

**FACTSHEET**

**Performance Returns**

The RoboCap UCITS Fund USD Institutional Founder share class ended May with a NAV of 169.2, up 1.97% in the month. This brings year-to-date performance to -0.76% and performance since inception to +69.2%.

**Investment Objective & Strategy**

RoboCap is a thematic equity fund focusing on Robotics and Automation listed stocks. This fast-growing theme includes general automation, industrial robotics, healthcare robotics, 3D printing, drones, autonomous vehicles, key components, enabling software and artificial intelligence. A key aspect of the strategy is that we aim to primarily invest into 'pure-play' stocks which have at least 40% of sales coming from Robotics and Automation related end markets. The portfolio aims to hold 22-30 positions out of a target universe of 170 stocks. The investment selection is based on fundamental proprietary analysis in cooperation with leading robotics experts.

**Market Commentary**

May was a month of mixed performance for global equity markets as the U.S. was positive, led by the strong results of technology companies whilst Europe and Japan moved into negative territory during the last week. From a geopolitical point of view the trade tensions between the U.S. and China appear to be easing, as China has offered to buy more American goods to mitigate the trade deficit. Elsewhere however the U.S. may impose tariffs on imported cars as trade tensions are emerging with Europe, but it is a smaller concern to us as the trade deficit is much smaller.

Macroeconomic numbers in the U.S. were strong again with unemployment at the lowest level in 18 years and the 10Y yield is back to 3%. We estimate that an increase of the U.S. 10Y yield by a further 1% would only have a negative impact on robotics stocks valuations of about 6-7% based on the discount rate. Robotics stocks tend to have a low level of debt as the median is only 20% debt/equity. It would also have a short-term impact on sales, which is harder to quantify, and increase volatility, but it is still too early to see if we are moving in this direction.

By sub-theme, Software/AI and Healthcare Robotics were again the best performing part of the portfolio with strong results supported by stable but high P/E multiples. Japanese Industrial and Logistics Robotics lagged again mainly based on compressed multiples and lower visibility in some cases.

There has been a significant dispersion of returns between Software/AI/Healthcare Robotics (tech and healthcare) with a performance of 20-30% year-to-date and Industrial Robotics/General Automation/Key Components (industrials) that are down about as much, while the earnings results were good in both cases. Since the beginning of the year, the median 12M FWD P/E of the fund came down from 30x to 23x (-23%), but the performance remained about flat thanks to the earnings growth. While we are not satisfied with the performance year-to-date, it is important to note the earnings progress that has offset the significant valuation compression.

Most of our research efforts are in small and mid-caps globally where we think we can find the most compelling growth at a reasonable price and a lower correlation to the economic cycle.

**RoboCap UCITS Fund Performance**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2016	-2.4%	+1.28%	+4.95%	-0.55%	+3.36%	-1.97%	+3.83%	+0.43%	+4.36%	-2.02%	+0.98%	+1.15%	+13.83%
2017	+6.92%	+1.66%	+4.53%	+3.99%	+5.69%	-1.29%	+4.48%	+3.02%	+5.32%	6.96%	+1.04%	-0.82%	+49.78%
2018	+7.52%	-3.45%	-3.66%	-2.68%	+1.97%								-0.76%

The performance figures quoted above represent the performance of the RoboCap UCITS Fund since launch on 4<sup>th</sup> January 2016. These performance figures refer to the past and past performance is not a reliable guide to future performance.

**THE MANAGER**



**Jonathan Cohen (CIO)** has over 14 years of investment experience in equities acquired at boutique asset management companies and banks like Goldman Sachs. He held the titles of CIO and Senior Portfolio manager during his last positions. Jonathan has a Masters in Management with a major in Finance from the University of St Gallen (HSG).

**Heenal Patel (Senior Analyst)** has over 16 years of experience in equity analysis in the industrials and automotive sectors. He began his career as UBS Global Asset management where he helped to run European industrial and automotive portfolios, before moving onto sell-side positions at DrKW and industrials at S&P Equity Research. He holds a degree in Economics and Finance from the University of Manchester.

