FOR PROFESSIONAL INVESTORS ONLY

ALMA CAPITAL

Alma Zazove Global Convertible Fund

A sub-fund of Alma Capital Investment Funds SICAV

ZAZOVE
Convertible Securities Management

As of 31 December 2019

Fund description

- The investment objective of the Fund is to provide global equity-like returns with significantly less risk
- The objective is achieved by seeking to capture the majority of stock market advances while simultaneously providing downside protection during market declines
- Statistical focus on convertible structure is used to create a balanced, diversified portfolio that optimizes the asymmetrical risk/reward characteristics of convertibles
- The investment approach is not reliant on forecasting or market timing
- The Fund targets a consistent risk/reward profile at all times

Investment manager: Zazove Associates, LLC (US)

- Zazove Associates, LLC (US) is an SEC-regulated investment advisor that has specialized in the management of convertible securities since 1971
- The firm manages US$ 2.5 bn for global institutional investors
- The firm is independent and 100% employee owned
- Zazove has expertise across all segments of the market: US, global, and high yield (“busted”) convertibles
- 24-year track record managing global convertibles

Cumulative performance (%)

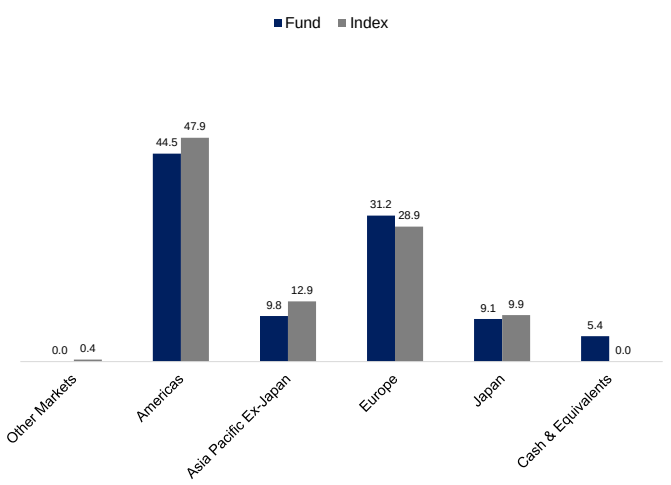
	I USD C shares	I EUR-Hedged C shares	Index*
1M	0.98	0.67	2.23
3M	3.51	2.72	5.04
6M	3.50	1.86	4.86
YTD	15.65	-	13.10
1Y	15.65	-	13.10
Since inception (30 Nov 2016)	17.01	-	17.79
Since inception* (annualized)	5.22	-	4.07

* Index = UBS Thomson Reuters Global Focus Hedged Convertible Bond Index USD

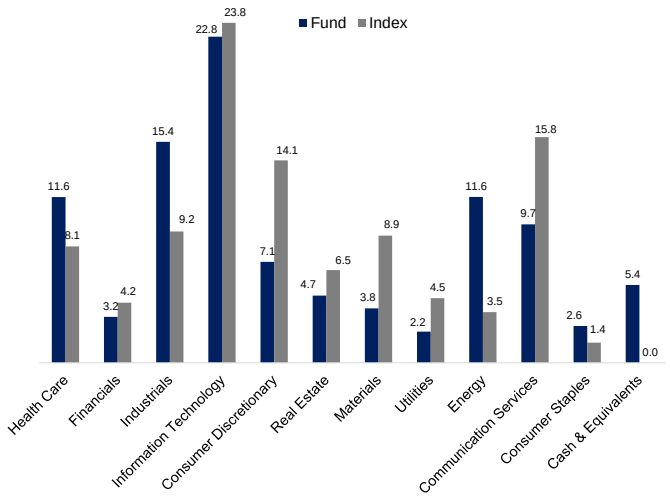
Portfolio characteristics

Main indicators	Fund	Index
No. of securities	54	201
Investment premium (%)	25.0	23.3
Conversion premium (%)	24.2	33.7
Delta (%)	54.0	46.0
Yield to maturity (%)	-3.4	-2.2
Current yield (%)	1.3	0.8
Convertible duration	1.6	2.0

Region breakdown (% AUM)



