

NIC

— Nova Investment Club —

Newsletter

February 2026



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Foreword

This Month:

In our Macro Overview section, analysts from the Financial Markets Division will cover broad macro themes while reviewing major economic news from the past month. In our Deeper Dive section, Johannes Schmidt explores key market forces and investor groups driving the accelerating rush into gold and silver.

Our Investment Banking Division will guide you through January's overall M&A activity. Read about Clorox acquiring GOJO Industries and Mutares acquiring SABIC's ETP business. Additionally, get a detailed overview of what happened to Strategy Inc. and read expert insights about the surge of private equity in sports.

Our Financial Markets Division will present the monthly results of the NIC Fund, an active relative return fund investing across three different asset classes: Equities, Fixed Income, and Commodities. The analysts will also provide commentary on each of the three major asset classes including Currencies through an analysis of the past month's major market moves. The overall performance of the NIC Fund in January was positive, with a cumulative return of 2.18%.

Our Private Equity Division will cover global and European trends in private equity transactions and investments, followed by brief insights into some top deals. Read about Mitsubishi acquiring Aethon's US gas assets and Capital One acquiring Brex.



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Macro Overview

Monthly

February 9th, 2026

Deeper Dive

The Market Participants behind the Rush into Gold and Silver

— p.2

Market Moves

Market Moves

% change	Last Close	-1W	-3M	YTD
S&P 500	6,939	0.34%	1.44%	1.37%
DJIA	48,892	-0.42%	2.80%	1.73%
Nasdaq	23,462	-0.17%	-1.11%	0.95%
MSCI World	4,573	0.21%	5.91%	3.47%
MSCI EM	4,772	0.38%	5.95%	6.02%
Russell 2000	2,614	-2.08%	5.42%	5.31%
Euro Stoxx 50	5,948	-0.01%	5.05%	2.70%
FTSE 100	10,224	0.79%	5.21%	2.94%
Nikkei 225	53,323	-0.97%	1.74%	5.93%
Hang Seng	27,387	2.38%	5.71%	6.85%
Dollar Index	96.99	-0.62%	-2.82%	-1.35%
EUR/USD	1.185	0.19%	2.72%	0.89%
GBP/EUR	1.155	0.06%	1.30%	0.67%
GBP/USD	1.369	0.32%	4.06%	1.57%
USD/JPY	154.780	-0.59%	0.51%	-1.23%
USD/CHF	0.77	-0.88%	-3.93%	-2.47%
Brent Crude	70.690	7.30%	8.64%	16.17%
Gold	4,713.9	-5.34%	17.95%	8.59%

Generic Bond Yields

change in bps	Last Close	-1W	-3M	YTD
US 10Y Yield	4.236%	1.0	15.8	6.9
GER 10Y Yield	2.843%	-6.3	21.0	-1.2
JPY 10Y Yield	2.252%	-0.5	58.3	18.6
UK 10Y Yield	4.522%	1.0	11.3	4.3
PT 10Y Yield	3.201%	-6.4	20.8	5.1

*Source: Bloomberg, as of 2026-01-30

In Focus

January

Federal Reserve Holds Rates Steady

Amid Transition. The Federal Reserve kept interest rates unchanged at 3.50%–3.75% following its January 28, 2026 meeting, pausing after several rate cuts in late 2025 while monitoring inflation still running at 2.70% annually. The timing is notable with Kevin Warsh's nomination as next Fed Chair. Warsh is known as an inflation hawk but also believes AI-driven productivity has deflationary effects. The 10-2 vote suggests growing consensus that the labor market is stabilizing with unemployment at 4.40%. This "higher-for-longer" approach has kept the 10-year Treasury around 4.26%, putting pressure on high-growth sectors.

UK Implements Generational Capital

Market Reforms. January 19, 2026 brought the most significant UK capital market reform in a generation through new POATRs regulations. The framework replaces the old EU prospectus system, dramatically simplifying how companies raise capital on the London Stock Exchange and AIM. Key changes include removing admission document requirements for AIM companies and introducing "Access Bonds" that let retail investors buy corporate debt in GBP 1 denominations. Markets responded positively, with the FTSE 100 hitting a historic 10,000 points earlier in the month.

Big Tech Earnings: Microsoft and Apple

Set Records. Microsoft and Apple delivered blockbuster earnings in late January, reinforcing AI and cloud dominance. Microsoft reported Q2 fiscal 2026 revenue of USD 81.3 bn (up 17%), driven by Microsoft Cloud's 26% surge to USD 51.5 billion. Apple posted record quarterly revenue on strong iPhone demand and services growth. Microsoft's net income jumped 60% to USD 38.5 bn, boosted by OpenAI investment gains. Despite these results, the "Magnificent Seven" rose just 1% in January as investors rotated into emerging markets and mid-caps.

Major EU-India Free Trade Agreement

Concluded. The EU and India finalized a landmark free-trade deal on January 27, 2026 after nearly two decades of talks. The agreement eliminates tariffs on over 90% of goods and opens services sectors. Analysts project USD 50 bn in additional bilateral trade annually by 2030, particularly in automotive, machinery, and pharmaceuticals.

US Housing Policy Shift: Executive Order

on Institutional Buyers. The White House issued an executive order in mid-January banning large institutional investors from purchasing single-family homes. The policy targets increased inventory for individual buyers and aims to combat rising housing costs. While implementation details are still being worked out, the announcement triggered immediate REIT volatility. The real estate sector ended January up 0.7% as markets weighed reduced institutional demand against higher organic homeownership potential. This coincides with a new "Baby Bonds" program providing USD 1,000 investment accounts for newborns to address wealth inequality.

Emerging Markets Outperform in Global

Rotation. Emerging markets surged 9% in January 2026, marking their strongest outperformance versus developed markets since 2001. The rally was fueled by a weakening dollar and shifting investor appetite toward undervalued regions. China showed resilience after meeting its 5% GDP growth target for 2025 and signaling more fiscal stimulus for 2026. Meanwhile, Japan's Topix fell late in the month as the yen strengthened on central bank intervention speculation. The rotation suggests global earnings growth is becoming more balanced, with materials and industrial sectors in EM regions seeing the largest upward revisions to 2026 EPS estimates.

Davide Romeo
Financial Markets Division

Deeper Dive

The Market Participants Behind the Rush into Gold and Silver



Johannes Schmidt
Investment Banking Division

“Gold and silver are reflecting more than short-term market stress; they are signalling a re-pricing of trust. Trust in currencies, in institutions, and in the stability of the post-Cold War economic order.”

– Daniela Hathorn, Senior Market Analyst, Capital.com

The extraordinary rally in precious metals that defined last year has only intensified in the opening weeks of 2026. As US President Donald Trump continues to reshape the global economic and geopolitical landscape, gold has maintained its aggressive upward trajectory. As of the close of markets on 31st of January 2026, gold has surged about 13% since the start of the year, following a record-breaking performance in 2025 during which the asset rose around 65%.

Traditionally framed as a safe haven hedge against market volatility, gold is currently seeing demand driven by distinct and shifting forces as outlined in the World Gold Council’s annual report. Contrary to the common perception that price action of gold is dictated mainly by large institutional market participants, the report outlines further investor categories responsible for the metals price surge. While central banks have maintained high demand since 2022, their purchasing momentum has actually cooled, slowing by roughly 21% to 863 tons of new stock in 2025. Instead, the private sector has significantly ramped up its demand. Investment by private actors in gold bars and coins, excluding jewellery, broke previous records as purchases hit 2,175 tons in 2025. This represents a roughly 84% YoY increase from 2024. Analysts attribute the explosive demand growth to a growing distrust in fiat currency and its sovereign issuers by consumers. The shift towards secure, alternative physical assets outside the banking system is prominently known as the “Debasement Trade”.

Market participants see no end to the gold rush during 2026. The World Gold Council anticipates that tense geopolitics will continue to provide an “investment-friendly environment” for gold, supporting central bank accumulation and strong inflows into gold ETFs. Goldman Sachs’ Daan Struyven shares this view. In an interview on Bloomberg, he reiterated the banks’ optimistic view citing record-high purchase intentions from central banks and declining interest rates which have, in the past,

boosted demand for gold ETFs due to their inverse relationship with real rates.

While gold’s ascent has been impressive, silver has moved with even greater velocity. Trading at USD 27.7 an ounce at the beginning of 2025, silver prices have surged to USD 85.3 as of the end of January 2026. This represents a near tripling in value, characterized by extreme volatility; the metal posted a net monthly gain of around 19% in January, even after a severe correction on the final trading day erased roughly 26% of its value.

James Emmett, CEO of the Switzerland-based precious metals refiner MKS PAMP SA, attributes the recent price action partly to investor psychology, arguing that investors are using silver as a substitute for gold and “a sort of macroeconomic geopolitical play,” while others are simply “chasing the price action.”

However, according to the supply and demand data available, silver’s rise is not purely speculative. The metal is a critical component in solar panels, electric vehicles, batteries, and broader electronics. According to The Silver Institute, 2025 was the fifth year in a row that demand for silver outstripped supply, with more than half of the demand stemming from industrial market participants. Since 2020, the industrial demand has surged more than 32% while facing an increasingly fragmented global supply chain. The supply crunch has prompted China to enforce export controls to secure domestic supply. In similar fashion, the United States added silver to its critical minerals list in 2025 to discourage exports of the shiny metal.

