

**PARETURN GVC GAESCO COLUMBUS EUROPEAN MID-CAP EQUITY FUND (MASTER)
GVC GAESCO COLUMBUS EUROPEAN EQUITIES FI (FEEDER)**

31/12/23



OBJECTIVE AND INVESTMENT STRATEGY

The fund aims to achieve capital growth through investment in European mid cap companies over the long term.

MANAGEMENT REPORT

Columbus class I is up 4.5% in December, 9.0% in 2023 and 37.4% in the last 5 years. This was a good end of the year for European midcaps (MSCI Mid Europe: +8% in Q4), and in general for equity markets (Stoxx 600: +6% in Q4), but on the big context for small/midcaps, it was just a bounce after a weak 2022 (MSCI Midcaps: -21%).

In 2023 the small/midcap asset class continued to underperform the US "big 7" stocks, but it was good to see that the year-end rally in bond markets was followed by a good recovery in small/midcaps. We believe there is light at the end of the tunnel for European midcaps, and we also detect that the investment community is starting to pay attention to the space. Recent WSJ article is a good example ("[Why Now May Be the Time To Invest in Midcap Stocks](#)" Jan.2024)

The recent bond rally changes everything. Such a material change in trend is very relevant for 2 reasons: 1) Business and families can now finance cheaper than months ago, and it's not just the cost, the fear of higher rates is a deterrent to take business decisions. Prospects of a more stable rate environment will ease fears and facilitate refinancing. 2) The rates level is the key factor for asset pricing and explains large monetary flows. Short-term monetary funds reached an all-time high in 2023, investors moved quickly into long-term rates in Q4 2023 and partly into midcaps. The alternative of fixed income is less appealing, and we believe there is no other asset class more interesting than high yields in quality smallcap equities. European midcaps continue to offer very interesting valuation levels and relatively good prospects, even if macro prospects continue to be uncertain.

We continue to see deep value in many high-quality companies in Europe which have solid growing cash flow prospects. The opportunity to invest in quality growth companies in Europe is still there, no matter if the macro situation can remain subdued for some time or if inflation does not return to the 2% target for some time.

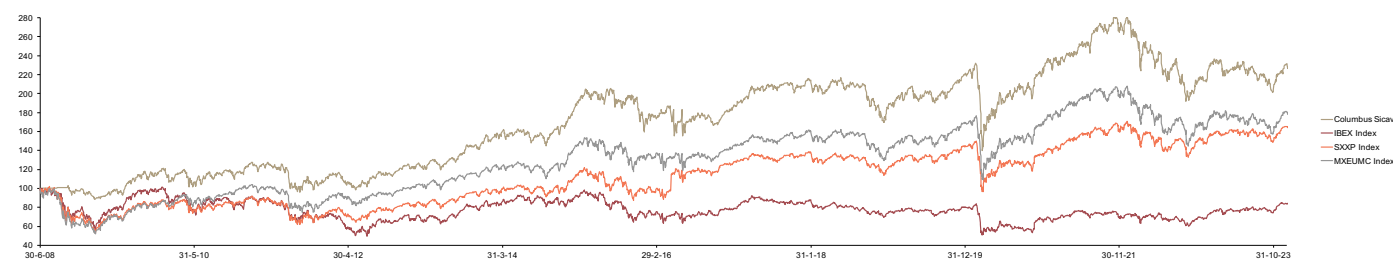
There is excessive value concentration on the "Big 7" stocks, usually a driver of low returns in the long-term. An open economy requires a large group of companies that respond to economic needs and a good selection of midcaps tends to have better revaluation in the long term than the market average. Market consensus expects the economy to slow down in 2024 and begin a period of rate cuts that may be favorable for bond and equity valuations. The risk of a macro adjustment remains present. In this environment, we are convinced that the Columbus' portfolio is relatively well positioned.

Regarding Columbus portfolio, during the month of December, the return of some stocks stands out. The best performing stocks in December coincide with some companies where we recently increased our stakes such as **Mobico** (+27%), **Prysmian** (+17%), **YouGov** (14%) or **Trainline** (+13%). If we look at the full year 2023 the best performing stocks included **Elecnor**, **Buzzi**, **Computacenter**, **Salcef**, **EFG International** and **Auto Trader**.

