



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)
- 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,

During the month of October, the Entrepreneurs fund declined by -3.3%, slightly outperforming its benchmark index which fell by -3.6%.

Stock markets corrected relatively sharply during the month, as the pandemic surged ahead in Western countries and uncertainty persisted in the United States with regard to the presidential election and a recovery plan for the country.

Your fund resisted to the downward trend, as the companies we have selected reported favorable third-quarter earnings and forecasts.

Specifically, Prosus (Internet – Netherlands) performed particularly well and benefited from its 31% stake in the Chinese Internet giant Tencent Holdings. Currently, digital advertising is bouncing back and demand for online video games is strong, and these factors work in Tencent's favour. Moreover, Prosus announced a share buyback programme at the end of the month, as it attempts to absorb the discount in its share price compared with the value of its assets. There is no justification for this discount, as Prosus's cost structure and tax profile are highly optimised.

The principal hitch in performance during the month came from SAP (IT – Germany), which experienced a sharp decline in its share price during the period. SAP published satisfactory results, but eliminated its full-year and medium-term objectives, citing accelerated migration of customers with on-premises licences towards the cloud, as well as continued impact from the pandemic. Entrepreneurs has only a small position in SAP, and we continue to believe in the company's potential for creating shareholder value in the medium/long-term.

M&A activity continued to impact certain portfolio companies during the month of October. The principal shareholders of Kaz Minerals (Mining – Kazakhstan) launched a takeover bid with a 14% premium over the company's share price, taking advantage of uncertainty surrounding a major new mine development project.

Kaz Minerals, G4S, our largest position, and Qiagen, which fought off a bid from the US company Thermo Fisher Scientific earlier this year, are three portfolio companies that industry professionals felt were very undervalued, an opinion with which we concurred.

We think the outlook for our companies is favourable, despite a complex environment. We believe the market will show its appreciation for our selection of undervalued companies over the long term, amid persistently low interest rates and following on from the fund's good management of the Covid-19 crisis.

We thank you for the trust you have placed in us.

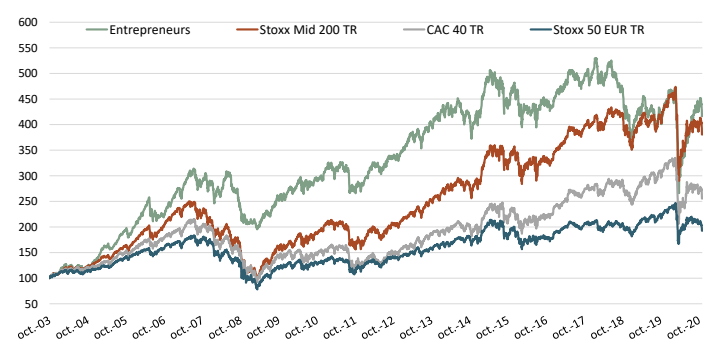
Thierry Flecchia and the management team.

PERFORMANCE IN EUROS\*

30/10/2020	Entrepreneurs	Stoxx Mid 200 TR	Stoxx 50 EUR TR	CAC 40 TR
Since inception**	318,8%	281,6%	92,6%	156,8%
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%
2020	-9,6%	-16,1%	-18,7%	-21,5%
Month	-3,3%	-3,6%	-6,9%	-4,4%

\*\* 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)	7,1%
AP MOELLER-MAERSK A/S-B (Denmark, Transportation)	5,0%
SCHIBSTED (Norway, Media & Entertainment)	4,7%
LINDE PLC (Ireland, Materials)	4,6%
METSO OUTOTEC OYJ (Finland, Capital Goods)	3,8%
PROSUS NV (Netherland, Retailing)	3,5%
STORA ENSO (Finland, Materials)	3,4%
BRENTAG AG (Germany, Capital Goods)	3,3%
POLYMETAL INTERNATIONAL PLC (Jersey, Materials)	3,0%
DCC (Ireland, 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)	85,8 Millions
Currency	EUR
Nav calculated	418,80 EUR
Benchmark	Stoxx Mid 200 TTR
Custodian	CIC
Nav Calculation	Daily
Cut-Off	10am
Fund structure	UCITS 5



