

# Man GLG Innovation Equity Alternative



## Monthly Report as at 30 July 2021

MTD: -1.46 % YTD: -1.80 % Annualised return since inception: 6.33 % Annualised volatility since inception: 4.43 %

### Fund Risks

Prior to investing in the Fund investors should carefully consider the risks associated with investing, investors should consider the following risks and where appropriate seek professional advice before investing: Market Risk, Counterparty Risk, Currency Risk, Liquidity, Financial Derivatives, Leverage and Single Industries. More details can be found in the Risk Glossary.

### Fund Aims

The Man GLG Innovation Equity Alternative Fund is a global long-short approach which aims to generate absolute returns by seeking opportunities in companies or sectors undergoing change or innovation.

The value of your investment and the income from it may rise as well as fall and you may not get back the amount originally invested. Prior to making investments investors should read and consider the Fund's offering documents.

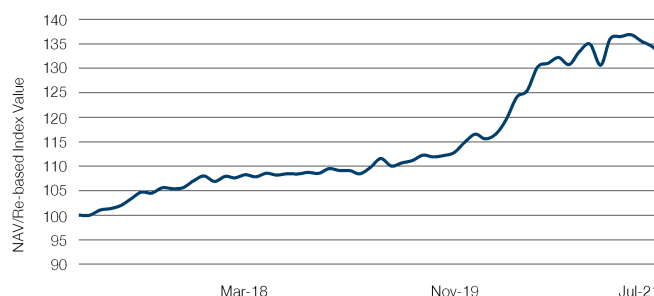
### Fund Details

Launch date	30 December 2016
Fund AUM <sup>1</sup>	(USD) 846,530,467
Portfolio manager	Mike Corcell & Alex Roberts
Currencies	EUR / USD / GBP / CHF / SEK
Dividend policy	Non-distributing
Fund domicile	Ireland
Minimum investment	EUR / USD / CHF 1,000 SEK 5,000 (Retail Classes) EUR / USD / GBP / CHF 1,000,000 SEK 5,000,000 (Institutional Classes)
Performance fee <sup>2</sup>	20 %
Management fee	up to 1.75 % per annum

### Net Performance Statistics\*<sup>3,4</sup>

	Fund
Last month	-1.46 %
Last 3 months	-3.19 %
Last 6 months	1.43 %
Year to date	-1.80 %
Last 1 year	1.70 %
Since inception	32.49 %
Annualised volatility since inception	4.43 %
Annualised return since inception	6.33 %
Sharpe ratio <sup>5</sup>	1.09
Worst drawdown <sup>6</sup>	-3.19 %
Worst drawdown length <sup>6</sup>	1 month

### Net track record\*<sup>3</sup>



— Man GLG Innovation Equity Alternative

### Historical performance<sup>3</sup>

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD <sup>7</sup>
2021	-3.19 %	4.14 %	0.33 %	0.27 %	-0.99 %	-0.77 %	-1.46 %						-1.80 %
2020	1.44 %	-0.82 %	0.87 %	2.51 %	3.82 %	1.07 %	3.87 %	0.60 %	0.88 %	-1.09 %	2.03 %	1.12 %	17.43 %
2019	-0.03 %	-0.58 %	1.21 %	1.65 %	-1.38 %	0.58 %	0.43 %	0.99 %	-0.31 %	0.25 %	0.53 %	1.86 %	5.29 %
2018	0.97 %	-0.29 %	0.59 %	-0.40 %	0.68 %	-0.34 %	0.26 %	-0.05 %	0.30 %	-0.18 %	0.88 %	-0.36 %	2.08 %
2017	1.06 %	0.27 %	0.61 %	1.32 %	1.37 %	-0.20 %	1.04 %	-0.17 %	0.20 %	1.35 %	0.89 %	-1.03 %	6.90 %
2016												0.00 %	0.00 %

\*Unless otherwise indicated, the performance data is based on the reporting share class of the Fund (shown in blue in the NAV table) and may be closed to new subscriptions. The performance data does not take account of the commissions and/or costs incurred on the issue and/or redemption of units. Past performance is not a reliable indicator of future results. Returns may increase or decrease as a result of currency fluctuations. Please refer to important information.  
This material is of a promotional nature

