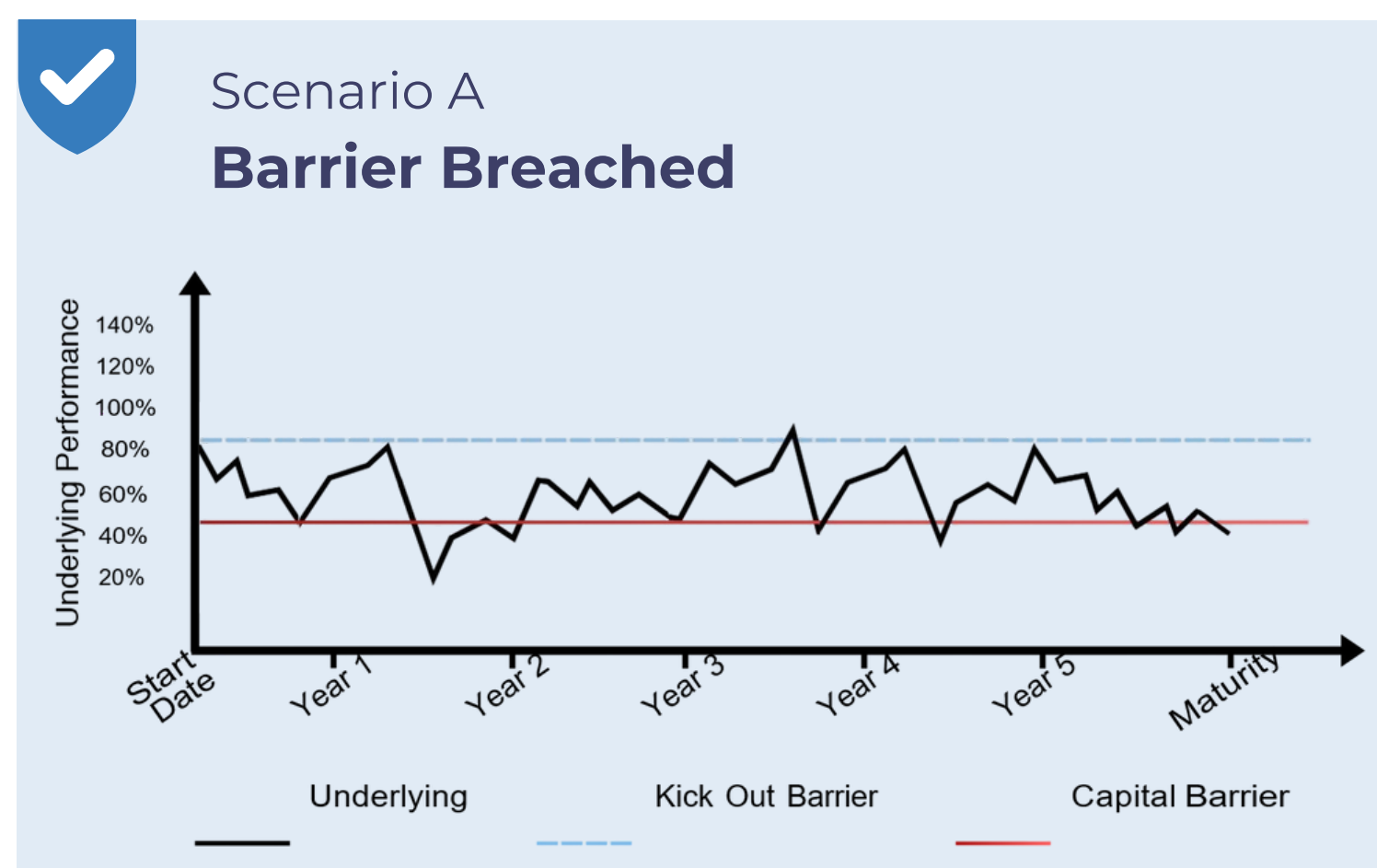
Capital Protection Barrier

(Explained)



