EQUAM Global Value Fund

Third quarter 2021 report

Our portfolio is prepared for inflation

During the third quarter of the year new data has reignited fears of inflation. Our portfolio is prepared to thrive in the different environments which could arise from the current situation. It is exposed to businesses with limited competition and stable contracts that allow them to increase prices if cost inflation remains high. However, our investments trade at low valuations and have low leverage which would enable them to outperform if interest rates are raised.

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 most 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.

Defensive portfolio for the current environment.

After a long period in which the pandemic has been the most relevant issue for all of us, investors' main concern has started to be inflation. Prices have been under control for over a decade, despite the low interest rates and the massive quantitative easing programs. However, over the past quarters, prices of many goods have started to rise sharply.

Our portfolio is well prepared for an inflationary environment.

Oil Price has reached 80$ per barrel, more than doubling last year's price, while natural gas prices in New York have increased from 2.5 $/mmbtu to almost 6 $/mmbtu. Copper price has increased by 42%, aluminum by 66%, corn has increased by 42%, sugar by 44% and uranium by 39%.

A possible explanation for these price increases, which is favored by monetary authorities, is that after the economy came to a virtual stop during the pandemic there has been a supply shock. Demand has recovered quickly while supply is taking longer to catch up, so prices are picking up briskly. Companies used up their inventories during lockdown and now must try to both recover their normal inventory levels and serve their customers at the same time. Companies are all simultaneously purchasing goods at a higher rate than normal, and this is proving more difficult than expected and exposing the bottlenecks of the productive system. There are delays in the delivery of semiconductors, commodities, construction materials and components. In addition to this, the logistic chains are saturated, which is compounding the supply issues. The monetary authorities believe that when this situation normalizes, prices will return to their path of moderate increases.

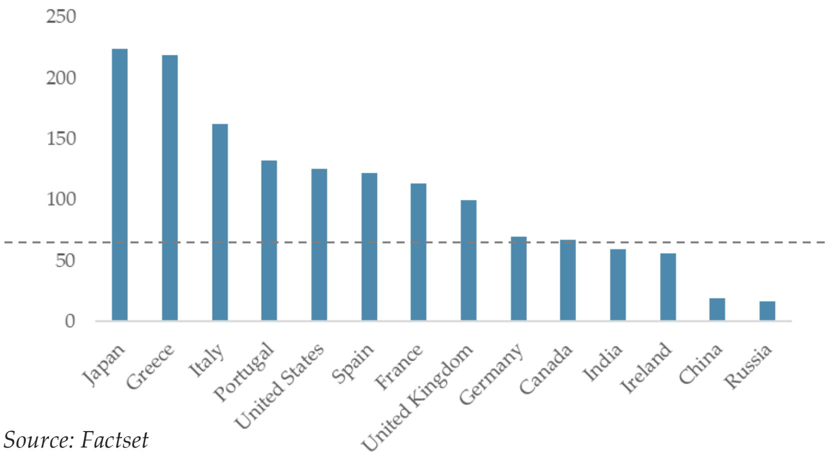
However, it is also reasonable to think, both from what we derive from conversations with our portfolio companies and from the news that we can read on the media, that the situation can last for longer than what is expected by the monetary authorities. Energy prices may stay high for quite some time because the industry has halved its investments in exploration and production over the past cycle and the OPEC's capacity to fix prices is increasing. In addition to that, the cost of energy is forcing some industries to stop production. China has started rationing energy and several factories in the province of Liaoning have had to stop. The low level of vaccination in Southeast Asia has also led to closures in countries like Vietnam, which is crucial for the worldwide production chains. The scarcity of semiconductors has forced several car and consumer goods companies to announce production cuts for the year. There is also labor scarcity in several countries, not just in the UK, where the media has emphasized the fact that the army has been required to help with the distribution of petrol due to the scarcity of drivers. There are also similar problems in Germany, Australia and in the US. Logistic problems keep building up and it is reasonable to expect that sea freight rates will continue to increase in the short term. All these problems might worsen the inflation situation over the coming years more than is expected.

The evolution of inflation is of vital importance for savers and investors. Obviously, if inflation remains high over the coming years, owning liquid assets or government debt ensures a constant loss in purchasing power and it is imperative to look for other alternatives.