# Man GLG Innovation Equity Alternative



## Commentary

Equity markets moved higher in July despite concerns that the delta variant could cause further problems for the economy. Even with much stronger than expected inflation data bond yields moved lower with the 10 year treasury yield moving down from 1.5% to 1.2% for the month. Whilst the markets were higher in July, the leadership came from defensive sectors such as REITs and Utilities with cyclical sectors lagging. The fund was down 1.5% for the month.

The largest contributor to performance was our long position in Alphabet, the parent of Google. The stock was up 10% for the month driven by exceptionally strong Q2 results where search revenues grew by nearly 70% compared to the 50% consensus. We were also helped by our long position in Axon Enterprises, the provider of law enforcement solutions. The stock was up 5% for the month as they continue to win contracts with police forces globally as demand for their more effective enforcement technologies surges. The third largest contributor was our long position in GFL Environmental, the provider of waste services. The stock was up 9% for the month and whilst they raised guidance for '21 profitability, the defensive characteristics of the business also helped the stock.

The largest detractor to performance was our long position in Bally's Corp, the casino operator. The stock was down 9% for the month despite pre-announcing much stronger than expected second quarter earnings. The market continues to digest the Gamesys deal for which Bally is in the process of securing debt financing. We were also hurt by our long position in Magna, the auto parts provider. The stock fell 10% for the month in part due to lower auto production resulting from a global shortage of semiconductors but also because Magna announced a surprise decision to acquire Veoneer. Whilst the deal would enhance Magna's capabilities in fast growing advanced driver assistance technologies, it is significantly dilutive to earnings given Veoneer is currently loss making. The third largest detractor was our long position in Bloomin' Brands, the restaurant operator. The stock was down 7% for the month despite reporting exceptional second quarter earnings which also showed resiliency to higher labour and commodity costs which has impacted other companies in the sector.

At the portfolio level, we have reduced our gross exposure somewhat given the frustrating recent performance. As mentioned above, the market in July was driven by defensive sectors which was almost entirely a function of lower bond yields rather than necessarily a result of improving fundamentals in those areas of the market. We have maintained a more balanced approach in the portfolio recently owning both secular growth names and more cyclical stocks in the long book. However, in recent weeks the uncertainty caused by the delta variant and the concern that the Fed may act too quickly is leading to a fast-changing landscape dominated by macro rather than company specific fundamentals. Going forward it does seem likely that the path from both the Fed and the delta variant will become clearer whether positive or negative for the market.

# Man GLG Innovation Equity Alternative

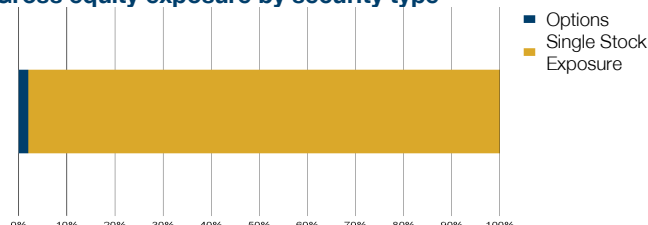


## Equity Exposure Analysis<sup>8,9</sup>

### Headline equity exposure (Index decomposed except on positions)<sup>10</sup>

	Close	Change	Average	Positions	Change
Gross	69.90 %	-18.81 %	82.58 %	42	-8
Net (M&A adjusted)	19.42 %	-4.20 %	21.60 %	42	-8
Long	44.66 %	-11.51 %	52.09 %	16	-4
Short	25.24 %	-7.30 %	30.49 %	26	-4

### Gross equity exposure by security type<sup>11</sup>



### Breakdown by asset class<sup>12</sup>

	Market value	Gross exposure
Commodity	0.00 %	0.00 %
Convertible	0.00 %	0.00 %
Equities	41.91 %	69.90 %
Fixed Income (may include s-t bills for cash mgmt)	36.68 %	36.68 %

