

Update 30 September 2022

Assets under Management

Fund AuM	€45m
Manager Research Solutions AuM	€1,878m

NAV & MTD performance² (net of fees)

Class A-EUR (unhedged)	€88.1780	-2.34%
Class A-EUR (hedged)	€74.6625	-4.31%

Fund description

Long/Short Equity Pool (the "Fund") is a multi-manager fund that invests in a concentrated pool of long-biased Long/Short Equity funds. These funds will primarily focus on the global equity markets (and their derivative markets) with an emphasis on developed markets in the US, Europe and Asia. Albeit to a lesser extent, the third-party investment managers of the underlying funds also have the flexibility to invest in securities listed in emerging markets.

The target funds will be selected on the basis of several criteria, including but not limited to investment strategy, pedigree and experience of the investment team, quality of the organization and service providers, and (commercial) terms of investment. The focus of the Fund will be on specialist managers. Ideally managers are employee-owned and invest their own capital alongside clients in their funds creating alignment of interest.

For reference purposes only, the performance of the Fund is shown versus the HFRX Equity Hedge EUR Index and the MSCI World (TR Net, EUR) in this report.

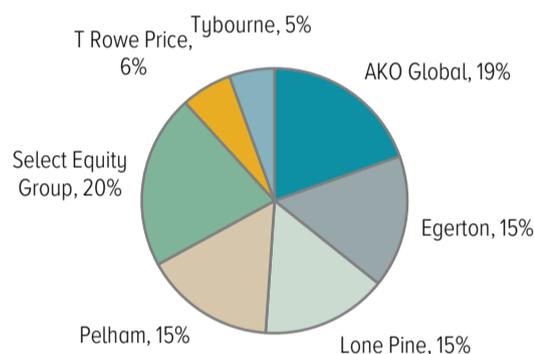
Top-5 positions¹ (look-through)

1. Microsoft	2.1%
2. Visa	2.0%
3. Canadian Pacific Railway	1.8%
4. Alphabet	1.8%
5. Bath & Body Works	1.5%

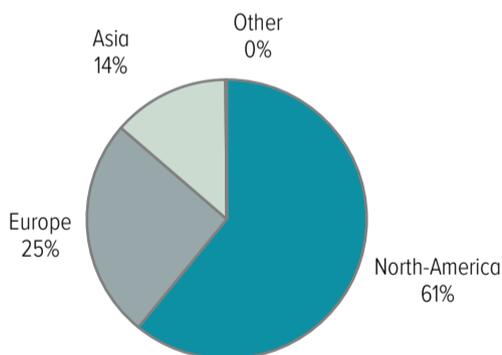
Exposures¹ (look-through)