It is also important to understand how interest rates can evolve in the different scenarios. What will the monetary authorities do if inflation finally stays high for longer than expected? Will they correct their monetary policy or keep the current abnormally low rates? This crucial matter is also difficult to predict, but we are inclined to think that interest rates will remain low despite inflation climbing more than expected. The following chart shows the debt to GDP ratios of some of the largest western economies. Most of them are way over the recommended maximum of 60% and this leads to think that rates will have to remain low to avoid the bankruptcy of the most leveraged Governments.

Just as an example, if the Spanish debt had a 4% financial cost, which would cover current inflation plus a 1% differential, it would add 5 percentage points of deficit to GDP, a situation that would be unsustainable.

Government debt to GDP



Source: Factset

Despite these uncertainties regarding inflation and interest rates, we think we have a portfolio that is well suited for the foreseeable scenarios.

If the current situation 'normalizes', inflation returns to normal levels, interest rates remain at the abnormally low levels we have become used to and the recovery continues, our portfolio will be able to capture the improvement of conditions. Our companies have reduced costs during the pandemic and if demand continues to recover, their margins and profits will improve. The low valuation at which they trade and their direct exposure to the real economy will allow them to have a very positive evolution.

If inflation stays high for longer than expected, the ideal portfolio would be one in which its companies have the capacity to transfer the increase in prices to their customers. As we have already explained in the past, one of our main investment criteria is the selection of companies that have stable and predictable cash flows. This stability is determined by stable contracts with customers, that generally include clauses to recover inflation, or by a situation in which competition is moderate and the companies have the capacity to fix prices. The great majority of our investments meet these criteria, and that's why we think that a scenario of moderate inflation would be good for our fund. The companies of the portfolio that do not meet these criteria are precisely those related to commodities, that are directly benefiting from inflation.

Our portfolio is composed of companies like SMS, Restore, Intertrust, Mitie, Sol or Elecnor, which have clauses that allow them to increase prices with inflation. We also have investments in Mondadori, Prosegur Cash, TI Fluids or Takkt, which have strong market shares in their niche markets that give them enough pricing power to transfer cost increases to prices. Finally, companies related to commodities, such as TGS, Expro, Navigator or Wihl Wilhelmsen are benefiting directly from price increases.

A third possible scenario is one in which inflation is followed by an unexpected interest rate rise. We think that this is not a very probable scenario, due to the high levels of debt that Governments accumulated, but we cannot discard it completely. In a situation like this, it is important to have a portfolio trading at low multiples and with low leverage. If interest rates rise, those companies with high leverage and that trade at high multiples will suffer most. Equam invests in cheap companies with moderate leverage.

Our portfolio is well positioned both to capture the recovery and to endure a potential crisis from higher inflation or an interest rate increase.

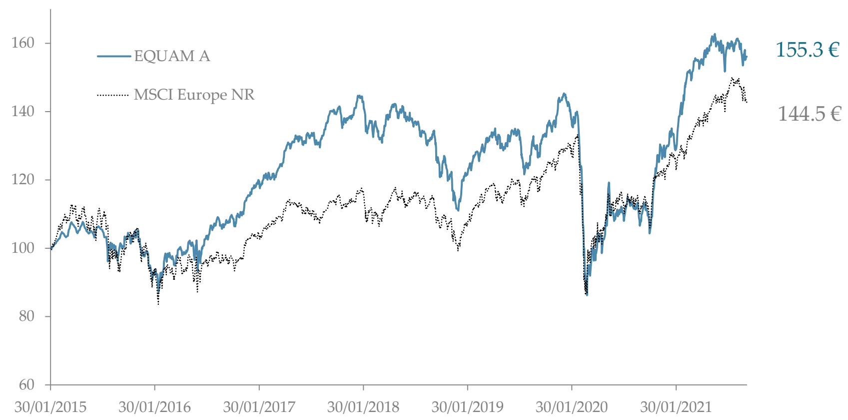
Recent evolution of the fund.

During the third quarter our fund had a slightly worse performance than the index.

During the third quarter of 2021 the NAV of the fund has suffered a -1.6% fall, slightly worse than the -1% of the index. From the minimum levels of March 2020, the fund has doubled its value.

Since inception, the fund has achieved a 7% annualized return, which compares favorably with 6% achieved by the index (including dividends).

