



CB Energy Transition Portfolio

April 2024



Introduction

Portfolio & Performance

Outlook

Objective

- ➔ Generate attractive risk-adjusted returns by capitalizing on the energy transition trend, in particular renewables, energy security, energy storage and energy efficiency

Concept

- ➔ Implemented through actively managed Long/Short Equity strategies managed by seasoned managers with proven track records
- ➔ Crossbow's disciplined fund selection and monitoring process identifies managers generating superior risk-adjusted performance on a consistent basis
- ➔ Robust portfolio construction seeking diversification across geographies, sub-strategies and investment styles

Introduction

 **Portfolio & Performance**

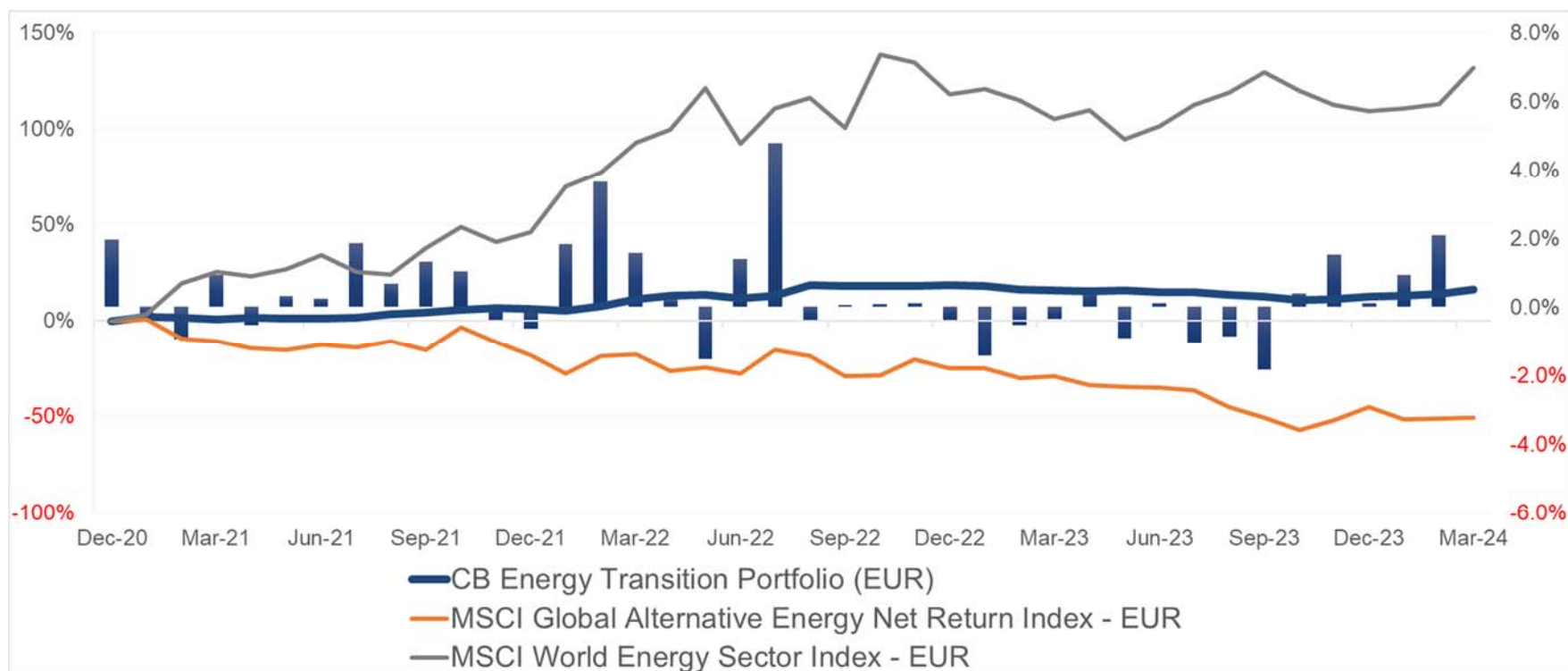
Outlook

Energy Transition Has Been Challenged

➔ The energy transition has seen unprecedented volatility



- ➔ Energy supplies and infrastructure have been heavily weaponized during the Russia-Ukraine war
 - ➔ Countries were forced to resort to emergency measures to ensure adequate energy supply
- ➔ Renewable growth held back in key countries due to permitting bottlenecks.
- ➔ Wind sector hit by quality problems and warranty provisions
 - ➔ Siemens Energy shocked the wind sector in late June 2023 when it warned of faulty components and possible design faults in its onshore wind turbines.

