



Augustus Capital AM

LIERDE sicav

January 2024

OBJECTIVE AND INVESTMENT STRATEGY

LIERDE's objective is to generate value with positive returns over the long term through equity investments in Europe.

Investment decisions are based on fundamental analysis, analyzing the Return on Capital Employed (ROCE) of companies and its sustainability over time.

Net Asset Value
(31/01/24)

134.91 €/share

AUM
(31/01/24)

EUR 137 Mn



AAA rated

RISK INDICATOR

1 2 3 **4** 5 6 7

TOTAL RETURNS

| PERIOD | LIERDE | Stoxx 600 NR** |
|----------------------------------|----------|----------------|
| Month | 0.1% | 1.5% |
| YTD* 2024 | 0.1% | 1.5% |
| 1 year | 10.9% | 10.1% |
| Since inception (1994) | 2,144.8% | 726.2% |
| Since inception (annual average) | 13.6% | 9.0% |

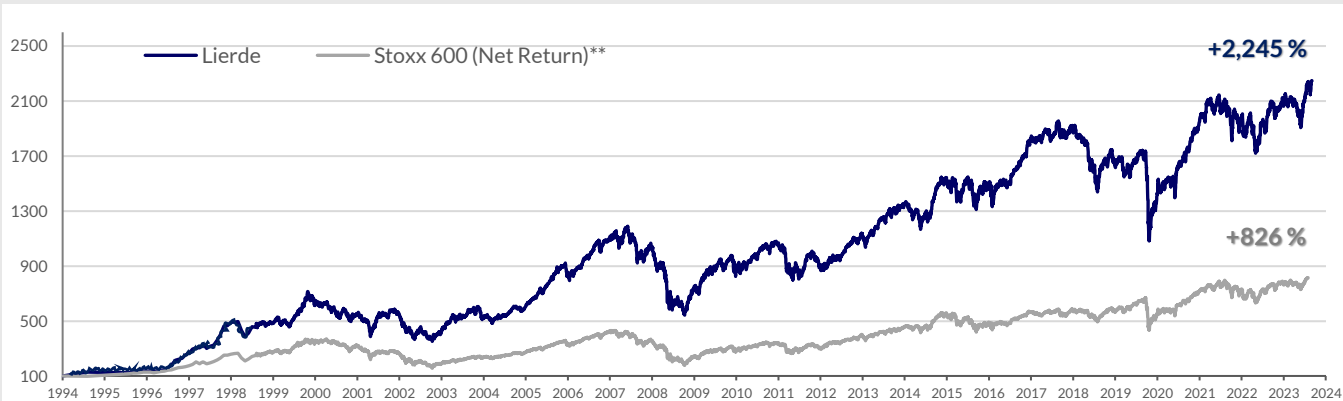
*YTD (year-to-date)

HISTORICAL RETURNS

| YEAR | LIERDE | Stoxx 600 NR** | DIFFERENCE |
|--------------|-----------------|----------------|-----------------|
| 1994 | 28.6% | -0.3% | 28.8% |
| 1995 | -2.7% | 17.2% | -19.9% |
| 1996 | 44.3% | 24.8% | 19.5% |
| 1997 | 79.5% | 41.2% | 38.3% |
| 1998 | 40.2% | 21.1% | 19.1% |
| 1999 | 21.0% | 38.2% | -17.2% |
| 2000 | -4.6% | -3.8% | -0.7% |
| 2001 | 3.7% | -15.6% | 19.3% |
| 2002 | -26.3% | -30.4% | 4.1% |
| 2003 | 34.5% | 15.9% | 18.6% |
| 2004 | 3.2% | 12.2% | -9.0% |
| 2005 | 42.3% | 26.7% | 15.6% |
| 2006 | 27.2% | 20.8% | 6.4% |
| 2007 | 8.7% | 2.4% | 6.4% |
| 2008 | -42.1% | -43.8% | 1.6% |
| 2009 | 45.7% | 32.4% | 13.3% |
| 2010 | 10.7% | 11.6% | -0.9% |
| 2011 | -15.8% | -8.6% | -7.2% |
| 2012 | 16.4% | 18.2% | -1.7% |
| 2013 | 27.4% | 20.8% | 6.6% |
| 2014 | -0.1% | 7.2% | -7.3% |
| 2015 | 18.6% | 6.8% | 11.8% |
| 2016 | 4.2% | 1.7% | 2.5% |
| 2017 | 18.2% | 10.6% | 7.6% |
| 2018 | -20.8% | -10.8% | -10.0% |
| 2019 | 16.3% | 26.8% | -10.5% |
| 2020 | -3.3% | -2.0% | -1.3% |
| 2021 | 26.1% | 24.9% | 1.2% |
| 2022 | -10.2% | -10.6% | 0.4% |
| 2023 | 19.2% | 15.8% | 3.4% |
| YTD* 2024 | 0.1% | 1.5% | -1.4% |
| Total Return | 2,144.8% | 726.2% | 1,418.6% |
| Average | 13.6% | 9.0% | 4.6% |

