



## Monthly factsheet

Entrepreneurs, eligible for inclusion in a French equity savings plan (PEA), is invested in a selection of 30 to 50 market-leading European companies with a contrarian investment approach.

Countries available for sale: **FR** **CH** **BE** **SP**

### INVESTMENT PHILOSOPHY

- Stock-picking based on fundamental analysis (Private Equity approach)
- Investing in temporarily disliked listed companies (Value/Contrarian approach): a focused approach on longstanding knowledge of leading high-quality companies (a reduced selection of approx. 250 companies), undervalued by the market (growth either underestimated or restructuring of a company having undergone a fall in earnings), in order to minimize risk
- Seeking returns over a 3 to 5 year horizon: unconstrained and benchmark agnostic approach
- Build a high-conviction but diversified portfolio (30 to 50 holdings)

### FUND MANAGER'S COMMENTARY

Dear investors,

The Entrepreneurs fund continued to gain ground during October (+2%), but underperformed its benchmark index (+2.6%).

We believe that value/contrarian investing is one of the few investment strategies where you can find clear undervaluation anomalies with several years of underperformance compared with the indices.

We elaborated on this topic in a recent letter to investors entitled "The comeback of Value investing?". The long-awaited inflection point between value and growth investing is probably now at hand. Between 30 August 2019 and 31 October 2019, the MSCI World Value index outperformed the MSCI World Growth index by more than 2.5%, the MSCI Europe Value index outperformed the MSCI Europe Growth index by more than 5% and the Russell 1000 Value index outperformed the Russell 1000 Growth index by more than 2% over the period.

In October, the Entrepreneurs fund benefited from the good performance of GVC, G4S, Valmet, AP Moller-Maersk and Andritz (up 23.3%, 12.5%, 12.5%, 10.2% and 7.4% in euro terms, respectively). Conversely, the fund's positions in FLSmith, Informa and Carlsberg negatively affected its performance.

We believe that the companies composing the portfolio are attractively valued. The catch-up should therefore continue, aided by the increasing probability of a soft Brexit and a US-Chinese trade agreement. As a result, we are optimistic about the potential upside of the Entrepreneurs fund, which is composed of high-quality companies, many of which are outside the major indices.

We thank you for the trust you have placed in us and encourage you to contact us should you require any further information.

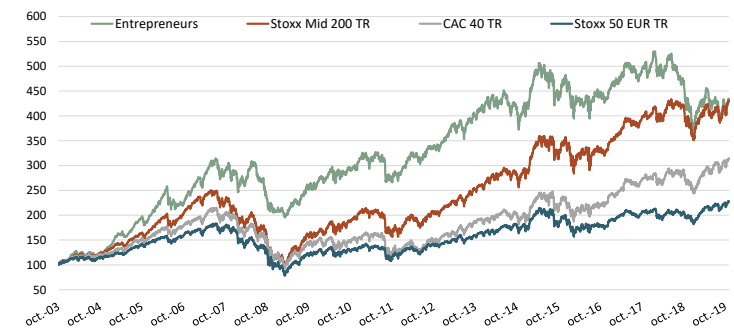
Thierry Flecchia and the management team

### PERFORMANCE IN EUROS\*

31-10-19	Entrepreneurs	Stoxx Mid 200 TR	Stoxx 50 EUR TR	CAC 40 TR
Since inception**	330,7%	328,7%	126,9%	213,0%
2016	-2,5%	1,5%	0,7%	8,8%
2017	11,8%	16,2%	9,0%	12,7%
2018	-25,2%	-11,1%	-10,2%	-8,0%
2019	13,2%	19,2%	22,0%	24,8%
Month	2,0%	2,6%	0,5%	0,9%

\*\* On 01/10/2003

### PERFORMANCE SINCE INCEPTION\*



\*Past Performance is not indicative of future results. Performance is not constant over time.

### TOP 10 HOLDINGS

G4S PLC (Britain, Commercial & Professional Serv)	9,0%
INFORMA PLC (Britain, Media & Entertainment)	4,9%
LAFARGEHOLCIM LTD-REG (Switzerland, Materials)	4,4%
SCHIBSTED (Norway, Media & Entertainment)	4,3%
VEOLIA ENVIRONNEMENT (France, Utilities)	4,3%
GVC HOLDINGS PLC (Isle of Man, Consumer Services)	4,0%
ANDRITZ AG (Austria, Capital Goods)	4,0%
CARLSBERG AS-B (Denmark, Food, Beverage & Tobacco)	3,9%
AP MOELLER-MAERSK A/S-B (Denmark, Transportation)	3,9%
YANDEX NV-A (Netherlands, Media & Entertainment)	3,5%

### FUND FACTS AND TERMS

Launch date	01-October-2003
Isin	FR0010007542
Bloomberg Ticker	FLINENT FP
Reuters (RIC)	LP600 88694
Fund size (EUR)	104 Millions
Currency	EUR
Nav calculated	430,73 EUR
Benchmark	Stoxx Mid 200 TTR
Custodian	CIC
Nav Calculation	Daily
Cut-Off	10am
Fund structure	UCITS 5