Long	99%
Short	-43%
Gross	141%
Net	56%

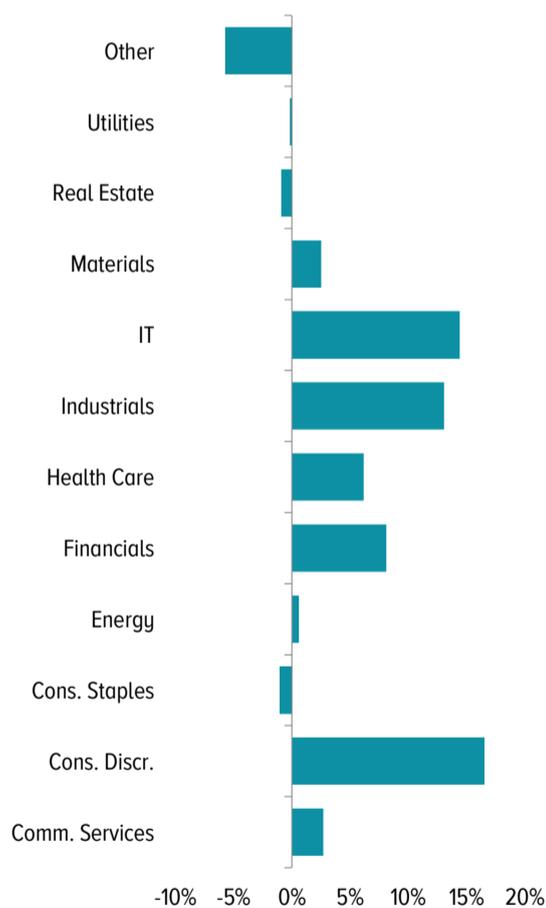
Manager weights



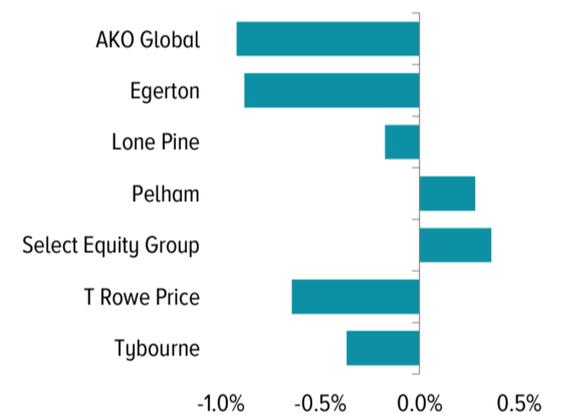
Regional breakdown¹



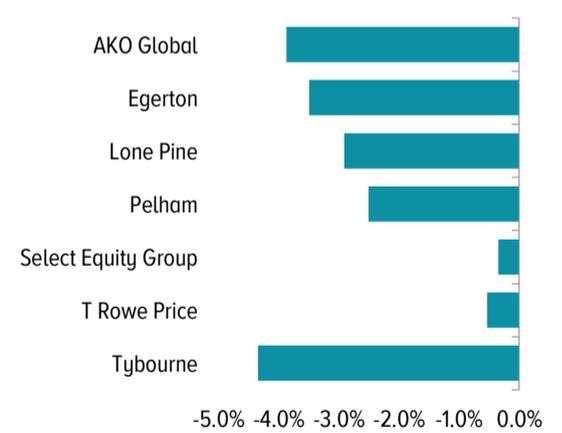
Sector breakdown¹



Manager contribution (MTD, EUR)



Manager contribution (YTD, EUR)



Monthly fund returns versus reference indices² (net of fees)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021													
Class A-EUR (unhedged)	-1.53%	3.55%	1.37%	2.26%	-1.76%	4.76%	0.21%	2.24%	-3.04%	3.10%	-1.51%	-2.00%	7.54%
HFRX Equity Hedge ²	-1.13%	2.80%	0.77%	2.84%	0.76%	1.14%	0.41%	1.25%	-0.57%	2.08%	-1.29%	1.54%	11.03%
MSCI World ²	-0.29%	2.66%	6.71%	2.18%	-0.12%	4.64%	1.80%	2.95%	-2.37%	5.82%	0.56%	3.21%	31.07%
2022													
Class A-EUR (unhedged)	-7.87%	-4.04%	-2.17%	-1.01%	-3.79%	-4.04%	7.77%	-1.44%	-2.34%				-18.01%
HFRX Equity Hedge ²	-2.15%	0.22%	1.48%	-1.96%	-0.86%	-2.23%	0.95%	0.61%	-2.29%				-6.14%
MSCI World ²	-3.92%	-2.72%	3.72%	-3.29%	-1.45%	-6.41%	10.67%	-2.84%	-6.90%				-13.43%

¹ Look-through data, based on manager transparency reports. Regional and Sector breakdown based on net exposures.