The surge in silver is not anticipated to stop anytime soon. Investment Bank Citi increased its short-term price target for silver from USD 100.0 set in week two of 2026 to USD 150.0 per ounce at the end of January 2026 citing continued support from heightened geopolitical risks and investor concerns over Federal Reserve independence.

Johannes Schmidt
Investment Banking Division

Macro Overview

Economic Calendar

Economic and Political Events

Mandelson Resignation Political Fallout

Peter Mandelson resigned from advisory roles on the **1st** of February following renewed scrutiny of past associations with Jeffrey Epstein. The episode has triggered political debate and may add pressure on the government's broader governance narrative.

Japanese General Election

Japan will hold a general election on the **8th** of February, with voters assessing economic management amid persistent inflation and weak domestic demand. The result will be closely watched for implications on fiscal policy direction and structural reform momentum.

Portuguese Presidential Runoff

Portugal will hold a presidential runoff election on the **8th** of February following an inconclusive first round. Severe weather conditions have led to delayed voting in several regions, raising concerns over turnout and increasing uncertainty around the final result.

Central Bank Decisions

RBA Interest Rate Decision

The Reserve Bank of Australia raised the cash rate to 3.85% on the **3rd** of February, from 3.60% previously, in line with market expectations. The decision reflected continued concern over persistent inflationary pressures.

BoE Interest Rate Decision

The Bank of England kept the Bank Rate unchanged at 3.75% on the **5th** of February. Policymakers maintained a cautious stance amid moderating inflation but elevated wage growth.

ECB Interest Rate Decision

The European Central Bank left its main policy rate unchanged at 2.0% on the **5th** of February, consistent with the prior meeting. The accompanying press conference reiterated a data-dependent approach to future policy adjustments.

Inflation and Deflation

Euro Area Flash Inflation Rate

Euro area flash CPI for January was released on the **4th** of February, with headline inflation at 1.7%, down from 2.0% previously. The decline reinforced expectations of continued disinflation across the bloc.

United States Consumer Price Index

US January CPI data is due on the **13th** of February, with markets focused on whether recent progress on disinflation can be sustained. Core inflation dynamics will be key for near-term Federal Reserve policy expectations.

Japan Inflation Rate

Japan's CPI is scheduled for release on the **19th** of February, with investors assessing whether inflation remains sustainably above target. The outcome will be closely watched for implications on Bank of Japan policy normalisation.

Labour Market

United States JOLTs Job Openings

US JOLTs job openings data for December was released on the **5th** of February, showing 6.54 m openings, down from 6.93 m previously. The decline pointed to a gradual cooling in labour demand.

Canada Unemployment Rate

Canada's unemployment rate for January was released on the **6th** of February, falling to 6.5% from 6.8% previously. The improvement suggested resilience in labour conditions despite slowing economic growth.

United States Employment Report

US non-farm payrolls and unemployment data are due on the **11th** of February, with markets focused on whether recent signs of labour-market softening persist. Wage growth and participation rates will be key for Federal Reserve policy expectations.

Investment Banking

M&A

Overall Activity

Global

Global M&A activity in January 2026 reached a total deal value of USD 222.4 bn, with aggregate deal value falling by 20.65% YoY and the number of transactions decreased by 14.54% YoY. Compared with the previous month, deal value dropped by 61.20% and deal count declined by 19.44% after a December shaped by exceptionally large transactions. Dealmaking in January remained concentrated in larger transactions, as despite the softer monthly comparison, several sizeable deals were announced, led by Boston Scientific's acquisition of Penumbra and Hg Capital, alongside General Atlantic and Tidemark, acquiring OneStream. Early-2026 commentary continues to highlight consolidation and technology investment, particularly across AI and digital infrastructure, alongside continued focus on regulatory review for increasingly complex transactions. Expectations for 2026 remain constructive, supported by improved financing conditions and the more active deal environment in the second half of 2025 across sectors.

Selected Regions

North America

M&A activity in North America amounted to USD 142.5 bn, with deal value down by 8.33% YoY and deal count lower by 9.74% YoY. On a MoM basis, the region experienced a strong decrease in deal value of 63.18%, while deal count rose slightly by 5.83%, with monthly value driven by fewer large-ticket announcements. Large transactions remained present, mostly across health care, technology, and financial services.

EMEA

M&A activity in EMEA totalled USD 34.7 bn, with volumes decreasing by 44.78% YoY and deal count falling by 24.80% YoY. Compared with the previous month, deal value dropped by 46.90%, and the number of transactions decreased by 27.30%. Volatility remained a key feature for European dealmaking, alongside an ongoing focus on consolidation and scale supported by a small number of larger financial services transactions.

Asia

M&A activity in APAC showed a 31.59% YoY decrease in deal value reaching USD 39.3 bn and an 11.30% YoY decrease in deal count. On a MoM basis, deal value decreased by 63.94% and deal count by 32.64%. The decline was driven by fewer announced transactions and lower value across the region, amid continued macroeconomic uncertainty. Notable transactions in the region included Taiyo Kosan's acquisition of Hisamitsu Pharmaceutical.

M&A

Deals of the Month

Announced Date	Target	Buyer	Target Region	Target Business	Value ¹ (USD m)	Premium (%)
15 Jan 26	Penumbra Inc	Boston Scientific Corp	US	Health Care	14,393.4	18.96
06 Jan 26	Onestream Inc	HgCapital L.L.P., General Atlantic LP, Tidemark Capital Inc	US	Technology	6,400.0	
21 Jan 26	Allfunds Group Plc	Deutsche Boerse AG	UK	Financials	6,085.1	8.66
16 Jan 26	Aethon United BR LP, Aethon III BR LLC, Aethon III Blocker LLC	Mitsubishi Corp	US	Energy	5,200.0	
22 Jan 26	Brex Inc	Capital One Financial Corp	US	Financials	5,150.0	
05 Jan 26	Q-Generation LLC	Vistra Corp	US	Utilities	4,725.0	
26 Jan 26	Allied Gold Corp	Zijin Gold International Co Ltd	CA	Materials	3,865.6	21.84
26 Jan 26	Fnac Darty SA	EP Group AS	FR	Consumer Discretionary	3,724.2	23.53
15 Jan 26	Waterford Energy Center, Darby Generating Station, Lawrenceburg Power Plant/Energy Capital Partners LLC	Talen Energy Corp	US	Industrials	3,450.0	
22 Jan 26	Coller Capital Ltd	EQT AB	UK	Financials	3,241.5	

Note: 1. Sum of the announced equity value and net debt.

Julia Karaš
Investment Banking Division



M&A: Top Deals

Clorox to Acquire GOJO Industries

On 22nd of January 2026, The Clorox Company (NYSE: CLX) agreed to acquire GOJO Industries, a family-owned market leader in skin health and hygiene solutions, in an all-cash transaction valued at about USD 2.3 bn. The deal includes anticipated tax benefits of approximately USD 330.0 m, implying a net purchase price of around USD 1.9 bn.

Buyer vs Seller

The Clorox Company manufactures and markets consumer products primarily in household cleaning and natural personal care, sold mainly through grocery and retail channels in North America and Latin America. GOJO Industries provides skin health and hygiene solutions and is best known for the PURELL brand. The Clorox Company is advised by Centerview Partners, whereas the sell-side advisory is done by Harris Williams.

Industry Overview

The personal care segment, including health and hygiene retail, is expected to reach a market size of USD 339.5 bn by 2030, representing a CAGR of 2.99% from 2025 to 2030. Growth is primarily driven by structurally higher health awareness following the pandemic, which has reinforced consumer focus on essential personal care products. The market is highly concentrated, with large consumer conglomerates such as Kimberly-Clark holding dominant positions.

Peers	Currency	Market Cap (USD m)
Church & Dwight Co Inc	USD	24,308.37
Edgewell Personal Care Co	USD	963.97
Henkel AG & Co KGaA	EUR	33,407.92
Kimberly-Clark Corp	USD	34,733.34
Newell Brands Inc	USD	1,934.61

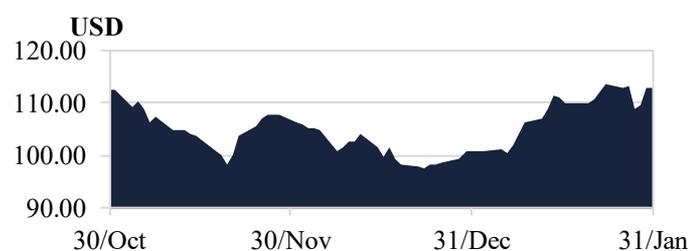
Deal Rationale

The transaction is expected to be neutral to adjusted EPS and EBITDA in the first year, turning accretive in the second-year post-acquisition. The acquisition is intended to strengthen The Clorox Company's portfolio and competitive positioning in the health and hygiene segment by further scaling its fastest-growing and most profitable business segment, while also supporting a recovery in sales following a roughly 19% revenue decline in the most recent quarter. In addition, the acquisition is expected to deliver at least USD 50.0 m in run-rate cost synergies, underpinning EBITDA accretion once synergies are realised.

Market Reaction

The Clorox Company

The announcement triggered only a modest share price reaction for The Clorox Company, with overall performance remaining mixed, up over 15% YTD but down 16% LTM.



GOJO Industries

GOJO Industries, founded in 1946 and headquartered in Ohio, US, has historically been family-owned by the Lippman-Kanfer family. The company specializes in hygiene products such as soaps, wipes, hand cleaners, and surface disinfectants, serving both retail consumers and a large base of B2B customers, including schools and hospitals.

