

c o b a s

asset management



Comments
First Semester 2023

Dear Investor,

During the first half, our **International portfolio** increased by 2% and our **Iberian portfolio** by 12%, while our internal valuations increased by 1% and 9%, respectively. As a result, our estimated upside¹ was 156% and 122% at the end of the quarter. These are very high upside potentials, which is why **Cobas AM** continues to increase investment in our funds, with **Cobas AM** employees and shareholders being the second largest investors.

Since the start of our new phase six and a half years ago, our revaluations have not yet been satisfactory. Since then, we have been very transparent about the underlying reasons that have delayed a better performance, most of which, due to their casuistry, are unlikely to be repeated.

In 2023, the fall in oil and gas prices has temporarily reversed part of the returns obtained in the previous year. The market has penalised the share prices of companies in this sector, making them more attractive, even in cases where their profits do not depend on commodity prices.

(1) For more information on ratios and possible scenarios see page 14

Where the oil price does have an impact, note that the market price is currently \$75-80, and our profit estimates assume a price of \$60-65 per barrel. These are especially conservative if we consider that the cost per marginal barrel is also \$60-65. This means that, should the oil price fall (due to a temporary mismatch between supply and demand) to below \$60, supply would soon contract, and the price would recover.

Thus, under this assumption, we would be acquiring these companies with oil price exposure at 4 times earnings. Of course, if demand continues to grow and supply does not increase sufficiently, as we believe will be the case, then the outlook for prices and profits would be even better.

On the other hand, it is noteworthy that during the last six months we have received five takeover bids: three in the international portfolio (**Exmar**, **Gaslog** and **Taro**) and two in the Iberian portfolio (**FCC** and **Applus**). In practice, a takeover bid is a transaction in which a well- informed



party launches a proposal to acquire a listed company.

Naturally, the buyer wants to extract the maximum profit from the operation, so it tends to offer a relatively low price. Even so, the five bids we have received have been very lucrative for us, with returns more than 30%

annualised (except for **Exmar**, with 21% annualised).

As in the case of many portfolio companies, the share price of the "bought" companies has temporarily been much lower than the price of the first purchase (with losses of up to 30% and 65%) and yet we have made profits. This

Ilustración: Daniel Gete for the blog '¿Existen acciones buenas y acciones malas?' written by Verónica Llera member of Investor Relations Team at Cobas AM

was not only because our valuations were reasonable, but also because we were convinced that the price at the time did not adequately reflect the intrinsic value

of the businesses. We simply decided to wait and take advantage of opportunities to buy more shares. At the end of the first half, these companies represented almost 4%

Takeover bids in the portfolio (First Semester 2023)

	Company	Exmar (€)	Gaslog (\$)	Taro (\$)	Applus (€)	FCC (€)
Weight in portfolio before takeover bid		2.29%	1.55%	0.53%	2.85%	2.03%
Weight in portfolio at end of quarter		1.78%	1.67%	0.31%	2.47%	1.45%
Date of first purchase		2-oct.-17	1-jul.-21	25-may.-22	25-mar.-22	3-dic.-20
First purchase price		4.55	3.76	36.38	7.53	8.67
Minimum price since first purchase		1.75	3.3	22.89	5.25	7.42
Maximum drop since first purchase		-62%	-12%	-37%	-30%	-14%
Takeover bid price		12.10	8.65	38.00	9.50	12.50
Annualised return		21%	44%	36%	39%	32%
Years with open position		5.8	2.0	1.1	1.3	2.6

Note: *The date of first purchase is considered to be the first transaction of the outstanding position.

of the international and Iberian portfolios. We will receive the proceeds from these sales soon. By reinvesting these amounts between our existing companies and new ones, which we will mention in future letters, we will automatically generate additional value. With an above average reinvestment upside for our funds, the value of our funds will rise another 4%-5% just from this fact alone.

We know when we start investing, but not when we will finish.

While the results have not surfaced as quickly as initially expected, we think the market will reward our waiting. We see a lot of value in our funds, bought at a deep discount, without the need to speculate on how much value there is in future technologies, fads, transformational changes, or bubbles. As a result, we aim for satisfactory returns even when selling to smart buyers. And remember that the longer it takes for the market to recognise the value of our companies, the stronger and faster the fund's appreciation will be.

PERFORMANCE OF COBAS AM FUNDS

The Commentary of the **1st Semester 2023** is available to you in different formats.



[Watch the video](#)



[Listen to the audio](#)

PORTFOLIO

Our portfolios

Data as of 30/06/2023

Spanish domiciled funds

Name	AUM
Internacional FI	556.4 Mn€
Iberia FI	39.8 Mn€
Grandes Compañías FI	23.2 Mn€
Selección FI	723.0 Mn€

Luxembourg domiciled funds

Name	AUM
International Fund	34.0 Mn€
Large Cap Fund	11.7 Mn€
Selection Fund	93.1 Mn€

AUM	Market Cap	Strategies		Number of holdings
		International	Iberian	
586.8 Mn€	Multi Cap	●		55
39.8 Mn€	Multi Cap		●	29
34.9 Mn€	70% ≥ 4Bn€	●	●	40
816.1 Mn€	Multi Cap	●	●	65

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.

With these three portfolios, we are building the various equity funds that we manage as of June 30, 2023:

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.

