

PORTFOLIO MANAGER COMMENT

In a stock-market context impacted by the US-China trade disputes, QUADRIGE EUROPE Midcaps is down -4.3% in May which results in a year to date performance of +16.33%.

The Belgium company **Barco** increased its mid-term business prospects targeting a sustainable top line growth above +5% together with operating profit ranging between 14%-17%. The French group **Alstom** released an order intake equivalent to 5x its turnover and its decision to distribute a 14% yield extraordinary dividend. The German leading global provider of fresh food, **Hellofresh**, and the French animal health focused group, **Virbac**, also positively contributed to the fund performance.

The Italian innovative company **Datalogic** (-18.2%) provided a first quarter weak sales performance (+1.2%) but reaffirms that he will benefit from new product launch initiatives to boost its top line growth in the second half. The German group **Pfeiffer Vacuum** (-15.6%) is being cautious on its semiconductor business exposure whereas it received the cartel approval to set up industrial cooperation with his majority shareholder to drive relevant business synergies. The German industrial trucks and supply chain solutions global leader, **Kion** (-20.3%), and the French companies, **Tarkett** (-12.1%) and **Bénéteau** (-10.9%), suffered from the investor risk aversion context on cyclical companies. The Spanish global hot stamping leader, **Gestamp** (-11.4%), and the French group, **Seb** (-10.4%), also negatively contributed to the fund performance.

The zoom of the month is the Spanish company, **Fluidra**, the global leader in the pool and wellness industry. Founded in 1969, it operates in more than 45 countries with 135 sales offices and 30 production centres. Fluidra benefits from a leading brands portfolio such as AstraPool, Polaris and Zodiac with who he merged by 2018. It continuously gain market share from a unique product range that includes more than 20000 stock-keeping units whose best in class technical performances provide him a relevant pricing power compared to its competitors. Its 2022 business plan looks ambitious as Fluidra targets a top line acceleration that should result in sales increase ranging between +5/+8% per annum together with additional operating margin improvement, up to 400 basis point, to reach 21%.

Internal data & companies

**Pierrick
Bauchet**

*Chief Investment
Officer*



**Sébastien
Lemonnier**

Analyst - PM



TOP HOLDINGS

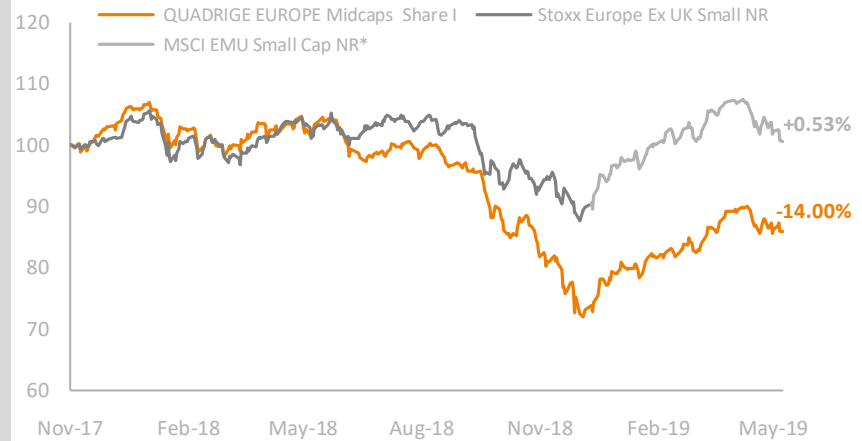
1- Barco	7.75 %	4- Siegfried	4.88 %
2- Worldline	7.48 %	5- Datalogic	4.80 %
3- Pfeiffer Vacuum	5.54 %		

Number of holdings : 35

MAIN TRADES

Buys	Sells	MAIN CONTRIBUTORS			
Worldline	Gima	➤ Barco	+0.73 %	➤ Pfeiffer Vacuum	-0.87 %
Gestamp	Barco	➤ Gima	+0.37 %	➤ Datalogic	-0.86 %
SEB	Hellofresh	➤ Fluidra	+0.31 %	➤ Kion Group	-0.72 %
Qiagen	-	➤ Alstom	+0.16 %	➤ Tarkett	-0.62 %
Siegfried	-	➤ Hellofresh	+0.13 %	➤ Bénéteau	-0.46 %

