EQUAM Global Value Fund

Fourth quarter 2019 report

We reach our fifth anniversary

At the end of January, we will reach the fifth anniversary of the fund. We have achieved a 7.8% annualised return outperforming the comparable net return indices by 2.6%. Considering the current zero interest rate environment and the low operational and financial risk we have assumed in our investments, we believe these results are satisfactory.

Equam has been able to beat the indices because we have been very disciplined in our search of companies with barriers of entry, with a reasonable leverage and which were trading at a discount to its intrinsic value. For the coming years, we expect an even better performance as we continue to improve our investment process.

Incometric Fund - EQUAM Global Value is a mutual fund managed with a value investing methodology. We intend to compound our capital through long-term investment in companies with solid businesses that we can acquire at a discount to their Intrinsic Value. We also seek to protect our capital investing only in situations where the risk of permanent capital loss is low. We do not aim to second-guess short term market movements but rather acquire interests in sound businesses at excellent prices.

The Fund has an unconstrained mandate that allows us to deploy capital in companies active in regions and sectors where we can find the best investment opportunities. However, we are currently focusing our idea generation efforts in the European Small & Mid Cap arena.

We, the General Partners have invested the majority of our net worth in the fund and our interests are entirely aligned with those of our partners and co-investors.

EQUAM Global Value is a UCITS IV vehicle and can be invested into throughout most leading financial intermediaries using AllFunds, Inversis, Fundsettle and other platforms.

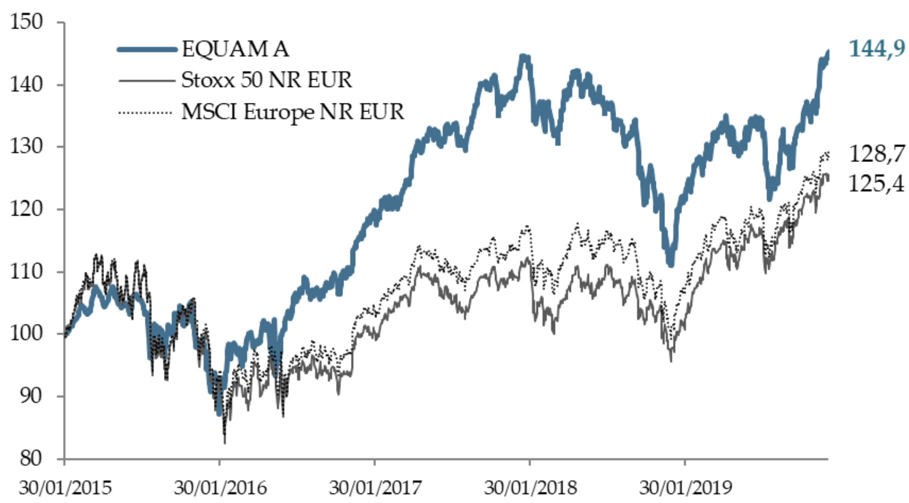
We reach our fifth anniversary

We end our first 5 years investment cycle having been able to beat the comparable indices.

At the end of January Equam Global Value will reach its fifth anniversary since inception*. Although it continues to be a relatively short period of time, we believe it is a relevant milestone, since we consider five years as the minimum timeframe to invest in our fund. We think it is a good time to review the path we have gone over and our current view of the portfolio.

The fund has achieved a 45% total return for this first five-year period, which represents a 7.8% annual return. We think this is a reasonable result for the period, specially if we take into account the current 0% interest rate environment and that in the same period our comparable index including dividends has reached a 28.7% total return (which represents a 5.3% annualised return).

EQUAM return vs. Indices since inception



**The fund was launched on January 15, 2015 but we initiated our investments on January 30, which is the date used for all performance calculations.*

As we usually mention, annual returns are not representative and, what is more important, they are not possible to predict on a consistent basis. It is only after a certain period (which we think should be of at least five years) that results might be considered as confirmatory of the accuracy of the investment process.

We are pleased with our results and by the way we have achieved them. Precisely, we believe one of our major achievements has been the way we have achieved our results, through the disciplined execution of an investment process that minimizes risks. In this sense, our investment process is based on four main pillars: i) the identification of good businesses defined as those with high barriers of entry and good long term visibility, ii) businesses with low leverage, iii) management team alignment with minority shareholders, and iv) disciplined execution of transactions, based on the internally calculated intrinsic value of each company. On top of this, we maintain an adequate diversification level in terms of number of companies and exposure to different potential risks.

There are a number of factors that combined convert Equam in a distinct offer in the market.

