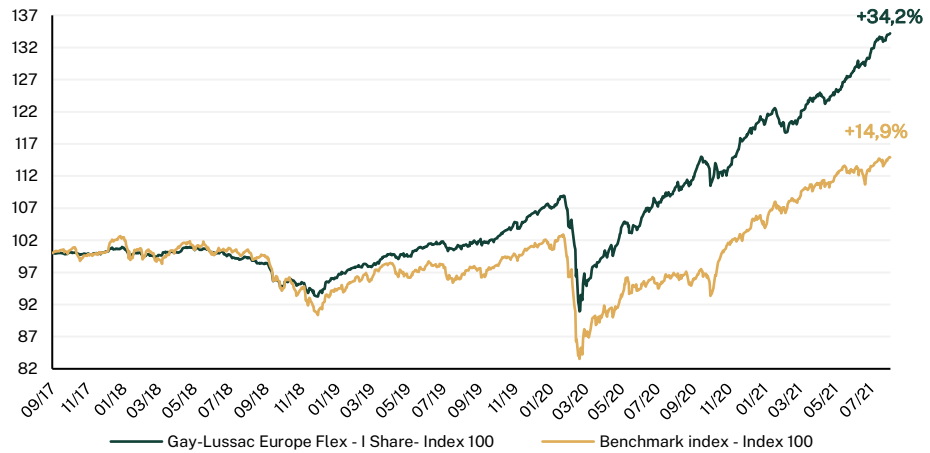


GENERAL INFORMATIONS

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)	195,92 €
NAV (I share)	13 419,60 €
Inception date (A share)	29-sep-17
Inception date (I share)	29-sep-17
Net assets	53,73 M€

Performances and statistics on the 31 of august 2021



	1M	2021	2020	2019	2018	Inception*
A Share	1,6%	12,4%	11,0%	12,1%	-6,8%	30,6%
I Share	1,8%	13,2%	11,5%	12,9%	-6,1%	34,2%

* 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 (Quantalys data)	Gay-Lussac Europe Flex
Volatility	7,41%
Max Drawdown	-16,54%
Beta	0,54
Sharpe Ratio	1,48

PORTFOLIO EXTRA-FINANCIAL ANALYSIS

Grade average E*	7,43/10
Grade average S*	7,21/10
Grade average G*	6,77/10
Portfolio grade overall ESG**	7,19/10

*proportion of the fund's investments for which non-financial data are available and used to complement fundamental analysis.
 **Qualitative scores calculated using the internal ESG analysis model
 Coverage rate: 98%.

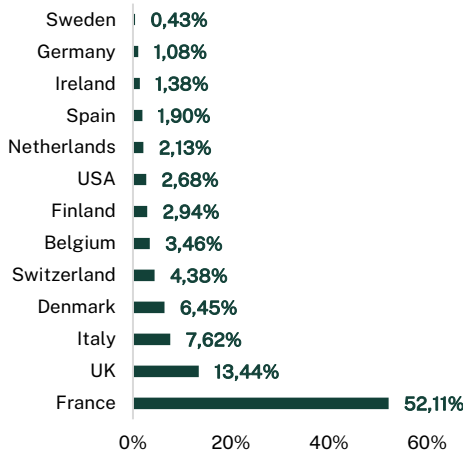


Gay-Lussac Gestion is a signatory of the **United Nations Principles for Responsible Investment (UN-PRI)** since 2020.

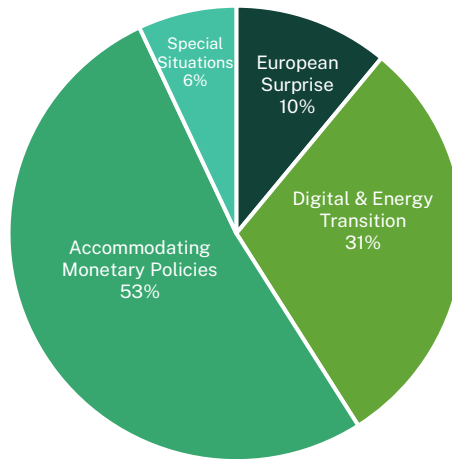


Gay-Lussac Gestion is a supporter of the **Task Force on Climate-related Financial Disclosures (TCFD)** since 2021.

