

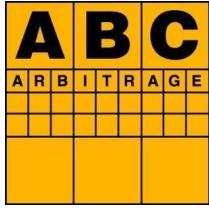
Groupe ABC arbitrage



AVERTISSEMENT

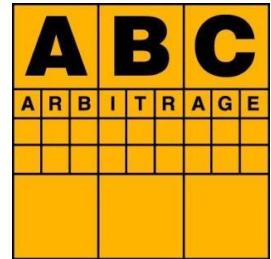
Ce slideshow est un support de communication pour la réunion de présentation des résultats du S1 2020.

Ces éléments d'information sont donnés à des fins d'illustration et ne sauraient se substituer aux documents officiels relatifs à l'exercice 2020.



- 1. ABC results vs Markets parameters**
- 2. Asset Management**
- 3. Risk Management**
- 4. ABC Costs**
- 5. ABC life with COVID**
- 6. Outlooks**





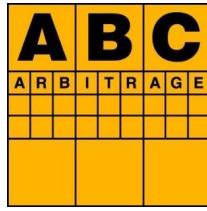
**One solution
Capital Preservation
Great Returns
S1 25.7M€
ROE almost 33% (Y)**



En millions d'euros	30/06/2020	30/06/2019	Évolution	31/12/2019 IFRS
	IFRS	IFRS		
Produit des activités de conseil	-	-	na	-
Commissions de gestion*	11,7	6,6	75,8%	14,4
Gains nets en juste valeur par résultat	33,1	11,2	197,2%	22,6
Produit de l'activité courante	44,8	17,8	151,9%	37,0
Frais de personnel	(15,2)	(5,9)	159,4%	(12,0)
Coût des locaux	(0,7)	(0,7)	4,1%	(1,3)
Autres charges	(2,8)	(2,8)	1,2%	(5,5)
Autres taxes	(0,1)	(0,0)	660,8%	(0,1)
Total charges	(18,8)	(9,3)	101,3%	(18,9)
Résultat net avant impôt	26,0	8,4	208,0%	18,1
Résultat net part du groupe	25,7	8,5	203,2%	18,3

* Les commissions de gestion regroupent les prestations facturées par les sociétés de gestion du groupe Quartys Limited et ABCA Funds Ireland Plc. Par ailleurs, du fait de l'application de la norme IFRS 15 (depuis le 1er janvier 2018), les commissions de gestion n'incluent pas les **commissions de performance non cristallisées** - c'est à dire ni facturées ni encaissées - au 30 juin. De ce fait 5,3 millions d'euros n'ont pas été reconnus en produits au titre du premier semestre 2020 (contre 0,9 M€ au premier semestre 2019).





1. ABC results vs Markets parameters



Top 3 Market Parameters on ABC activity

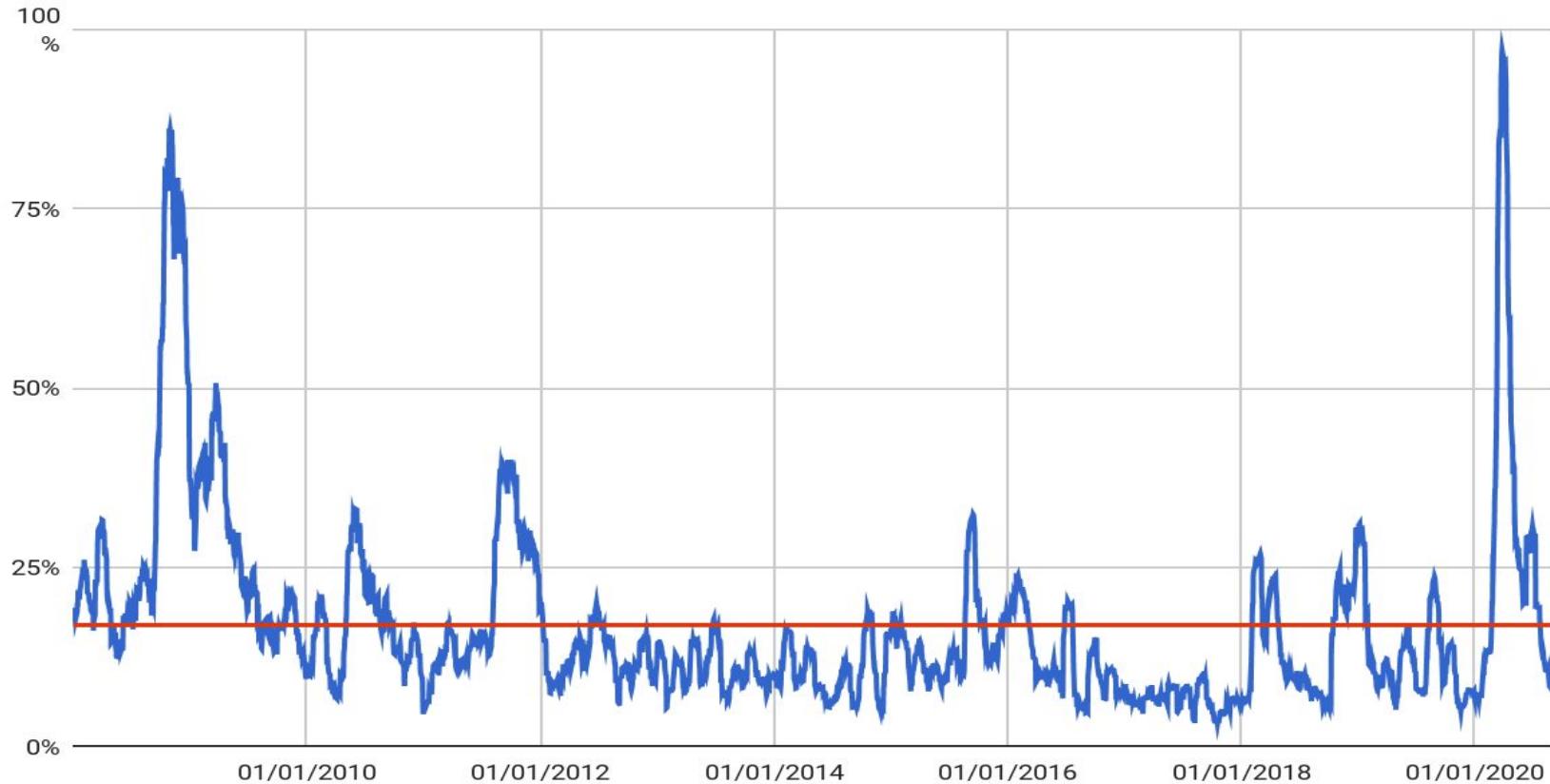
Volatility

Volumes traded on markets

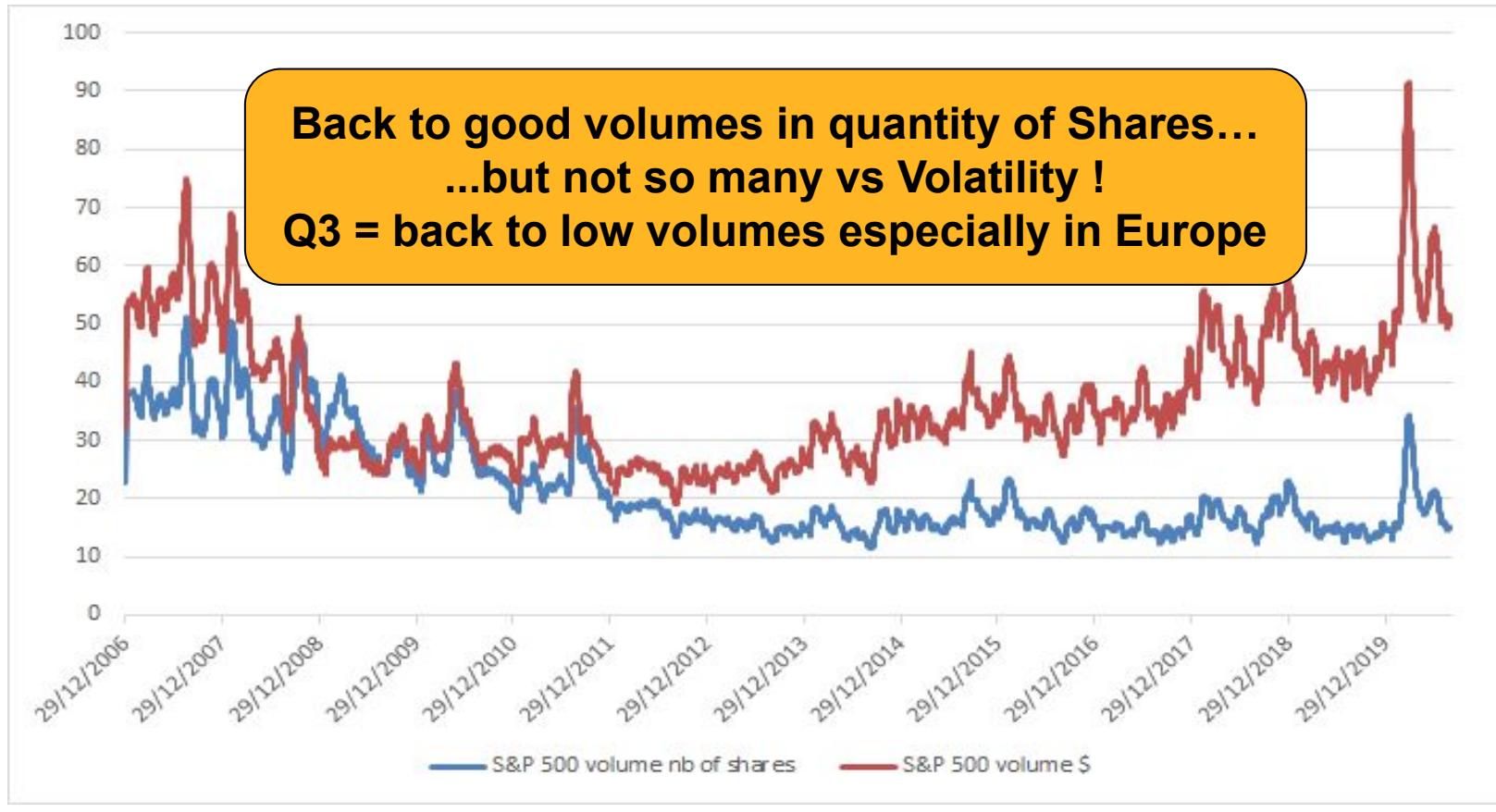
M&A and Corporate Actions



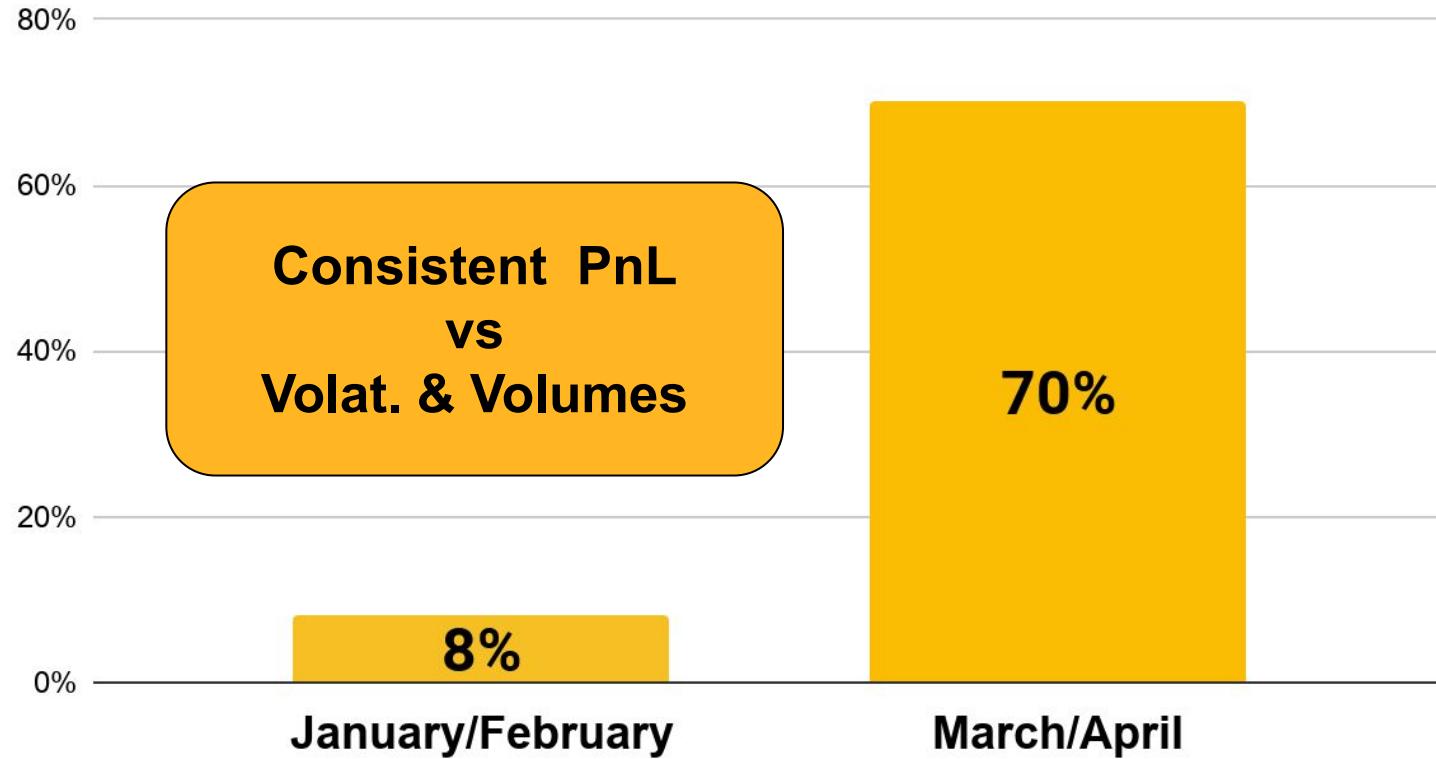
S&P 500 Historical Volatility 20 days (close to close)



