

c o b a s
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a s s e t m a n a g e m e n t



Comments
Fourth Quarter 2022

Dear Investor:

2022 has been a difficult year for financial markets, with the main European indices down nearly -10%, and the main American index down -18%. Our funds have continued the positive performance started last year, with the international fund up +11% and the Iberian fund up +4%, both above their benchmark indices (MSCI Euro: -9.49%; IGBM + PSI20: 0.93%).

Although we have had two years of positive performance, confirming a clear improvement of our portfolios in difficult environments, we still have a long way to go in the coming years. We believe that our funds, based on our estimate of their target value, are still worth significantly more than their current share price.

The reason for our confidence is that we have a pool of good companies bought at very good prices, which greatly increases the likelihood of good returns. Despite the good performance of the last few years they are still trading at very attractive multiples, with the international portfolio trading at a P/E¹ of 5.5x and the **Iberian portfolio**

at 6.9x. Moreover, the outlook for most of our companies has improved during the year.

Economic Scenario

The last 12 months have presented a change of cycle due to rising inflation (we have commented on our view in previous quarterly letters). This has prompted central banks to respond, which have rapidly raised interest rates, bringing an end to the era of "easy money", as well as the end of a cycle, which has generated some bubbles in certain market segments: unprofitable technology, SPAC's, (companies that went to market with a special purpose acquisition) and cryptocurrencies, to name a few. The beginning of the new cycle shows a situation opposite to the previous one, with high inflation and interest rate hikes, which is causing an economic slowdown and perhaps a recession.

In this sense, after a difficult decade for value investing, it seems that the normalisation of monetary policies is causing the fundamental valuation of companies based on the cash they generate today to regain the interest it

(1) For more information on ratios and possible scenarios see page 16.



deserves as a critical element when it comes to investing. One of the conclusions discussed in our previous letters, and we insist in this one, is to own real assets, which we believe will reasonably maintain the purchasing power of our savings, and more specifically shares of companies that are trading at attractive prices.

What we can expect going forward

The new market focus now seems to be on when central

banks will get inflation under control, at what level interest rates will be set and whether there will be a controlled landing of the economy or whether we will enter a recession.

We believe that trying to make economic predictions does not add much value. No one has been able to predict macroeconomic movements accurately and consistently. As history shows, it is difficult to predict a crisis because of the great complexity and uncertainty surrounding

Ilustración: Daniel Gete for the blog 'Cada vez más cerca' written by José Belascoaín member of Equipo de Relación con Inversores at Cobas AM.

the global economy. This does not detract from trying to understand what is happening, where we are in the cycle and what it might imply in the future, i.e. to be well prepared. This is very different from trying to predict when it will happen, how deep it will be or even if such a recession will occur.

We do not know any more than others about what might happen in the next month or even the next year, and it is very difficult for anyone to know, but we believe that in order to invest well for the long term it is not necessary to know.

In the end, we should think that we are buying small parts of good businesses and always put the price (what you pay) in relation to the value of those businesses (what you receive). This is based on their ability to generate sustainable profits over the long term. To the extent that the price you pay is below the intrinsic value of the business, and this price is as low as possible, you are increasing the likelihood of a good long-term return, in turn generating a higher margin of safety.



Photo: People walking and shopping in Leicester Square . Shutterstock.

We, in a complex geopolitical environment and in an uncertain economic situation, own good businesses and remain focused on where we can add the most value, which is the search for and in-depth analysis of highly undervalued companies with strong balance sheets, good management teams, and which are prepared to withstand different scenarios.

Our portfolios

During 2022 we have maintained a similar position in the main blocks of the portfolio (which we explain in detail in our [Q1](#) and [Q2](#) 2022 quarterly letters), closing the year with: 34% in the energy sector which has protected us well in this high inflation scenario; 28% in the defensive segment; 19% in cyclical sectors; 6% in other commodities; the rest 9%; and in liquidity close to 4%.

Internacional Portfolio

Main Blocks

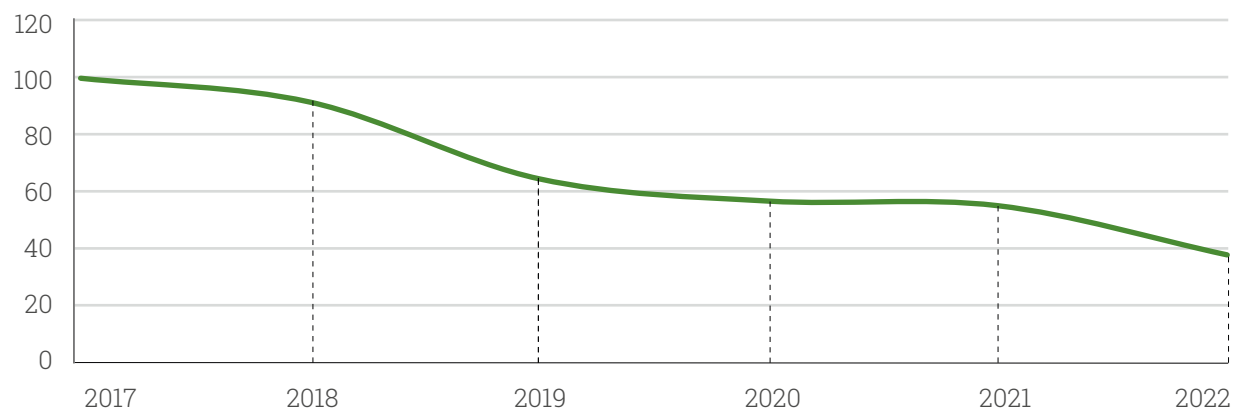
International Block	4Q21	4Q22	Dif
Energy	44%	34%	-10%
Defensive	25%	28%	3%
Cyclical	14%	19%	5%
Commodities	4%	6%	2%
Rest	10%	9%	-1%
Cash	3%	4%	1%
Total	100%	100%	

Naturally, we have reduced exposure and sold some companies in the energy sector that had performed very well and increased our position in companies that we already had in our portfolio, and which had been left behind. We have also entered some new companies, which you can read about below in this letter.

Within the defensive segment, especially in the latter part of the year, we have been increasing our exposure to

the pharmaceutical sector, reaching almost 9% of the portfolio, compared to 3% the previous year. Some are companies that we had a small position in the portfolio and have decided to increase their exposure (Viatris, Teva), and others are new (such as the Fresenius group, Organon and Taro). This group of companies on a weighted basis to our holdings are companies whose share price has fallen by about 65% over the last 5 years, which tends to indicate that it may be a good place to go fishing.