Evolution of Equam and the MSCI Europe index

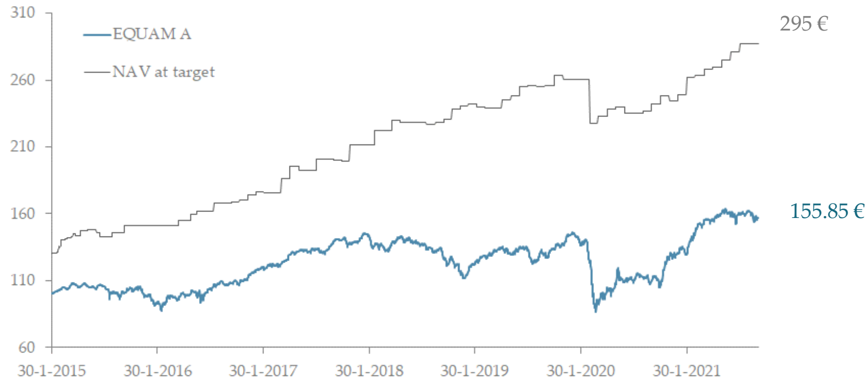


** MSCI Europe Net Return and Stoxx Europe 50 NR in Euros, assuming dividend reinvestment, net of withholding taxes.*

The rotation of the portfolio allows us to increase the fund's upside potential to 83%

The relative weakness of the fund during this quarter has increased its upside potential to 83%.

Equam performance vs its target NAV



** NAV at target estimates the NAV of the fund if all its positions were to achieve our estimate of intrinsic value.*

Main changes in the portfolio

After the sharp recovery of the fund during the first half of the year, we have reduced the exposure to, or even sold completely, some of our investments.

We have invested again in Applus.

During the third quarter we have added **Applus** to the portfolio. We made an investment in this company in 2016, at a time in which its share price was very depressed and sold it with an IRR of 42%.

We have now returned to this company because its share price fell to very attractive levels during the pandemic and it has not yet recovered, despite its good operating performance. The company has continued to make acquisitions both for its Energy and Industry division, where it has acquired Inecosa and Adicora for the electricity generation market, Safco in Saudi Arabia and Enertis for the solar energy market, and for the ITV market, acquiring the Swedish company Besikta Bilprovning. It has also managed to renew the Irish contract, its largest outside of Spain, for 10 more years.

We believe that the share price may be negatively affected by the decision of the Generalitat de Cataluña to open the Idiada technology center contract to tender once it expires in 2024. Idiada, an automotive laboratory for testing, is currently being managed by Applus and represents around 14% of the company's operating profit. However, we believe that the current price more than discounts this potential loss and that Applus is trading at very attractive levels even considering the potential loss of the contract. If they win the tender in 2024, the impact could be very positive.

Thanks to its cash generating capacity and despite the m&a transactions we have mentioned, the debt to ebitda ratio has been reduced to 2.9x in June 2021, which is lower than the 4x required in the covenants. Applus trades at a 10% normalized free cash flow yield.

We have sold our remaining shares in **Mekonomen**, the Swedish company devoted to the distribution of auto parts, after its share price recovered briskly. We started buying shares in this company in April 2019, have held it for two and a half years, and achieved a 42% IRR. This good performance is the result both of margin expansion and profit recovery over the period.

We have also sold Hornbach Baumarkt. This German DIY company has reported exceptionally good results during the pandemic, because demand for home maintenance products has increased substantially. Its trading multiples are still attractive, even the strong price recovery, but we have decided to sell and look for better opportunities with better upside potential.

Corporate activity within the portfolio.

Two transactions that had been announced in previous quarters were completed in this third quarter.

Franks International has completed its merger with Expro and Arcus has completed its merger with Altia to create Anora.

Arcus, our Norwegian distributor of wine and spirits, has completed its merger with Altia, its Finnish competitor, to create Anora. With this merger, both companies increase their scale and improve their logistic and industrial efficiency. Arcus has been absorbed by Altia and we have received 0.4618 shares of the new company for each share we held in Arcus. The new company trades in Euros.

Franks International, the US oil exploration and production company, has merged with Expro, another company of its industry. Expro is oriented to services for enhancing production in existing wells, while Franks had a greater expertise in the installation of steel tubes and providing cementing services for the construction of new wells. The combination of both companies results in a more stable enterprise, which generates stable cash flows from producing wells and has exposure to the recovery in oil E&P investing. Franks has absorbed Expro and the resulting group has changed its name to Expro. In the transaction Franks has also executed a reverse split of 6:1.

