INVESTMENT OBJECTIVE

The Fund’s objective is to outperform pan-European equity markets over the recommended investment period (5 years). The STOXX EUROPE 600 Net Return EUR reference index, calculated with dividends reinvested, is provided for a posteriori comparison purposes.

PORTFOLIO MANAGERS COMMENTS

Equity markets turned in a generally robust performance during September despite renewed health concerns in Western Europe. Indeed, the economic recovery was strong during the third quarter and some of the earnings pre-announced recently were clearly encouraging. Fielmann (optical retailing in Germany), Sonova (hearing aids), and ST Microelectronics (semiconductors). Among the main events over the period, we could mention:

- the takeover of UK bookmaker William Hill by US casino giant Caesars Entertainment. This transaction was based on the very promising outlook in the US market. Although we were not directly concerned by the deal, we share the buyer’s conclusions and this adds weight to our investment in Flutter, the leader in the (nascent) US online games and sports betting market.
- The disposal of DSM Resins to Covestro: the management team is perfectly executing its strategy, which consists of gradually becoming a pure player in the Nutrition field. This disposal was based on very respectable multiples (12x 2019 EBITDA). The Dutch group’s re-rating should continue over coming years.
- Acquisition of Signet by IMCD: the global leader in the distribution of specialty chemicals products, IMCD announced the acquisition of India Company Signet, specialised in the sale of excipients to pharma groups located in India. An excellent move: high growth, profitability twice as high and acquisition multiples half the level of IMCD’s. Naturally, we took part in the capital increase launched to partly finance this value-creating transaction.
- DSV Panalpina: very encouraging prospects in air transport commissioning. While demand for air cargo is admittedly lower in volume terms, prices have nevertheless surged. Supply collapsed with the disappearance of capacities generally offered by airline companies. This situation is likely to last for many months more, which should favour air commissioning companies such as DSV Panalpina.
- Altén: the crisis has taken a heavy toll on the engineering company’s earnings. This is logical since its two main end markets are automotive and aeronautics. The group is set to use its (solid) balance sheet to make acquisitions, but visibility on the recovery in organic growth is really very limited. For caution’s sake, we reduced its weight in the portfolio.

Text completed on 09/10/2020.
Carl AUFRET, CFA - Yingying WU, CFA

PERFORMANCE AND VOLATILITY

Performance and volatility are important factors when evaluating investment performance. The chart below illustrates the performance of the fund relative to its benchmark.

<table>
<thead>
<tr>
<th>Share</th>
<th>Reference Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.4%</td>
<td>-11.56%</td>
</tr>
<tr>
<td>31.04%</td>
<td>26.82%</td>
</tr>
<tr>
<td>7.70%</td>
<td>0.04%</td>
</tr>
<tr>
<td>25.37%</td>
<td>31.06%</td>
</tr>
<tr>
<td>17.80%</td>
<td>17.76%</td>
</tr>
</tbody>
</table>

PERFORMANCE SINCE 10/10/2017

The chart below shows the performance of the fund since 10/10/2017, compared to the STOXX EUROPE 600 Net Return EUR reference index.

MAIN HOLDINGS

| AMPLIFON SPA | 7.44% | BIOMERIEL | 5.40% |
| LONZ GROUP | 6.38% | TELPERFORMANCE | 4.84% |
| SARTEURS STECHM BIOTECH | 6.02% | ORPEA | 4.44% |
| ASTRAZENECA PLC | 5.79% | SWA AG-REG | 4.39% |
| NOVO NORDISK A/S-B | 5.45% | IMCD NV | 4.35% |

BEST CONTRIBUTIONS IN THE MONTH

| TOMRA SYSTEMS ASA | 1.58% | ORPEA | -0.19% |
| FLUTTER ENTERTAINMENT PLC | 3.64% | -0.15% |
| CABLE INDUSTRIES SPA | 1.03% | EVOLUTION GAMING GROUP | -0.13% |

WORST CONTRIBUTIONS IN THE MONTH

<table>
<thead>
<tr>
<th>NAV</th>
<th>€124.70</th>
<th>Net assets</th>
<th>€1,516M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated PER 2020</td>
<td>35.7 x</td>
<td>NO/EV/BDR 2019</td>
<td>2.5 x</td>
</tr>
<tr>
<td>Estimated net yield 2019</td>
<td>1.05%</td>
<td>EV/EV/BDR 2020</td>
<td>8.9 x</td>
</tr>
</tbody>
</table>

PER (Price Earnings Ratio) is the ratio of market capitalisation to net earnings. It is a way of estimating how expensive a share is. Net debt is gross financial debt adjusted for the cash pile.
NAV/EV/BDR is the ratio between net debt and gross operating profit. It helps estimate a stock’s financial leverage.
EV/EV/BDR is the ratio between enterprise value (market capitalisation + net debt) and gross operating profit. It helps estimate how expensive a share is.
### PERFORMANCE (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>August</th>
<th>September</th>
<th>October</th>
<th>November</th>
<th>December</th>
<th>Annual</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>2.89%</td>
<td>-4.38%</td>
<td>-0.54%</td>
<td>2.40%</td>
<td>4.31%</td>
<td>0.56%</td>
<td>2.19%</td>
<td>0.37%</td>
<td>-0.71%</td>
<td>-1.95%</td>
<td>-3.98%</td>
<td>-6.74%</td>
<td>-11.37%</td>
</tr>
<tr>
<td>2019</td>
<td>5.78%</td>
<td>6.18%</td>
<td>2.44%</td>
<td>2.57%</td>
<td>-5.53%</td>
<td>5.79%</td>
<td>1.07%</td>
<td>-0.99%</td>
<td>0.60%</td>
<td>1.32%</td>
<td>4.78%</td>
<td>1.88%</td>
<td>31.04%</td>
</tr>
<tr>
<td>2020</td>
<td>0.29%</td>
<td>-4.69%</td>
<td>-9.87%</td>
<td>10.27%</td>
<td>5.26%</td>
<td>0.00%</td>
<td>3.97%</td>
<td>2.47%</td>
<td>1.75%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>8.41%</td>
</tr>
</tbody>
</table>

Past performance is not a guarantee of future performance.

### CHANGES TO PORTFOLIO HOLDINGS

**IN**
- NONE

**OUT**
- NONE

### BREAKDOWN BY SECTOR

- Health Care: 46.3%
- Industrial Goods and Services: 15.6%
- Personal and Household Goods: 9.9%
- Chemicals: 8.3%
- Construction and Materials: 5.4%
- Technology: 5.4%
- Travel and Leisure: 4.8%
- Real Estate: 2.9%
- Oil and Gas: 0.9%
- Retail: 0.7%
- Food and Beverage: 0.5%
- UCITS: 1.4%
- Cash and equivalents: -2.2%

### BREAKDOWN BY COUNTRY

- France: 30.4%
- Switzerland: 18.7%
- United Kingdom: 12.1%
- Denmark: 9.4%
- Italy: 8.5%
- Netherlands: 8.3%
- Germany: 5.6%
- Ireland: 3.6%
- Sweden: 3.5%
- Luxembourg: 2.5%
- Norway: 1.6%
- UCITS: 1.4%
- Cash and equivalents: -2.2%

### CURRENCY BREAKDOWN

- EUR: 57.5%
- CHF: 15.7%
- GBP: 12.2%
- DKK: 9.5%
- SEK: 3.5%
- NOK: 1.6%

0 - 1 Bn €: 1.3%
1 - 5 Bn €: 16.3%
5 - 10 Bn €: 17.6%
+10 Bn €: 64.8%