SYMMETRY INVEST A/S

ANNUAL LETTER

2019

SYMMETRY INVEST A/S

CVR: 35056467

Note: The letter below is primarily written in January / February 2020 before the coronavirus outbreak and should be read in that context!

Dear all shareholders of Symmetry Invest A/S. (Symmetry).

In 2019, net asset value per share increased from DKK 17,944 to DKK 25,906, which corresponds to a return of 44.4%.

Table: Historical returns in percentages*

The table shows historical returns and net exposure since its founding in 2013

%	Jan	Feb	Mar	Apr	Maj	Jun	Jul	Aug	Sep	Okt	Nov	Dec	Symmetry Net	Symmetry Gross	MSCI ADWI	Avg. Net Exposure
FY13						8,1			7,9			15	34,1	41,6	15,2	N/A
FY14			3,2			10,2			2,8			17	36,8	40,4	7,4	N/A
FY15			6,8			23,2			-13,3			5,7	20,5	25,2	-0,7	76
FY16			1,3			10,6			3,5			3,4	19,9	24,6	6,8	44,3
FY17	6,2	3,2	0,7	4	5,1	-2,7	1,1	-2,7	0,6	3,3	-2,1	-0,7	16,8	22,1	17,5	46,5
FY18	1,9	-4,5	-4,4	0,8	-0,8	-5,9	-4,5	-1,8	-0,9	-12,8	1,9	0,3	-27,7	-25,8	-9,5	75,2
FY19	7,3	6,4	4,5	4,5	-2,4	6,3	0,5	-7,1	5,8	0,3	10,0	2,5	44,4	46,5	23,7	73,3
FY20																70,0
												Average	18,7%	23,0%	8,0%	

<u>Since its inception in 2013, net asset value has increased from DKK 10 to DKK 25.905, corresponding to an annual return of 18.7% per share per year.</u>

Table: Performance in comparison to MSCI ACWI

Below is our long-term and short-term performance compared to MSCI ACWI and Euro Stoxx 600

	2019	Total	IRR
Symmetry	44,4%	222,9%	18,7%
MSCI ACWI	23,7%	69,0%	8,0%
Stoxx 600	23,2%	44,5%	5,5%

2019 was a much needed rebound after 2018. We managed to recover all that was lost and more. Even though the year is now 2020, we still have 2018 in mind. We don't want to repeat past mistakes.

"Be greedy when others are fearfull and fearfull when others are greedy".

We were definitely greedy at the end of 2018. There were really good investment opportunities in the market, that we took advantage of. This gave us some tailwinds in the first few months of 2019. Since then, we went from being neutral to being more fearful. We are in no way trying to predict the market. Our current lower net exposure, is more due to the fact that we currently find many good short ideas and few good long ideas.

As Peter Lynch puts it:

"Far more money has been lost by investors trying to anticipate corrections, than lost in the corrections themselves."

We do not tell ourselves, that we can predict when the market tops and when it starts to go down again. And we don't tell ourselves, that others can control or predict it either. The only thing you can do as an investor is to keep your portfolio ready for whatever the market throws at you. This includes knowing your risk profile and your ability to manage it. We will never be able to control short-term price declines. That is not our job. Our job is to have a portfolio, that doesn't suffer any long-term loss of value. Looking ahead to 2020, I have no expectations in advance, whether it will be a good or bad year for the stock market as a whole. What I do expect, is that stock picking will be more important than it was in 2019 and some of the previous years. There are several factors driving the market to a greater and greater extent:

1) The central banks walk a fine line of pumping money into the system (FED), fight inflation (ECB) or accelerate growth (BOJ). The huge sums managed by central banks, affect the market up and down. An important expression is "Dont fight the FED".

2) More and more money is funneled into index funds. These index funds and other passive investments, create constant cash flows and trades in the market, driven by automatic trades and not by fundamental conditions. Rebalancing, etc. in index funds, creates major fluctuations that an investor can take advantage of.

3) Analysts and other investors are becoming more and more shortsighted. I am still amazed, when I listen in on conference calls, that analysts spend 99% of their time, on studying guidance for the next quarter. Or come up with questions for minimal fluctuations in some KPI's. Only to immediately publish a research report, where +50% of the value of the company, is in the terminal value. When so much of the value is in the terminal period, the most important thing an investor can do is spend time studying how the company's business will develop over the next 10 years, not over the next 3 months.

These conditions make stock picking more important than ever. It creates constant opportunities for a long-term investor like us. There are always imbalances in the market that we can exploit on both sides. In small and midcaps, which we primarily deal with, the tendency is even wilder. We have often found, that we can have purchase orders on the market 5-10% below rates, that are suddenly fulfilled by the smallest 1-3% correction in the general market. Shortly thereafter, we may risk being done on sales orders 15-20% higher than the purchase price when the market is positive again. Because Symmetry is long-term in our thinking, and our shareholders also thinks long-term, we can provide liquidity to the market when needed, and be sellers when the euphoria is at its peak. This does not only happen over the larger cycles experienced by you as investors. This happens continuously over shorter periods.

Strategy

Here is a brief outline of what Symmetry's strategy is:

Our goal is to create the highest possible return with the lowest possible risk. Which sounds nice. We are working to deliver an annual return of 15% per year, after fees and costs have been deducted. When we talk about the lowest possible risk, it is not our strategy to avoid short-term price declines. But to avoid permanent loss of value. We have adopted a value-based mindset. As far as value investing is concerned, there is only one correct description of it in my opinion.

- A company's fair value, is all future cash flows infinitely discounted to present value.

My job is to interpret this concept the best way possible, and to generate returns based on the opportunities I have. My development as a portfolio manager and investor, has gone through what many other talented investors have gone through. Inspired by Ben Graham og Warren Buffett, I learned the basics of how smart investing is done. After that, I immersed myself in Joel Greenblatt (Special situations), Charlie Munger and Peter Lynch (what characterizes good companies). Over time, I have become proficient at short selling. Over the last 24 months, I have been focused on two areas:

1) How do you identify a company's long-term competitive situation (compounders)?
2) How do you identify competent and credible management?

I still have a lot to learn about both. However, I believe our good return in 2019 is a direct consequence of this focus. You have to seize the opportunities available in the market. With the technological developments going on around us, successful investment today, requires tools other than just being able to calculate a P/E ratio and assessing whether a stock is expensive or cheap.

The most important ability an investor can have, is to constantly improve himself and the tools he has. Competitors are always working to become more proficient. Symmetry has had a fantastic excess return to the market since its inception. The status quo is no option going forward. Either I extend the lead to my competitors, or they catch up to me. I am working hard to achieve the first option.Our strategic focus is on European small and midcap stocks. But we are not going to limit ourselves. It is a great advantage to have an opportunistic approach to the market. You never know where and when opportunities arise. That is why we can invest in large caps globally. If we have had a narrow investment mandate, we would not have been able to buy a share in a Mexican company at the end of 2018, that almost doubled in value in 2019.We are long-term investors as long as our investment case is intact. We don't mind holding a stock for several years, as long as the company continues to perform even if the market ignores them. We have held on to Cambria Automotive and suffered losses for 2-3 years before the stock suddenly exploded in late 2019. Patience is a virtue as long as one's research is right. The opposite applies to Nilorngruppen. We chose to sell our shares after only approx. 6-9 months of ownership, when it became obvious to us that our investment case was wrong. Although we suffered a loss, it saved us from a further 70% loss on that share.