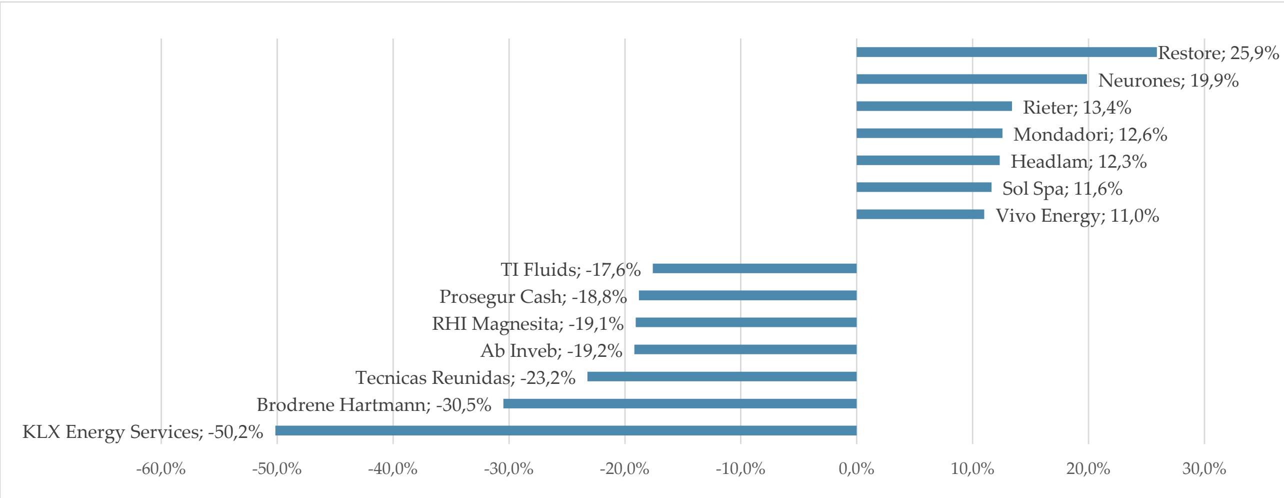
Portfolio evolution.

In 2021 we have made eleven new investments and four divestitures, after which we hold 46 positions in the portfolio. Our cash position remains at the same low level of previous quarter because we keep finding attractive opportunities in the market.

The following chart shows the evolution of our best and worst performers during the third quarter. KLX Energy, devoted to oil and gas exploration in the US and Brodrene Hartman, where costs are increasing sharply, have suffered most. It is important to highlight that last year we sold most of our shares in Brodrene, after having doubled in price.

On the positive side, Restore and Neurones have experienced a solid recovery. Rieter continues to improve and the price of Mondadori, our largest position, has increased by 12.6%

Best and worst performing companies in the first quarter.



Appendix I: Largest portfolio positions

Company	Country	Weight	Business description
Mondadori	Italy	5,5%	Book Publisher trading at discount.
Prosegur Cash	Spain	4,4%	Cash in transit present in Spain & Latam.
TGS	Norway	4,4%	Countercyclical niche oil services player. Net cash.
Dalata Hotel	Ireland	4,0%	Hotel chain which manages Dalata & Clayton brands.
Expro Group.	USA	3,7%	Oil & gas industry services.
DO & CO	Austria	3,4%	Catering services for Airlines.
Navigator	Portugal	3,2%	Paper manufacturer.
Wilh. Wilhelmsen	Norway	3,2%	Norwegian shipping holding.
RHI Magnesita	UK	3,0%	Turnaround in refractory materials.
Intertrust	Netherlands	2,9%	Corporate and fund services.
Orsero	Italy	2,8%	Fruit wholesale distribution in Southern Europe.
Vivo Energy	UK	2,8%	Petrol distribution in Africa, trading at a deep discount.
TAKKT	Germany	2,7%	Factory and office materials wholesale.
Neurones	France	2,6%	IT services.
Cellularline	Italy	2,6%	Italian distributor of electronic consumables.
Total top 15		**51%**	
Total porfolio		**100%**	
Liquidity		**0,3%**	
Total		**100%**	

EQUAM Global Value, FCP

EQUAMVA LX
155.85€
30 September 2021

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
Arnoldo Mondadori Editore S.p.A.	5.4%
Prosegur Cash SA	4.6%
TGS ASA	4.3%
Dalata Hotel Group Plc	4.0%
Navigator Company SA	3.3%
DO & CO Aktiengesellschaft	3.2%
Expro Group Holdings N.V.	3.2%
Wilh. Wilhelmsen Holding ASA Class A	3.1%
RHI Magnesita NV	3.1%
Vivo Energy Plc	2.9%
Total Top 10	**37.1%**
Total Equities	**99.6%**
Cash positions	**0.4%**

