



INDEPENDANCE ET EXPANSION France Small

Morningstar ranking ★★★★★

Luxembourg SICAV compliant with the European UCITS IV Directive

December 2018



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ASSET CLASS

- ✓ French Equities
- ✓ Small & Mid Cap

INVESTMENT STYLE

- ✓ Value Stocks
- ✓ Fully invested (90%-100%)
- ✓ Concentrated portfolio

BENCHMARK

- ✓ CAC Mid & Small NR since January 2017, CAC Small NR before

OBJECTIVE AND INVESTMENT POLICY

The Independence et Expansion SICAV ("I&E") is an actively managed fund which seeks capital growth over a three year time frame.

The fund's investment policy is to buy shares of French companies listed on a regulated market whose market capitalization is less than or equal to the highest market capitalization of the CAC Mid & Small index and with low price to cash-flow ratio and to sell the stocks which do not meet these criteria.

The Fund may also purchase convertible bonds and warrants to acquire shares of such companies. The fund may also invest up to 10% of its net assets in companies listed on the Alternext and 10% in non-French European small caps.

The Fund's investment policy incorporates extra-financial environmental, social, and quality of governance (ESG) criteria.

COMMENTS

The year 2018 was characterized by a sharp drop of mid caps : over the 245 companies of the CAC Mid & Small index, the median decrease was 34%. The CAC Mid & Small NR index fell by 20%. The difference is attributable to the good performance of companies whose PER was higher than 25 at the beginning of 2018.

I&E was penalized by the sharp drop of automotive suppliers. In addition, the market believes that so-called cyclical companies must be evaluated on the basis of the bottom of the cycle (2019e), which penalizes, in particular, chemistry and temporary work.

KEY MONTHLY FIGURES

31/12/2018

NAV	A(C) € 418,37	X(C) € 420,52
Fund assets	€m 229,7	

Net monthly performance

Indépendance et Expansion X(C)	-4,70%
CAC Mid & Small NR	-7,94%

Portfolio snapshot

Investment ratio	92,1%
Number of stocks in portfolio	35
Top 10 holdings weighting	47%

ANNUALIZED STATISTICS - X(C)

Performance / risk ratios

	1 year	3 years	5 years	10 years
Performance				
I&E	-30,2%	3,8%	12,0%	17,5%
CAC M&S NR ⁽¹⁾	-20,2%	3,2%	8,9%	13,0%
Volatility				
I&E	13,6%	14,3%	14,1%	15,2%
CAC M&S NR ⁽¹⁾	12,8%	13,0%	13,4%	15,9%
TE	65,4%	51,7%	188,5%	7,7%
IR	-0,15	0,01	0,02	0,58

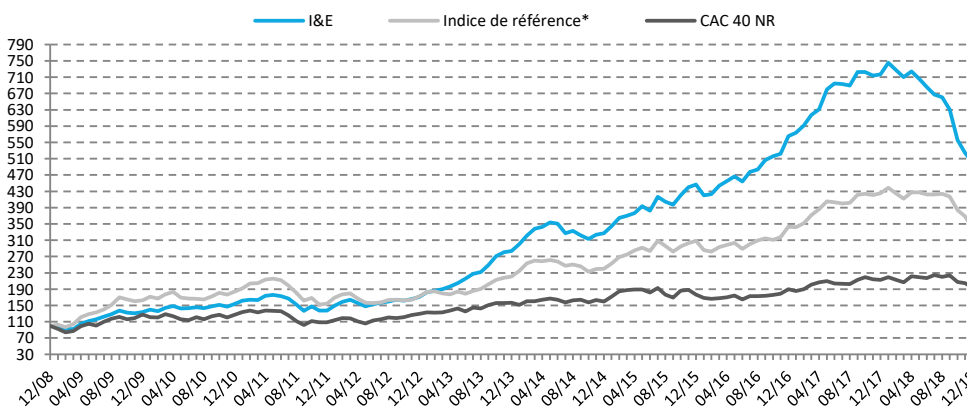
TE : tracking error ; IR : information ratio

CUMULATIVE PERFORMANCE - X(C)