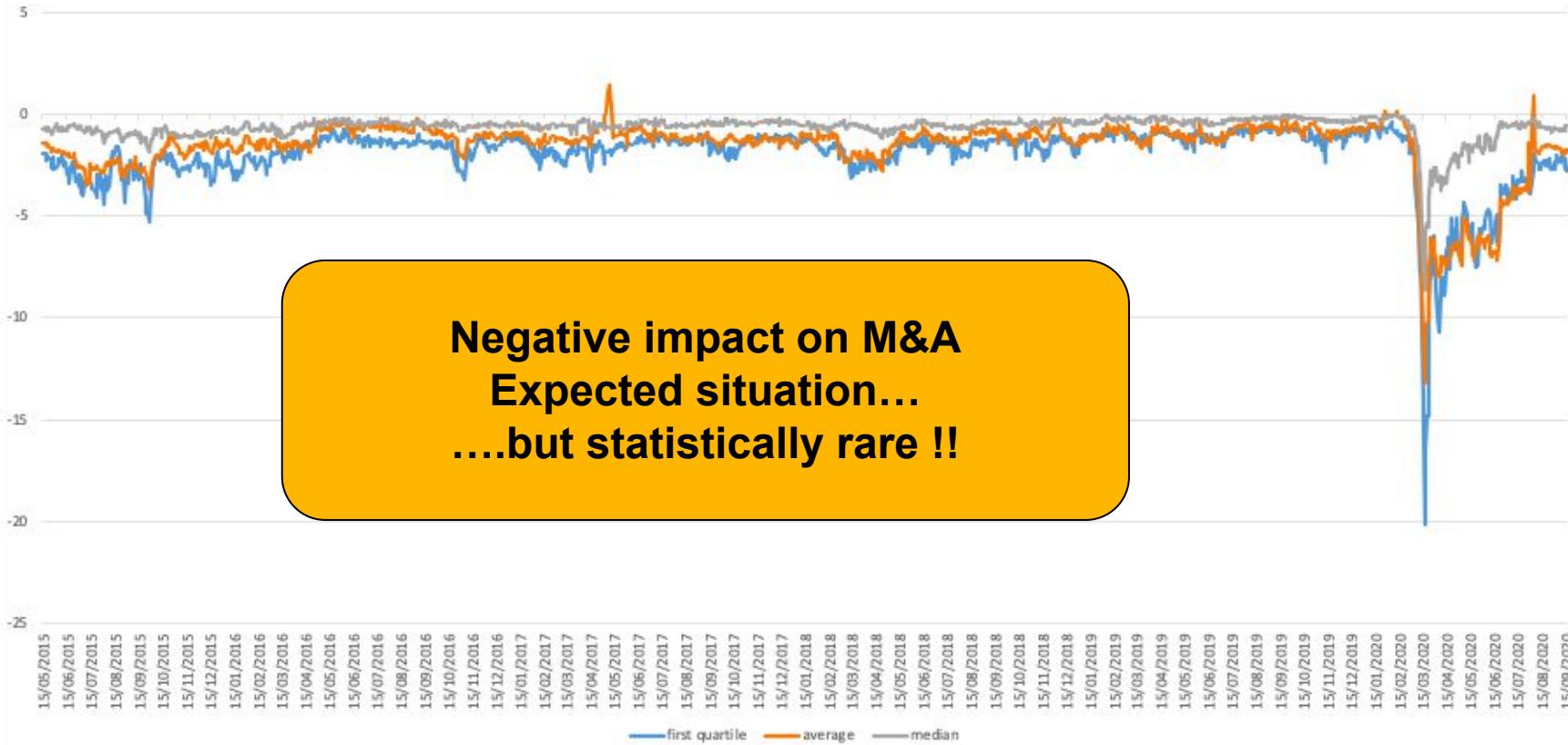
S&P 500 Volumes \$ & Number of Shares



PnL - proportion of S1



Risk arbitrage discount average, median & first quartile



Negative impact on M&A
Expected situation...
....but statistically rare !!

ABC Opportunities



ASSET
MANAGEMENT

Class USD

■ Monthly Performances (%)

	J	F	M	A	M	J	J	A	S	O	N	D	Total
2020	-0.14	-1.23	-3.97	5.30	1.47	-1.02	0.32	0.34					0.82
2019	1.35	0.86	0.16	0.31	-0.87	-0.11	0.88	0.87	0.95	0.99	1.07	0.35	7.00
2018	-3.18	1.36	0.54	0.92	1.73	0.42	0.27	0.33	-0.28	1.04	1.09	0.62	4.86
2017	1.29	0.02	2.09	1.01	1.42	0.75	-0.23	-0.43	-0.48	0.65	-1.59	0.06	4.59
2016					1.71	-2.33	0.91	0.99	2.88	-0.12	1.41	0.74	6.27
2015													-

Since Inception

25.73

Good mutualisation of risk despite exceptional situation on M&A

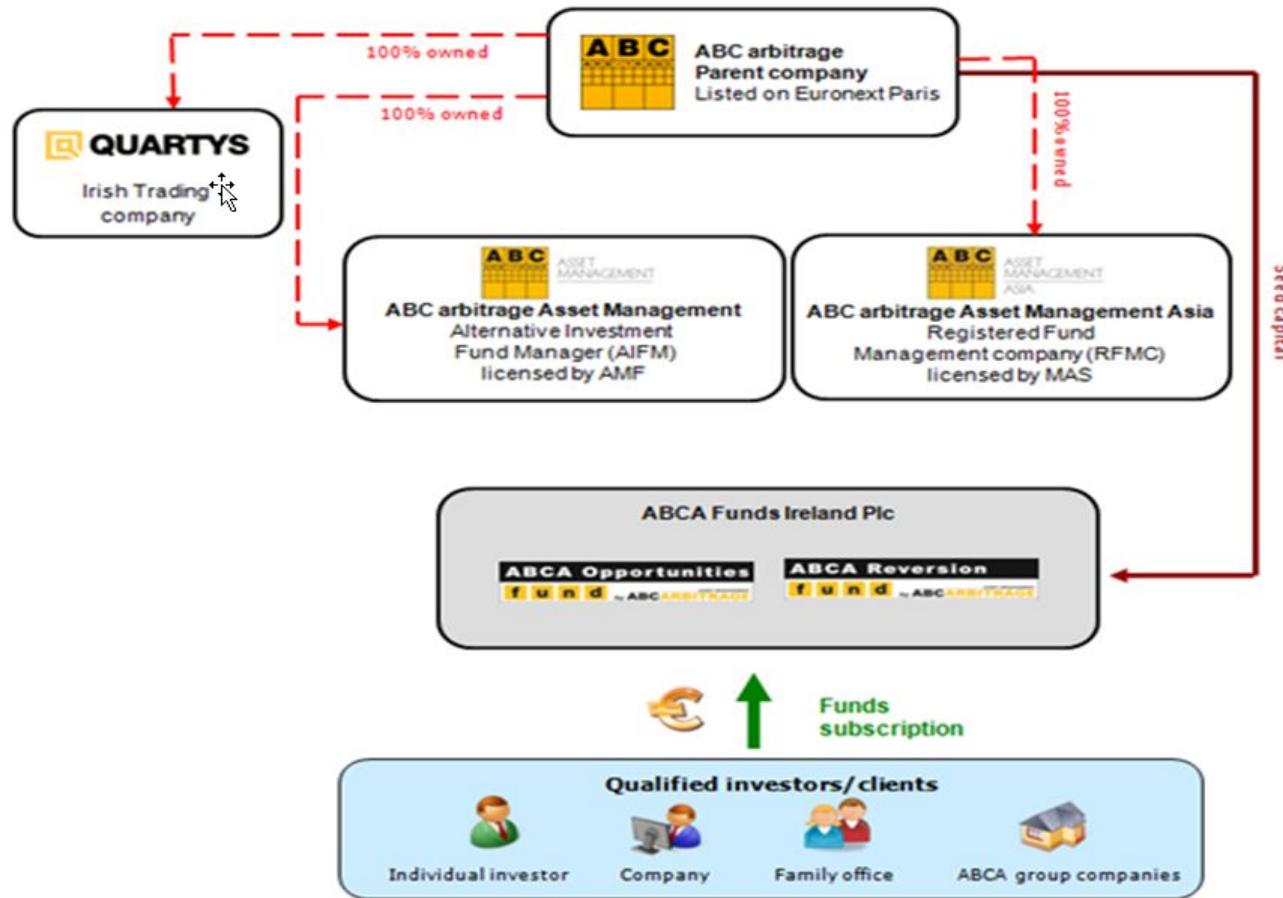


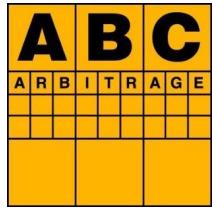
En millions d'euros	30/06/2020	30/06/2019	Évolution	31/12/2019 IFRS
	IFRS	IFRS		
Produit des activités de conseil	-	-	<i>na</i>	-
Commissions de gestion*	11,7	6,6	75,8%	14,4
Gains nets en juste valeur par résultat	33,1	11,2		
Produit de l'activité courante	44,8	17,8		
Frais de personnel	(15,2)	(5,9)	159,4%	(12,0)
Coût des locaux				(1,3)
Autres charges				(5,5)
Autres taxes				(0,1)
<i>Total charges</i>				(18,9)
Résultat net avant impôt	26,0	8,4	208,0%	18,1
Résultat net part du groupe	25,7	8,5	203,2%	18,3

33.1M€ = résultat financier Quartys

Quartys costs included (People / Fees / external providers)

and Quartys taxes included (IFRS 10)





2. Asset Management



ABCA Opportunities Fund

Au 31/08/2020

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Since 2010
Net Performance / Annualized (\$)	16.6%	17.5%	-1.5%	1.7%	4.6%	9.7%	13.0%	4.6%	4.9%	7.0%	0.8%	7.2%
Net Performance / Annualized (€)	16.6%	17.5%	-1.6%	1.6%	4.6%	9.2%	12.3%	2.9%	2.8%	4.6%	-0.1%	6.6%
Positive Months	100%	92%	33%	58%	58%	67%	83%	50%	83%	83%	83%	73%
Average Negative Mth	NA	-0.1%	-0.4%	-0.4%	-0.4%	-0.7%	-1.3%	-0.6%	-1.8%	-0.5%	-0.5%	-0.7%
Average Positive Mth	1.3%	1.5%	0.4%	0.5%	0.9%	1.5%	1.4%	1.1%	0.7%	0.7%	0.7%	1.1%
Volatility	2.9%	2.9%	1.6%	2.1%	2.5%	4.8%	4.5%	3.3%	4.1%	2.1%	7.5%	4.3%
Sharpe	5.0	5.1	-1.2	0.7	1.8	1.9	2.5	0.8	0.7	2.1	0.4	1.5
Leverage (xNAV) Average	<i>Simulated and extrapolated data until Sept 2015</i>											3.1
Net Exposure (%NAV) Average	2019 until 31/08/2020											3.39

Performance Chart

Simulated Data until september 2011.
 Extrapolated Data from Oct 2011 to Sept 2015 (ie ABCA Multi real performance since its launch enhanced with the effect of the dynamic and optimized allocation of capital and the new fee structure).