² Reference indices (source: Bloomberg):

HFRX Equity Hedge = HFRX Equity Hedge EUR Index

MSCI World = MSCI World (TR Net, EUR)

Update 30 September 2022
Share classes & Currencies

Base currency	EUR
Class A-EUR (unhedged), I-EUR (unhedged)	EUR (unhedged)
Class A-EUR (hedged), I-EUR (hedged)	EUR (hedged)

Subscriptions & Redemptions

Subscription notice	Monthly, 3 business days
Minimum initial subscription Class A-EUR (unhedged), A-EUR (hedged)	-
Minimum initial subscription Class I-EUR (unhedged), I-EUR (hedged)	€100,000
Minimum additional subscription Class I-EUR (unhedged), I-EUR (hedged)	€10,000
Redemption notice	Quarterly, 92 calendar days
Fund level gate	25% per quarter (full clean-up in 4 quarters)

Fees & Expenses

Management fee	0.75%
Taxe d'Abonnement Class A-EUR (unhedged), A-EUR (hedged)	0.05%
Taxe d'Abonnement Class I-EUR (unhedged), I-EUR (hedged)	0.01%
Service fee	0.10%
Performance fee	-
The weighted average ongoing charges of the underlying hedge funds (including management fees and other expenses, but excluding performance fees where applicable) are close to 1.5% per annum.	

Management & Administration

Fund structure	Luxembourg SICAV
Management company	Kempen Capital Management N.V.
Administrator	BNP Paribas Securities Services, Luxembourg Branch
Depository	BNP Paribas Securities Services, Luxembourg Branch
Auditor	PricewaterhouseCoopers
Legal Advisor	Elvinger, Hoss & Prussen

Quarterly commentary Q3-2022

Market update

The third quarter of 2022 started off very strongly with a sharp rebound across global markets after the sell-off during Q2-22. From August onwards however, interest rates continued their way up in a relentless manner as central banks all around the world doubled down on their hawkish stance to fight inflation and this resulted in a particularly difficult month of September. Moreover, Asian markets had a particularly difficult quarter, with continued lockdowns in China and global recession fears. While it was encouraging to see that fundamentals were finally a bit in play again, markets were again mostly driven by macro news. That said, we notice that many long/short equity managers expect markets to become increasingly fundamental again as Q3 results could finally offer some differentiation again between companies, thereby benefitting managers with superior stock selection skills.

Portfolio update

During Q3-2022, the Long/Short Equity Pool (LSEP) posted a performance of +3.7% (net of fees, EUR-unhedged), which compares to a -0.8% return for the HFRX Equity Hedge EUR Index and +0.1% for the MSCI World Index. The managers within LSEP produced varying results with Pelham (+2.5%), Lone Pine (+1.4%), Select Equity Group (+1.3%) and Tybourn (+0.2%) contributing positively to performance while AKO Global (-0.8%), T Rowe Price (-0.4%) and Egerton (-0.1%) detracted. Both gross (from 138% to 141%) and net (from 52% to 56%) exposure increased a bit over the quarter, after peaking a bit in July. At the beginning of the quarter, a temporary allocation to T Rowe Price was made, in order to bring LSEP's APAC exposure back to more normal levels, after it had decreased in Q2-22.

Manager commentary

AKO Global

AKO Global had a bit of a challenging quarter as the fund was down -4.7%. This was primarily driven by their long investments in the US, which tended to suffer from a strong USD as a large portion of the US companies in the portfolio are export oriented. Meanwhile, AKO's long investments in Europe as well as their short book generally performed well. In recent months, AKO has decided to focus fully on accounting shorts (rather than fundamental shorts) and they are currently in the process of transitioning the short book towards this new approach. During Q3, AKO's net exposure decreased from 61% to 51%.