Trailing performance

	I&E	CAC M&S NR ⁽¹⁾	CAC 40 NR
2018	-30,2%	-20,2%	-8,9%
3 months	-20,8%	-18,7%	-13,7%
6 months	-27,1%	-19,7%	-10,8%
1 year	-30,2%	-20,2%	-8,9%
3 years	11,9%	10,0%	9,6%
5 years	76,5%	53,4%	23,6%
7 years	263,5%	120,1%	77,7%
10 years	399,8%	239,2%	93,5%
20 years	1119,1%	292,5%	97,5%

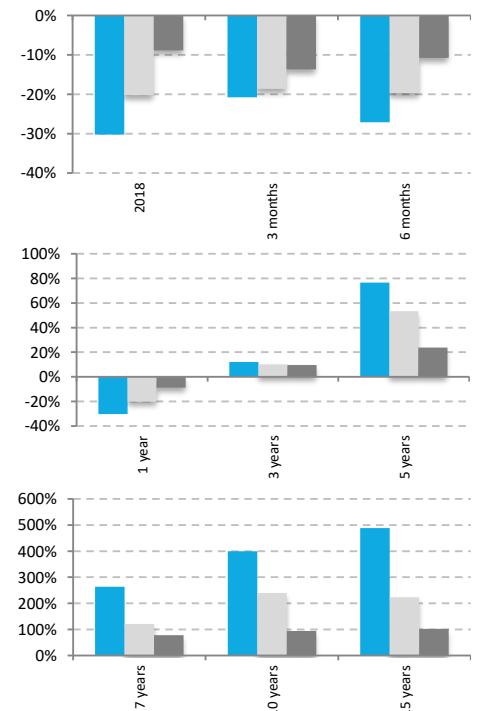
EVOLUTION OF THE FUND'S NAV OVER 10 YEARS - X(C)



FUND FINANCIAL RATIOS

	⁽²⁾ P/B		P/CF		PER		Yield
	level	spread	level	spread	level	spread	level
I&E median	1,3	-33%	5,3	-42%	9,4	-46%	3,6%
I&E mean	1,4	-27%	5,7	-37%	9,1	-48%	3,4%
I&E asset weighted	1,3	-30%	5,6	-39%	9,3	-47%	3,5%
Cac M&S NR index	1,9		9,1		17,6		2,2%

Source: Stanwahr, Idmidcaps for Cac Mid & Small NR index



Performance net of fees; dividends are accrued.

(1): The benchmark of the fund is the CAC Mid & Small NR index since 12/31/2016. The CAC Small NR was the benchmark of the fund since 12/31/2004. Previously, the benchmark of the fund was the SBF Second Marché index. For time periods before 12/31/2016, the performances of the fund's benchmark presented in this document are the results of the geometrical linking between the 2 indexes for their respective time-periods.

(2): P/B= Price to book ratio; C/CF = Price to Cash Flow ; PER = Price earning ratio; Yield= Stock return / portfolio

INDEPENDANCE ET EXPANSION SICAV

Share class X(C) - LU0104337620

Share class A(C) - LU0131510165

I SECTOR BREAKDOWN

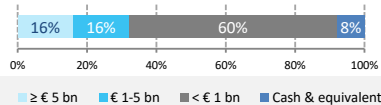
Sectors	Weights
Automotive supplier	13,1%
Corporate services	10,6%
Chemicals	9,8%
Financial	8,6%
Electric power industry	7,4%
Technology	7,4%
Temporary work	6,7%
Transport	5,7%
Real estate	5,6%
Miscellaneous	5,4%
Environmental services	3,5%
Steel industry	2,9%
Agri-Food	2,3%
Plastics manufacturing	1,8%
Specialized wholesale	1,4%
Capital goods	0,0%
Cash	7,9%
Total	100%