2019 Return:

Listed below are the top 10 hedge funds from the 2019 HedgeNordic index:

BEST NHX PERFORMERS YTD	
Alcur Select	51.35%
Proxy Renewable Long/Short	45.85%
Accendo	45.57%
Symmetry Invest	44.38%
Rhenman Healthcare Equity	40.12%
Formuepleje Penta	34.37%
Nykredit EVIRA Hedge Fund	33.97%
Sector Zen Fund	30.41%
Formuepleje Epikur	28.90%
Asgard Credit Fund	28.64%

Of all the Scandinavian hedge funds reporting data to HedgeNordic, in 2019, we ended up at a decent fourth place. We are incredibly proud of that. Especially because our return was delivered with a net exposure of only 73,3%. In addition, our return data is in DKK while several of the "competitors" above report in SEK/NOK which is an advantage. In investment, it is not about being number one for one or two years, if you completely fail other years. Historically, some of the best hedge funds in the world, have rarely been the best performers in single years. It is the continuity of high returns year after year that creates good long-term results. Symmetry will have bad and negative years. But if we can deliver far more positive years than bad years, then we will be able to strengthen the long-term track record.

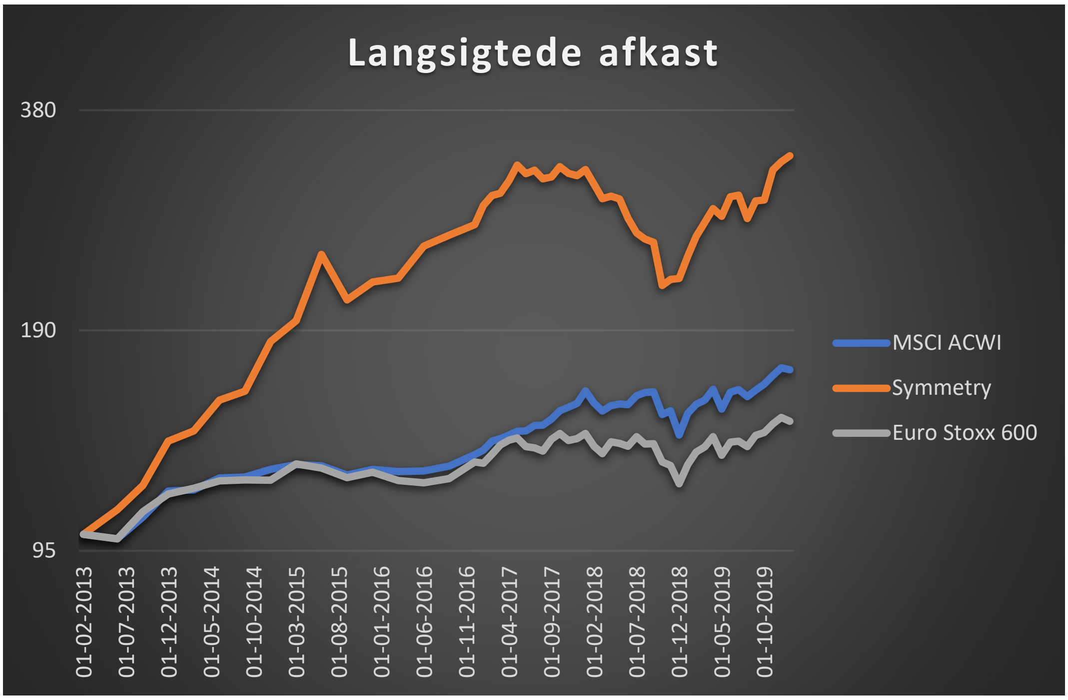
Below we have illustrated the distribution of our returns for each month:

%	Jan	Feb	Mar	Apr	Maj	Jun	Jul	Aug	Sep	Okt	Nov	Dec
Long return	7,32	5,76	4,32	5,15	-3,34	5,01	1,30	-7,23	5,43	1,85	9,02	3,54
Short return	-4,53	-0,88	-1,37	-2,84	4,08	0,13	-1,51	5,10	-2,40	-2,88	-1,48	-1,62
L/S Alpha	**2,62**	**4,88**	**2,95**	**2,31**	**0,74**	**5,14**	**-0,21**	**-2,14**	**3,03**	**-1,03**	**7,53**	**1,93**
Long Alpha	0,03	2,85	2,99	1,69	2,76	-0,59	0,49	-5,03	3,38	-0,06	6,32	0,98
Short Alpha	2,59	2,03	-0,04	0,62	-2,02	5,73	-0,70	2,90	-0,35	-0,97	1,22	0,94

We are excited about how we generated our returns in 2019. For 9 out of 12 months, we have generated a positive alpha. Seen throughout the year, we delivered an amazing alpha of 33.5%. It has been created on both the long and the short side with double-digit added performance on both sides of the market. There are several reasons for the good returns on both sides of the market. Including a "mean-reversion" after a poor year in 2018. But also a market that has generally benefited from active stock picking on both sides.

Long-Term Returns:

If we shift gears and take a look at the long-term returns since we were founded in March 2013:



As seen from the graph above, we have outperformed the market since we were founded. This is done through active stock selection and a focus on our best ideas. There will always be attractive investments around. It is our job to always find the best ones.

Below we have compared our annualized return with all the hedge funds that report to HedgeNordic and have a minimum of 24 months of data:

Firm	Avg. ROR
Rhenman Healthcare Equity L/S	19,62%
Symmetry Invest A/S	18,72%
HCP Focus Fund	18,04%
Taiga Fund	15,16%
Asgard Fixed Income Fund	12,99%
Borea Global Equities	12,95%
Formuepleje Epikur	12,85%
Sissener Canopus	12,79%
Midgard Fixed Income Fund	12,69%
Accendo Capital	11,69%

On that front, we have the second best returns of all hedge funds across Scandinavia. Of course we are very proud of that. The only hedge fund that performs better than Symmetry, is Rhenman Healthcare Equity (which we have great respect for). However, it is worth noting that they have been running with fairly high leverage over the life of the fund.

They also report their return in SEK, whereas we report in DKK. Measured at the same exchange rate, Symmetry would have had first place. We aim for first place in the coming years anyway. Our long-term goal is to make a return of +15% annually. Only 4 hedge funds in all of Scandinavia have achieved this. However, it is also worth noting that it has been a good period for equities in general. Therefore, we still believe that 15% in the long term is a very ambitious hope and we would probably see our 18.7% historically trending towards this.

Funds like Symmetry are constantly attracting new investors. It is therefore important to always remember, that historically good returns have no significance for some of your investors. Only the future matters. New investors are indifferent to what has happened historically. It will not benefit them. This is also why we spend so much time on things that do not produce immediate short term returns, such as personal improvement and improvements to processes, systems and data.

Symmetry's returns are by no means unique. I personally know several talented long-only funds that have delivered returns even better than Symmetry. Two of my close acquaintances in the investment world are:

- Thomas Tang who runs MediumInvest in Denmark, has produced an annual return of 24.0 % since 2013.
- Samir Patel, who runs Askeladden Capital, has produced an annual return of 25.3% since 2015.