### Equity exposure by sector

	Total Gross	Change	Total Net	Change
Communication Services	6.49 %	-0.53 %	3.97 %	-0.02 %
Consumer Discretionary	28.54 %	-3.31 %	1.17 %	-4.77 %
Consumer Staples	4.86 %	-4.06 %	4.86 %	5.62 %
Energy	0.00 %	-3.01 %	0.00 %	-3.01 %
Financials	3.14 %	-0.57 %	3.14 %	-0.57 %
Industrials	15.04 %	0.26 %	11.81 %	0.07 %
Information Technology	9.03 %	-4.51 %	-2.92 %	-2.97 %
Materials	0.68 %	-1.35 %	-0.48 %	0.68 %
Real Estate	2.12 %	-1.73 %	-2.12 %	0.77 %

### Equity exposure by market cap (index positions decomposed where possible)<sup>13</sup>

	Long	Short	Net	Gross
\$50Bn +	14.22 %	9.40 %	4.82 %	23.62 %
\$10Bn - \$50Bn	10.53 %	11.71 %	-1.18 %	22.24 %
\$2Bn - \$10Bn	19.90 %	4.13 %	15.77 %	24.03 %

### Top 10 long/short positions

Long	Fund Exposure	Short	Fund Exposure
AXON ENTERPRISE, INC.	5.71 %	Retailing	-3.06 %
ALPHABET INC.	5.23 %	Semiconductors & Semiconductor Equipment	-2.11 %
HOSTESS BRANDS, INC.	4.86 %	Semiconductors & Semiconductor Equipment	-2.03 %
BALLY'S CORPORATION	4.66 %	Semiconductors & Semiconductor Equipment	-2.00 %
BLOOMIN' BRANDS, INC.	4.59 %	Consumer Services	-1.58 %
SP GLOBAL INC	3.14 %	Consumer Services	-1.12 %
GFL ENVIRONMENTAL INC	3.06 %	Consumer Services	-1.04 %
AMAZON.COM, INC.	2.80 %	Consumer Services	-0.99 %
KONTOOR BRANDS, INC.	2.80 %	Real Estate	-0.99 %
ENERSYS	2.34 %	Consumer Services	-0.97 %

### Long Short Contributors<sup>14</sup>

	Contribution
L	-1.30 %
S	-0.05 %

### Position concentration as % of total portfolio

	Current month
Top 10	39.91 %
Top 20	56.65 %
Top 30	64.38 %

### Option Greeks

	Fund
Gamma +1%	0.30 %
Gamma -1%	0.24 %
Theta (1 month)	-0.05 %
Vega	0.00 %

### Average Daily Liquidity

	% NAV
<33% ADV	59.91 %
>150% ADV	13.62 %
33-150% ADV	26.47 %

# Man GLG Innovation Equity Alternative



## NAVs<sup>15</sup>

### NAVs Unrestricted Classes<sup>15</sup>

Class	NAV	ISIN	Bloomberg	2018 Return	2019 Return	2020 Return
IN USD	132.49	IE00BDRKT516	MGIEINU ID	2.08 %	5.29 %	17.43 %
IXN H EUR	98.09	IE00BLKGX613		N/A	N/A	N/A
INU H GBP	122.11	IE00BYP55G81		0.95 %	4.03 %	16.93 %
INU H EUR	114.52	IE00BFZ18L99		N/A	2.83 %	16.15 %
INF USD	132.79	IE00BDRKT730	MGIIINFU ID	2.45 %	5.71 %	17.95 %
INF H GBP	127.21	IE00BYX7RF96	MGIIINFG ID	1.15 %	4.24 %	17.19 %
INF H EUR	124.47	IE00BDRKT623	MGIEINF ID	0.21 %	3.27 %	16.48 %
IN H SEK	122.29	IE00BDRKT409	MGIEINS ID	-0.27 %	2.98 %	16.02 %
IN H GBP	126.33	IE00BDRKT284	MGIEING ID	0.72 %	3.83 %	16.73 %
IN H EUR	121.47	IE00BDRKT177	MGIEINE ID	-0.25 %	2.85 %	15.99 %
IN H CHF	120.77	IE00BDRKT060	MGIEINC ID	-0.56 %	2.60 %	15.74 %
DNF USD	103.51	IE00BDRKSZ40		N/A	N/A	N/A
DNF H EUR	111.60	IE00BDRKSY33		-0.48 %	2.70 %	N/A
DN USD	128.30	IE00BDRKSX26	MGIEDNU ID	1.50 %	4.72 %	16.73 %
DN H SEK	119.93	IE00BDRKSW19	MGIEDNS ID	N/A	N/A	15.29 %
DN H EUR	118.35	IE00BDRKST89	MGIEDNE ID	-0.96 %	2.14 %	15.33 %
DN H CHF	117.56	IE00BDRKSS72	MGIEDNC ID	-1.38 %	2.33 %	15.10 %

