



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,

The World Winners fund continued to gain ground in December and outperformed its benchmark index, rising 3.5% vs the index's 1.7% gain. For Fiscal Year 2019, the fund gained 21.5%, vs. 28.9% for the benchmark index. Again this year, value investing underperformed growth investing. Even though the last 18 months have not been favourable to our investment style, the fund is up 30% since its creation in April 2015, vs. the index's 34,9% rise.

The fourth quarter was particularly favourable to equities. Although macroeconomic data remained subdued, some relatively resistant indicators (business confidence and employment data) convinced investors that we were not on the brinks of a recession. In addition, two major risks weighing on the markets diminished during December. Firstly, an agreement was announced on Phase One of a US-China trade agreement; this avoided new hikes in US tariffs. Secondly, Boris Johnson's decisive victory in UK elections cleared the way for Brexit to be finalised, whatever form it may take.

From a geographical perspective, emerging markets, including Asia ex. Japan, significantly outperformed Europe during December and outperformed the United States to an even greater extent.

In December, the World Winners fund benefited from the good performance of Ceconomy, JD.com, 58.com, Informa and Andritz (up 23.8%, 6.5%, 5%, 8.4% and 8.5% in euro terms, respectively). Conversely, the fund's positions in XPO Logistics, Health & Happiness and Konecranes held back the performance. For Fiscal Year 2019, some value stocks, such as LafargeHolcim, AP Moeller and Smurfit Kappa, significantly outperformed their benchmark, with gains in euro terms of 41.7%, 37% and 54.5% respectively, thanks to better than expected results. This is an encouraging sign for our stock-picking approach.

Interest rates remain low, available liquidity remains high, and the number of unjustified undervaluations we observe can no longer be ignored. We have seen evidence of this since September 2019. The World Winners fund has bounced back by 12.3% since the end of August, whereas the benchmark index has appreciated by only 9.1% since then.

During our many years of equity investing, the valuation-to-quality ratio of the companies in our portfolio has rarely been as attractive as it is now. This justifies and supports our optimism.

We wish you all the best for 2020 and we thank you for the trust you have placed in us.

Thierry Flechia and the management team

PERFORMANCE IN EUROS*

	World Winners - I	MSCI ACWI
31/12/2019		
Since inception **	30,0%	34,9%
2015 **	-4,0%	-9,1%
2016	11,1%	11,1%
2017	29,2%	8,9%
2018	-22,4%	-4,8%
2019	21,5%	28,9%
Month	3,5%	1,7%

** On 10/04/2015

PERFORMANCE SINCE INCEPTION*



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

TOP 10 HOLDINGS

G4S PLC (BRITAIN, Commercial & Professional Serv)	9,6%
58.COM INC-ADR (CHINA, Media & Entertainment)	6,5%
JD.COM INC-ADR (CHINA, Retailing)	5,2%
XPO LOGISTICS INC (UNITED STATES, Transportation)	5,1%
AP MOELLER-MAERSK A/S-B (DENMARK, Transportation)	4,1%
INFORMA PLC (BRITAIN, Media & Entertainment)	3,8%
LAFARGEHOLCIM LTD-REG (SWITZERLAND, Materials)	3,5%
WEIBO (CHINA, Media & Entertainment)	3,3%
CECONOMY AG (GERMANY, Retailing)	3,2%
YANDEX NV-A (RUSSIA, Media & Entertainment)	3,1%

FUND FACTS AND TERMS

Launch date	10 avril 2015
Isin	LU1132347094
Bloomberg Ticker	PREWWIE LX
Fund size (EUR)	164,1 Millions
Currency	EUR
Nav calculated	129,96 EUR
Benchmark	MSCI World AC Total return net Euros
Custodian	Crédit Suisse Luxembourg
Nav Calculation	Daily
Cut-Off	3pm
Fund structure	UCITS S



