

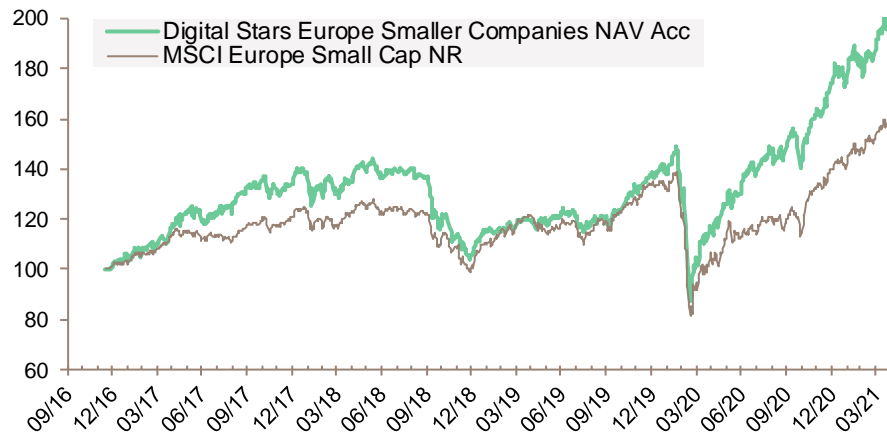
## DIGITAL STARS EUROPE SMALLER COMPANIES

### MONTHLY UPDATE

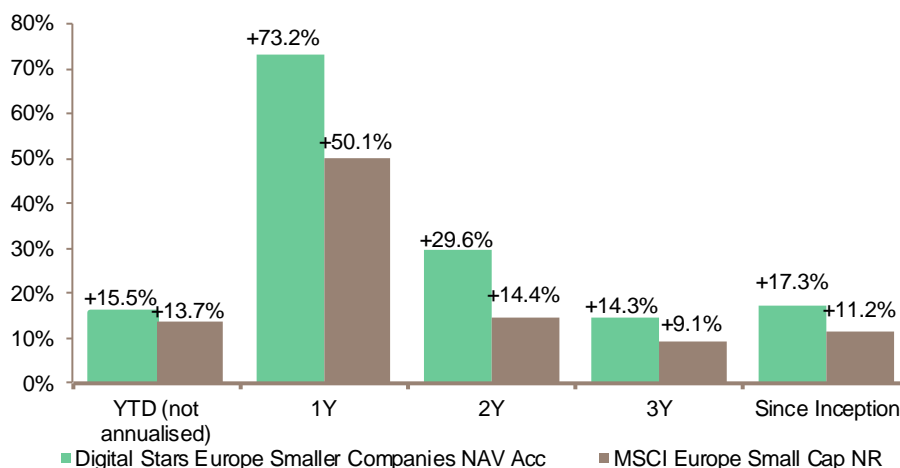
Equities maintained their bullish trajectory in April, with the MSCI Europe NR rising by 2.1% and the S&P 500 NR by 5.3%. There are many supportive factors behind the strong rebound in the stock markets. The economic recovery will be strong, and the V-shaped economic recovery scenario is becoming a reality with GDP growth expected to exceed 4% in Europe in 2021 and 2022. At the same time, central banks are maintaining a dovish stance, which is limiting the rise in long-term interest rates in a reflationary context, and the stimulus plans put in place by the executive authorities will be massive. Households have built up reserves and consumption will be sustained, especially as the health crisis could soon be behind us, at least in its most severe form. In such a context of cyclical recovery, equities remain compelling, especially as they are not very expensive. The risk premium for the European market stands at 5.9%, and remains more generous than the 20-year historical average of 5.0%.

**Digital Stars Europe Smaller Companies Acc rose by +6.7% in April**, well ahead of the MSCI Europe Small Cap NR (+3.7%). The healthcare sector was the best contributor in relative terms, thanks to positive publications from Swedencare and Cellink. Industrials (Morgan Sindall, MPC Container Ships), technology (Esprinet) and consumer discretionary (Harvia) were also strong contributors.

