

Investment Philosophy

REQ Capital believes value creation drives shareholder performance. We invest in companies that can reinvest capital at high returns over time. These compounders are expected to generate strong cash flows and profitable growth. The companies we invest in typically grow consistently through small bolt-on acquisitions in addition to underlying organic growth.

We invest in management teams that are outstanding capital allocators. We place large emphasis on good corporate governance, as we believe that companies with good corporate governance are also best positioned to follow best practices on social and environmental factors. The cornerstone of our investment philosophy incorporates capital allocation, decentralization and people. We believe that finding outstanding capital allocators who decentralize their business and act like true owners, is essential to achieving exceptional long-term returns as investors.

Portfolio commentary March

In March, our portfolio companies announced a total of 22 acquisitions. A notable acquisition was UK-listed Diploma's purchase of US-based Peerless Aerospace Fastener LLC, a top distributor of specialty fasteners with value-add solutions, mainly to the US airline industry. Peerless has a strong financial history, including a 9% organic growth rate over the past decade, EBIT margins of 30%, and high returns on capital. The acquisition is valued at USD 236 million or approximately 7 times FY24 EBIT. Peerless is expected to contribute significantly to Diploma's earnings, with an 8% accretion to Group EPS and a 15% return on capital anticipated in the first 12 months of ownership. The acquisition was partly financed through debt at a rate of 4.3%, and the year-end leverage ratio (net debt/EBITDA) is projected to be around 1.3x. Diploma's success with Peerless, despite not being the highest bidder, comes from its competitive edge over private equity, offering a supportive environment for family-owned businesses to preserve their heritage and culture.

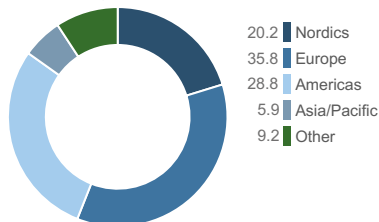
We've seen promising developments in Diploma's strategy under CEO Johnny Thomson since 2019. Our recent discussions have reinforced our optimism towards its approach of blending larger acquisitions with smaller bolt-ons, still emphasizing price discipline and return on capital. This marks a shift towards more organic growth compared to the era of Bruce Thompson.

Performance contribution to fund performance since launch*

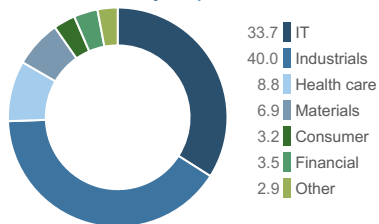
TOP 5	BOTTOM 5	
CONST. SFTW	DASSAULT SYST.	0.8%
LUMINE GRP.	IDEX CORP	0.7%
LIFCO	BOYD GROUP	0.5%
MOMENTUM GRP	HALMA PLC	0.2%
HEICO CORP	ADDNODE GRP	(0.2%)

* 15th June 2021

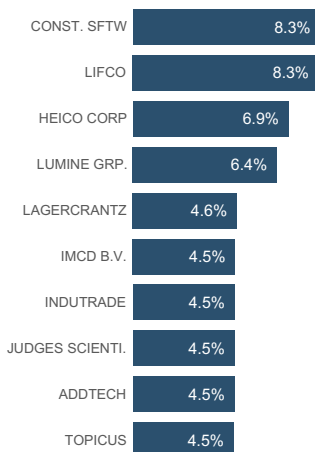
Geographical exposure*



Industry exposure*



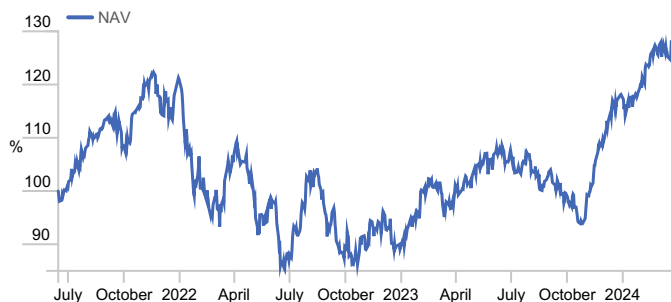
Largest positions



TOTAL RETURN

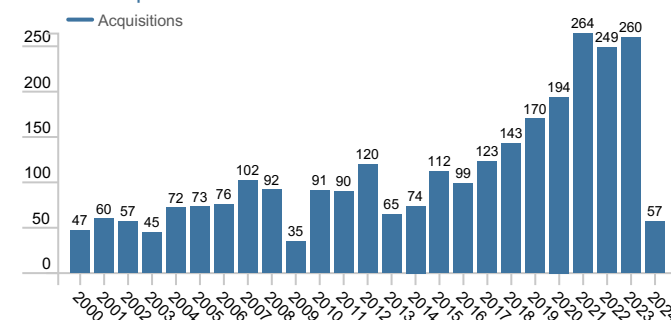
	MTD	YTD	1 YEAR	INCEPTION
REQ Global Compounders	1.0%	8.2%	26.4%	27.8%

Fund Performance



Returns REQ Global Compounders A-class (since launch) - NAV EUR

Portfolio acquisitions



Portfolio acquisitions inception to date

DATE	BUYER	PRIVATE COMPANY	COUNTRY
08-Mar-24	Const. Softw	Vanson Technnol.	US
11-Mar-24	Indutrade	Hemomatik AB	Sweden
13-Mar-24	Brown & Brown	DealerMax	US
15-Mar-24	Topicus	eLoo	Netherlands
18-Mar-24	Const. Softw	Agiboo BV	Netherlands
19-Mar-24	Topicus	C.I.C. Software	Germany
20-Mar-24	Momentum Group	Sikama	Sweden
20-Mar-24	IMCD	Bretano	Netherlands
20-Mar-24	Const. Softw	Amisof Spa	Chile
25-Mar-24	Const. Softw	Intelligent Count.	UK
26-Mar-24	Lifco	CFR S.r.L	Italy
27-Mar-24	Diploma	Peerless Aerosp.	US
27-Mar-24	IMCD	Gova Ingredients	Benelux
28-Mar-24	Lifco	Brevetti Montolit	Italy

Fund information

Fund structure: Irish UCITS ICAV Global long only
Fund manager: Oddbjørn Dybvad, Kjetil Nyland, Adnan Hadziefendic
Currencies: USD, GBP, EUR, NOK, SEK
Launch date: 15th of June 2021
Fund classes: Insitutional (I) (0,6%) & High Net Worth (A) (1,0%)
AUM: EUR 102m
NAV: Daily pricing at noon
Bloomberg: See fund information
ESG classification: Article 8
Fund administrator and depository: RBC (Royal Bank of Canada)
Auditor: Grant Thornton (Ire) and KPMG (Norway)
Regulators: Central Bank of Ireland (CBI) and Norwegian Financial Authority
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 Factsheets by Falk, falkglobal.no
Disclaimer: We kindly encourage you to review our prospectus and disclaimer, available for your reference on our website at: <https://req.no/disclaimer/>

Internal calculations