*YTD (year-to-date)

NET ASSET VALUE EVOLUTION (base 100)



**Stoxx 600 NR (Net Return). Dividends included.



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TOP 10 POSITIONS

| | | |
|---------------------|---------------------|--------------|
| 1 | GLOBAL DOMINION | 5.1% |
| 2 | ROVI | 3.6% |
| 3 | AALBERTS INDUSTRIES | 3.6% |
| 4 | ASSA ABLOY | 3.5% |
| 5 | RICHEMONT | 3.2% |
| 6 | FERROVIAL | 3.1% |
| 7 | ANDRITZ | 3.0% |
| 8 | DANIELI | 2.9% |
| 9 | NEURONES | 2.8% |
| 10 | VONOVIA | 2.7% |
| TOTAL TOP 10 | | 33.5% |

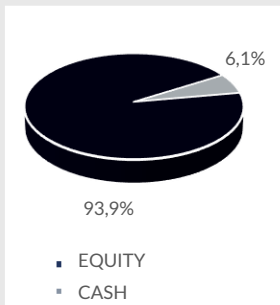
MONTHLY RETURN (5 best vs. 5 worst)

| 5 BEST | | |
|---------|------------------------|--------|
| 1 | WINCANTON | +41.4% |
| 2 | SAP | +15.3% |
| 3 | CONSTELLATION SOFTWARE | +13.5% |
| 4 | RICHEMONT | +11.2% |
| 5 | FERROVIAL | +7.2% |
| 5 WORST | | |
| 1 | GRIFOLS SA - B | -28.9% |
| 2 | MARLOWE | -11.4% |
| 3 | INFINEON TECHNOLOGIES | -10.7% |
| 4 | DOMETIC | -8.8% |
| 5 | ECONOCOM | -8.2% |

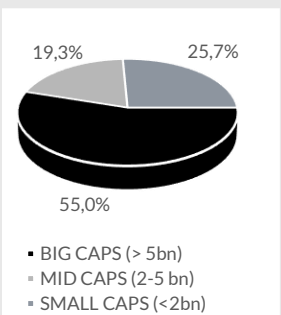
RISK DATA

| Since Inception | LIERDE | Stoxx 600 NR* |
|-----------------|--------|---------------|
| Annual Alpha | 4.67 | |
| Sharpe Ratio | 0.57 | |
| Beta | 0.83 | |
| Volatility | 17.1% | 18.5% |
| 12 months | LIERDE | Stoxx 600 NR* |
| Beta | 0.88 | |
| Volatility | 11.2% | 11.2% |

DISTRIBUTION BY ASSET CLASS

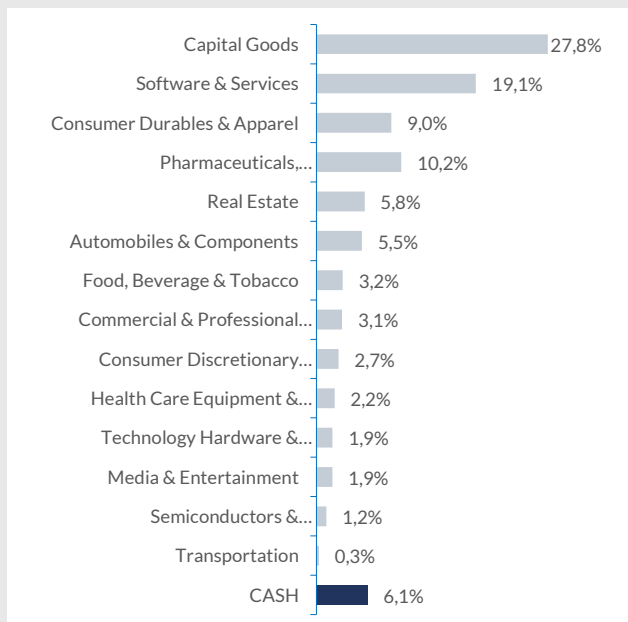


DISTRIBUTION BY MARKET CAP.

