



COMMUNIQUÉ DE PRESSE

## EMERGENCE SELECTS A CONVICTION-BASED VALUE MANAGER: GESTION 21

**For the last investment of the Actions II sub-fund, France's national acceleration and seeding fund Emergence selects Gestion 21 and allocates €50 million to its European Equity fund 'Actions 21', which is characterized by a strong Value style.**

Paris, June 22, 2020 - Emergence and NewAlpha Asset Management, sub-manager of the SICAV, announce the sixth investment of the Emergence Actions II sub-fund<sup>1</sup> in the Actions 21<sup>2</sup> fund managed by Gestion 21<sup>3</sup>.

Actions 21 is a Value, conviction-based investment fund<sup>4</sup> that focuses on listed companies, mostly French, and whose price relative to sector is significantly undervalued. Investment choices focus on 30 to 40 stocks of all sizes and are based on a detailed financial and sector analysis using a proprietary database and indicators, documented, and produced in-house. These investments are made with a long-term perspective and based on active, non-benchmarked management. Since 1 January 2020, the selection criteria have systematically included a structured ESG approach.

With the contribution of Emergence, the AUM of Actions 21 increases from €20 million to €70 million.

**Daniel Tondu, co-founder and CEO of Gestion 21**, said: *"We are very proud and optimistic about this partnership with Emergence. It demonstrates the attractiveness of a high conviction Value fund that we will be able to offer to new investors. The integration of financial analysis of sectors and companies is today a condition of success for conviction managers, given recent regulatory changes. This recognition, the critical size of this investment and the resulting visibility allow us to expect our assets to double rapidly and to target a fund size of €350 million within 5 years."*

Gestion 21 is an entrepreneurial asset manager, created in 2007 by Daniel Tondu and Laurent Gauville, specializing in two equity strategies: listed real estate and all caps Value stocks. With €360 million in assets under management as of end May 2020, it has 12 employees and serves a French clientele made up of institutional investors, IFAs, private banks and multimangers.

*"Gestion 21 and its Equities 21 fund have strong points that convinced investors in the SICAV," said **Antoine Rolland, CEO of NewAlpha**, who added "at the company level, we appreciated the stability and cohesion of an excellent management team focused on long-established expertise in equity financial analysis. The investment process is solid and consistent with the 'Value' approach. We also highlighted the opportunity offered today by the historical discount of the 'Value' style, a portfolio management style on which the team has long experience and on which it differentiates positively from its competitors."*

Since its launch on 27 November 2007 until 28 February 2017, Actions 21 has achieved a performance of +56.22%<sup>5</sup> against +23.55% for its benchmark index over the period<sup>6</sup>. As from 1st March 2017, the Fund's

<sup>1</sup> Launched on 15 June 2017, Emergence Equities II is a specialized professional fund closed to all subscriptions

<sup>2</sup> The I Share of the Equities 21 fund was launched on 27 November 2007 with the code FR0010539197

<sup>3</sup> Gestion 21 is approved by the AMF under number GP 07000020

<sup>4</sup> Classification Eurozone Equity Net Performances. Source Bloomberg. Past performance is no guarantee of future performance

<sup>5</sup> Net returns. Source Bloomberg. Past performance is no guarantee of future performance

<sup>6</sup> CAC 40 net dividends reinvested, Bloomberg code CACR



## COMMUNIQUÉ DE PRESSE

benchmark index is the CAC All Tradable net dividends reinvested <sup>7</sup> <sup>8</sup>, and until 29 May 2020, the Fund's performance stands at -26.83%, compared with +3.03% for the index.

Actions 21 is a Value style fund that can also be compared to the Value indices commonly observed by institutional investors: since its launch, the fund has achieved +14.30% compared to -20.18% for the MSCI EMU Value Net Return<sup>9</sup> and -6.12% for the MSCI Europe Value Total Return<sup>10</sup>.

**Laurent Deborde, President of Emergence says** *"By selecting Actions 21, Emergence underlines the interest of its investor base for an investment approach that is attentive to the valuation of securities through an in-depth financial analysis of companies. These strategies may experience short-term performance jolts but are consistent with the long-term horizon of institutional investors."*

Gestion 21 is the twenty-first acceleration partnership concluded in eight years by Emergence through its three sub-funds, Actions I, Actions II and Performance Absolue. The managers selected and now partners of Emergence have seen their assets under management double on average in the three years since the SICAV's investment. Today, they manage nearly 11 billion euros, of which nearly 30% comes from international investors.

As with previous investments made with French entrepreneurial asset management companies, the partnership between Emergence and Gestion 21 provides institutional investors in the Emergence SICAV with the potential performance of the selected fund, in addition to participation in its development via a revenue-sharing mechanism.

Emergence contributes to strengthening the reputation in France and internationally of accelerated entrepreneurial managers and to increasing the attractiveness of the Paris financial centre in the European competition for business location.