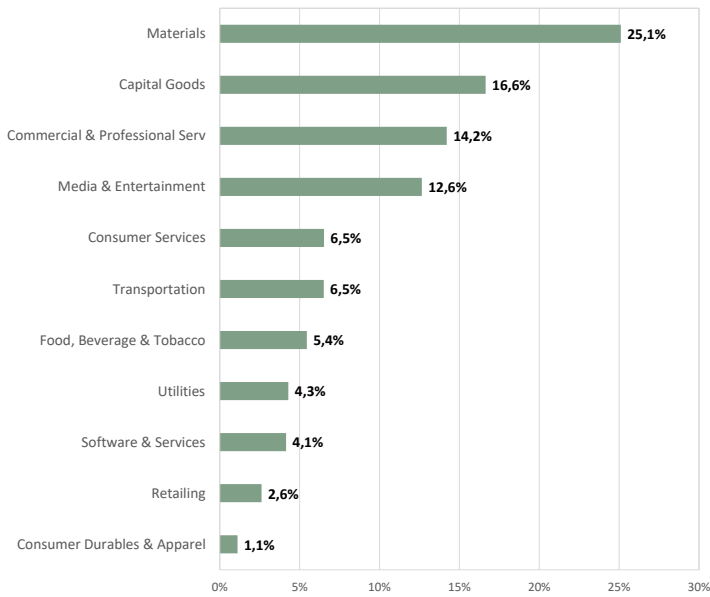
# ENTREPRENEURS

October-19

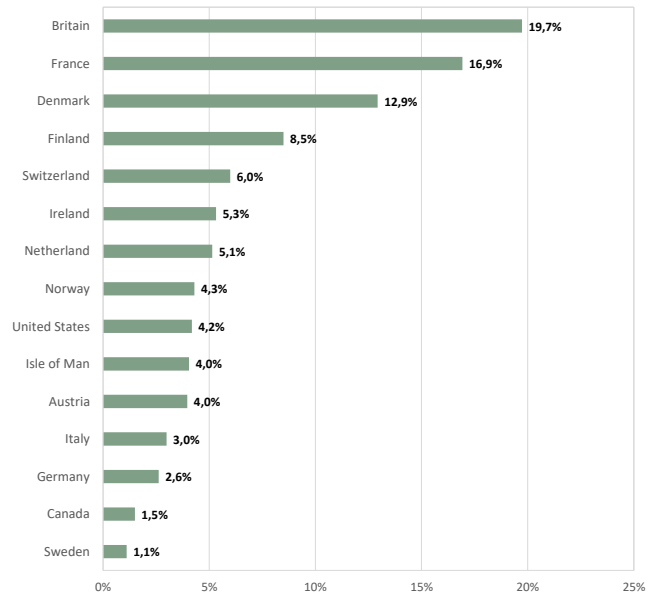
## Monthly factsheet

Entrepreneurs, eligible for inclusion in a French equity savings plan (PEA), is invested in a selection of 30 to 50 market-leading European companies with a contrarian investment approach.

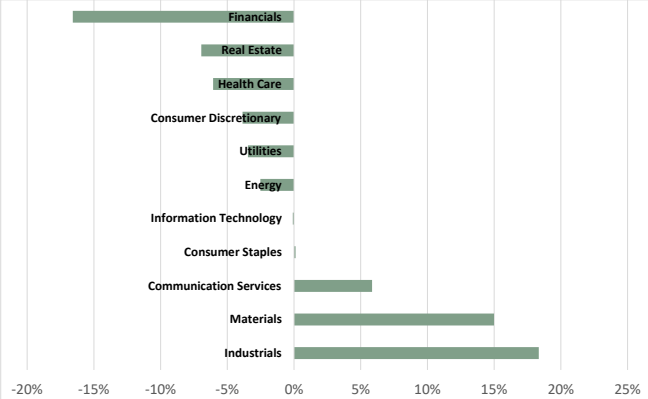
### SECTOR EXPOSURE



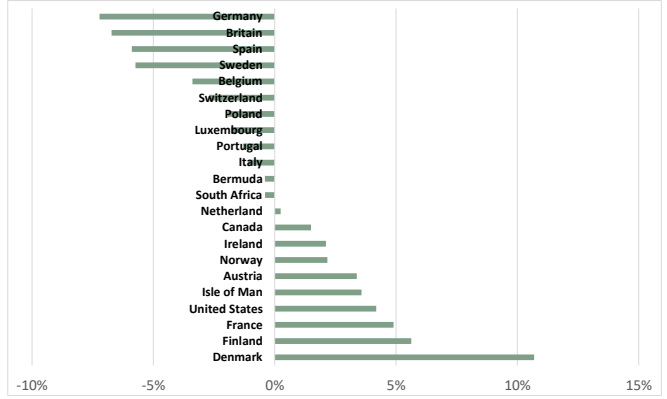
### GEOGRAPHIC EXPOSURE



### RELATIVE SECTOR EXPOSURE



### RELATIVE GEOGRAPHIC EXPOSURE



### PORTFOLIO CONCENTRATION

Top 10 holdings	46,2%
Top 20 holdings	74,7%
Top 30 holdings	95,3%
Total	99%

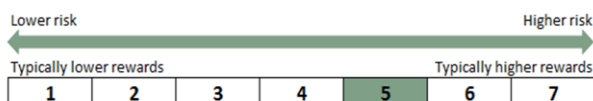
### MARKET CAP (in billion euros)

> 10	36%
5-10	20%
< 5	44%
Median Market Cap (BN EUR)	5,9

### STATISTICS

Equity Exposure	99%
Cash	1%
Number of Holdings	33
Active Share	96%
Median Price Earnings	15,7

### RISK PROFILE



### MANAGEMENT FEE AND PERFORMANCE FEE

Management fee	1,80%
Performance Fee	20% of any excess return if the NAV outperforms the benchmark

\*Past Performance is not Indicative of future results. Performance is not constant over time. The Entrepreneurs fund primarily invests in equities and presents a risk of losing capital.

The representative of the Fund in Switzerland is CACEIS SA, Route de Signy 35, CH-1260 Nyon . The distribution of Shares in Switzerland must exclusively be made to qualified investors . The place of performance for Shares in the Fund distributed in Switzerland is at registered office of the Representative.

This document is not a contractual element. Subscriptions can only be made after reading the regulatory documents of the fund (Prospectus, KIID), available upon request from Preval.