In addition, there are several factors that although individually considered are not differential, all combined make Equam a distinct offer in the market and have helped us to achieve good results:

- Our previous professional experience investing in non-quoted companies where the investment period range is normally between 5 to 7 years and our involvement in the board of directors in different companies helping management teams to execute their strategic plans, makes it easier for us to ignore the market noise, concentrate ourselves in the business analysis and take advantage of the usual short term view of the markets.

- Equam team has the bulk of its wealth invested in the fund in order to guarantee a complete alignment with the rest of the investors.

- We manage only one fund, concentrating all our efforts to maximize its returns and select the best possible investments for it.

- We have a small size which provides us with a high flexibility to invest and exit any particular investment and allows us to invest in a high range of companies in terms of size. However, we still have great room to continue growing the fund before our investment process could be affected.

- We have consolidated a three member investment team that allows to combine a high degree of detail and deepness in the analysis while avoiding dispersion of information and maintaining strong agility and flexibility in the decision process.

- We are an independent project, owned by its managers and we have Francisco García Paramés as minority shareholder in the project.

Our view on the portfolio and the markets

Despite the strong revaluation of some of the companies in the portfolio and the five public offers received during the year, we remain optimistic over the medium and long term performance of the fund.

In last year's fourth quarter report we commented the strong valuation anomaly we were seeing in many of the portfolio companies and how we believed that many of the strong stock prices drops did not make sense as they were reflecting a too pessimistic scenario. We believe 2019 has demonstrated our thoughts to be true:

- Some of the companies in our portfolio have experienced a very strong revaluation, reducing the significant discount at which they were trading. In this sense, in 2018 Q4 Report we specifically mentioned one of our main investments, the Italian company Sesa. Despite the strong growth in revenues and income it had experienced in recent years and the very good prospects for the future, the company was trading at 5.1x EV/EBITDA following the unexplained 30% drop during the last part of 2018. In 2019 the stock price has doubled (moving from 23.2 euros per share to 47.65) and despite it, as a consequence of the increase in profits, although not as cheap, it continues to trade at very reasonable levels considering the quality of the business and the company.

- This year (during the first seven months) we have received public offers on five portfolio companies. Many investors have taken advantage of the great discount of many quoted companies and the great valuation gap between quoted and non-quoted companies.

We continue to find companies in the market which are trading at attractive valuations

Despite the good performance of many companies in the portfolio, we maintain a positive view over the medium and long term perspective as we continue to find many companies which are trading at attractive valuations. We acknowledge that there continues to be political and macroeconomic uncertainties that could have an impact on the short term.

Among the different risks we are particularly worried about the Central Banks interest rate policy which is artificially maintaining interest rates too low. But we also believe that there is hardly no historical period where there are no uncertainties and that in general markets tend to overreact to uncertainties allowing for good buying opportunities.

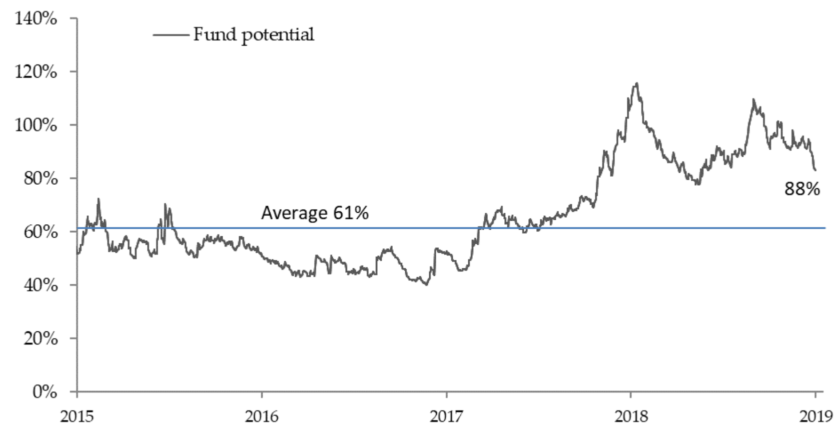
A final agreement on Brexit should allow to eliminate the discount at which many companies in the UK market are trading at. We maintain 31% of our portfolio invested in the UK.

A good example of this kind of overreaction is the situation of the UK and its relationship with the EU, where for several years since the Brexit referendum there was a very negative view of the markets over the prospects of its economy. We receive with optimism the recent news regarding the Brexit process which allows to eliminate many uncertainties, although we acknowledge that there will be difficulties and the path will not be easy. We maintain a 31% exposure to companies trading in the UK market as we believe there was an excessive pessimism surrounding the Brexit process and the future of the UK economy which had punished trading levels of many companies in that market. We believe that the lower uncertainty should start to have an impact on the trading levels of companies, as it has already started to happen in certain cases.

