

Fund Manager Commentary

Economic Environment

Equity markets continued to rise mildly in April.

Macroeconomic figures are still mixed. In the Eurozone, first-quarter GDP growth rates generally managed to hold in positive territory (+0.1% for the Eurozone), although there were disparities between countries, and the manufacturing sector was not as resilient as the services sector, which is still buoyed by tourism (GDP was more resilient in Spain and Italy, as well as France, while growth stagnated in Germany).

Although this is good news for business and employment, it risks having an impact on the European Central Bank's capacity to reduce inflation rapidly towards its 2% target.

In the United States, we are beginning to see the impact of a more restrictive monetary policy: economic growth has slowed, corporate investment has virtually stalled and the real estate sector is struggling. Worries about the banking sector have dissipated somewhat, but the situation is still fragile. Consumption, however, is still resilient.

The debate over raising the US Federal debt ceiling will be a risk factor in the weeks ahead: without an agreement, the US could default by early June.

On the whole, corporate earnings were surprisingly strong, but any good news tended to be ignored while any disappointments were sanctioned.

Market Performance

The MSCI Europe rose 2.50% and the MSCI EMU gained 1.48% (net dividends reinvested, in euros). Sector performances were once again very mixed. The real estate sector outperformed (+7.17% in Europe) as did defensive sectors like healthcare equipment (+6.39%), basic consumption (+6.03%), pharmaceuticals, energy and group services. Insurance and banking also rose sharply, up 5.17% and 3.41%, respectively.

In contrast, cyclical and technology stocks (in the broad sense of the term) declined or increased only slightly. Semi-conductor and technology stocks plunged 10.13% and 6.07%, respectively. Automobiles, basic goods, transport, media, corporate services and industrial capital goods reported performances of between -1.29% and +2%.

In terms of investment styles, undervalued stocks somewhat outperformed growth stocks (3.02% vs 1.99%). Small caps underperformed the other compartments in Europe, and the MSCI Europe Small and Mid-cap index gained only 1.77%.

From a geographical perspective, the traditionally defensive Swiss and UK markets reported strong performances (4.53% and 3.64%, respectively). France, Italy and Austria held up well.

Inversely, the Netherlands, which is sensitive to the sharply negative performance of ASML, consolidated over the month (-2.90%). It is also worth noting the negative market performances of Finland (-1.38%) and Belgium (-0.31%) and the feeble rise in the Spanish market (+1.2%).