HISTORICAL PERFORMANCE



*New benchmark since 01/01/2019 / Refer to C (retail) share for Fund performance since inception as of 12/31/2015

Net Asset Value per share : €84960.81

Net Asset Value : €93.91 m

MAIN METRICS

EV/Sales 2019	2.21x
EV/EBIT 2019	16.6x
Sales growth 2019	+8.5 %
EBIT margin 2019	13.1 %
EBIT growth 2019	+16.3 %
Fund volatility (since inception)	14.6 %

Internal data as of 05/31/2019

PERFORMANCE FUND INDEX

2018	-28.89 %	-10.96 %
2019 YTD	+16.90 %	+11.36 %
Since inception	-14.00 %	+0.53 %
1 month	-4.19 %	-6.41 %

INVESTMENT PHILOSOPHY

QUADRIGE EUROPE Midcaps is an equity fund focused on European mid cap growth companies. The investment team selects niche market global *leaders* that outperform their competitors as a result of a strong and sustainable competitive advantage. Their development across the globe together with operational excellence are the source of solid profitable growth prospects. We implement a high conviction-based investment approach in a concentrated investment fund (between 20 and up to 40 holdings).



90 %

*Global
leaders*



84 %

*Continuous
investment*



78 %

*International
exposure*



13.1 %

*Operating
margin*



32 %

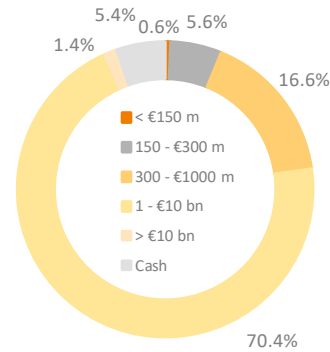
*Family-owned
companies*

SECTOR BREAKDOWN



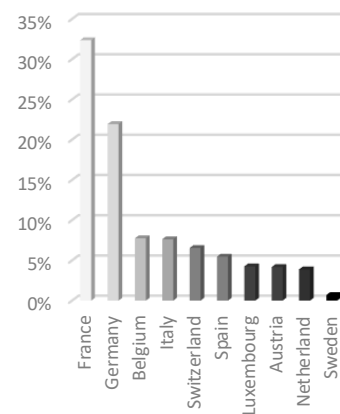
Net Equity exposure : 94.7 %

MARKET CAP BREAKDOWN

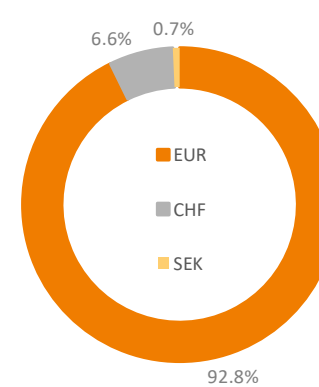


Average market cap : €3.5 bn

COUNTRY BREAKDOWN



CURRENCY BREAKDOWN



DISTRIBUTION PARTNERS



MAIN CHARACTERISTICS

Asset Management company INOCAP Gestion	Fund base currency Euro	PEA eligibility Yes	Fund audit firm KPMG
ISIN code FR0013280906 (Share class I)	Capital guarantee No	Minimum initial subscription 1 share	Maximum subscription fees 4% (non-acquired to the fund)
Share inception date 05/10/2017	Cut-off 12:00 pm Paris time on day D	Decimalisation 1/1000th	Management fees 1.20%
AMF classification UCITS European Union equities	Settlement/Delivery period D+2 max.	Custodian CACEIS Bank	Redemption fees 0.00%
Risk & reward profile 1 2 3 4 5 6 7	Dividend policy Capitalization	Centralizing role CACEIS Bank	Performance fees 15% of the performance above the MSCI EMU Small Cap Return + "high water mark"
NAV publication Daily	Investment horizon > 5 years	UCITS fund administration CACEIS Fund Administration	

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