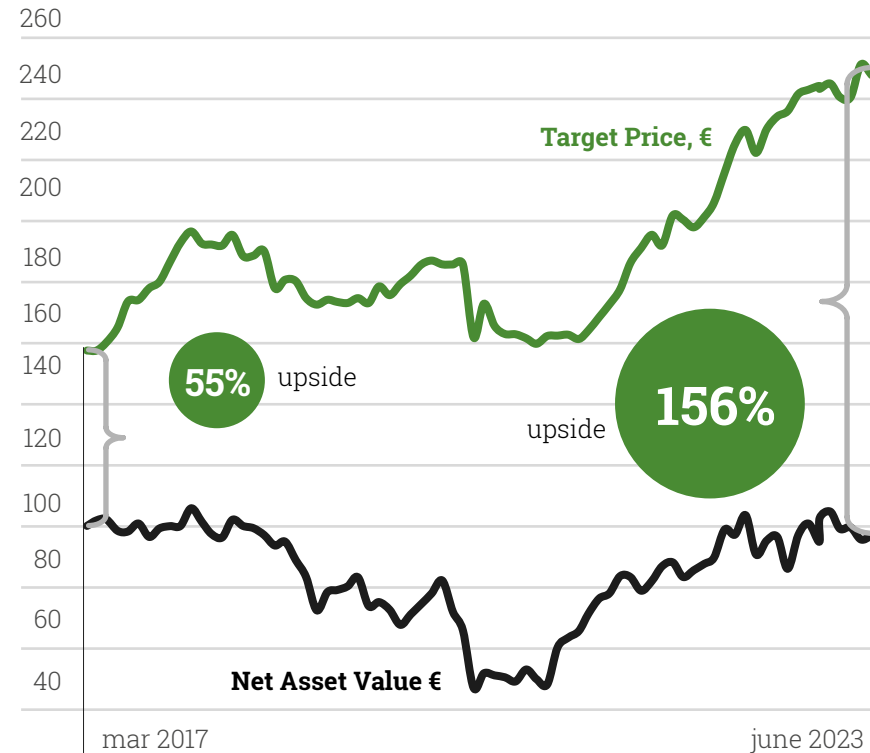
**Total assets
under management**

**1,850
Mn€**

International Portfolio

For the first half of 2023 our **International Portfolio** returned +2.0%, compared to a return of +11.1% for its benchmark, the **MSCI Europe Total Return Net**. If we extend the comparison period from inception to 30 June 2023, the **International Portfolio returned -3.2%**, while its benchmark returned +45.3% for the same period.

During the first half of the year, we made some changes in the **International Portfolio**. We have completely exited **Teekay Corp**, **Continental** and **Fresenius Medical Care**. As of June, these companies had a combined weighting of between 2% and 3%. And we have entered in **FNAC Darty**, **Greencore**, **Hochschild Mining**, **IPCO** and **Seacrest Petroleo**. These companies, at the end of June, have a combined weighting of just under 5%. In the rest of the portfolio, we have reduced our position in **Renault** and **Aryzta** due to their good performance during the first half of the year. On the buy side, we increased our position in **Golar** and **Energean** to take advantage of their falling share prices.



Note: For more information on upside potential and other possible scenarios (VaR) see page 14.

(1) International Portfolio: Performance obtained by Cobas Internacional FI - Class C, ISIN: ES0119199000. Past returns do not presuppose future returns.

During the first half of the year, thanks to market volatility and our rotation, the target value of the **International Portfolio** increased by just over 1% to around **€248/share**, implying a **potential upside¹ of 156%**.

As a result of this potential¹ and confidence in the portfolio, we are around 98% invested. The whole portfolio trades at an estimated 2023 P/E¹ of 5.6x versus 12.4x its benchmark and has a ROCE¹ of close to 29%. But if we look at the ROCE excluding shipping and commodity companies, we are close to 38%, which is indicative of the quality of the businesses in the portfolio.



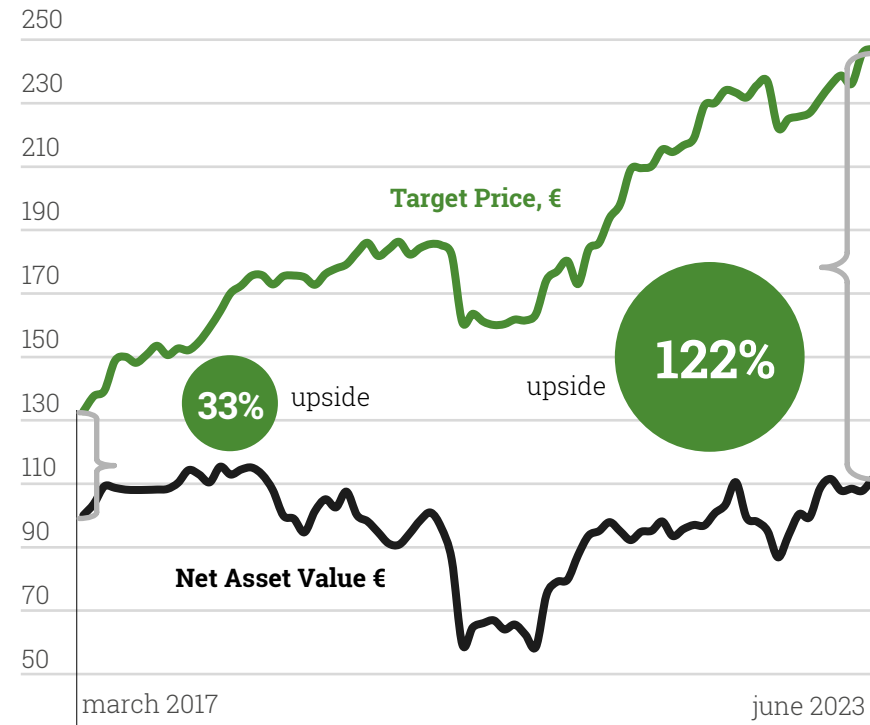
(1) For more information on upside potential and other possible scenarios (VaR) see page 14. Past returns do not presuppose future returns. **Photo:** Studio concept, Shutterstock.