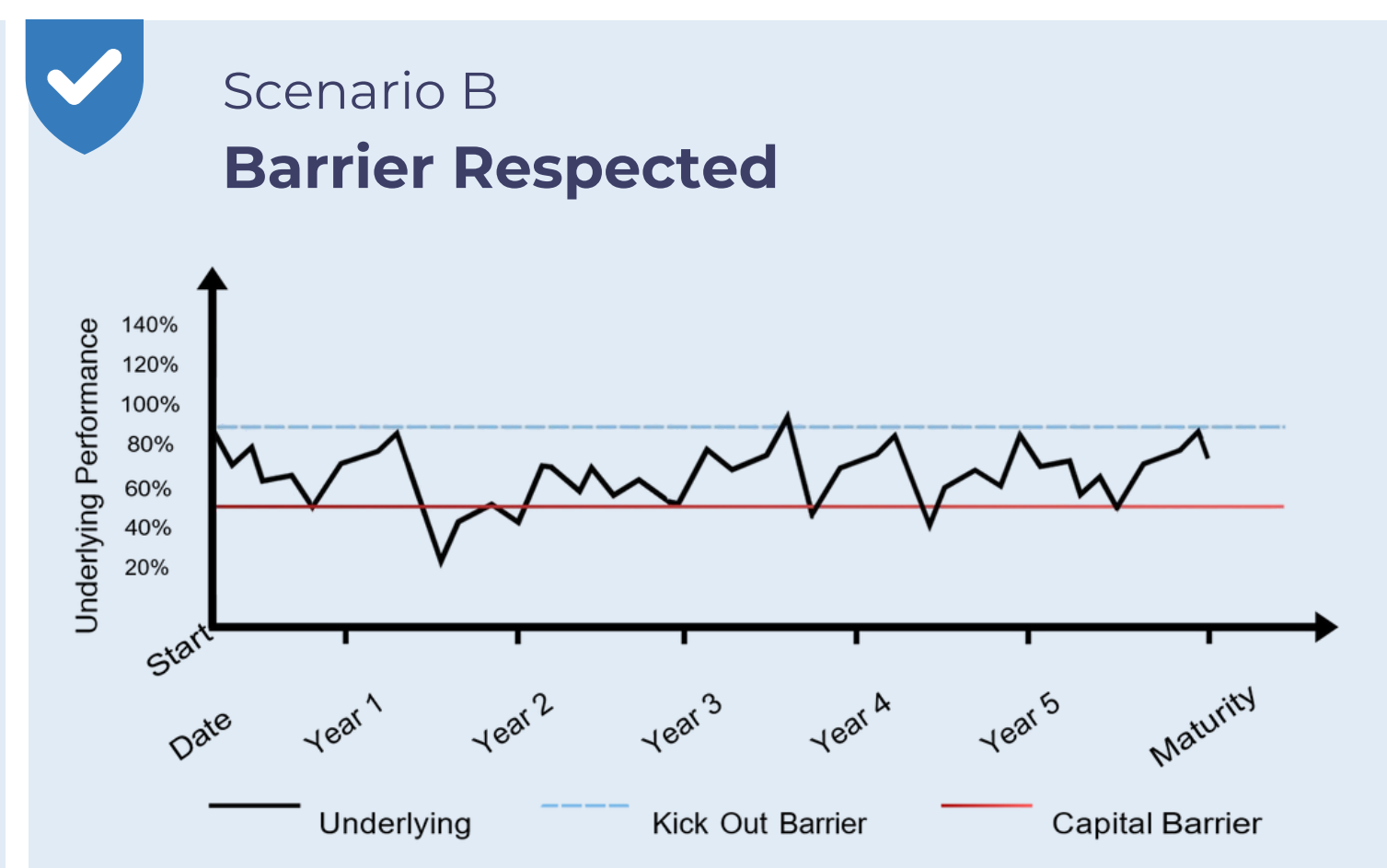
A Capital Protection Barrier lets the underlying asset(s) fall by a predetermined percentage before the investment principal is affected. The barrier is checked only once - at maturity, by comparing the underlying's final level with its opening level. If that barrier is breached, capital returned is reduced in direct proportion to the underlying's drop.

Below are three illustrative examples showing how a capital protection barrier works, depending on where the underlying is at the maturity date, where the initial investment was €100,000.