Weighted Stock Performance- Pharmaceuticals (Base 100)



Source: Cobas AM.

We note in this group of companies that there are some reasonable concerns on the part of the market, although these are known and more than reflected in current prices. In some cases, these are temporary problems, and we see that they are improving given the execution that the companies are performing. They are trading on average at 5.5X times cash flow at the end of 2022, which we consider very attractive for companies that are not depen-

dent on the economic cycle.

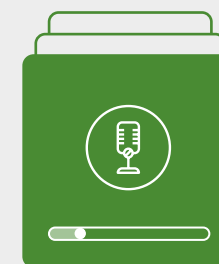
In short, we maintain our conviction in the investment process and our confidence in the companies in our funds. It is only a matter of time before the market recognises the important difference between price and value. For our part, we will continue to work with the aim of increasing this gap, i.e. to create value for our investor.

PERFORMANCE OF COBAS AM FUNDS

The Commentary of the **4th Quarter 2022** is available to you in different formats.



[Watch the video](#)



[Listen to the audio](#)

(1) Normalised cash flow based on own estimates.

PORTFOLIO

Our portfolios

Data as of 31/12/2022

Spanish domiciled funds

Name	AUM
Internacional FI	536.1 Mn€
Iberia FI	36.5 Mn€
Grandes Compañías FI	23.8Mn€
Selección FI	730.2 Mn€

Luxembourg domiciled funds

Name	AUM
International Fund	34.0 Mn€
Large Cap Fund	11.7 Mn€
Selection Fund	87.2 Mn€

	Market Cap	Strategies	Number of holdings
		International	Iberian
	Multi Cap	●	
	Multi Cap		●
	70% ≥ 4Bn€	●	●
	Multi Cap	●	●

At **Cobas AM** we manage three portfolios: the **International Portfolio**, which invests in companies worldwide excluding those listed in Spain and Portugal; the **Iberian Portfolio**, which invests in companies listed in Spain and Portugal or which have their core operations in Iberian territory; and, finally, the **Large Cap Portfolio**, which invests in companies globally and in which at least 70% are companies with a market capitalisation of more than 4,000 million euros.

These three portfolios are used to construct the various equity funds we manage as of 31 December 2022:

Please note that the target value of our funds is based on internal estimates and **Cobas AM** does not guarantee that these estimates are correct or will be achieved. Investments are made in securities that the managers believe are undervalued. However, there is no guarantee that they are undervalued or, if so, that their prices will perform as the managers expect.

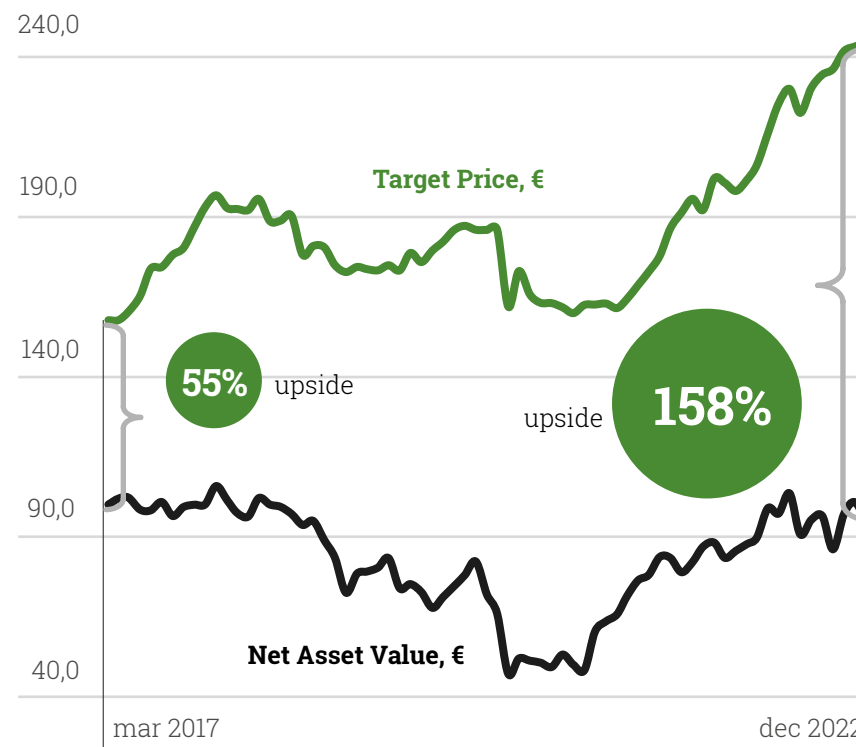
**Total assets
under management**

**1,792
Mn€**

International Portfolio

During the fourth quarter of 2022 our **International Portfolio** returned +10.2%, slightly outperforming its benchmark, the **MSCI Europe Total Return Net**, by +9.5%. If we extend the comparison period from inception to the end of December 2022, the International Portfolio returned -5.2%, while its benchmark returned +30.6% for the same period.

During the fourth quarter we made few changes to the International Portfolio in terms of inflows and outflows. We exited Energy Transfer and Petrofac completely (in September these companies had a combined weighting of just over 2%). And we have entered **Continental**, **Fresenius Medical Care** and **Porsche**. At the end of December these companies had a combined weighting of just over 2%. In the rest of the portfolio we reduced our position in **Subsea 7** and **Affiliated Managers Group** due to their good performance during the quarter. On the buy side we increased our position in **Atalaya Mining** and **Organon** to take advantage of their falling share prices.



Note: For more information on revaluation potential and other possible scenarios (VaR) see page 16.

(1) International Portfolio: Performance obtained by Cobas Internacional FI - Class C, ISIN: ES0119199000.

During the fourth quarter, thanks to market volatility and our rotation, the **target value** of the **International Portfolio** increased by just over 3% to **€244/share**, implying a **potential¹** upside of **158%**.

As a result of this potential and the confidence in the portfolio, we are invested around 97%. The whole portfolio trades at an estimated 2023 P/E¹ of 5.5x versus 11.8x its benchmark and has a ROCE¹ of close to 27%. But if we look at the ROCE excluding shipping and commodity companies, we are close to 34%, which shows the quality of the businesses in the portfolio.

