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**12 June 2015**

## **Toro Limited**

### **Primary Investment**

Toro Limited announces its first primary investment under the Private Asset Backed Finance portfolio strategy.

#### **Primary Investment**

Toro Limited ("**Toro or the Company**") has invested €26.5m in junior instruments in a short term loan warehousing transaction backed by a portfolio of leveraged corporate loans. Senior finance was provided by a leading global bank and financial services firm (the "**Bank**").

The portfolio provides exposure to primarily European and UK corporates with ratings at or higher than B-. The portfolio is diversified with an expected maximum concentration of 2.5% by group of borrowers. The junior instruments represent first loss risk and the Company expects the thickness of the tranche (approximately 20%) to provide a resilient feature.

Upon acquisition, the transaction represented approximately 7.5% of the Company's net asset value. Following the above transaction the Company is now approximately 92% invested.

The target return of this Private Asset-Backed Finance investment is approximately 15%. The Portfolio Manager continues to work on a pipeline of originated transactions with attractive risk-adjusted returns.

While this is the first Private Asset Back Finance primary investment executed for Toro, the Portfolio Manager, Chenavari Investment Managers ("**Chenavari**"), was selected by the Bank and its client to participate in their newest transaction as a result of a previous similar transaction that the Bank has successfully executed with Chenavari.

#### **About Toro**

Toro, incorporated in Guernsey, is a closed-ended investment company admitted to trading on the specialist fund market of the London Stock Exchange and to the Daily Official List of the Channel Islands Securities Exchange on 8 May 2015. The investment objective of Toro is to deliver an absolute return from investing and trading in Asset Backed Securities and other structured credit investments in liquid markets, and investing directly or indirectly in asset backed transactions including, without limitation, through the origination of credit portfolios. Toro continues and extends the credit strategy successfully managed by the Chenavari Financial Group since mid-2009 via its flagship fund Toro Capital IA and IB, whose shareholders voted to transition their holdings to Toro for its launch.

## **Forward-looking statements**

This announcement contains forward-looking statements including, without limitation, statements containing the words "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "target" or "should" or, in each case, their negative or other variation or similar expressions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, financial condition, performance or achievement of Toro or any Originator, or industry results, to be materially different from future results, financial condition, performance or achievements expressed or implied by such forward-looking statements. Past performance is not a reliable indicator of future performance and Toro may not achieve the same level of returns as those achieved by previous investments. Target returns are estimated only and net of fees, expenses and income reinvested. They are based on long-term performance projections of the investment strategy and market conditions at the time of modelling and therefore, subject to change. There is no guarantee that any target returns can be achieved. Investors should not place reliance on such target returns in deciding whether to invest in Toro.

## **About Chenavari**

Chenavari is part of the Chenavari Financial Group, a specialist alternative asset management group focusing on European & Asian markets. With over 100 professionals and USD5.5 billion of assets under management, funds managed by Chenavari target investment strategies across Credit (Corporate and High yield, Financials, Credit Derivatives), Structured Finance (ABS, CMBS, Regulatory Capital) and Illiquid Opportunities (Private Debt, Real Estate, Consumer Finance, Private Equity). Chenavari Financial Group contains entities authorized and regulated by several regulators globally, including the UK FCA, the Luxembourg CSSF, the US SEC, the US CFTC and the Hong Kong SFC. ([www.chenavari.com](http://www.chenavari.com))

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## **IMPORTANT INFORMATION**

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All investments are subject to risk, including the loss of the principal amount invested. Past performance is no guarantee of future returns. All investments to be held by the Company involve a substantial degree of risk, including the risk of total loss. The value of shares and the income from them is not guaranteed and can fall as well as rise due to stock market and currency movements. When you sell your investment you may get back less than you originally invested. You should

always seek expert legal, financial, tax and other professional advice before making any investment decision.