In 2023, GOJO Industries already explored a potential sale with a targeted valuation in excess of USD 2.0 bn, but bids from strategic buyers and private equity firms failed to meet the family's valuation expectations. Approximately three years later, the renewed sale process has resulted in a transaction that meets the previously targeted valuation.

Future Challenges

Completion remains subject to regulatory approvals and other customary closing conditions, with closing expected prior to the end of The Clorox Company's fiscal year 2026 by 30th of June 2026. Assuming completion, the key execution risk lies in the effectiveness of GOJO Industries' integration and the realisation of anticipated USD 50.0 m in cost synergies.

M&A: Top Deals

Mutares to Acquire SABIC's ETP Business

On 8th of January 2026, Saudi Basic Industries Corporation (SABIC) announced the divestment of its Engineering Thermoplastics (ETP) business in the Americas and Europe to Mutares for an enterprise value of USD 450.0 m, structured as an upfront cash payment of USD 56.0 m and a performance related earnout with a guaranteed minimum payment of USD 70.0 m.¹

Buyer vs Seller

SABIC, headquartered in Riyadh and established in 1976 by royal decree, ranks among the world's largest petrochemicals manufacturers, with 70.00% of its shares held by Saudi Aramco. Mutares, based in Munich, is a private equity investor focused on special situations, typically acquiring low-yield companies and non-core assets from larger groups, then restoring profitability via strategic and operational transformation and driving growth through add-on acquisitions. J.P. Morgan and Lazard advised SABIC.

Industry Overview

The global petrochemicals market is valued at about USD 676.0 bn in 2025 and is forecast to approach USD 1.0 T by 2034, implying roughly 4.40% CAGR. Demand is driven by packaging, consumer goods, construction, and automotive plastics. The cyclical market remains pressured by China led overcapacity, high European energy costs, and tightening plastics regulation. Market structure is consolidating, shown by OMV and ADNOC's combined polyolefins operations.

Peers	Currency	Market Cap (USD m)
Yanbu National Petrochemical	SAR	15,041.25
Sahara International Petrochemical	SAR	10,970.67
Saudi Kayan Petrochemical	SAR	7,155.00
Advanced Petrochemical	SAR	6,604.00
Borouge	AED	78,450.58

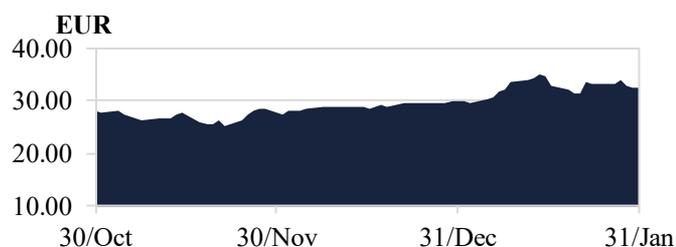
Deal Rationale

SABIC positioned the divestment as a further step in its portfolio optimisation strategy, exiting structurally disadvantaged assets and recycling capital into higher return opportunities to maximise shareholder value. This aligns with its parallel plan to divest its European petrochemicals business to AEQUITA. For Mutares, the acquisition is its largest to date by revenues at around USD 2.5 bn and establishes a new Chemicals and Materials segment, with ETP as a core platform alongside its December 2025 acquisition of Ultramarine Blue Pigments. Mutares intends to build a standalone platform, delivering substantial operational efficiency gains.

Market Reaction

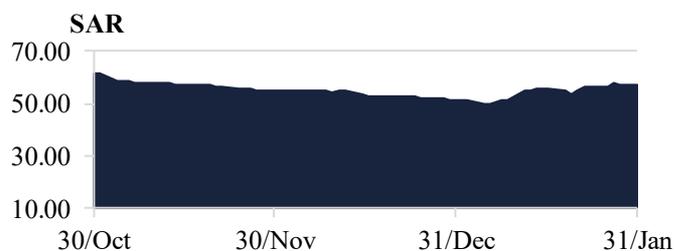
Mutares

Following the announcement, Mutares shares rose by more than 4.00%, reflecting initial approval of the landmark deal, before moderating as attention shifted to execution risk.



SABIC

SABIC shares fell about 5.00% intraday on the announcement due to non-cash revaluation charges, then rebounded as the market accepted the short-term sacrifice to build a leaner firm.



Future Challenges

Closing remains subject to completion of consultations with the relevant employee representative bodies, the successful carve out and separation of SABIC's ETP operations in the Americas and Europe from the wider SABIC Group, and customary regulatory approvals, including merger control and foreign subsidiaries regulation. The transaction is expected to close by Q3 of 2026.

Note: 1. Values converted using 1 USD = 3.7501 SAR as of 8th of January 2026

Niklas Kaminski
Investment Banking Division



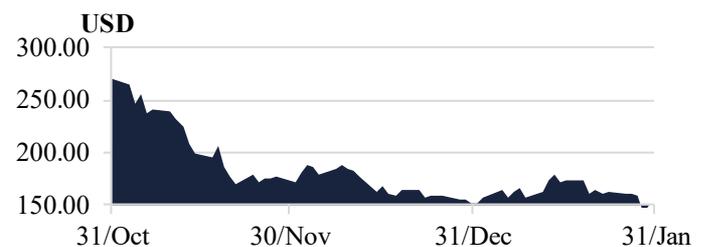
What Happened To Strategy Inc.

Strategy Inc. is an US-based publicly listed enterprise software company focused on business intelligence, analytics, and data platforms. Headquartered in Tysons Corner, Virginia, the group combines its core software operations with a sizable corporate Bitcoin treasury, making its shares a blend of operating technology exposure and digital-asset performance.

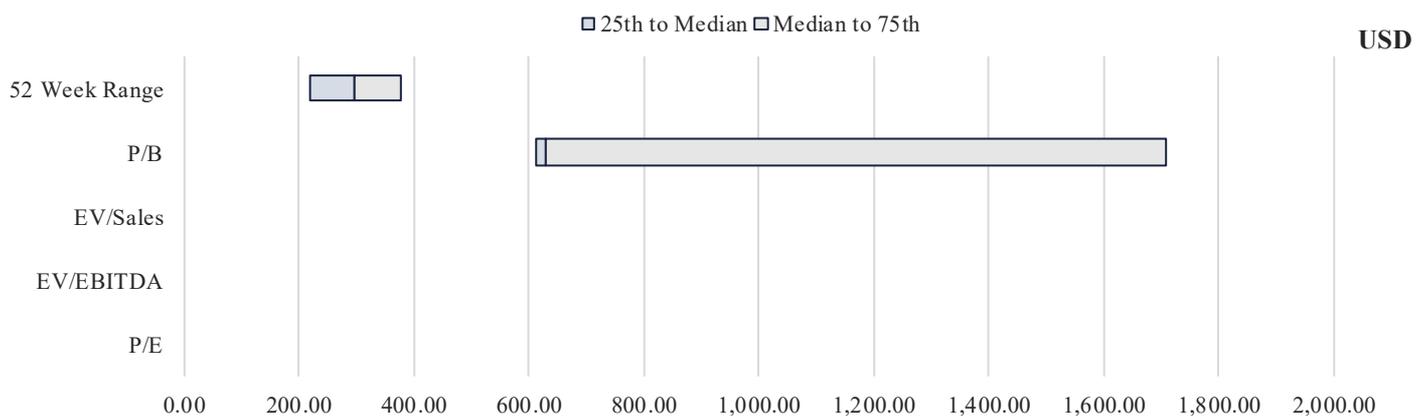
Corporate News

After rebranding from MicroStrategy to Strategy Inc., the company has come under renewed pressure as its Bitcoin-centric treasury strategy collided with a weaker crypto market in early 2026. Over the past year, Strategy’s shares have fallen by more than 60% from their mid-2025 highs, largely tracking the decline in Bitcoin prices and compressing the premium at which the stock previously traded. Under updated accounting rules, the company reported approximately USD 17.4 bn in unrealised digital-asset losses in Q4 2025, amplifying earnings volatility and weighing on investor sentiment. Despite this, management has continued to accumulate Bitcoin at lower prices and maintained liquidity to service debt obligations. Still, the sharp drawdown has raised questions about the sustainability of Strategy’s capital structure and whether its operating software business can meaningfully offset the risks tied to its highly concentrated exposure to crypto markets.

Price (31 Jan 26, USD)	139.63
Target Price (USD)	403.00
3M Performance	-48.19%
Market Cap (USD m)	46,322.01
Enterprise Value (USD m)	61,215.82
<i>*Target Price is for 12 months</i>	



Valuation Analysis



In the valuation analysis, Strategy Inc. is assessed against a peer group using comparable-company multiples. Over the past year, the shares traded within a broad 52-week range of USD 217.8 to USD 377.4, underscoring continued price volatility. However, EV/Sales, EV/EBITDA, and P/E remain negative, and therefore are not meaningfully shown on the football-field chart, limiting the relevance of those peer-based valuation methods.

A recurring theme in today’s equity markets is the growing influence of balance-sheet strategies over traditional operating performance. For Strategy Inc., its sizeable Bitcoin treasury has become the primary driver of both returns and risk, amplifying share price volatility as crypto markets fluctuate. While management continues to add to its holdings and back its long-term digital-asset strategy, investors remain cautious, questioning whether this model can deliver stable performance.