In short, we have done what we always do, taking advantage of volatility to buy what falls and sell what rises, resulting in a portfolio made up of very good businesses, which we have known for many years, trading at very low multiples.



(1) For more information on revaluation potential and other possible scenarios (VaR) see page 16

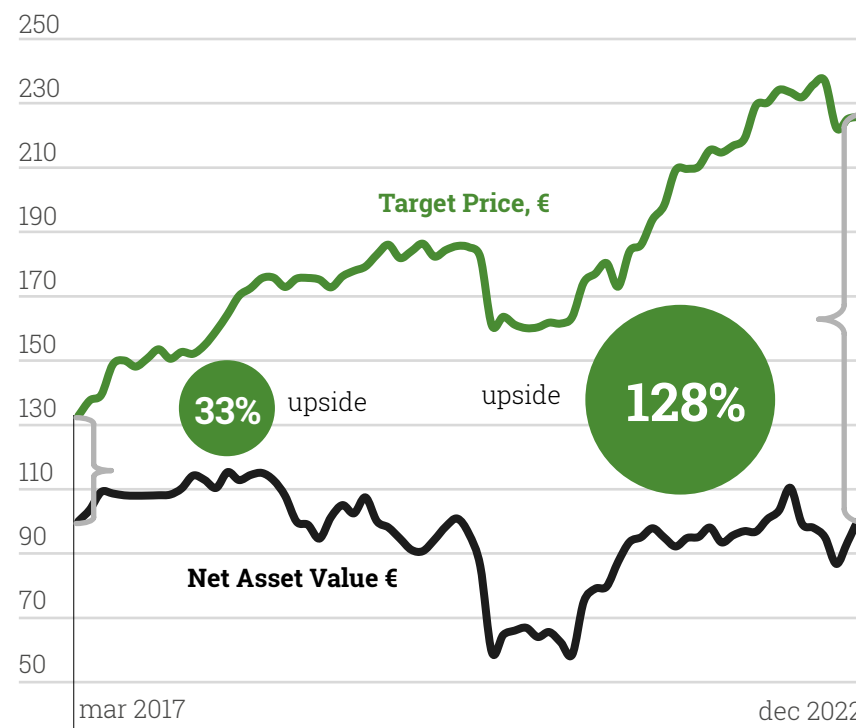
Photo: Medical pillars in the production line Shutterstock

Iberian Portfolio

The **Iberian Portfolio's** net asset value performance during the fourth quarter of 2022 was +14.5%, slightly better than its benchmark, +12.4%. If we extend the comparison period from inception to the end of December 2022, we returned¹ -0.6%, while the benchmark returned +15.4% for the same period.

During the fourth quarter we made few changes in terms of portfolio inflows and outflows. We did not enter any company and only exited **Logista**, **Sonaecom**, **CIE Automotiva** and **Mediaset España**, taking advantage of their good share price performance and the takeover bid launched by **Sonae** for **Sonaecom**. All these companies had a combined weighting of between 3 and 4% at the end of September. In the rest of the portfolio the most important movements were: on the sell side **Técnicas Reunidas** and **Sacyr** while on the buy side **Atalaya Mining** and **Línea Directa**.

During the quarter we have slightly adjusted upwards the **target value** of the **Iberian Portfolio** by about 2% to **€227/share**. After this slight adjustment, the **potential¹ upside** stands at **128%**.



Note: For more information on revaluation potential and other possible scenarios (VaR) see page 16.

(1) Iberian Portfolio: Performance obtained by the Cobas Iberia FI - Class C, ISIN: ES0119184002

In the **Iberian Portfolio** we are slightly over 97% invested, and as a whole, the portfolio trades at an estimated 2023 P/E¹ of 6.9x versus 11.0x for its benchmark and has a ROCE of close to 26%.

The summary is the same as in our **International Portfolio**, we have taken advantage of the volatility of the market to seed in good businesses at very good prices, prices that are difficult to see normally. But to this, we would add that the **Iberian Portfolio** is mainly made up of businesses that we have known practically all our lives.



(1) For more information on revaluation potential and other possible scenarios (VaR) see page 16

Photo: Mine in Riotinto, Huelva, Spain. Shutterstock.

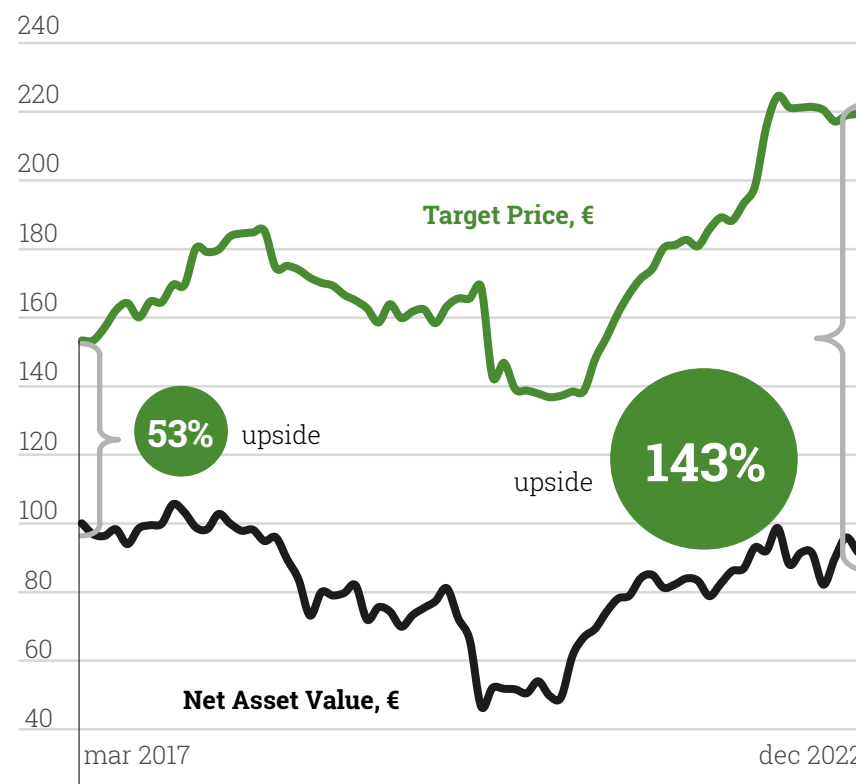
Large Cap Portfolio

During the fourth quarter of 2022 our **Large Cap Portfolio returned** +11.6% versus +0.8% for the benchmark, the **MSCI World Net**. Since the Cobas Large-Cap Fund began, it has returned -8.2%. In that period the benchmark index appreciated +53.6%.

