

Key investor information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

VARENNE VALEUR - Unit class A–EUR - ISIN code: FR0007080155

Management company: VARENNE CAPITAL PARTNERS

INVESTMENT OBJECTIVES AND POLICY

The Fund's objective is to seek, over the recommended investment period, an annualised return that exceeds the CNO-TEC 5 + 140 basis points, after deduction of all the fees charged to the Fund (except for the performance fee), by employing a discretionary management approach.

The type of investment management implemented makes comparison with a benchmark index irrelevant. The CNO-TEC 5, a 5-year equivalent constant rate for French Government bonds, may however be used as an *ex-post* performance indicator for an investment made over the recommended duration of 5 years.

Using all the categories of financial assets, French or foreign, euro zone and non-euro zone, described below, the Fund implements a discretionary strategy. However, the Fund will be at least 75% invested in securities eligible for the French Equities Savings Plan (*Plan d'Épargne en Actions* - PEA).

For the equity component: our Enterprise Picking strategy draws on techniques applied in private equity to construct a concentrated portfolio of companies enjoying a sustainable competitive advantage and presenting a deep discount to our intrinsic value estimate. After excluding the most risky sectors, such as technology, financials and cyclical businesses, the investment management team carries out weekly fundamental and performance screenings via its proprietary data bases.

The Absolute Short strategy aims to identify companies that face a likely "capital event" within 18 to 24 months, i.e., a recapitalisation, a capital restructuring or a liquidation.

For the special situations component: the management team focuses exclusively on announced friendly mergers & acquisitions and capital restructurings. This strategy helps reduce the portfolio's correlation to indices and provides the fund with additional returns, particularly in the event of market downturns.

Derivative instruments may be used via forwards or options, swaps and/or forward foreign exchange contracts, traded on regulated, organised or over-the-counter markets to hedge against or to gain exposure to equity, fixed-income or foreign exchange risk.

For the macro hedging component: the managers use instruments with an asymmetric risk/return profile, such as options, in order to protect the portfolio in the event of a negative economic scenario but without reducing the portfolio's market exposure level.

The Fund may invest in units or shares of UCITS authorised for sale in France, without exceeding the limit of 10% of assets.

For the fixed-income component, the asset manager will choose the positions taken in fixed-income products according to his or her expectations regarding the yield curve. Investment may be made in Treasury issues, fixed- or floating-rate Government securities, Treasury bills, in secondary or primary market bonds in the form of sovereign or corporate debt.

The Fund may be exposed to a currency risk that is not covered systematically by the asset manager.

Net income and net realised capital gains are reinvested.

The net asset value is calculated daily.

Orders for subscription and redemption, which are in thousandths of units, are received each Net Asset Value calculation day before 11 a.m. CEST (D) at CACEIS Bank and executed on the basis of the next net asset value (price unknown). Settlement is on value date the following day (D+2).

This Fund may not be appropriate for investors who plan to withdraw their money within five years.

RISK AND REWARD PROFILE



Historical data used to calculate this synthetic indicator may not be a reliable indication for the future risk profile of the Fund.

The level of the risk indicator in the past does not serve as a guide to its level in the future. The lowest category does not mean "risk-free".

This fund is classified as risk "**category 4**"; this level reflects the discretionary management approach employed by VARENNE CAPITAL PARTNERS, a style of asset management based mainly on investment in shares of European companies.

MATERIAL RISKS TO THE FUND THE INDICATOR DOES NOT TAKE INTO ACCOUNT:

Credit risk: If an issuer of bonds defaults or if its credit quality declines, for example because its credit rating has been lowered, the value of the bonds in which the fund has invested will decline.

Counterparty risk: this is the risk of a market participant's failure to fulfil its contractual obligations vis-à-vis the fund.

Liquidity risk: Although the securities in the portfolio are by nature sufficiently liquid, under certain circumstances their liquidity could decline to the point that the fund's overall liquidity may be adversely affected.

The occurrence of any of these risks may decrease the fund's net asset value.