Iberian Portfolio

The **Iberian Portfolio's** net asset value performance during the first half of 2023 was +12.2% compared to +16.1% for its benchmark. If we extend the comparison period from inception to 30 June 2023, we obtained a return of +11.6%, while the benchmark index returned +35.1% for the same period.

During the first half of the year, we made few changes. We did not enter any company and only exited completely from **Sacyr** and **Repsol**, taking advantage of the good performance of their share prices. At the end of June, these companies had a combined weighting of between 3 and 4%. In the rest of the portfolio, the most important movements were on the sell side, **Indra** and **Tubacex**, while on the buy side, **Almirall** and **Catalana Occidente**.

During the first half of the year, we adjusted the target value of the **Iberian Portfolio** upwards by nearly 9% to **€247** per unit. After this adjustment, the **potential upside¹** stands at **122%**.



Note: For more information on upside potential and other possible scenarios (VaR) see page 14.

(1) Iberian Portfolio: Performance obtained by the Cobas Iberia FI - Class C, ISIN: ES0119184002. Past returns do not presuppose future returns.

We are nearly 98% invested in the Iberian Portfolio, and as a whole, the portfolio trades at an estimated 2023 P/E of 7.4x versus 11.3x its benchmark and has a ROCE of close to 21%.



(1) For more information on upside potential and other possible scenarios (VaR) see page 14. Past returns do not presuppose future returns. **Foto:** Maksim Safaniuk, Shutterstock.

Large Cap Portfolio

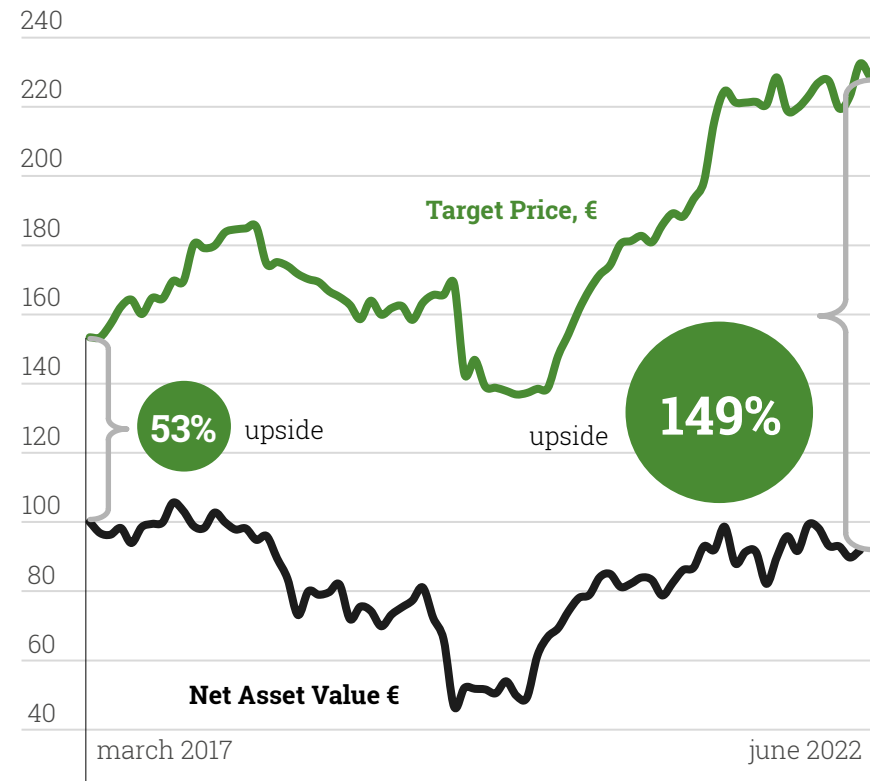
During the first half of 2023 our **Large Cap Portfolio** returned +0.2% versus +12.6% for the benchmark **MSCI World Net**.

In the **Large Cap portfolio** we have made some changes. We have completely exited **Aryzta**, **China Mobile**, **Qurate Retail** and **ACS**, which at the end of June had a weighting of close to 3%, and we have entered **Kosmos Energy**, **Energean** and **BW Energy** with a weighting of close to 3%.

In the rest of the portfolio, the most important movements were on the sell side, **Renault**, and **Heidelberg Materials**, due to their good performance during the half year, while on the buy side, **Fresenius** and **Bayer**.