I also know hedge funds that have only been around for 2-3 years with a 30-40% annual return. As well as private investors who have produced + 50% annual return on their private portfolios. There are also hedge funds, such as my “neighbors”, Formue Nord Markedsneutral, who have produced an annual return of around 10% with very low volatility. However, there is no doubt that in the sub-category of long / short equity based hedge funds, we are among the best in Scandinavia so far.

So why do I use a yearly letter on Symmetry, to praise my colleagues in the industry? Should I not use it to describe how unique and skilled Symmetry is, to attract as much capital as possible instead?

I just think it's good marketing for Symmetry to tell what I describe above. Had I claimed that what we are doing is completely unique, and that I am the only one in the world who can do this, you would have a good reason to doubt the sustainability of our returns, etc. But there actually is a smaller crowd of really talented investors in virtually every country. Both hedge funds and private individuals are able to make significant returns by focusing primarily on overlooked niches of the market. As index investment becomes more and more popular, it is largely due to the fact that many of the larger active funds are, in fact, passive investment funds with significantly higher fees. When you go down to your local bank, they recommend 5-10 of their own funds that simply (if you're lucky) have followed the market over time despite high fees. For investors like those, it makes sense to opt out of active funds and buy ETFs. But this particular trend towards passive funds, is creating an attractive universe to invest in for small active funds with niche strategies such as Symmetry. It makes really good sense for most wealthy people, to invest some of their funds in niche strategies and niche managers, who have proven their worth over several years. Assuming that these managers have the courage and can focus on their strategies, I definitely believe it is possible to beat the market over time despite a lower risk profile.

Long-Term Alpha::

As a long / short hedge fund, our most important long-term goal is to create alpha. Since we consistently have a net exposure lower than the market, we will only be able to beat the market over time through positive alpha. We have also had good numbers on that front:

	Long	Short	LS Alpha	Long Alpha	Short Alpha
2019	43,7%	-10,2%	33,5%	19,9%	13,6%
2018	-24,5%	11,0%	-13,5%	-15,0%	1,5%
2017	27,0%	-12,9%	14,1%	9,5%	4,6%
2016	22,9%	-4,5%	18,4%	16,1%	2,3%
2015	7,2%	8,8%	16,0%	7,9%	8,1%
2014	36,8%			29,7%	
2013	34,1%			19,5%	
Average	**21,0%**	**-1,6%**	**13,7%**	**12,5%**	**6,0%**

[1]

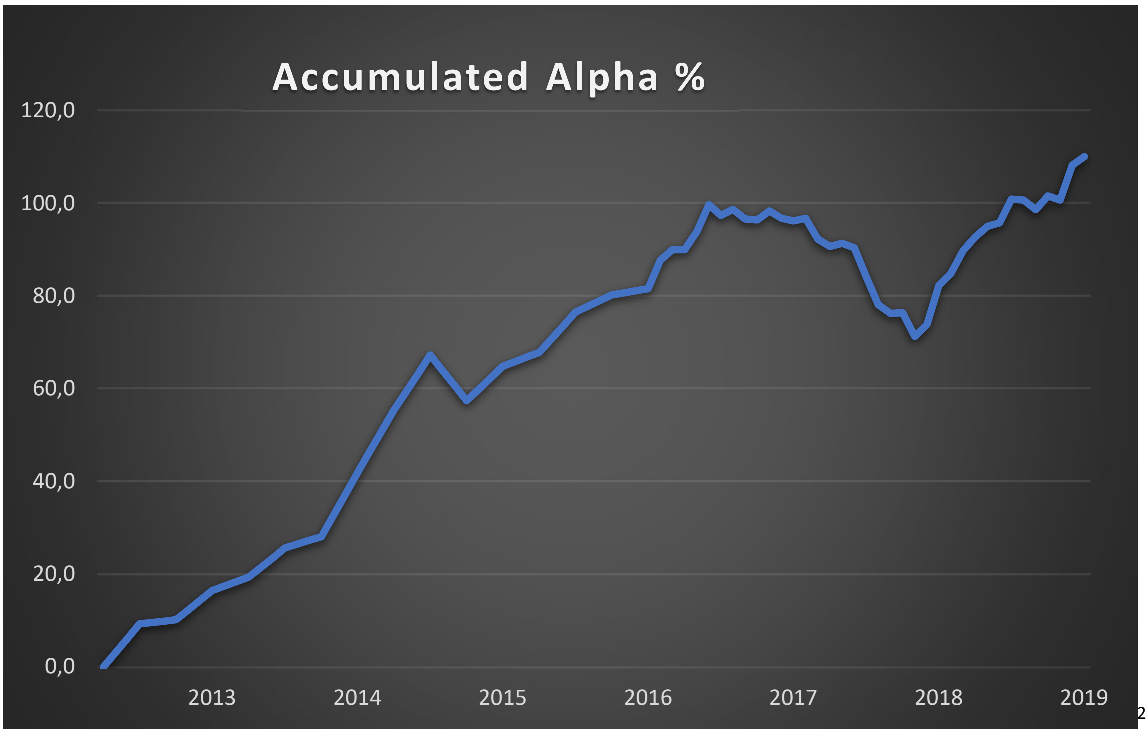
We first started working on individual short positions in 2015. Before then, our shorts were index shorts. That is why alpha is at 0 during those years.

As illustrated above, since our founding, we have produced an average return of 21% annually on the long side, while our short positions on average have cost us 1.6% annually. Compared to the general market, our long positions have beaten the market by an average of 12.5% per year, while we have beaten the market on the short side by approx. 6% annually.

There has also been a nice consistency in returns and our alpha. Measured on an annual basis, it is only in 2018 that we have underperformed the market on the long side. For all 5 years on the short side, we have managed to generate positive alpha.

On the next page, we have shown what this alpha accumulated has looked like since we were founded:

1 We started doing single name shorts in 2015. Before that, we only did index shorts. The short results only include returns on single name shorts in 2015 (exclude index options) to measure the true alpha generation on our individual shorts. For 2016-2019 all shorts are included as the vast majority (+90 %) is from single name shorts and hedges. From 2013-2014 our short alpha is 0 because all our shorts were index shorts.



[2]

As illustrated, it was only during the period June 2017 until October 2018, that we underperformed on the market.

It is worth pointing out, that the periods during which we have underperformed the market (Q3 2015) as well as from summer 2017 until summer 2018, have all been in positive markets. When the market has fallen as it did in 2015, Q1 2016 and Q4 2018, we have always managed to deliver positive alpha. I believe that Symmetry is designed to deliver positive alpha in all market conditions, but especially in declining markets due to our low beta on the long side and high beta on the short side. That does not mean we will not lose money in declining markets. We operate with a net exposure of 40-80%, which means we will lose money in most declining markets as well. Especially in markets where small-cap stocks perform poorly compared to large-caps and markets with low liquidity.

