

SEXTANT PME



Sextant PME is a fund that is eligible for French equity-savings plans (PEA-PME). It invests in European small and mid-caps. The fund is currently 46% invested in France, and 54% in other EU countries. Germany, Italy and Greece each account for about 10% of funds invested, followed by Sweden (7%) and Belgium (4%).

Following the closure of subscriptions for 15 months to allow management policy remain agile, the fund was reopened on 3 October, and assets under management have risen above the €175 million marker.

The fund fell by 3.7% in Q3 in line with its benchmark index, the CAC Small. Since the beginning of this year, the fund is down 0.3%, outperforming its benchmark (-6.4%) by a significant margin. Performances are very heterogeneous within the small caps. Companies that report earnings that are in line with estimates and growing are in demand, while the disappointers are punished – sometimes very harshly. This reflects a market that for the moment is driven by momentum rather than valuation.

The good performances of the third quarter included Greek company **Iktinos**. Purchased for the fund at €3.4, the stock ended the quarter up 35% to €5.9. This producer of white marble is positioned in a market that is growing thanks to strong demand from emerging markets (notably China) where the middle classes are expanding, while output is fairly stable. **Iktinos**, like its Greek counterparts, is surfing the wave and benefiting from both higher volumes produced and rising prices. Its non-core assets (a real estate project in Crete and a fleet of wind turbines) cover a significant share of market capitalisation.

Gruppo Mutuonline also made a positive contribution to the fund's performance in Q3. This interest-rate comparison website benefited from an upturn in property transactions in Italy, which remain very low. On the other hand, the Business Process Outsourcing (BPO) activity experienced a

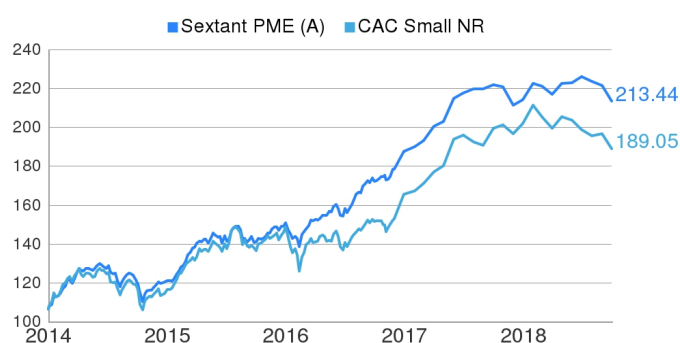
slight downturn which should prove temporary as the company has signed a major contract with a new Italian bank.

British manufacturer of scientific instruments, **Judges Scientific**, also published solid results. We took advantage of economy-related margin weakness to acquire a position in January 2017. The stock has since rallied on the back of a recovery in company profitability. We still like the strategy of making acquisition in this disparate sector where added value is high. Negative contributors included **Groupe Guillin** (-20%), which fell sharply. The producer of plastic food containers is suffering from the near-continuous rise in oil prices over the past two years, which weighs on margins until prices can be raised sufficiently. It is thus a temporary phenomenon to which the company is accustomed. What's more, the debate in the media about plastics and new regulations concerning disposable plastics is weighing on stock-market sentiment. Having questioned several players in the packaging sector, including producers of cardboard and glass, we conclude that replacing plastic would be a real challenge for many applications, and that EU directives promoting the circular economy and recycling are the best response to this problem. **Guillin** recently signed an agreement with Paprec, the leading recycler in France, reflecting the leadership role that the group hopes to play in this space.

We finally divested most of our position in **Criteo** for about \$26 in August, preferring to face the consequences of our investment error following a new disappointment on prospects, where we expected recovery post a difficult 2017. Although the quality of the company is excellent, negative changes to the competitive position, under pressure from Google, Apple, Amazon and Facebook, prompted us to sell our position.

Performances

	Sextant PME (A)	CAC Small NR
1 month	-3.7%	-3.8%
3 months	-5.5%	-4.8%
6 months	-1.6%	-5.2%
1 year	-3.7%	-5.2%
3 years	51.7%	39.2%

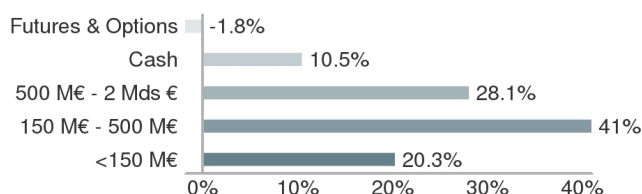


	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Sextant PME (A)	-57.9%	73.2%	29.7%	-17.9%	5.0%	25.3%	13.5%	24.7%	24.5%	14.2%	-0.3%
CAC Small NR	--	--	--	--	--	--	8.4%	28.7%	11.3%	22.1%	-6.4%

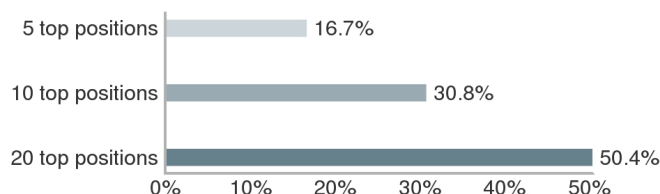
Since January 1st 2014, the index of reference is the CAC Small reinvested net dividends index.