Sector breakdown (% AUM)



Top 10 issuers

Issuer	Sector	Country	% AUM
LIBERTY MEDIA CORP	Communication Services	United States	6.44
SONY CORPORATION	Consumer Discretionary	Japan	3.64
CREDIT SUISSE AG LONDON	Industrials	Switzerland	3.25
QIAGEN NV	Health Care	Netherlands	3.15
STMICROELECTRONICS NV	Information Technology	Switzerland	3.04
TOTAL SA	Energy	France	3.01
BP CAPITAL MARKETS PLC	Energy	United Kingdom	2.85
MICROCHIP TECHNOLOGY INC	Information Technology	United States	2.79
TORAY INDUSTRIES INC	Materials	Japan	2.79
CHINA RAILWAY CONSTRUCT	Industrials	China	2.79
			33.74

Alma Zazove Global Convertible Fund

A sub-fund of Alma Capital Investment Funds SICAV

Investment manager's commentary

Market:

Equity markets remained strong in December, driven by a phase one trade agreement between the US and China, dovish central bank policy, and increased optimism for global growth. Asia Ex-Japan and the US were the top performers, with Consumer Goods and Technology sectors particularly strong. Yield curves steepened and credit spreads tightened, particularly in high yield. The primary market finished strong with over $4Bln in new deals across regions, resulting in the best year for issuance since 2014, and meaningfully expanding the size of the convertible market and the availability of balanced structures.

Fund:

The Fund advanced, capping a strong year for returns both absolutely and relative to the Index. Americas and Japan were the main contributors, while holdings in Europe experienced modest declines. Technology and Consumer Goods were the top sectors, while Healthcare and Energy were the only significant detractors. The Fund moderately underperformed the Index during the month due to weakness in core Energy and Healthcare names and a lack of exposure to the largest Index contributor (Tesla) on downside protection concerns. Activity was relatively light and focused on optimizing convexity and maintaining an appropriate level of equity sensitivity.

Fund facts

Fund total net assets:	$28.25 M
Fund domicile:	Luxembourg
Fund type:	UCITS SICAV
Base currency:	USD
Management fee:	0.80% p.a.
Depositary, Administrator, Transfer Agent:	BNP Paribas Securities Services (LU)
Management company:	Alma Capital Investment Management (LU)
Investment manager:	Zazove Associates, LLC (U.S.A.)
Fund manager:	Greg Shorin, JD, CFA

Dealing:	Each day with a 1-day notice. Cut-off time: 12 pm CET
Countries where the fund is registered:	Luxembourg, France, UK
Identifiers:	Institutional USD Capitalisation share class Isin: LU1494400200/ Ticker: ALZICUS LX Launch: 30 November 2016 Institutional EUR-Hedged Capitalisation share class Isin: LU1538866879 / Ticker: ALZIECH LX Launch: 18 June 2019

Contacts

Hervé Rietzler (FR / CH / LU / IT)	+352 28 84 54 19
Baptiste Fabre (FR / IR / UK)	+33 1 56 88 36 55

info.investors@almacapital.com

This document is issued by Alma Capital Investment Management ("ACIM"). It contains opinions and statistical data that ACIM considers lawful and correct on the day of their publication according to the economic and financial environment at the time. This document does not constitute investment advice or form part of an offer or invitation to subscribe for or to purchase any financial instrument(s) nor shall it or any part of it form the basis of any contract or commitment whatsoever. ACIM provides this document without knowledge of investors' situation. Prior to any subscription, investors should verify in which countries the fund(s) this document refers to is registered, and, in those countries, which compartments and which classes of shares are authorized for public sale. In particular the fund cannot be offered or sold publicly in the United States. Investors considering subscribing for shares should read carefully the most recent Prospectus and KIID agreed by the regulatory authority, available from ACIM (5 rue Aldringen, L-1118 Luxembourg, Grand Duchy of Luxembourg). The investors should consult the fund´s most recent financial reports, which are available from ACIM. Investors should consult their own legal and tax advisors prior to investing in the fund. Given the economic and market risks, there can be no assurance that the fund will achieve its investment objectives. The value of the shares can decrease as well as increase. Past performance is not a guarantee of future results.