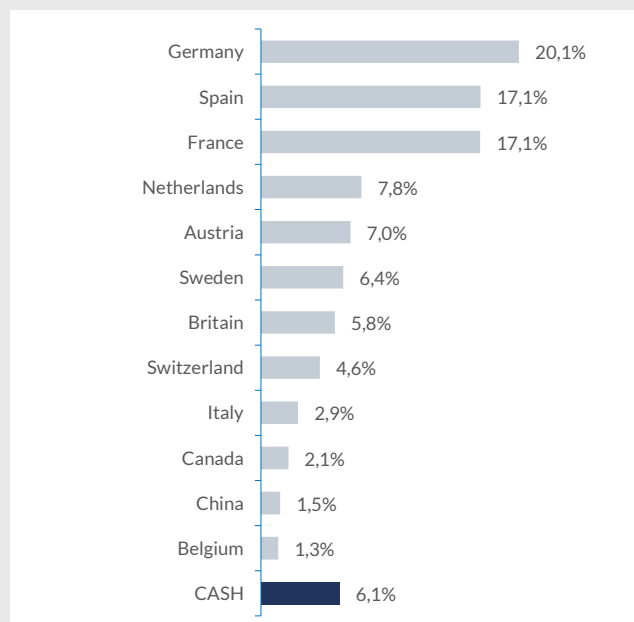


*Stoxx 600 NR (Net Return). Dividends included.

SECTOR DISTRIBUTION



COUNTRY DISTRIBUTION





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GENERAL INFORMATION

| | |
|--------------------------------|---|
| Inception Date | 1994 |
| CNMV N° of Registration | 2467 |
| Settlement | Daily. Settlement d + 1 |
| Fees | <ul style="list-style-type: none">• Management fee 1.40% annual• Depository fee 0.07% annual |
| Asset Manager | Augustus Capital, A.M. |
| Depository Institution | Bnp Paribas S.A., Sucursal en España |
| Auditor | Deloitte, S.L. |
| Currency | EUR |
| ISIN Code | ES0158457038 |
| Bloomberg Ticker | LIE SM Equity |

MONTHLY REVIEW

January 2024 ended with the Net Asset Value at historical maximum. In the early days of the year there was a shallow short-term profit taking because of the phenomenon that analysts call FOMO (Fear Of Missing Out), or the fear of being left out of gains.

As for interest rates, bond yields have increased since the beginning of the year given the conservative speeches by central banks trying to keep low expectations regarding interest rates reduction in the short term. Consensus regarding interest rates declines is delayed until the end of Q2 and this is affecting stocks most sensitive to the economic cycle as well as small caps. European small caps P/E ratio continues to contract to the same level as large caps (P/E 12x), which did not happen since the 2008 Great Recession. Historically, when interest rates start dropping, relative performance improves, so we think that 2024 will be a good year for them.

The American stock market is stronger than the European one with indexes at historical maximums. The money inflow towards the US and emerging markets remains high but still exceeded by the inflow to monetary and fixed income funds where a huge growing amount of money accumulates that will at some point move into risky assets.

We remain constructive for the equity markets in 2024 and especially for the European market whose valuation do not reflect the economy's most likely soft landing scenario. With a total Yield of 5% (DY + Buyback Yield), we see reasonable to obtain total annual double-digit returns in Europe.

We started to position in the British company **Intertek**, one of the world's leading operators in the TIC (Testing, Inspection and Certification) sector. Intertek is the global leader in testing semi-terminated products in each of the production chain phases allowing the company to have high degree of differentiation and specialization among competitors. Since inception in 1996, the company has combined organic growth with strong inorganic growth. As for the sector, we expect an increase in regulations in the coming years, as well as increased complexity within the production processes which place the TIC sector on a growth path for the future. We chose to position in the company given that the stock has significant growth potential compared to its competitors, undervaluation in the stock price and multiples in 10-year minimums.

Finally, during the month of January we received a 100% Takeover Bid over **Wincanton**, British logistics company, by the French group CMA CGM S.A. at a price of £4.50, which represents a 52% premium over the previous trading price. The price represents a valuation of EV/EBIT (24) of 12.0x compared to our valuation that contemplated a ratio of 10x so we will accept the offer.

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