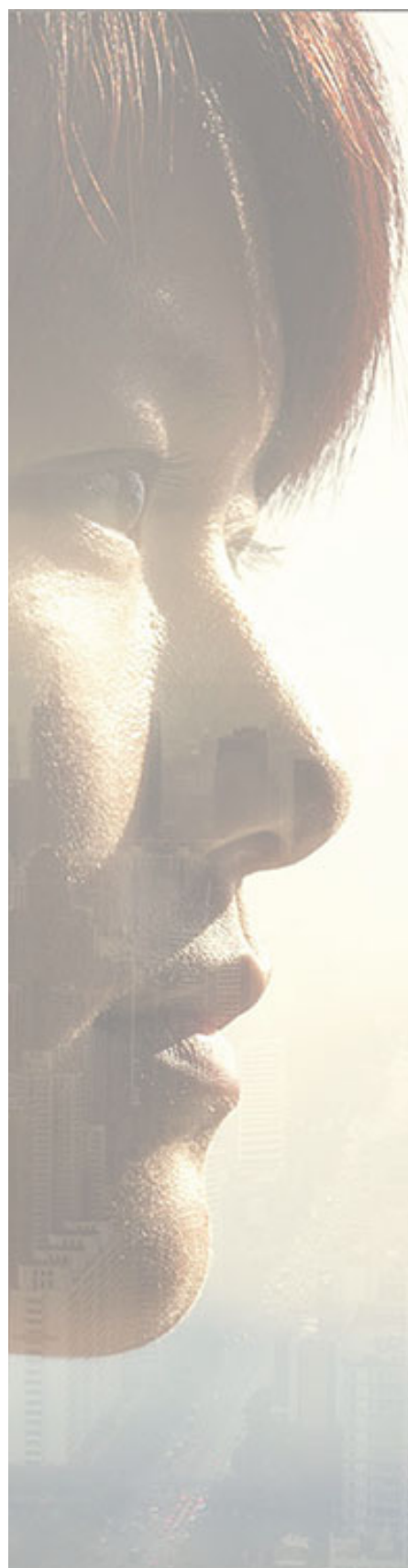
Performance Attribution

The portfolio's performance fell over the month, outpacing that of the MSCI Small Cap EMU index. Among the negative contributors, we note Recticel -25% (the disposal of the furniture foam business could be compromised and demand is sluggish for insulation), AMG Advanced Metallurgical -14% (decline in the price of lithium), Verbio -22% (temporary drop in margins on biodiesel and biogas), Lectra -19% (slowdown in demand), Seri -21% (no explanation).

As for the positive contributors, we note SES Imagotag +32.5% (final signing of the contract with Walmart), Dermapharm +20% (upward revision of forecasts for Arkopharma), Voyageurs du Monde +12% (resumption of long-haul travel), Uponor +42% (takeover bid by Aliaxis), Eurogroup Laminations +9% (good momentum in orders), VGP +16% (rebound in the logistics sector), Bawag +7.5% (reassuring message from management on the risks of US commercial real estate).

Investment policy

A few movements over the month. Reinforcement: LABORATORIOS ROVI (the short-term newsflow is improving). Sale: RECTICEL (The sale of the furniture foam activity could be called into question and weaken the balance sheet). Relief: ASM INTERNATIONAL NV (Slow-term demand slowdown).



Outlook

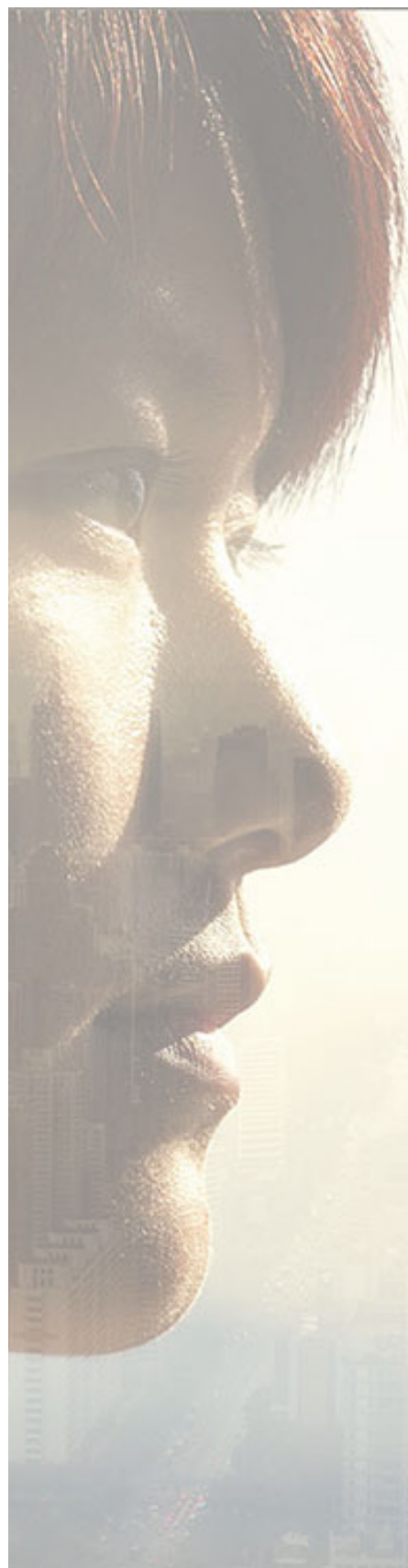
Fluctuations in macroeconomic variables and the geopolitical situation are still expected to have a big influence on financial market trends. In the developed countries, growth remains resilient and surprisingly strong.

