

# GALILEE INNOVATION EUROPE

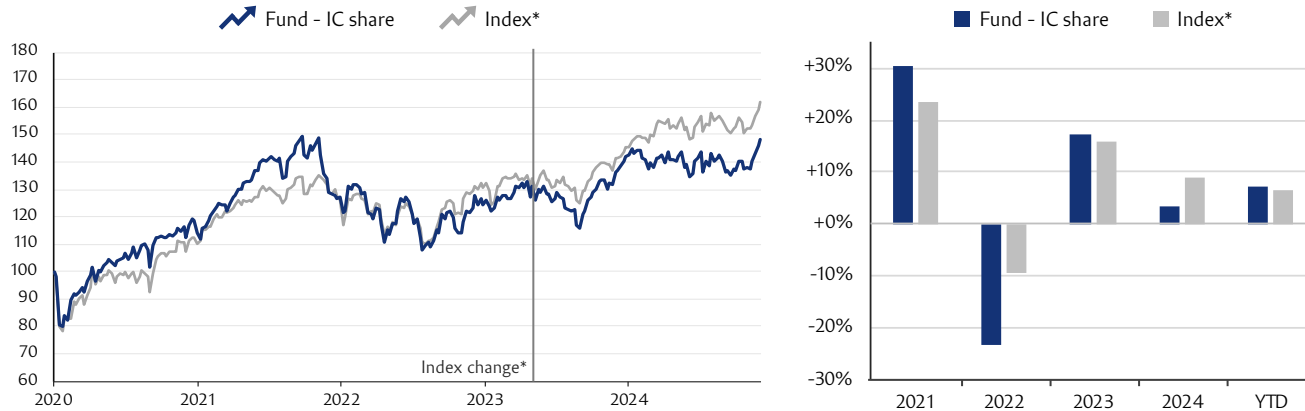
EUROPEAN GROWTH EQUITIES | MULTI-THEMATICS | SFDR 8

Objective

**Galilee Innovation Europe** equity fund follows a stock-picking strategy by investing in listed European large and midcap companies. In addition to growth and quality criteria, the selection of companies is based on the analysis of five innovation drivers reinforcing competitive advantages and barriers to entry. Compartment of the SICAV GALILEE UCITS, the fund is invested at least at 75% in European equities. The management process integrates ESG criteria within the meaning of Article 8 of the SFDR regulation.

## > CUMULATIVE PERFORMANCE (%)

As of 31/01/2025	NAV	1 month	3 months	6 months	YTD	1 year	2 years	3 years	5 years
Fund - IC EUR	1 375,81	+7,4%	+8,5%	+4,9%	+7,4%	+8,3%	+21,3%	+12,9%	-
Fund - RC EUR	203,95	+7,3%	+8,2%	+4,4%	+7,3%	+7,2%	+19,0%	+9,6%	+33,8%
Index*		+6,4%	+7,1%	+4,8%	+6,4%	+14,0%	+25,5%	+24,5%	+48,3%



\*As of 01/07/2023, the fund's benchmark index is the STOXX Europe 600 NR (previously EuroStoxx 50 NR until 30/06/2023).

## > CALENDAR YEAR AND MONTHLY PERFORMANCE (%)

	Year IC	Year RC	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
2020	+6,1%	+6,8%	-0,2%	-5,5%	-13,3%	+6,6%	+6,2%	+1,4%	+1,9%	+4,4%	+0,3%	-5,1%	+11,0%	+1,1%
2021	+30,2%	+29,3%	-1,6%	+1,5%	+4,7%	+4,2%	+1,9%	+3,4%	+4,2%	+3,0%	-4,8%	+6,3%	-0,5%	+4,2%
2022	-23,3%	-24,1%	-11,9%	-2,0%	+2,8%	-2,5%	-4,7%	-8,1%	+11,8%	-7,6%	-6,6%	+4,8%	+4,4%	-5,2%
2023	+17,1%	+16,0%	+7,0%	+2,0%	+2,2%	-0,7%	+2,1%	+1,3%	+0,2%	-2,1%	-4,8%	-4,4%	+8,7%	+4,3%
2024	+3,3%	+2,3%	+2,4%	+3,3%	+1,8%	-4,3%	+1,4%	+0,3%	+0,3%	+1,9%	-1,4%	-3,9%	+0,4%	+0,5%
2025	+7,4%	+7,3%	+7,3%											

Past performance and volatilities do not predict future performance and volatilities and are not constant over time. This document constitutes neither an offer to sell nor investment advice. It is intended to provide summary information on the characteristics of the fund and its investment strategy. Before making any investment decision, it is advisable to refer to the regulatory documents of the UCITS fund. Marketing material.