**Good resistance of the strategy mix
 Good mutualization**

ABC Reversion Fund

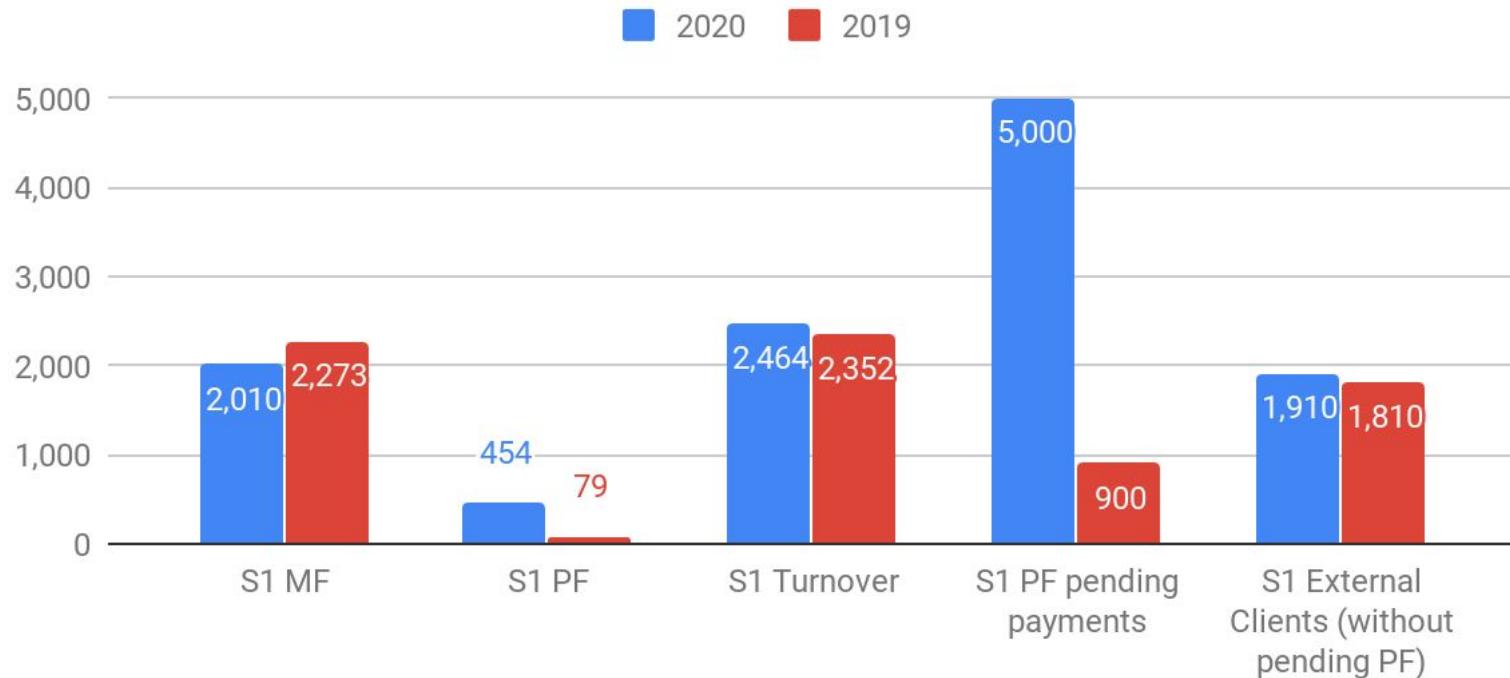
Au 31/08/2020

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Since Launch
Net Performance / Annualized (\$)	18.2%	21.6%	2.6%	2.0%	8.8%	9.1%	1.6%	2.1%	7.5%	2.9%	12.9%	9.3%
Net Performance / Annualized (€)	18.2%	21.6%	2.5%	1.9%	8.8%	8.6%	0.8%	0.6%	5.3%	0.5%	12.2%	7.8%
Positive Months	83%	83%	42%	67%	92%	75%	58%	58%	83%	67%	67%	67%
Average Negative Mth	-0.5%	-0.9%	-0.4%	-0.5%	-0.7%	-0.6%	-0.9%	-0.3%	-0.3%	-0.4%	-0.4%	-0.5%
Average Positive Mth	1.8%	2.2%	1.0%	0.5%	0.8%	1.1%	0.8%	0.3%	0.8%	0.6%	0.6%	1.2%
Volatility	5.3%	6.0%	3.1%	2.2%	2.6%	3.6%	4.0%	1.0%	2.7%	2.0%	13.2%	5.7%
Sharpe	3.3	3.2	0.8	0.8	3.4	2.4	0.2	0.6	1.9	0.2	0.9	1.4
Leverage (xNAV) Average	2010 comprises both extrapolated and real performance											1.0
Net Exposure (%NAV) Average	2019 until 20	31/08/20										



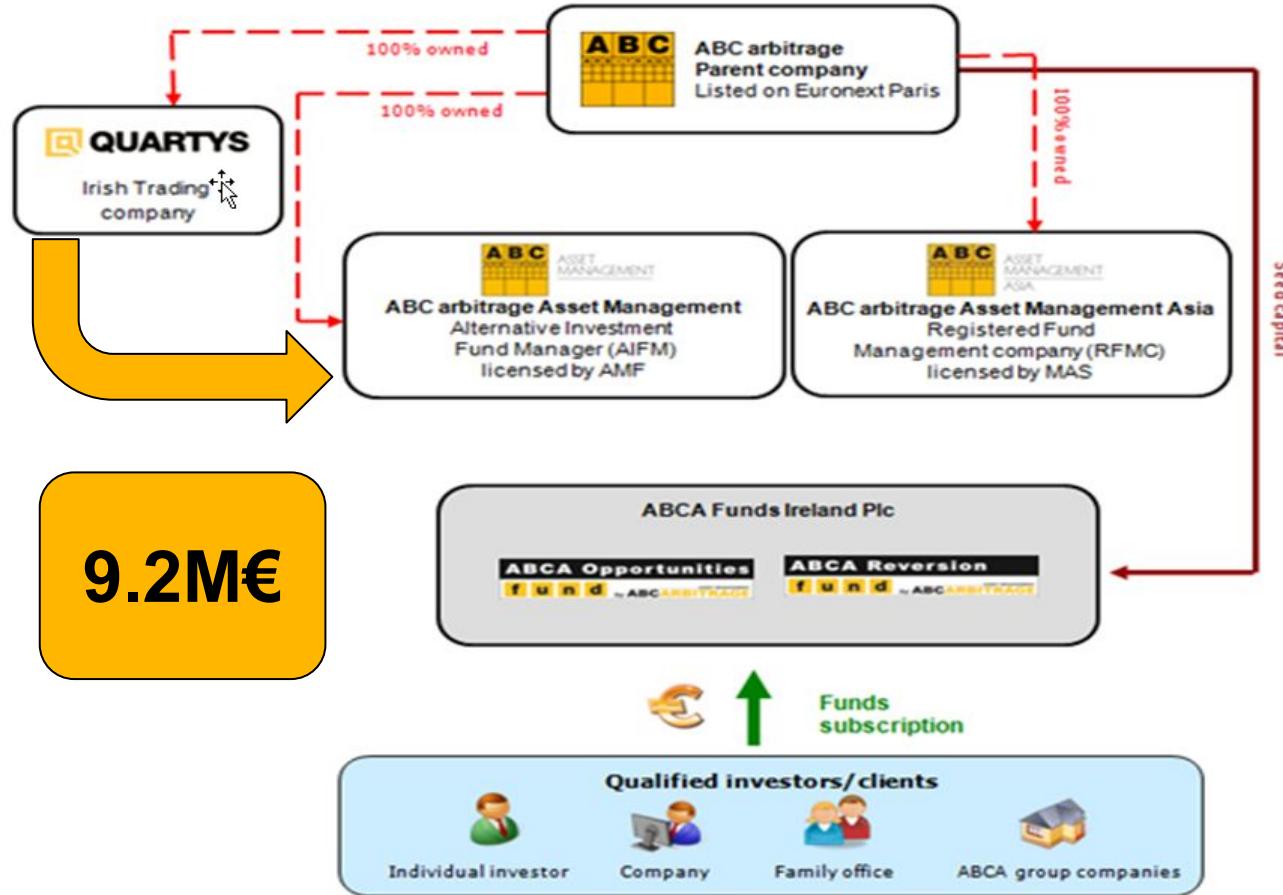
Outstanding
performance in the
exceptional volatility
level observed at
Q1-2020

AM Turnover for ABCA funds



283M€ AUM with 210M€ External Clients (au 30 juin)





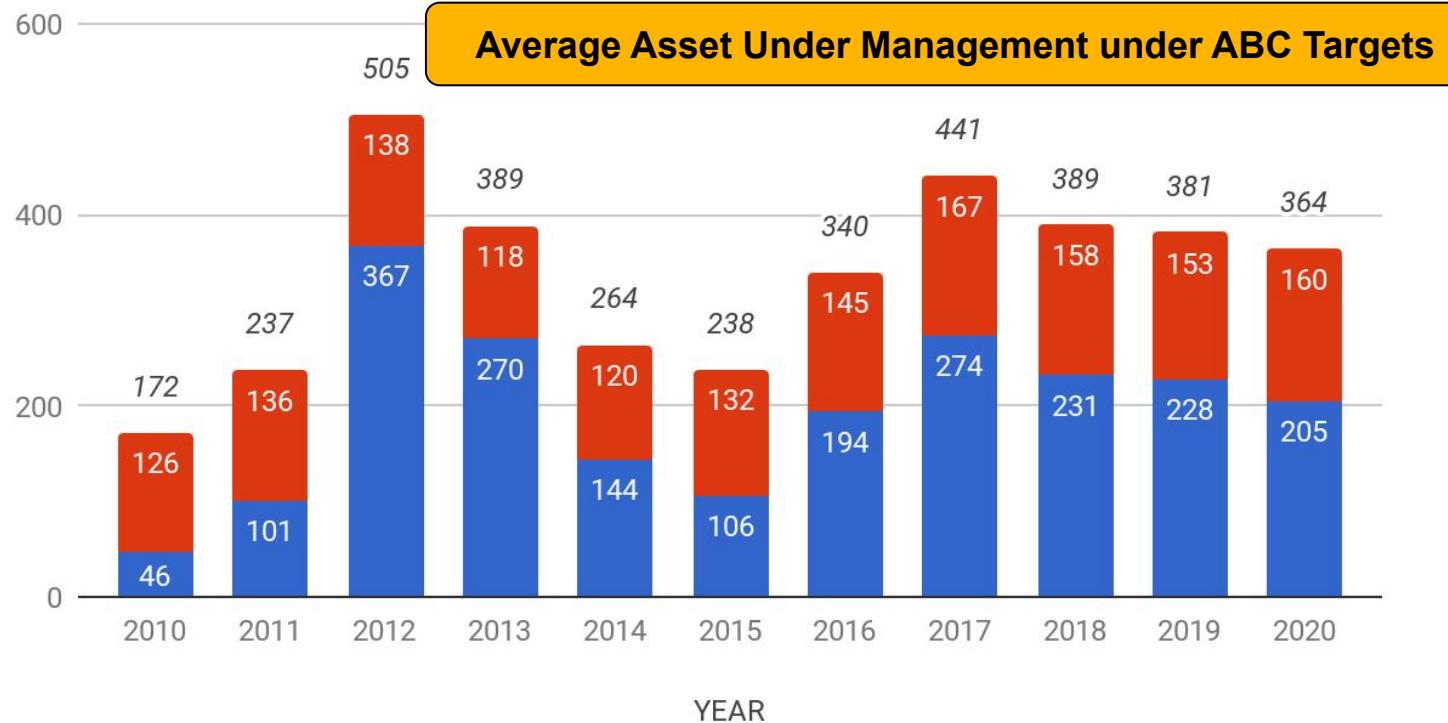
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	IFRS	IFRS		
Produit des activités de conseil	-	-	na	-
Commissions de gestion*	11,7	6,6	75,8%	14,4
Gains nets en juste valeur par résultat	22,1	11,9	197,0%	22,6
Produit de l'activité courante	11.7 = 9.2 from QUARTYS + 2.5 from ABCA Funds			37,0
Frais de personnel			(12,0)	
Coût des locaux			(1,3)	
Autres charges			(5,5)	
Autres taxes			(0,1)	
Total charges			(18,9)	
Résultat net avant impôt	26,0	8,4	208,0%	18,1
Résultat net part du groupe	25,7	8,5	203,2%	18,3



**11.7 = 9.2 from QUARTYS +
2.5 from ABCA Funds**

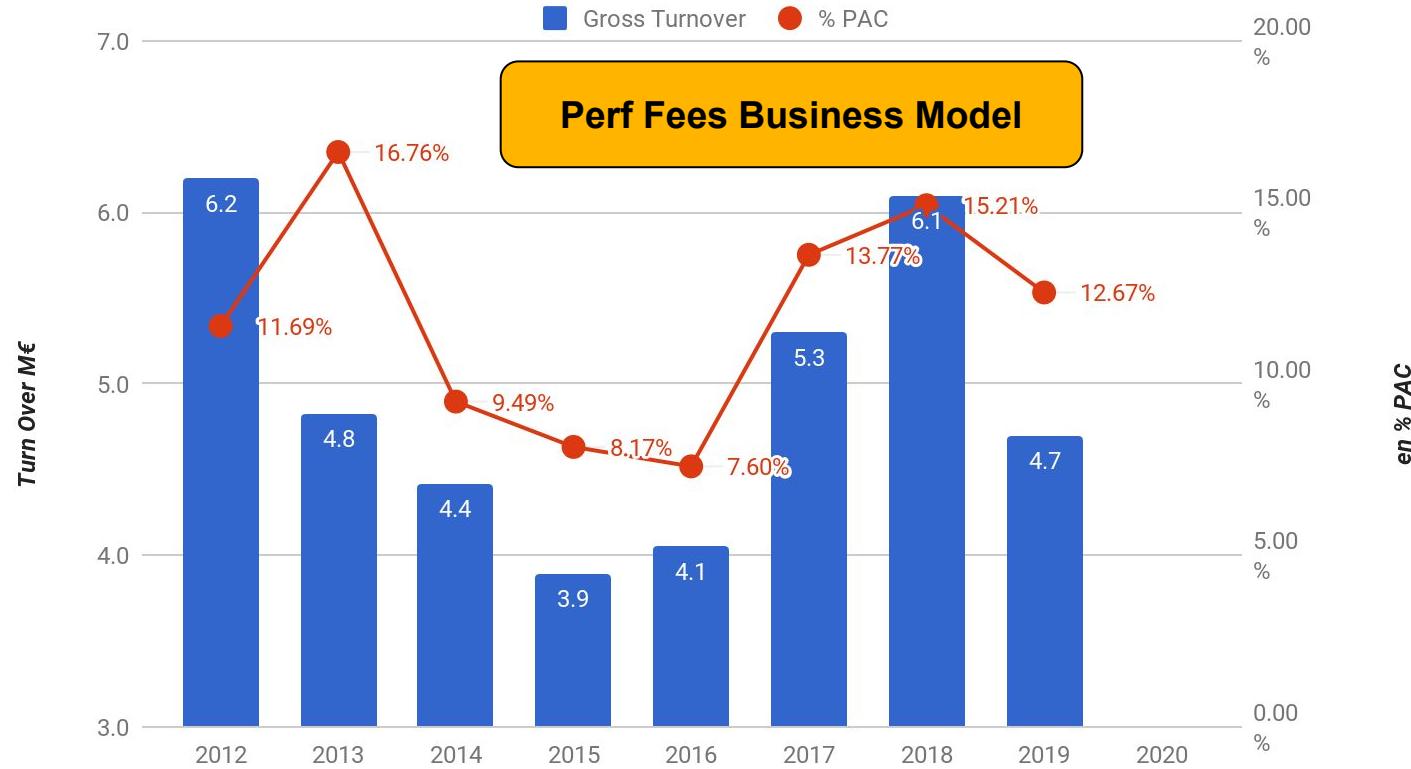
**Warning = No recognition of 5M€ Perf.
Fees in S1 results (IFRS 15)**