Faced with a persistently complex environment, Europe is holding up relatively well, even though it is still sensitive to the global environment and various shocks. Accumulated savings and government subsidies are still support factors, although they will not be as strong going forward.

Corporate profitability is still high even though headline inflation and wages are rising, but the current economic slowdown is bound to have an impact on earnings.

The level of market valuations argue for a selective approach. European equities are still affordable from a historical perspective, while US equity valuations are higher than the historical average, which makes them more vulnerable at this phase of the cycle.

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Analysis of the investment strategy

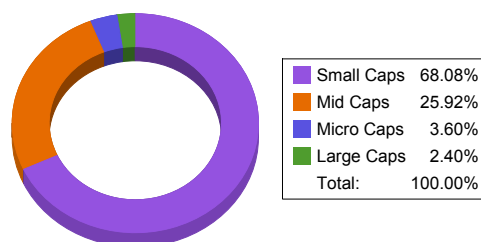
Top 10 Holdings	Portfolio
1 SES IMAGOTAG	4.04%
2 BANCA FARMAFACTORING SPA	3.02%
3 KINEPOLIS	2.85%
4 SECHE	2.84%
5 ADVANCED METALLURGICAL	2.24%
6 ALFEN NV	2.19%
7 DERMAPHARM HOLDING SE	2.17%
8 BAWAG GROUP AG	2.15%
9 CHARGEURS SA	1.97%
10 BEFESA SA	1.90%
Total	25.37%

Asset Type Allocation

Equities	96.07%
Cash	2.81%
American Depositary Receipt (ADR)	1.13%
Total	100.00%

In percentage of the Portfolio.

Market Cap Allocation



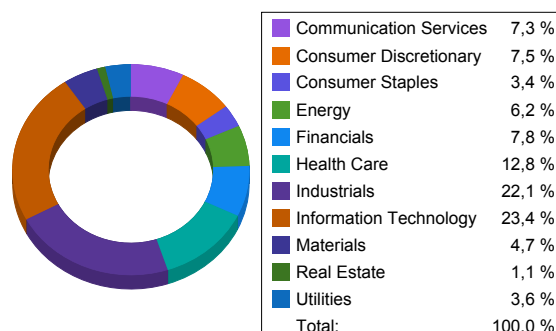
In percentage of the Equity Asset Class, except Mutual Funds & Derivative Products

Micro Caps : < 250 millions in (EUR)
Small Caps : > 250 millions & < 2 billions in (EUR)
Mid Caps : > 2 billions & < 8 billions in (EUR)
Large Caps : > 8 billions in (EUR)

Main Equity Transactions - April 2023

Purchases	Amount (EUR)
LABORATORIOS FARMACEUTICOS R	437 872
Sales	Amount (EUR)
RECTICEL	1 369 776
ASM INTERNATIONAL NV	983 182
BANCA FARMAFACTORING SPA	183 213
SES IMAGOTAG	173 759
KINEPOLIS	159 762

Industry Sector Exposure



In percentage of the Equity Asset Class, Mutual Funds & Derivative Products included.

Regional Exposure

Regional Exposure	Weight
France	49.29%
Italy	14.58%
Germany	12.78%
Belgium	6.96%
Netherlands	6.82%
Austria	3.52%
Spain	2.84%
Luxemburg	2.41%
Finland	0.81%
Total	100.00%

In percentage of the Equity Asset Class, Mutual Funds & Derivative Products included.

Geographic Market Exposure

Geographic Market Exposure	Weight
Eurozone	100.00%
Total	100.00%

In percentage of the Equity Asset Class, Mutual Funds & Derivative Products included.