



INDÉPENDANCE

Europe Small

REPORT OCTOBER 2024 - 1/2



Indépendance AM Europe Small is a UCITS that primarily invests in stocks of small and medium-sized European companies with the aim of increasing the portfolio's capital value.

The fund applies the Quality Value methodology of Indépendance AM, which involves investing in companies that grow sustainably and profitably (Quality) and are undervalued (Value). This objective is associated with an extra-financial approach that includes considering environmental, social, and governance (ESG) criteria.

Investment team

MANAGEMENT - ANALYSTS

RESPONSIBLE INVESTMENT



William Higgons Audrey Bacrot Victor Higgons Charles de Sivry Gaëtan Ruet Vincent Rouvière Bertille Sainte-Beuve

Comments

During October, the Europe Small fund sold its investments in Schoeller-Bleckmann, IT Link and Kitron. The fund also reduced its positions in Rheinmetall, Prim, BFF and Delfingen. Conversely, Europe Small increased its holdings in Trigano, Viel, CAF, Indra Sistemas and Piraeus Port Authority.

Europe Small & Mid

Asset class

PEA

Elegibility

SFDR Article 8

Responsible Investment

301 M€

Fund assets

Risk / Return Profile

1 2 3 4 **5** 6 7

Lower risk, potentially lower returns; higher risk, potentially higher returns.

Key monthly figures

| NAV per share class | |
|---------------------|----------|
| Share A | 146.15 € |
| Share X | 146.69 € |
| Share I | 150.66 € |

| Portfolio snapshot | |
|-------------------------------|--------|
| Investment ratio | 99.42% |
| Number of stocks in portfolio | 63 |
| Top 10 holdings weighting | 33% |

| Net monthly performance | |
|-------------------------------|-------|
| Indépendance Europe Small – X | -2.9% |
| STOXX Europe Small ex UK NR | -3.8% |

| Net YTD performance | |
|-------------------------------|------|
| Indépendance Europe Small – X | 0.4% |
| STOXX Europe Small ex UK NR | 2.5% |

Performance per year

| | Europe Small | Benchmark* |
|------|--------------|------------|
| 2019 | 29.7% | 26.3% |
| 2020 | -0.5% | 11.5% |
| 2021 | 47.5% | 23.1% |
| 2022 | -9.5% | -23.0% |
| 2023 | 13.4% | 12.8% |
| YTD | 0.4% | 2.5% |

Performance / risk ratios

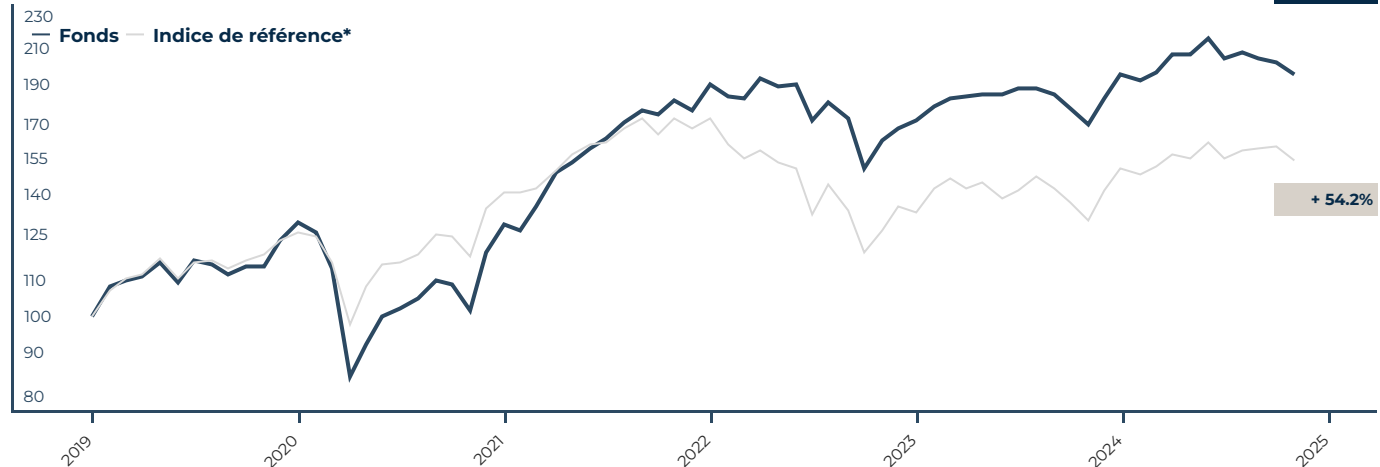
| | 1Y | 3Y | 5Y | 10Y |
|--------------------------|-------|-------|-------|-----|
| Performance | | | | |
| Europe Small | 15.1% | 2.5% | 11.4% | - |
| Benchmark* | 18.6% | -3.7% | 5.4% | - |
| Volatility | | | | |
| Europe Small | 10.5% | 11.3% | 18.2% | - |
| Benchmark* | 13.1% | 18.1% | 19.2% | - |
| Tracking Error Inception | - | | | |