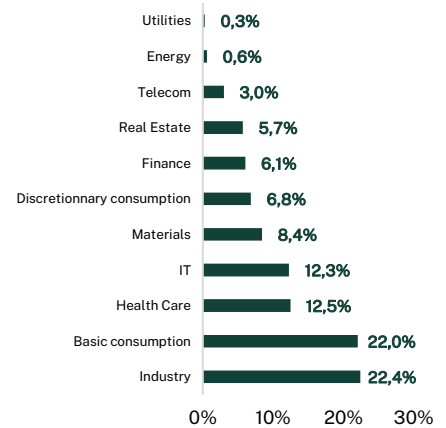
COUNTRY BREAKDOWN
(on the invested share)



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 FELS	Paul EDON
Hugo VOILLAUME	Thibaut MAISSIN
Guillaume BUHOURS	Arthur BERNASCONI

RISK EXPOSURE



Macroeconomic review

August was marked by an outperformance of US equities compared to Europe's: CAC 40 +1,02%, S&P 500 +3,35%, STOXX 600 +2,18%.

In Europe, economic activity proved resilient against the Delta variant. As vaccination remains well on its way, national governments did not have to implement restrictive measures, which benefitted the economic activity. Most European countries continue to benefit from the deployment of recovery plans (750 billion euros in total until 2023). However, inflation is not decelerating. The consumer price index stood at 3% year-on-year in August, above the 2,7% anticipated. The CPI without energy prices stood at 1,7%. Excluding any surprise from the September 9th meeting, the ECB should maintain the rate of its asset buy-backs. The uncertainty regarding the sanitary situation continues to weigh on the European economies. In that sense, the ECB's monetary policy should remain accommodative for a while, whilst being flexible regarding the PEPP.

In the United States, the publication of the PMI composite was worse (55,4) than expected (58,3), confirming the hypothesis of an economic slowdown. As budget aids continue to be reduced and unemployment benefits expire, all eyes are on the budgetary policy. The US Senate came to an agreement on the 1000 billion dollar infrastructure program bill, but the legislative process promises to be a long one, as the House of Representatives has delayed the vote of the 3500 billion dollar program (the vote on the 1000 billion dollar is conditioned by the 3500 billion dollar one), due to a disagreement between Democrats. In terms of monetary policy, Jerome Powell has confirmed, during the Jackson Hole symposium, that tapering would start before the end of the year, but did not set a date. However, no policy rate hike is expected from the FED as Jerome Powell continues to emphasize that inflation remains transitory. In this uncertain environment, the US 10-year rate stayed on the low-side in August, to reach 1,3088% at the end of the month.

KEY RATIOS

Gross Equity Exposure	70,81%
Futures & Options	-19,46%
Net Equity Exposure	51,35%
Bonds	2,58%
Arbitrage / Takeover bid	10,74%
Liquidities, money market	15,87%
Monthly performance - A Share	1,64%
Monthly performance - I Share	1,78%
Number of lines	59
Median PER 2021	24,28
Median EV/Sales 2021	2,67
Median EV/EBIT 2021	19,10

TOP FIVE POSITIONS

Name	% net asset
NESTLE SA-REG	2,99%
PRECIA	2,74%
GERARD PERRIER ELECTRIC	2,73%
DIAGEO PLC	2,65%
UNILEVER PLC	2,63%

BREAKDOWN BY MARKET CAPS

Name	% net asset
More than 4 Mds €	38,45%
From 500 M€ to 4 Mds €	40,33%
Less than 500 M€	21,22%
Average Capitalisation (M€)	33 230
Median Capitalisation (M€)	2 486

Management review

Regarding purchases, we strengthened our positions in **Clasquin** and **Bakkafrost** and in the luxury sector. The French freight forwarder **Clasquin** has taken advantage of the tensions on the global supply chain. The French group is benefiting from strong increases in global trade volumes as well as rise in sea and air freight rates, which are showing strong expansion. Salmon farmer **Bakkafrost** published strong quarterly results. The operating income doubled for the second quarter of 2020. The company also announced a capital market day for September that will provide more visibility over the 2026 strategy horizon. We took advantage of the drop in the luxury sector linked to the slowdown in growth in China as well as to the measures on wealth redistribution plan initiated by Beijing. We therefore believe that this is an excellent entry point for buying **LVHM** shares, which published record first half results in terms of profitability. Regarding disposals, we reduced our positions in **Pharmanutra**, **Salcef** and **Infotel** to comply with our risk management process. The fundamentals of these companies, which remain strong convictions, remain excellent.