CHARGES FOR THIS FUND

The charges levied are used to pay the costs of running the Fund, including the costs of marketing and distribution. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
Entry charges	2%
Exit charges	None
Charges taken from the fund over a year	
Ongoing charges	1.79%
Charges taken from the fund under certain specific conditions	
Performance fee	<p>Amount of performance fee charged in the last financial year: 2.60% This fee is at most 14.95% (after tax) of the positive return of this unit class over and above the specified index.</p>

This is the maximum that might be taken out of your money before it is invested. Investors may pay less in certain cases. Investors may obtain the actual amount of entry and exit charges from their financial advisor or distributor.

The ongoing charges and performance fee are based on the figures from the previous financial year ended 31 December 2021.

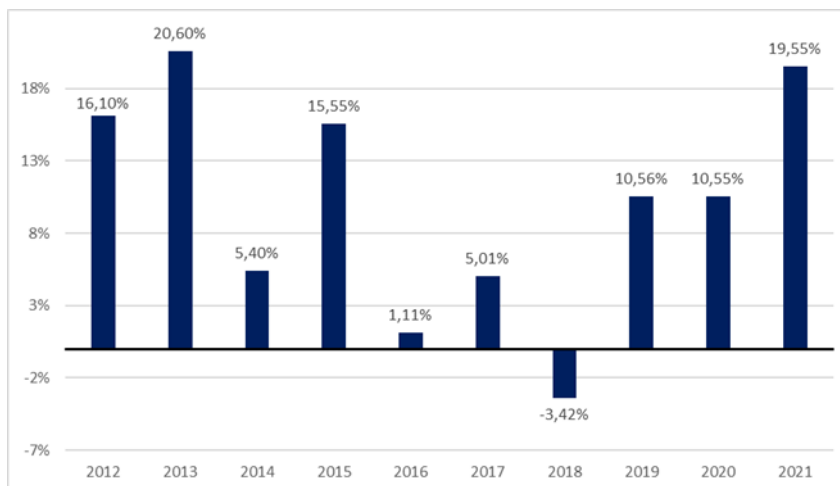
This percentage may vary from one year to another.

Ongoing charges do not include:

- Performance fees.
- Portfolio intermediary fees, except in the case of an entry/exit charge paid by the Fund when buying or selling units in another collective investment undertaking.

For more information about charges, please see the "Charges and Fees" Section of the Fund's prospectus, which is available on the company's website.

PAST PERFORMANCE - UNIT CLASS A-EUR



Annual performances of Varenne Valeur unit class A-EUR

- Past performance is not a reliable indicator of future results.
- The performance of the Fund is calculated with net dividends reinvested and excluding entry charges.
- The Fund was authorised on 24 January 2003 and the unit class A-EUR was launched on 31 January 2003.
- The currency in which the past performance has been calculated is the euro.

The diversified, flexible and discretionary nature of the Fund makes an *ex-ante* comparison with a benchmark index irrelevant. This Fund's performance may only be effectively compared with the objective indicated above *ex-post*.

PRACTICAL INFORMATION

Custodian: CACEIS Bank

The monthly reports, the half-yearly management reports, the AMF Prospectus, historical data on the net asset values of the Fund and compensation policy of the Management Company are available on the site www.varennecapital.com.

Taxation: The Fund is eligible for the French PEA equity savings plan. Depending on your tax status, any capital gains and income resulting from the ownership of units in the Fund may be subject to tax. We recommend that you obtain further information on this matter from the Fund's marketer.

Varenne Capital Partners may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Prospectus for the Fund.

The Fund offers other units for investor categories described in its Prospectus.

This Fund is authorised in France and regulated by the French financial markets authority, the *Autorité des marchés financiers* (AMF).

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This key investor information is accurate as at 18/02/2022.

Additional disclosures for Switzerland

The Prospectus and Key Investor Information Document for Switzerland, the Fund rules, the annual and semi-annual reports and other information may be obtained free of charge from the Fund's representative in Switzerland: Carnegie Fund Services S.A., 11, rue du Général-Dufour, CH-1204 Geneva, Switzerland, website: www.carnegie-fund-services.ch. The paying agent in Switzerland is Banque Cantonale de Genève, 17, quai de l'île, CH-1204 Geneva, Switzerland. For Fund units distributed to qualified investors in Switzerland, the legal venue is Geneva