Trailing performance

| | Europe Small | Benchmark* |
|-----------------|--------------|------------|
| 2024 | 0.4% | 2.5% |
| 3 months | -5.6% | -2.4% |
| 6 months | -5.1% | -0.4% |
| 1 year | 15.1% | 18.7% |
| 3 years | 7.8% | -10.9% |
| 5 years | 71.4% | 30.1% |
| Since dec. 2018 | 96.2% | 54.2% |

Evolution of the fund's NAV

Performance (in %, net of fees, log. scale)



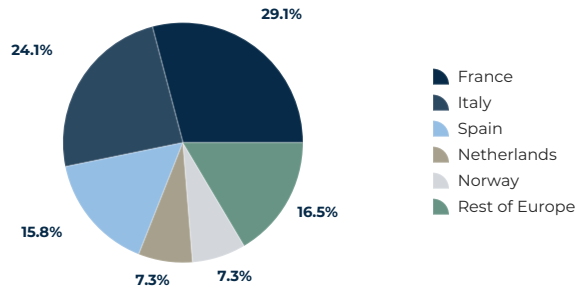
Past performance is not indicative of future performance

*The fund's benchmark index is the STOXX EUROPE SMALL EX UK Net Return

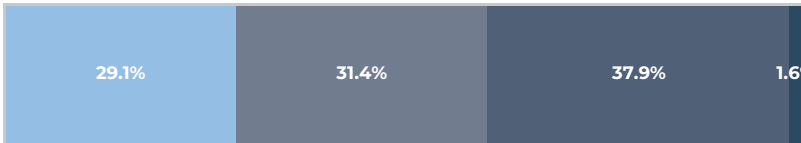
Europe Small

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Geographic breakdown



Market cap breakdown



■ <500M€ ■ 500M-1Mds€ ■ 1-10Mds€ ■ >10Mds€

Fund financial ratios (year N)

| | P/B | P/E | Div. Yield |
|--|--------------|---------------|--------------|
| Europe Small & Mid - median | 1.6 | 9.5 | 3.26% |
| Europe Small & Mid - weighted average | 2 | 10.2 | 4.05% |
| Benchmark average | 1.7 | 15.7 | 3.20% |
| Difference vs. weighted average | 17.6% | -35.0% | 85bps |

1,545 M€
Average capitalisation

600 M€
Median capitalisation

Portfolio breakdown

Sector breakdown

| Sectors | Weight |
|----------------------|-------------|
| Unknown Sector | 18.6% |
| Capital Goods | 18.4% |
| B2B Services | 13.3% |
| Transportation | 7.3% |
| Financials | 6.6% |
| Energy | 6.6% |
| Materials / building | 5.8% |
| IT / ext. R&D | 5.1% |
| Consumer Goods | 5.1% |
| Retailing | 4.1% |
| Defence | 2.8% |
| Healthcare | 2.3% |
| Media | 1.3% |
| Others | 1.1% |
| Paper & Packaging | 0.8% |
| Auto. & Parts | 0.8% |
| Total | 100% |

Main investments

| Stocks | Weight |
|--------------------------|--------|
| Elopak | 4.3% |
| Heijmans | 4.3% |
| Maire | 3.7% |
| Elecnor | 3.5% |
| Technip Energies | 3.3% |
| Fugro | 3.0% |
| Stef | 2.7% |
| Maurel & Prom | 2.7% |
| Grupo Catalana Occidente | 2.7% |
| Ala | 2.6% |