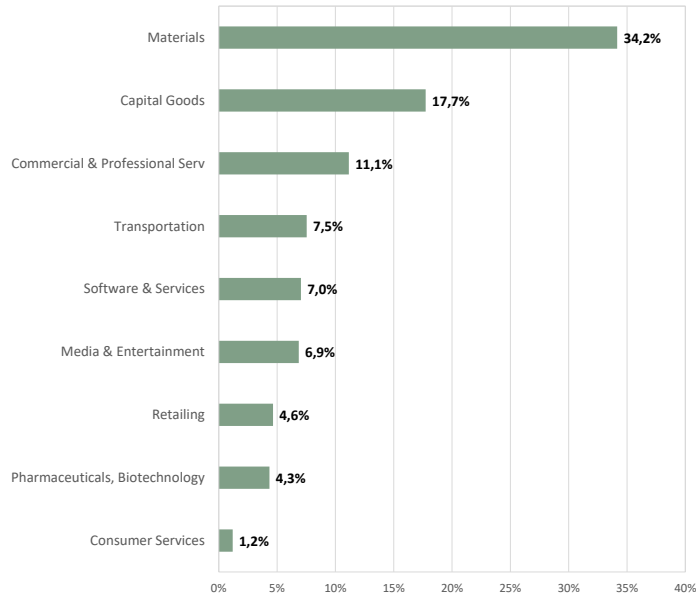
# ENTREPRENEURS

October-20

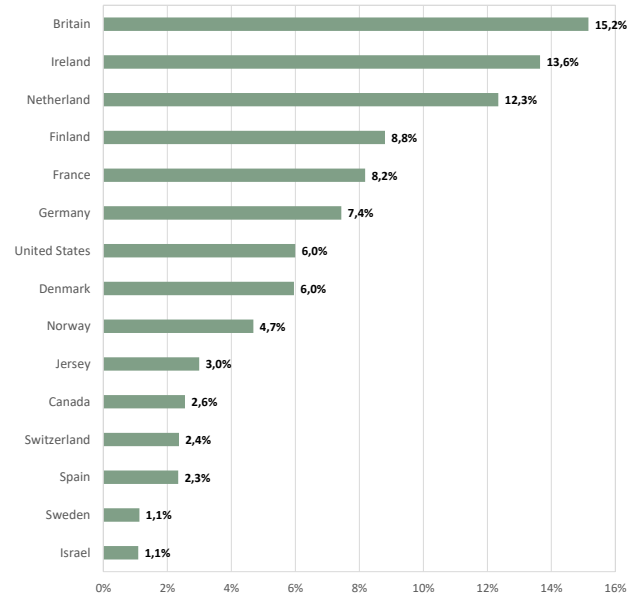
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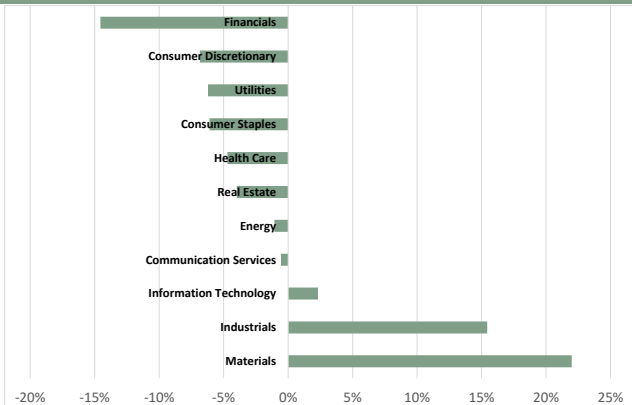
### SECTOR EXPOSURE



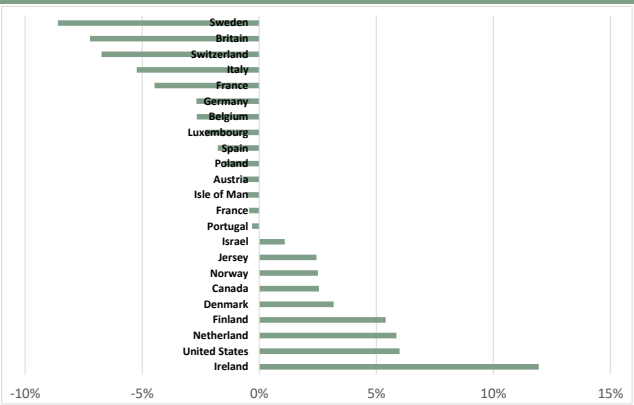
### GEOGRAPHIC EXPOSURE



### RELATIVE SECTOR EXPOSURE



### RELATIVE GEOGRAPHIC EXPOSURE



### PORTFOLIO CONCENTRATION

Top 10 holdings	41,3%
Top 20 holdings	65,5%
Top 30 holdings	84,1%
Total	95%

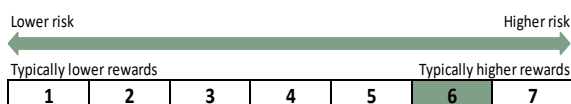
### MARKET CAP (in billion euros)

> 10	43%
5-10	26%
< 5	26%
Median Market Cap (BN EUR)	9,1

### STATISTICS

Equity Exposure	95%
Cash	5%
Number of Holdings	39
Active Share	91%
Median Price Earnings	19,9

### 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.