

Strategic European Smaller Companies Fund

An Introduction to the Fund



ERIC STURDZA
INVESTMENTS

FUND OVERVIEW

- Launched in May 2015 by Eric Sturdza Investments and advised by Bertrand Faure and his experienced team at Pascal Investment Advisers SA.
- Long only equity fund with a specific focus on Western European small & mid-caps.
- A high conviction, focussed portfolio of approximately 30 stocks. Portfolio construction is derived from a 360° private equity style analysis of listed equities.

INVESTMENT PHILOSOPHY

- **Rigorous research:** Fundamental analysis coupled with an in-depth industry approach. Careful monitoring of each company's activity and performance, constant reassessment of financial, industrial and strategic positioning.
- **Focus on potentially great businesses (often in family-controlled firms):** Predictable streams of cash earnings, potentially high or rapidly-improving returns on invested capital, expanding barriers to competition, positive free cash flow and clean or rapidly-improving balance sheets.
- **Long term investors:** Hold core positions with a long term view, whilst adjusting weightings to reflect changes in the risk / reward profile of portfolio holdings.
- **Disciplined investing:** Wait patiently for the market to present opportunities to deploy capital in great businesses at appropriate discounts to their intrinsic value. Maintain flexibility to increase the portfolio's cash position in the absence of compelling investment opportunities; no use of financial leverage.

INVESTMENT PROCESS

- Generation of proprietary ideas through a disciplined, bottom-up process that often entails studying companies for years. Extensive quantitative analysis as well as qualitative fieldwork conducted.
- A proprietary database of models, fully up to date and permanently enriched by new opportunities and followed regularly and systematically. Around 50 new models per year enter the database, which today contains approximately 800 models.
- Focus on detailed value chain analysis driven by a multi-year holding period for most core investments.

PERFORMANCE SINCE FUND INCEPTION¹



Past performance is not an indicator of future performance.

PORTFOLIO MANAGER



Bertrand Faure has been Managing Director of Pascal Investment Advisers SA since its inception in 2002. Prior to this he worked for Och-Ziff Capital Management Group in

London between 1999 and 2001 as a hedge fund manager focusing on merger arbitrage and event-driven investments. Before joining Och-Ziff he worked in the investment banking division of Goldman Sachs International in London between 1997 and 1999 and was involved mostly in French related mergers and acquisitions and corporate finance projects. Bertrand is a graduate of the Ecole Polytechnique in Paris.

FUND FACTS & TERMS

Morningstar Rating™	★★★★★
A Sub-Fund of	E.I. Sturdza Funds plc
Manager	E.I. Sturdza Strategic Management Limited
Adviser	Pascal Investment Advisers SA
Structure	UCITS V Compliant
Domicile	Ireland
Launch Date	05 May 2015
Benchmark	STOXX Europe 600 NR EUR
Fund AUM	EUR 61.86 million
Strategy AUM	EUR 103.81 million
Currency	CHF, EUR, USD
Minimum Investment	A/C: No minimum B: 3 million
Liquidity	Weekly
Notification ²	One business day for Subs Five business days for Reds
Management Fee %	A: 1.50% B: 1.00% C: 2.20%
Performance Fee ² %	15.00%
Placement Fee	0%
Registered for Sale	AT, CH, DE, ES, FR, IE, IT, UK
Administrator	SS&C Financial Services (Ireland) Limited
Depository	The Bank of New York Mellon SA/NV Dublin Branch

CONTACT

For further information and/or documentation please contact:
E.I. Sturdza Strategic Management Limited
Frances House, Sir William Place,
St Peter Port, Guernsey,
GY1 1GX, Channel Islands.
+44 1481 722 322
info@ericsturdza.com
ericsturdza.com