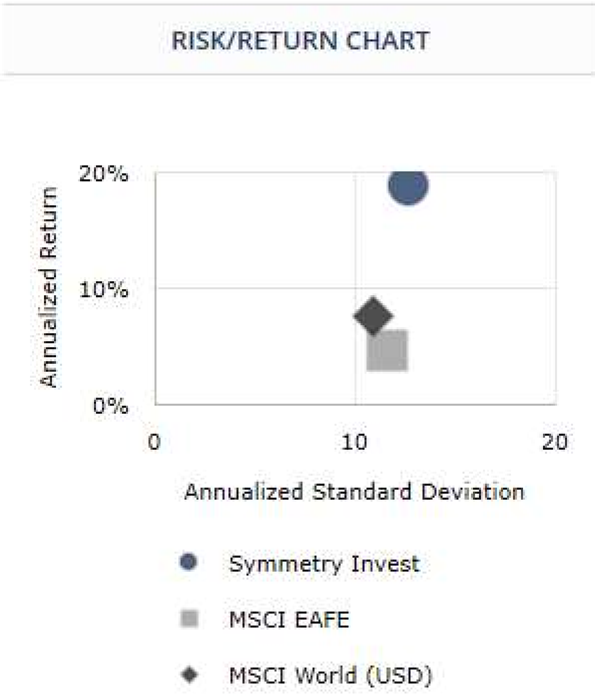
Virtually no fund can deliver a positive alpha in a completely straight line. Because Symmetry operates with a relatively concentrated portfolio of 15-20 ideas at a time, it can be expected that negative alpha may occur for shorter periods. This must be accepted as an investor with Symmetry.

2 See reference 1

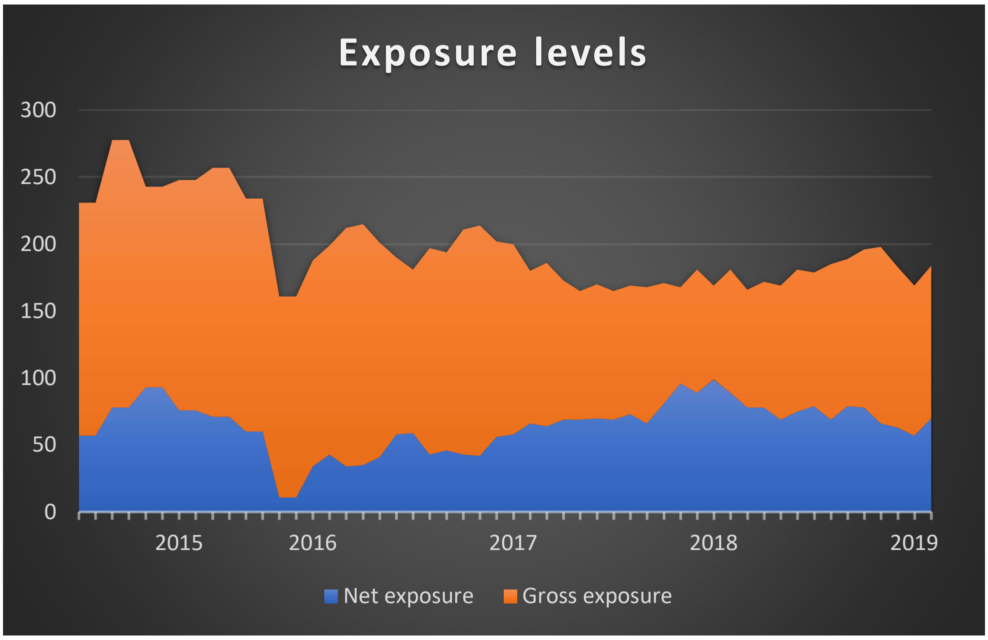
Return Profile:

It is important to point out that absolute returns are always most important for Symmetry. We prefer 15% returns with fluctuations compared to stable returns of 10%. However, absolute returns are only important if you can understand how the returns were generated.

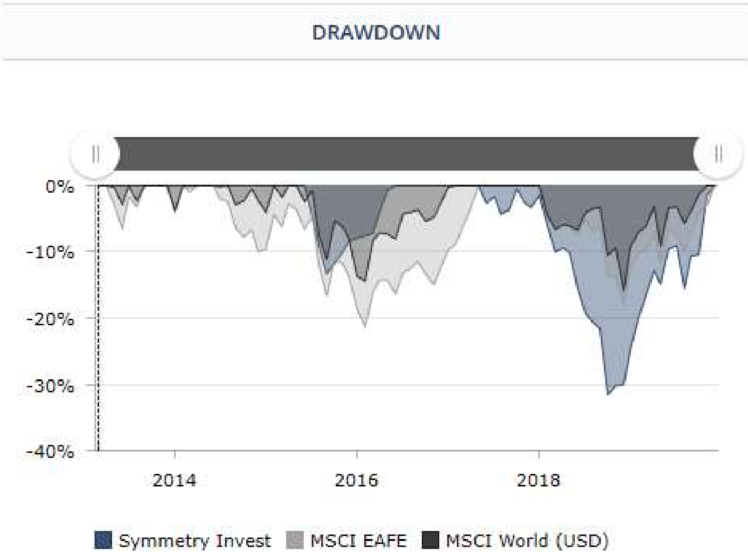
Below is our annualized return and the standard deviation. In spite of a standard deviation only marginally higher than the market, we still generated returns twice as high as the market average.



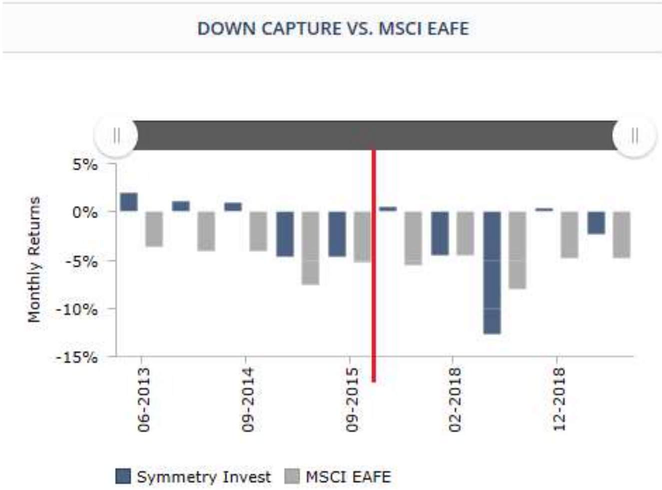
We just want to point out, that we are not happy with our standard deviation. We will focus on whether we can reduce it without compromising our returns. Part of this is minimizing our drawdowns as well as return volatility. But as we mentioned at the beginning of the section, we prefer positive returns over low volatility at all times if we are forced to choose.



Above, we have illustrated our gross and net exposure since the fund started working on individual short positions in 2015. Over the past 3 years, we have had a relatively stable gross exposure around 150-200 and net exposure around 40-80. We also expect to continue within these ranges with a few deviations in extreme markets.



I am pretty unhappy with Symmetry's drawdowns. The last one in particular has been both too deep and long-lasting. It is a problem, that is completely unacceptable, and we are working hard to improve. Over the first many years at Symmetry, we had significantly fewer and smaller drawdowns than the market average. That changed in late 2017 and the first 10 months of 2018, when we experienced a 30% drawdown, that took us 12 months to recover. We can't promise we won't experience deep drawdowns in the future. But we are aware of the problem and are working on it. However, we will always experience a drawdown in down markets.