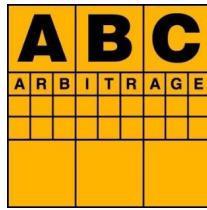
Average Group AUM including external capital (Blue)



Clients Revenue

Turnover outsourced clients

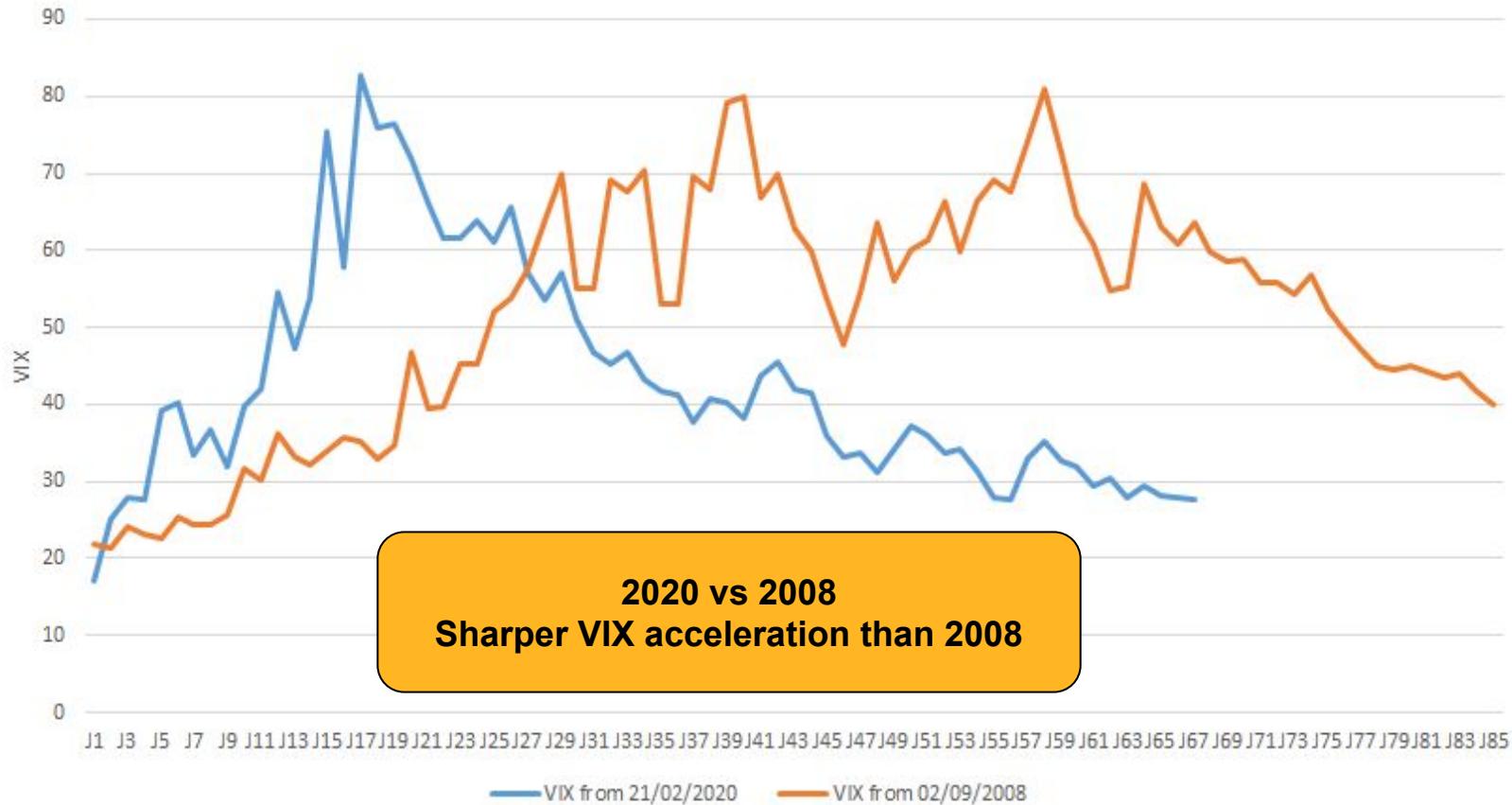




3. Risk Management



VIX & S&P 500 index



SPX:IND
S&P 500 Index

+ ADD TO WATCHLIST

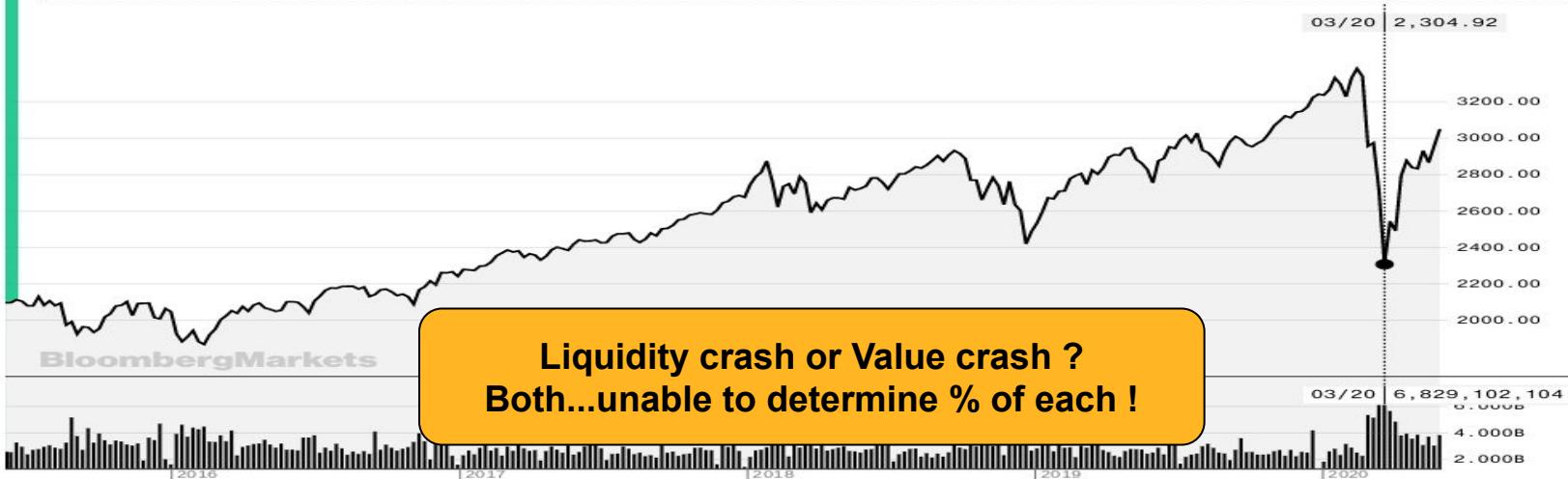
MARKET CLOSED
AS OF 05/29/2020 EDT

3,044.31 USD +14.58 +0.48% ▲

1D 1M 6M YTD 1Y 5Y

MINIMIZE CHART

🔍 Add a comparison



OPEN
3,025.17

YTD RETURN
-5.77%

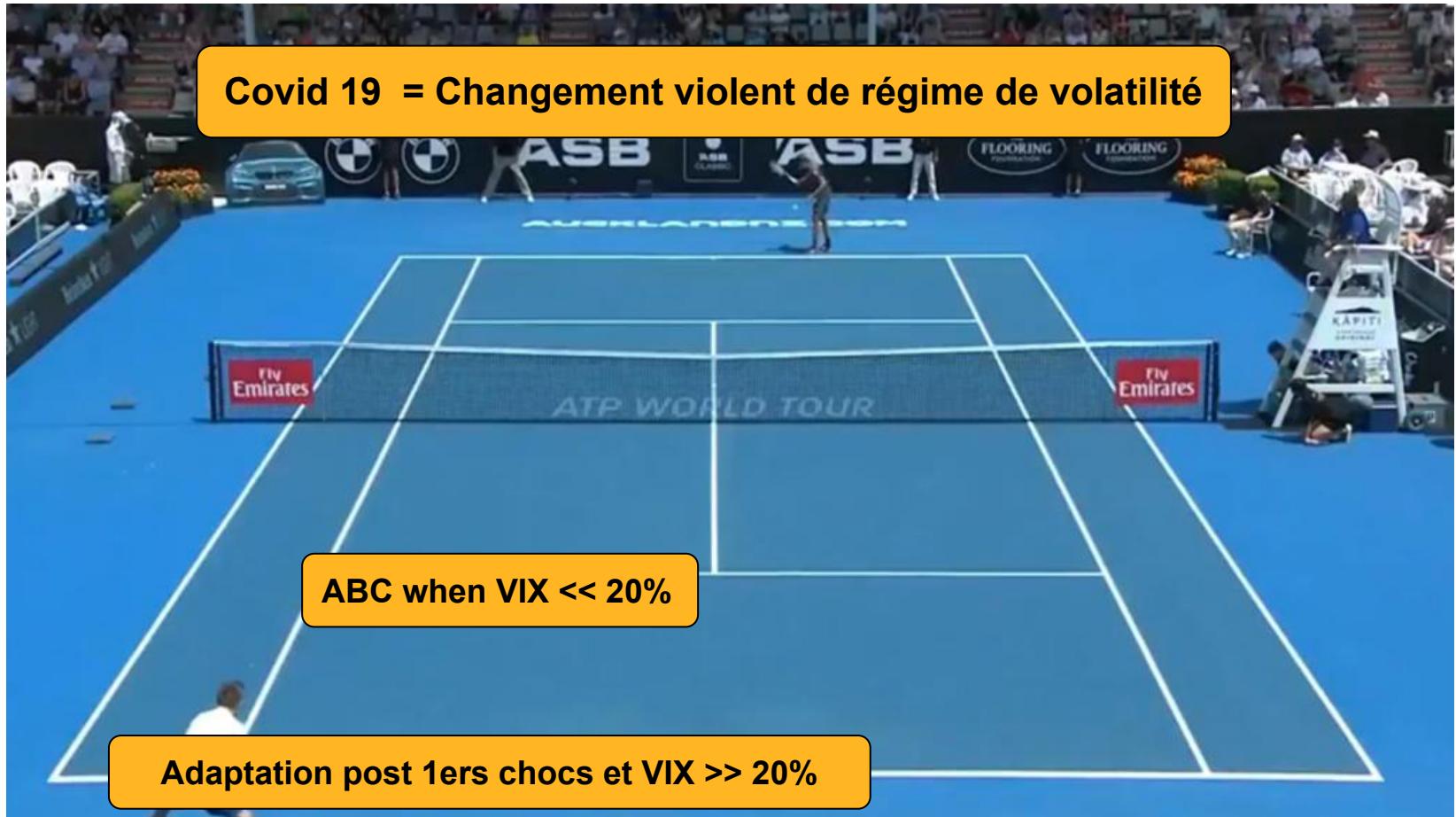
PREV CLOSE
3,029.73

DAY RANGE
2,998.61 - 3,049.17

1 YEAR RETURN
12.83%

52 WEEK RANGE
2,191.86 - 3,393.52







Des stratégies à garder voire à amplifier...