During the first half of the year, we have slightly adjusted the target value of the **Large Cap Portfolio** upwards by 2% to **€229/share**. This represents a **potential¹** upside of **149%**.

We are nearly 99% invested in the **Large Cap Portfolio**. Overall, the portfolio trades at an estimated 2023 **P/E¹** of 5.8x



Note: For more information on upside potential and other possible scenarios (VaR) see page 14.

(1) Large Cap Portfolio: Performance obtained by the Cobas Grandes Compañías FI - Class C fund, ISIN: ES0113728002. Past returns do not presuppose future returns.

versus 17.0x for its benchmark and has a ROCE¹ of 29%.



(1) For more information on upside potential and other possible scenarios (VaR) see page 14. Past returns do not presuppose future returns. **Foto:** Fahron, Shutterstock.

Spanish Funds

Fund	NAV	Upside Potencial	1S Performance		Performance YTD		Performance YTD			PER	ROCE	VaR	AUM Mn€	Inception Date
			Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Benchmark					
Selección FI Class B	110.9 €	155%	3.2%	11.1%	3.2%	11.1%	10.9%	3.9%	5.7x	29%	13.2%	631.7 €	03/02/2022	
Selección FI Class C	100.2 €	155%	3.1%	11.1%	3.1%	11.1%	0.2%	61.5%	5.7x	29%	13.2%	60.6 €	14/10/2016	
Selección FI Class D	147.4 €	155%	3.0%	11.1%	3.0%	11.1%	47.4%	25.8%	5.7x	29%	13.2%	30.8 €	01/01/2021	
Internacional FI Class B	110.8 €	156%	2.2%	11.1%	2.2%	11.1%	10.8%	3.9%	5.6x	29%	13.9%	421.6 €	03/02/2022	
Internacional FI Class C	96.8 €	156%	2.0%	11.1%	2.0%	11.1%	-3.2%	45.3%	5.6x	29%	13.9%	66.6 €	03/03/2017	
Internacional FI Class D	150.2 €	156%	1.9%	11.1%	1.9%	11.1%	50.2%	25.8%	5.6x	29%	13.9%	68.2 €	01/01/2021	
Iberia FI Class B	114.3 €	122%	12.4%	16.1%	12.4%	16.1%	14.3%	16.3%	7.4x	21%	10.6%	34.4 €	03/02/2022	
Iberia FI Class C	111.6 €	122%	12.2%	16.1%	12.2%	16.1%	11.6%	33.5%	7.4x	21%	10.6%	3.5 €	03/03/2017	
Iberia FI Class D	106.5 €	122%	12.1%	16.1%	12.1%	16.1%	32.5%	25.6%	7.4x	21%	10.6%	1.9 €	03/03/2017	
Grandes Compañías FI Class B	106.5 €	149%	0.3%	12.6%	0.3%	12.6%	6.5%	4.3%	5.8x	29%	12.2%	18.8 €	03/02/2022	
Grandes Compañías FI Class C	92.0 €	149%	0.2%	12.6%	0.2%	12.6%	-8.0%	73.5%	5.8x	29%	12.2%	2.4 €	03/03/2017	
Grandes Compañías FI Class D	128.1 €	149%	0.2%	12.6%	0.2%	12.6%	28.1%	28.7%	5.8x	29%	12.2%	2.0 €	01/01/2021	
Cobas Renta FI	104.4 €		1.8%	1.3%	1.8%	1.3%	4.4%	-1.1%			2.3%	27.2 €	18/07/2017	

Pension Funds

Denomination	NAV	Upside Potencial	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	PER	ROCE	VaR	AUM Mn€	Inception Date
Global PP	93.3 €	155%	3.2%	11.1%	3.2%	11.1%	-6.7%	40.6%	5.7x	29%	13.3%	87.1 €	18/07/2017
Mixto Global PP	96.3 €	117%	2.8%	6.2%	2.8%	6.2%	-3.7%	14.6%	5.7x	22%	10.1%	8.7 €	18/07/2017
Cobas Empleo 100	110.9 €	133%	1.7%		3.7%		10.8%		5.5x	25%	11.2%	0.7 €	23/06/2021