WORLD WINNERS

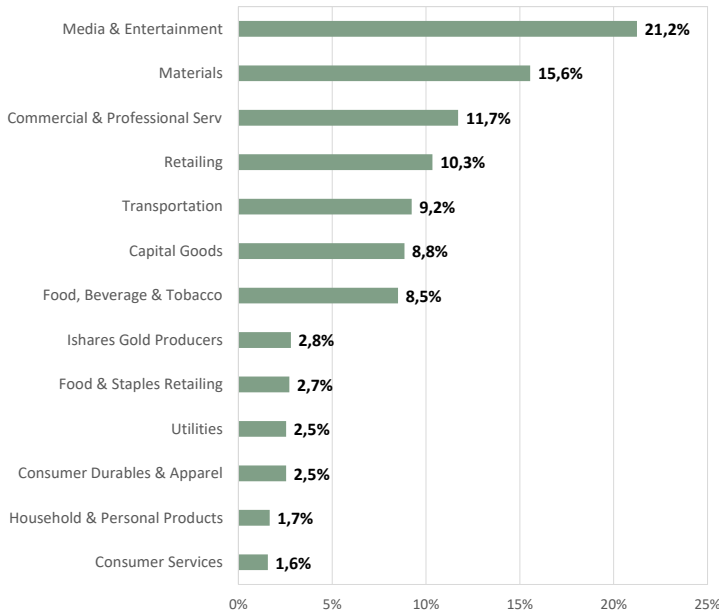
December-19

Monthly factsheet

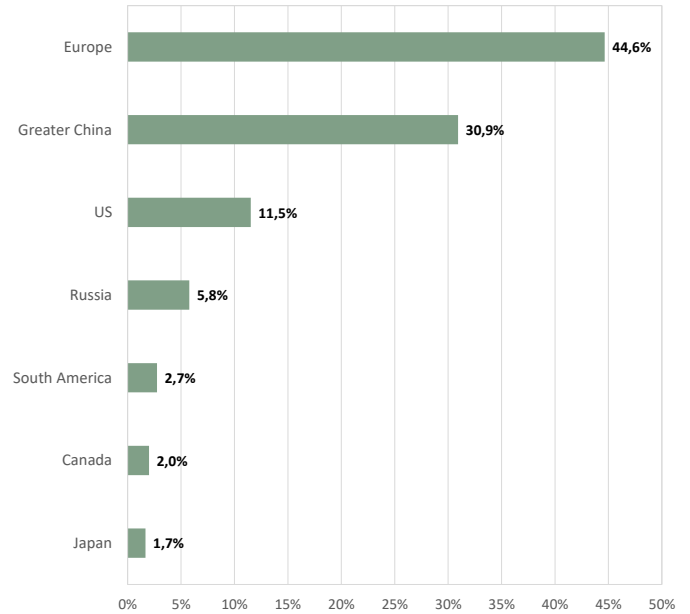
I Share Class

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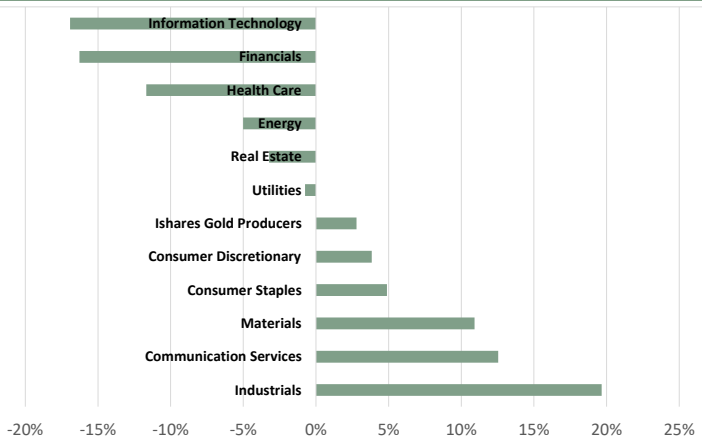
SECTOR EXPOSURE



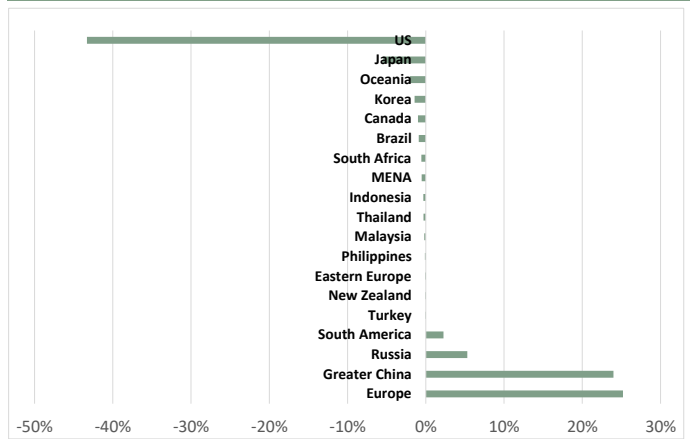
GEOGRAPHIC EXPOSURE



RELATIVE SECTOR EXPOSURE



RELATIVE GEOGRAPHIC EXPOSURE



PORTFOLIO CONCENTRATION

Top 10 holdings	47,4%
Top 20 holdings	75,2%
Top 30 holdings	94,1%
Total	99%

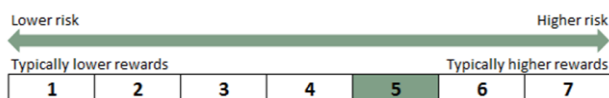
MARKET CAP (in billion euros)

> 10	32%
5-10	25%
< 5	42%
Median Market Cap (BN EUR)	5,3

STATISTICS

Equity exposure	99%
Cash	1%
Number of holdings	34
Active Share	99%
Median Price Earnings	17,1

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.