© Y.Zedda/StMichel-Virbac



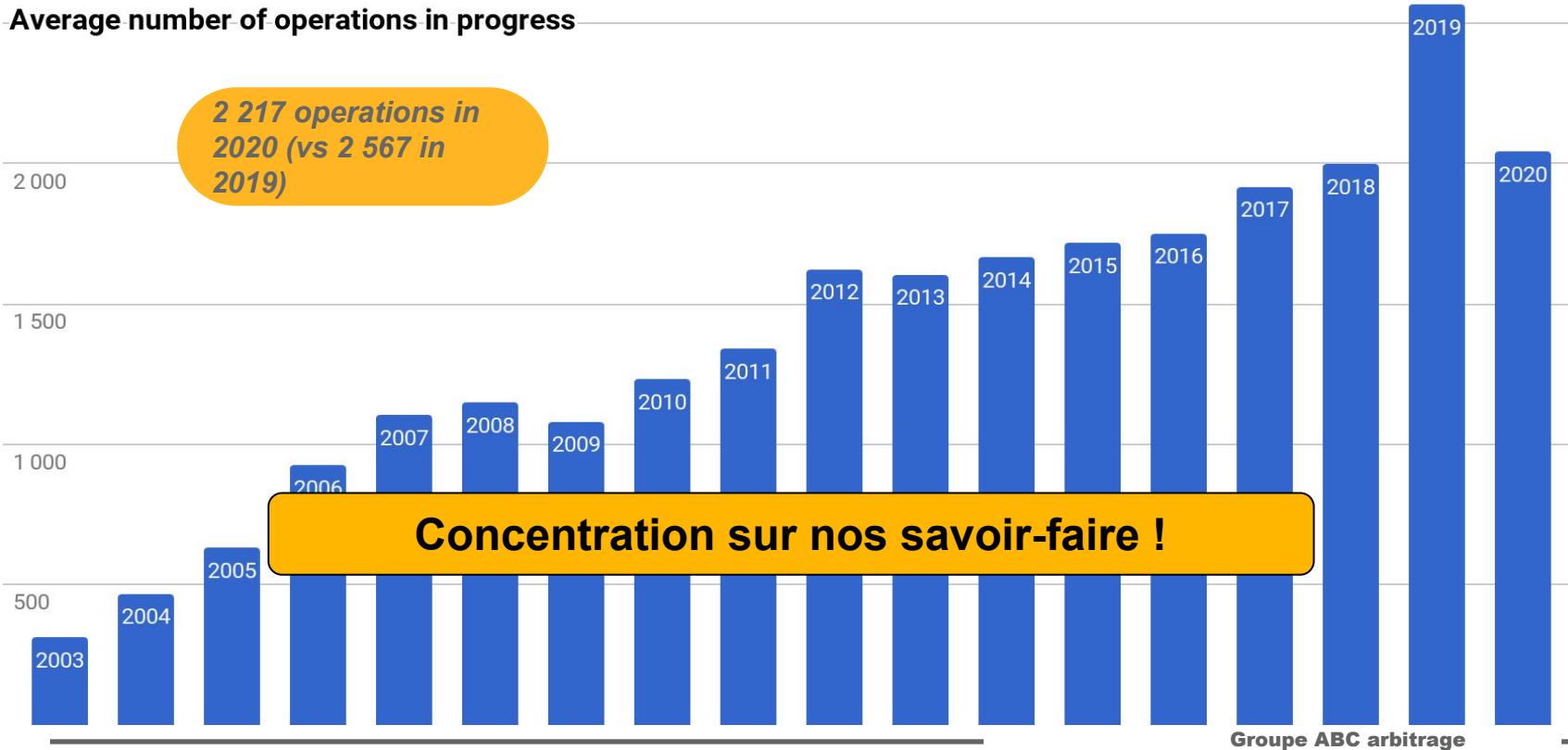
...et des stratégies à “rentrer au port” !

© ACEA 2017 / Photo Ricardo Pinto

Nombre moyen d'opérations en portefeuille

Évolution annuelle depuis 2003

Average number of operations in progress



Risk Management is also to give up some apparent opportunities to protect the portfolio on a long term basis !



Live ! © ACEA 2017 / Photo Gilles Martin-Raget

Des dégâts importants chez certains gérants...

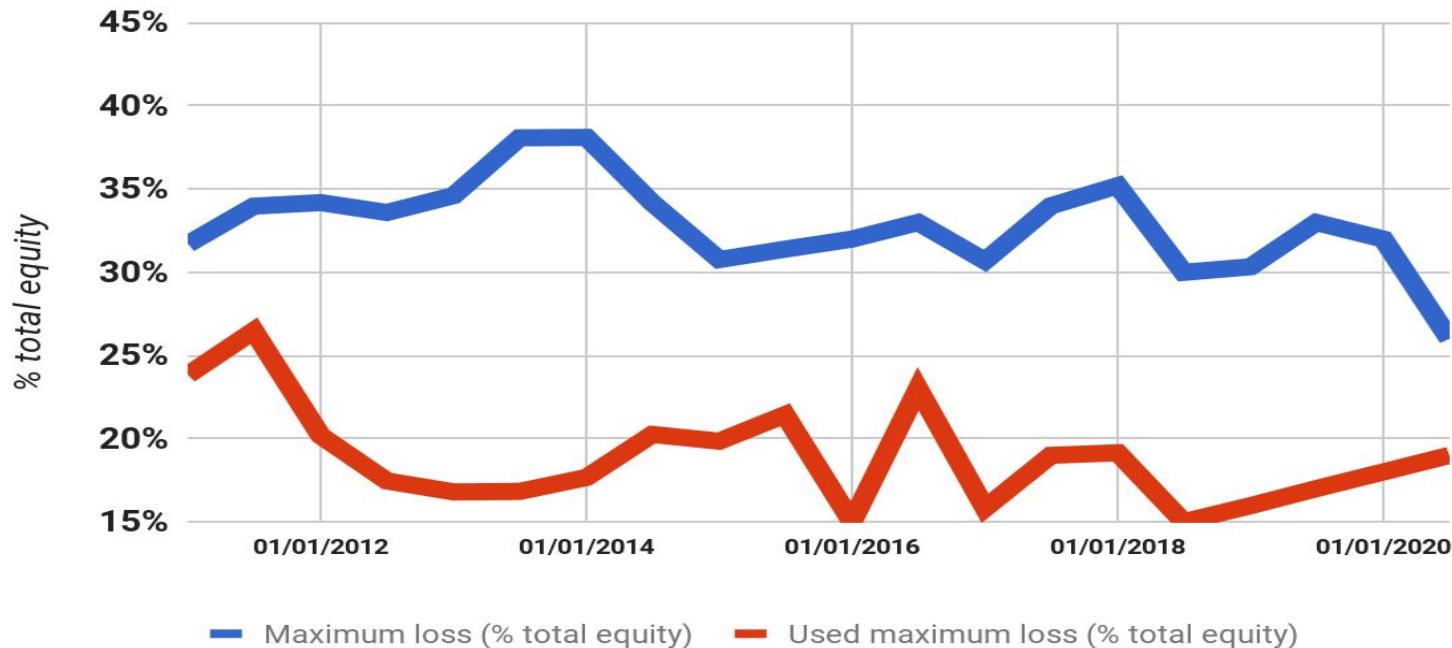
H2O AM vient grossir une liste de plus de 100 fonds gelés en 2020

Franck Joselin  – 02/09/2020 – L'AGEFI Quotidien / Edition de 7H

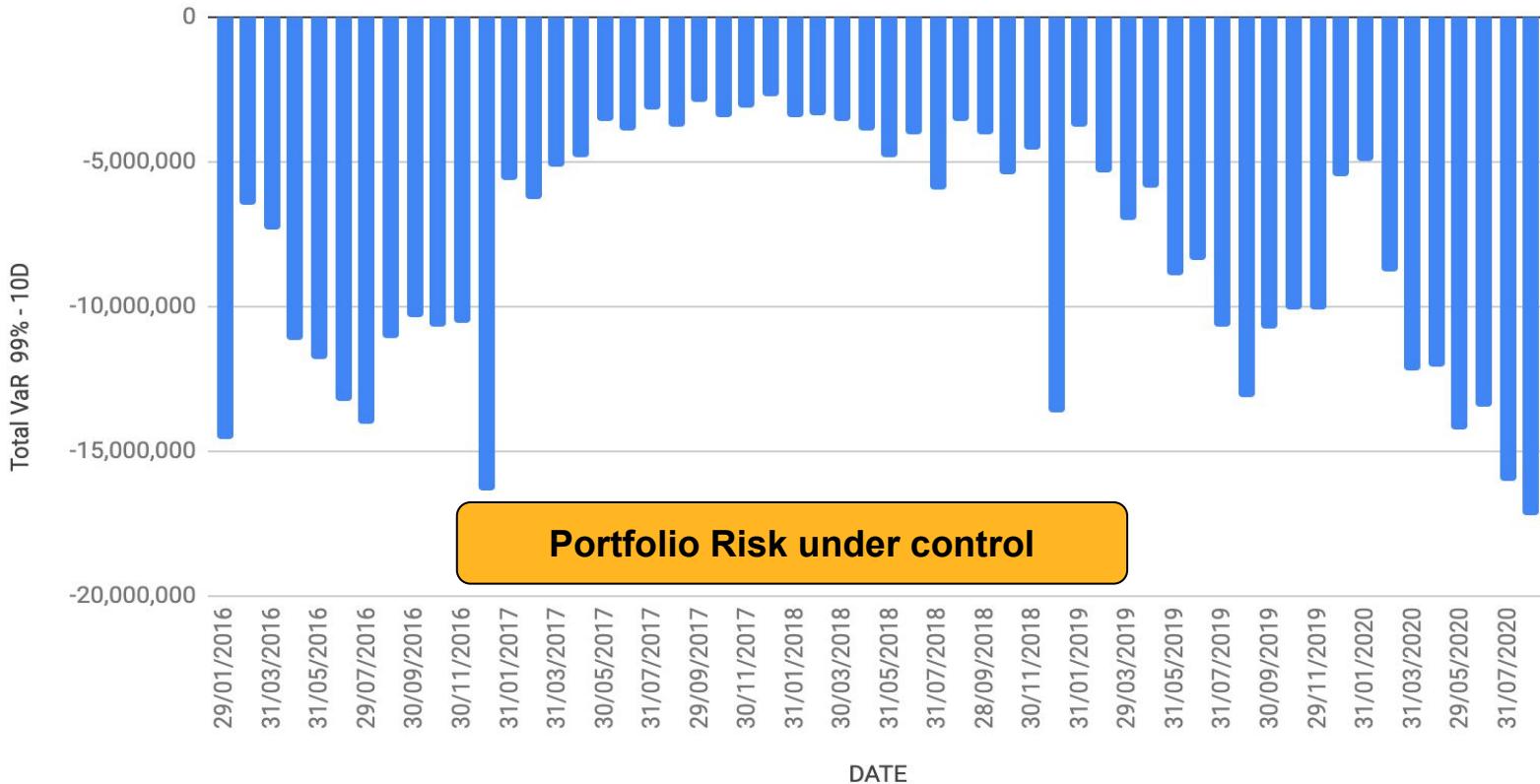
L'agence de notation Fitch a identifié 117 fonds européens ayant bloqué souscriptions et rachats en 2020, pour des encours avoisinant les 55 milliards d'euros.

Évolution du risque ABCA par semestre

Warning - Cumul brut des risques malgré leur “impossibilité” de survenir concomitamment

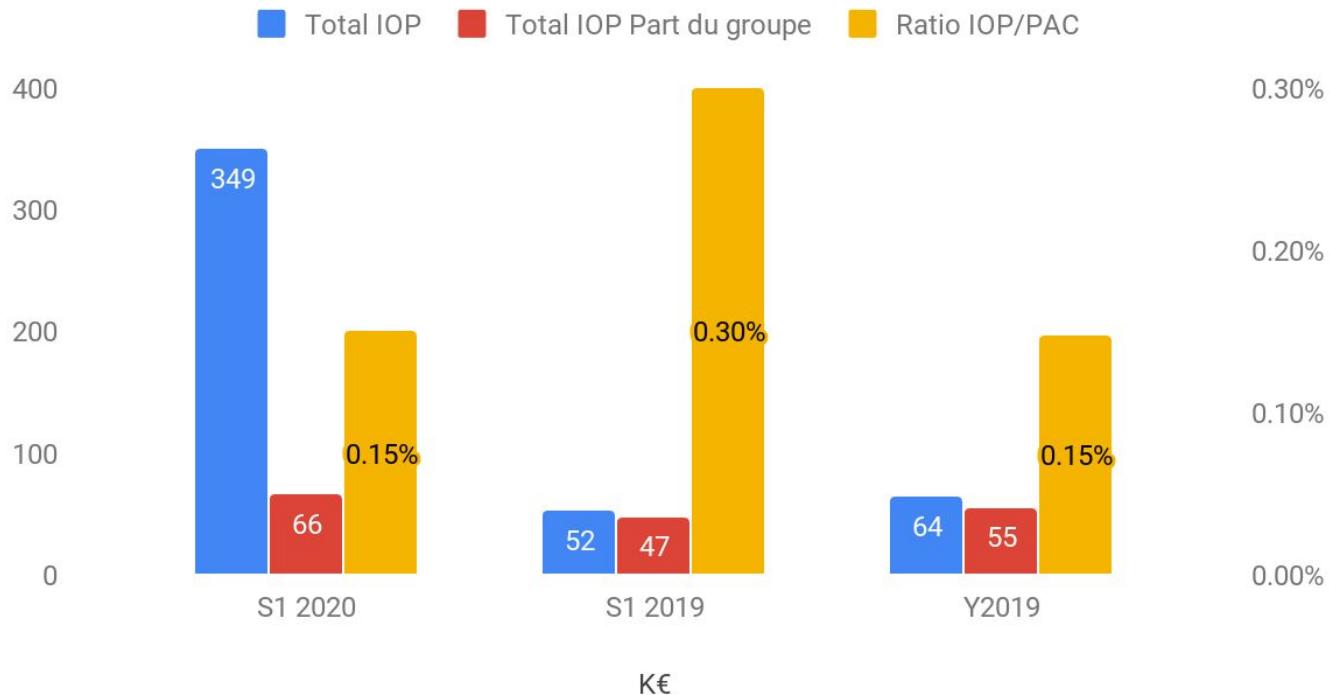


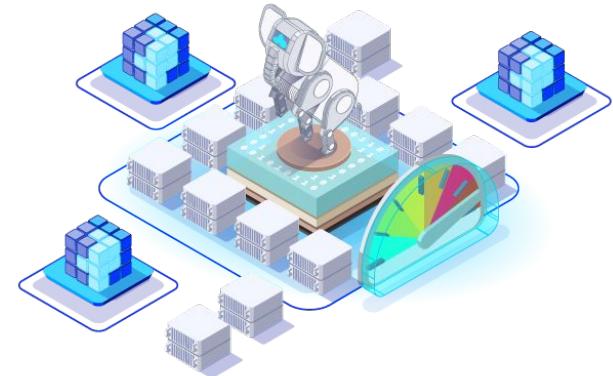
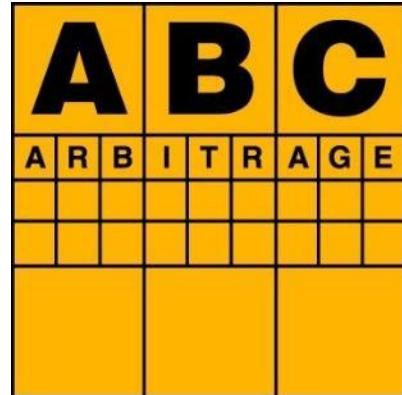
10d VaR GABC



“0” incident => Qualité ABC vs situation marchés et télétravail 100%

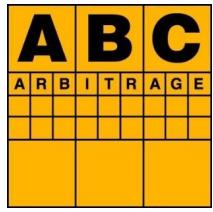
Suivi qualité - Incidents opérationnels





Investissements IT significatifs => Surcharges locales “datas” = ok !
Grands nombre de contrôles automatiques pré et post trades
ABC “FinTech”...parfois plus “Tech” que “Fin” !