The fund maintains an 88% potential, above the 61% historical average since inception.

Finally we would like to hightlight, that depite the recent revaluation of the fund and the stock markets, at the end of the year the fund potential (measured as the difference between the value of the fund according to the intrinsic value of each company and the current NAV) was 88%, that although it is below the 100% potential of the end of last year, continues to be well above the fund's historical average of 61%.

Fund's potential return since inception



New investments

We have invested in the German company Takkt, dedicated to the B2B distribution of products and equipment for factories, warehouses and offices.

During the last quarter of the year we have done very few transactions. Regarding new investments, we have only invested in one company: the German company **Takkt** dedicated to the B2B distribution of products and equipment for factories, warehouses and offices.

It is not the first time we invest in a distribution company and we currently have in the portfolio other investments with a similar business model although operating in other industries (as for example the Italian company Sesa or the British company Headlam). The distribution companies that operate in sectors where there is a large number of clients and suppliers benefit from high barriers of entry as it is not so easy for new incumbents to establish commercial relationships with such a large number of stakeholders. In addition, we are talking about asset light businesses (basically working capital and warehouses which in most cases are rented) and consequently are very cash generative if companies are able to keep an efficient working capital management.

In the case of Takkt, the company is distributing non-core products needed in warehouses, factories and offices for all type of industries. Although the business is somehow exposed to the economic cycle, the impact is relatively short in time as its customers need to continue buying throughout time this type of products (which are mid-way between consumable products and capital goods) even in times of economic crisis. In addition, Takkt has been able to maintain a very stable profitability for many years with an EBITDA in the range of 12 to 15% and a cash flow generation also consistent, as in those years where the operating profit was lower the company benefited from a cash flow injection due to lower working capital needs. At our entry price, we have invested in this company at 10% FCF yield, using the lowest annual cash flow generated by the company in the last 15 years (included those years following the 2008 financial crisis).

Divestments

We have decided to sell our Latecoere investment once Searchlight public offer received the support from the company's board of directors.

This quarter we have sold three companies, one due to a public offer (Latecoere) and the other two because they were approaching our intrinsic value.

In the case of **Latecoere**, as we mentioned in previous reports, the tender offer launched by the financial investor Searchlight was without any doubt totally insufficient and we decided to contact the board of directors (together with other minority shareholders) in order to inform them about our views on the offer and request them to explore other alternatives that could allow to better reflect the full value of the company. This initiative did not have the desired effect as the board decided to support Searchlight offer and we consequently decided to sell our investment in the company to avoid the risk of illiquidity once the offer had been completed.

The other two companies that we have decided to sell are the UK companies Serco and Meggitt. **Serco**, which provides outsourcing services for the public administration, has been immersed in a restructuring process for several years which is starting to bear the first fruits. The good operating results of the company in recent quarters have brought a strong recovery of the share price to a level that we understand is already reflecting the expected improvement of the business for coming years.

Also in the case of **Meggitt** the recent stock performance has placed the valuation to a level that is already reflecting the operating improvements expected for the coming years. In addition, this revaluation has occurred at the same time than the significant share price drop of **Rolls Royce**, company operating in the aeronautical industry and with a similar investment case. Rolls recent performance has been impacted by certain temporary problems in one of its motors, the Trent 1000, which is impacting the profitability beyond what was initially expected. Although total cost of these issues will be high, the company has put in place an action plan to solve them. We expect that once they are fully solved it will be reflected in the share price as the company continues to execute its strategy as initially planned and management is expecting a very significant improvement in cash flow generation once the different motor programs they are involved in mature in the coming few years. Consequently, we have decided to increase our investment in Rolls Royce with the proceeds obtained from the divestiture of Meggitt.

We have sold our investment in Meggitt and reinvested the proceeds in Rolls Royce, taking advantage of the strong drop in its price as a consequence of the temporary problems in one of its motors.