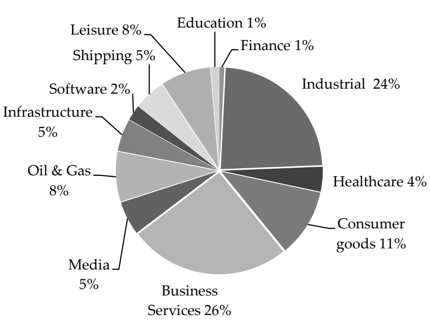
Fund upside potential 83% Positions 46

Performance vs indices	EQUAM A	MSCI Europe NR**	Stoxx 50 NR**	Equam vs MSCI
1 month	-3.6%	-3.0%	-3.1%	-0.6%
3 month	-1.6%	0.7%	0.2%	-2.3%
2021 YTD	19.6%	16.2%	15.2%	3.4%
2020	-10.4%	-3.3%	-6.3%	-7.1%
2019	27.2%	26.0%	27.4%	1.2%
2018	-19.2%	-10.6%	-10.2%	-8.6%
2017	21.7%	10.2%	9.2%	11.5%
2016	17.0%	2.6%	0.6%	14.4%
2015	-1.1%	0.9%	-0.3%	-2.0%
Inception	55.3%	44.5%	35.5%	10.7%
Inception annual	6.8%	5.7%	4.7%	1.1%

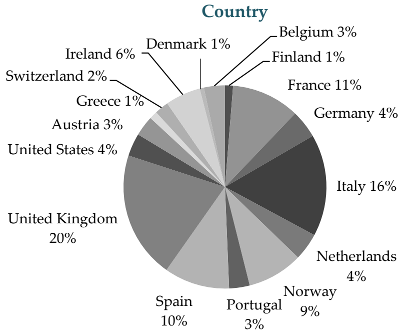
** Return since inception exclude initial 15 days in which the fund was not invested.*
*** NR indices assume dividend reinvestment after withholding tax.*

Portfolio summary

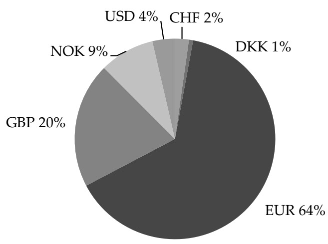
Sector



Country

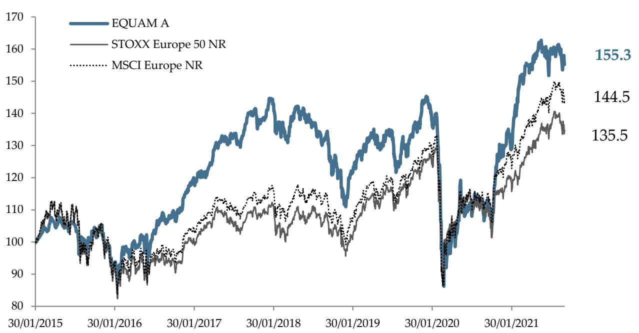


Strategy

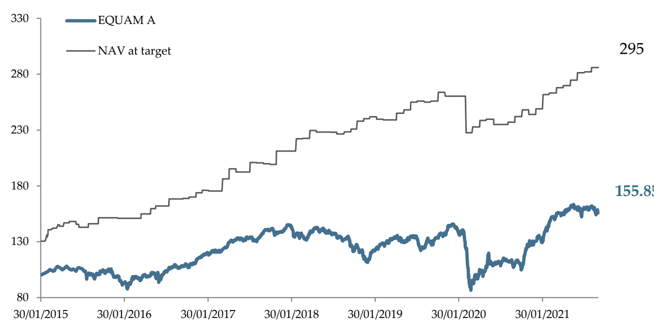


NAV evolution and portfolio data

EQUAM Global Value Class A (Rebased to 100)



EQUAM Global Value Class A vs NAV at target valuation



Incometric Fund - Equam Global Value

Bloomberg (Class A)	EQUAMVA LX
ISIN Class A	LU0933684101
ISIN Class B	LU0933684283
ISIN Class D	LU1274584991

Registered in Spain	CNMV number 587
Fees Class A	1% NAV + 8% profit
Fees Class B	1.85% NAV
Fees Class D	1.25% NAV (min 1 MEUR)

Fund Advisor	Equam Capital
Management Company	ADEPA (Lux)
Custodian	Quintet
Transfer Agent	European Fund Admin.