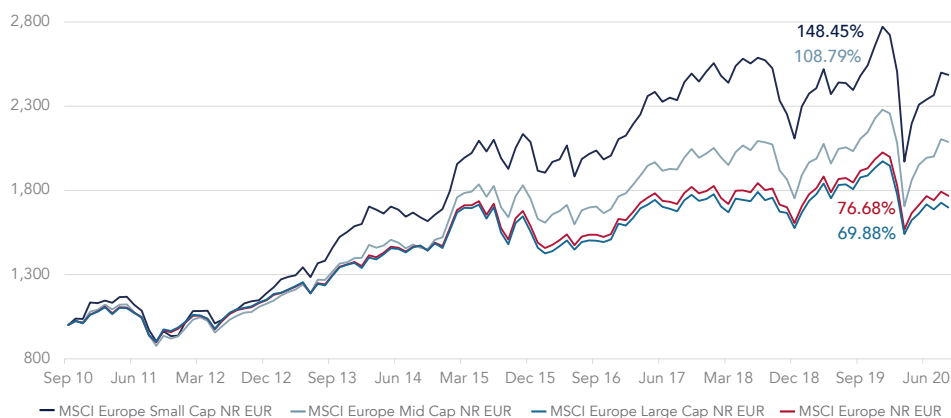


CALENDAR YEAR PERFORMANCE %¹

	YTD 2020	2019	2018	2017	2016	Annualised Inception
A EUR	8.70	24.41	-24.86	22.80	13.55	6.52
B EUR	7.18	25.04	-24.48	23.17	13.55	6.50
STOXX Europe 600 NR EUR	-11.56	26.82	-10.77	10.58	1.73	1.23

- Since inception the Fund has delivered positive relative returns versus its benchmark index with lower volatility.

DIVERGENCE IN THE RETURNS' PROFILE OF THE EUROPEAN MARKETS¹

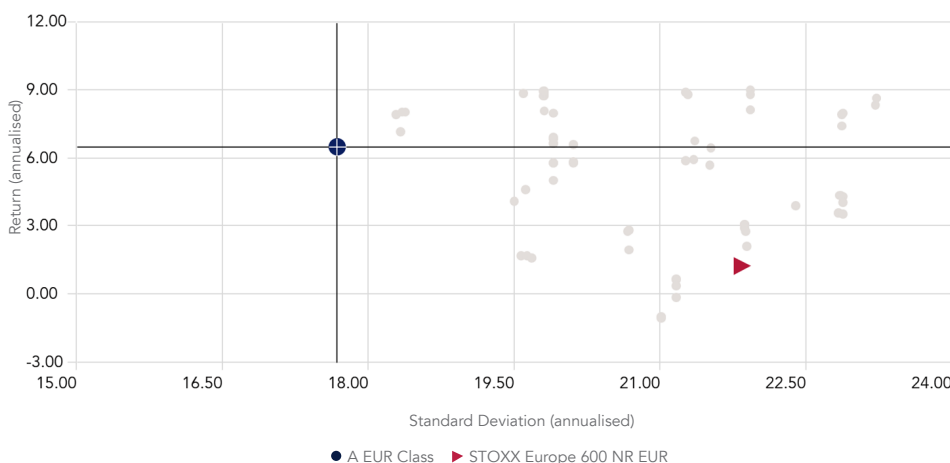


- The above highlights the strong performance of the MSCI Small and Mid Cap NR Indices, outperforming both the MSCI Europe Large Cap and NR Index on a relative basis over a 10 year time frame.

	Max Drawdown %	Max Drawdown # of Periods (M)	Up Capture Ratio	Down Capture
MSCI Europe Small Cap NR EUR	-28.86	3	116.04	98.82
MSCI Europe Mid Cap NR EUR	-25.17	3	107.43	98.86
MSCI Europe Large Cap NR EUR	-21.91	3	98.18	100.17
MSCI Europe NR EUR	-22.59	3	100.00	100.00

- It further shows that European Small and Mid Caps have outperformed large caps when European markets rally (up capture ratio of 116.04% and 107.43%).