On the negative side, during December financials continued to suffer from lower rates prospects (**Unicaja**: -13%, **SCOR**: -9%, **Mapfre**: -4%). Nevertheless, we retain exposure (c17% of NAV) to several low-risk financials as current rates will continue to support earnings, value remains very supportive, and we see good earnings momentum particularly in insurance (we own **SCOR**, **Ageas** and **Hiscox**). Stocks that detracted performance in full year 2023 (partly recently recovering) include: **Duerr**, **Mobico**.

Over the past 2 months we have been very busy visiting more than 50 companies and made several changes in the portfolio. Recent additions to our portfolio include **Kinepolis**, an unappreciated growth and transformation story in cinemas, **Befesa**, a turnaround story in metal recycling, and **Fresenius**, another deep value turnaround story in pharma. Year 2024 appears to be favorable, despite the first trading days have been complex. The macro-outlook in our view is likely to set the tone, while rates could be supportive. At some point we expect a rerating for quality European midcaps, and we want to be ready to capture its long-term potential.

RELATIVE PERFORMANCE OF FUND AND INDICES (Performance is expressed net of management and depository fees)



PERFORMANCE	2023	1 MONTH	3 MONTHS	6 MONTHS	12 MONTHS	3 YEARS	5 YEARS	7 YEARS	10 YEARS	12 YEARS	2008*
COLUMBUS	9.02%	4.58%	7.60%	2.51%	9.02%	1.58%	37.43%	36.87%	63.14%	128.43%	143.25%
STOXX 600	12.74%	3.77%	6.40%	6.40%	12.74%	20.05%	41.87%	32.54%	45.93%	95.89%	65.33%
MSCI MID CAPS	11.40%	5.05%	7.76%	5.64%	11.40%	4.98%	36.40%	29.42%	52.60%	116.12%	80.93%

PERFORMANCE	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008*
COLUMBUS	-23.19%	21.41%	7.04%	27.61%	-15.69%	17.01%	-9.22%	18.21%	11.26%	23.87%	13.04%	-8.22%	-2.13%	22.25%	-2.01%
STOXX 600	-12.30%	22.25%	-4.04%	23.16%	-13.24%	7.68%	-1.20%	6.79%	4.25%	17.37%	14.37%	-12.20%	3.90%	23.40%	-40.90%
MSCI MID CAPS	-21.13%	19.49%	2.40%	26.89%	-15.17%	10.52%	-1.64%	12.69%	6.38%	21.00%	18.70%	-15.60%	16.80%	36.40%	-37.70%

*Since 30/06/2008

The performance is net of management and depository fees. Performance record from initiation at 30/06/08 to 15/06/20 corresponds to Inversion Columbus 75 Sicav followed by Paretum Columbus class I2-B after the establishment of the master-feeder structure. Both portfolio's were substantially the same. Past performance is not necessarily indicative of future results. Indices shown are Price only.

COUNTRY DISTRIBUTION

UNITED KINGDOM	24.51%
ITALY	19.27%
SPAIN	16.98%
FRANCE	12.12%
GERMANY	9.62%
BELGIUM	6.80%
IRELAND	3.91%
SWITZERLAND	3.43%
NORWAY	1.67%

SECTOR DISTRIBUTION

INDUSTRIAL	18.94%
FINANCIAL	16.58%
CONSUMER DISCRETIONARY	15.97%
SERVICES	11.77%
INFRASTRUCTURE	11.28%
TECHNOLOGY	9.82%
MATERIALS	8.42%
PHARMA	4.28%

CURRENCY DISTRIBUTION

EURO	70.39%
GBP	24.51%
CHF	3.43%
NOK	1.67%

TOP 10 HOLDINGS

INTERPUMP GROUP SPA	4.66%
GRIFOLS	4.28%
DALATA HOTELS	3.91%
UNICAJA BANCO SA	3.87%
AGEAS	3.82%
AUTO TRADER GROUP PLC	3.63%
GETLINK	3.60%
ELEMENTIS	3.44%
REPLY SPA	3.32%
MAPPRE	3.29%

