

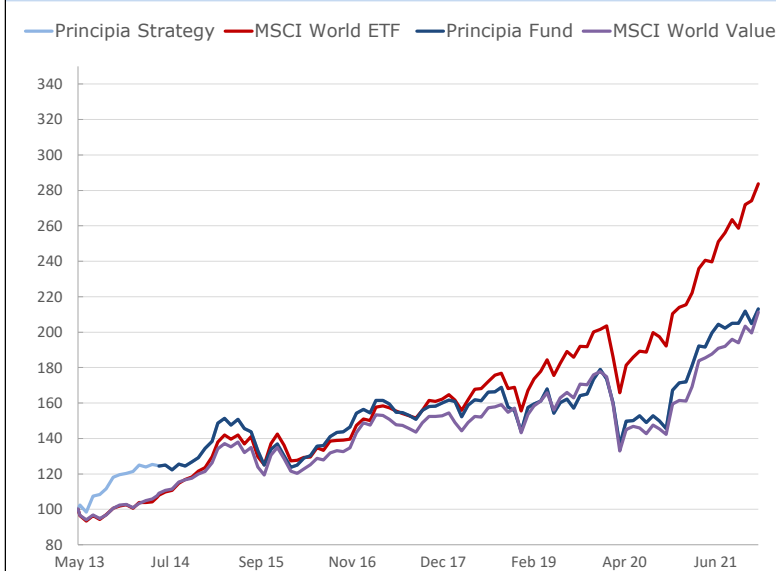
The Fund aims to earn a higher long-term return than the average of the world's developed equity markets, as represented by the iShares MSCI World UCITS ETF. The investment philosophy is value oriented. Investments are selected after implementing detailed fundamental research, with the objective of finding 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.

**A Class Price** €170.94  
**Strategy Size** €21,787,034  
**Minimum** €20,000  
**Dilution Levy** Max, 15bp  
**Dealing** Monthly  
**ISIN Code** NL0010759700  
**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 British American Tobacco (BAT). BAT is one of the largest tobacco companies in the world. Tobacco company share prices have been under significant pressure over the last few years. Most of this weakness stems from heightened uncertainty around significant regulatory changes as well as the potential disruption by products with reduced health risks, like heated tobacco and electronic cigarettes. As these new products emerge there is additional uncertainty on regulation, pricing, competitive dynamics, and the impact on traditional tobacco demand. We believe tobacco companies like BAT continue to have strong businesses and are well positioned to profitably manage the long-term transition toward reduced risk products. At the current price BAT is trading at a consensus price to earnings of 9.6x and a consensus dividend yield of 7%.

The largest detractor from performance was Citigroup. Citigroup is one of the world's largest financial services companies. The firm has two main segments: global consumer banking and the institutional clients group; which provides investment banking, cash management and a broad range of products and services to large corporations around the world. Citigroup currently operates in more than 100 countries and jurisdictions which means it is often the bank of choice for global corporations. While this is advantageous, it does add complexity and costs and there are regions where Citigroup lacks scale and hence generates low returns. Under new management, the company is strategically exiting many regions where it generates suboptimal returns. While there are short-term costs related to this process we believe this is the right move from a strategic perspective. At the current price Citigroup is trading at a consensus price to earnings of 8.7x, a consensus price to book of 0.7x and a consensus dividend yield of 3.2%.

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

**Geographic Exposure**

	% of NAV
United States	17.5
Canada	5.3
North America	22.8
Korea	4.9
Greater China	10.3
Other	0.0
Asia ex-Japan	15.2
United Kingdom	19.9
Europe ex-UK	25.8
Europe	45.6
Japan	10.4
Other	3.0
Cash	0.0

**Sector Exposure**

	% of NAV
Consumer Discretionary	9.5
Consumer Staples	11.2
Energy	10.8
Financials	16.5
Health Care	16.4
Industrials	7.0
Technology	4.6
Materials	11.4
Real Estate	0.0
Communication Services	10.4
Utilities	0.8
Cash	0.0

**Top 10 Holdings**

		% of NAV	
BAT	5.3	Honda Motor	4.1
Sanofi	5.0	Tesco	3.7
China Mobile	4.7	Soci�t� Bic	3.5
AIG	4.6	Teck Resources	3.4
GlaxoSmithKline	4.1	Samsung	3.2

**Returns (% net)**

	A Class	MSCI World (V) <sup>2</sup>	MSCI World
1 month	4.11	5.87	3.48
YTD	24.33	30.93	32.54
1 year	24.33	30.93	32.54
3 years	48.06	47.59	82.40

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

	Fund	MSCI World
Median Market Cap (\$bn)	26.7	109.7
Weighted Avg. Market Cap (\$bn)	70.8	445.6
Median P/E (FY1)	10.8	19.1
Median P/B (FY1)	1.4	2.7
Median D/Y (FY1)	3.5	2.0
Number of securities	54	1591
Active Share	95.2%	-

**Top 5 Contributors (MTD)**

	%
British American Tobacco	0.59
AIG	0.36
NOV	0.30
Samsung Electronics	0.30
Sanofi	0.27

**Bottom 5 Contributors (MTD)**

	%
Citigroup	-0.15
Luk Fook	-0.11
Kazatomprom	-0.08
Sberbank	-0.07
Camco	-0.04

**Liquidity Analysis**

	% of NAV
1 Day	95
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 broad strategy run in a trading account, measured one year prior to launch. The performance of the account has been calculated by Apex 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.