[3]

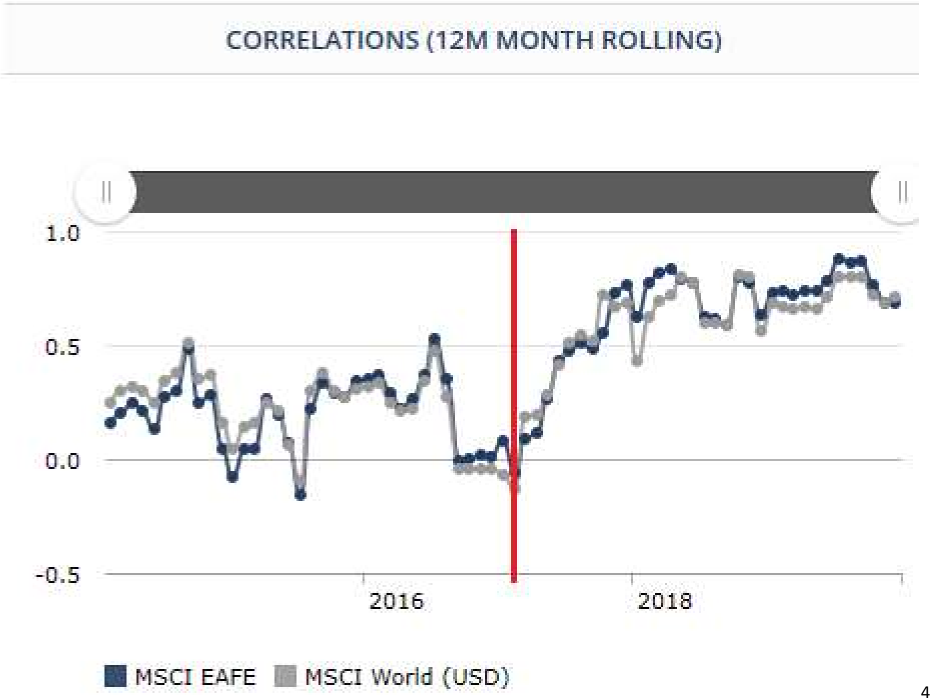
Above, our "down capture" is illustrated. It illustrates how Symmetry has performed during the 10 worst stock months in the general market since we were founded. If we focus on the 10 most negative months in the market since Symmetry was founded, it tells you how we performed during those months. It has been relatively satisfactory. In 4 out of the 5 negative months, we still outperformed the rest of the market.

And for 2 out of 5 months, we actually had positive returns despite major declines in the market. It shows us that our portfolio is performing well in months when the market is negative, which is very positive to us. But we would also emphasize its a small sample size.

3 The figures prior to the red line are irrelevant, because Symmetry calculated quarterly returns at that time.

We also take into account, how our returns correlate to the market. It can tell you how much of one's return is continuously coming from following the market rather than stock picking:

Since our founding, our correlation has been below 1, which is very important. An investment product with a +1 in correlation, will often just correspond to a leveraged version of the market.



[4]

In an ideal world, we would have a correlation below 0, which would mean that our returns will never be affected by the general market. Because many of our investors also invest in other stock-related products as well as single stocks, they want a product that has the lowest correlation possible. Since we always take market risk (usually between 40-80% net exposure) it is not realistic to fall below 0. We therefore hope to be able to deliver between 0 and 0.5 over time.

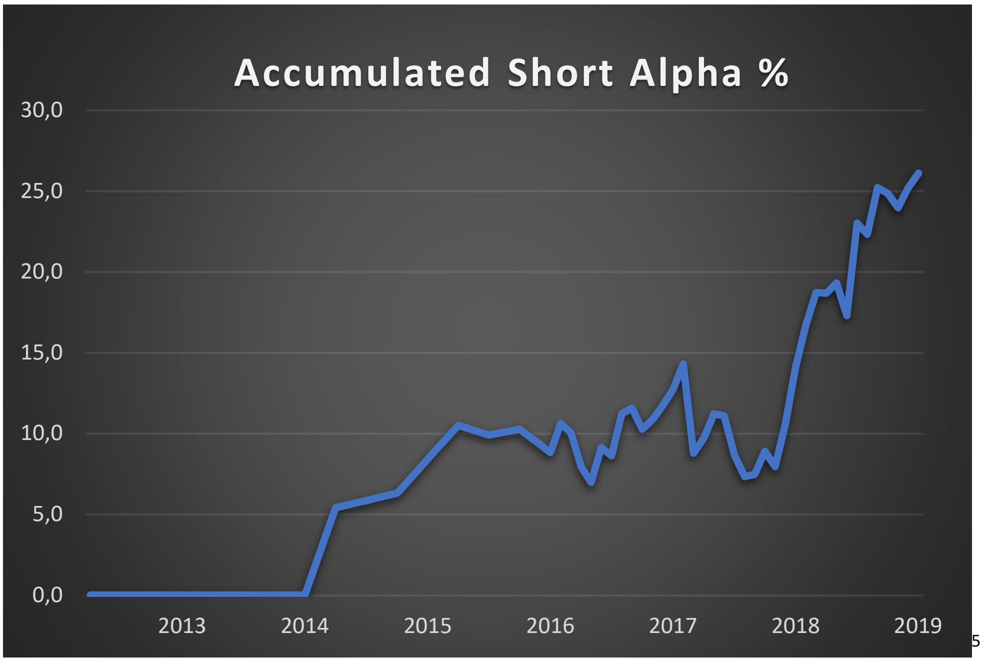
However, we would like to emphasize once again, that we will not implement a lot of measures to significantly reduce our returns, just to improve some other KPIs. The other KPIs should be a positive side benefit to doing our basic work as a long / short investment fund properly.

4 The figures prior to the red line are irrelevant, because Symmetry calculated quarterly returns at that time.

The Short Portfolio:

Something we have been really successful at, over the last 15 months, has been short selling. Short selling is definitely not for everyone. In fact, it is something I would only recommend for a small fraction of investors. As you can see in our alpha, it took some time to learn. After a good start in 2015, we basically had to tread water for 3 years until the end of 2018. But over the last 15 months, we have gained momentum. There are several factors that play a role:

1) The US market has stopped outperforming the global market. Because we have a US bias on the short-side, 2017-2018 gave us some structural difficulties, because the US stock market outperformed the European market significantly.
2) I believe, that I will keep improving at managing shorts. Both in terms of positioning ourselves in the best possible way and in terms of optimal risk management. We are spread across several different subcategories, as well as having a larger geographical spread, which in turn helps us.
3) The last part is, that I think the current market conditions are very favorable for short selling. The markets are much more volatile than before, there are greater imbalances, etc. At the same time, very low interest rates, have pumped money into unprofitable business ideas. The proportion of companies with extremely aggressive accounting methods, etc. is also larger than we have previously experienced.
4) The technological revolution is getting stronger and stronger. Many focus on the huge returns the big tech giants like Amazon, Microsoft, Apple, Facebook and so on generate, but at Symmetry we focus more on the many companies that are being crushed due to lost competitive position. In my opinion, more and more industries and companies are not adapting and have very little readiness for the "new world". That makes the pool of good short candidates great.



