



**A Class Price** €188.19  
**B Class Price** €205.23  
**Fund Size** €22,467,497  
**Dealing** Monthly  
**ISIN Code A** NL0010759700  
**ISIN Code B** NL0010759718

The Fund is actively managed. 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.

**Commentary**

The largest contributor to performance for the fourth quarter was Abrdn (formerly Standard Life Aberdeen). Abrdn is a UK-listed global investment firm created through a merger between Standard Life and Aberdeen Asset Management. It is the largest active asset manager in the UK. Most of the company's income is derived from recurring fee-based revenue. Asset managers have attractive qualitative characteristics, as they are cash generative, and usually operate with low levels of financial gearing.

Last year, Principia was able to accumulate shares in Abrdn at mid-single digit multiples of underlying earnings. At the current price, Abrdn is trading at a consensus dividend yield of 7.2%, and a price to estimated normalised earnings of 11.3x.

The largest detractor from performance for the fourth quarter was Warner Bros. Discovery (WBD). WBD has recently been established through the merger of Warner Media and Discovery. The combination has created one of the largest media firms in the world. The company owns some of the world's largest networks, including HBO, Discovery and TLC. WBD also has leading content production studios including Warner Bros, Discovery Studios and Cartoon Network.

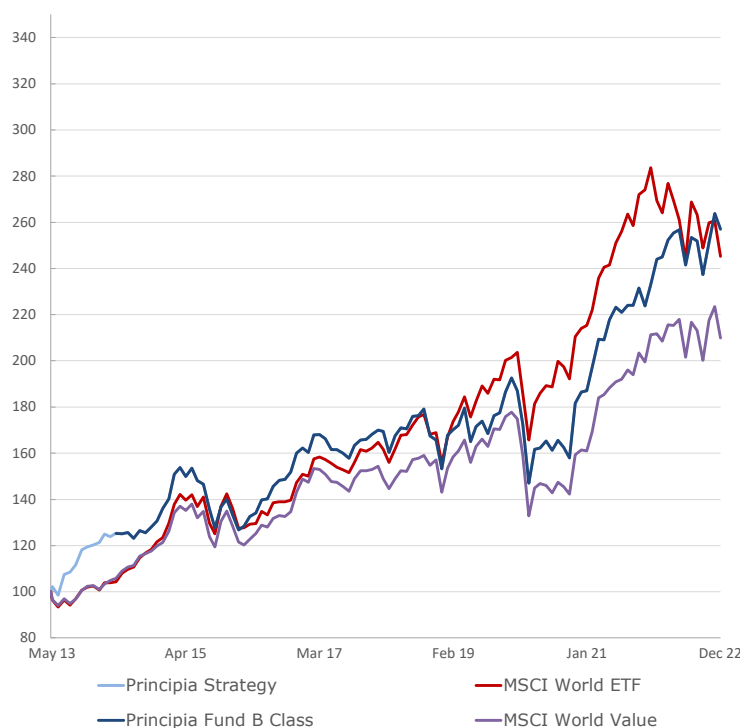
Since listing, the share price has been under pressure due to significant near-term uncertainty, including the transition to streaming technology and multiple moving parts related to the complex spinoff of Warner Media from AT&T and the subsequent combination of Warner Media to Discovery. This has been further exacerbated by the fairly leveraged balance sheet and technical selling pressure due to forced selling from AT&T shareholders, many of whom hold AT&T for its dividend and had received non-dividend paying WBD shares as a result of the spinoff.

We believe WBD will successfully navigate the transition from traditional linear and pay tv toward streaming given that it possesses several competitive advantages. These include global scale and distribution, leading networks and studios, and an almost unparalleled library of content and franchises. Although we prefer to invest in businesses with low gearing, we are less concerned about the elevated balance sheet leverage at WBD, given that the debt has an average maturity of 14 years and is mostly fixed. In addition, the company is highly cash generative, and it is currently rapidly paying down the debt that was created due to the merger.

At the time of writing, WBD has rallied 41% off very depressed levels from late December. We still believe the company has significant valuation support, and at the current price, we estimate that it is trading on less than 9x normalised earnings.

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

Past performance does not predict future results



Geographic Exposure	% of NAV
United States	14.8
Canada	10.1
North America	24.9
Korea	3.6
Greater China	7.0
Other	4.9
Asia ex-Japan	15.6
United Kingdom	16.6
Europe ex-UK	15.3
Europe	31.9
Japan	18.8
Other	5.0

Sector Exposure	% of NAV
Consumer Discretionary	9.7
Consumer Staples	13.1
Energy	16.8
Financials	12.8
Health Care	11.6
Industrials	8.1
Technology	3.4
Materials	11.1
Real Estate	1.2
Communication Services	9.8
Utilities	0.0
Cash	0.5

Top 10 Holdings	% of NAV
Honda	4.7
BAT	3.7
Tesco	3.2
Sanofi	3.2
Samsung Electronics	3.0
GSK	2.6
Ambev	2.6
Kaken Pharma	2.6
Citigroup	2.6
Jardine Matheson	2.4