<sup>1</sup> Represents the combined AUM of all share-classes in the Portfolio <sup>2</sup> See prospectus for details <sup>3</sup> Past performance is not a reliable indicator of future results. Returns may increase or decrease as a result of currency fluctuations. <sup>4</sup> Performance Disclosures: The inception date of the Fund is 29 December 2016. The net returns are calculated net of management fees of 1% per annum and, as applicable, performance fees of 20% of the amount by which the Fund exceeds its relevant hurdle. Please note that some share classes may charge higher management fees. <sup>5</sup> Sharpe ratio is a measure of risk-adjusted performance that indicates the level of excess return per unit of risk. It is calculated using the risk-free rate in the appropriate currency over the period analysed. Where an investment has underperformed the risk-free rate, the Sharpe ratio will be negative. As the Sharpe ratio is an absolute measure of risk-adjusted return, negative Sharpe ratios can be misleading and are therefore shown as n/a. <sup>6</sup> The length is the peak-to-trough decline.

<sup>7</sup> When 12 months of performance data is unavailable for a calendar year, partial year to date is shown. <sup>8</sup> Higher level equity exposures are calculated using M&A adjustments. <sup>9</sup> The organisations and/or financial instruments mentioned are for reference purposes only. The content of this material should not be construed as a recommendation for their purchase or sale. <sup>10</sup> Net exposure is M&A adjusted. All exposure data has index positions decomposed where possible. Positions are not decomposed. <sup>11</sup> As a percent of the gross exposure. <sup>12</sup> Market value may be different to gross exposure due to the use of derivatives in the fund. Only fully funded positions in the fund would have the same market value as exposure. Fixed Income exposure for an equity fund may include exposures to short maturity government bills for cash management purposes <sup>13</sup> Where possible indices have been decomposed into their underlying categories. If we do not have the index constituents, the index will be placed into the \$50Bn+ capitalisation category. <sup>14</sup> Excludes FX and FX forwards <sup>15</sup> The share class in blue in the table above is the reporting share class for the Fund and may be closed to new subscriptions. Performance of other share classes shown may vary. Performance data is shown with income reinvested and does not take into account sales and redemption charges where such costs are applicable.

## Risk Glossary

**Market Risk:** The Fund is subject to normal market fluctuations and the risks associated with investing in international securities markets and therefore the value of your investment and the income from it may rise as well as fall and you may not get back the amount originally invested.

**Counterparty Risk:** The Fund will be exposed to credit risk on counterparties with which it trades in relation to on-exchange traded instruments such as futures and options and where applicable, 'over-the-counter' ("OTC", "non-exchange") transactions. OTC instruments may also be less liquid and are not afforded the same protections that may apply to participants trading instruments on an organised exchange.

**Currency Risk:** The value of investments designated in another currency may rise and fall due to exchange rate fluctuations. Adverse movements in currency exchange rates may result in a decrease in return and a loss of capital. It may not be possible or practicable to successfully hedge against the currency risk exposure in all circumstances.

**Liquidity Risk:** The Fund may make investments or hold trading positions in markets that are volatile and which may become illiquid. Timely and cost efficient sale of trading positions can be impaired by decreased trading volume and/or increased price volatility.