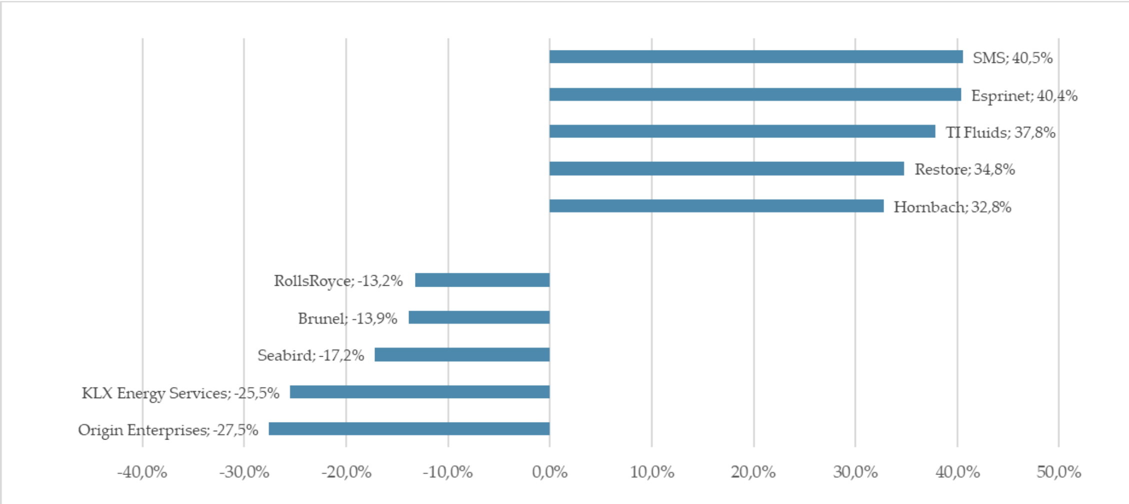
During the quarter we have also increased our exposure to other companies in the portfolio where there continues to be a big gap between the trading price and our intrinsic value, such as the case of **Técnicas Reunidas** and **Prosegur Cash** or in the companies related to the oil sector where we still see too much pessimism.

Portfolio evolution and fund situation.

After the last investments and divestitures, we have 43 holdings in our portfolio and maintain liquidity below 1%.

The following table shows the evolution of the best and worst performers in the portfolio during the quarter or since our initial investment, if the initial investment was done after September.

Best and worst performers during the quarter



Equam news

We have hired a new person to take responsibility of the Investor Relations role.

In September 2019 we hired Carmen Fernández to take responsibilities as Investor Relations. We believe this is an important step as it will allow us to provide a better service to our current and potential investors and will allow the rest of the team to concentrate efforts on the investment front.

Appendix I: EQUAM portfolio.

Company	Country	Weight	Value Base Case
Smart Metering	UK	5,6%	Protected and profitable smart metering market
MITIE Group	UK	5,0%	Undervalued compounder in fragmented market
SeSa	Italy	4,8%	Italian Value-Added software distributor.
TI Fluid	UK	4,6%	Undervalued auto parts company
TGS-NOPEC	Norway	4,3%	Countercyclical niche oil services player
Euronav	Belgium	3,8%	Depressed VLCC tanker company
Engelska Skolan	Sweden	3,7%	Swedish Schools at 8% FCFyield
Prosegur Cash	Spain	3,4%	Cash in transit present in Spain & Latam
Rolls-Royce	UK	3,2%	Sound oligopoly going through restructuring
Rieter	Switz.	3,1%	Swiss manufacturer of spindles
Cegedim	France	3,0%	Software for doctors and insurers, stable revenues
DFS Furniture	UK	3,0%	Leading British manufacturer of furniture.
Wilh. Wilhelmsen	Norway	2,8%	Norwegian Shipping holding
Técnicas Reunidas	Spain	2,7%	Turnaround of refining engineering company
Frank's Int.	US	2,7%	Countercyclical niche oil services player
Total, top 15		**55,6%**	
Total, portfolio		**99,8%**	
Liquidity		**0,2%**	
Total, fund		**100,0%**	**88%**

EQUAM Global Value, FCP

EQUAMVA LX
145,47€
31 December 2019

Description

EQUAM Global Value invests in a diversified portfolio of companies with clear business models and solid capital structure when they trade at a significant discount to their intrinsic value. We are patient, long term investors.

EQUAM Global Value is subject to strict risk management and diversification parameters to minimise the risk of permanent loss of capital. Our investment portfolio is the result of a thorough analysis, investing only in situations with quantifiable and limited downside and with asymmetric risk return profile, where upside potential exceeds significantly downside and stress test scenarii. In the absence of compelling investment opportunities, we are able to hold cash patiently.

EQUAM Global Value is a Luxembourg - domiciled UCITS fund. EQUAM Capital is the registered financial advisor to the Fund, and is devoted exclusively to the research and analysis of potential investments for the Fund.