[5]

5 See reference 1

The most important and relevant question is: But how do you make money on short selling? The markets go up over time, right? There are several answers to that. One answer is, that you don't have to make money on your shorts, for them to make sense . They make sense, if they can mitigate fluctuations as well as drawdowns, and at the same time allow more risks to be taken on the long side.

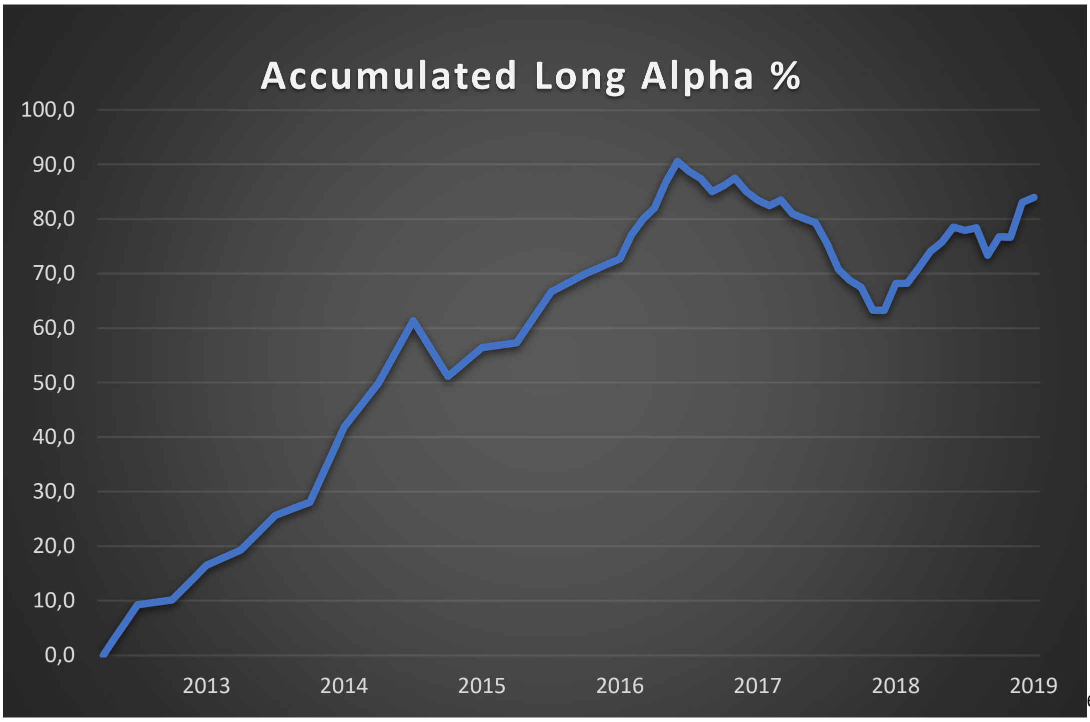
The other explanation is, that we actually think you can make money on shorts over time. If we take a look at Symmetry's results, we have lost 1.6% annually on shorts since the beginning. The market is up by more than 10% annually in the same period. We have also made many rookie mistakes on our shorts. But we have constantly learned from those mistakes, and optimized on our processes.

Taking into account points 1-4 on the previous page, while looking at the valuation of the general market, there should be good opportunities to make money on our shorts in the future.

As I mentioned earlier, markets rise over time. But it is often on the backs of a few successful winners. The median of stocks actually performs poorly. And a large amount of shares don't hold a future. The so-called ”dead-companies-walking”.

The Long Portfolio:

In the next few pages, we will review our portfolio in depth. But first, let's look at the graph below of our accumulated alpha of our long portfolio since we were founded.



[6]

Throughout most of Symmetry's history, we have consistently beaten the market. As mentioned, we had a period from mid-2017 to mid-2018, where we consistently underperformed the market. As illustrated on the graph above. We have a steadily declining trend over these approximately 12 months. Remember this graph has nothing to do with the market. That is our relative return compared to the market accumulated. We could easily spend time explaining that our portfolio was "out-of-favor" etc. like a lot of managers tend to do. But then we would lie to both ourselves and the readers of this letter. The truth is, that we made some wrong investment decisions, that contributed to the poor performance.

Being able to deliver alpha consistently, is a difficult balancing act in portfolio optimization. On the one hand, you have to be focused to generate good enough alpha at all. On the other hand, you also need to be diversified enough, so that the underperformance of individual stocks does not impact the overall alpha too much. We think we have found a sweet spot at around 15-25 stocks.

6 See reference 1

Portfolio:

We have provided an overview of our portfolio at the end of 2019 below. The portfolio consists of 18 shares. In addition to the 18, we also owned 2 very small shares, which are not included.

Company	5-year CAGR	3-year CAGR	1-year CAGR	Cash/debt?	Valuation	Valuation year
Gan Plc	31,0%	44,3%	102,2%	Net cash	4x ARR and 21 x FCF	2020
North Media	N/A	N/A	N/A	A lot of cash	5,1 P/E and 4,2 EV/FCF	2019
Quartix	15,7%	14,4%	11,5%	Net cash	26 x P/E	2020
Cambria Auto	20,3%	7,7%	25,7%	Neutral	6,9 x P/E	2019
Piteco	14,7%	19,8%	20,1%	Small debt	14 x FCF	2019
GiG	53,0%	42,0%	-34,0%	Net cash	13,5 x FCF	2020
WFCF	26,0%	26,1%	22,7%	Net cash	18 x FCF	2020
Company A	N/A	102,0%	42,7%	Net cash	30 x FCF	2020
Company B	26,5%	16,5%	16,0%	Net cash	2 x ARR	2020
Company C	13,6%	13,1%	13,5%	Medium debt	21,6 x P/E	2020
Company D	+75%	+75%	70,6%	Small debt	12 x ARR	2020
Company E	19,8%	11,4%	9,3%	Neutral	14,1 x P/E	2020
Company F	20,9%	18,2%	21,0%	Net cash	16,5 x FCF	2020
Company G	21,3%	16,1%	24,1%	Small debt	7 x P/E	2019
Company H	3,9%	-4,3%	5,0%	Net cash	6,2 x FCF	2020
Company I	27,1%	26,9%	26,5%	Net cash	34 x SS EPS	2020
Company J	64,2%	65,6%	67,5%	Net cash	29 x P/E	2020
Company K	4,0%	3,6%	5,0%	High debt	13 x P/E	2020
Average	**24,1%**	**26,5%**	**26,4%**	**Net cash**	**20,8 x P/E**	

There are several characteristics we really like about our portfolio. We would basically describe our portfolio, as companies of 2-3 times higher quality than market average, despite trading at valuations slightly below market. As we have mentioned before: Some consider value investing as finding shares that are trading at half the multiples of the market. That might very well be true. For example, we have North Media and Cambria Automotive in the portfolio, and they sell at around 4-7 in P/E. But we also believe our other shares are value investments.

The 18 shares we owned at the end of 2019 grew earnings 26.4% in 2019 compared to 2018. Over the last 3 years, they have grown on average by 26.5%, and over the last 5 years, they have grown on average by 24.1%. These are shares with very high growth. They just don't get priced accordingly.

Since then, we have sold our shares in GIG as well as GAN.