Peers	Currency	Market Cap (Cur m)
Confluent Inc	USD	10,885.39
Planet Labs PBC	USD	7,657.98
BigBear.ai Holdings Inc	USD	2,086.71
Nutex Health Inc	USD	1,140.35
QXO Inc	USD	15,592.74

Nils Becherer
Investment Banking Division



Private Equity

Venture Capital

DCM

ECM

Spinoff

Restructuring

NIC's View On

The Surge of Private Equity in Sports



Pape Abdou Diagne
Investment Banking Division

“Sports franchises have evolved into global content platforms. We view these as unique, recession-resilient assets that sit at the intersection of consumer loyalty, media rights, and community identity.”

– Alan Waxman, CEO,
Sixth Street

On 26th of January 2026, CVC announced an agreement to acquire a controlling stake in Equine Network, the largest for-profit equestrian-based sports league in the United States from Growth Catalyst Partners. The acquisition of Equine Network by CVC’s Global Sport Group (GSG) for approximately USD 300.0 m marks a significant milestone in the evolution of sports as an institutional asset class. Established in 2025, GSG holds stakes in 8 unique leagues and competitions including La Liga, Ligue 1, Women's Tennis Association, and Six Nations Rugby.

Sports have always been captivating for fans and an essential part of global culture, but they have also become a focal point for financial investment. In the past five years, private equity firms have acquired stakes in teams across all four of the major US professional sports leagues. The growth of private equity in sports is driven by the unique decoupling of sports assets from traditional economic cycles. While standard corporate earnings may fluctuate with inflation or consumer sentiment, premium sports content remains a must-have for broadcasters and streaming platforms, ensuring a level of cash flow stability that is rare in other sectors. This is exemplified by the record-breaking USD 6.1 bn sale of the Boston Celtics to Sixth Street and Bill Chisholm, a transaction that underscores how top-tier sports franchises are now being priced as scarce, trophy assets with significant long-term appreciation potential.

On the upside, private equity provides the massive liquidity necessary to modernise ageing infrastructure and professionalise commercial operations. This additional resource pool allows teams to invest in top talent and enhanced training facilities, which directly increases the competitiveness of sports organisations. By raising the overall quality of play, these investments benefit

fans through more exciting matchups and a superior product. Furthermore, private equity serves as a vital safety net; by injecting capital into struggling teams or leagues, firms provide the financial stability needed to weather economic storms and ensure long-term viability. This backing allows organisations to plan with confidence, encouraging strategic growth initiatives that strengthen the sport's market position.

However, this professionalisation is now extending into collegiate athletics, as seen in the historic USD 500.0 m investment in the University of Utah, which brings notable challenges. The primary concern is that a focus on generating financial returns may lead to short-term decision-making that prioritises profits over the integrity of the sport or the interests of its following. Balancing these financial objectives with the "essence" of sport is a delicate act. Critics argue that the focus on operational optimisation may prioritise gains over the fan experience, risking the loss of the passion that drives loyalty.

Ultimately, the trend suggests that the "sports bubble" is less about inflated valuations and more about the structural re-rating of sports as a mission-critical component of global infrastructure. As we move toward a period of platform building, the challenge will be to ensure that the pursuit of financial yield does not alienate the very communities that give these sports their value.

Date	Recent News
26 Jan 26	CVC announces USD 300.0 m acquisition of Equine Network Source: cvc.com
13 Jan 26	CVC launches EUR 2.7 bn debt raise to fund GSG investments Source: sportspra.com
11 Sep 25	CVC forms USD 14.0 bn Global Sport Group focusing on leagues and teams Source: sportico.com

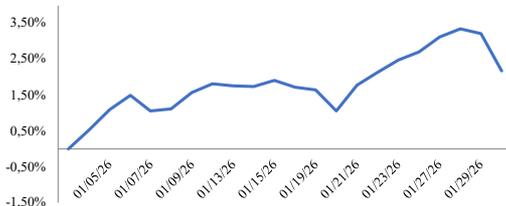
Pape Abdou Diagne
Investment Banking Division



NIC Fund

NIC Fund Portfolio Overview

NIC Fund Cumulative Return



Portfolio Statistics

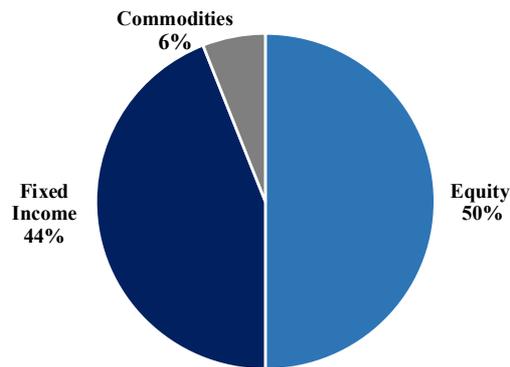
Cumulative Return	2.18%
Annualized Return	26.20%
Daily St. Dev	0.41%
Period St. Dev	1.89%
Annualized St. Dev	6.54%
Info Sharpe	4.01
Skew (Daily)	-0.87
Kurtosis (Daily)	0.41

Benchmark

iShares 3-7 Year Treasury Bonds	40%
SPDR S&P 500 ETF Trust	40%
Invesco DB Commodity Index	10%
iShares JP Morgan USD Emerging Markets Bond Index ETF	10%

Portfolio Snapshot

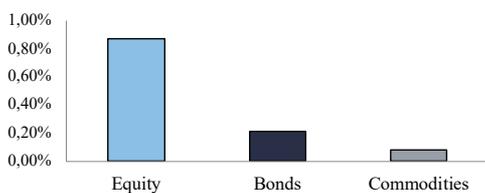
The NIC Fund remained invested in Equities, Fixed income and Commodities. Specifically, 50% of the fund was allocated to Equities, 44% to Fixed income, and 6% to Commodities. More than half of the Equity allocation was invested across 35 individual securities, while the remainder was allocated to ETFs tracking indices such as the S&P 500 and the MSCI World, as well as exposure to the FTSE 100 Index. Within Fixed Income, the largest portion was invested in US Treasury bonds. In Commodities, more than half of the allocation was invested in gold, with the remainder invested in the Invesco DB Commodity Index Tracking Fund.



Return Metrics

The portfolio's overall performance was positive in January, with a cumulative return of 2.18%. The best-performing asset class was Commodities, contributing a positive return of 0.64%, followed by Equities, which contributed 0.50%. Fixed Income contributed 0.08%. Within Commodities, the Goldman Sachs Physical Gold ETF gained 12.4% in January, while the Invesco DB Commodity Index gained 9.2%. Within the Equity portion of the portfolio, Northrop Grumman, BNP Paribas, and Deere & Co were the three best-performing individual securities, with returns of 21.4%, 14.3%, and 13.4%, respectively. The poorest performer was Flutter Entertainment, with a return of -23.2%. The best-performing equity ETF was the Data Center & Digital Infrastructure ETF, returning 15.9%, followed by the iShares MSCI Emerging Markets ETF, which returned 8.0%. Within Fixed income, the best-performing holding was the iShares TIPS Bond ETF, which returned 0.5% in January.

Individual VaR



Risk Metrics

Equities were the asset class with the highest individual VaR of 0.87%, followed by Bonds with a VaR of 0.21%, while Commodities recorded an individual VaR of 0.08%.

NIC Fund

Assets in Brief

Asset Class	Symbol	Comments
EU Equity	BNP	BNP Paribas staged a remarkable rally, gaining nearly 14% to reach multi-year highs above EUR 90 by the end of January. Investors cheered the bank's resilience and strategic clarity, brushing off broader European economic concerns to focus on its solid capital return profile. The stock's momentum was further supported by a positive reception to its streamlined fund operations, marking a breakout start to the year.
EU Equity	RACE	Ferrari experienced a sharp correction, pulling back significantly from 2025 highs to trade near EUR 290 by late January. Despite launching a new share buyback tranche, valuation concerns and cautious forward guidance weighed heavily on the stock. The luxury automaker remains fundamentally strong, but price action reflected a necessary cooling off and multiple compression after its record-breaking rally the previous year.
US Equity	NVDA	NVIDIA saw noticeable volatility, dipping to a six-week low around USD177 in December before stabilizing near USD 185 by late January. Despite broader sector rotation, the stock found support from sustained demand for its Blackwell architecture and continued data center strength. Price action largely consolidated as the market digested previous rallies, with investors awaiting the next major catalyst to break the recent trading range.
US Equity	AAPL	Apple outperformed the tech sector, surging to all-time highs near USD 275 following a blockbuster Q1 FY26 earnings report in late January. The company delivered record revenue of USD 143.8 bn, driven by unprecedented demand for the new iPhone lineup and peak services growth. Analysts responded by raising price targets, citing the successful hardware "supercycle" and robust EPS growth as validation of the company's AI strategy.
US Equity	NKE	Nike remained under pressure, languishing in the USD 60s after Q2 FY26 earnings revealed a sharp 32% drop in earnings per share. Although revenue inched up slightly via wholesale channels, weak direct-to-consumer sales and cautious guidance dampened confidence. Leadership described this as the "middle innings" of a comeback, but the market reacted negatively to the lack of immediate margin recovery.
US Equity	JPM	JPMorgan Chase traded in a choppy range between USD 310 and USD 325, weathering a slight post-earnings dip in mid-January despite steady results. Management maintained a cautiously optimistic outlook for 2026 while continuing significant investments in U.S. industrial financing, which weighed slightly on expense guidance. The stock remained a key defensive hold, maintaining support even as the bank navigated normalizing credit environments.
US Equity	PYPL	PayPal struggled to find momentum, sliding from the low USD 60s to the low USD 50s by late January amid continued analyst downgrades. The stock faced pressure from intensifying competition and concerns over margin compression, with major firms cutting ratings during the period. Despite its low valuation, the "turnaround" narrative failed to gain traction, leaving shares stuck in a persistent downward consolidation.
US Equity	DIS	Disney shares trended modestly higher, moving to trade between USD 110 and USD 115 throughout January. Sentiment was bolstered by profitability improvements in streaming and a major licensing deal with OpenAI announced in December. While theme park investments continued to draw capital, the stabilization in media revenues and strategic AI partnerships helped the stock outperform weaker communication services peers.
US Equity	KO	Coca-Cola served as a standout defensive performer, climbing to a multi-decade high of roughly USD 74.45 in late January. The stock benefitted from a flight to safety and consistent pricing power, rising over 6% in the first month of 2026. Investors continued to favor its reliable dividend and low volatility, cementing its status as a core holding for stability.