RISK / REWARD ANALYSIS SINCE INCEPTION^{1,3}



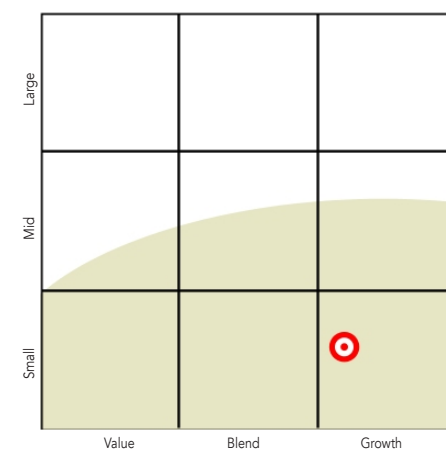
The Fund's returns are notably less volatile compared to both the benchmark and the majority of its peers.

STATISTICS – ANNUALISED SINCE INCEPTION^{1,4}

	A EUR	Index	Peer Group
Return	6.52	1.23	4.89
Standard Deviation	17.69	21.85	18.00
Alpha	6.27	-	3.94
Beta*	0.46	1.00	0.73
Sharpe Ratio	0.57	0.11	0.41
Information Ratio	0.41	-	0.47

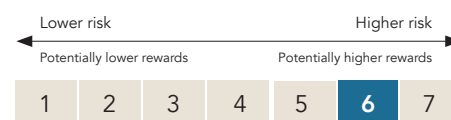
* Not annualised

PORTFOLIO STYLE: HOLDINGS-BASED STYLE BOX^{1,5}



- Strategic European Smaller Companies Fund
- Centroid

RISK & REWARD PROFILE



¹ Source: Morningstar Direct. Data as at 30/09/2020.
² For more information, please refer to the latest Prospectus.
³ Analysis based on Peer Group percentiles 5-95%.
⁴ Peer Group = EAA Fund Europe ex-UK Small/Mid Cap Equity.
⁵ The Strategic European Smaller Companies Fund appeared as a small growth strategy on the Morningstar Style Box™ at 31 August 2020.

RATINGS & AWARDS*



IMPORTANT INFORMATION / DISCLAIMERS

WARNING

The contents of this document have neither been reviewed nor endorsed by the Central Bank of Ireland or any other regulatory authority. If you are in any doubt about any of the content of this document you should obtain independent professional advice.

MORNINGSTAR DISCLAIMER

The Strategic European Smaller Companies Fund received a 3-star Overall Morningstar Rating and a 3-star 5-year Morningstar Rating (A EUR and B EUR Classes). Morningstar Ratings™ as of 30/09/2020.

The Strategic European Smaller Companies Fund received a 3 Globe Morningstar Sustainability Award. The Morningstar® Sustainability Rating™ is intended to measure how well the issuing companies of the securities within a fund's portfolio holdings are managing their financially material environmental, social and governance, or ESG, risks relative to the fund's Morningstar Global Category peers. Historical Sustainability Score as of 31/07/2020. Sustainability Rating as of 31/08/2020. Sustainability provides company-level analysis used in the calculation of Morningstar's Historical Sustainability Score.

© Copyright 2020 Morningstar. All Rights Reserved. The information contained herein where relative to Morningstar: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

BLOOMBERG DISCLAIMER

Data presented herein is obtained via Bloomberg PORT where stated. Any such data is subject to change from the date of production of this document. Such changes may impact upon comparative data between the investment and benchmark presented. Such information therefore is provided for reference purposes only, is subject to change and should not be relied upon for an investment decision.

STOXX DISCLAIMER

STOXX Limited ("STOXX") is the source of STOXX Europe 600 NR EUR and the data comprised therein. STOXX has not been involved in any way in the creation of any reported information and does not give any warranty and excludes any liability whatsoever (whether in negligence or otherwise) – including without limitation for the accuracy, adequateness, correctness, completeness, timeliness, and fitness for any purpose – with respect to any reported information or in relation to any errors, omissions or interruptions in STOXX Europe 600 NR EUR or its data. Any dissemination or further distribution of any such information pertaining to STOXX is prohibited.