In the **Large-Cap portfolio** we made some changes in terms of inflows and outflows during the third quarter. We exited **Dick's Sporting Goods**, **SKF**, **Inpex Corp.** and **Energy Transfer**, which at the end of September had a weighting of just over 7%, and only entered **Capri Holdings** with a weighting of just over 1%.

In the rest of the portfolio the most important movements were: on the sell side **Renault** and **Grifols** due to their good performance during the quarter, while on the buy side **Harbour Energy** and **Porsche**.

During the quarter we have slightly adjusted the **Large Cap Portfolio's** target value upwards by about 3% to **€223/**



Note: For more information on revaluation potential and other possible scenarios (VaR) see page 16.

(1) Large Cap Portfolio: Performance obtained by the Cobas Grandes Compañías FI - Class C fund, ISIN: ES0113728002

share. This represents upside **potential¹** of **143%**.

We are approximately 98% invested in the **Large Cap portfolio**. Overall, the portfolio trades at an estimated P/E 2023 of 6.0x versus 15.0x for its benchmark and has a ROCE of 32%.

As with the other two portfolios, the summary is the same: during the quarter volatility has been our ally, allowing us to have a portfolio composed of very good businesses trading at very low multiples.

(1) For more information on revaluation potential and other possible scenarios (VaR) see page 16

Comments on **Fourth Quarter 2022**



Photo: Offshore oil and gas exploration platform. Shutterstock.

Spanish Funds

Fund	NAV	Upside Potencial	Q4 Performance		Performance YTD		Performance YTD		PER	ROCE	VaR	AUM Mn€	Inception Date
			Fund	Benchmark	Fund	Benchmark	Fund	Benchmark					
Selección FI Class B	107.4 €	159%	10.9%	9.5%	7.4%	-6.5%	7.4%	-6.5%	5.5x	29%	13.4%	579.1 €	03/02/2022
Selección FI Class C	97.2 €	159%	10.8%	9.5%	9.6%	-9.5%	-2.8%	45.4%	5.5x	29%	13.4%	127.2 €	14/10/2016
Selección FI Class D	143.1 €	159%	10.8%	9.5%	9.4%	-9.5%	43.1%	13.3%	5.5x	29%	13.4%	24.0 €	01/01/2021
Internacional FI Class B	108.5 €	158%	10.3%	9.5%	8.5%	-6.5%	8.5%	-6.5%	5.5x	27%	13.8%	378.5 €	03/02/2022
Internacional FI Class C	94.8 €	158%	10.2%	9.5%	10.8%	-9.5%	-5.2%	30.6%	5.5x	27%	13.8%	98.9 €	03/03/2017
Internacional FI Class D	147.3 €	158%	10.2%	9.5%	10.5%	-9.5%	47.3%	13.3%	5.5x	27%	13.8%	58.6 €	01/01/2021
Iberia FI Class B	101.7 €	128%	14.6%	12.4%	1.7%	0.1%	1.7%	0.1%	6.9x	26%	11.4%	27.8 €	03/02/2022
Iberia FI Class C	99.4 €	128%	14.5%	12.4%	3.9%	0.9%	-0.6%	15.4%	6.9x	26%	11.4%	7.4 €	03/03/2017
Iberia FI Class D	118.2 €	128%	14.5%	12.4%	3.7%	0.9%	18.2%	8.2%	6.9x	26%	11.4%	1.3 €	03/03/2017
Grandes Compañías FI Class B	106.2 €	143%	11.7%	0.8%	6.2%	-7.3%	6.2%	-7.3%	6.0x	32%	12.6%	17.4 €	03/02/2022
Grandes Compañías FI Class C	91.8 €	143%	11.6%	0.8%	11.2%	-12.8%	-8.2%	53.6%	6.0x	32%	12.6%	4.7 €	03/03/2017
Grandes Compañías FI Class D	127.8 €	143%	11.6%	0.8%	11.1%	-12.8%	27.8%	14.3%	6.0x	32%	12.6%	1.7 €	01/01/2021
Cobas Renta FI	102.6 €		3.0%	0.3%	3.9%	0.0%	2.6%	-2.4%			2.3%	22.7 €	18/07/2017

Pension Funds

Denomination	NAV	Upside Potencial	Q4 Performance		Performance YTD		Performance YTD		PER	ROCE	VaR	AUM Mn€	Inception Date
			Fund	Benchmark	Fund	Benchmark	Fund	Benchmark					
Global PP	90.4 €	158%	10.9%	9.5%	9.7%	-9.5%	-9.6%	26.5%	5.5x	29%	13.4%	82.0 €	18/07/2017
Mixto Global PP	93.7 €	119%	8.0%	2.8%	6.9%	-4.5%	-6.3%	14.6%	5.5x	22%	10.1%	8.1 €	18/07/2017
Cobas Empleo 100	107.0 €	122%	2.9%		7.8%		6.8%		5.6x	26%	11.4%	0.6 €	23/06/2021

Data as of 31/12/22

The **target value** of our funds is based on internal calculations and estimates. Cobas AM does not guarantee that these calculations are correct or that they will be achieved. Investments are made in securities that the managers believe to be undervalued. There is no guarantee that such securities are actually undervalued or, if so, that their prices will perform as the managers expect. Past performance is no guarantee of future performance. **Benchmarks.** MSCI Europe Total Return Net for Cobas Selección FI, Cobas Internacional FI and Cobas Global PP. MSCI World Net EUR for Cobas Grandes Compañías FI. IGBM Total 80% and PSI 20 Total Return 20% for Cobas Iberia FI. until 31/12/2021 EONIA and from 01/01/2022 €str for Cobas Renta FI. MSCI Europe Total Return Net 50% and until 31/12/2021 EONIA and as from 01/01/2022 €str for Cobas Mixto Global PP. **Ratios. POTENTIAL:** best case scenario, the difference between the target value and the aggregate market price of the portfolio. For to calculate the target value, we apply a multiple to the normalised cash flow based on our own estimates for each company. **VaR:** maximum monthly expected loss, calculated using the Value at Risk 2.32 sigma methodology, 99% confidence level of the one-month normal distribution (data as at 31/12/2022). **PER:** calculated by dividing the market capitalisation of each company by its normalised cash flow based on own estimates. **ROCE:** calculated by dividing the normalised operating profit based on own estimates, after tax, by the capital employed (ex-goodwill) to see the profitability of the business.