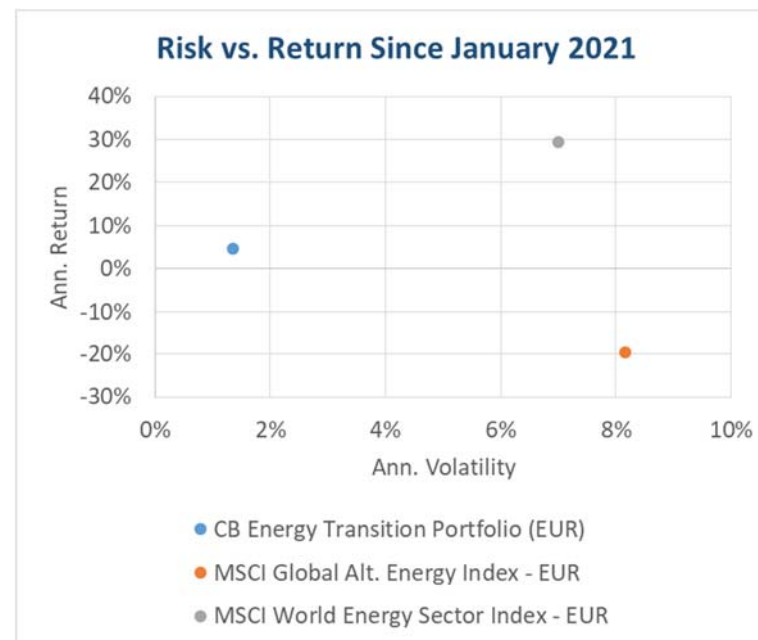
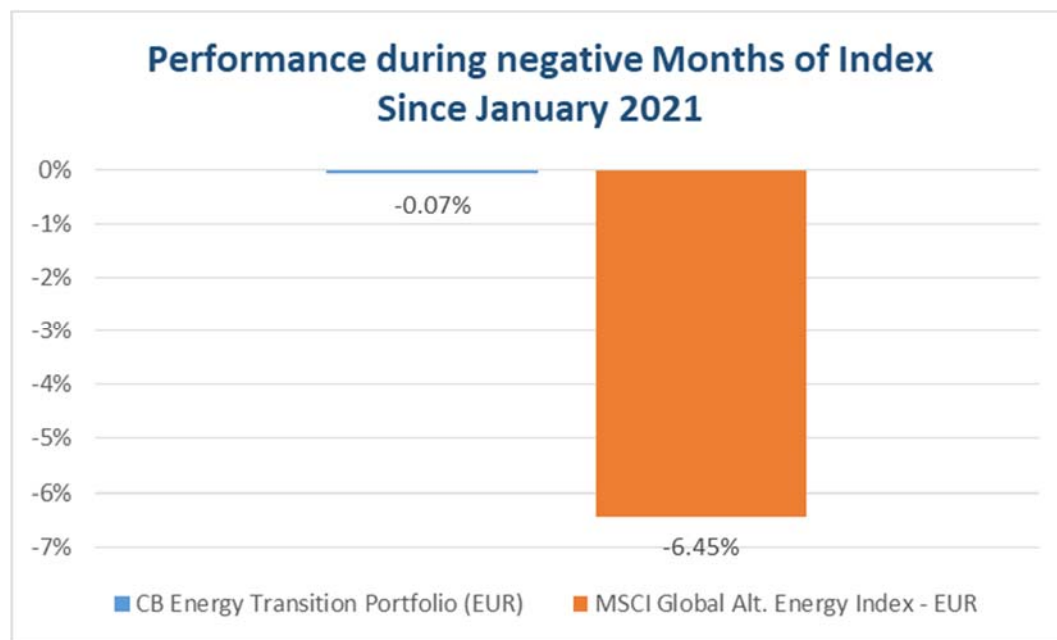


Monthly returns

BM1: MSCI Global Alternative Energy Net Return Index - EUR | BM2: MSCI World Energy Sector Index - EUR

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	BM1	BM2
2024	0.10%	0.93%	2.10%										3.15%	-10.51%	10.75%
2023	-0.36%	-1.42%	-0.51%	-0.34%	0.44%	-0.91%	0.12%	-1.05%	-0.87%	-1.84%	0.40%	1.54%	-4.76%	-26.82%	-3.98%
2022	-0.64%	1.83%	3.65%	1.58%	0.21%	-1.52%	1.40%	4.77%	-0.41%	0.08%	0.09%	0.11%	11.53%	-8.06%	49.23%
2021	1.95%	-0.40%	-0.94%	0.94%	-0.52%	0.33%	0.23%	1.85%	0.69%	1.32%	1.04%	-0.41%	6.18%	-18.14%	45.97%

