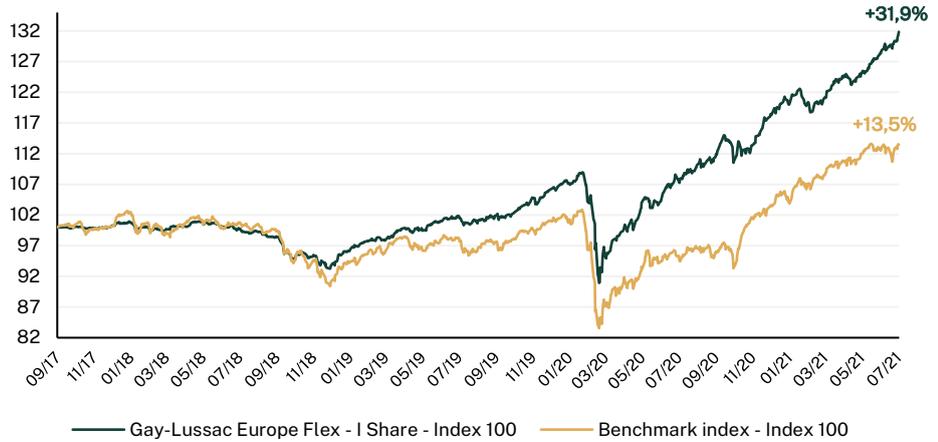


GENERAL INFORMATIONS

Custodian	Société Générale
Cut off	Subscriptions/redemptions
ISIN Code (A share)	FR0013280211
ISIN Code(I share)	FR0013280237
Valuation	Daily
Management fees A share	1,50% of Net assets
Management fees I share	0,80% of Net assets
Performance fees (High Water Mark)	12% including tax of the annual perf over 5%
Entry fees	2% maximum
Exit fees (UCITS acquired)	None
NAV (A share)	192,76 €
NAV (I share)	13 185,09 €
Inception date (A share)	29-sep-17
Inception date (I share)	29-sep-17
Net assets	51,20 M€

Performances and statistics on the 30 of July 2021



	1M	2021	2020	2019	2018	Inception*
A Share	2,6%	10,6%	11,0%	12,1%	-6,8%	28,5%
I Share	2,7%	11,2%	11,5%	12,9%	-6,1%	31,9%

* Since the launch of the Fund on 29/09/2017
 ** Benchmark index: 50% EONIA (EONCALP7 Index) + 16.66% Stoxx 600 TR + 16.66% CAC Mid&Small TR + 16.66% MSCI EMU Microcaps TR

3 years values (Bloomberg data)	Gay-Lussac Europe Flex
Volatility	7,38%
Max Drawdown	-16,54%
Beta	0,48
Sharpe Ratio	1,27

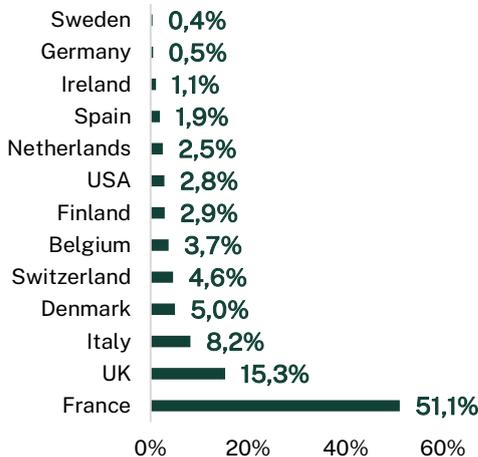


Gay-Lussac Gestion is a signatory of the United Nations Principles for Responsible Investment (UN-PRI) since 2010.

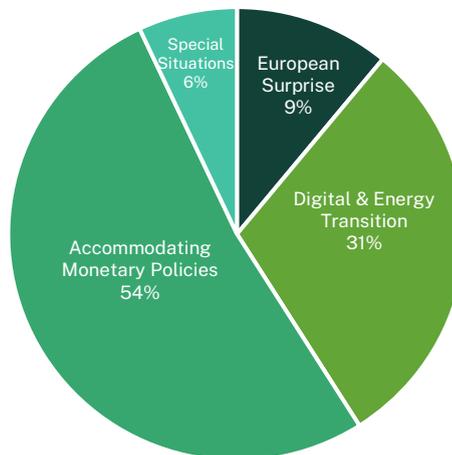


Gay-Lussac Gestion is a supporter du référentiel Task Force on Climate-related Financial Disclosures (TCFD) since 2021.