Data as of 30 of June 2023. **Notes:** 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. Over the course of this six-month period, we have achieved an estimated **upside potential** of 156% for our funds. This estimated potential is not a guarantee that the fund will perform well over the next few years, but it is our estimate of what our funds are worth and gives an idea of how attractive it is to invest in Cobas AM funds. To calculate this potential, we carry out an individual analysis of each company in the portfolio. Specifically, we estimate the future earnings generation capacity and apply the valuation method that best suits each business model, with multiples or discounted cash flow valuation methods being the most commonly used. We calculate the capacity to generate future profits by taking into account the historical performance of the company, the performance of the management team, the analysis of the sector (supply and demand), and its future prospects. The objective is to determine the sustainable normalised profit over a full economic cycle. This analysis is developed and continuously updated, taking into account quantitative information, mainly that contained in the company's annual accounts, and qualitative information, such as that acquired through attendance at conferences, reports from information providers or through interviews with customers, competitors, etc., as well as the information provided by the company's management team. The multiples or discount rates we apply to estimated future earnings are derived from our analysis, the main variables being the quality of the business, its predictability, expected growth and risks. With rare exceptions, the discount rate applied (either explicitly or implicitly) ranges from 6% to 12%. Thus, the quotient between our internal valuation and the share price gives our upside for revaluation for each company. By weighting this upside by the weights of each company in the portfolio, we obtain the fund's upside. **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	1S Performance		Performance YTD		Perf. since inception			PER	ROCE	Var	AUM Mn€	Inception Date
			Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund					
International EUR	88.85 €	156%	1.5%	11.1%	1.5%	11.1%	-11.2%	37.6%	5.6x	29%	14%	29.0 €	01/06/2017	
International USD	\$114.32	156%	2.6%	11.1%	2.6%	11.1%	1.3%	38.3%	5.6x	29%	14%	\$1.5	06/06/2017	
Selection EUR	18.950.52 €	155%	2.5%	11.1%	2.5%	11.1%	63.9%	131.6%	5.7x	29%	13%	84.2 €	18/04/2017	
Selection USD	\$34.973.10	155%	3.6%	11.1%	3.6%	11.1%	91.6%	131.6%	5.7x	29%	13%	\$8.8	18/04/2017	
Large Cap EUR	119.23 €	149%	-0.6%	12.6%	-0.6%	12.6%	19.2%	46.2%	5.8x	28%	13%	11.7 €	14/10/2019	

Data as of 30 of June 2023. Notes: 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. Over the course of this six-month period, we have achieved an estimated **upside potential** of 156% for our funds. This estimated potential is not a guarantee that the fund will perform well over the next few years, but it is our estimate of what our funds are worth and gives an idea of how attractive it is to invest in Cobas AM funds. To calculate this potential, we carry out an individual analysis of each company in the portfolio. Specifically, we estimate the future earnings generation capacity and apply the valuation method that best suits each business model, with multiples or discounted cash flow valuation methods being the most commonly used. We calculate the capacity to generate future profits by taking into account the historical performance of the company, the performance of the management team, the analysis of the sector (supply and demand), and its future prospects. The objective is to determine the sustainable normalised profit over a full economic cycle. This analysis is developed and continuously updated, taking into account quantitative information, mainly that contained in the company's annual accounts, and qualitative information, such as that acquired through attendance at conferences, reports from information providers or through interviews with customers, competitors, etc., as well as the information provided by the company's management team. The multiples or discount rates we apply to estimated future earnings are derived from our analysis, the main variables being the quality of the business, its predictability, expected growth and risks. With rare exceptions, the discount rate applied (either explicitly or implicitly) ranges from 6% to 12%. Thus, the quotient between our internal valuation and the share price gives our upside for revaluation for each company. By weighting this upside by the weights of each company in the portfolio, we obtain the fund's upside. **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

Radiography of our funds

First Semester 2023

Cobas Internacional FI
Class B - ES0119199026
Class C - ES0119199000
Class D - ES0119199018

Cobas Iberia FI
Class B - ES0119184028
Class C - ES0119184002
Class D - ES0119184010

Cobas Grandes Compañías FI
Class B - ES0113728028
Class C - ES0113728002
Class D - ES0113728010

Cobas Selección FI
Class B - ES0124037021
Class C - ES0124037005
Class D - ES0124037013