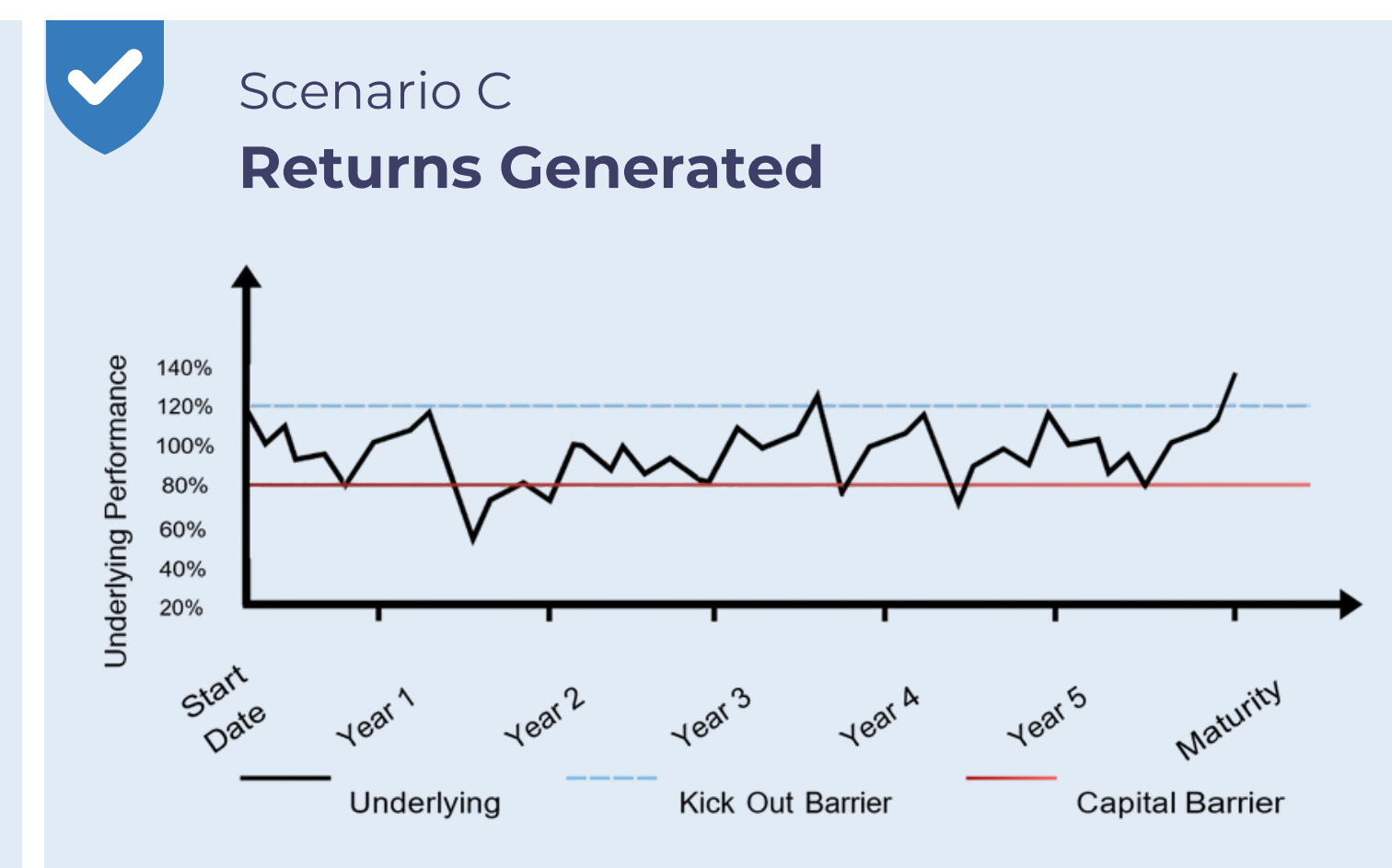
At maturity the index stands 45% below its start level, breaking the 60% Capital Protection Barrier. No coupon is paid and the loss is passed through to capital, so the fund receives 55% of the original investment.

Final result: **€55,000**



The underlying finishes 20% lower, which is still above the 60% barrier. Although no coupon is due, the barrier holds and the investor's capital is fully preserved.

Final Result: **€100,000**



The underlying closed above its starting level, keeping the barrier intact and activating the kick-out payoff.