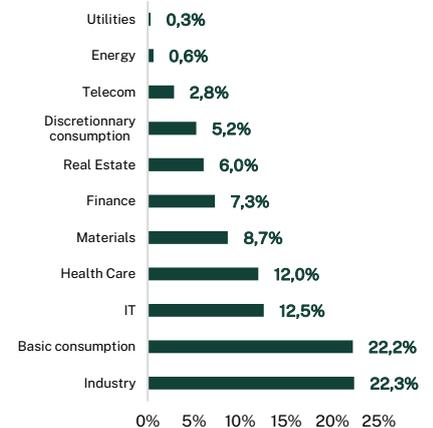
COUNTRY BREAKDOWN
(on the invested share)



BREAKDOWN BY INVESTMENT THEME



INDUSTRY BREAKDOWN (on the invested share)



INVESTMENT PROCESS

- Two defensive criteria, **Low Volatility** and **Low Beta** and one performance criterion, **Momentum** to quantitatively filter the investment universe.
- Selection of 3 to 4 major structural and/or cyclical themes by a quarterly Macroeconomic Committee bringing together economists, strategists, fund managers and financial analysts.
- Definition of the investable universe through the selection of stocks in line with the themes selected and validated by the fundamental analysis of the companies.
- Construction and follow-up of the portfolio in risk budget.

INVESTMENT OBJECTIVE

To obtain, over an investment horizon of **at least 5 years an annualised performance over 5% net of current charges**. This objective is pursued through investments mainly in Equity markets of EU and OCDE. The stocks are selected in accordance with the investment themes defined by the quarterly Macroeconomic Committee.

MANAGEMENT TEAM

Louis de FELLS	Paul EDON
Hugo VOILLAUME	Thibaut MAISSIN
Guillaume BUHOURS	Arthur BERNASCONI

RISK EXPOSURE



Macroeconomic review

July was marked by an outperformance of US equities versus Europe's: S&P 500 + 2.27%, STOXX 600, + 1.97%, CAC 40 + 1.61%.

In Europe, Eurostat figures showed 2% growth in the euro area in the second quarter compared to the first quarter. The business continues to benefit from the deployment of recovery plans, improved international relations (especially with the United States) and normalization of activity despite the epidemic wave linked to the Delta variant. In this context, the publication of employment figures at the end of June was better than expected: the unemployment rate in the euro zone area stood at 7.0% against 8.0% the previous month. The ECB left its rates unchanged and above all indicated that the rate revision will only take place when inflation reaches "2% in the medium term" (against "lower, but close to 2%" previously). Monetary policy will remain accommodative in order to achieve this scenario, with Christine Lagarde notably declaring that asset buybacks will be maintained until the end of March 2022 or until the Covid-related crisis is over.

In the United States, the economy has returned to its pre-crisis level. The first estimates published at the end of the month showed growth of 1.6% compared to the previous quarter, notably driven by household consumption. On the budget side, a bipartisan group of senators have agreed on the infrastructure program bill. It covers just over \$ 1 trillion in spending, including \$ 550 billion in new spending (the balance coming from existing but unused funds). The legislative process promises to be a long one, however, as there are disagreements between Democrats in the House of Representatives. In terms of monetary policy, Jerome Powell recognized for the first time that inflation could be higher and more persistent than expected, even if he persists in emphasizing its transitory causes. For now, the asset buyback policy remains unchanged but could be in the coming months. In this uncertain environment, the US 10-year rate fell further over the month to 1.2223% at the end of July.

KEY RATIOS		TOP FIVE POSITIONS		BREAKDOWN BY MARKET CAPS	
Gross Equity Exposure	70,93%	Name	% net asset	Name	% net asset
Futures & Options	-18,76%	NESTLE SA-REG	3,12%	More than 4 Mds €	38,73%
Net Equity Exposure	52,17%	DIAGEO PLC	2,87%	From 500 M€ to 4 Mds €	40,36%
Bonds	2,71%	UNILEVER PLC	2,85%	Less than 500 M€	20,91%
Arbitrage / Takeover bid	11,07%	PRECIA	2,81%	Average Capitalisation (M€)	32 009
Liquidities, money market	15,29%	ADMIRAL GROUP PLC	2,76%	Median Capitalisation (M€)	2 458
Monthly performance - A Share	2,64%				
Monthly performance - I Share	2,73%				
Number of lines	57				
Median PER 2021	24,16				
Median EV/Sales 2021	2,79				
Median EV/EBIT 2021	19,86				

Management review

This month, we initiated a position in **Biomérieux**, and reinforced our positions in **Vétoquinol** and **Bakkafrost**. Following a downward revision of the group's targets for 2021, we took advantage of the sharp correction in **Biomérieux** to initiate a position. **Biomérieux**, a French company specialising in in-vitro diagnostics, has a solid business model combining recurring revenues, strong organic growth, sustainable competitive advantages and excellent management. **Bakkafrost**, one of the main players in the production of farmed salmon, is benefiting from a supply/demand imbalance that is mechanically pushing up salmon prices. The group has a unique positioning, sustainable competitive advantages and quality management. We have increase our position in **Vétoquinol**, a veterinary laboratory present in more than 80 countries. The acquisitions of **Drontal** and **Profender** should enable the group to improve its margins and increase its market share in the fast-growing pet sector. On the sales side, we reduced our **DSV Panalpina** and **Argan** positions. After the strong performance of both stocks, we took some profits in line with our risk budgeting strategy. This does not call into question our convictions in these two stocks, which are among the fund's main holdings.