

LEGE ARTIS FUND D USD

2018-01

INVESTMENT STRATEGY

Lege Artis Fund is an actively managed multi manager fund consisting of opportunistic investments with a strategic allocation of 35-65% in CTAs. The Fund emphasizes low correlating investments. Lege Artis Fund's portfolio is an opportunistic selection of hedge fund strategies and/or listed alternative vehicles. Aims to generate considerable outperformance versus peers and benchmarks. Until Q2 2009 the Fund's mandate was focused on managed futures only.

ALTERNATIVE OPPORTUNITIES

TABLE OF MONTHLY NET RETURNS

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2005	-4.80%	0.82%	-0.25%	-3.74%	2.95%	3.17%	-1.10%	0.15%	2.30%	0.20%	5.05%	-1.62%	2.73%
2006	2.25%	-1.32%	3.53%	3.35%	-2.78%	-1.29%	-3.32%	1.28%	-1.29%	3.15%	2.02%	2.50%	8.01%
2007	1.39%	-2.79%	-1.31%	3.12%	3.48%	2.22%	-2.39%	-3.79%	3.88%	2.60%	-0.92%	1.45%	6.73%
2008	2.29%	4.82%	-1.58%	-1.06%	0.24%	1.56%	-3.03%	-1.64%	1.72%	3.71%	1.23%	2.61%	11.10%
2009	-0.13%	0.30%	-2.08%	-2.22%	2.85%	1.26%	-0.55%	1.41%	2.75%	-0.52%	1.08%	-2.52%	1.46%
2010	-1.26%	-0.75%	4.14%	0.81%	-3.00%	0.31%	-0.41%	2.93%	1.52%	2.84%	1.06%	1.78%	10.17%
2011	1.44%	2.03%	0.28%	2.87%	-2.78%	-3.16%	3.16%	-5.06%	-1.45%	-1.75%	0.84%	-0.59%	-4.43%
2012	-0.14%	2.38%	-1.92%	1.74%	2.10%	-0.97%	3.42%	0.33%	-1.05%	-1.11%	-1.58%	0.87%	3.98%
2013	2.72%	-0.08%	1.00%	3.64%	-0.25%	-1.23%	2.04%	0.52%	0.93%	0.74%	1.00%	1.56%	13.24%
2014	2.23%	0.80%	0.54%	-0.39%	0.62%	0.78%	0.55%	1.41%	0.20%	-1.34%	2.54%	-1.23%	6.86%
2015	-0.67%	2.60%	1.49%	-0.95%	0.61%	-2.99%	3.85%	-5.54%	-0.10%	3.95%	1.37%	-4.75%	-1.66%
2016	-2.99%	2.10%	3.79%	0.84%	0.94%	1.15%	2.09%	0.39%	0.15%	-0.28%	2.71%	3.62%	15.29%
2017	0.15%	3.03%	0.18%	1.68%	0.49%	-0.92%	0.97%	0.71%	-0.22%	2.69%	-0.27%	1.34%	10.19%
2018	1.01%												1.01%

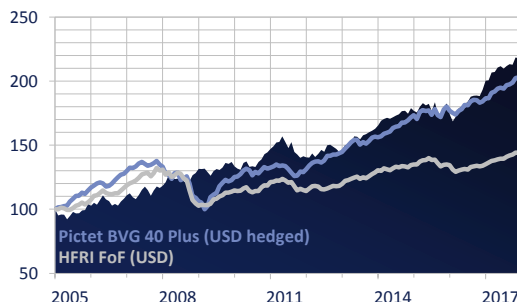
Returns until the launch of the USD class D (September 30, 2012) reflect actual returns of the EUR class B adjusted for interest rate differentials.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RETURNS. THE VALUE OF YOUR INVESTMENT MIGHT GO UP OR DOWN.

KEY FIGURES

NAV per share at month-end	USD 1,499.00
Compound annual rate of return	6.33%
Annualised standard deviation	7.39%
Sortino Ratio	4.78
Mar Ratio	0.59
Sharpe Ratio (risk free rate of 1.28%)	0.68
Positive monthly returns	63.06%
Positive rolling 12 month returns	86.99%
Maximum Drawdown	-10.71%
Correlation to Pictet BVG 40 Plus (USD hedged)	0.14
Correlation to HFRI FoF (USD)	0.40

COMPARISON Vs MAJOR INDICES



PORTFOLIO SNAPSHOT (TOP 15 POSITIONS)

WEIGHT	STYLE	STRATEGY	MONTHLY ATTRIBUTION	TRACK RECORD
7.30%	Event driven	Co-investment in Special Situation	-0.52%	3 mth
6.11%	Event driven	Distressed opportunities	0.05%	174 mth
5.65%	Managed futures	Systematic short term CTA	-0.23%	173 mth
5.33%	Credit related	Investment grade credit strategy	0.01%	15 mth
5.16%	Managed futures	Syst. volatility strategy	-0.15%	71 mth
4.86%	Multi strategy	Listed closed-end fund	-0.01%	1419 mth
4.29%	Event driven	Litigation investment	0.00%	10 mth
4.02%	Equity L/S	Co-investment in listed equity	0.22%	5 mth
3.91%	Event driven	Listed equity	0.94%	36 mth
3.45%	Managed futures	Systematic trend following	0.33%	179 mth
3.16%	Event driven	Co-investment in litigation	0.00%	3 mth
3.12%	Credit related	Co-investment in collateralised high yield debt	0.00%	12 mth
2.97%	Credit related	Legacy non-agency RMBS	0.06%	13 mth
2.94%	Managed futures	Systematic short term CTA	0.12%	118 mth
7.64%	Cash	Cash		

MONTHLY COMMENTARY

Lege (USD C) underperformed the HFRI Fund of Funds Composite Index (+2.23%) and the Barclay CTA Index (+2.69%) over the month.

January was a month with quite some volatility across our portfolio. Trend followers made money mostly from long equity exposure while non-trend followers and our volatility strategies suffered a small setback. Despite the diversification benefits of trend followers over the long run, we have continued to reduce trend following exposure due to their pretty significant long equity exposure.

Within the Opportunistic Portfolio, our largest co-investment that we only initiated at the end of November saw some profit taking in January, after a strong run the month before. However, newsflow has actually been very positive and we continue to believe that this is a very attractive risk/reward opportunity. We recently initiated a co-investment similar to an appraisal right situation in the US. However, this investment was made with a manager in Hong Kong that has already made a number of such investments. The interesting part is that the manager takes a position in a takeover situation that is completely hedged and then seeks fair value. By structuring the trade like this, we have very little downside, significant upside potential with no market volatility. We continue to look for uncorrelated and equity like return investment opportunities that provide true diversification in the portfolio.

We expect February to be negative. CTAs suffered significant draw downs across strategies in the week of Feb 5th as this was one of the most severe market correction in decades. This was an event where diversification did not help and we suffered across all CTA strategies. While this is always frustrating, it typically is also source of new opportunities. We are certainly very excited about the opportunity set for a number of strategies in the fund.

FUND FACTS

Inv. Manager	Progressive Capital Partners Ltd	Valor	10.321.234	Liquidity	Monthly (10 days notice)
Administrator	Swiss Financial Services (Ireland)	Bloomberg	LEGEARC KY	Management Fee	1.50% p.a.
Custodian	UBS Switzerland AG, Zurich	ISIN	KYG5441G1111	Performance Fee	10% (High Waterm.)
Auditor	KPMG (Cayman Islands)	Fund Assets	USD 65.2m	Min. Investment	Equiv. of USD 50,000

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