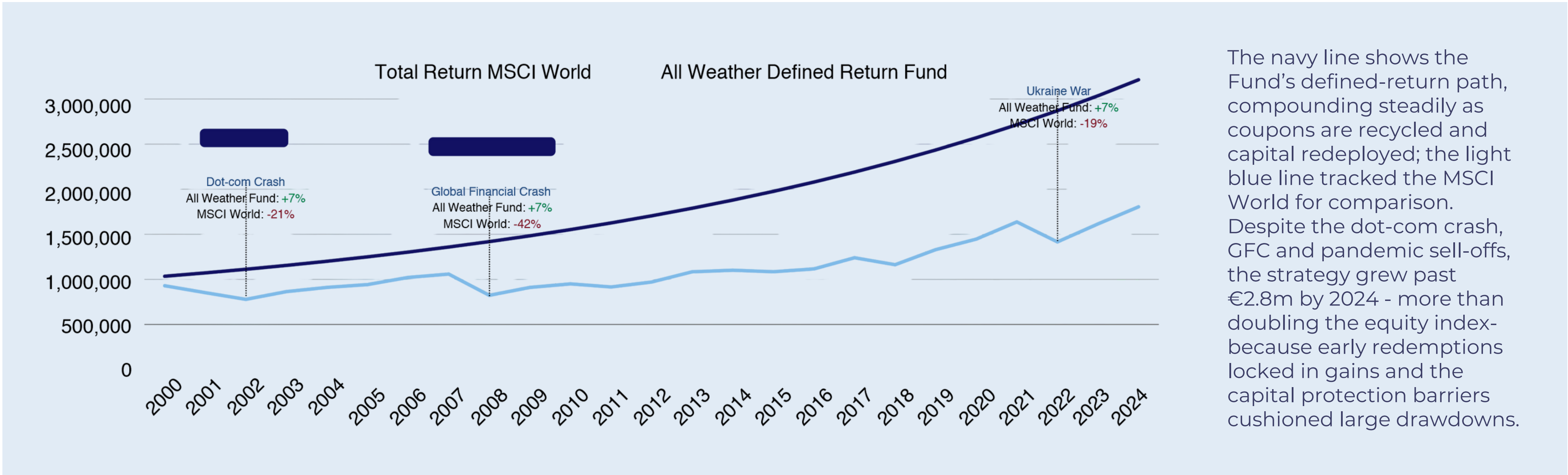
Final Result: **€100,000**
+ pre-determined accumulated interest

AWDR Fund Performance



The beauty of structured products is that once our team has settled upon a portfolio, that portfolio can be ‘dropped’ into the last 25 years of equity markets to analyse exactly how it would have performed at any given point in history. Please see the below graph for a detailed look at the performance of our current portfolio, had it been established in the year 2000 and held until now.

Starting with €500k in 2000, this model portfolio of auto-callable structured notes was simulated in the Fund over a 25 year time horizon, where capital and coupons were immediately reinvested into new issues each time a note kicked out.



The navy line shows the Fund’s defined-return path, compounding steadily as coupons are recycled and capital redeployed; the light blue line tracked the MSCI World for comparison. Despite the dot-com crash, GFC and pandemic sell-offs, the strategy grew past €2.8m by 2024 - more than doubling the equity index- because early redemptions locked in gains and the capital protection barriers cushioned large drawdowns.

Summary



The All-Weather Fund offers investors a rigorously managed portfolio. Robust capital protection and governance keep risk tightly controlled. In essence, the Fund earns its “All-Weather” name from the way its three structured note types work together through every market condition.

By blending these complementary payoff shapes, the portfolio is engineered to define, capture, and compound returns whatever the market conditions.



In bullish markets where equities climb, the kick-out (auto calls) lock in gains early and recycle capital at higher prices.



In bearish markets where equities drift or fall, the step-down/defensive structures lower the hurdle year after year, capturing returns even in declining conditions.



Where markets remain stagnant, the income stream from notes keeps flowing to bridge any market performance gaps.



Introducing AWRDF: A Structured Return Within NFEF2



What is AWRDF?

- A standalone investment sleeve designed to deliver consistent income
- Targets 7% annualised returns, backed by a diversified strategy including EU sovereign bonds and structured products
- Built to weather all market conditions, even during volatility



How it fits within NFEF:

- AWRDF represents 40% of your total investment
- Works alongside the NFEF Solar Fund to provide geographical diversification, diversification among asset class and downside protection in times of falling equity markets



CONFIDENCE IN ANY CLIMATE

Ready to Learn More?

Connect with us directly to explore how the All-Weather Defined Return Fund can support your investment goals.

☎ +44 204 525 5265

✉ sales@awdrf.com

🌐 www.awdrf.com

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