



PRESS RELEASE

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LRI Group launches Equity Long/Short Market Neutral UCITS Fund for M17 Capital Management

LRI Group, the leading independent investment services company, has partnered with M17 Capital Management, a Swiss based investment company, to launch its European Market Neutral UCITS Fund (“the Fund”).

Following several pension funds and institutions as anchor investors, the Fund is aimed at institutional investors, pension funds, family offices and high net-worth individuals (HNWI) predominantly in Germany, Switzerland, UK and Scandinavia. To date, the Fund has obtained investor commitments of close to EUR 191 Million.

The Fund invests with a fundamental approach in a market neutral concentrated portfolio of 30-60 positions with a European bias and targets a return of 10-15% p.a. net of fees while maintaining an annualized volatility below 10%. While traditional market neutral funds have a high number of pair trades to limit any exposure and the diversification effect reduces risk and volatility, the Fund’s risk/reward profile is juicier than most market neutral equity long/short products as it captures alpha with individual, sized-up “best ideas” positions while risk exposures are managed tightly for positions and the portfolio as a whole.

Michael Sanders, Managing Director of LRI Invest S.A. says:

“We are excited about partnering with M17 Capital Management. By adding a new Alternative UCITS fund to our UCITS Platform, it enables us to broaden the spectrum of investment strategies for our investors.”

“M17 Capital Management is a highly experienced team, with a longstanding track record in managing complex strategies, and we expect this to be a complementary product for investors seeking alpha in a regulated UCITS structure. M17’s approach provides a sustainable differentiation due to its investment process which aims at removing human bias in decision making and objective position sizing.”

Markus Matuszek is the founder and managing partner of M17 Capital Management and has extensive experience in the asset management and alternatives industry. He previously led the asset management and advisory firm Hermes Capital Management, advising entrepreneurs, High Net Worth Individuals (HNWI) and institutional clients and managing their funds. Prior to this, he worked as Managing Partner at Gabelli & Partners, a global equity long/short hedge fund. He has been investing in listed securities, private companies and real estate for over 14 years with a solid track record and started his career with McKinsey & Company.

Markus Matuszek, CFA, Managing Partner and Chief Investment Officer at M17 Capital Management comments:

“Our investment approach is aimed at being bottom-up, market-cap agnostic yet liquidity cognizant. We apply a rigorous, fundamental and value-oriented approach using consistent decision making processes to minimise human bias. Both our long and short ideas must generate alpha across various



investment time horizons. Since the portfolio is construed with individual positions, the Fund uses multiple quantitative risk analytics and management techniques to limit drawdowns, amongst others, by monitoring factor exposures, liquidity, crowdedness or overlap of risks. Although we are willing to establish single 5-10% positions if our objectivized position sizing process does provide for it, tail hedges to such positions are often established.”

The UCITS Fund will be launched with share classes denominated in USD, EUR, CHF and GBP (all hedged). The initial subscription period for the founders’ share class with discounted fees will commence 14 February 2018. The Fund will be first registered for public distribution in Germany, the United Kingdom and Luxembourg and will also be available to qualified investors in Switzerland as well as shortly thereafter in other countries.

About LRI Group

LRI Group is a leading independent investment services company based in Luxembourg. It provides asset managers and investors with nearly three decades of experience in structuring and administration of traditional and alternative investment strategies. Established in 1988, LRI Invest S.A. acts as Super Management Company (Super ManCo) being authorised as Alternative Investment Fund Manager (AIFM) and as UCITS Management Company in Luxembourg. Through LRI Invest Securitisation S.A. it also operates a securitisation platform for a variety of alternative investment underlyings for institutional investors. With LRI Depository S.A. it also provides depository services and can act as Register and Transfer Agent for alternative investment funds. LRI Group manages EUR 3 billion in Real Assets especially in Real Estate, Private Equity and Debt and EUR 9 billion in Financial Assets such as Multi Asset Funds, Liquid Alternatives and Funds of funds and has 100 staff. www.lri-group.lu

About M17 Capital Management

M17 Capital Management AG is a Swiss based investment and advisory firm with offices in Pfäffikon (Switzerland) and London. The Company aspires to consistently achieve superior risk-adjusted absolute returns for its investors through deep understanding of value, risk and catalysts in an environment that attracts and retains exceptional people. M17 enables investors to invest in a variety of UCITS and offshore funds as well as separately managed accounts. www.m17cap.com

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