Luxembourg Funds

Fund	NAV	Upside Potencial	Q4 Performance		Performance YTD		Perf. since inception		PER	ROCE	Var	AUM Mn€	Inception Date
			Fund	Benchmark	Fund	Benchmark	Fund	Benchmark					
International EUR	87.31 €	158%	10.4%	11.0%	9.8%	-8.3%	-12.7%	25.4%	5.5x	27%	14%	33.1 €	01/06/2017
International USD	\$111.21	158%	11.1%	11.0%	12.4%	-8.3%	-1.5%	26.0%	5.5x	27%	14%	\$0.9	06/06/2017
Selection EUR	18,425.28 €	158%	11.0%	11.0%	9.5%	-8.3%	59.4%	111.2%	5.5x	29%	13%	78.3 €	18/04/2017
Selection USD	\$33,651.50	158%	11.9%	11.0%	12.2%	-8.3%	84.3%	111.2%	5.5x	29%	13%	\$8.9	18/04/2017
Large Cap EUR	119.36 €	143%	11.7%	1.2%	10.8%	-12.4%	19.4%	30.4%	6.0x	34%	13%	11.7 €	14/10/2019

Data as of 31/12/22

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Radiography of our funds

Fourth Quarter 2022

Cobas Internacional FI				Cobas Iberia FI			Cobas Grandes Compañías FI			Cobas Selección FI			Cobas Renta FI			COBAS LUX SICAV			COBAS LUX SICAV			COBAS LUX SICAV					
Class B - ES0119199026 Class C - ES0119199000 Class D - ES0119199018				Class B - ES0119184028 Class C - ES0119184002 Class D - ES0119184010			Class B - ES0113728028 Class C - ES0113728002 Class D - ES0113728010			Class B - ES0124037021 Class C - ES0124037005 Class D - ES0124037013			ES0119207001			COBAS SELECTION FUD LU1372006947 EUR LU1372007168 USD			COBAS INTERNATIONAL FUD LU1598719752 EUR LU1598719919 USD			COBAS LARGE CAP FUND LU1598720172 EUR					
Top 10	Company	Current quarter weight	Previous quarter weight	Company	Current quarter weight	Previous quarter weight	Company	Current quarter weight	Previous quarter weight	Company	Current quarter weight	Previous quarter weight	Company	Current quarter weight	Previous quarter weight	Company	Current quarter weight	Previous quarter weight	Company	Current quarter weight	Previous quarter weight	Company	Current quarter weight	Previous quarter weight			
	Golar LNG	6.8%	8.3%	Atalaya Mining	9.7%	4.3%	Golar LNG	8.0%	8.0%	Golar LNG	6.0%	7.2%	Atalaya Mining	1.6%	1.0%	Golar LNG	6.0%	7.3%	Golar LNG	6.9%	8.7%	Golar LNG	6.9%	8.1%			
	CIR	5.0%	5.3%	Elecnor	8.9%	9.5%	Affiliated Managers	5.3%	4.7%	CIR	4.4%	4.6%	Golar LNG	1.5%	1.2%	Wilhelmsen	3.9%	3.2%	Wilhelmsen	4.5%	3.7%	Affiliated Managers	5.3%	4.7%			
	Wilhelmsen	4.5%	3.6%	Técnicas Reunidas	8.7%	7.6%	Renault	5.3%	5.3%	Wilhelmsen	3.9%	3.2%	Técnicas Reunidas	1.2%	1.0%	Babcock	3.7%	4.1%	Babcock	4.2%	4.0%	Renault	4.6%	5.3%			
	Babcock	4.2%	4.7%	Semapa	8.4%	9.3%	CK Hutchison	4.7%	4.0%	Babcock	3.7%	4.1%	Danieli	1.1%	1.1%	Maire Tecnimont	3.7%	3.6%	Maire Tecnimont	4.2%	4.6%	CK Hutchison	4.0%	4.0%			
	Maire Tecnimont	4.2%	4.1%	Vocento	4.4%	6.1%	Samsung C&T	4.0%	3.8%	Maire Tecnimont	3.6%	3.5%	Kosmos Energy	1.1%	1.0%	Atalaya Mining	3.4%	1.8%	Currys Plc	3.6%	4.1%	Samsun C&T	3.9%	3.8%			
	Currys PLC	3.6%	4.2%	Miquel y Costas	4.4%	4.9%	Viatrix	3.8%	3.5%	Atalaya Mining	3.4%	1.8%	Elecnor	1.1%	1.2%	CIR	3.4%	4.6%	CIR	3.5%	3.5%	Viatrix	3.8%	3.5%			
	Danieli	3.6%	3.5%	Ibersol	4.2%	4.5%	Atalaya Mining	3.5%	1.7%	Currys PLC	3.1%	3.7%	Currys PLC	1.0%	1.0%	Currys Plc	3.1%	3.7%	Atalaya Mining	3.5%	1.7%	Atalaya Mining	3.5%	1.7%			
	Atalaya Mining	3.5%	1.6%	CAF	4.2%	3.3%	Fresenius SE & CO	3.2%	3.1%	Danieli	3.1%	3.1%	Maire Tecnimont	1.0%	1.0%	Danieli	3.1%	3.0%	CIR	2.8%	5.5%	Fresenius SE & CO	3.4%	3.1%			
	Renault	2.7%	2.7%	Tubacex	3.6%	4.0%	Haarbour Energy	3.1%	2.3%	Técnicas Reunidas	2.8%	2.1%	Wilhelmsen	0.9%	0.7%	Técnicas Reunidas	2.8%	2.1%	Renault	2.7%	2.7%	Harbour Energy	3.4%	2.4%			
Kosmos Energy	2.4%	2.2%	Sacyr	3.4%	4.5%	Teva Pharmaceutical	3.0%	3.2%	Renault	2.4%	2.4%	Babcock	0.8%	0.9%	Renault	2.4%	2.4%	Kosmos Energy	2.5%	2.3%	Teva Pharmaceutical	3.3%	3.3%				
Geographical breakdown	Rest of Europe31.4%			Spain70.7%			Eurozone41.1%			Eurozone37.7%			Eurozone83.2%			Eurozone37.7%			Eurozone28.8%			USA40.9%					
	Eurozone28.9%			Portugal16.6%			USA30.4%			Rest of Europe27.7%			USA12.5%			Rest of Europe27.8%			USA31.5%			Asia14.1%					
	USA27.0%			Other9.7%			Asia14.6%			USA23.5%			Rest of Europe4.3%			USA23.4%			Rest of Europe26.9%			Rest of Europe30.4%					
	Asia11.3%						Rest of Europe13.9%			Asia9.9%						Asia9.9%			Asia11.3%			Eurozone14.7%					
	Other1.5%									Other1.3%						Other1.3%			Other1.5%								
Sector breakdown	Region	Current quarter weight		Region	Current quarter weight		Region	Current quarter weight		Region	Current quarter weight		Region	Current quarter weight		Region	Current quarter weight		Region	Current quarter weight		Region	Current quarter weight				
	Oil & Gas Storage & Transportation	15.0%		Metals & Mining	14.2%		Automobiles & Components	16.8%		Oil & Gas Storage & Transportation	13.0%		Governmnet	76.2%		Oil & Gas Storage & Transportation	13.2%		Oil & Gas Storage & Transportation	15.1%		Automobiles & Components	16.9%				
