



KLS Scopia Market Neutral Equity Fund



Objective

The KLS Scopia Market Neutral Equity Fund seeks to deliver long-term capital appreciation in all market environments. The fund employs a market-neutral, equity long short strategy, with a primary focus on US mid-cap companies. The investment process is a fundamentals-based, value-driven approach resulting in a best ideas portfolio of idiosyncratic investments, typically 15-25 core longs and 25-45 core shorts, with the beta adjusted net market exposure typically +/- 5%. Scopia Capital Management LP was founded by Jeremy Mindich and Matt Sirovich 2001 and is based in New York.

Commentary

The KLS Scopia Market Neutral Fund was up 0.9% for the month of March, while the S&P 500 was up 3.2% including dividends. Year to date, the fund is up 4.2% net. Since its launch in August 2023, the fund is up 8.2% net while the S&P 500 was up 17.9% including dividends.

On a position level basis for March 2024, the largest contributor on the long side was a health care company, generating a gross gain of 0.5% after reporting quarterly earnings and guidance above market consensus.

The largest detractor on the long side was a financials company, generating a gross loss of 0.3% despite strong Q4 earnings results and a positive growth outlook for 2024.

The largest contributor on the short side was a consumer discretionary company, generating a gross gain of 0.2% as sales continue to be weak.

The largest detractor on the short side was a position in a consumer discretionary company generating a gross loss of 0.3% after the company reported earnings that beat market expectations.

The fund's biggest sector contributors for the month were Industrials (+1.2%) and Consumer Discretionary (+1.2%). The fund's biggest sector detractor was Financials (-0.3%).

On a delta-adjusted basis, the fund ended the month with a gross exposure of 131% and a net exposure of 6%.

Over the last three years, Scopia's commingled market neutral fund has outperformed the S&P 500 Index, returning 16% on an annualized basis versus 13% for the index. As we end the first quarter of 2024, we are enthusiastic about the opportunity set in both the long and short sides of the portfolio.

Fund Details

Launch Date:	3 rd August 2023	
Fund Size:	\$58m	
Scopia AUM:	\$1.3bn	
Fund Structure:	UCITS	
Domicile:	Ireland	
Min Investment:	Class SI: \$50,000,000 Class I: \$1,000,000 Class R: \$100,000	
Currencies:	USD (base); GBP, EUR, CHF (all hedged)	
Management Fee:	Class F: 0.75% (Founder Investors) Class SI: 1.25% Class I: 1.5% Class R: 2.0%	
Pricing:	Daily	
Liquidity:	Daily	
Performance Fee:	All share classes: 20% above high watermark with soft one month SOFR hurdle	
Manager:	Waystone Management Company (IE) Limited	
Investment Manager:	Kepler Partners LLP	
Sub Inv. Manager:	Scopia Capital Management LP	
Portfolio Manager:	Jeremy Mindich, Matt Sirovich and Jerome Lande	
Inv. Universe:	US (Primary) and European equities	
UK Reporting Status:	Yes	
Country Registrations:	Ireland UK Austria France Germany Italy	Spain Switzerland (QI)

Performance*

Due to local UCITS regulations, we are unable to show discrete monthly performance data for the first 12 months.

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2023													
2024													

*Monthly performance will be shown here from August 2024 onwards. Past performance is not a reliable indicator of future results. The value of investments and the income from them may fall as well as rise and you may not get back the amount of your original investment. The return of your investment may increase or decrease as a result of currency fluctuations if your investment is made in a currency other than that used in the past performance calculation.

Fund Exposure Summary

NUMBER OF HOLDINGS	
# Long	31
# Short	49
WEIGHT	
Net Market Exposure (beta adj.)	5.8%
Gross	132.2%
WEIGHT	
Long	69.1%
Short	-63.2%

Market Cap Exposure*

	LONG	SHORT
Large	14.4%	-23.6%
Mid	40.9%	-19.9%
Small	13.6%	-9.4%
Micro	0.2%	0.0%
Index	0.0%	-10.3%
Total	69.1%	-63.2%

*Large Cap: > USD 10bn, Mid Cap: USD 2bn to USD 10bn, Small Cap: USD 500mn to USD 2bn, Micro Cap: < USD 500mn

Top 10 Positions (Long)

	WEIGHT
Harmonic	4.8%
Indivior	4.5%
Regal Beloit	3.8%
Marqeta	3.6%
EnerSys	3.5%
Tempur Sealy International	3.5%
Aramark	3.3%
SharkNinja	3.0%
Mercury Systems	3.0%
Humana	2.7%
Total	35.7%

Top 10 Positions (Short)*

	WEIGHT
Industrials	-3.3%
Industrials	-2.9%
Industrials	-2.1%
Real Estate	-2.1%
Industrials	-1.9%
Industrials	-1.9%
Health Care	-1.8%
Materials	-1.8%
Materials	-1.7%
Consumer Discretionary	-1.6%
Total	-21.1%

* The names of the single stock shorts are withheld by request and the sector they are within is shown instead.

Sector Exposure

	LONG	SHORT
Communication Services	0.0%	-1.4%
Consumer Discretionary	17.8%	-10.6%
Consumer Staples	0.0%	-1.1%
Financials	0.2%	-1.5%
Health Care	11.6%	-3.3%
Index	0.0%	-10.3%
Industrials	19.1%	-17.7%
Information Technology	16.2%	-8.0%
Materials	4.2%	-5.8%
Real Estate	0.0%	-2.1%
Utilities	0.0%	-1.5%
Total	69.1%	-63.2%

Share Classes

	NAV PER SHARE	ISIN	INCEPTION DATE
Class F USD	108.24	IE0001IUURY9	03/08/2023
Class F GBP	107.59	IE000KPCI5Q0	03/08/2023
Class F EUR	107.17	IE0007HIZD85	03/08/2023
Class I EUR	106.77	IE0005BSBQQ7	03/11/2023
Class SI EUR	107.40	IE0009VSI0P3	29/08/2023

All data as at 28th March 2024 unless otherwise stated.
Source: Kepler Partners LLP unless otherwise stated

Disclaimer

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Additional Sub-Investment Manager Disclosures

Scopia Capital Management LP ("Scopia" or the "Sub-Investment Manager") provides investment advisory services on a discretionary basis to clients that are pooled investment vehicles. Scopia's "market-neutral strategy" is comprised of related portfolios that employ a market-neutral long/short equity strategy.

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