



EDMOND DE ROTHSCHILD LAUNCHES A NEW SMALL & MIDCAP STRATEGY

With its culture of entrepreneurship and innovation, Edmond de Rothschild Asset Management finances the real economy through its investments, guiding and supporting entrepreneurs at key points in their operations and over the long term, whether their company is listed or not.

In keeping with this commitment, Edmond de Rothschild Asset Management is launching the Edmond de Rothschild SICAV European Smaller Companies fund, reflecting a strong conviction on small companies. At the forefront of innovation in multiple niche segments, they combine strong growth potential with an attractive risk/return profile, making them an essential segment for any asset allocation.

A LONG-TERM VISION

The new **Edmond de Rothschild SICAV European Smaller Companies** fund aims to support small and midcap companies over the long term, to help them reach milestones in their growth throughout Europe. By investing, in particular, in family businesses or companies with a strong entrepreneurial spirit that are still limited in size but which are in a phase of growth, the fund allows its investors to combine financial performance with a positive contribution to the real economy. In Europe, these companies represent 70% of the job market. By virtue of their innovative economic models, they play a major role in our society's structural trends (demographic transition, digitalisation and the environment).

The fund's investment strategy focuses mainly on European companies with market capitalisations of less than €5 billion at the time of purchase, boasting compelling earnings growth prospects combined with environmental, social and governance suitability. The fund's investment philosophy is based on three pillars: conviction-based stock selection built on fundamental analysis with an approach "on the field"; active investment management combined with a rigorous risk management process; and a long-term investment vision contributing to the success of companies.

Four essential **C**riteria ("the Four Cs") – Growth of revenues (**C**AGR), **C**ompetitive advantage in the market landscape, High free cash flow generation (Value **C**reation) and High quality of senior management teams (**C**hief) – are weighed by the fund management team, which attends more than 800 meetings each year with target companies. Special attention is also paid to sustainability, with job creation as a core element.

THE ENTREPRENEURIAL SPIRIT

As a long-term partner of choice for entrepreneurs, Edmond de Rothschild has also developed an entrepreneurial approach to finance through its private equity strategies. With this asset class, we provide concrete support for entrepreneurs developing their business plan by

providing financing as well as genuine monitoring of their strategy. Edmond de Rothschild Private Equity goes further, selecting innovative, distinctive and forward-looking strategies addressing challenges facing our society.

Our unique partnership model, closely combining financial expertise and industrial know-how, guides new Private Equity teams as they develop their strategy. That's how the Edmond de Rothschild Private Equity platform brings together engineers with experts in environmental infrastructure and soil remediation, with company founders, and more.

The **Amethis** strategy, which aims to develop the entrepreneurial wealth of SMEs in Europe and Africa, is providing entrepreneurs with solid expertise and a whole ecosystem in Europe, Africa and the Middle East. By tapping into this comprehensive regional network, SMEs can envision going global successfully and deploying an export development plan. The **Trajan** strategy aims to provide a response to the transfer issues encountered by entrepreneurs wishing to hand over the reins, both capitalistically and operationally, notably to retire. The strategy of future-proofing these companies and accelerating their growth, by scouting out suitable buyers, fits in with the process of preserving the regional economic fabric that is vital to France.

Edmond de Rothschild's entrepreneurial spirit means they stand by entrepreneurs while they develop their business plan – not only providing financing but also engaging with the strategy they create. Throughout its strong family history, the Group has built a unique ecosystem for identifying, investing in, and decisively backing visionary projects.

MAIN INVESTMENT RISKS

The synthetic risk/return indicator rates the Edmond de Rothschild SICAV European Smaller Companies on a scale of 1 to 7. The risk and return category presented may change over time. Category 1 does not mean a risk-free investment. Unit A and I of this UCI are rated in category 6, in line with the nature of the securities and the geographical areas presented in the "Investment objectives and policy" section of the KIID as well as the unit's own currency. The risks described below are not exhaustive: **risk of capital loss, equity risk, risk related to small and mid-cap companies, liquidity risk.**

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GLOBAL DISTRIBUTOR AND MANAGEMENT COMPANY

EDMOND DE ROTHSCHILD ASSET MANAGEMENT (FRANCE)

47 rue du Faubourg Saint-Honoré / FR - 75401 Paris Cedex 08

Public limited company with a Management Board and Supervisory Board and a capital of 11,033,769 €

AMF approval number GP 04000015 - 332.652.536 R.C.S. Paris

ABOUT THE EDMOND DE ROTHSCHILD GROUP

As a conviction-driven investment house founded upon the belief that wealth should be used to build the world of tomorrow, Edmond de Rothschild specialises in Private Banking and Asset Management and serves an international clientele of families, entrepreneurs and institutional investors. The group is also active in Corporate Finance, Private Equity, Real Estate and Fund Services.

With a resolutely family-run nature, Edmond de Rothschild has the independence necessary to propose bold strategies and long-term investments, rooted in the real economy.

Founded in 1953, the Group had nearly CHF 158 billion in assets under management at the end of December 2022, 2,500 employees, and 29 locations worldwide.

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