

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. The Fund is actively managed.



NAV per share

A-Class	99,79
B-Class	116,95

Top 5 Holdings

	% of NAV
Subsea 7 SA	11,3%
Breedon Group PLC	8,8%
Cairn Homes PLC	8,8%
Dalata Hotel Group PLC	8,4%
Aker Solutions ASA	8,4%

Market Capitalization (EUR)	% of NAV
> 10bn	8%
1 < 10bn	67%
< 1 bn	21%

Regional exposure	% of NAV
Euro area	46%
Norway	20%
United Kingdom	30%
USA	0%
Market Index hedges	0%
Cash	5%

Sector Exposure	% of NAV
Industrials	32%
Consumer Disc	22%
Consumer Staples	10%
Materials	9%
Real Estate	6%
Financials	5%
Technology	0%
Energy	11%
Healthcare	0%
Cash	5%

Concentration	% of NAV
Top 5	46%
Top 10	78%

Performance (%)	Past performance does not predict future returns. Data is retrieved from the Administrator or Bloomberg.									
	Month	Ytd	2023	2022	2021	2020	2019	2018	2017	2016
Shareclass A*	-3,48%	11,20%	12,87%	-20,63%	21,84%	-7,58%	14,07%	-20,61%	2,42%	4,00%
Shareclass B***	-3,40%	11,82%	14,13%	-19,73%	23,08%	-6,65%				
Benchmark Index****	-0,94%	9,21%	15,97%	-11,54%	25,04%	-3,95%	26,39%			

* Inception in March 2015 **data since January 1, 2019 significant market cap focus change *** Start on January 1, 2020. **** The benchmark index represents the MSCI Europe Total Return Index (NDEEE18 Index, EUR) from Bloomberg. The benchmark is used to evaluate the results of the Fund on a risk adjusted basis only. The Fund does not seek to mirror the positioning of the benchmark and exposures can therefore materially deviate from the benchmark.

Fund Terms	Class A	Class B
ISIN	NL0011065249	NL0014130445
Inception	March 31, 2015	January 1, 2020
Management fee	1,25%	0,25%
Mpartners	1,00%	0,00%
Privium	0,25%	0,25%
Ongoing Charges Figure	1,89%	0,78%
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	Apex Depository Services B.V.
Custodian	ABN AMRO Clearing Bank
Administrator	Apex Fund Services
Auditor	Ernst & Young Accountants
Legal Advisor	Van Campen Liem
Fiscal Advisor	STPtaxlawyers



Disclaimer

Do not run any unnecessary risk. Read the Key Information Document and the Prospectus. This communication is neither an offer to sell nor a solicitation to invest. Past performance does not predict 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. (Privium) is authorized and regulated by the Dutch Authority for the Financial Markets (www.afm.nl) as an Alternative Investment Fund Manager (AIFM). The Still Equity 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 Still Equity Fund and the Key Information Document can be downloaded via the website of the Fund Manager (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. The Still Equity Fund is actively managed.

Q2 Review

The Fund built on its strong Q1 performance with a gain of +2.2% for the quarter, lifting year-to-date returns to +11.2% (Class A shares). The most notable strong contributors during the quarter were Subsea 7 (+15.2%), OSB Bank (+14.6%) and Aker Solutions (+12.4%). In a difficult quarter for smaller companies in general the main drags on performance came from Dalata (-11.9%) and Rheinmetall (-9.8%).

During the quarter we exited two investments – Hensoldt and C&C. As we wrote recently, Hensoldt is experiencing the benefits of rising European defence spending and the allocation of a greater share of this spending to European companies. The order book is increasing nicely, and management is growing more confident in the medium-term outlook. That said, we are becoming increasingly concerned over the deterioration in the quality of the company's financial reports – increasing and regular 'special' charges, a high percentage of research costs being capitalized, etc. The industry tailwinds are strong, but we prefer to increase our exposure to our other holding in this sector, Rheinmetall, than to maintain a position in a company with rising stock-specific risks, in our judgment. C&C, the Irish and UK cider and beer manufacturer was also exited following another unexpected change in the management team. The original investment thesis has become murkier and more delayed with the constant management changes. We prefer to focus our capital on the highly attractive opportunities that we are finding with increased regularity than to remain in a situation where the company strategy has stalled, and the outlook has become more unclear.

Proceeds from these two sales were re-invested in no less than seven existing positions in the portfolio. In addition, one new position was initiated in the quarter in Ackermans & van Haaren. Ackermans & van Haaren (AvH) is an Antwerp based diversified holding company aiming at creating shareholder value through long-term investments in a limited number of companies with growth potential on an international level. AvH is active in Marine Engineering & Contracting, Private Banking, Real Estate, Energy & Resources, and Growth Capital. The investment thesis is primarily based on the building of strong operational momentum in AvH's core holdings (wealth management and marine engineering) at the same time that the stock sits at a historic wide discount to NAV (-25% at time of initiation).

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During 2023, core portfolio participations continued to post robust results (they represent >90% of total Group net profit) and are expected to exceed the FY23 net result in 2024. Despite an uncertain macroeconomic situation, the private banking division managed to onboard €4.7b while AuM rose to an all-time high of €65.3b, maintained a low cost-income ratio of 51.0% (vs 71.0% EU average), and posted a ROE of 14.3%. The marine engineering holding, DEME, grew its orderbook to an all-time high of €7.5billion, while posting top and bottom-line numbers that beat estimates. Furthermore, there is significant optionality in the balance sheet as AvH finished the year with €517 million in net cash. The shares trade at a substantial discount to a growing NAV which is, in our view, unsustainable given the improving operational momentum and balance sheet optionality.

While we are conscious of the slowing economic conditions and mounting geopolitical risks, we maintain our constructive outlook for US equities given the stable economic backdrop and the potential for lower interest rates in 2024.

The valuations of our portfolio holdings remain at multi-year lows despite current evidence of solid growth and our expectations for the continuation of this growth in the medium term. We judge there to be significant upside to our holdings and expect the positive price momentum seen in Q2 to continue further as the year progresses. We believe our universe of smaller-cap stocks, and in particular our portfolio, offer highly compelling upside given attractive risk/rewards, low valuations, and solid near-term operating profit growth prospects.