Source: Crossbow Partners

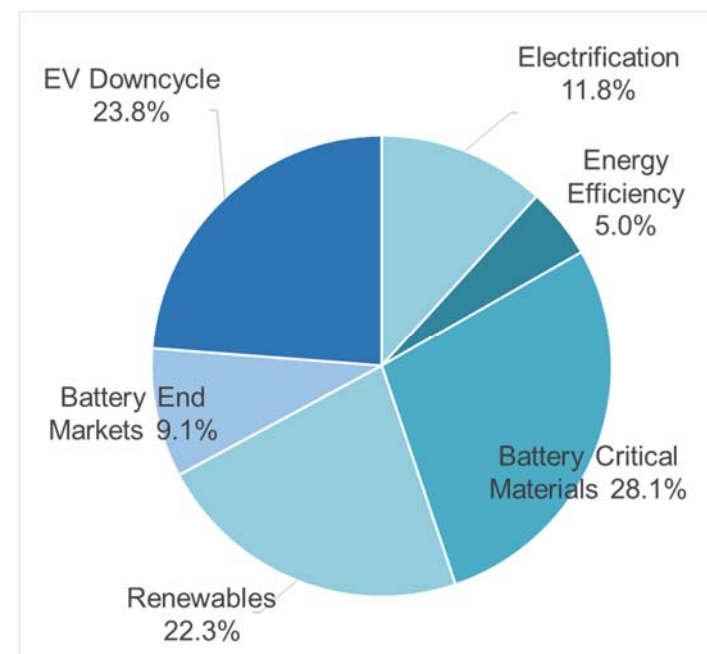
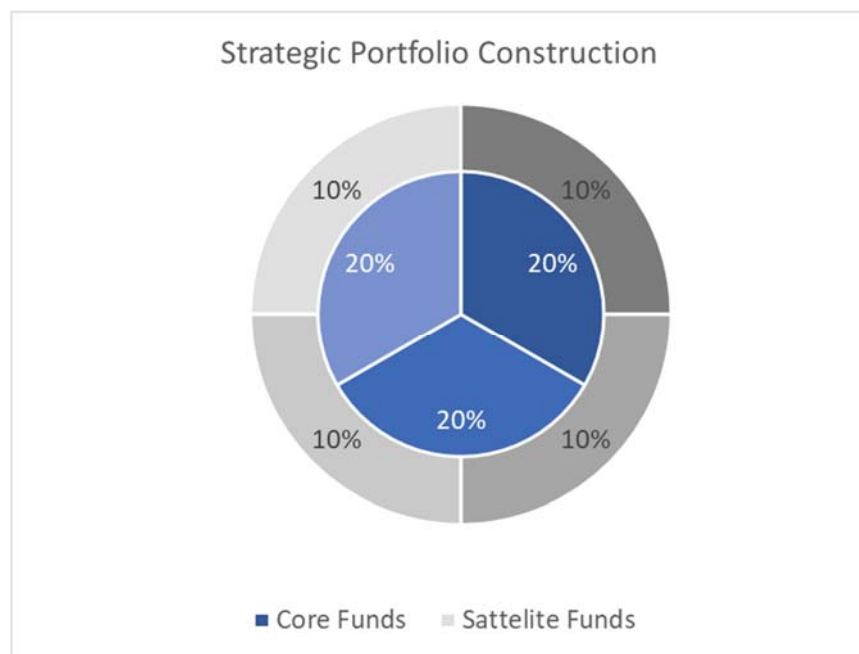


Key statistics since January 2021

	CB Energy Transition Portfolio (EUR)	MSCI Global Alt. Energy Index - EUR	MSCI World Energy Sector Index - EUR
Annualized return	4.77%	-19.56%	29.49%
Annualized volatility	4.71%	28.28%	24.25%
Maximum monthly gain	4.77%	17.04%	18.73%
Maximum monthly loss	-1.84%	-13.90%	-13.10%
Maximum drawdown	-6.69%	-57.21%	-18.44%
Correlation to benchmarks	-	0.40	0.18

Source: Crossbow Partners

- ➔ Focus on investment managers in Europe and US
- ➔ Core allocations to generalists within the energy transition space
- ➔ Complemented with specialists to provide additional diversification and returns. Example: energy storage



