



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 down -2.2% for the month of March, while the S&P 500 was down -4.1% including dividends. Year to date, the fund is up 1.9% net. Since its launch in August 2023, the fund is up 5.8% net while the S&P 500 was up 12.8% including dividends.

On a position level basis for April 2024, no long position generated a gross gain over 0.1%.

The largest detractor on the long side was a technology company, generating a gross loss of 1.0% after the company ended a strategic review of a non-core subsidiary, which was partially offset by better-than-expected earnings.

The largest contributor on the short side was a materials company, generating a gross gain of 0.4% after reporting first quarter earnings below market expectations.

The largest detractor on the short side was a position in a materials company generating a gross loss of 0.4% after the stock rose as the price of gold hit an all-time high.

The fund's biggest sector contributor for the month was Financials (0.04%). The fund's biggest sector detractor was Healthcare (-1.3%).

On a delta-adjusted basis, the fund ended the month with a gross exposure of 130% and a net exposure of 4%.

As we begin the second 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:	\$54m	
Scopia AUM:	\$1.2bn	
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	30
# Short	49
	WEIGHT
Net Market Exposure (beta adj.)	2.4%
Gross	129.6%
	WEIGHT
Long	66.7%
Short	-63.0%

Market Cap Exposure*

	LONG	SHORT
Large	11.5%	-24.3%
Mid	39.8%	-20.5%
Small	15.2%	-9.6%
Micro	0.1%	0.0%
Index	0.0%	-8.6%
Total	66.7%	-63.0%

*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	6.3%
Indivior	4.1%
Regal Beloit	3.7%
Marqeta	3.6%
Aramark	3.4%
Mercury Systems	3.1%
Temper Sealy International	2.8%
Humana	2.8%
Fortrea Holdings	2.6%
SharkNinja	2.5%
Total	34.8%

Top 10 Positions (Short)*

	WEIGHT
Industrials	-3.1%
Industrials	-2.9%
Industrials	-2.2%
Industrials	-2.1%
Utilities	-2.1%
Real Estate	-1.9%
Materials	-1.8%
Health Care	-1.8%
Materials	-1.7%
Consumer Discretionary	-1.7%
Total	-21.2%

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

	LONG	SHORT
Communication Services	0.0%	-1.3%
Consumer Discretionary	16.9%	-11.2%
Consumer Staples	1.5%	-1.4%
Financials	0.1%	-2.3%
Health Care	10.9%	-3.5%
Index	0.0%	-8.6%
Industrials	15.6%	-16.1%
Information Technology	18.3%	-8.5%
Materials	3.5%	-6.1%
Real Estate	0.0%	-1.9%
Utilities	0.0%	-2.1%
Total	66.7%	-63.0%

	NAV PER SHARE	ISIN	INCEPTION DATE
Class F USD	105.81	IE0001IUURY9	03/08/2023
Class F GBP	105.15	IE000KPCI5Q0	03/08/2023
Class F EUR	104.64	IE0007HIZD85	03/08/2023
Class I EUR	104.18	IE0005BSBQQ7	03/11/2023
Class SI EUR	104.83	IE0009VSIOP3	29/08/2023

All data as at 30th April 2024 unless otherwise stated.
Source: Kepler Partners LLP unless otherwise stated.

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Contribution to return is measured based on gross performance of the position and does not reflect financing P&L (i.e., interest, dividends) or the deduction of fund-level fees and expenses. Accordingly, the contribution to return would be lower if all fees and expenses were reflected.

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