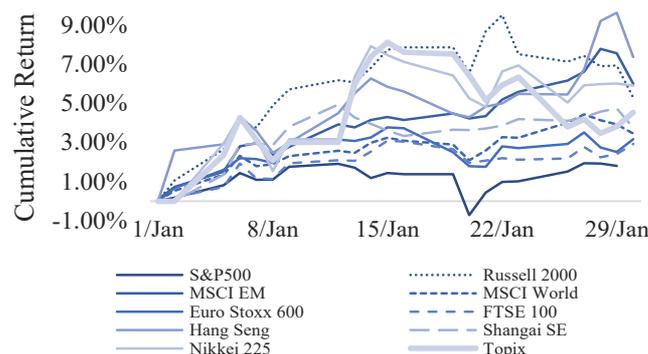
Davide Romeo
Financial Markets Division



NIC Fund Equities

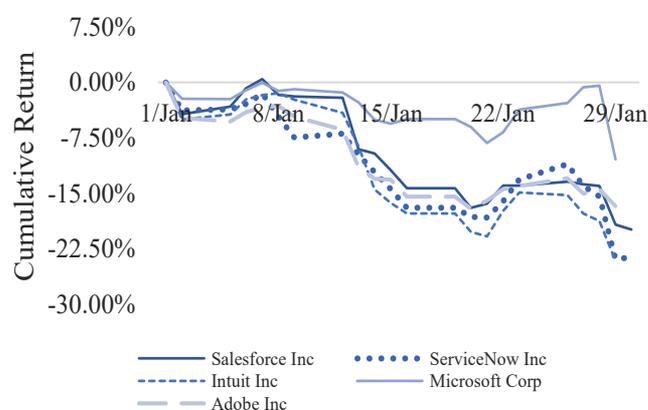
World Equities

The year 2026 for equities started on a strong note, with global markets posting broad-based gains amid improving risk sentiment and resilient economic data. MSCI World advanced 3.47% in January, supported by solid performances across both developed and emerging markets. U.S. equities delivered more moderate gains, with the S&P 500 up 1.80%, while small caps outperformed, as the Russell 2000 rose 5.31%, reflecting increased risk appetite and expectations of stabilizing financial conditions. Emerging markets led performance, with MSCI EM gaining 6.02%, driven by a rebound in Asian equities. In Asia, Hang Seng surged 7.38%, while Nikkei 225 climbed 5.93% and Topix gained 4.56%, supported by strong domestic equity momentum and currency dynamics. European equities also advanced, with Euro Stoxx 600 up 3.18% and FTSE 100 rising 2.94%, as easing inflation pressures and resilient earnings expectations supported valuations.



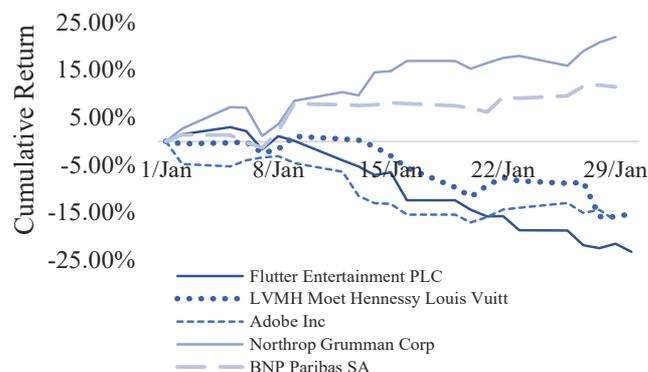
In Depth: Software Selloff Intensifies

January saw a sharp selloff across large-cap software and SaaS names, marking a notable divergence from the broader equity market. While the S&P 500 gained 1.8%, major software companies significantly underperformed, with Salesforce (-19.9%), ServiceNow (-23.6%), Intuit (-24.1%), Adobe (-16.2%), and Microsoft (-11.0%) all posting double-digit losses over the month. The drawdown extended weakness from late 2025 and reflected growing investor concerns around structural pressure on the software business model amid rapid developments in artificial intelligence. New AI tools and agents are increasingly capable of replicating tasks historically monetized through enterprise software subscriptions. In parallel, AI-driven productivity gains may lead to layoffs, reducing the number of seat-based software subscriptions as enterprise licenses are typically sold per employee, directly pressuring revenue growth. These concerns were reinforced on February 3, when Anthropic announced a new AI “Cowork” tool, coinciding with a 4.6% single-day decline in the iShares Expanded Tech-Software ETF. While software remains structurally important, near-term sentiment remains pressured by uncertainty around pricing power and growth durability.



Our Performance

In January, equities’ contribution to the overall portfolio performance was positive, with a 1.85% cumulative return. Northrop Grumman, one of the main contributors of the positive performance during the month, gained 21.4%. BNP Paribas also supported results, appreciating 14.4% over the month and becoming the third-largest position in the portfolio with a weight of 1.5%. In contrast, Flutter Entertainment weighed on performance, declining 23.2%, while LVMH fell 14.1%, partially offsetting gains from other holdings.



Brian Riebandt
Financial Markets Division

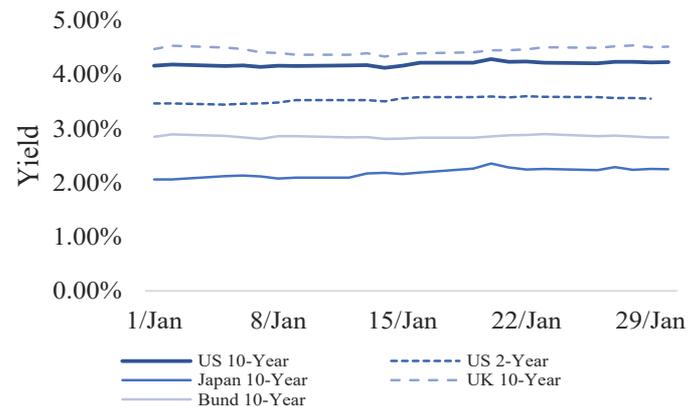


NIC Fund

Fixed Income

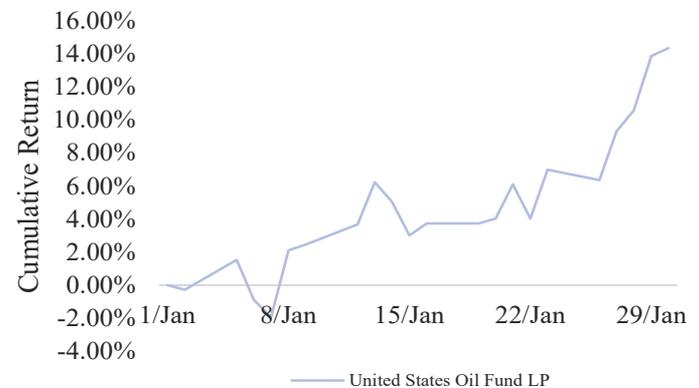
World Yields

January brought a renewed repricing across global government bond markets as investors continued to reassess monetary policy paths. In the United States, Treasury yields drifted higher, with the 10-year finishing the month at 4.24% and the 2-year at 3.56%, underscoring persistent uncertainty about how quickly the Federal Reserve may be able to transition toward easier policy. In the United Kingdom, the 10-year gilt yield ended January at 4.52%. Japanese government bonds also saw notable moves, with the 10-year yield climbing to 2.25% by month-end amid continued speculation about further normalization steps from the central bank. Across the euro area, core rates followed the global tone, leaving the German 10-year Bund at 2.84%. Overall, January’s price action pointed to a market that is less willing to price aggressive easing and instead demands clearer evidence that inflation is durably converging toward target.



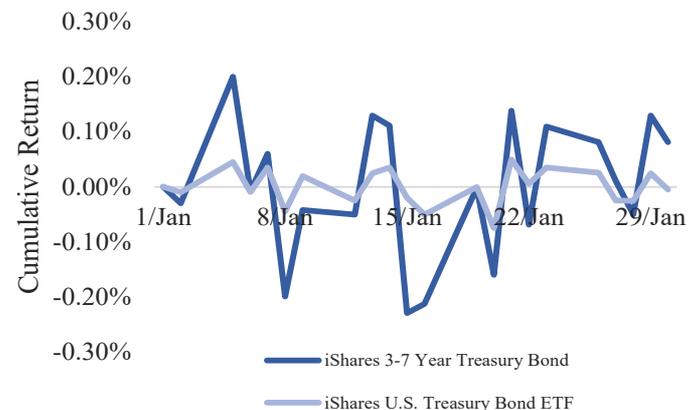
In Depth: European Markets

January was characterized by renewed upside pressure in energy markets as crude benchmarks posted their first monthly gains in several months and traders recalibrated risk amid shifting supply signals and geopolitical headlines. The United States Oil Fund (USO) performed strongly, returning 14.98% over the month as oil prices rallied. Market dynamics were influenced by a complex interplay of factors including geopolitical uncertainty linked to tensions in the Middle East and around Venezuela, as well as unexpected draws on US inventory data that supported futures prices. In Venezuela specifically, export volumes climbed as January progressed, with Venezuelan shipments to international markets increasing sharply under US supervised arrangements, contributing to market attention on potential supply shifts in the region. Overall, price action through January reflected both a short-term repricing of risk and broader questions about how global supply and demand balances will evolve in 2026, with the market still navigating the interplay between geopolitical developments, production flows, and inventory trends.