	Oil & Gas Exploration & Products	12.6%		Construction & Engineering	13.4%		Industrial Conglomerates	12.3%		Oil & Gas Exploration & Products	10.9%		Oil & Gas Exploration & Products	10.0%		Oil & Gas Exploration & Products	11.0%		Oil & Gas Exploration & Products	12.6%		Industrial Conglomerates	12.4%				
	Industrial Conglomerates	9.6%		Energy Equipment & Services	8.7%		Pharmaceuticals. Biotechnology	12.0%		Industrial Conglomerates	10.2%		Industrial Conglomerates	10.3%		Industrial Conglomerates	10.3%		Industrial Conglomerates	9.5%		Pharmaceuticals. Biotechnology	12.1%				
	Retailing	8.4%		Industrial Conglomerates	8.4%		Energy Equipment & Services	7.2%		Energy Equipment & Services	8.1%		Energy Equipment & Services	8.1%		Energy Equipment & Services	8.1%		Retailing	8.4%		Energy Equipment & Services	7.3%				
	Automobiles & Components	8.3%		Paper & Forest Products	7.7%		Oil & Gas Storage & Transportation	6.8%		Retailing	7.3%		Retailing	7.4%		Retailing	7.4%		Automobiles & Components	8.3%		Oil & Gas Storage & Transportation	6.9%				
	Pharmaceuticals. Biotechnology	6.2%		Trasnport	6.6%		Health Care Equipment & Services	6.7%		Automobiles & Components	7.2%		Automobiles & Components	7.3%		Automobiles & Components	7.3%		Pharmaceuticals. Biotechnology	6.2%		Health Care Equipment & Services	6.8%				
	Energy Equipment & Services	6.1%		Media & Entertainment	6.6%		Oil & Gas Exploration & Products	6.0%		Pharmaceuticals. Biotechnology	5.4%		Pharmaceuticals. Biotechnology	5.1%		Pharmaceuticals. Biotechnology	5.1%		Energy Equipment & Services	6.1%		Oil & Gas Exploration & Products	6.0%				
	Aerospace & Defense	5.5%		Consumer Services	6.5%		Diversified Financials	5.2%		Transport	5.0%		Construction & Engineering	1.1%		Transpor	5.0%		Energy Equipment & Services	6.1%		Diversified Financials	5.3%				
	Other	28.4%		Other	28.1%		Other	27.0%		Other	32.8%		Machinery	1.1%		Other	32.4%		Aerospace & Defense	5.5%		Other	26.4%				
Performance contributors	Contributors			Contributors			Contributors			Contributors			Contributors			Contributors			Contributors			Contributors			Contributors		
	Atalaya Mining1.3%			Técnicas Reunidas4.0%			Atalaya Mining1.4%			Atalaya Mining1.4%			Atalaya Mining1.4%			Atalaya Mining1.4%			Atalaya Mining1.3%			Atalaya Mining1.4%			Affiliated Managers1.4%		
	Maire Tecnimont1.2%			Atalaya Mining3.6%			Affiliated Managers1.4%			Técnicas Reunidas1.0%			Técnicas Reunidas1.0%			Técnicas Reunidas1.1%			Maire Tecnimont0.9%			Atalaya Mining1.4%					
	Wilhelmsen A1.1%			Seamapa0.8%			Técnicas Reunidas0.8%			Maire Tecnimont1.0%			Wilhelmsen A0.9%			Wilhelmsen1.0%			Maire Tecnimont0.9%			Técnicas Reunidas0.8%					
	Affiliated Managers0.7%			Sacyr0.7%			Viatrix0.8%			Wilhelmsen A0.9%			Affiliated Managers0.7%			Affiliated Managers0.7%			Affiliated Managers0.7%			Schaeffler Pfd0.8%					
	Danieli0.7%			Indra0.6%			Schaeffler0.8%			Affiliated Managers0.6%			Danieli0.6%			Danieli0.6%			Danieli0.7%			Viatrix0.7%					
	Detractors			Detractors			Detractors			Detractors			Detractors			Detractors			Detractors			Detractors					
	Dynagas-0.2%			Melia0.0%			Currys PLC-0.1%			Dynagas-0.1%			Dynagas-0.2%			Porsche-0.2%			Porsche-0.2%			Currys-0.1%					
	Currys PLC-0.2%			LAR0.0%			Hyundai-0.1%			Currys PLC-0.1%			Currys PLC-0.2%			Currys-0.2%			Currys-0.2%			Hyundai-0.2%					
	Enquest-0.3%			Prosegur Cash-0.1%			Porsche-0.4%			Enquest-0.3%			Enquest-0.3%			Enquest-0.3%			Enquest-0.3%			Porsche-0.4%					
Equinox-0.4%			Inmobiliaria del Sur-0.1%			Harbour Energy-1.2%			Equinox-0.3%			Equinox-0.3%			Equinox Gold-0.3%			Equinox Gold-0.3%			Harbour Energy-1.3%						
Golar LNG-1.3%			Almirall-0.3%			Golar LNG-1.2%			Golar LNG-1.1%			Golar LNG-1.1%			Golar Lng-1.3%			Golar Lng-1.5%			Golar Lng-1.4%						
In & out of the portfolio	In the portfolio			In the portfolio			In the portfolio			In the portfolio			In the portfolio			In the portfolio			In the portfolio			In the portfolio					
	Porsche						Capri Holdings						Porsche			Porsche			Porsche			Porsche					
	Fresenius Medical Care									Fresenius Medical			Fresenius Medical			Fresenius Medical			Fresenius Medical			Fresenius Medical					
	Continental									Care			Care			Care			Care			Continental					
										Continental																	
Out of the portfolio			Out of the portfolio			Out of the portfolio			Out of the portfolio			Out of the portfolio			Out of the portfolio			Out of the portfolio			Out of the portfolio						
Energy Trasnfer			Cie Automotive			Inpex			Energy Trasnfer			Energy Trasnfer			Energy Trasnfer			Energy Trasnfer			Energy Trasnfer						
Petrofac			Mediaset			SKF			Petrofac			Petrofac			Petrofac			Petrofac			Petrofac						
			Sonaecom			Dick's sporting			Sacyr			Sacyr			Sacyr			Sacyr			Dick's sporting						
			Logista			Energy Transfer															Energy Transfer						
(*) EUR/ USD 50% hedged				(*) EUR/ USD 50% hedged				(*) EUR/ USD 50% hedged				(*) EUR/ USD 50% hedged				(*) EUR/ USD 50% hedged				(*) EUR/ USD 50% hedged				(*) EUR/ USD 50% hedged			