Cobas Renta FI
ES0119207001

COBAS LUX SICAV
COBAS SELECTION FUD
LU1372006947 EUR
LU1372007168 USD

COBAS LUX SICAV
COBAS INTERNATIONAL FUD
LU1598719752 EUR
LU1598719919 USD

COBAS LUX SICAV
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
	Golar LNG	7.6%	6.8%	Elecnor	9.8%	8.9%	Golar LNG	7.2%	6.8%	Golar LNG	6.6%	6.0%	Golar LNG	6.7%	6.0%	Golar LNG	7.7%	6.9%	Golar LNG	7.1%	7.1%
	Atalaya Mining	3.5%	3.5%	Atalaya Mining	9.3%	9.7%	Fresenius SE & CO	4.6%	3.4%	Atalaya Mining	3.6%	3.4%	Babcock	3.8%	3.7%	Babcock	4.4%	4.2%	Fresenius SE & CO	4.7%	4.7%
	CIR	4.0%	5.0%	Técnicas Reunidas	9.0%	8.7%	CK Hutchison	4.2%	4.0%	CIR	3.5%	4.4%	Atalaya Mining	3.6%	3.4%	Wilhelmsen	4.1%	4.5%	CK Hutchison	4.3%	4.3%
	Babcock	4.4%	4.2%	Semapa	7.9%	8.4%	Porsche	3.9%	3.0%	Babcock	4.4%	4.2%	Wilhelmsen	3.5%	3.9%	CIR	4.1%	2.8%	Porsche	3.9%	3.9%
	Wilhelmsen	4.0%	4.5%	Vocento	4.8%	4.4%	Affiliated Managers	3.8%	5.2%	Wilhelmsen	3.5%	3.9%	CIR	3.5%	3.4%	Currys PLC	3.8%	3.6%	Affiliated Managers	3.8%	3.8%
	Currys PLC	3.8%	3.6%	CAF	4.6%	4.2%	Samsung C&T	3.7%	3.9%	Currys PLC	3.3%	3.1%	Currys PLC	3.3%	3.1%	Danieli	3.5%	3.5%	Viatri	3.7%	3.7%
	Danieli	3.5%	3.6%	Almirall	4.4%	3.1%	Viatri	3.7%	3.8%	Elecnor	1.1%	1.1%	Danieli	3.0%	3.1%	Atalaya Mining	3.5%	3.5%	Samsun C&T	3.7%	3.7%
	Maire Tecnimont	3.3%	4.2%	Miquel y Costas	4.2%	4.4%	Atalaya Mining	3.6%	3.5%	Bw Energy	0.9%	0.9%	BW Offshore	2.6%	2.4%	Renault	3.6%	3.6%	Teva Pharmaceutical	3.6%	3.6%
	Bw Offshore	2.6%	2.4%	Ibesol	4.2%	4.2%	Renault	3.6%	4.5%	Danieli	0.9%	1.1%	BW Energy	2.4%	2.3%	Atalaya Mining	3.6%	3.6%			
	Bw Energy	2.4%	2.2%	Catalana Occidente	3.6%	2.0%	Teva Pharmaceutical	3.5%	3.3%	CIR	0.8%	0.7%	Energean	2.2%	1.4%						
Geographical breakdown	Eurozone		35.9%	Spain		76.1%	Eurozone		39.4%	Eurozone		35.4%	USA		12.5%	Eurozone		25.5%	USA		39.1%
	Rest of Europe		26.1%	Portugal		14.6%	USA		29.7%	Rest of Europe		31.7%	Rest of Europe		4.3%	Rest of Europe		36.2%	Asia		15.1%
	USA		24.1%	Other		9.3%	Asia		15.9%	USA		21.0%	USA			USA		24.4%	Rest of Europe		29.8%
	Asia		11.9%				Rest of Europe		15.1%	Asia		10.3%	Asia			Asia		11.9%	Eurozone		16.0%
	Other		2.0%							Other		1.7%	Other			Other		2.0%			
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
	Oil & Gas Exploration & Products		14.9%	Metals & Mining		12.4%	Automobiles & Components		17.4%	Oil & Gas Exploration & Products		13.0%	Oil & Gas Exploration & Products		10.9%	Oil & Gas Exploration & Products		13.1%	Oil & Gas Exploration & Products		15.1%
	Oil & Gas Storage & Transportation		14.4%	Construction & Engineering		11.2%	Pharmaceuticals. Biotechnology		13.4%	Oil & Gas Storage & Transportation		12.5%	Oil & Gas Storage & Transportation		6.7%	Oil & Gas Storage & Transportation		12.6%	Oil & Gas Storage & Transportation		14.5%
	Automobiles & Components		9.1%	Energy Equipment & Services		9.0%	Industrial Conglomerates		12.0%	Industrial Conglomerates		9.5%	Energy Equipment & Services		1.8%	Energy Equipment & Services		9.6%	Automobiles & Components		9.2%
	Retailing		9.0%	Industrial Conglomerates		7.9%	Health Care Equipment & Services		9.0%	Automobiles & Components		7.9%	Automobiles & Components		1.6%	Automobiles & Components		7.9%	Retailing		9.0%
	Industrial Conglomerates		8.8%	Paper & Forest Products		7.8%	Oil & Gas Exploration & Products		8.5%	Retailing		7.8%	Paper & Forest Products		1.4%	Retailing		7.9%	Industrial Conglomerates		8.8%
	Metals & Mining		6.1%	Commercial Services		7.2%	Oil & Gas Storage & Transportation		7.2%	Energy Equipment & Services		7.3%	Commercial Services		1.1%	Energy Equipment & Services		7.4%	Mining and metals		6.1%
	Aerospace & Defense		5.9%	Transport		7.1%	Energy Equipment & Services		5.7%	Metals & Mining		5.8%	Transport		1.1%	Mining and metals		5.9%	Aerospace & Defense		6.0%
	Energy Equipment & Services		5.6%	Consumer Services		6.8%	Retailing		4.1%	Pharmaceuticals. Biotechnology		5.3%	Consumer Services		4.4%	Pharmaceuticals. Biotechnology		5.3%	Energy Equipment & Services		5.6%
	Other		26.3%	Other		30.7%	Other		22.8%	Other		31.0%	Other			Other		30.3%	Other		22.2%
Performance contributors	Contributors			Contributors			Contributors			Contributors			Contributors			Contributors			Contributors		
	Exmar		0.8%	Elecnor		2.3%	Renault		1.1%	Exmar		0.7%	Exmar		0.7%	Exmar		0.8%	Renault		1.1%
	Aryzta		0.8%	Ibersol		1.4%	Heidelberg Materials		0.9%	Aryzta		0.7%	Aryzta		0.7%	Aryzta		0.8%	Heidelberg Materials		0.9%
	Equinox		0.7%	Applus		1.3%	Hyundai		0.8%	Equinox		0.7%	Equinox		0.6%	Equinox		0.7%	Hyundai		0.8%
	Maire Tecnimont		0.7%	Tubacex		1.2%	Fresenius Medical Care		0.7%	Maire Tecnimont		0.6%	Renault		0.6%	Renault		0.7%	Continental		0.7%
	Renault		0.7%	Semapa		1.1%	Continental		0.7%	Renault		0.6%	Danieli		0.6%	Danieli		0.7%	Fresenius Medical Care		0.7%
	Detractors			Detractors			Detractors			Detractors			Detractors			Detractors			Detractors		
	Enquest		-0.3%	Catalana Occidente		-0.1%	Teva Pharmaceutical		-0.7%	Enquest		-0.3%	Enquest		-0.3%	CIR		-0.4%	NOV		-0.8%
	Organon		-0.4%	Galp		-0.2%	NOV		-0.8%	CIR		-0.4%	Organon		-0.4%	Enquest		-0.4%	Teva Pharmaceutical		-0.8%
	Geopark		-0.6%	Prosegur		-0.2%	Harbour Energy		-0.8%	Organon		-0.5%	Geopark		-0.4%	Organon		-0.5%	Harbour Energy		-0.8%
	CIR		-0.6%	Linea Directa		-0.3%	Organon		-0.8%	CIR		-0.5%	CIR		-0.5%	Geopark		-0.6%	Organon		-0.9%
	Golar LNG		-1.0%	Almirall		-0.7%	Golar LNG		-1.0%	Golar LNG		-0.9%	Golar LNG		-0.9%	Golar LNG		-1.0%	Golar Lng		-0.9%
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		
	Seacrest Petroleo			BW Energy			BW Energy			Seacrest Petroleo		Hochschild Mining	Seacrest Petroleo		Hochschild Mining	Seacrest Petroleo			BW Energy		
	FNAC			Energean			Energean			FNAC		Almirall	FNAC		Almirall	FNAC			Energean		
	Greencore Group			Kosmos Energy			Kosmos Energy			Greencore Group			Greencore Group			Greencore Group			Kosmos Energy		
	International Petroleum									International Petroleum			International Petroleum			International Petroleum					
	Hochschild Mining									Hochschild Mining			Hochschild Mining			Hochschild Mining					
	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		
	Teekay Corp			Aryzta			Aryzta			Teekay Corp			Teekay Corp			Teekay Corp			Aryzta		
	Fresenius Medical Care			China Mobile Limited			China Mobile Limited			Fresenius Medical Care			Fresenius Medical Care			Fresenius Medical Care			China Mobile Limited		
	Continental			ACS			ACS			Continental			Continental			Continental			ACS		
	Petronor			Qurate Retail			Qurate Retail			Petronor			Petronor			Petronor			Qurate Retail		

