

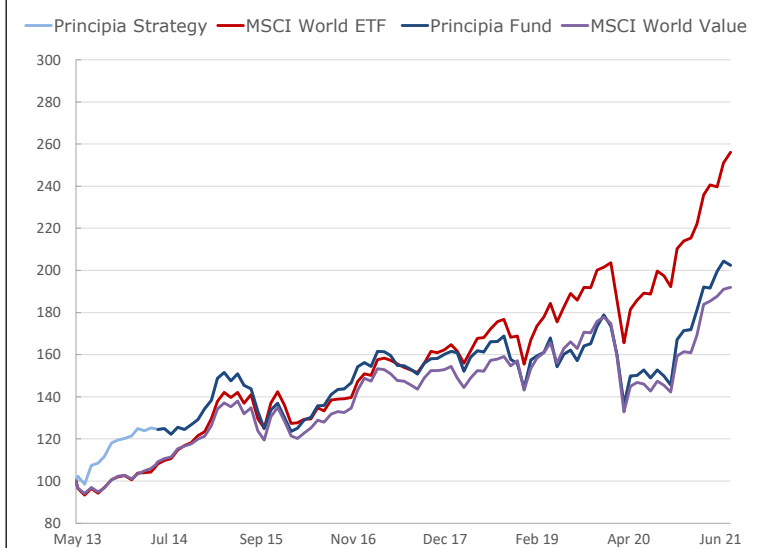
The Fund aims to earn a higher long-term return than the average of the world's developed equity markets, as represented by the iShares MSCI World UCITS ETF. The investment philosophy is value oriented. Investments are selected after implementing detailed fundamental research, with the objective of finding opportunities where there is a large discrepancy between price and intrinsic value. The Fund will likely differ materially from the performance benchmark in order to achieve its objective.

**Price** €162.26 (A class)  
**Size** €20,068,362 (strategy)  
**Minimum** €20,000  
**Dilution Levy** Max, 15bp  
**Dealing** Monthly  
**Management Fee** 1.5% +/- 0.5%  
 Based on 3 year rolling outperformance/ (underperformance) vs. the iShares Core MSCI World UCITS ETF


**Commentary**

The largest contributor to performance was BAE Systems (BAE). BAE is a UK listed defence company with a strong presence in several key global defence markets. The business benefits from relationships forged with governments over decades. In some programs they are the sole supplier with no available alternatives. The shares performed strongly in July as the company reported results that exceeded market expectations. At the current price, BAE is trading on a consensus dividend yield of 4.3%, and a consensus price to earnings of 12.3x.

The largest detractor from performance was Atos. Atos is a European based IT services provider with a make-up similar to Accenture or the service side of IBM. A large part of the business is comprised of recurring revenue streams built around long-standing relationships with large corporations. There have been several negative headlines recently, but we believe the main concern the market appears to have is that Atos' business model will be impaired by the rapid shift of IT environments to the cloud. While the current technology landscape is particularly disruptive and fast changing, we believe that IT service providers like Atos are unlikely to get displaced as their role is not to compete with emerging technology but rather to utilize it for their clients. They therefore naturally evolve to change their service offering as older technologies get commoditized. At the current price, Atos is trading on a consensus dividend yield of 2.1%, a consensus price to earnings of 10.6x and a price to estimated normalised earnings of 6.1x.

**Performance Chart (A class)<sup>1</sup>**

**Geographic Exposure**

	% of NAV
United States	20.3
Canada	3.6
North America	23.8
Korea	5.4
Greater China	11.3
Other	0.0
Asia ex-Japan	16.7
United Kingdom	21.1
Europe ex-UK	25.4
Europe	46.5
Japan	8.5
Other	1.3
Cash	0.0

**Sector Exposure**

	% of NAV
Consumer Discretionary	9.9
Consumer Staples	13.2
Energy	8.5
Financials	14.3
Health Care	17.8
Industrials	6.8
Technology	5.1
Materials	8.0
Real Estate	0.0
Communication Services	10.8
Utilities	1.6
Cash	0.0

**Top 10 Holdings**

	% of NAV	
Sanofi	5.3	AIG 3.9
China Mobile	5.2	GlaxoSmithKline 3.7
BAT	4.9	BAE Systems 3.6
Honda Motor	4.2	Société BIC 3.1
Tesco	4.1	UBS 3.0

**Returns (% net)**

	Fund	MSCI World (V) <sup>2</sup>	MSCI World
1 month	-1.02	0.52	2.00
YTD	18.01	18.98	19.66
1 year	35.84	34.53	35.66
3 years	21.80	22.12	48.71

**Portfolio Statistics<sup>3</sup>**

	Fund	MSCI World
Median Market Cap (\$bn)	35.7	105.5
Weighted Avg. Market Cap (\$bn)	74.0	408.4
Median P/E (FY1)	11.4	20.0
Median P/B (FY1)	1.3	2.7
Median D/Y (FY1)	3.0	2.0
Number of securities	51	1591
Active Share	95.2%	-

**Top 5 Contributors (MTD)**

	%
BAE Systems	0.35
WM Morrison	0.33
Oracle	0.30
UBS	0.21
Tesco	0.17

**Bottom 5 Contributors (MTD)**

	%
Atos	-0.29
Astellas Pharma	-0.25
NOV	-0.23
Schlumberger	-0.23
Luk Fook	-0.16

**Liquidity Analysis**

	% of NAV
1 Day	100
5 Days	100
10 Days	100
1 Month	100
3 Months	100

# NOTICES

Do not run any unnecessary risk. Read the Key Investor Information Document. This communication is neither an offer to sell nor a solicitation to invest. Past performance is not indicative of future results. The value of investments and any income generated may go down as well as up and is not guaranteed. Privium Fund Management B.V. is authorized and regulated by the Dutch Authority for the Financial Markets ([www.afm.nl](http://www.afm.nl)) as an Alternative Investment Fund Manager. The Fund and its manager, Privium Fund Management B.V., are held in the register of Dutch Authority for the Financial Markets. The prospectus of the Fund and the Key Investor Information Document can be downloaded via the website of the Fund Manager, [www.priviumfund.com](http://www.priviumfund.com). The performance overviews shown in this communication have been carefully composed by Privium Fund Management B.V. No rights can be derived from this communication.

## **Performance Chart<sup>1</sup>**

Principia Strategy refers to the same strategy run in a trading account, measured one year prior to launch. The performance of the account has been calculated by Custom House and accounts for all costs and fees.

## **MSCI World (V)<sup>2</sup>**

Refers to the MSCI World Value Index

## **Portfolio Statistics<sup>3</sup>**

Source: Principia Fund/Bloomberg. Portfolio statistic data is calculated intra-month at the time of publishing this report. Median P/E and P/B metrics are based on consensus data. Active share data is calculated once per quarter.