Source: Crossbow Partners

Introduction

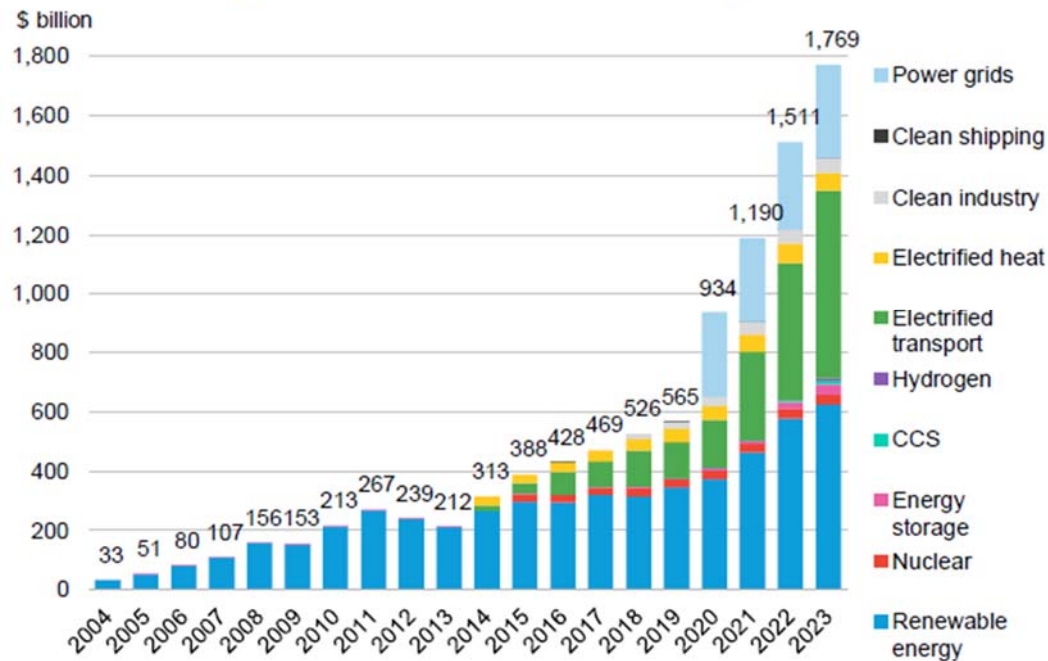
Portfolio & Performance

 **Outlook**

Investments grew 17% in 2023

- ➔ Global investment in the energy transition hit a record \$1.8 trillion in 2023:
 - ➔ Electrification and charging infrastructure was the main driver of spending
 - ➔ China was once again the largest market, although Europe saw the fastest growth.
 - ➔ Language of the US Inflation Reduction Act (US IRA) has been defined

Global energy transition investment, by sector



- ➔ The trends and demand provide opportunities for investors
 - ➔ Energy production, Renewables
 - ➔ Electrification

Source: Bloomberg NEF

Example: Long Eaton Corporation

- ➔ Eaton Corporation is an Irish/American multinational power management company
 - ➔ The company has three divisions Electrical, Aerospace and Mobility
 - ➔ The electrical sector produces products such as power distribution units, motor controls and relays
 - ➔ The eMobility sector combines elements of Eaton's electrical and vehicle businesses



- ➔ Rationale: long-term demand for energy infrastructure
 - ➔ Energy is becoming more electrified, which requires expanded infrastructure
 - ➔ Energy connectivity, control and management
 - ➔ Strong cash flow generation

Source: Bloomberg (ETN US)

Example: Short Ormat Technologies

- ➔ Ormat Technologies develops and operates renewable energy projects
 - ➔ Ormat supplies alternative and renewable geothermal energy technology
 - ➔ The firm is the third largest geothermal producer in the United States



- ➔ Rationale: Challenging acquisition
 - ➔ Acquisition of a portfolio of geothermal and solar assets from Enel Green Power North America
 - ➔ Declining consensus earnings

Source: Bloomberg (ORA US)

-
- ➔ The US Inflation Reduction Act and the EU's REPowerEU Plan seek to fast forward the green transition
 - ➔ The demand for renewables will increase and measures are underway to accelerate the roll-out of renewable energy
 - ➔ The existing energy transition trend is accelerating due to new, fast-growing industries
 - ➔ Renewable energy has grown out of its infancy and is entering a new phase of subsidy-free expansion. The cost of solar power has declined 75% from 2010- 2018, while wind's cost has dropped 35%.
 - ➔ China has a very large renewable energy sector, but Europe and US have a greater universe of established investment specialists
 - ➔ Historically hesitant to enter China's green industries due to advantages enjoyed by domestic companies, preferential government procurement practices, and inconsistent levels of transparency
 - ➔ Emerging countries like India, Vietnam and Indonesia will eventually have to adapt to export and obtain financing in a global world

Disclaimer

Past performance is no indicator for current or future results.

This presentation is only for the recipient's use and must not be distributed without the consent of Crossbow Partners AG.

This presentation does not constitute or form part of an offer. It shows the processes used by Crossbow Partners AG as well as the achieved results.

All information contained in this presentation constitutes neither an offer to purchase nor an invitation to engage in any transaction. The information has been carefully selected and believed to be reliable under the currently prevailing economic environment. However, no liability is assumed by Crossbow Partners AG and/or any of its officers as to the accuracy or completeness of this information. Opinions or other representations conveyed in this presentation are subject to change without prior notice.