



WORLD WINNERS

May-20

Monthly factsheet

I Share Class

Preval Funds SICAV - World Winners is invested in a selection of 30 to 50 market-leading international companies with a contrarian investment approach.

Countries available for sale: FR CH BE LU SP NL DE

INVESTMENT PHILOSOPHY

- Stock-picking based on fundamental analysis (Private Equity approach)
- Investing in temporarily disliked listed companies (Value/Contrarian approach): a focused approach on longstanding knowledge of leading high-quality companies (a reduced selection of approx. 700 companies), undervalued by the market (growth either underestimated or restructuring of a company having undergone a fall in earnings), in order to minimize risk
- Seeking returns over a 3 to 5 year horizon: unconstrained and benchmark agnostic approach
- Build a high-conviction but diversified portfolio (30 to 50 holdings)

FUND MANAGER'S COMMENTARY

Dear Investors,

During the month of May 2020, your fund rose by 1.2 % vs a 2.7% increase for its benchmark index.

Apart from an unavoidable recession in 2020, the ultimate impact of Covid-19 on the global economy remains uncertain. For this reason, volatility was still high during the month, against a market recovery that continues to be driven by unprecedented quantitative easing and fiscal stimulus packages around the world.

This being said, the recession caused by Covid-19 is actually strengthening the competitive advantage and growth potential of some companies in our portfolio.

The market has rewarded companies that have a certain degree of visibility on their revenue/cash generation and those that have been given a boost by Covid-19. Wix.com (website design – USA) was up 67% in May. Its revenue is more than 80% recurring, the company has virtually no debt on its balance sheet, and it consistently generates a return on capital employed in excess of its cost of capital. JD.com (third-party logistics services and e-commerce – China) saw an increase in demand for its products and services, good operating results in the first quarter of 2020, and a favourable outlook for growth over the next 12 months. Its share price rose by 24% in May.

Conversely, the share prices of some of our companies declined sharply, because investors deemed them too debt-laden or their cash flow generation to be too volatile, leaving yawning investment opportunities. For example, the share prices of G4S (security – UK) and Weibo (social media – China) declined by around 20% during the month. We are still invested in these companies, because we believe their current share prices are significantly below their intrinsic value and that their value will ultimately be recognized by the market. After a market correction like the one we have just seen, many inefficiencies and under-valuations remain, especially in the mid-cap universe.

We have taken advantage of this period of sharp share price declines to invest in new leaders. Visa (payments – USA), Twitter (social media – USA), Salesforce (cloud CRM – USA) and Dino Polska (local grocery chain – Poland) are among those companies in which we have initiated positions. We believe these companies will emerge stronger from the current crisis, owing to their resilient and innovative business models that address the needs of their consumers.

We thank you for the trust you have placed in us.

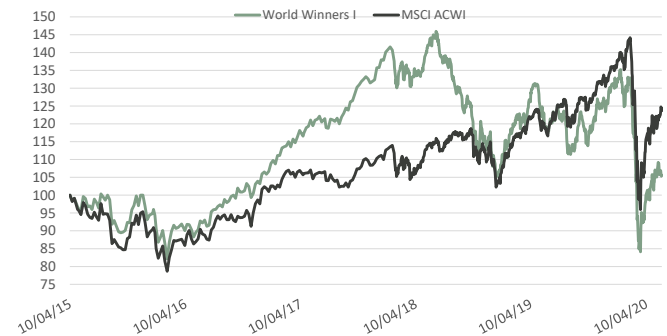
Thierry Flecchia and the management team

PERFORMANCE IN EUROS*

29/05/2020	World Winners - I	MSCI ACWI
Since inception **	5,5%	23,7%
2016	11,1%	11,1%
2017	29,2%	8,9%
2018	-22,4%	-4,8%
2019	21,5%	28,9%
2020	-18,8%	-8,3%
Month	1,2%	2,7%

** On 10/04/2015

PERFORMANCE SINCE INCEPTION*



*Past Performance is not indicative of future results. Performance is not constant over time.