Source for sectors classification: Stanwahr

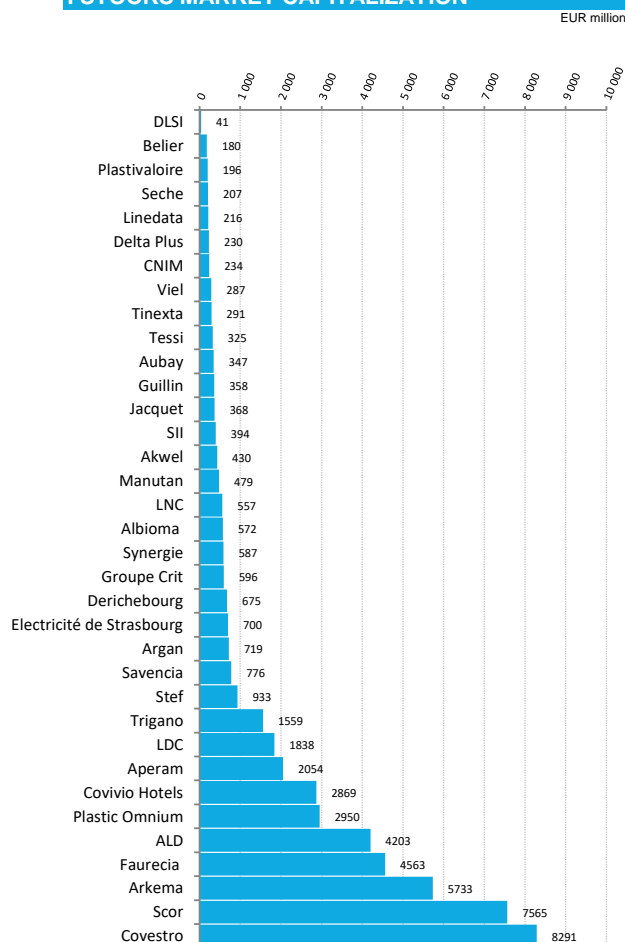
I TOP HOLDINGS

Stocks	Weights
SCOR	6%
ARKEMA	6%
ALD	6%
SII	6%
STEF	5%
AKWEL	4%
COVESTRO	4%
LE BELIER	4%
GROUPE CRIT	3%
ALBIOMA	3%

I MARKET CAP BREAKDOWN



I STOCKS MARKET CAPITALIZATION



I MAIN VARIATIONS OVER THE MONTH

Stocks	Perf.	Commentary
Outperformance vs. the benchmark		
LDC	17,2%	Defensive stock
Albioma	12,8%	Acquisition of minority stake by Impala Group
Guillin	12,3%	Acquisition of Thiolat and decline in raw mat.prices
Manutan	5,7%	Stong FY results
Derichebourg	5,5%	-
Plastivaloire	3,9%	Reassuring FY results
Underperformance vs. the benchmark		
Aubay	-12,0%	Lower margins anticipated
CNIM	-12,6%	-
Trigano	-13,5%	-
Plastic Omnium	-14,0%	-
Delta Plus	-14,1%	Slowdown in China
Covestro	-15,1%	Seen as cyclical

I RISK / RETURN PROFILE



This indicator represents the annual historical volatility of the Fund over a 5-year period. In the absence of sufficient historical data, the risk indicator incorporates data simulated from a benchmark portfolio. Risk category 5 reflects a high potential gain and/or loss in the portfolio's value. This is achieved through investments in equities in small- or medium-sized companies on the European market. Historical data such as that used to calculate the synthetic indicator cannot be considered as a reliable indication of the Fund's future risk profile. The risk category associated with the Fund is not guaranteed and may change over time. The lowest risk category does not mean "risk free". Your initial investment is not guaranteed.

I MAIN CHARACTERISTICS

Valuation: every Wednesday of each month (or next business day)
 Management fees: 1,95% / year inclusive of taxes
 Performance fees: 10%
 Subscription and Redemption fees: 0%

I CONTACT

Fund manager: Stanwahr Sarl
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 Email : stanwahr@pt.lu

I SUBSCRIPTIONS / REDEMPTIONS

Subscription: every Wednesday of each month (or next business day)
 Redemption: every Wednesday of each month (or next business day)
 Caceis Bank Luxembourg
 Tel: 00 352 47 67 23 33
 Fax: 00 352 47 67 70 59

I FUND'S THIRD PARTIES

Depositary bank: Caceis Bank Luxembourg
 Fund administrator: Caceis Bank Luxembourg
 Statutory auditor: Deloitte SA

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