**Financial Derivatives:** The Fund will invest in financial derivative instruments ("FDI") (instruments whose prices are dependent on one or more underlying asset) to achieve its investment objective. The use of FDI involves additional risks such as high sensitivity to price movements of the asset on which it is based. The extensive use of FDI may significantly multiply the gains or losses.

**Leverage Risk:** The Fund's use of FDI may result in increased leverage which may lead to significant losses.

**Single Industries:** The Fund focusses on single (or a limited number of) industries therefore, may be susceptible to greater risks and market fluctuations than investment in a broader range of investments covering different economic sectors.

## Important Information

The Fund is a sub-fund of Man Funds VI plc, domiciled in Ireland and registered with the Central Bank Of Ireland. Full details of the Fund objectives, investment policy and risks are located in the Prospectus which is available with the Key Investor Information Document in English and in an official language of the jurisdictions in which the Fund is registered for public sale, together with the Report and Accounts of the UCITS. The Fund's documentation are available free of charge from the local information/paying agent, from authorised distributors and from [www.man.com](http://www.man.com).

In order to fulfil the fund's objectives the Prospectus allows the manager the ability to invest principally in units of other collective investment schemes, bank deposits, derivatives contracts designed with the aim of gaining short term exposure to an underlying stock or index at a lower cost than owning the asset, or assets aiming to replicate a stock or debt securities index.

# Man GLG Innovation Equity Alternative



The value of an investment and any income derived from it can go down as well as up and investors may not get back their original amount invested. Alternative investments can involve significant additional risks.

This material is for information purposes only and does not constitute an offer or invitation to invest in any product for which any Man Group plc affiliate provides investment advisory or any other services. Prior to making any investment decisions, investors should read and consider the fund's offering documents.

Opinions expressed are those of the author as of the date of their publication, and are subject to change.

Some statements contained in these materials concerning goals, strategies, outlook or other non-historical matters may be "forward-looking statements" and are based on current indicators and expectations at the date of their publication. We undertake no obligation to update or revise them. Forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those implied in the statements.

Distribution of this material and the offer of shares may be restricted and the minimum subscription amount may be higher in certain jurisdictions. The product(s) mentioned within this material (i) may not be registered for distribution in your jurisdiction, and (ii) may only be available to professional or otherwise qualified investors or entities. It is important that distributors and/or potential investors are able to ensure compliance with local regulations prior to making a subscription. Please refer to the offering documentation for additional information.

Unless stated otherwise the source of all information is Man Group plc and its affiliates as of the date on the first page of this material.

This material was prepared by GLG LLC ("GLG"), an investment adviser registered with the United States Securities and Exchange Commission ("SEC"). GLG is registered with the SEC as an investment adviser and as a commodity pool operator with the U.S. Commodity Futures Trading Commission ("CFTC") and a member of the National Futures Association ("NFA"). The registrations and membership described above in no way imply a certain level of skill or training, or that the SEC, CFTC, or NFA have endorsed GLG LLC. This material is distributed pursuant to global distribution and advisory agreements by subsidiaries of Man Group plc ("Marketing Entities"). Specifically, in the following jurisdictions:

**Australia:** To the extent this material is distributed in Australia it is communicated by Man Investments Australia Limited ABN 47 002 747 480 AFSL 240581, which is regulated by the Australian Securities & Investments Commission (ASIC). This information has been prepared without taking into account anyone's objectives, financial situation or needs.