# MONTHLY REPORTING

January 2025

## SRI RISK/RETURN PROFILE



## > GENERAL INFORMATION

ISIN - IC share class	LU2768731486
Bloomberg code	FGINOV1 LX
NAV	1 375,81 €
Management fees	1,00%
Inception date	24/02/2020
ISIN - RC share class	LU2768731569
Bloomberg code	FGALAPI LX
NAV	203,95 €
Management fees	1,90%
Modification date	22/05/2017
Index*	STOXX Europe 600 NR
Subscription fees	2% max
Redemption fees	None
Ongoing charges (IC / RC)	1,63% / 2,53%
Performance fees	20% of the performance net of any fees above the index, performance positive or negative.

## > RISK INDICATORS

	1 year	3 years	5 years
Volatility	13,4%	15,8%	17,4%
Volatility (index)	10,8%	13,5%	15,9%
Beta	1,09	1,05	0,99
Sharpe ratio	0,36	0,12	0,36
Tracking error	6,0%	7,5%	8,1%
Max drawdown	-8,5%	-20,1%	-32,8%

## > PORTFOLIO MANAGERS COMMENTS



**Damien Ledda**  
Portfolio Manager  
CIO



**Roni Michaly**  
Co-Portfolio Manager  
CEO

In January, our European equity fund Galilee Innovation Europe (a selection of growth and quality companies based on 5 innovation drivers) rose by +7.4% for the IC share class, compared to a +6.4% increase for its benchmark index.

The year 2025 begins with a first month of outperformance for the fund in a context of general rebound in European markets. As is often the case in the stock market, the (too?) consensual positioning of investors for several months against the Old Continent is resulting in a turnaround in terms of performance, at least in the short term. Note the revelation of the Chinese AI model DeepSeek during the month, which brought volatility to a technological segment that is very prominent across the Atlantic. It is still too early to accurately assess the impact of a less expensive development model on the entire value chain, however the colossal capital expenditures of the giants in the field logically raise a number of questions about their effectiveness and especially their supposed profitability. A disruption may be beginning.

On the portfolio side, the current earnings season is proving to be of good quality at this stage of publications. We can cite the positive reactions on certain stocks in the healthcare sector, such as **Sartorius Stedim Biotech** and **Thermo Fisher Scientific**. The giant **EssilorLuxottica** also advanced over the month, following positive comments on the smart glasses of the Ray-Ban brand in collaboration with Meta. The luxury sector is also regaining momentum thanks to an exceptional publication by the Swiss Richemont (not held in the portfolio), which allowed the segment's values to rebound after a difficult year 2024. **Moncler** is therefore our second contributor to performance over the month. Regarding the detractors to performance, the Irish **Kingspan**, a specialist in building insulation solutions, is suffering from a still difficult economic situation, leading to a compression of its valuation multiples.

During the month, we slightly strengthened our position in **Novo Nordisk** in favor of a valuation that is again affordable for the Danish leader in obesity and diabetes and initiated a new investment in **ASM International**.

In terms of portfolio allocation by theme, the fund is primarily exposed to the "**Robotics and AI**" theme at 25.0%, and to innovative companies related to the "**Silver Economy**" theme at 14.8% of the assets. Finally, the "**Clean Energies**" theme completes this podium (8.0% of the assets). The fund is invested in a selection of 31 stocks from our investment universe dedicated to innovative companies comprising 250 values.

## > ACTIVE MANAGEMENT METRICS

Profile	Metric	Value
Profile	Number of equity holdings	31
	Weight of top 10 holdings	43,2%
	Equity exposure rate	96,1%
	Cash	3,9%
Market cap	Active share	84,0%
	Average market cap	€164,5 bn
	Large caps (> €10 bn)	89,9%
	Mid caps (€2-10 bn)	6,3%
	Small caps (< €2 bn)	0,0%

## > MONTHLY CONTRIBUTIONS

	Best on period	Contrib.	Weight
▲	SAP SE	+0,71%	5,4%
▲	MONCLER SPA	+0,57%	3,0%
▲	ESSILORLUXOTTICA	+0,57%	4,6%
	Worst on period	Contrib.	Weight
▼	ASM INTERNATIONAL NV	-0,08%	1,3%
▼	SYMRISE AG	-0,09%	2,1%
▼	KINGSPAN GROUP PLC	-0,09%	1,9%

## > MAIN CHANGES TO HOLDINGS

In / Increased (+)	
ASM INTERNATIONAL NV	Info. Technology
NOVO NORDISK A/S (+)	Health Care
Out / Decreased (-)	
ESSILORLUXOTTICA (-)	Health Care

## > TOP 10 HOLDINGS (%)






Our proprietary **Innovation Scorecard** model assigns each evaluated company a score from 1 to 10, representative of its innovation capacity. More than 30 qualitative and quantitative criteria are grouped into the following innovation drivers: Products, Processes, R&D Intensity, Digital and Marketing. The innovation scores of the main companies in the fund, ranked by portfolio weight, are indicated below for informational purposes.