PARETURN GVC GAESCO COLUMBUS EUROPEAN MIDCAP EQUITY FUND (LUXEMBOURG UCITS)

GENERAL INFORMATION

COUNTRY	LUXEMBOURG
COMPANY	PARETURN GVC GAESCO COLUMBUS EUROPEAN MID-CAP EQUITY
INVESTMENT MANAGER	GVC GAESCO GESTION SGIC
CUSTODIAN	BNP SECURITY SERVICES LUXEMBOURG
AUDITOR	DELOITTE
TRANSFER AGENT / FUND ADMINISTRATOR	BNP SECURITIES LUXEMBOURG
INVESTMENT MANAGEMENT COMPANY	MDO MANAGEMENT SERVICES FUND
ADVISOR	ALTERNATIVES ST JAMES LLP / COLUMBUS INVESTMENT PARTNERS LTD COLUMBUS INVESTMENT PARTNERS IS AN APPOINTED REPRESENTATIVE OF ALTERNATIVE ST JAMES WHICH IS AUTHORISED AND REGULATED BY THE FCA

SHARE INFORMATION

SHARE CLASS	CLASS R-B	CLASS I2-B	CLASS IGC
ISIN	LU1569896738	LU1569897116	LU2378529082
MANAGEMENT FEE	1.35%	0.75%	0.80%
PERFORMANCE FEE	9% ABOVE BENCHMARK, 3Y HWM	9% ABOVE BENCHMARK, 3Y HWM	No
MINIMUM INVESTMENT	ONE SHARE	ONE SHARE	ONE SHARE
NET ASSET VALUE (EUR)	173.54	168.60	156.02
BLOOMBERG	PAMCB1	PAMCB2	

GVC GAESCO COLUMBUS EUROPEAN EQUITIES FI

GENERAL INFORMATION

COUNTRY	SPAIN
CATEGORY	EUROPEAN EQUITIES
INVESTMENT MANAGER	GVC GAESCO GESTION SGIC
CUSTODIAN	BNP PARIBAS
AUDITOR	DELOITTE SL
BASE CURRENCY	EUR

SHARE INFORMATION

SHARE CLASS	CLASS A (RETAIL)	CLASS I (INSTITUCIONAL)
ISIN	ES0143559005	ES143559013
MANAGEMENT & ADVISORY FEE	2.25 TOTAL FEES	0.75% TOTAL FEES
PERFORMANCE FEE	9% ABOVE BENCHMARK, CON HWM DE 3Y	9% ABOVE BENCHMARK, CON HWM DE 3Y
NET ASSET VALUE (EUR)	10.07	10.17

This report is provided for informational purposes only. All the information included in this report has been compiled from sources that we consider reliable, however, there is no guarantee of integrity, veracity and accuracy. All opinions and estimates contained in this report constitute our opinion on the date of the report and may be modified without prior notice. No responsibility will be accepted for direct or indirect losses that are due to the use of this report or its content. This report may not be reproduced, distributed or published by any recipient thereof for any purpose. Disclaimer for the Paretum Gvc Gaesco Columbus Europea Mid Cap Equity Fund (the "Fund") is a qualifying as an undertaking for collective investment in transferable securities ("UCITS") under Directive 85/11/EEC (as amended). This document is issued by Columbus Investment Partners Ltd who are an appointed representative of Alternatives St James LLP who are authorised and regulated by the Financial Conduct Authority. Past and is for private circulation only. The information contained in this document is strictly confidential and does not constitute an offer to sell or the solicitation of any offer to buy any securities and/or derivatives and may not be reproduced, distributed or published by any recipient for any purpose without the prior written consent of Columbus Investment Partners Ltd. The value of investments and any income generated may go down as well as up and is not guaranteed. You may not get back the amount originally invested. Past performance is not necessarily a guide to future performance. Changes in exchange rates may have an adverse effect on the value, price or income of investments. There are also additional risks associated with investments in emerging or developing markets. The information and opinions contained in this document are for background purposes only, and do not purport to be full or complete. 2024. All rights reserved.