**Austria/Germany/Liechtenstein:** To the extent this material is used in Austria/Germany/Liechtenstein, the communicating entity is Man (Europe) AG, which is authorised and regulated by the Liechtenstein Financial Market Authority (FMA). Man (Europe) AG is registered in the Principality of Liechtenstein no. FL-0002.420.371-2. Man (Europe) AG is an associated participant in the investor compensation scheme, which is operated by the Deposit Guarantee and Investor Compensation Foundation PCC (FL-0002.039.614-1) and corresponds with EU law. Further information is available on the Foundation's website under [www.eas-liechtenstein.li](http://www.eas-liechtenstein.li). This material is of a promotional nature. A number of the Fund's share classes are registered for distribution to professional and non-professional investors in Austria/Germany/Liechtenstein. The Fund's documentation can be obtained in German free of charge from the relevant paying agent. In Austria: Raiffeisen Bank International AG, Am Stadtpark 9, 1030 Wien. In Germany: BHF-BANK Aktiengesellschaft, Bockenheimer Landstrasse 10, 60323 Frankfurt am Main. In Liechtenstein: LGT Bank AG, Herrengasse 12, FL-9460 Vaduz.

**United Kingdom:** Unless indicated otherwise this material is communicated in the United Kingdom by Man Solutions Limited ("MSL") which is an investment company as defined in section 833 of the Companies Act 2006. MSL is registered in England and Wales under number 3385362 and has its registered office at Riverbank House, 2 Swan Lane, London, EC4R 3AD, United Kingdom. MSL is authorised and regulated by the UK Financial Conduct Authority (the 'FCA') under number 185637.

**European Economic Area:** Unless indicated otherwise this material is communicated in the European Economic Area by Man Asset Management (Ireland) Limited ("MAMIL") which is registered in Ireland under company number 250493 and has its registered office at 70 Sir John Rogerson's Quay, Grand Canal Dock, Dublin 2, Ireland. MAMIL is authorised and regulated by the Central Bank of Ireland under number C22513.

**Hong Kong :** To the extent this material is distributed in Hong Kong, this material is communicated by Man Investments (Hong Kong) Limited and has not been reviewed by the Securities and Futures Commission in Hong Kong. This material can only be communicated to intermediaries, and professional clients who are within one of the professional investors exemptions contained in the Securities and Futures Ordinance and must not be relied upon by any other person(s).

**Spain:** Full prospectuses and simplified prospectuses, statutes and annual and semi-annual accounts of the investment products are available free of charge at the offices of the Spanish distributors authorised in Spain. A list of the Spanish distributors authorised and their contact details can be obtained on the Comisión Nacional del Mercado de Valores ("CNMV") website: [www.cnmv.es](http://www.cnmv.es). Man Funds VI plc: The sub-funds mentioned herein are authorised to be marketed to the public in Spain and belong to the Man Funds VI plc that is registered in the Comisión Nacional del Mercado de Valores (hereinafter the "CNMV") with the number 882.

**Switzerland:** To the extent the material is distributed in Switzerland the communicating entity is Man Investments AG, which is regulated by the Swiss Financial Market Supervisory Authority. A number of share classes in the Ireland domiciled Fund have been registered for distribution with the Swiss Financial Markets Supervisory Authority. The Swiss representative is Man Investments AG, Huobstrasse 3, 8808 Pfäffikon SZ. The Swiss paying agent is RBC Investor Services Bank S.A., Esch-sur-Alzette, Zurich Branch, Bleicherweg 7, 8027 Zurich. The Prospectus, the Key Investor Information Document (the 'KIID'), the Memorandum and Articles of Association as well as the annual and semi-annual reports can be obtained free of charge from the Swiss representative. In respect of the units distributed in and from Switzerland, the place of jurisdiction is Pfäffikon SZ, Switzerland.

**Recipients of this material are deemed to be investment professionals and/or qualified investors that have employed appropriately qualified individuals to manage their financial assets and/or are a financial services entity appointed by an investor to provide fiduciary advisory and/or portfolio management services in respect of their financial assets. Information provided in response to queries regarding investment strategies and products managed by the Investment Manager will not be deemed to be provision of investment advice or personal investment recommendations, or assessment of the suitability or appropriateness of any investment products or consideration of the particular circumstances specific to any individual recipient to whom this material has been sent.**

This material is not suitable for US persons.

# Man GLG Innovation Equity Alternative



This material is proprietary information and may not be reproduced or otherwise disseminated in whole or in part without prior written consent. Any data services and information available from public sources used in the creation of this material are believed to be reliable. However accuracy is not warranted or guaranteed. © Man 2021.