Performance %	B Class	A Class	MSCI World
<b>Not annualised</b>			
Year to Date	10.3	10.1	-13.5
1 month	-2.6	-2.6	-5.9
3 months	8.3	8.2	-1.5
6 months	6.4	6.3	0.6
<b>Annualised</b>			
1 year	10.3	10.1	-13.5
3 years	10.1	9.5	6.8
5 years	8.8	7.9	8.6
Fund Inception	8.8	7.7	10.0
<b>Annual</b>			
2014	8.5	7.7	15.6
2015	-1.9	-3.1	10.3
2016	21.6	20.1	10.9
2017	3.7	2.4	7.5
2018	-8.9	-10.1	-4.2
2019	25.6	24.3	29.6
2020	-3.2	-4.2	6.2
2021	25.0	24.3	32.5

Top 5 Contributors (MTD)	% of NAV
Luk Fook Holdings	0.41
Sumitomo Mitsui Financial	0.24
China Unicom	0.14
Sanofi	0.13
Alibaba	0.10
<b>Bottom 5 Contributors (MTD)</b>	
<b>% of NAV</b>	
Honda Motor	-0.34
Ambev	-0.25
Samsung Electronics	-0.24
Bayer	-0.23
Citigroup	-0.22

<b>Historic Geographical Exposure</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
United States	54.0	47.0	35.0	31.9	28.6	15.8
Canada	0.0	0.0	0.0	2.2	2.7	6.6
North America	54.0	47.0	35.0	34.1	31.3	23.6
Korea	3.0	0.0	4.8	5.1	5.1	4.1
Greater China	5.0	8.0	9.5	9.6	7.8	10.3
Other	2.0	2.0	1.3	0.0	1.1	1.9
Asia ex-Japan	11.0	11.0	15.7	14.7	13.9	16.2
United Kingdom	10.0	15.0	17.1	18.2	19.9	18.8
Europe ex-UK	13.0	17.0	19.9	20.6	26.5	26.8
Europe	23.0	32.0	37.0	38.8	46.4	45.6
Japan	12.0	11.0	10.4	10.9	5.8	10.9
Other	3.0	0.0	1.9	1.0	2.6	4.1
<b>Historic Sector Exposure</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Communication Services	NA	NA	17.7	16.9	8.8	10.0
Consumer Discretionary	20.9	18.4	7.7	9.3	10.4	9.9
Consumer Staples	3.1	4.8	8.5	8.7	11.2	11.0
Energy	3.0	2.3	5.1	7.4	8.3	12.0
Financials	17.7	18.5	18.7	21.0	22.8	16.0
Health Care	11.9	17.9	17.6	15.3	15.4	16.4
Industrials	10.6	11.6	6.3	7.8	6.0	7.7
Technology	25.7	19.4	12.1	5.6	6.7	4.5
Materials	0.0	0.0	0.0	1.7	7.2	11.9
Telecom Services	4.6	3.1	NA	NA	NA	NA
Utilities	0.0	0.0	2.8	2.3	1.9	0
Real Estate	2.3	3.9	3.5	2.2	1.4	0
<b>Portfolio Statistics<sup>3</sup></b>	<b>Fund</b>	<b>MSCI World</b>	<b>Fees and Expenses %<sup>2</sup></b>			
Median Market Cap (\$bn)	7.8	91.9	<b>A Shares</b>			
Weighted Avg. Market Cap (\$bn)	55.3	291.9	Management Fee			
Median ROA (FY1)	4.2	5.1	For 5 year performance inline with Benchmark			
Median P/E (FY1)	11.4	17.8	For 5 year outperformance/(underperformance) vs Benchmark			
Median P/B (FY1)	1.2	2.4	Fund expenses			
Median D/Y (FY1)	3.2	2.2	<b>Total Expense Ratio</b>			
Number of securities	71	1542	<b>B Shares</b>			
Active Share	0.97		Management Fee			
% of NAV in top 10 holdings	30.6		For 5 year performance inline with Benchmark			
% of NAV in top 20 holdings	52.0		For 5 year outperformance/(underperformance) vs Benchmark			
Annualised Turnover %	102.0		Fund expenses			
			<b>Total Expense Ratio</b>			
			<b>Service Providers</b>			
			Fund Administrator			
			Custodian			
			Depository			
			Auditor			

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## NOTES

### 1. Performance

**Data:** All performance data is retrieved from the Administrator and/or Bloomberg

**Chart:** Principia Strategy refers to the same value oriented approach 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.  
The B Class did not incur a management fee from the Fund launch until June 2021, all other costs and fees are accounted for.

**MSCI World:** Is the reference benchmark index which is represented by the iShares Core MSCI UCITS ETF in EUR

**Annual Return Table:** 2014 data is from 22 May 2014 until 31 Dec 2014

### 2. Management Fee

**A Class:** The Management Fee is 1.25% per annum when the performance of the Fund is equal to the return of the benchmark over the five years ending on the date of the calculation. A maximum Management Fee of 1.5% is payable if the return of Shareclass A is superior to that of the benchmark by 20% over the five years ending on the date of the calculation. A minimum Management Fee of 1% is payable if the return of Shareclass A is below that of the benchmark by 20% over the five years ending on the date of the calculation.

**B Class:** The Management Fee is 1% per annum when the performance of the Fund is equal to the return of the benchmark over the five years ending on the date of the calculation. A maximum Management Fee of 1.25% is payable if the return of Shareclass B is superior to that of the benchmark by 20% over the five years ending on the date of the calculation. A minimum Management Fee of 0.75% is payable if the return of Shareclass B is below that of the benchmark by 20% over the five years ending on the date of the calculation.

### 3. Portfolio Statistics

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.