	Company name	Thematic	Innovation	Score	Weight
1	SAP SE	Robotics and IA	Products/Services	8,8	5,5%
2	ASML HOLDING NV	Robotics and IA	Processes	9,1	5,4%
3	ESSILORLUXOTTICA	Silver Economy	Products/Services	8,9	4,8%
4	ASTRAZENECA PLC	Silver Economy	R&D Intensity	9,1	4,7%
5	ALPHABET INC-CL C	Robotics and IA	R&D Intensity	9,0	4,0%
6	AIR LIQUIDE SA	Clean Energies	Processes	6,8	4,0%
7	SCHNEIDER ELECTRIC SE	Clean Energies	Products/Services	8,6	4,0%
8	ACCENTURE PLC-CL A	Cybersecurity	Digital	8,0	3,7%
9	AMADEUS IT GROUP SA	Travel and Leisure	R&D Intensity	8,5	3,6%
10	THERMO FISHER SCIENTIFIC INC	Water Cycle	R&D Intensity	8,0	3,4%

## > INVESTMENTS BREAKDOWN (%)

France	26,0%	Info. Technology	26,7%	EUR	65,5%
Germany	12,5%	Health Care	22,5%	USD	11,2%
Netherlands	9,8%	Industrials	16,4%	SEK	9,9%
Italy	9,2%	Cons. Discretionary	9,8%	CHF	5,0%
Ireland	8,0%	Materials	8,3%	DKK	2,5%
United States	7,4%	Cons. Staples	5,2%	GBP	2,1%
Britain	6,8%	Communications	4,0%		
Sweden	5,1%	Energy	3,2%		
Switzerland	5,0%				
Spain	3,6%				
Danemark	2,5%				
Cash and other	3,9%	Cash and other	3,9%	Cash and other	3,9%

## > THEMATIC BREAKDOWN

	Robotics and IA	25,0%
	Silver Economy	14,8%
	Clean Energies	8,0%
	Luxury and Lifestyle	6,3%
	Infrastructure	5,8%

## > INNOVATION DRIVERS

	Products/Services	25,7%
	Processes	20,8%
	R&D Intensity	30,8%
	Digital	12,8%
	Marketing	6,0%

## > FUND CHARACTERISTICS

<b>Custodian</b>	CACEIS Luxembourg
<b>Type of share</b>	Accumulation
<b>Valuation frequency</b>	Daily
<b>Currency / French PEA</b>	Euro / Yes
<b>SFDR classification</b>	Article 8
<b>P/E forward 12m</b>	26,6x
<b>PEG</b>	2,1x
<b>Net debt/EBITDA</b>	0,5x
<b>Return on invested capital</b>	21,1%
<b>Sales growth (3Y-CAGR)</b>	+8,4%
<b>EPS growth (3Y-CAGR)</b>	+12,9%

Data from Galilee Asset Management, custodian as of 31/01/2025. The information contained in this document is intended to provide information in a simplified manner. Annualized growth rate of revenues and earnings per share (EPS) of companies in the portfolio, estimated over the next three years. For more information on the risks and fees of the UCITS fund, please refer to the KIID, the prospectus or reach your usual contact.

## OUR VISION OF INNOVATION

Our proprietary **Innovation Scorecard** model assigns a score from 1 to 10 to each company evaluated by the management team, representing its innovation capacity. More than 30 qualitative and quantitative criteria are grouped across the following drivers of innovation: Products/Services, Processes, R&D Intensity, Digital and Marketing.

### > THE 5 DRIVERS OF INNOVATION



#### PRODUCTS/SERVICES

Stemming from incremental or disruptive innovations, new products and services boost organic growth and promote market share gains.



#### PROCESSES

Automation and industrial robotics are vectors of productivity gains and make it possible to optimize many manufacturing processes.



#### R&D INTENSITY

Research & Development spending contributes to erecting high barriers to entry as well as developing new growth drivers.



#### DIGITAL

Digital is a major vector of innovation thanks, in particular, to the digitization of traditional activities and the growing power of artificial intelligence.



#### MARKETING

Marketing innovation helps support the launch of new products, improve the customer experience and offer highly customizable services.

### > INNOVATION SCORECARD, OUR DEDICATED MODEL

