



## 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 in December and outperformed its benchmark index, rising 4.2% vs the index's 2.6% gain. For Fiscal Year 2019, the fund gained 21.7%, vs. 26.4% for the benchmark index. Again this year, value investing underperformed growth investing.

The fourth quarter was particularly favourable to equities. Although macroeconomic data remained subdued, some relatively resistant indicators (business confidence and employment data) convinced investors that we were not on the brinks of a recession. In addition, two major risks weighing on the markets diminished during December. Firstly, an agreement was announced on Phase One of a US-China trade agreement; this avoided new hikes in US tariffs. Secondly, Boris Johnson's decisive victory in UK elections cleared the way for Brexit to be finalised, whatever form it may take.

In December, the Entrepreneurs fund benefited from the good performance of Ceconomy, Keller, Informa and Schibsted (up 23.8%, 18.9%, 8.4% and 9.1% in euro terms, respectively). Conversely, the fund's positions in XPO Logistics and Konecranes held back the performance. For Fiscal Year 2019, some value stocks, such as LafargeHolcim, AP Moeller and Smurfit Kappa, significantly outperformed their benchmark, with gains in euro terms of 41.7%, 37% and 54.5% respectively, thanks to better than expected results. This is an encouraging sign for our stock-picking approach.

Interest rates remain low, available liquidity remains high and the number of unjustified undervaluations we observe can no longer be ignored. We have seen evidence of this since September 2019. During our many years of equity investing, the valuation-to-quality ratio of the companies in our portfolio has rarely been as attractive as it is now. This justifies and supports our optimism.

We wish you all the best for 2020 and we thank you for the trust you have placed in us.

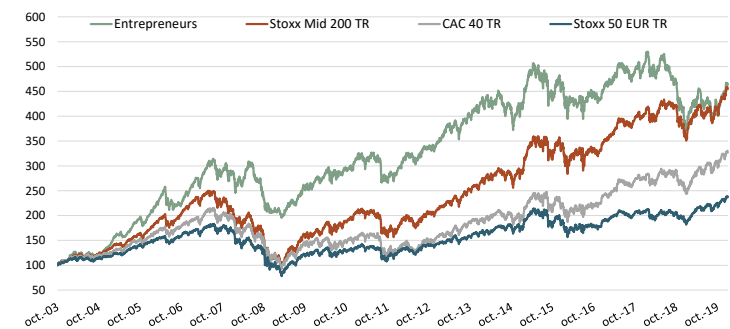
Thierry Flecchia and the management team

## PERFORMANCE IN EUROS\*

31/12/2019	Entrepreneurs	Stoxx Mid 200 TR	Stoxx 50 EUR TR	CAC 40 TR
Since inception**	363,4%	354,7%	136,9%	227,1%
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	21,7%	26,4%	27,4%	30,5%
Month	4,2%	2,6%	1,8%	1,3%

\*\* 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)	8,4%
SCHIBSTED (Norway, Media & Entertainment)	4,3%
AP MOELLER-MAERSK A/S-B (Denmark, Transportation)	4,3%
INFORMA PLC (Britain, Media & Entertainment)	4,3%
ARKEMA (France, Materials)	3,8%
LAFARGEHOLCIM LTD-REG (Switzerland, Materials)	3,7%
CECONOMY AG (Germany, Retailing)	3,1%
BUZZI UNICEM SPA (Italy, Materials)	3,1%
ELIS SA (France, Commercial & Professional Serv)	3,0%
FLSMIDTH & CO A/S (Denmark, Capital Goods)	3,0%

## FUND FACTS AND TERMS

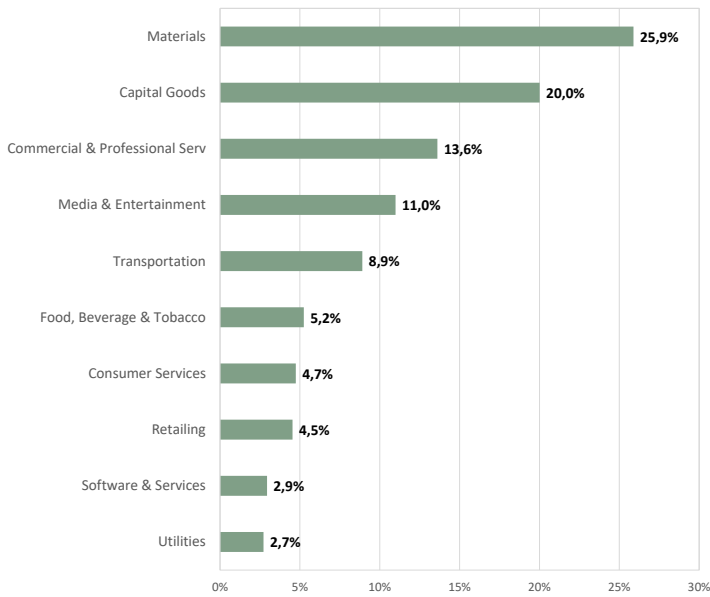
Launch date	01-October-2003
Isin	FR0010007542
Bloomberg Ticker	FLINENT FP
Reuters (RIC)	LP600 88694
Fund size (EUR)	105,1 Millions
Currency	EUR
Nav calculated	463,38 EUR
Benchmark	Stoxx Mid 200 TTR
Custodian	CIC
Nav Calculation	Daily
Cut-Off	10am
Fund structure	UCITS 5