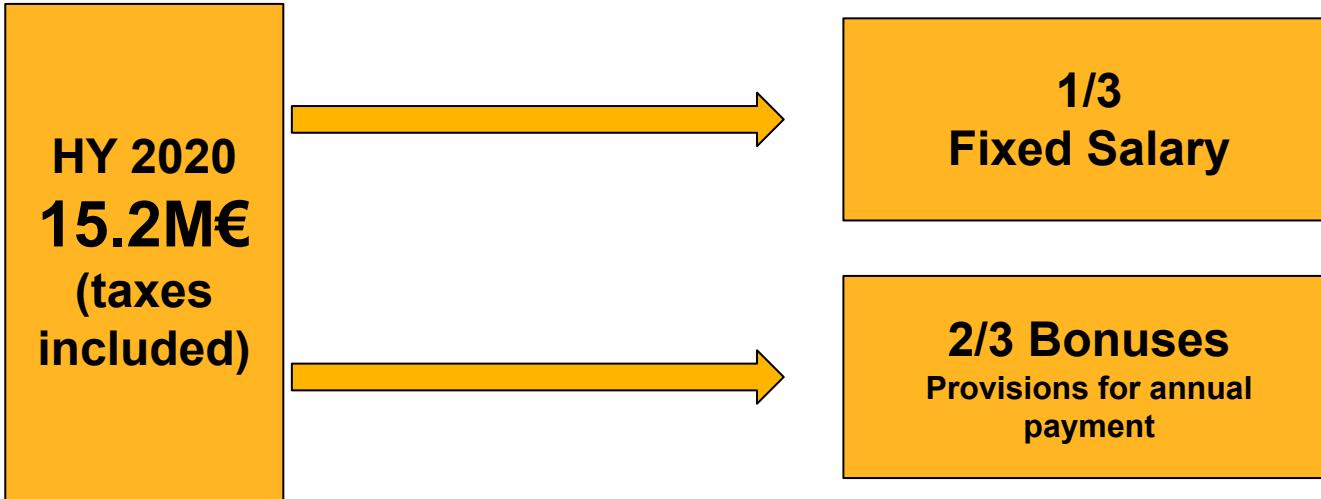




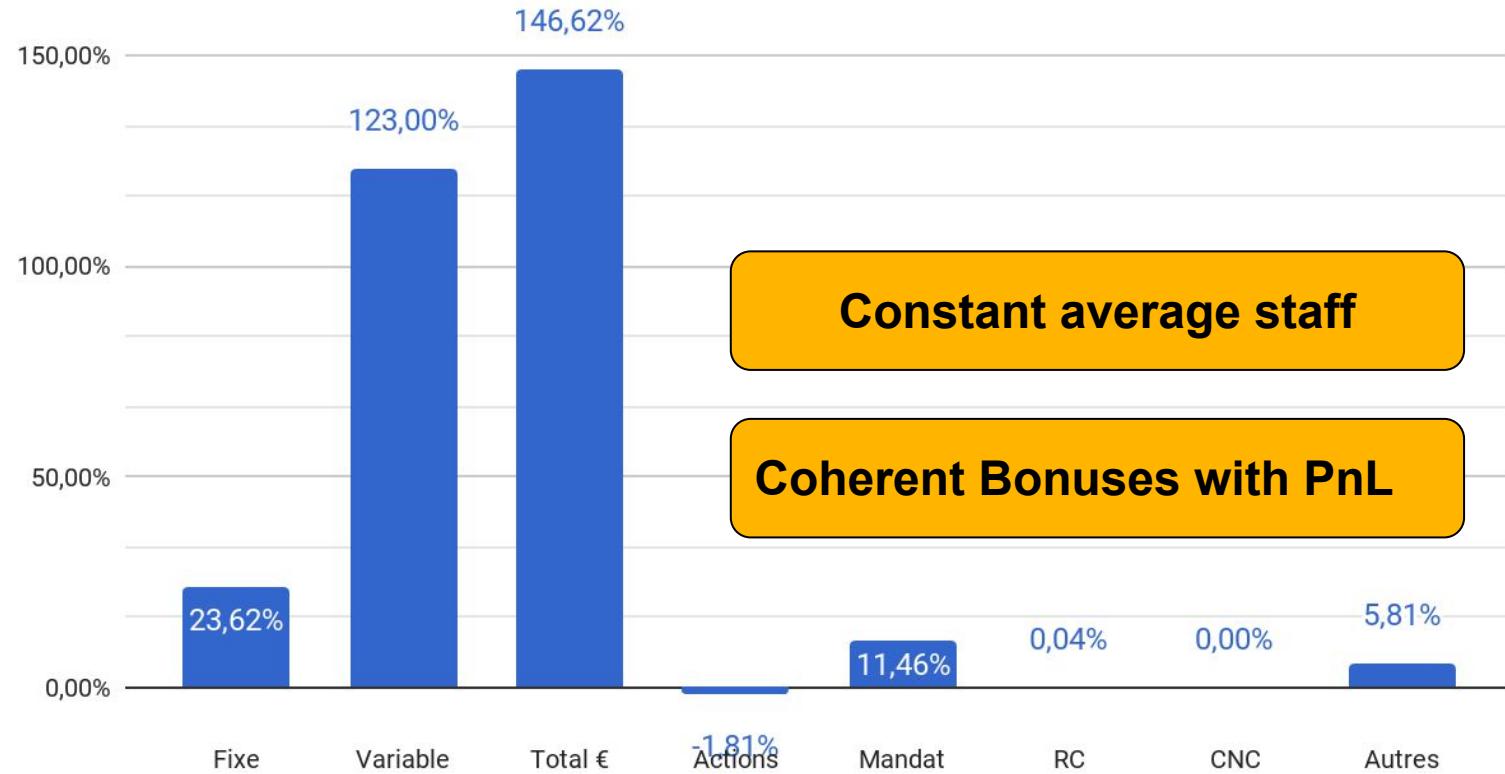
4. ABC Costs



HR Costs - New compensation system



Delta 2020 vs 2019 (éclatement en point de base du % d'évolution des charges de personnel)

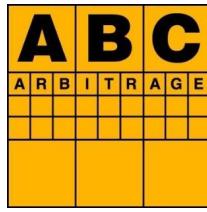


IT & external providers Costs € - % of Net Revenues

(OTHER COSTS INCLUDED)

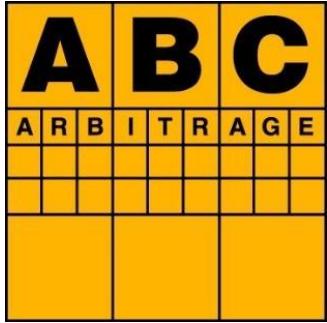
■ IT Costs ● % IT Costs / Net Revenues





5. ABC life with Covid





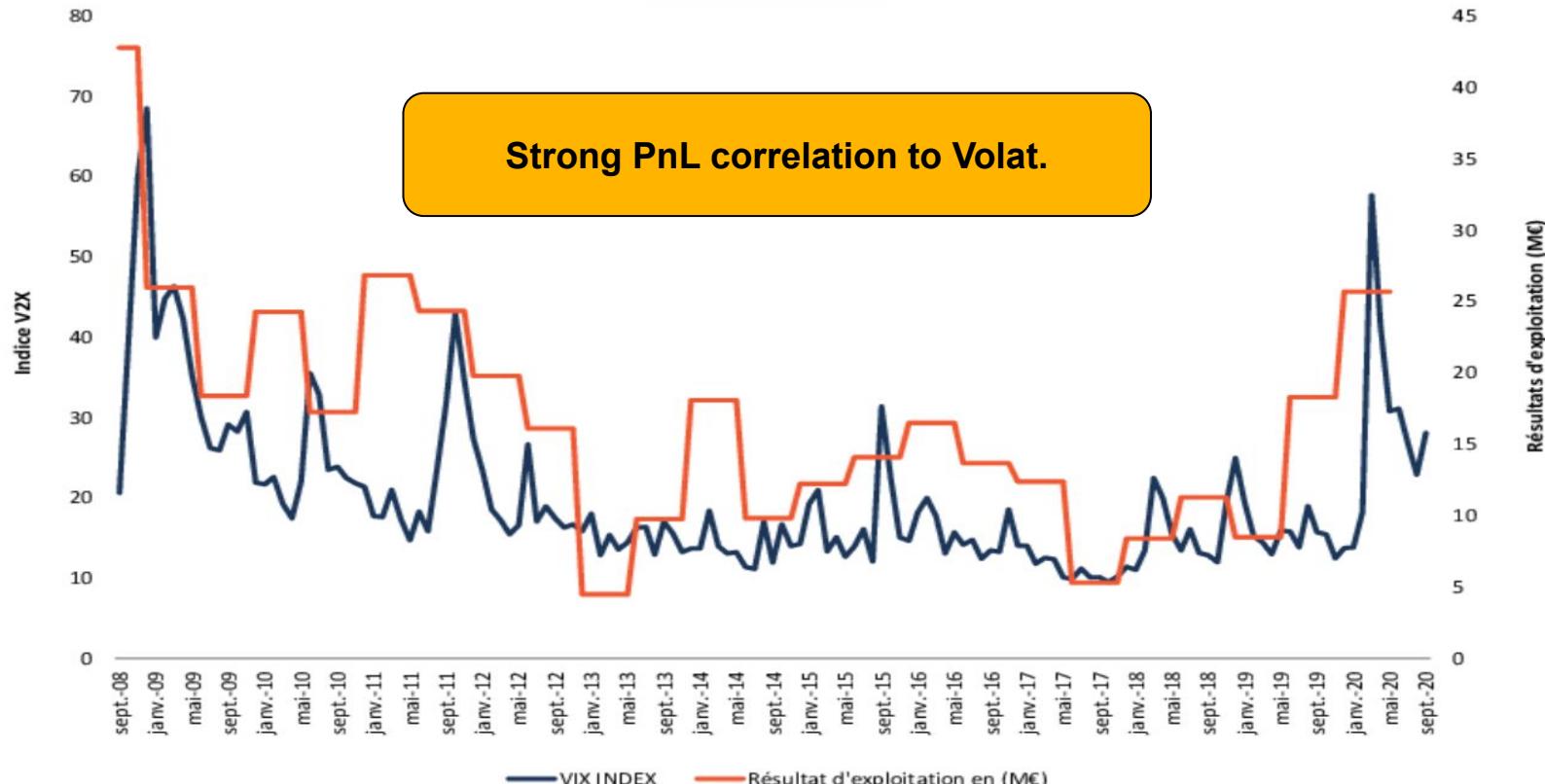
Know-how ABC

Markets Parameters

(+4.99)	189,413.27	(+12.20)	5,854.81
48,829.82	(+12.64)	185,475.60	(+1.70)
(+29.34)	52,394.62	(-2.08)	151,872.25
777.65	(+7.30)	58,042.14	(+10.78)
(+26.38)	1,002.66	65,706.22	(+12.37)
15,127.81	(+28.93)	1,385.27	(+38.16)
(+16.63)	16,696.99	1,782.33	(+29.30)
9,240.74	(+10.37)	16,381.51	(+22.22)
(+20.63)	(-1.89)	16,017.81	(+10.81)
		11,714.54	(+26.77)
		9,700.89	(-17.19)

S1 2020
Consistent financial results vs Markets parameters





Volumes traded by ABC (B€)





**100% ABC en Télétravail sur Mars/Avril/Mai
Aucun décalage sur les calendriers “actionnaires”
Maintien du plan stratégique ABC 2022**



ABC 2022 - Commitment to excellence !



* AUM = Asset Under Management



ABC 2022 - Corner Stones.