On the following pages, we will review our other five positions:

North Media

North Media had a really good year in 2019. EBIT was raised from 109.700 to 160.300, corresponding to a growth of 46.1%. At the same time, more than DKK 100 million was made on investments in various securities. More importantly, North Media has taken some strategically important initiatives, that should strengthen them in the long run:

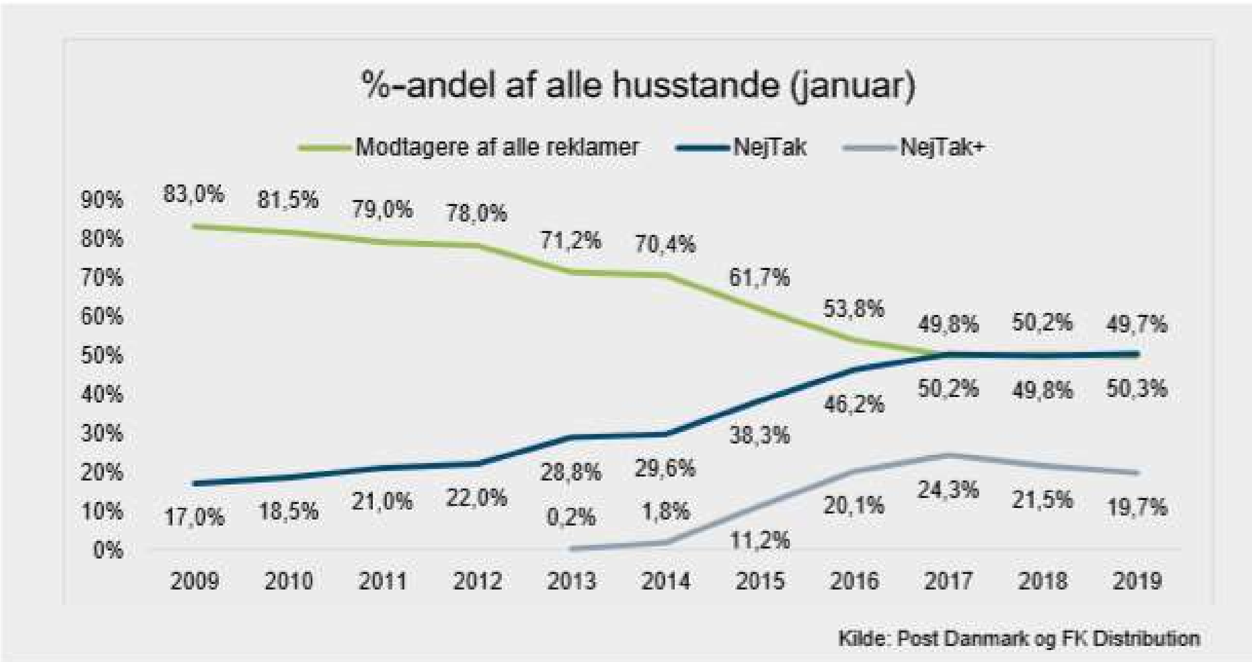
1) They switched from 2 weekly deliveries to 1 weekly delivery from FK Distribution

2) The company's online business now shows, for the first time, positive figures of profit and growth

3) BEKEY is in a strategically very strong position in a growing supply market

There are also negative elements. There is no growth in FK Distribution and North Media overall. Newspapers are a big hole with no prospects, and the company's capital structure is still poor. However, the positive elements outweigh the negative ones in my eyes at this time.

Also, with an 11% dividend yield, + 2.5% in share buybacks, and with the share still trading at a P/E around 3-4, it is hard not to be excited about North Media going forward.



[7]

Illustrated above, is the development of ”no-thanks” households in Denmark over the last 10 years. As illustrated, the first couple of years, there was a clear tendency for many households to opt for the no-thank-you scheme, and thus

7 North Media 2019 annual report

did not get advertisements in the mailbox. However, over the last 2 years, we have seen a stagnation in the figures. We thought this shows the justification the advertising newspaper still has, and that consumers actually enjoy it.

Most statistics also show, that the effect of the papers on consumers, is significant. If retail outlets cancel their newspaper for just a few weeks, they can immediately see it on their revenue. This means that the return on investment is still high, and it makes sense to continue to spend money on the newspaper.According to North Media, the highest return on investment is still without comparison this marketing tool. Even after North Media has raised prices significantly.

Hovedtal for North Media Online

mio. kr.	2017	2018	2019
Omsætning	85,0	81,1	86,2
EBITDA	-12,0	-2,7	9,7
EBIT før særlige poster	-13,3	-4,1	6,8
Særlige poster, netto	8,3	0,0	4,1
EBIT	-5,0	-4,1	10,9
EBITDA margin	-14%	-3%	11%
Overskudsgrad	-16%	-5%	8%
Gennemsnitligt antal ansatte	106	90	71

Another significant event for North Media in 2019, was that their online business for the first time ever made a profit. This after having had DKK 200 million in losses over the last 20 years. North Media has built a market-leading position in Denmark within rental housing, where they provide rental housing between landlords and tenants. They have used this position to expand towards Sweden and other countries. The loss in the job part has also been reduced in 2019, and they hope, that it will disappear completely by 2020. With an EBIT margin of less than 10%, there should still be some major expansion opportunities in Online going forward.

Hovedtal for BEKEY

mio. kr.	2017	2018	2019
Omsætning	19,1	23,7	24,5
EBITDA	-16,3	-10,1	-10,0
EBIT før særlige poster	-16,6	-10,2	-10,4
Særlige poster, netto	0,0	-1,0	0,0
EBIT	-16,6	-11,2	-10,4
EBITDA margin	-85%	-43%	-41%
Overskudsgrad	-87%	-43%	-42%
Gennemsnitligt antal ansatte	25	24	27

One of the areas we think investors underestimate most in North Media is BEKEY. For a very understandable reason. The company has lost a lot of money, and has been a heavy load to carry for North Media for years. BEKEY is currently in a fairly strong position. BEKEY is used on 50% of all entrance doors in Copenhagen, and expects to expand to +70% by 2020. It costs a lot of money upfront to install BEKEY on all these doors, because BEKEY pays for equipment and installation and earns the money back over time. Roughly speaking, BEKEY can be described as a kind of tollbooth. Once the system is implemented in the door, BEKEY charges a fee each time the door is opened via key cards. As we see more and more deliveries, internet shopping, subscription stores etc. more and more companies would like to have access to the entrances in order to deliver goods directly to the customer's door. They just have to go through the BEKEY tollbooth first.

Quartix Plc

Quartix is our UK telematix company. We wrote a comprehensive analysis of Quartix in late 2019. For a more in-depth review of Quartix, we will refer to the analysis. The analysis can be found here:

www.symmetry.dk/galleri/

Quartix's 2019 accounts confirmed the good trend Quartix has. The number of customers grew by 23%, and the start of 2020, has shown the largest increase in customers ever.

Cambria Automotive

Cambria Automotive is having a skewed fiscal year, because their audit ended on August 31st, 2019. But what a great year they had:

Financial Highlights

Year ended 31 August	2019	2018	
	£m	£m	Change
Revenue	657.8	630.0	4.4%
Underlying EBITDA*	17.1	13.3	28.6%
Underlying operating profit*	13.6	10.9	24.8%
Underlying profit before tax*	12.3	9.8	25.5%
Underlying profit before tax margin*	1.87%	1.55%	32bps
Underlying earnings per share*	9.78p	7.84p	24.7%
Operating profit	13.9	10.2	36.3%
Profit before tax	12.5	9.1	37.4%
Earnings per share (basic)	9.95p	7.27p	36.9%
Dividend per share	1.1p	1.0p	

[8]

The Cambria stock is insanely cheap. The share is trading at 70, just around the net asset value per share. The share is trading at around 6.5-7.0 in P/E ratio.