GENERAL DISCLAIMER - APPLICABLE TO UK DOMICILED RECIPIENTS

This communication is issued in Guernsey by E.I. Sturdza Strategic Management Limited which is regulated by the Guernsey Financial Services Commission. Any investments or investment services mentioned in this communication are not intended for retail customers. Consequently, this communication is only made available to professional investors and eligible counterparties and should not be relied upon by any person that does not possess professional experience in relation to investments. If you are in any doubt as to whether you possess suitable experience in relation

to investments please consult your financial adviser. Past performance is no guarantee of future results. Under no circumstances should this document be forwarded to anyone in the United Kingdom who is not a professional client or eligible counterparty as defined by the Financial Conduct Authority. For the purpose of distribution in the United Kingdom this material has been issued by E.I. Sturdza Investments Limited, Claridge House, 32 Davies Street, London, W1K 4ND which is an appointed representative of Mirabella Advisers LLP which is authorised and regulated by the Financial Conduct Authority. Further this communication is not an offer or an invitation to purchase financial instruments but intended as information. The information contained in this communication does not represent a research report. E.I. Sturdza Strategic Management Limited has not considered the suitability of investment against your individual needs and risk tolerance. Shares in the Fund should only be purchased by persons with professional experience and investors should refer to the Fund Prospectus and/or KIID for detailed information about potential risks involved in investing in financial instruments as well as the latest half yearly report and unaudited accounts and/or annual report and audited accounts. The information contained herein is estimated, unaudited, may be subject to change and reflects the performance of the relevant fund offered by E.I. Sturdza Strategic Management Limited during the period indicated. Any opinions or estimates expressed herein are at the date of preparation and are subject to change without notice; however no such opinions or estimates constitute legal, investment, tax, or other advice. Individual performance of the Fund may vary and historical data is not an indication of future results. The value of the Fund and the income which may be generated from it can go down as well as up and therefore investors must be able to bear the risk of a substantial impairment or loss of their entire investment. This document is intended for information purposes only and is not intended as an offer or recommendation to buy, sell or otherwise apply for shares in the Fund. E.I. Sturdza Strategic Management Limited, 3rd Floor, Frances House, Sir William Place, St Peter Port, Guernsey GY1 1GX. Part of the Eric Sturdza Banking Group. Company Registration Number: 35985.

DISCLAIMER - SWISS DOMICILED RECIPIENTS

E.I. Sturdza Funds Plc and its sub-funds are Irish funds authorized by the Irish Central Bank. They are approved for distribution in Switzerland by FINMA. The Swiss representative and paying agent is Banque Eric Sturdza SA, rue du Rhône 112, 1204 Geneva / Switzerland. Investors should refer to the fund prospectus and/or KIIDs for detailed information about potential risks associated with investments in financial instruments as well as the latest half yearly report and unaudited accounts and/or annual report and audited accounts. The prospectus, KIIDs, Articles of association, semi-annual and annual reports of E.I. Sturdza Funds Plc can be obtained, free of charge, at the seat of the Swiss representative, Banque Eric Sturdza SA. The information contained herein is estimated, unaudited, may be subject to change and reflect the performance of the relevant funds during the period indicated. Any opinions or estimates expressed herein are at the date of preparation and are subject to change without notice. No such opinions or estimates constitute legal, investment, tax or other advice. Individual performance of the funds may vary and historical data is not an indication of future results. The value of the funds and the income which may be generated from it can go down as well as up and therefore investors must be able to bear the risks of a substantial impairment or loss of their entire investments. Past performance is no guarantee of future results. Performance data do not take into consideration commissions and costs charged at the time of issuance and/or redemption of the shares. This document is intended for information purposes only and is not intended as an offer or recommendation to buy, sell, or otherwise apply for shares in the funds.