STILL EQUITY FUND

Data as of **June 30, 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	98.47
B-Class	111.66

Top 5 Holdings	*% of NAV*
Yew Grove REIT PLC	9.1%
Eurocell PLC	8.9%
DXC Technology Co	8.7%
Glenveagh Properties PLC	7.4%
Dalata Hotel Group PLC	7.0%

Market Capitalization (EUR)	*% of NAV*
> 10bn	0%
1 < 10bn	52%
< 1 bn	46%

Exposure	% of NAV
Euro area	53%
Norway	5%
United Kingdom	32%
USA	9%
Market Index hedges	0%
Cash	2%

Sector Exposure	*% of NAV*
Industrials	15%
Consumer Disc	26%
Consumer Staples	15%
Materials	16%
Real Estate	13%
Financials	0%
Technology	9%
Energy	5%
Cash	2%

Concentration	*% of NAV*
Top 5	41%
Top 10	71%

Performance (%)

	Month	Qtd	Ytd	2020	2019	
Shareclass A*	-1.98%	4.76%	19.02%	-7.58%	14.07%	
Shareclass B**	-1.90%	5.02%	19.62%	-6.74%		
NDEEE18 Index	1.81%	6.67%	15.45%	-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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June Review

The Fund (Class A shares) recorded a return of -1.9% for the month and the year-to-date performance now stands at +19%. The main detractors from portfolio performance were **Dalata** (-13%), **FNAC-Darty** (-6.1%) and **Forterra** (-7.8%). The main positive contributors to performance were **DXC** (+2.7%), **Yew Grove** (+1.5%) and **Hibernia** (+2.6%).

June contained very little company specific news flow ahead of the shortly to commence Q2 earnings period. Equity performance was thus mainly in response to macro developments and repositioning ahead of Q2 earnings. The fall in global bond yields during the month does signal rising investor concern over the future trajectory of economic growth and corporate profits. Rapidly rising corona cases does pose a legitimate concern that the pace of the economic reopening may be slowed but other indicators which we monitor currently show no expectations that this will have a meaningful impact on economic growth. Credit spreads remain remarkably well behaved and corporate earnings estimates – for 2021 and 2022 – continue to trend higher. We currently view the pull-back in global yields and short-term portfolio performance as more a healthy mean reverting occurrence rather than signaling some longer-term change in trend.

Portfolio activity during the month was mainly limited to the initiation of one new position in **C&C Group**. C&C is a leading brand owner and distributor in the Irish and UK alcoholic drinks market. The Group's core owned brands include: i) Bulmers, the leading Irish cider brand; ii) Tennents, the leading Scottish beer brand; and iii) Magners, a premium international cider brand. It also owns a range of fast growing super-premium and craft brands. The recent acquisition of Matthew Clark and Bibendum makes the Group the clear leading UK drinks distributor with access to over 23,000 on-trade accounts. In Ireland, operating under the C&C Gleeson brand the Group is also a key route-to-market for majority international beverage companies. Finally, the Group holds a 47% interest in UK pub-chain, Admiral Taverns.

The stock still sells at an unjustified discount to global peers (> 30%) and even to its longer-term average which we judge to be unjustified given both the improved position of the company and the outlook for a sharp consumer recovery. C&C is a much stronger company compared to 2018 following its acquisition of the #1 independent UK distributor (significantly increasing distribution power for its own brands) and its just completed rights issue which strengthens the balance sheet and provides flexibility to make strategic bolt-on acquisitions to further improve the company's competitive positioning.

We would expect the company to take share in both its own branded and distribution business. In combination with pent-up consumer demand, this should lead to an extremely robust and fast paced profit recovery over the next 2-3 years.

The recent clever equity stake taken in the fast-growing craft beer company, Innis & Gunn, in exchange for providing manufacturing capacity and access to its distribution network, offers a glimpse of the potential for further growth optionality not currently factored into stock price. This could provide a highly profitably outlet for leveraging up the MCB distribution network. Furthermore, the strict economic shut-down has forced the company to dispose of non-core assets (US business) and accelerate the integration of MCB which is leading to strong cost savings – further boosting the profit potential once the on-trade sector starts its recovery. A recent trading update pointed to strong volume increases in May and June and a return to profitability ahead of expectations.

With the Q2 earnings season about to commence we remain confident in the profit outlook for the holdings in the portfolio. We would expect positive outlook statements to feed through to a resumption in the stock gains achieved so far this year and remain optimistic on the performance potential for the remainder of the year.