### COMPARISON WITH AN INDEX (IN EUR)



### ANNUALISED RETURNS AS OF 30/04/2021



### PROFILE

A diversified portfolio, within the small-cap universe, with a purely quantitative management style.

The investment universe embraces approximately 1500 stocks originating in the European Union, the United Kingdom, Switzerland and Norway. The minimum market capitalisation of the stocks in the investment universe is €50m, and the maximum will be the highest within MSCI Europe Small Cap index.

During the last monthly portfolio review, the model reduced oil, utilities, real estate and food stocks, among others, and reinforced significantly the industry and consumer discretionary sectors.

The portfolio remains significantly overweight in industrials and underweight in real estate, utilities and materials. The UK (20.2%), which is still very underweight, remains the largest country in the fund, ahead of Germany (19.6%), which is still significantly overweight.

### OBJECTIVE

Achieve long-term appreciation of its capital and outperform the European Small-cap markets, through the experienced usage of a sophisticated and proprietary quantitative model to identify the "Stars" performers.

### FUND FACTS

Launch:	16.12.2016
Profile:	European Equities, Small Caps
Devise:	EUR
Benchmark:	MSCI Europe Small Cap
AuM:	€9.5 m
# positions:	85

### Share Classes:

Acc:	LU1506569588	DFSESCO LX
I:	LU1651323351	DFSESCI LX
I USD:	LU1737512811	DFSESIU LX

Mgt. Fees:	1.5% (Acc), 1% (I, I USD)
Perf. Fees:	15% of the outperformance vs index

Valuation date:	Daily
Cut-off:	3pm, Luxembourg time

## TOP HOLDINGS AND BEST CONTRIBUTORS (30/04/2021)

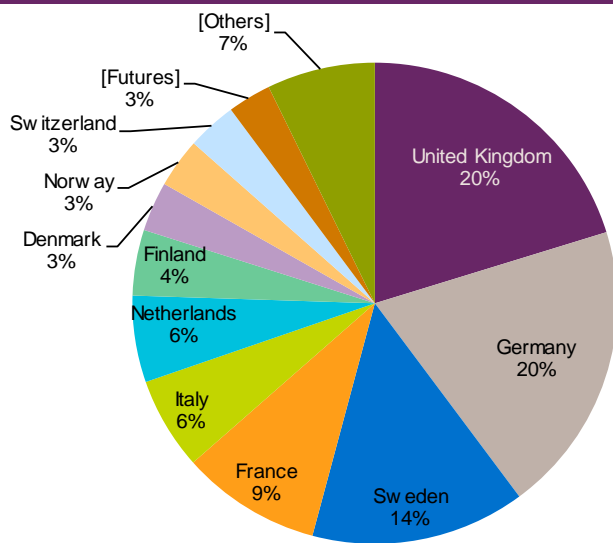
Top Positions	Weights	Top contributors	1 Month Perf	1 Month Contribution
VERBIO Vereinigte BioEnergie	2.04%	Harvia Oyj	42.66%	0.58%
Qt Group Plc	2.03%	Morgan Sindall Group plc	29.84%	0.48%
Bank of Ireland Group Plc	1.89%	MPC Container Ships ASA	38.74%	0.47%
Harvia Oyj	1.88%	Swedencare AB	31.82%	0.42%
Avanza Bank Holding AB	1.81%	Cellink AB Class B	29.77%	0.41%

## PERFORMANCE ATTRIBUTION (EXCL. FEES) - APRIL 2021

Apr-2021	Average Weight	Total Return	Contribution To Return
<b>Total</b>	<b>100.0</b>	<b>7.32</b>	<b>7.32</b>
Industrials	33.8	6.09	2.03
Health Care	6.0	26.64	1.42
Information Technology	10.7	9.70	1.03
Consumer Discretionary	12.9	8.13	0.99
Financials	12.0	6.89	0.83
Real Estate	5.8	5.17	0.31
Energy	3.4	7.58	0.23
Communication Services	3.9	5.51	0.22
[Futures]	2.9	3.26	0.10
Materials	4.5	1.77	0.09
Consumer Staples	3.3	1.62	0.05
Utilities	0.9	2.38	0.02