Our Performance

In January, the IEI ETF, which tracks 3–7 year US Treasury bonds, was broadly unchanged and closed the month with a 0.00% return. The muted outcome reflected a balance between ongoing uncertainty around the policy outlook and the stabilizing effect of carry in the intermediate part of the curve. Our second-largest bond holding, the iShares TIPS Bond ETF, generated a modest gain of 0.5%, as movements in real yields and inflation compensation largely offset one another.



Vivien Scaife Gibson
Financial Markets Division



NIC Fund
Currencies

World Currencies

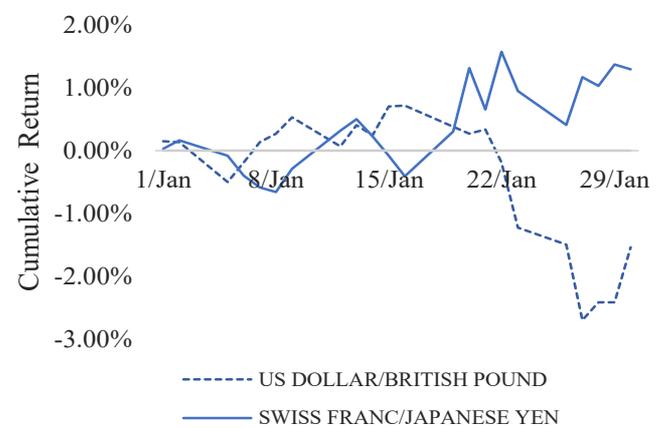
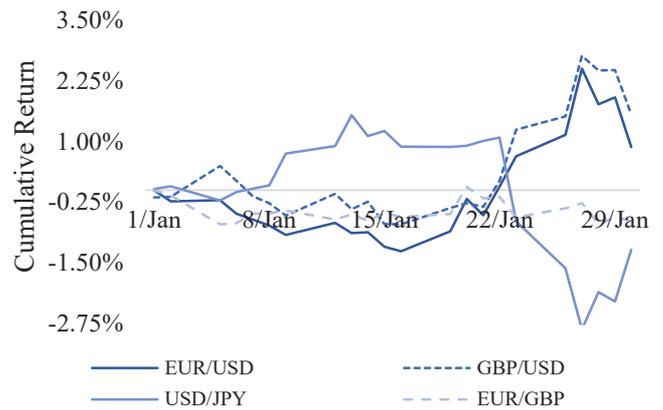
Major currency moves in January were driven by shifting interest rate expectations and monetary policy dynamics. Sterling was the strongest performer, with GBP/USD rising 1.57% over the month, moving from the high-1.34 area toward around 1.37, supported by persistent UK inflation pressures that reinforced expectations of a restrictive Bank of England stance despite weak growth. The euro strengthened modestly against the dollar, with EUR/USD gaining 0.89%, trading from the mid-1.17 range to just above 1.19, as easing euro area inflation was outweighed by cautious Federal Reserve communication around the timing of future rate cuts. In contrast, the Japanese yen outperformed the US dollar, with USD/JPY falling 1.23%, declining from levels above 156 toward the 154.7 range, as US yields retraced from recent highs and Japanese yields reached their highest levels since the 1990s. Reflecting sterling’s relative strength, EUR/GBP declined 0.63%, reinforcing GBP’s outperformance against major currency peers. Overall, currency markets were dominated by relative policy expectations, with investors favoring currencies perceived as maintaining tighter monetary conditions.

In Depth

Despite a weak performance earlier in the month, the US dollar stabilized as concerns around Fed independence eased following the unexpected nomination of Kevin Warsh as Federal Reserve Chair, reducing fears of political influence on monetary policy. Warsh’s historically hawkish stance, particularly on balance sheet reduction, supported expectations of higher-for-longer yields, limiting further dollar downside. Against sterling, USD/GBP declined 1.54% over the month, though the pound’s strength appears increasingly vulnerable as weakening UK growth challenges the Bank of England’s ability to maintain a restrictive stance despite persistent inflation pressures. Meanwhile, the Japanese yen continued to weaken against the Swiss franc, with CHF/JPY rising 1.29%, as Switzerland’s stable policy outlook and ongoing safe-haven demand showed little sign of fading over the near term. In contrast, Japanese 10-year government bond yields have moved above 2.2% for the first time since the late 1990s and remain on an upward trajectory. However, rising yields have not translated into currency support, as Japan’s exceptionally high debt-to-GDP ratio, among the highest globally, means higher borrowing costs increasingly constrain policy flexibility. This combination of elevated yields and fiscal pressure continues to weigh on confidence in the yen, leaving it structurally vulnerable relative to more stable safe-haven currencies.

Our Performance

We currently hold no currency related assets in our portfolio.



Brian Riebandt
Financial Markets Division



NIC Fund

Commodities

January Round-Up

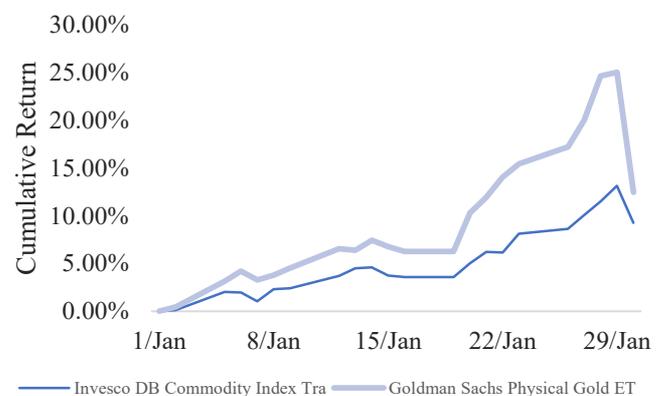
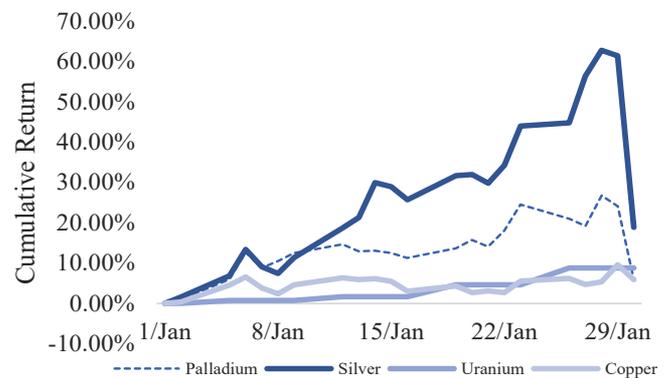
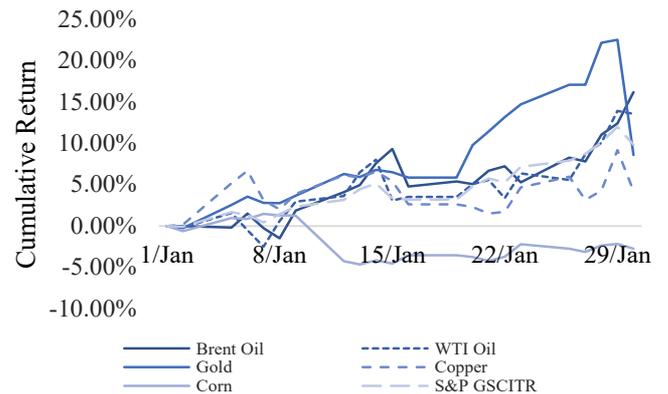
Commodities posted a strong start to 2026, with the S&P GSCI Total Return index jumping 9.83% in January, reflecting a broad-based rebound after a subdued end to the prior year. The rally was led by energy markets, where Brent Oil surged 16.17% and WTI rose 13.57%, driven by a combination of colder-than-expected winter demand, renewed geopolitical tensions affecting supply routes and tighter OPEC+ discipline that fuelled concerns over near-term availability. Precious metals' prices also rose: gold climbed 8.59% as investors continued to seek protection against elevated policy uncertainty, persistent inflation risks, and volatile financial markets early in the year. Industrial metals participated in the upswing as well, with copper gaining 4.26% on improving sentiment around global manufacturing and infrastructure spending. In contrast, agricultural markets lagged, with corn prices falling 2.73% amid abundant inventories and easing demand pressures following a solid harvest.