(*) EUR/ USD 40% hedged

NEWS



In our **Cobas AM** news section, the objective is to give a preview of the fund manager's projects and initiatives, as well as the most important milestones that took place in the last quarter

VII Annual Investor Conference

On May 11, we held our **Seventh Annual Investor**

Conference in Madrid. During the Conference, our Investment team, led by Francisco García Paramés, presented its investment strategy and reviewed the current situation of the fund manager and our portfolios.

We provide the link to watch the full conference, as well as a summary of the conference. [Wath video](#)

Photo: Cobas AM.

Comments on **First Semester 2023**

New employment pension plan for the autonomous workers

Cobas Autónomos PPES

c o b a s
p e n s i o n e s



Imagen: Cobas AM.

Launch of a simplified employment pension plan for the autonomous workers.

Cobas AM will manage the new simplified employment plan **Cobas Autónomos PPES** that the DGS has authorised **Cobas Pensiones SGFP**. Any self-employed worker will be able to join the plan with the aim of optimising their retirement savings. It can be contracted through the [Cobas Empleo](#) digital platform. Contributions can be made from a minimum of 100 euros and up to a maximum of 5,750 euros per year (4,250 euros more than the limit for individual plans), with the possibility of deducting up to 2,500 euros per year as a whole.

You can see all the information about our employment plan at the following in the [following link](#).

Ideas with value, El Confidencial

Juan Huerta de Soto, member of the **Cobas AM** Investment Team participated in the Ideas with Value talk organized by EL Confidencial to discuss an investment idea in the center of our circle of competence **AMG** an American investment fund manager, you can see his presentation in the following [video](#).

Media collaborations

During the semester we have held several events with investors with the Investment Team and Investor Relations in different cities: Gijón, Córdoba, Alicante, Ciudad Real and Albacete.

On April 13, **Francisco García Paramés** participated with the University of Villanueva where he gave the conference "My experience as an investor".

Francisco Burgos, Director of Institutional Business at **Cobas AM**, gave a lecture at the IE Business School on value investing on April 12.

Brainvestor

During the semester we have conducted two face-to-face workshops on self-knowledge and the emotional curve of the investor with **Paz Gómez Ferrer**, expert in psychology of financial behavior. Discover also the mentoring program that the **Brainvestor** app puts at your disposal to solve all your doubts and turn you into a conscious investor. Download the app at the following [link](#).

El Confidencial

Juan Huerta de Soto

Investment Team **Cobas AM**



Imagen: Cobas AM.

Participation in Decision Radio

Throughout the quarter, members of the Investor Relations team have participated in the program Área Financiera. You can find the programs on their Youtube channel

Participation in the radio program "Tu Dinero Nunca Duerme"

During this semester, **Vicente Martín Brogeras** and **Iván Chvedine**, from the Investment Team, **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 programs of Tu Dinero Nunca Duerme, the first financial culture

program of the Spanish generalist radio station esRadio in collaboration with **Value School**. The audios of the programs are available at the following [link](#).