TOP 10 HOLDINGS

58.COM INC-ADR (CHINA, Media & Entertainment)	6,8%
JD.COM INC-ADR (CHINA, Retailing)	5,7%
SCHIBSTED (NORWAY, Media & Entertainment)	4,7%
G4S PLC (BRITAIN, Commercial & Professional Serv)	4,6%
BARRICK GOLD CORP (CANADA, Materials)	4,4%
HEALTH AND HAPPINESS H&H (HONG KONG, Food, Beverage & Tobacco)	4,3%
NEWMONT GOLDCORP (UNITED STATES, Materials)	4,2%
CRH PLC (IRELAND, Materials)	3,7%
WEIBO (CHINA, Media & Entertainment)	3,2%
INGENICO GROUP (FRANCE, Technology Hardware & Equipmen)	3,2%

FUND FACTS AND TERMS

Launch date	10 avril 2015
Isin	LU1132347094
Bloomberg Ticker	PREWWIE LX
Fund size (EUR)	118,4 Millions
Currency	EUR
Nav calculated	105,48 EUR
Benchmark	MSCI World AC Total return net Euros
Custodian	Crédit Suisse Luxembourg
Nav Calculation	Daily
Cut-Off	3pm
Fund structure	UCITS S



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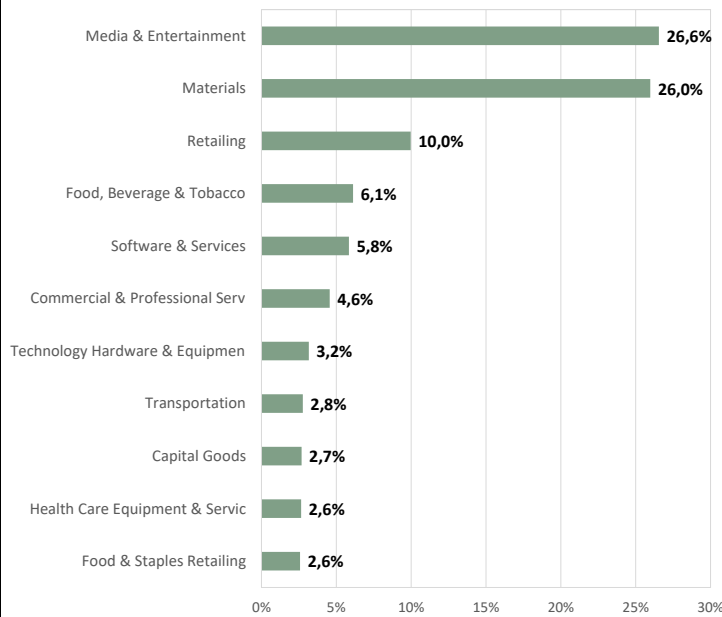
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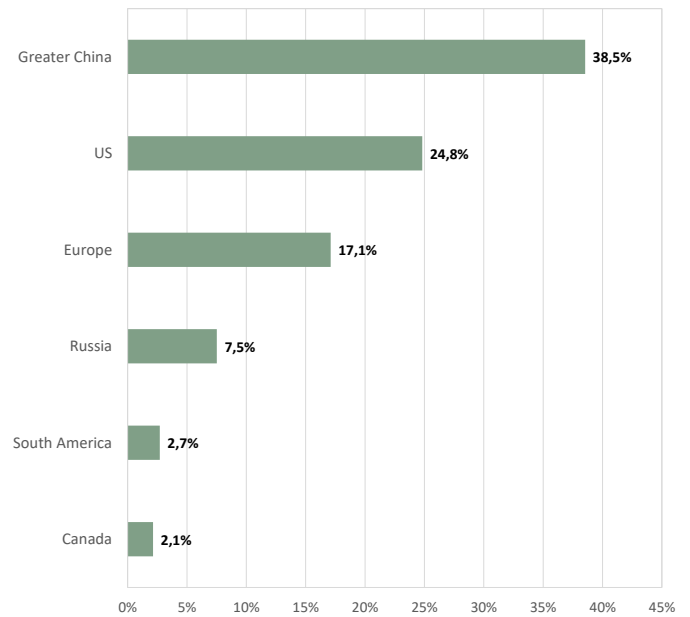
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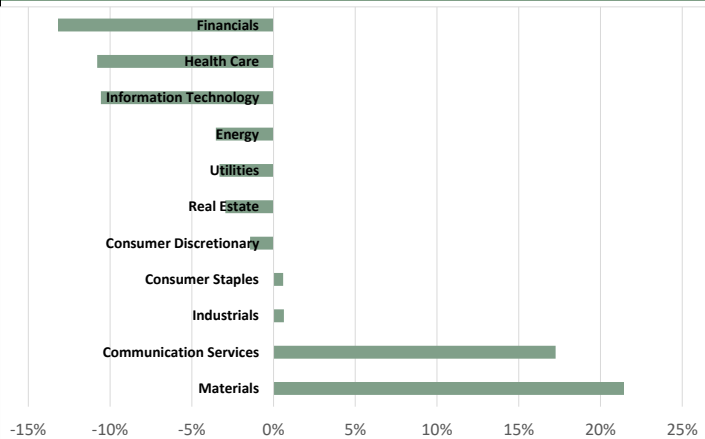
SECTOR EXPOSURE