Egerton

Egerton posted a performance of -1.4% during 2022-Q3 as the long side was down with stocks most sensitive to economic growth hurting. Meanwhile, the short book provided some relief with positive performance. With the current economic uncertainty, Egerton has cut back on some names that haven't done as well recently and that are facing headwinds such as some names exposed to the housing market. Net exposure increased from 58% to 64% during the quarter, but this remains on the lower end of where Egerton

Lone Pine

Q3-2022 was a good quarter for Lone Pine as the fund posted a net performance of +4.4%. Lone Pine attributes this good performance to the fact that they made some adjustments to the portfolio during Q2, such as lowering their net exposure and moving away from high valuation names. Instead, they have increased their allocation to some Aerospace names and Indian Banks. On the short side, Q3 was a very active quarter as they covered quite a number of names and also entered some new ones. In general, Lone Pine feels comfortable with the names they own and with the balance that the portfolio is showing now. During Q3-22, net exposure remained low but increased from 37% to 43%.

Pelham

After a challenging period, Pelham had a very good quarter, during which the fund was up +11.7% with both the long and the short books positively contributing to performance. Pelham has worked on the balance of their portfolio, both fundamentally and from a factor exposure perspective and this has helped them in Q3. Pelham expects quite a severe recession in Europe and the UK and therefore has very little long exposure to those regions while they do have some short exposure. Net exposure increased from 46% to 52%

Select Equity Group

SEG held up relatively well during quarter with a performance of -0.4%. Just as in previous quarters, SEG's top and bottom contributors' performances were driven by market dynamics rather than idiosyncratic events. SEG remains cautious about the current environment, but they do see a little bit less of a downside than 1-2 months ago as there are early signs that the Fed's tightening is having its desired effect. With the uncertainty, they are focusing on high quality companies with enough resilience. The strengthening of the USD is not really an issue for SEG as their portfolio is mostly exposed on the US consumer rather than being export companies. Net exposure decreased from 70% to 60% over the quarter.

T Rowe Price

T Rowe Price faced a difficult environment during Q3-22, during which it noted a performance of -13.1%, which was in line with Asian equity markets. The fund mainly suffered from being overweight China whereas stock selection in China was actually quite strong. Moreover, stock selection in India and Taiwan also negatively impacted performance. From a sector perspective, the fund's stock selection within the Communications, IT and Utilities sectors was quite challenging while they did well in Financials and Consumer

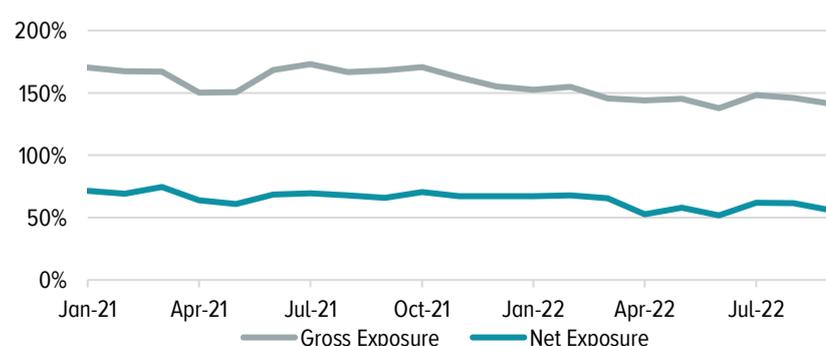
Tybourn

Tybourn was down -3.3% during Q3-2022 but outperformed Asian markets with that performance. During the quarter, it was mostly the Semiconductor names that had a difficult time while growth names did better. Tybourn's portfolio is now a lot more balanced than it has been in recent times, with a good balance between high growth and compounder names. The fund remains quite exposed to themes such as e-commerce, Financials & Fintech, Software, Industrials and Semiconductors.

ESG commentary

From Q4-2022 onwards, Sandro Caluori will represent Kempen on the UN PRI Hedge Funds Advisory Committee. This is a voluntary body, comprised of members from PRI signatories that provides advice and input to the PRI on areas of activity related to Hedge Funds. Sandro joined Van Lanschot Kempen (VLK) in 2020 and he is a director in VLK's Manager Research Solutions team based in the firm's Zurich office.

Gross and Net Exposure over time



Geographical Allocation over time (Net Exposure)