NEWS

In our **Cobas AM** news section, the aim is to provide a preview of the company projects and initiatives, as well as the most important milestones in the last quarter.

New quarterly comment publication structure

From now on, we will start publishing commentaries with portfolio updates on a half-yearly basis in line with the regulatory change to submit financial statements on a half-yearly basis, to shareholders and unitholders.

New integrated management platform for occupational pension plans

Cobas Pensiones, together with the Spanish fintech company Inveert, is reinforcing its commitment to complementary social welfare with the launch of a new customer portal aimed for the first time at the corporate segment with the aim of simplifying the management of occupational pension plans. Dozens of companies have already joined our occupational pension plan.

You can find all the information about our occupational pension plan at the following [link](#).



Photo: Cobas AM.



Participation in Decision Radio

Throughout the quarter, members of the Investor Relations team have participated in the programme Área Financiera. You can find the programmes on their [Youtube channel](#).

Participación en el programa Tu Dinero Nunca Duerme

During this quarter, **Carlos González**, head of the Retail Investor Relations team, **Verónica Llera**, **José Belascoaín** from the Investor Relations team, and Francisco Burgos, head of Institutional Investor Relations at **Cobas AM**, participated in several programmes of Tu Dinero Nunca Duerme, the first financial culture programme on Spanish general radio esRadio in collaboration with Value School.

José Belascoaín, commented on the situation of the markets and how to deal with inflation in the programme that took place on 16 October. The audio of the podcast is available at the following [link](#).

Carlos González, visited the EsRadio programme Tu Dinero Nunca Duerme to talk about market timing and the dangers of trying to anticipate trends. The audio of the podcast is available at the following [link](#).

Verónica Llera talked about the fund manager's strategy in the Asian region, in the edition of the programme that

Photo: Cobas AM.



took place on 20 November. The audio of the podcast is available at the following [link](#).

Carlos González Ramos, Head of Retail Investor Relations at Cobas AM, visited the EsRadio programme Tu Dinero Nunca Duerme to discuss pensions, savings, long term and investments with Javier Díaz-Giménez, holder of the Cobas AM Chair in Pensions at IESE. The audio of the podcast is available at the following [link](#).

Francisco Burgos spoke about **Cobas AM's** results for 2022 and the performance of the markets in the edition of the programme that took place on 18 December. The audio of

the podcast is available at the following [link](#).

Podcast Invirtiendo a Largo Plazo

The Cobas AM podcast was created with the aim of bringing the philosophy of value investing to all its listeners.

Visit our profile to listen to new episodes at the following [link](#).

Participation in the Aspain 11 Family Office programme

Interview with **Francisco Burgos**, head of the Institutional business, where he gave his opinion on the outlook for the energy market in Europe. To listen to his participation click [here](#).

Participation in the programme Negocios TV

On 11 November **Carlos González**, Head of Retail Investor Relations at **Cobas AM**, commented on the complicated context of the markets in the second half of the year. To listen to his participation click here [aquí](#).

Participation in the Intereconomía programme

On 5 December, **Carlos González**, Head of Retail Investor Relations at **Cobas AM**, took part in the markets talk show on Capital Intereconomía, where he took stock of the markets in 2022. To listen to his participation click [here](#).

Webinar: Investing with inflation

Mingkun Chan, a member of Cobas Asset Management's Investment Team, explained the fund manager's vision through a review of the composition of our Asian portfolios. To watch the full webinar click [here](#).

Do you know our Social Networks?

We invite you to watch our latest videos on various current topics such as inflation (how our country is dealing with it), the energy crisis... you may also find interesting our posts and research published on our social networks.

Instagram



Facebook



Libsyn



LinkedIn



YouTube



Twitter



Photo: Cobas AM.

Other initiatives of



**SANTA
COMBA**



Cobas AM collaborates with **Value School** to promote financial literacy from an independent perspective and help savers make informed investment decisions. After all, being a value investor is more than just buying cheap and being patient. It is a philosophy of life.

Winter Summit 2022

All videos from our popular winter cycle are now available on the YouTube channel. 9 sessions with specialists in investment, international politics and personal finance. Also, Real Ecologismo with **J.M. Mulet** and El almanaque de Naval Ravikant with Javier G. Recuenco.

"The Value School Podcast»

"The Value School Podcast" is a new line of content dedicated to talking to experts who have a lot to say about issues that interest you. Each month we will publish a new



Photo: Value School Winter Summit 2022 poster.

episode on YouTube and on the main podcast platforms.

Structural diversification strategies. New to the Value School imprint

Manager **Rafael Ortega** has written a guide to investing in an uncertain world. His lessons will help you design an all-round defensive portfolio, tailored to your financial goals and risk profile. Now available on Amazon in print and digital editions.