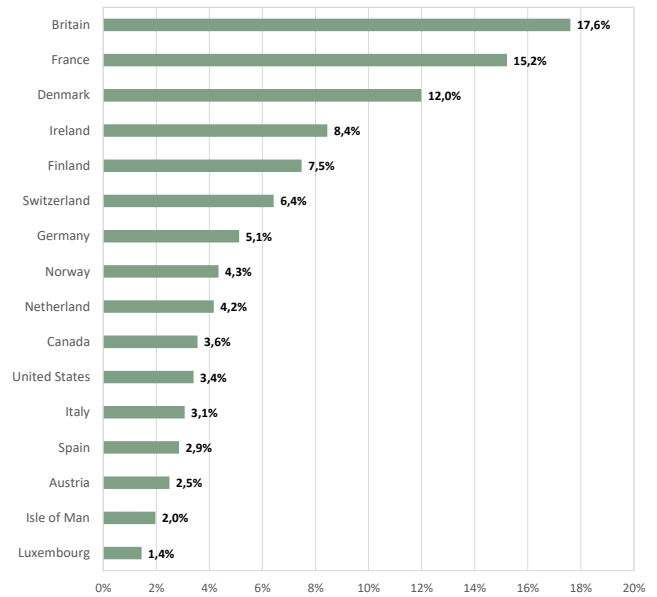
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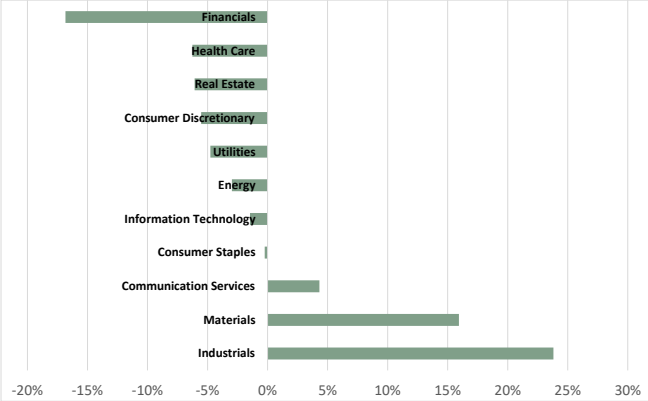
SECTOR EXPOSURE



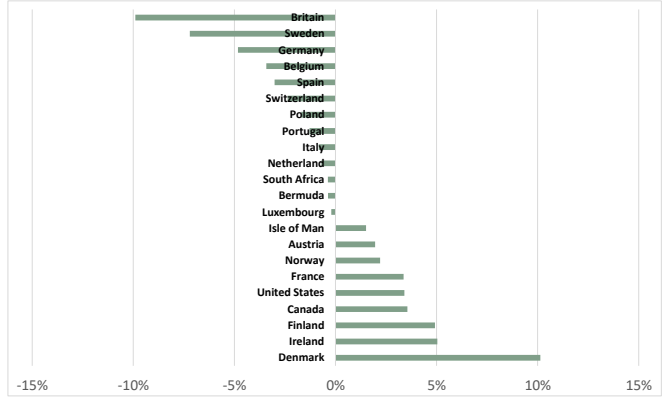
GEOGRAPHIC EXPOSURE



RELATIVE SECTOR EXPOSURE



RELATIVE GEOGRAPHIC EXPOSURE



PORTFOLIO CONCENTRATION

Top 10 holdings	41,0%
Top 20 holdings	68,7%
Top 30 holdings	90,3%
Total	100%

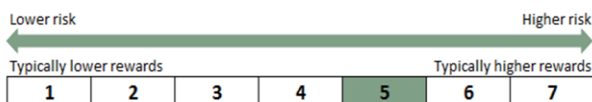
MARKET CAP (in billion euros)

> 10	31%
5-10	20%
< 5	49%
Median Market Cap (BN EUR)	6,2

STATISTICS

Equity Exposure	100%
Cash	0%
Number of Holdings	36
Active Share	95%
Median Price Earnings	15,5

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.