Metals - Performance and Drivers

Metals were a key focus in January 2026, with price action mainly driven by investors' behaviour rather than by changes in physical demand. Silver outperformed early in the month, rising sharply and ending January up 18.89%, as it followed gold higher, supported by safe-haven buying, strong speculative inflows and its tendency to amplify moves in gold. Prices briefly spiked to a peak near USD 120 per ounce, representing an increase of more than 50% from early-month levels, before the rally later reversed quickly as profit-taking and position unwinds triggered a sharp sell-off, highlighting silver's sensitivity to shifts in market sentiment. Palladium remained more stable, finishing the month up 5.71%, with prices finding a floor after a prolonged decline, helped by easing trade concerns, although weak long-term demand continued to limit upside. Uranium moved higher on a steadier path, gaining 8.78%, supported by long-term purchase agreements from power utilities, government support for nuclear power and tight supply, and was almost unaffected by the late-month volatility seen in precious metals. In base metals, copper remained firm throughout January, supported by supply disruptions and uneven inventories, particularly in the US, reinforcing confidence in higher prices into the first half of 2026.

Our Performance

During January, the Goldman Sachs Physical Gold returned 12.48% while our commodities benchmark fund, the Invesco DB Commodity Index returned 9.26%.



Diego Gozzi
Financial Markets Division



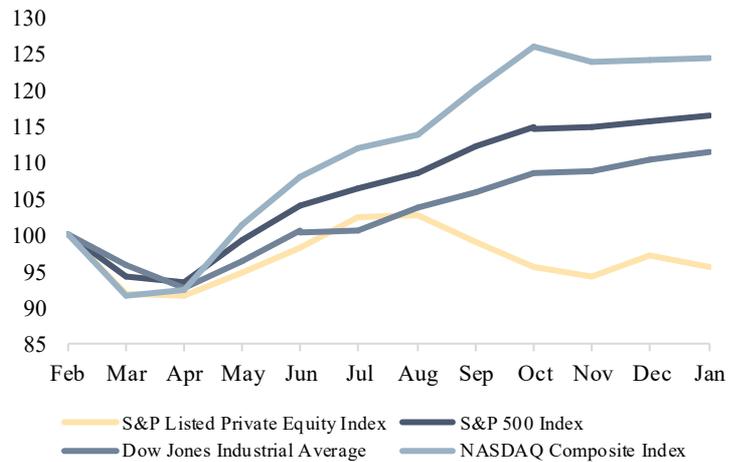
Private Equity

Transactions & Investments Overall Activity

Global

At a Glance

Global private equity deal activity in January totalled USD 113.5 bn, with investment concentrated in the Technology sector, reflecting continued focus on digital infrastructure and software, particularly across AI-driven compute, data centres and enterprise tech. Dealmaking was driven by a small number of large-scale transactions, while overall activity remained muted under elevated rates and macroeconomic uncertainty. The S&P Listed Private Equity Index declined by 1.64% over the month, underperforming public equity markets. The index trailed the S&P 500 Index by 2.27 pp, the Dow Jones Industrial Average by 2.67 pp, and the NASDAQ Composite Index by 1.81 pp.



Selected Regions

North America

North America continues to dominate the global private equity landscape, although overall activity moderated compared to the previous month. Private equity deal volume declined to USD 35.6 bn, representing a 62.68% decline from December. Private equity investments deal volume increased to USD 53.0 bn, marking a 257.47% month-on-month incline. Private equity deals remained concentrated in the Technology sector, accounting for 57.92% of total deal volume.

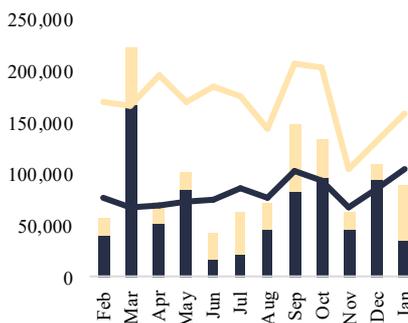
EMEA

Private equity deal volume declined to USD 10.4 bn in January, representing a 55.54% decrease from December. M&A activity fell to USD 6.8 bn and was primarily driven by the Financials sector, which accounted for 54.64% of M&A deal volume, followed by Industrials and Health Care. Private equity investments totalled USD 3.6 bn, marking a 30.69% month-on-month decline. The Technology sector remained the main driver of investment activity, accounting for 53.13% of investment deal volume.

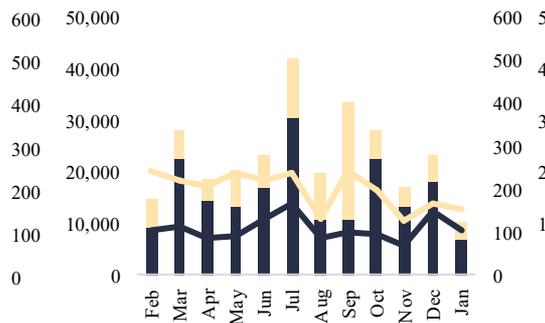
Asia

Private equity deal volume in Asia declined to USD 14.0 bn in January, representing a 19.31% decrease from December. M&A activity fell sharply to USD 2.2 bn and was primarily driven by the Industrials sector, which accounted for 55.77% of deal volume. Private equity investments increased to USD 11.7 bn, marking a 22.25% month-on-month increase. The Technology sector was the main contributor to investment activity, accounting for 61.41% of investment deal volume.

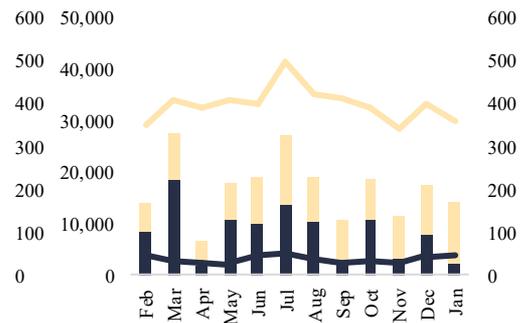
North America



EMEA



Asia



■ M&A – Deal Volume

— M&A – #Deals

■ Investments – Deal Volume

— Investments – #Deals

Note: Summary of completed transactions.

Amelie Conzelmann
Private Equity Division

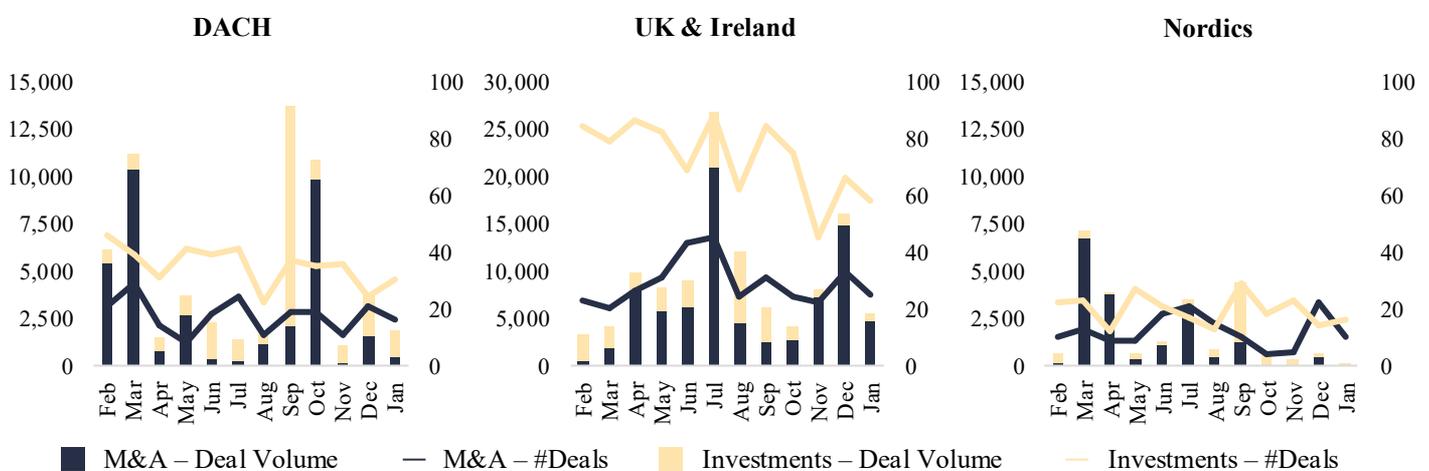
Transactions & Investments

Europe Focus

Overall European Activity

In January, European private equity started the year on a quiet but steady footing. The region recorded total deal volume of USD 10.4 bn across 243 transactions, accounting for 9.14% of global deal volume in the month. Within this, M&A deals accounted for USD 6.8 bn of volume from 94 transactions, while investment deals contributed USD 3.5 bn of volume across 149 transactions, showing that both buyouts and minority deals remained key channels for deploying capital amid cautious but ongoing investor engagement. With inflation in the euro area now close to target and markets looking towards a gradual easing cycle from the ECB, financing conditions have become more predictable. Sponsors can raise acquisition financing, but they are underwriting with more conservative leverage and valuation assumptions. A soft growth outlook across Europe is also steering investors towards businesses with resilient earnings, pricing power and tangible value-creation levers, which favours selective capital deployment over volume-driven deal-making. January's figures point to a European market that is open but firmly selective. Capital is still being put to work, yet it is increasingly directed towards higher-quality assets and a mix of control and minority structures, with flexible capital solutions preferred over highly leveraged buyouts. Overall, the month's 9.14% share of global deal volume is consistent with a market that is steadily active, yet still clearly constrained by tighter financing conditions and a strong emphasis on disciplined pricing and careful structuring.