- 1. Governance**
- 2. Core Business**
- 3. Asset Management Strategy**
- 4. Human Capital**
- 5. Group Structure**
- 6. Brand Strategy**

Core Business Objectives

**Increasing
Gross Profits strongly**

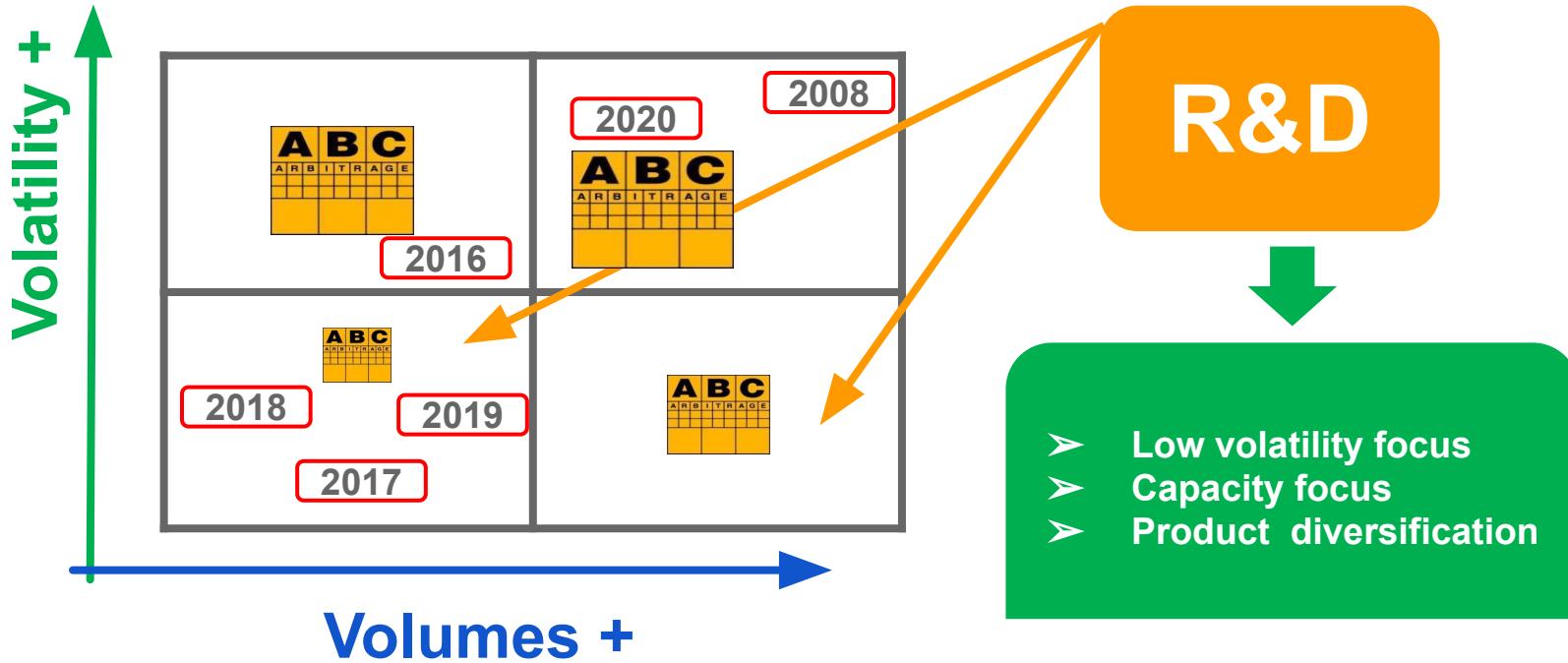
**Facing
Very low vol. paradigm**

**Developing
Management capacity (GCT)**

No significant delay due to the COVID19



R&D 2022 - Low Volatility PnL



Governance

**Developing
More Projects Simultaneously**

**Developing
a Necessary Range of skills**

**Installing
Succession Plan**

No significant delay due to the COVID19



Asset Management Objectives

Facing
Very low vol. paradigm

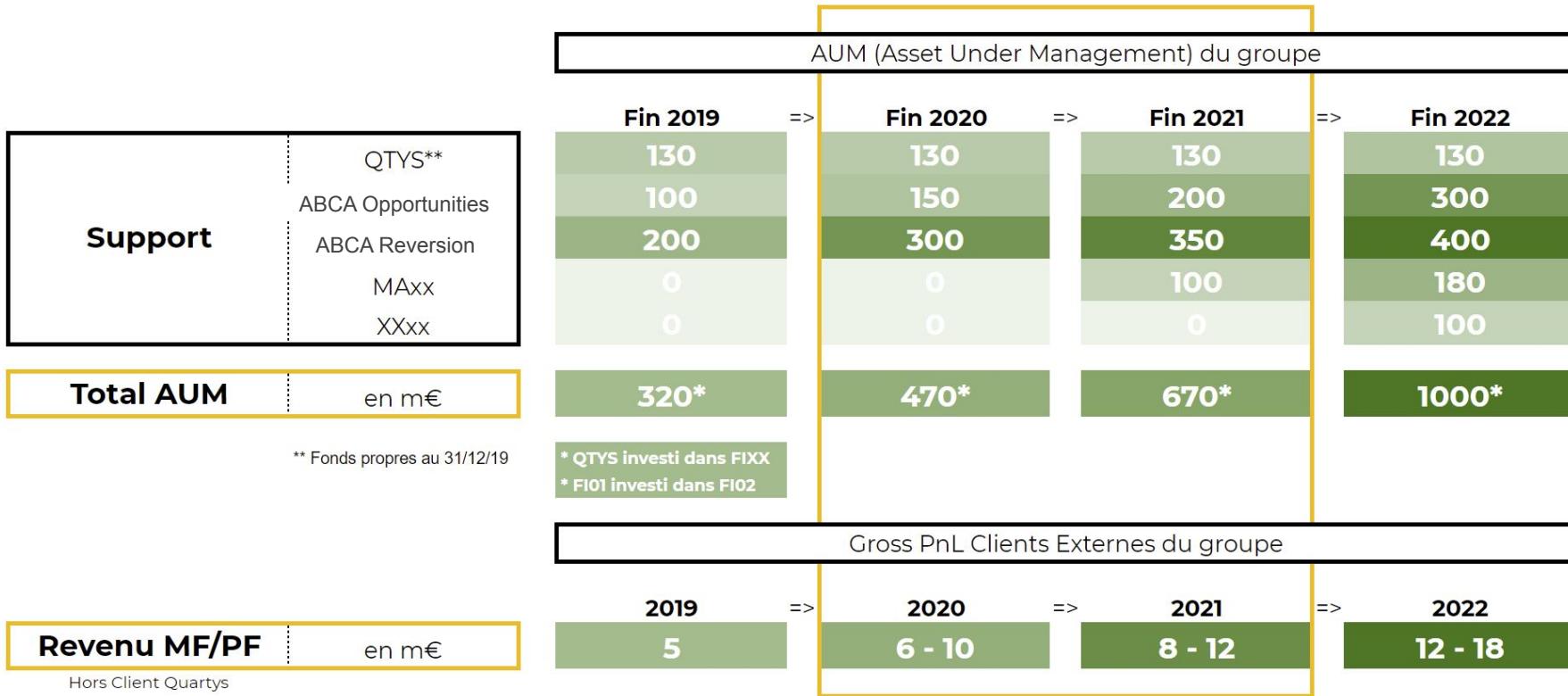
Developing
Client Turnover

Developing
ABC AM brand

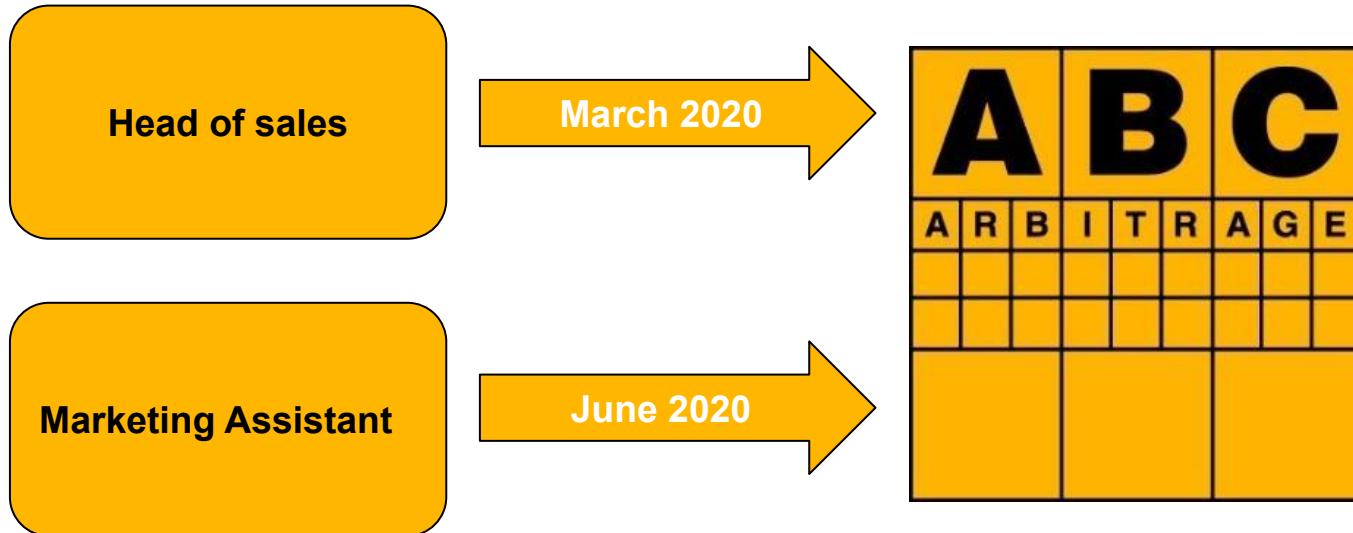
6 months delays due to the COVID19



Asset Management - Expected Turnover



More than 3 full time people committed to improve our AUM



Target of + 150M€ for HY 2021 - Total AUM between 500-550M€



HR objectives

Facing
External competition

Managing
ABC Compensation system

Managing
Internal evolution

No significant delay due to the COVID19



ABC Group Structure and Equity Capital

Supporting
Group Development

Guaranteeing
ABC independence

Strengthening
ABC in regulatory env.