**The figures quoted relate to past years and past performance is not a reliable indicator of future performance.**

**The main risks associated with the UCITS Actions 21 are: risk of capital loss, equity market risk and liquidity risk.**

### **ABOUT EMERGENCE**

*SICAV Emergence is the first incubation and acceleration fund in the Paris financial market. Its objective is to accelerate the most promising and innovative young entrepreneurial asset management companies, based in France or coming to set up in France, and to entrust them with capital to manage (seed money) essential to their growth and international development. Emergence invests for at least 4 years in one of their funds, selected to help them pass the €100 million mark in assets under management and to ease institutional and regulatory constraints.*

*Since its creation in early 2012, nearly €800 million have been invested by SICAV Emergence and made available to 18 investment management companies to accelerate 20 funds through its three sub-funds, with NewAlpha Asset Management as investment manager: Performance Absolue (€250 million), Actions I (€200 million), Actions II (€320 million).*

<sup>7</sup> CAC All Tradable net dividends reinvested, Bloomberg code SBF250NT

<sup>8</sup> The annual performances are +19.61% in 2015, +15.31% in 2016, +18.21% in 2017, -26.49% in 2018, +22.62% in 2019 and -30.76% in 2020 as at 29/05/2020. This performance compares with +7.67%, +13.35%, -10.03%, +27.84% and -20.44% respectively for the CAC All Tradable net dividends reinvested. Source Gestion 21 as at 29/05/2020

<sup>9</sup> Bloomberg code M7EMOOV

<sup>10</sup> Bloomberg code MSVEUNTR



## COMMUNIQUÉ DE PRESSE

*Emergence brings together 15 major institutional investors who act together as true acceleration partners of these high-potential entrepreneurial asset management companies. (EDF, Caisse des Dépôts, Aviva, Cardif, Macif, CNP Assurances, UMR, Neulize Vie, Groupe des Assurances du Crédit Mutuel, Maif, AG2R La Mondiale, Malakoff Mederic-Humanis, Prepar-Vie Assurance, Orano, Matmut).*

*With the launch of Emergence, the French asset management industry, leader in Europe in terms of assets under management (€4,185 billion at the end of 2019), and recognized for its expertise, capacity for innovation and entrepreneurial dynamism, has adopted an innovative model for associating institutional investors with a fund that will enhance the attractiveness of the Paris financial centre in the European competition for the location of asset management activities.*

### **À PROPOS DE NEWALPHA ASSET MANAGEMENT**

*NewAlpha Asset Management is an asset manager specializing in identifying, investing and supporting high-growth companies, mainly in the financial services sector.*

*NewAlpha offers its French and international institutional investor clients investment solutions in three areas: European Equity, Absolute Return Strategies and Private Equity.*

*In its first two business lines, NewAlpha has been analyzing, selecting and supporting innovative investment funds worldwide for the past 10 years. NewAlpha has entered into 90 strategic partnerships and invested more than €2 billion with French and international asset management companies. Since 2012, NewAlpha has been the sub-manager of SICAV Emergence, the first fund dedicated to accelerating the development of French entrepreneurial asset management companies.*

*Since 2016, NewAlpha has been developing a Private Equity activity in Venture Capital and Growth Equity. Within this third business line, NewAlpha sources, analyzes and invests in capital in fast-growing companies characterized by major technological changes: Fintech, Proptech, Healthcare, TMT...*

*NewAlpha manages and advises €2.2 billion as of 30 April 2020.*

*A subsidiary of La Française, NewAlpha Asset Management is subject to the regulations of the Autorité des Marchés Financiers (AMF). La Française is controlled by the Caisse Fédérale du CMNE and is one of the CMNE group's three business lines, Asset Management, alongside Banking and Insurance.*

### **Disclaimer**

This press release is intended solely for professional investors within the meaning of MiFID in France.

Published jointly by New Alpha Asset Management, whose registered office is located at 128, boulevard Raspail, 75006 Paris, France and SICAV Emergence, whose registered office is located at 28 place de la Bourse, 75002 Paris, France.

The information contained in this press release does not constitute an offer or solicitation to invest, nor does it constitute investment advice or a recommendation on specific investments.

The portfolio management company New Alpha Asset Management received AMF approval under no. GP05000001 on 20 January 2005.

References to past rankings and awards do not prejudice future rankings or awards. Depending on the editing date, the information presented may differ from the updated data.

The portfolio management company Gestion 21 received AMF approval under no. GP 07000020 on 31 July 2007.

The Equities 21 fund is a UCITS approved by the AMF on 9 November 2007.

Source: Gestion 21

Legal documents can be obtained from the following websites:  
[www.amf-france.org](http://www.amf-france.org) [www.gestion-21.fr](http://www.gestion-21.fr)



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