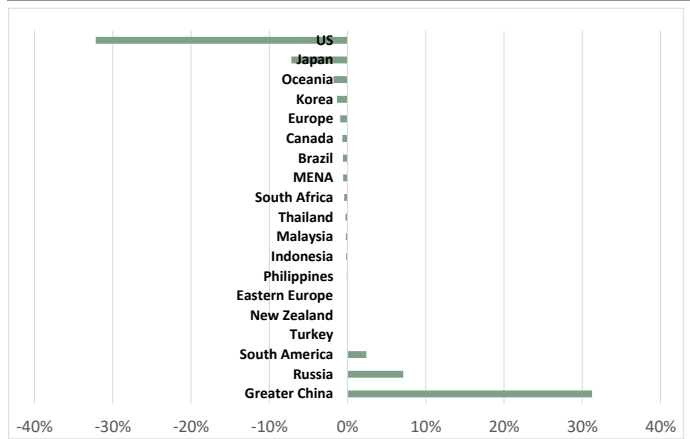
GEOGRAPHIC EXPOSURE



RELATIVE SECTOR EXPOSURE



RELATIVE GEOGRAPHIC EXPOSURE



PORTFOLIO CONCENTRATION

Top 10 holdings	44,6%
Top 20 holdings	73,0%
Top 30 holdings	90,8%
Total	93%

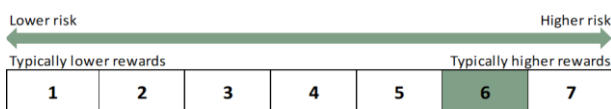
MARKET CAP (in billion euros)

> 10	36%
5-10	33%
< 5	24%
Median Market Cap (BN EUR)	7,9

STATISTICS

Equity exposure	93%
Cash	7%
Number of holdings	32
Active Share	92%
Median Price Earnings	27,4

RISK PROFILE



MANAGEMENT FEE AND PERFORMANCE FEE

Management fee 1,20%

Performance Fee 20% of any excess return if the NAV outperforms the benchmark and achieves a positive performance topping the relevant High Water Mark

*Past Performance is not indicative of future results. Performance is not constant over time. World Winners fund primarily invests in equities and presents a risk of losing capital.

The representative of the Fund in Switzerland is ACOLIN Fund Services AG, Geneva Branch, 6 cours de Rive, 1204 Geneva. The distribution of Shares in Switzerland must exclusively be made to qualified investors. The place of performance for Shares in the Fund distributed in Switzerland is at registered office of the Representative.

This document is not a contractual element. Subscriptions can only be made after reading the regulatory documents of the fund (Prospectus, KIIDI), available upon request from Preval.