Participation in the Aspain 11 Family Office program

Interview with **Francisco Burgos**, head of the Institutional business, where he talked about the opportunities of value investing. To listen to his participation click [here](#).

Do you know our Social Networks?

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

Instagram



Facebook



Libsyn



LinkedIn



YouTube



Twitter



Imagen: 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 buying cheap and being patient. It is a philosophy of life.

Value School brings financial education to YOUR COMPANY

Value School has created a financial education course for companies that support the personal development of their employees. 4 hours face-to-face or 2 online sessions of 2 hours. Your company can subsidize the cost of this training through FUNDAE. [Download the program](#) and request information!

NEW REPORT. Towards a society of owners

In 2006, the Juan de Mariana Institute published its report "A Society of Owners. The Citizens' Path to Financial Independence". That study made many people take a fresh

Imagen: Cartel Summer Summit 2023 de Value School.





look at their finances, their life goals and the steps to achieve them. More than 15 years later, we have commissioned Domingo Soriano to write a new document that updates and expands on what was exposed in that one. [Download it for free](#) and start reading.

Value School Summer Summit 2023

From June 26th to July 7th **Value School** has delivered its popular summer introductory program on saving and investing. 30 sessions on economics, personal finance and investing in fixed income and equities that will soon be available as a video course on **Value Academy**.

New on the Value School podcast

Transhumanism, immortality and enhanced humans. We recently discussed bioethics with **Elena Postigo**, Associate Professor of Philosophy and Bioethics and Director of the Institute of Bioethics at the University Francisco de Vitoria. The [video of the interview](#) can be viewed on YouTube. Also available in mp3 on the main podcast platforms.



ALTERNATIVE FUND SICAV-SIF GLOBAL SOCIAL IMPACT FUND

During the first half of 2023 **Global Social Impact Investments (GSII)** has continued to consolidate its position as one of the leading impact fund managers in Spain.

GSI's first fund, has been investing since 2020 to promote the economic and social inclusion of the most vulnerable people in Sub-Saharan Africa.

This semester, the Fund has made three new investments aimed at improving the livelihoods of smallholder farmers and herders: **Swatini Ventures Limited** in **Kenya**; **Quality Milk** in **Uganda**; and **Shayashone** in **Ethiopia**. It has also expanded its position in **Just Know your Cup of Coffee (JKCC)** in **Uganda**; **BURN Manufacturing** and **WATU Credit** in **Kenya**.

Since December 2020, the fund has achieved an annua-



lized return¹ of 5.6%, increased on average the income of the communities benefiting from its investment by 39% and directly reached more than 6 million people in Africa.

GLOBAL SOCIAL IMPACT FUND II SPAIN FESE

GSI's second fund, is focused on small and medium-sized Spanish companies that contribute to improving the income and livelihoods of vulnerable groups in our country.

The Fund has two companies in its portfolio that are performing very positively and in line with the business and social impact plans established between GSI SGIIC and the management team of the companies.

Both vehicles, **GSIF Africa** and **GSIF Spain**, are making rapid progress with their respective fundraising processes and expect to reach a combined target size of 120 million in the coming months.

Finally, GSI has consolidated its team, and now has 8 professionals with expertise in investment and social impact measurement.

(1) Past returns do not presuppose future returns. **Foto:** GSI, empresa Shayashone. **Fotógrafo:** Seun Adeniyi.



During 2023, **Open Value Foundation** has changed its strategy; we continue to promote and disseminate impact investment without losing sight of strengthening the ecosystem, but focusing on **direct investment**, through different **Venture Philanthropy** instruments, in projects and social enterprises that contribute to improving the livelihoods of the most vulnerable people in sub-Saharan Africa and Spain, and offering not only financial aid, but also technical support. In this way, it provides social entrepreneurs with the tools they need to gain momentum and maximize their impact.

Some of the Open Value Foundation's latest investments are:

·**Semilla Nueva** (\$25,000 donation): This is an initiative that develops, produces and promotes non-transgenic corn seeds, i.e., conventionally grown, but with higher levels of nutrients. Its main objective is to improve the nutrition of the world's poorest people and this project focuses on the creation of these biofortified seeds for

sub-Saharan Africa. [More information.](#)

·**Blue Hope** (SAFE loan of £10,000): This is an initiative that helps migrants and applicants for international protection to access the job opportunities they deserve; they identify displaced people with high professional potential in the technological or digital field and offer them personalized training, adapting their experience and knowledge to the needs of the technological market in Europe.

·**Primero H** (€50,000 loan): Initiative whose objective is to generate greater possibilities of access to affordable rental housing for people in situations of residential vulnerability in Spain. [More information.](#)

·**Jump Math** (€50,000 loan): JUMP Math is an inclusive mathematics teaching-learning program that enables all students to acquire a mathematical foundation that will enable them to face life and professional challenges with confidence. [More information.](#)

The Foundations Fund is currently made up of 20 foundations and non-profit organizations that invest

together, combining the objectives of financial profitability and social impact. In addition, the initiative is supported by [Ashoka Spain](#) and [Google.org](#), through the Impacta+ initiative.



Foto: Open Value Foundation. Semilla Nuva. Fotógrafo: Frank Meriño.

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

Paseo de la Castellana, 53 Second floor
28046 Madrid (Spain)
T +34 91 755 68 00

info@cobasam.com
www.cobasam.com



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