Source: FactSet

## COUNTRY BREAKDOWN (30/04/2021)



## CALENDAR RETURNS

30/04/2021	2021	2020	2019	2018	2017	2016*	Since Inception
Digital Stars Europe Smaller Companies NAV Acc	+15.5%	+27.3%	+29.7%	-21.2%	+32.6%	+1.0%	+101.2%
MSCI Europe Small Cap NR	+13.7%	+4.6%	+31.4%	-15.9%	+19.0%	+1.4%	+58.8%

\* Performances 2016 calculated from inception date (16/12/2016)

**Important information:** Digital Funds Stars Europe Smaller Companies is a sub-fund of Digital Funds, a SICAV incorporated under Luxembourg law, authorised in Luxembourg and regulated by the Luxembourg supervisory authority Commission de Surveillance du Secteur Financier (CSSF). The Fund complies with the requirements of the UCITS Directive 2009/65/EC. Investors are invited to carefully read the risk warnings and the regulations set out in the prospectus and/or in any appendices thereto, applicable in the country of distribution, and to seek professional counsel from their financial, legal and tax advisors. Information about DIGITAL FUNDS, its sub-funds and classes, the latest prospectus, annual and semi-annual reports, can be obtained free of charge, in English, French, German and Italian from the Central Administrator, the Custodian Bank or online at [www.chahinecapital.com](http://www.chahinecapital.com). The Fund's prospectus for Switzerland, the Key Investor information's, constitutive documents and annual and semi-annual financial reports can be obtained free of charge from the Fund representative in Switzerland, Carnegie Fund Services S.A., 11, rue du Général-Dufour, 1204 Genève, Suisse, Tel. +41 22 705 11 77, [www.carnegie-fund-services.ch](http://www.carnegie-fund-services.ch). The paying agent in Switzerland is UBS Switzerland AG, Bahnhofstrasse 45, 8001 Zürich. The Fund's centralizing agent in France is RBC Investors Services France. This document is confidential and is intended only for the use of the person to whom it was delivered; it may not be reproduced or distributed. The present document constitutes neither an offer nor a solicitation to subscribe for shares in the funds in any jurisdiction where such an offer or solicitation would not be authorised, or to any person to whom it would be unlawful to make such an offer or invitation. J.Chahine Capital is authorised in Luxembourg and regulated by the CSSF. The future performance of an investment cannot be deduced from previous market value, i.e. the value of an investment may fall as well as rise. An investment may also lose value due to changes in rates of foreign exchange. J.Chahine Capital cannot guarantee that any capital invested will maintain or increase in value.

## STRUCTURE AND MANAGEMENT

Fund Managers: Aymar de Léotoing  
Julien Bernier

Location: Luxembourg

Man. Company: J. Chahine Capital, a Luxembourg-based CSSF-regulated Asset Management Company

Legal Form: Sub-fund of DIGITAL FUNDS, a Luxembourg-based SICAV under Part I of the Luxembourg Law of 20/12/2002

Custodian: UBS Europe SE (Lux. branch)  
Transfer Agent: Northern Trust Global Services  
Administration: Northern Trust Global Services  
Auditor: PwC Luxembourg

Registration: Austria, Belgium, France, Germany, Luxembourg, Spain, Switzerland, UK

## KEY FIGURES (30/04/2021)

NAV (Acc): € 201.18  
NAV (I): € 151.77  
NAV (I USD): \$ 160.84

Return since inception: +101.2%  
Return last month: +6.7%

Beta 1Y vs Benchmark: 0.89  
Volatility 1Y: 18.1%  
Sharpe Ratio 1Y: 4.05  
SRRI: 6

Equity Exposure: 99.5%  
Median Market Capitalisation: € 812 M  
Médiane % Market Volume: 5.2%  
% Micro caps (< EUR 500m): 16.9%  
% Small caps (< EUR 2Mds): 55.1%  
% Mid caps (< EUR 5Mds): 24.7%  
% Large caps (>EUR 5Mds): 3.3%