STILL EQUITY FUND

Data as of **31-5-2021**

Investment objective

The Fund employs a disciplined value approach to select stocks of companies that are poorly covered by the sell-side analyst community. This lack of coverage may result in poor investor understanding of the investment case and mispricing of the company stock. This approach is research intensive and Fund assets will be concentrated in 15 to 20 high conviction positions. Risk is identified not in terms of volatility or index deviation but is a function of overpaying or overestimating a company's prospects. The Fund employs a high degree of conservatism on both these fronts. The Fund will invest primarily but not exclusively in European listed securities and retains the flexibility to opportunistically hedge against general market declines. The fund may also hold cash as a natural market hedge.

NAV per share	
A-Class	100.46
B-Class	113.82

Top 5 Holdings	*% of NAV*
Yew Grove REIT PLC	9.1%
DXC Technology Co	8.9%
Eurocell PLC	8.6%
Dalata Hotel Group PLC	7.8%
Glenveagh Properties PLC	7.3%

Market Capitalization (EUR)	*% of NAV*
> 10bn	0%
1 < 10bn	57%
< 1 bn	39%

Exposure	% of NAV
Euro area	53%
Norway	5%
United Kingdom	29%
USA	9%
Market Index hedges	0%
Cash	4%

Sector Exposure	*% of NAV*
Industrials	15%
Consumer Disc	27%
Consumer Staples	12%
Materials	15%
Real Estate	13%
Financials	0%
Technology	9%
Energy	5%
Cash	4%

Concentration	*% of NAV*
Top 5	42%
Top 10	71%

Performance (%)

	Month	Qtd	Ytd	2020	2019	
Shareclass A*	2.81%	6.87%	21.42%	-7.58%	14.07%	
Shareclass B**	2.89%	7.05%	21.93%	-6.74%		
NDEEE18 Index	2.75%	4.78%	13.40%	-3.95%	26.39%	Official benchmark

* Inception in March 2015, data since January 1, 2019 significant market cap focus change ** Start on January 1, 2020

Fund Terms

	Class A	Class B
ISIN	NL0011055249	NL0014130445
Inception	March 31, 2015	January 1, 2020
Managment fee	1.25%	0.25%
Mpartners	1.00%	0.00%
Privium	0.25%	0.25%
Min. subscription	EUR 10,000	EUR 10,000
Dealing frequency	Monthly	Monthly
Redemption	10d notice	10d notice
Benchmark	NDEEE18 Index*	NDEEE18 Index*

* MSCI Europe total return Index

Service providers

Investment Manager	Privium Fund Management
Investment Advisor	M partners
Depositary	Darwin Depositary Services
Custodian	ABN AMRO Clearing Bank
Administrator	Apex Fund Services
Auditor	Ernst & Young Accountants
Legal Advisor	Van Campen Liem
Fiscal Advisor	STPtaxlawyers

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May Review

The Fund (Class A shares) recorded a return of +2.8% for the month and the year-to-date performance now stands at +21.4%. The top contributors to this positive performance in May were **DXC** (+15%), **TKH** (+10%) and **Eurocell** (+7%). The main detractor from portfolio performance was **Greencore** which declined -11% during the month.

May was another busy month for company updates. **DXC** continues to successfully execute on its turnaround strategy. Until very recently, investors have remained skeptical of the capacity of the new management team to alter the negative revenue trajectory and pressurized margin of the old DXC. Management has now delivered on its objectives of strengthening the balance sheet, stabilizing revenue, and expanding margins. In addition, order intake has been ahead of expectations allowing management to guide for mid-term growth and margin targets well ahead of consensus.

The stock is clearly responding and is now up +47% for the year and +308% since its bottom in March of last year. We judge the upside to remain substantial as revenue starts to increase and management can be more aggressive with the restored health of the balance sheet. The stock still sells for just over 10x next year's consensus estimates which we think to be too conservative at this stage.

The Fund remains highly exposed to construction and housebuilding markets in the U.K. and Ireland. Following on from the positive update of Breedon last month, company updates this month continue to point to the strength of the rmi (repair, maintenance, improvement) and new build market in both countries. **Forterra**, the UK brick manufacturer, well known for its conservative guidance, upgraded its forecast for 2021 as current sales and margin levels are almost back to 2019 levels – well ahead of expectations. **Eurocell**, active in the UK building materials market, also raised its forecast again for 2021 as like-for-like sales growth was running +20% above 2019 levels and momentum was increasing as the company was also benefitting from increased market share. In both cases, analysts will have to significantly increase their projections for 2021.

In Ireland, the demand for new houses continues to gain momentum. **Glenveagh**, the second largest housebuilder in Ireland, provided an update which was filled with positives. Guidance for 2021 was reiterated as the company has already sold out its stock for this year and is already starting to build the order book for 2022. Management took the opportunity to raise medium term profitability targets and also suggested that growth could exceed its earlier expectations. This confidence was reflected in the decision to initiate a €75 million stock buyback which represents almost 10% of market cap.

TKH, the Dutch industrials group, provided a trading update in which management upgraded its H1 and full year expectations following an improvement of activity witnessed over the last couple of months. The company has a large segment of its operations which is late cycle and investors have been wrongly interpreting the lack of positive upgrades as a reason to avoid the stock. Management have now confirmed that order momentum is building, and this will inevitably show up in strong profit growth. Compared to its peer group this stock remains grossly undervalued and only at the start of its share price recovery.

The only negative surprise for the month came with the **Greencore** update. While sales are starting to recover following the easing of restrictions in the U.K. market, management dampened investor enthusiasm by indicating that this sales recovery would only be accompanied by a modest margin recovery. We have subsequently reduced our position and it current represents our smallest exposure in the fund. The stock remains under review as we are acutely aware that attractive opportunities remain relative abundant in our universe.

Our companies are demonstrating an improved economic market backdrop and in nearly all cases are benefitting from an increase in short- and medium-term earnings expectations. Furthermore, their depressed valuations are also starting to see a deserved rerating, allowing the stocks to benefit from both earnings upgrades and multiple expansion. We expect this trend to continue in 2021 and reiterate our conviction in the substantial upside potential of the portfolio.