6 months delays due to the COVID19



ABC Brand

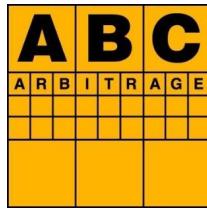
Supporting
Talent Acquisition

Supporting
AM business

Strengthening
ABC independence

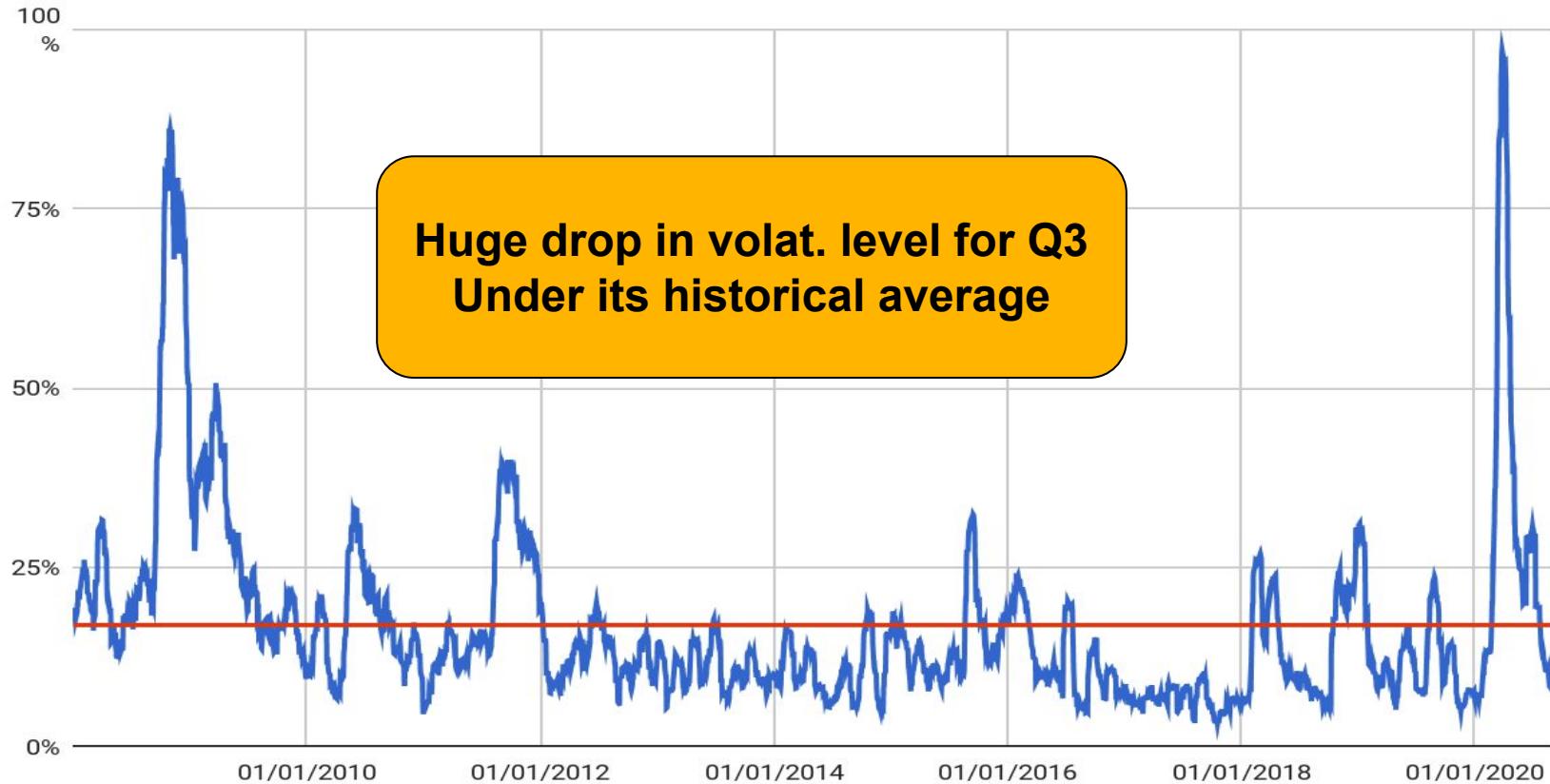
6 months delays due to the COVID19



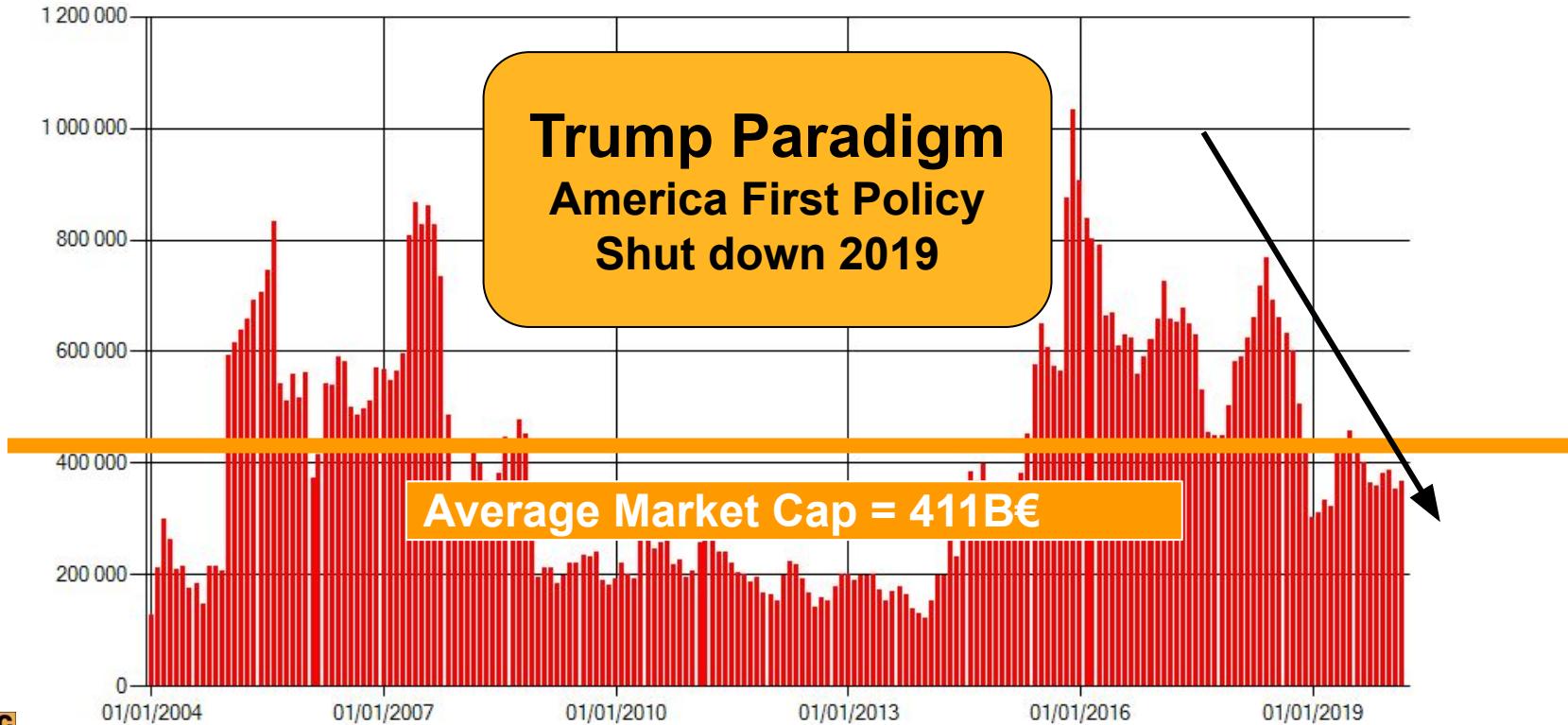


6. Outlooks

S&P 500 Historical Volatility 20 days (close to close)



Évolution somme mensuelle des capi en M€ des offres FUSACQ existantes stables et amicales



Mechanical Corporate Actions opportunities



Average Month Q3 ABC

=

Average Month Second HY 2019

Level of Activity 2020

=

Level of activity 2011 (77M€)

Warning costs ABC 2020

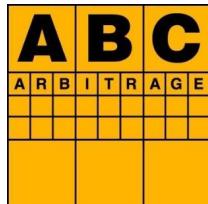
=

Costs 2011 +33% ($24 \times 1.33 = 32$ M€)



Distributions Program

EPS S1 2020 = 0.44€
Quarterly Distribution Program



Historical average P.O.R*** of 100%

- 0.10€ - interim dividend Oct. 2020*
- 0.10€ - interim dividend Dec. 2020*
- 0.10€ - interim dividend - April 2021**



Distribution from 2000 = 9.58€ (included October & December 2020)

* Confirmed

** Potential interim dividend to be validated by the Board and dependant to the future results

*** Pay Out Ratio = Distributions/EPS - Ratio de distribution = Distributions/ Bénéfice par action

From:

2020-01-01

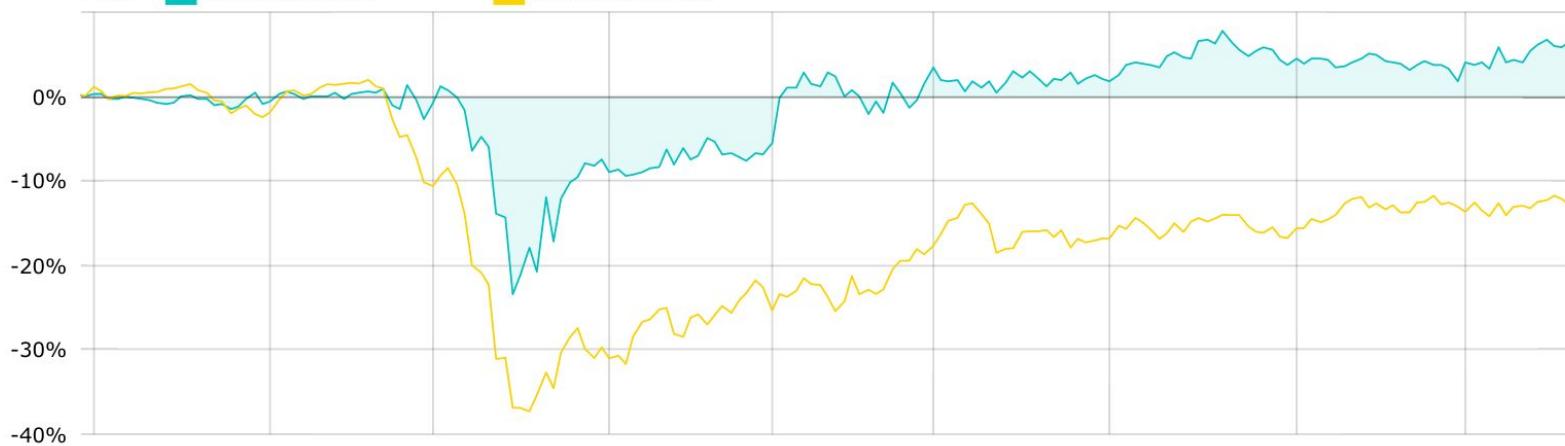
to:

2020-09-20

Zoom: [1D](#) [5D](#) [1M](#) [3M](#) [1Y](#) [5Y](#) [YTD](#) [MAX](#)

Price █ ABC ARBITRAGE

█ CAC MID&SMALL



Volume

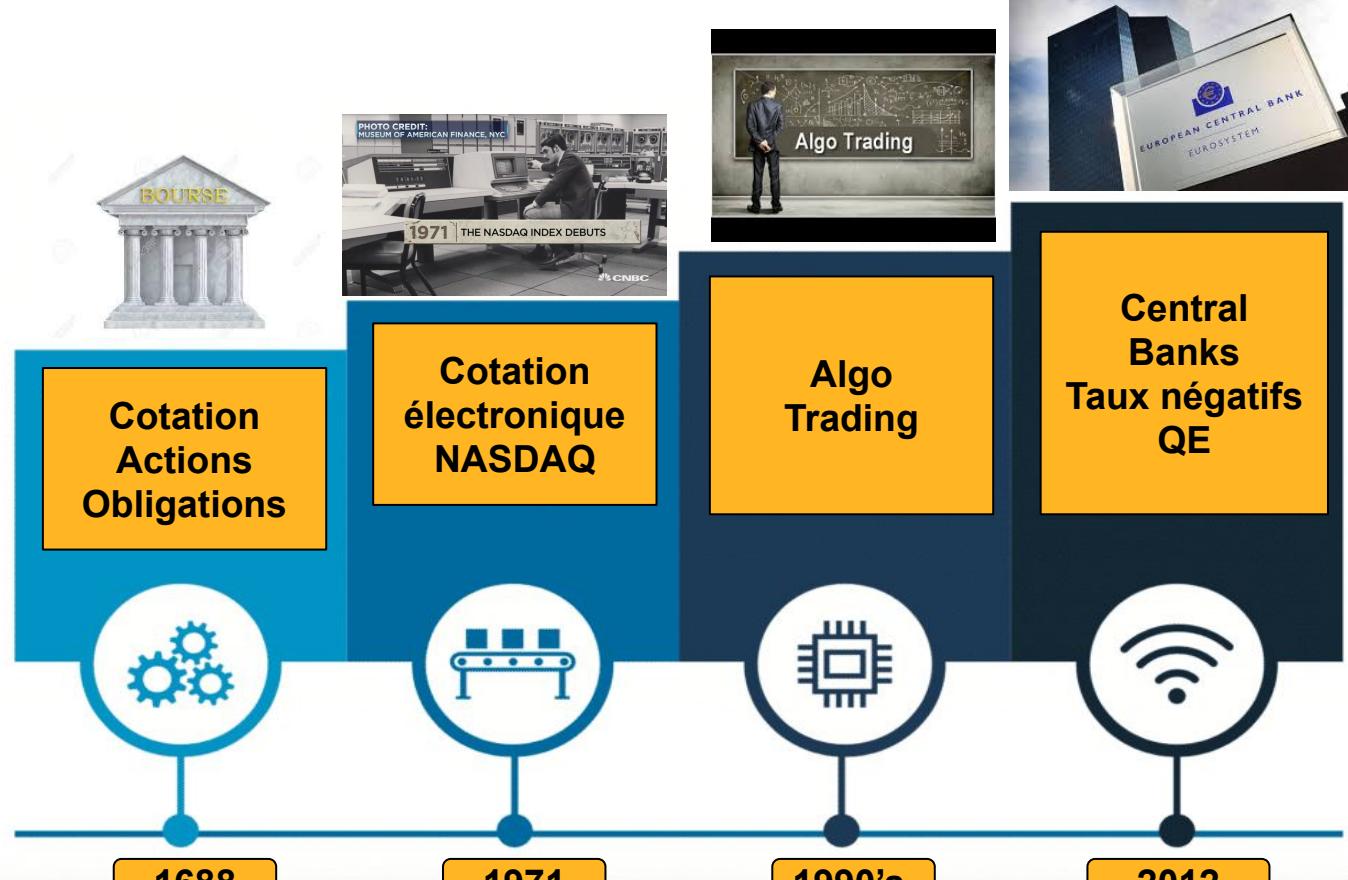
ABC ARBITRAGE



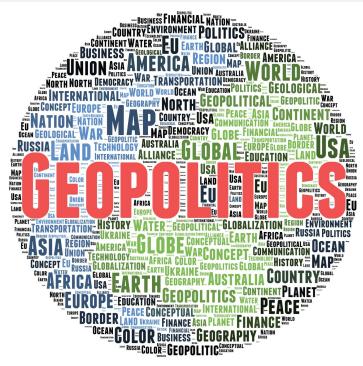
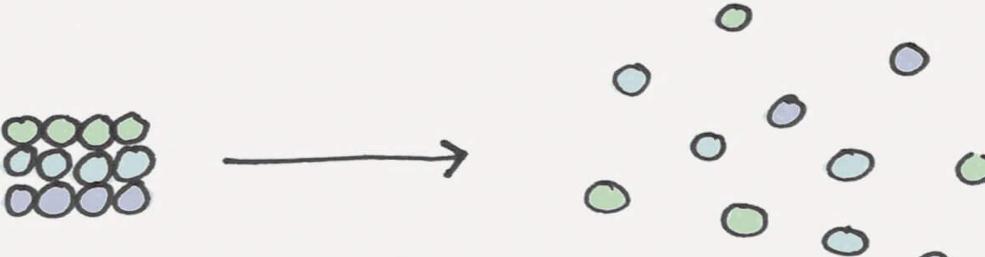
source Euronext Paris



Groupe ABC arbitrage



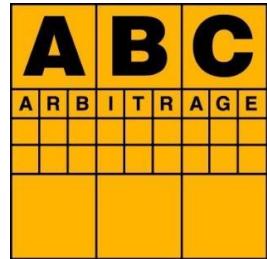
2019 Conviction # 2020 Conviction New Paradigm = a world of entropy.



Intensification de l'Aléa Moral (Moral Hazard) Fin du capitalisme classique ??

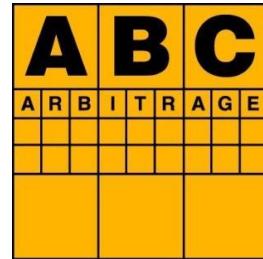
PLAN DE SAUVETAGE **LE CERCLE VICIEUX**





**2 ways to invest in ABC
ABC Equity and/or ABCA Funds
Capital preservation since 1995
Good returns and distribution since 2000**





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People Pleasure Profit
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