New episodes of Value World

Our most popular series returns to our YouTube channel. Discover with the new episodes Peter Lynch's investment secrets, how Harry Browne's Permanent Portfolio works, the relationship between inflation and interest rates, and much more!



Alternative Fund SICAV-SIF Global Social Impact Fund focused on the economic and social inclusion of the most

vulnerable people in sub-Saharan Africa, it made two new investments and one divestment during the last quarter of the year:

- **Watu Credit** (new \$1,000,000 loan, Kenya) - Offers loans for the acquisition of productive assets (mainly motorbike taxis) to groups ignored by traditional banking.
- **Complete Farmer** (new loan of €500,000, Ghana) - A marketplace for integrated agricultural value chain management and linking buyers and producers.
- **Green Lion** (loan repayment of €300,000, Ghana) - An e-commerce network that helps retailers obtain quality products at lower prices, giving them tools to help them manage their businesses more efficiently.

In addition, the team is in the final stages of negotiations to invest in four additional companies:

- A processor and distributor of milk from local farmers in Uganda.



- A manufacturer and distributor of airtight bags for safe crop storage in Ethiopia.
- One of Zambia's largest maize processors providing market access to rural communities.
- A macadamia nut processor in Kenya.



During the fourth quarter of 2022, the **Open Value Foundation** has continued to develop a number of initiatives and activities, most notably:

The impact measurement and management team is wor-

Photo: Complete Farmer.

king on an interactive dashboard with [Data4Good](#) to monitor all project data collection.

Through its Venture Philanthropy Fund, which supports projects and social enterprises that contribute to improving the livelihoods of the most vulnerable people in sub-Saharan Africa and Spain, four new investments were made during the last quarter of 2022:

- [UMOA Cosmetics](#) (€20,000 loan): this is a line of natural cosmetics born in Spain to offer a more sustainable consumption alternative and whose sales will serve to finance the development programmes of the NGO we support **Beyond Suncare** in sub-Saharan Africa.
- [Dlana](#) (loan of €30,000): a Spanish family business that manufactures high added-value articles, using wool from extensive, transhumant, natural and biodegradable livestock farming as a raw material and which provides employment.
- [Deevabits Green Energy](#) a Kenyan company that creates jobs for women and young people who distribute solar

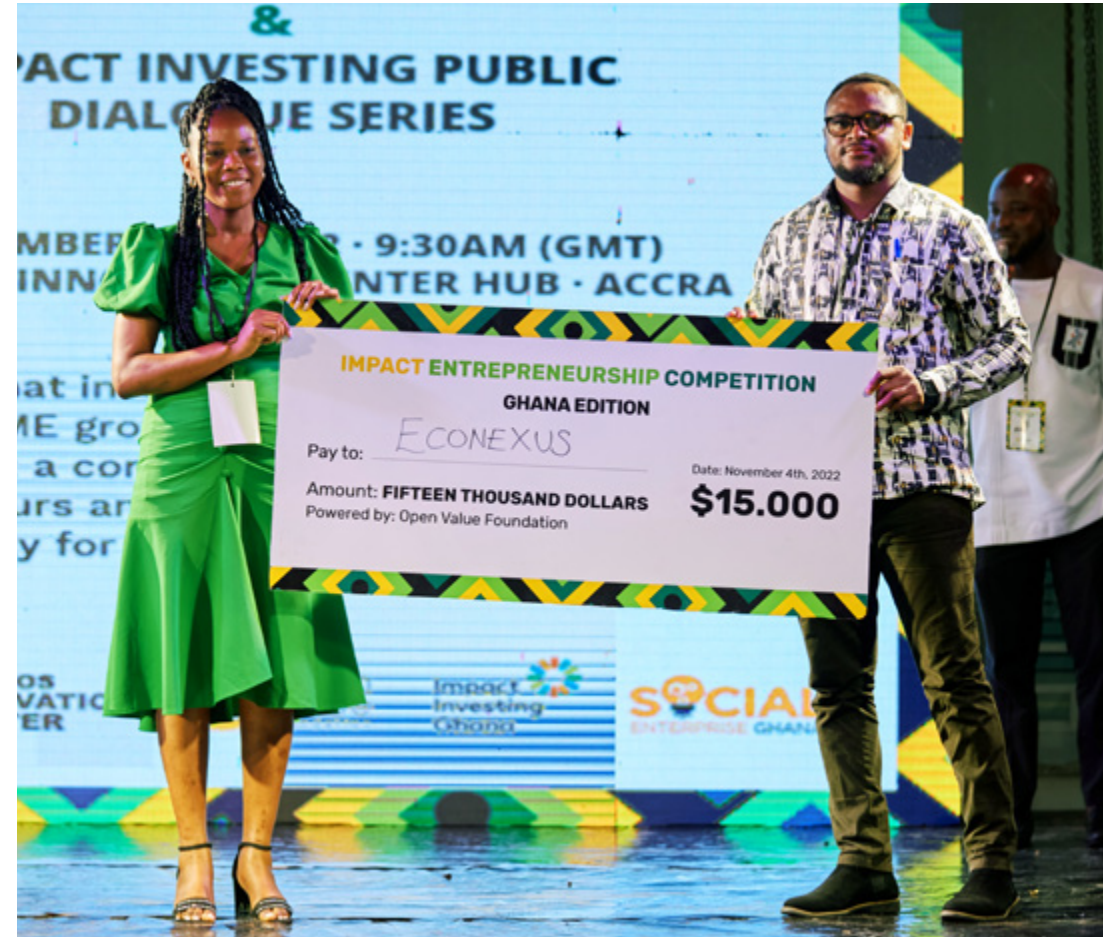


Photo: Econexus, project OVF.

energy products in their communities and facilitate financing for consumers to access them.

- [Econexus Ventures Limited](#) (\$15,000 loan): a Ghanaian company that commercialises innovative clean energy solutions for homes and industries.
- 10,000€ to the Friends of Rimkieta Foundation, which works for the development of the [Rimkieta neighbourhood](#) in and around Ouagadougou (Burkina Faso), focusing on education, food and healthcare for women and children, as well as the social and professional advancement of women.
- Through the Impact Foundations Fund, of which 20 foundations form part, they have launched the [second call](#) to invest in companies and projects aimed at supporting vulnerable groups or those at risk of exclusion in Spain.

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