Stocks market capitalization (in M€)

| Market Cap Range | Stocks |
|--------------------|--------------------------|
| >10Mds€ | Rheinmetall |
| | Dassault Aviation |
| | Grupo Catalana Occidente |
| | Technip Energies |
| | Sopra Steria |
| | Scor |
| | Vallourec |
| | Jumbo |
| | Indra Sistemas |
| | Fugro |
| 1-10Mds€ | Trigano |
| | Maire |
| | Hoegh Autoliners |
| | Elecnor |
| | Stef |
| | Bff |
| | Vicat |
| | Caf |
| | Altri |
| | Elopak |
| 500M-1Mds€ | Maurel & Prom |
| | Tecnicas Reunidas |
| | Danieli |
| | Viel et Compagnie |
| | Ence |
| | Piraeus Port Authority |
| | Heijmans |
| | Saf-holland |
| | Mondadori |
| | Theon International |
| <500M€ | Damico |
| | Aubay |
| | GI Events |
| | Clinica Baviera |
| | Mersen |
| | Scanfil |
| | Groupe Guillin |
| | The Italian Sea Group |
| | Tubacex |
| | Next Geosolutions |
| Sword Group | |
| Origin Enterprises | |
| Moury Construct | |
| <500M€ | Icop |
| | Reway |
| | Reach Subsea |
| | Ala |
| | Orsero |
| | Groupe Sfp |
| | Italian Exhibition Group |
| | Prim |
| | Fontaine Pajot |
| | Dekuple |
| Catana | |
| Indel B | |
| Omer | |
| Campine | |
| Ringmetall | |
| Poujoulat | |
| Edil San Felice | |
| Okwind | |
| Delfingen | |

Main variations over the month

| Stocks | Perf | Comments |
|--|--------|--|
| Outperformance vs the benchmark | | |
| Reach Subsea | 19.7% | Pilot programme in partnership with Total Energies |
| Icop | 17.7% | Strong growth in H1 2024 results |
| Reway | 15.1% | Strong growth in H1 2024 results |
| Vallourec | 10.8% | Signing of a protocol agreement with ASMO |
| Scanfil | 9.1% | Q3 results down |
| Underperformance vs the benchmark | | |
| Theon International | -15.6% | Exosens acquires Spanish competitor NVLS |
| Hoegh Autoliners | -15.8% | Market anticipates the worst |
| Delfingen | -22.2% | Plans to stop a line and cut 450 jobs |
| Mersen | -25.0% | 2024 forecasts revised downwards |
| Okwind | -51.9% | Sharp fall in H1 results and downward revision of 2024 targets |

Fund characteristics

| Characteristics | |
|----------------------------|------------------------|
| Legal form | UCITS |
| Valuation | Daily |
| Currency | EUR |
| Recommended holding period | > 3 years |
| Subscriptions | Daily |
| Redemptions | Daily |
| Depository bank | CACEIS Bank Luxembourg |
| Fund administrator | CACEIS Bank Luxembourg |
| Risk level | 5 over 7 |
| Eligible | PEA, PEA-PME |

| Fees | Shares X and A | Share I |
|--------------------------|----------------|---------|
| Subscription fees | 0% | 1% max |
| Min. subscription amount | 1 share | 1 share |
| Redemption fees | 0% | 0% |
| Management fees | 1.95% | 1.40% |
| Outperformance fees | 10% | 10% |

| ISIN codes | |
|----------------------------------|--------------|
| Part X (C) - Institutionnal | LU1832174889 |
| Part A (C) - Individual investor | LU1832174962 |
| Part I (C) - Clean Share | LU1832175001 |

Main risks

Equity risk

The fund is invested at least 75% in equities; the fund's value can significantly decrease if equity markets fall. Equity markets have experienced wide fluctuations in the past and are likely to do so in the future.

Investing in equities, and therefore in the fund I&E Europe, is inherently risky.

Capital loss risk

The fund has no guarantee or protection; the initially invested capital may not be returned.

Past performance does not predict future performance; they are not constant over time. The fund and indices are calculated with dividends reinvested. The fund's performance is calculated net of management fees. This fund is not capital guaranteed. This communication is of a commercial nature. Investing in UCITS involves risks: it is advisable, before any subscription, to consult the KID and the prospectus (the Regulatory Documentation) available in French on www.independance-am.com/ taking into account the characteristics and sustainability objectives. Investor rights are established by the Regulatory Documentation as well as by the complaints handling policy, which is available on www.independance-am.com. Independance Asset Management may, at its own initiative, decide to cease marketing the UCITS it manages in certain states.