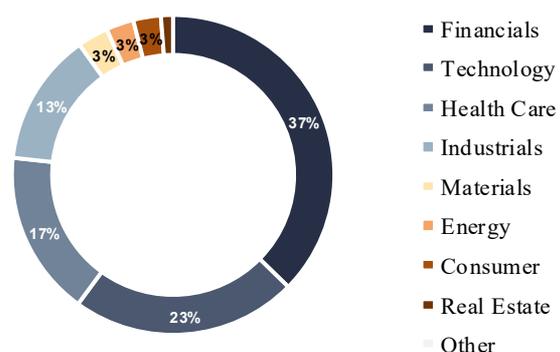
Selected European Regions



Europe by Sectors

The Financials sector was the strongest contributor in January, recording USD 3.9 bn of deal value and accounting for 37.34% of all European private equity activity. Momentum in this sector was supported by ongoing consolidation in banking, insurance and wealth management. The Technology sector ranked second with USD 2.4 bn, accounting for 22.70% of deal value in Europe. Activity was driven by strong interest in software, technology-enabled services, and AI-enabling platforms. The Health Care sector followed with USD 1.7 bn, accounting for 16.67% of deal value, reflecting sustained appetite for resilient, cash-generative assets across pharmaceuticals, medical technology and healthcare services, which continue to benefit from defensive demand and demographic tailwinds. Industrials generated solid interest as well with USD 1.4 bn in deal value, mainly in specialised manufacturing and industrial services.

Sectors by Value



Note: Summary of completed transactions.

Filip Plociennik
Private Equity Division



Transactions & Investments : Top Deals
Deals & Transactions



Invested in



USD 20.0 bn

NVIDIA, Valor Equity Partners, and Stepstone Group are among the investors in xAI's Series E funding round. The US-based AI company is scaling its compute infrastructure, with the investment aimed at accelerating deployment of the largest GPU clusters in the world.



Acquiring



USD 6.4 bn

Hg is acquiring OneStream, a US-based enterprise finance management software company, in an all-cash deal. Hg will become the majority voting shareholder, with General Atlantic and Tidemark participating as minority investors, supporting OneStream's platform expansion.



Acquiring



USD 5.2 bn

Capital One is acquiring Brex in a stock and cash transaction. Brex provides corporate cards, spend management software, and banking solutions, and the acquisition will accelerate Capital One's business payments and AI-driven finance offerings.



Acquiring



USD 3.2 bn

EQT is acquiring Coller Capital, a global secondaries firm with nearly USD 50 bn in AUM. This transaction enhances EQT's growth, expanding its secondaries capabilities while allowing Coller Capital's leadership to continue managing the business independently.



Acquiring



USD 2.4 bn

Leidos is acquiring ENTRUST Solutions Group, a US-based energy infrastructure engineering and consulting firm. The acquisition strengthens Leidos' energy engineering business, effectively doubling its size and adding new capabilities for utilities nationwide.



Acquiring



USD 2.0 bn

VSE Corporation is acquiring Precision Aviation Group, a global aviation MRO and supply chain provider. The acquisition enhances VSE's engine and component service capabilities across the aviation aftermarket and creates a more diversified, globally scaled platform.

Lena Claeys
 Private Equity Division



Transactions & Investments: Deep Dive

Mitsubishi to Acquire Aethon's US Gas Assets

On 16th of January 2026, Mitsubishi Corporation announced an agreement to acquire US gas and pipeline assets from Aethon Energy Management and its existing stakeholders, including Ontario Teachers' Pension Plan and RedBird Capital Partners for a total equity investment for USD 5.2 bn. The acquisition is expected to close in the second quarter of 2026.

Buyer vs Target

Mitsubishi Corporation is an integrated trading and investment company that operates businesses across multiple industries. Aethon Energy Management is a private investment firm that manages closed-end funds and joint ventures focused on acquiring, operating, and developing onshore energy resources. Aethon Energy is a US-based upstream energy company focused on natural gas production across major shale basins. Citi acted as the financial advisor to Aethon Energy.

Industry Overview

The upstream energy sector remains a critical part of the global energy supply chain, with natural gas increasingly positioned as a transition fuel supporting the move toward lower-carbon energy systems. Growth is driven by rising electricity consumption, expanding industrial demand, and the need to balance intermittent renewable power generation. The sector continues to attract institutional investors due to strong cash flow generation, asset-backed valuations, and long-life reserve bases. However, it remains exposed to commodity price volatility, environmental regulation, and geopolitical developments affecting energy markets. Capital discipline has become a key focus, with operators prioritizing efficiency and returns over rapid expansion. The market is moderately consolidated, with larger players controlling high-quality assets while smaller firms operate in niche regions. Technological advances in drilling and production continue to improve cost efficiency. Overall, the industry offers stable cash flows but remains cyclical and sensitive to macroeconomic conditions.

Date	Buyer	Target	Currency	Total Value (USD bn)
21/11/2025	KKR	Encino Acquisition Partners Holdings	USD	5.0
02/09/2025	Occidental Petroleum	CrownRock	USD	12.0
18/06/2025	Brookfield Renewable Partners	TerraFom Power	USD	3.9
12/03/2025	EQT Infrastructure	Archaea Energy	USD	4.3

Deal Rationale

The strategic rationale for Mitsubishi's investment in Aethon Energy is centered on gaining long-term exposure to high-quality natural gas assets that support global energy security and the transition toward cleaner fuels. The transaction allows Mitsubishi to diversify its energy portfolio while securing stable cash flow generation from established production platforms. For Aethon Energy, the capital injection provides funding to expand asset development and optimizes production efficiency while pursuing potential acquisitions in core operating regions. The involvement of institutional partners strengthens the company's financial base and supports long-term investment horizons. Mitsubishi's industry expertise and global market access may enhance Aethon's commercialization and operational strategy. The deal reflects growing interest from strategic corporates in upstream energy platforms rather than single-asset purchases. It also positions Aethon to benefit from sustained natural gas demand driven by power generation and industrial usage. The partnership structure aligns operational management with long-term capital providers. Overall, the transaction aims to build a resilient and scalable energy platform.

Future Challenges

Aethon Energy faces ongoing exposure to commodity price fluctuations, which can significantly impact revenue stability and investment returns. Regulatory and environmental policies may increase operating costs and restrict future development in certain regions. The company must continue improving operational efficiency to remain competitive in a capital-disciplined energy environment. Market volatility linked to geopolitical tensions could affect demand and pricing dynamics. Integration of new capital partners requires alignment on long-term strategy and governance. Additionally, long-term energy transition trends may gradually shift investment focus away from fossil fuel assets.

Lara Ziegler
Private Equity Division



Transactions & Investments: Deep Dive

Capital One to Acquire Brex

On 22nd of January 2026, Capital One Financial Corporation announced the acquisition of Brex. The deal provides a liquidity exit for Brex's private equity and venture capital investors. The total disclosed deal value amounted to approximately USD 5.2 bn and will be carried out on an approximate 50-50 cash-stock basis. The transaction is expected to close in mid-2026.

Buyer vs Target

Brex is a financial technology company offering corporate credit cards, expense management, and integrated financial services to growing businesses. The company positions itself as a modern alternative to traditional corporate banking through technology-driven solutions. Capital One is a leading US financial institution with strong expertise in banking, payments, and credit products. BofA served as the financial advisor to Capital One while Centerview Partners served as the financial advisor to Brex.

Industry Overview

The financial technology sector continues to grow strongly, driven by digitalization of financial services, rising demand for automated expense management, and the shift toward cloud-based business platforms. Corporate spending solutions are gaining traction as companies seek greater transparency, real-time analytics, and streamlined workflows. The sector attracts significant investor interest due to scalable business models, recurring revenues, and high retention rates. However, competition is intense as both fintech startups and traditional banks invest heavily in digital transformation. Regulatory compliance remains a key challenge given evolving financial regulations and data security requirements. Macroeconomic factors such as interest rate fluctuations and credit risk can impact profitability. The market is fragmented, with specialized providers competing alongside large financial institutions expanding digital offerings. Overall, the industry offers strong growth prospects but faces regulatory and competitive pressures.

Date	Buyer	Target	Currency	Total Value (USD bn)
12/01/2023	JPMorgan Chase & Co	Frank Financial Aid	USD	0.2
10/02/2022	SoFi Technologies	Technisys	USD	1.1
01/08/2021	Square	Afterpay	USD	29.0
27/07/2020	Visa	Plaid	USD	5.3

Deal Rationale

The strategic rationale behind Capital One's investment in Brex is to strengthen its digital financial services capabilities and expand its presence in the fast-growing fintech segment focused on corporate spending and payments. The transaction allows Capital One to gain exposure to a technology-driven platform that modernizes expense management and business financial workflows. By partnering with Brex, Capital One can accelerate innovation in digital banking solutions and reach high-growth companies that increasingly prefer fintech-first providers. For Brex, the investment provides capital to scale its platform, expand product offerings, and enhance technological infrastructure. The partnership also offers access to Capital One's financial expertise, regulatory experience, and customer network. Institutional investor participation strengthens Brex's financial position and long-term growth prospects. The deal aligns with broader industry trends of traditional banks investing in fintech platforms to remain competitive. It supports revenue growth through expanded customer acquisition and product diversification. Overall, the transaction positions both parties to benefit from continued digital transformation in financial services.

Future Challenges

Brex faces strong competition from fintech providers and traditional banks expanding their digital offerings. Regulatory compliance and evolving financial regulations may increase operational complexity and costs. Macroeconomic conditions, including interest rate volatility and credit risk, could impact transaction volumes and profitability. Scaling the platform while maintaining security and service quality remains a key execution challenge. Alignment with strategic partners' expectations and governance structures may require careful management. Sustained innovation is necessary to avoid product commoditization in a crowded fintech market.

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