Main holdings & performance

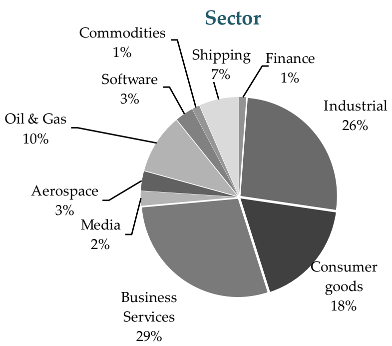
Company	Weight
Smart Metering Systems PLC	5,6%
MITIE Group PLC	5,0%
SeSa S.p.A.	4,8%
TI Fluid Systems plc	4,6%
TGS-NOPEC Geophysical Company ASA	4,3%
Euronav NV	3,8%
Internationella Engelska Skolan i Sverige Holc	3,7%
Prosegur Cash SA	3,4%
Rolls-Royce Holdings plc	3,2%
Rieter Holding AG	3,1%
Total Top 10	**41,3%**
Total Equities	**99,8%**
Cash positions	**0,2%**

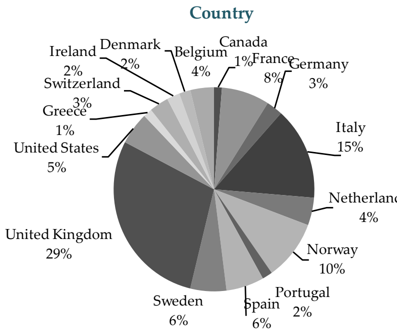
Fund upside potential 88% Positions 43

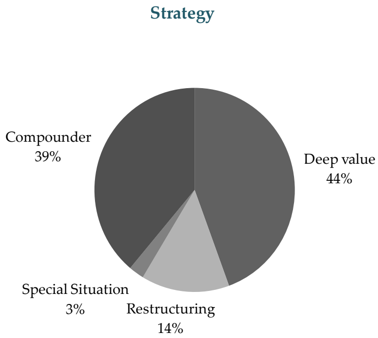
Performance vs indices	EQUAM A	MSCI Europe NR**	Stoxx 50 NR**	Equam vs MSCI
1 month	5,5%	2,1%	1,8%	3,4%
3 month	11,3%	5,7%	4,9%	5,6%
2019	27,2%	26,0%	27,4%	1,2%
2018	-18,8%	-10,6%	-10,2%	-8,2%
2017	21,7%	10,2%	9,2%	11,5%
2016	17,1%	2,6%	0,6%	14,5%
2015	-1,1%	0,9%	-0,3%	-2,0%
Inception	44,9%	28,7%	25,4%	16,3%
Inception annual	7,8%	5,3%	4,7%	2,6%

** Return since inception exclude initial 15 days in which the fund was not invested.*
*** NR indices assume dividend reinvestment after withholding tax.*

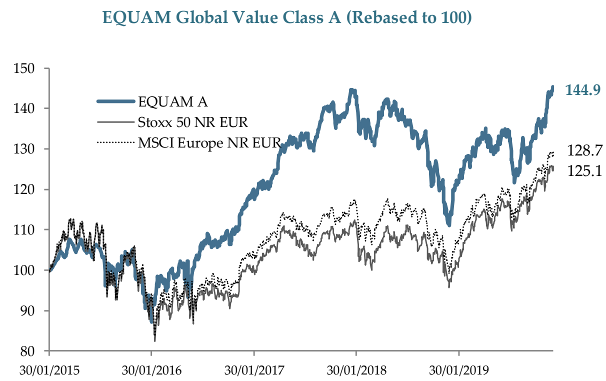
Portfolio summary

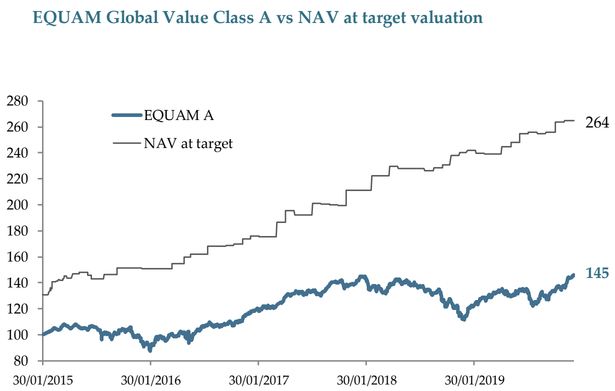






NAV evolution and portfolio data





Incometric Fund - Equam Global Value

Bloomberg (Class A)	EQUAMVA LX	Registered in Spain	CNMV number 587	Fund Advisor	Equam Capital
ISIN Class A	LU0933684101	Fees Class A	1% NAV and 8% profit	Management Company	ADEPA (Lux)
ISIN Class D	LU1274584991	Fees Class D	1.25% NAV (min 1 MEUR)	Custodian	KBL (Lux)
				Transfer Agent	European Fund Admin.