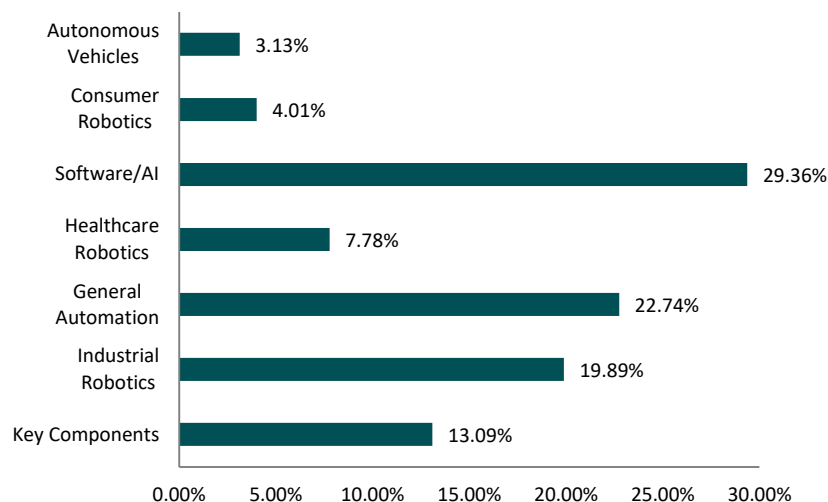
**Hiroshi Kamide (Equity Analyst)** has 23 years experience, of which 16 years investment experience in TMT and Japanese equities. He worked at Cazenove, KBC Securities Japan, JPMorgan Securities Tokyo and more recently Daiwa Securities in London. He graduated from Aston University with a BSc Hons in Human Psychology and became a qualified accountant (ICAEW) at KPMG in London.

**FUND FACTS**

Structure	UCITS Fund
Domicile	Ireland
Distribution	UK, France, Belgium, Luxembourg, Spain, Germany, Hong Kong, Switzerland and Ireland
Liquidity	Daily
Fund AUM	\$176m
Strategy AUM	\$214m
Inception	4 <sup>th</sup> January, 2016
Share Class	<b>Institutional Founder</b>
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.00%
Perf. Fee	10.00%
ISIN Codes	EUR: IE00BYZB6N09/USD: IE00BYZB6R47 CHF: IE00BYZB6Q30/GBP: IE00BYZB6P23
Share Class	<b>Institutional A Pooled/Institutional B Pooled</b>
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.25%/1.50%
Perf. Fee	12.50%/15.00%
ISIN Codes	EUR: IE00BYZB6855/IE00BYZB6D01 USD: IE00BYZB6C93/IE00BYZB6H49 CHF: IE00BYZB6B86/IE00BYZB6G32 GBP: IE00BYZB6962/IE00BYZB6F25
Share Class	<b>Institutional C Pooled</b>
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.50%
Perf. Fee	15%
ISIN Codes	EUR: IE00BYZB6J62/USD: IE00BYZB6M91 CHF: IE00BYZB6L84/GBP: IE00BYZB6K77

**Composition of Fund (as of 31/05/2018)**

**Holdings By Sub-Theme (% of Equity Holdings)**



**Top 5 Holdings (alphabetical)**

Dassault Systemes  
Intuitive Surgical  
Keyence  
Nvidia  
PTC

**Key Fund Metrics**

Med. Weighted Fwd P/E 12M	23.07x
Median Dividend Yield	0.98%
No. of Holdings	30
Volatility	10.76%
Sharpe Ratio (annualized)	+2.22

**Holdings by Market Cap (% of Equity Holdings)**

Large Cap (>\$10bn)	58.0%
Mid Cap	38.1%
Small Cap (<\$1bn)	3.9%

**Holdings By Currency (% of Equity Holdings) \***

USD	39.83%
JPY	28.25%
EUR	17.10%
Other	14.82%

\*90-100% hedged

**Contact Details**

Investor Contact	Management Company	Investment Manager	Investment Adviser
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**Disclaimer**

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