70	18/19	19/20
EPS	10	11
NAV	65,6	75,6
P/E	**7,0**	**6,4**
K/I	1,07	0,93

8 Cambria Automotive 2019 annual report

Based on these figures, one could get the idea that Cambria is a company in structural decline? Or that it is burdened with enormous debt? Or at the top of a cycle? None of it is the case:

	7/8	8/9	9/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19
NAV per share	10	12,1	14,1	16,0	19,5	21,5	24,6	28,3	33,7	42,1	50,4	56,6
Earnings per share	2,1	2,0	2,0	3,5	2,3	3,5	4,2	6,0	9,3	9,2	7,3	10,0
Dividend	0	0,0	0,0	0,0	-0,3	-0,3	-0,5	-0,6	-0,8	-0,9	-1,0	-1,0
End NAV per share	12,1	14,1	16,0	19,5	21,5	24,6	28,3	33,7	42,1	50,4	56,6	65,6
ROE	**21,00%**	**16,12%**	**13,84%**	**21,63%**	**12,00%**	**16,22%**	**16,84%**	**21,31%**	**27,48%**	**21,79%**	**14,48%**	**17,58%**
# of shares	100	100	100	100	100	100	100	100	100	100	100	100
Net cash (debt)	0	-4,2	-3,2	-1,3	-0,2	3,1	-4,6	1	0,4	6,1	-5,5	-3,7

Since 2008, ie. over 11 years, Cambria has raised their equity by over 18% annually. This despite having paid only very small dividends. Thus, they have reinvested virtually all of their profits internally into really high returns. And they largely did it without creating any debt.

It is also worth noting, that even during the 2 years following the financial crisis, Cambria managed a return on equity of approx. 15%. During the Brexit crisis, they have also managed to keep the return on equity at 15%. If you compare this "low point" at approx. 14-15% compared to the company's current equity, we will have a worst-case EPS of around 10p per share. Equivalent to a P/E of 7. If Cambria can get closer to their historic 18% return in 2020, it will give an EPS of around 12 or a P/E of approx. 5,8.

Regardless of how we analyze this case, we believe the stock is significantly undervalued. At the absolute minimum, we believe the stock should be trading at +100p, which would still only correspond to a P/E of around 9-10.

Piteco

RECORD RESULTS FOR THE PITECO GROUP IN 2019: REVENUES + 19% EBITDA + 24%, EBITDA Margin 43%

- Revenues: € 24.0 million, + 19% (FY2018: € 20.2 million)
- EBITDA: € 10.2 million, + 24% (FY2018: € 8.3 million); EBITDA margin 43% (FY2018 = 41%)
- EBIT: € 8.0 million, + 24% (FY2018: € 6.4 million);
- Net profit: € 3.0 million (FY2018 = € 5.3 million), 13% of Revenues
- Adjusted Net Profit: € 5.7 million (+ 12% vs FY2018 = € 5.1 million), 24% of Revenues
- Operating Cash Flow: € 7.3 million, (32% of Net Revenues and 71% of EBITDA)
- Net Financial Position: € 14.6 million (FY2018: € 15.3 million)
- Net Financial Position including Put Option: € 27.5 million (FY2018: € 26.8 million)
- Proposed dividend of € 0.15 p.a. (65% pay out ratio); yield 3.125%

Piteco had yet another fantastic year in 2019. They continued their growth strategy with a 19% increase in revenue and a 24% rise in EBITDA. The company's largest segment, Piteco, grew by +7% on revenue and +9% on EBITDA. LendingTools had a flat turnover as some specific projects were pushed to 2020. Myrios has proven to be a home-run with growth of 28% in revenue and 39% on EBITDA. A good start to 2020 is reported despite the coronavirus. For the first 2 months of 2020, they had the largest increase in customers ever. Therefore, a good 2020 is still expected with a nice growth, although the number of new customers in March and April will be very low due to the corona outbreak.

It is worth remembering, that Piteco sells critically important software to it's customers. Their customers are primarily large corporations with a revenue of +100 million Euros. And the majority of them pay the bills to Piteco for the year in advance in January. On a company conference call, Marco Podini said that he doesn't think any customers will have to close because of the coronavirus.

We listened in the company's conference call with chairman and principal shareholder Marco Podini. Marco was very positive about 2020 and the future of Piteco. From a personal perspective, coronavirus obviously affects Marco and the people at Piteco (they are headquartered in Northern Italy). From a business point of view, the virus has almost no effect on their business. Their share has fallen from 6.8 to 5.2 euros, or about 20%, since the outbreak of coronavirus in Italy. We consider this a great opportunity to buy.

Marco said that they usually get 30-40 new customers a year (2019 was a new record year with 40 new customers). In January and February 2020 alone, they acquired 16 new customers and 1 in early March. Therefore, they were well on their way to having the best year ever, when it comes to customer acquisition. However, Piteco is comfortable with the fact, that they will probably reach 30-40 new customers for the whole year, despite the fact that the approach will be low in March-May.

In this context, it is worth remembering that Piteco has a +99% retention on its customers. The majority of their revenue is recurring revenue customers pay year after year to access their software. Coronavirus will not have an effect on that. Customers will keep paying for their software.

Marco went over the acquisition of Myrios again. Even when you include all earn-out payments etc. Piteco ends up paying 8.1 x FCF for the purchase of Myrios. This is for a company that has 28% revenue growth, 70% margin and

+60% recurring revenue. It is a typical example of how good they are at capital allocation, and how they can use know-how from both Piteco and DedaGroup to expand their acquisitions and create extra value.

Marco repeated several times, that Myrios cannot take on any more customers at the moment, because they are growing so fast, and they don't have the capacity to accept numerous customers at the same time, but are still in demand.

The Piteco share is trading at 9 x FCF for 2020 or approx. 11 x EV / FCF. It's incredibly cheap for a company with +99% customer retention, + 40 % margin and 7-10 % organic growth. At the same time, they have a capable chairman who owns 60%, and has historically demonstrated the ability to make value-adding capital allocation. Comparable companies are trading at 20-30 in FCF multiples which will give Piteco a 100-200% upside from the current stock price.

Where Food Comes From

WFCF is one of our biggest positions at the moment. And there is a reason for that. We have never experienced such a small company with such a huge moat. They are expanding that moat constantly, and also expanding their market and growing their business at the same time. I am full of admiration for what John and Leanne Saunders along with their team have built here.

Because we feel there is so much exciting information to share about Where Food Comes From, we have put together a comprehensive analysis, which can be found here:

www.symmetry.dk/galleri/

Where Food Comes From had a fantastic 2019 and especially H2 2019. Turnover grew organically by +20 % and earnings increased by +50 %, because significant scale benefits were obtained. We see a huge potential in WFCF. Their ability to manage food security and traceability will only become even more important after the recent virus outbreak.