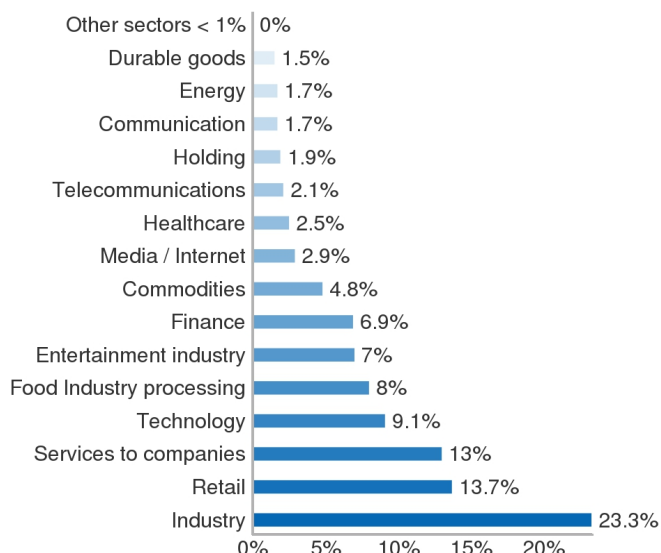
Distribution by capitalisation size



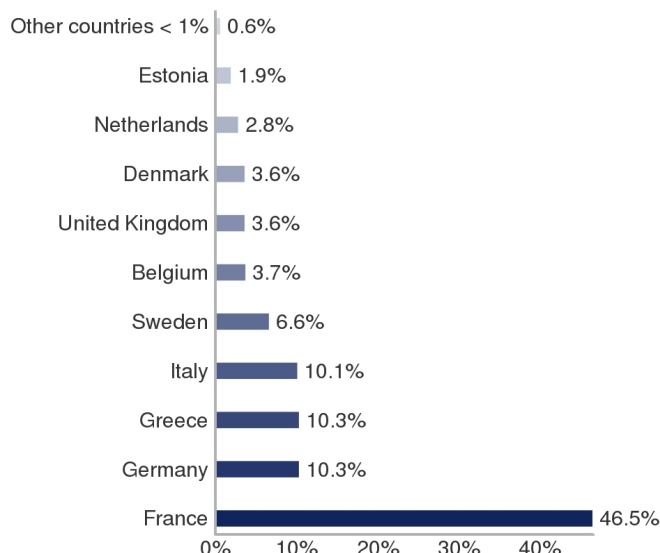
Weight of the main holdings



Distribution of holdings by sector (equity portfolio)



Geographical distribution of holdings (equity portfolio)



Main holdings

Name	Sector	Country	Net asset %	Contrib. to quarterly performance
Ringmetall	Industry	Germany	3.6%	-43 bps
Groupe Guillin	Food Industry processing	France	3.4%	-80 bps
Picanol	Industry	Belgium	3.3%	-17 bps
Brodrene Hartmann	Industry	Denmark	3.2%	-19 bps
Reno de Medici	Industry	Italy	3.1%	10 bps

Indicators

3-years volatility	Fund : 9.0% Benchmark : 12.9%
Number of lines	64
Average cap. of equities	434 M€
Median cap. of equities	338 M€

Main contributions to performance

Name	Contrib.	Name	Contrib.
Iktinos Hellas	68 bps	Groupe Guillin	-80 bps
Gruppo Mutuonline	48 bps	Criteo	-72 bps
Linedata	20 bps	Mr Bricolage	-63 bps
Judges Scientific	20 bps	CAFOM	-53 bps
Nanobiotix	17 bps	Wavestone	-50 bps

Main characteristics

Legal form	UCITS / French mutual fund
Share category	Unit A all subscribers
ISIN code	FR0010547869
Bloomberg code	AMIPEAK FP
AMF classification	"European Equities" UCITS
Benchmark	CAC Small NR
NAV / Net assets	213.44 € / 176.04 M€
Share NAV period	Daily based on prices at market close
Risk profile	1 2 3 4 5 6 7

Scale from 1 (lowest risk) to 7 (highest risk); category-1 risk does not mean a risk-free investment. This indicator may change over time.

Launch date	Fund : 17/12/2007 Unit : 01/01/2014
Recom. invest. duration	Over 5 years
Centralis.-Settlem. /Delivery	D at 10 AM / D + 2
Custodian	CACEIS Bank
Transfert agent	CACEIS Bank
Tax provisions	Eligible for PEA (French personal eq. savings plan) Eligible for PEA-PME (French personal eq. savings plan)
Entry charge	2.00% including tax maximum
Exit charge	1.00% including tax maximum
Fixed management fee	2.2% including tax
Performance fee	15%, including taxes of the common fund's positive performance beyond its performance index per calendar year

Source: Amiral Gestion at 28/09/2018

Notice

This commercial document aims to present the characteristics of the fund on a simplified basis. For further information, you may refer to the key information document for investors and to the prospectus, which are legal documents available on the management company's internet site or by request to the management company. The performances shown are not a reliable guide to future performance. Performance may vary over time.

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