

Invenomic US Equity Long/Short UCITS Fund

Equity Long/Short

December 2021

Performance Returns

The Invenomic US Equity Long/Short UCITS Fund returned 8.47% for the month of December (USD Founder Pooled Share Class), net of fees.

The Manager



Investment Objective & Strategy

Invenomic seeks to achieve long-term capital appreciation by investing both long and short in equities. The goal of the fund is to outperform U.S. equities over a market cycle with less volatility and drawdown.

Highly diversified all-cap long/short equity strategy focused on domestic securities. Disciplined in managing market exposure which is typically +20% to +80% net long. An intensive investment process leveraging quantitative and fundamental analysis. Seeks to generate positive returns and produce positive alpha in all market environments. The short portfolio is almost entirely made up of individual equities that are intended to generate positive returns.

Monthly Performance – UCITS

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2021	-	-	-	-	-	-	-	-	2.34%	-0.45%	2.59%	8.47%	13.37%

The performance figures quoted above represent the (net of fees) performance of the Invenomic US Equity Long/Short UCITS Fund, USD Founder Pooled Share Class, since launch on 16th September 2021. These performance figures refer to the past and past performance is not a reliable guide to future performance.

Fund Facts

Structure	UCITS Fund
Domicile	Ireland
Valuation	Daily
Liquidity	Daily
Fund AUM	\$77m
Strategy AUM	\$469m
Inception	September 16 th 2021

The performance figures quoted on the left represent the (net of fees) performance of the Invenomic Fund LP, and is not of the Invenomic US Equity Long/Short UCITS Fund. UCITS Funds have to abide by certain investment restrictions and consequently the performance of the Invenomic US Equity Long/Short UCITS Fund may not be similar to that presented to the left. These performance figures refer to the past and past performance is not a reliable guide to future performance.

Monthly Performance – Invenomic Fund LP (Non-UCITS)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2021	2.21%	10.71%	15.79%	2.63%	11.90%	-9.31%	1.95%	-0.55%	2.61%	-1.30%	3.52%	10.16%	59.81%
2020	-5.84%	-5.34%	-1.48%	9.55%	-3.81%	1.34%	0.39%	0.99%	-2.46%	3.41%	14.3%	3.84%	13.82%
2019	7.31%	0.26%	-1.58%	2.66%	-5.87%	3.74%	-1.62%	-6.43%	10.42%	0.15%	0.48%	2.85%	11.68%
2018	3.34%	0.57%	-1.6%	0.93%	-2.29%	-0.12%	0.23%	-1.64%	2.55%	1.52%	3.17%	-2.44%	4.06%
2017	-	-	-	-	-	-	-	0.65%	1.37%	0.27%	3.08%	2.94%	8.55%

Portfolio Breakdown

Sector Allocation	Long	Short	Net
Communication Services	6.74	-3.61	3.13
Consumer Discretionary	16.30	-15.97	0.33
Consumer Staples	3.08	-1.27	1.81
Energy	7.22	0.00	7.22
Financials	6.40	-5.05	1.35
Healthcare	12.50	-10.77	1.73
Industrials	10.04	-7.89	2.15
Information Technology	10.55	-17.87	-7.32
Materials	9.62	0.00	9.62
Other	0.13	0.00	0.13
Real Estate	0.14	-2.00	-1.86
Utilities	2.07	-0.20	1.87
Total	84.79	-64.63	20.16

Portfolio Characteristics	Long	Short
# of Positions	147	162
Median Position Size	0.37%	-0.29%
Earnings Yield	5.89%	1.34%
Price-to Book Ratio	2.65x	9.13x
Enterprise Value-to Sales Ratio	1.30x	9.54x
Free Cash Flow Yield	6.10%	-0.79%

Market Cap Exposure	Long	Short	Net
Large Cap (>\$5B)	34.43	-34.44	-0.01
Mid Cap (\$2B - \$5B)	14.54	-19.14	-4.60
Small Cap (<\$2B)	35.82	-11.05	24.77
Total	84.79	-64.63	20.16

Invenomic US Equity Long/Short UCITS Fund

Equity Long/ Short

December 2021

Monthly Commentary

The Fund returned 8.47% for the month of December. Portfolio exposures at year end stood at 84.79% long and -64.63% short, resulting in net exposure of 20.16% and gross exposure of 149.42%. The portfolio remains well diversified with 147 long positions and 162 short positions.

2021 ended up being a very strong year for our strategy. While the year began very well for value-oriented equities, growth stocks performed well in the back half of the year, outperforming once again. This is evident when looking at the Russell 1000 Value and Growth Indexes. While the Russell 1000 Growth Index did outperform the Russell 1000 Value Index for the year, it did so as the result of just a handful of very large technology companies. Looking at the Russell 2500 Index (Mid-cap) and the Russell 2000 Index (Small-cap) we see a very different outcome. Outside of the mega-cap growth companies, value outperformed over the course of 2021. Mega-cap names that helped push large cap growth higher last year included NVDA (+124%), GOOGL (+68%), MSFT (+56%), TSLA (+45%) and AAPL (+38%). Looking forward we would expect this group of companies to struggle pushing the market higher into 2022. While it will likely be very choppy, we believe the rotation out of growth and into value to continue throughout most of next year.

Given the strong returns our strategy generated in 2021, it is worth looking into how we produced them. Most would assume that a handful of names were the primary driver of our returns. Given our diversified portfolio this is not the case. Our process is focused on hitting singles and doubles, rather than swinging for the fences on just few names. We have long maintained that our diversified approach to portfolio construction is one of our competitive advantages. Diversification allows us to construct a liquid portfolio in a broad array of attractive opportunities both long and short.

Ali Motamed

Portfolio Manager

Ali Motamed is the Founder, Managing Partner and Portfolio Manager of Invenomic Capital Management. Prior to founding Invenomic, Ali was Co-Portfolio Manager of the Boston Partners Long/Short Equity Fund. He was awarded Portfolio Manager of the Year in the Alternatives Category by Morningstar in 2014. Ali holds a B.A. in Economics with a Minor in Accounting from the University of California, Los Angeles, and a M.B.A. from Harvard Business School. He holds the Chartered Financial Analyst designation. He has eighteen years of experience.

Ben Deschaine

President

Ben is responsible for all non-investment related business activities at Invenomic. Ben began his investment career in 1998 and has experience in both mutual fund and hedge fund investing. Prior to Invenomic, he was Chief Investment Officer at Balter Liquid Alternatives, responsible for managing all aspects of the firm's mutual fund business. Before joining Balter Capital Management in 2012, Ben was a Managing Director at Sabretooth Capital Management, a global multi-strategy hedge fund affiliated with Tiger Management. Prior to Ben's time at Sabretooth he spent ten years at Federal Street Advisors, a Boston based wealth management firm, leading their alternative investment research. He is a graduate of Bentley University with a B.S. and M.S. in Finance, and holds the Chartered Alternative Investment Analyst designation.

Share Class	Founder B Class Shares	Founder B Pooled Class Shares	Institutional Class Shares	Institutional Pooled Class Shares	Retail Pooled Class Shares
Currency	USD, EUR, CHF, GBP	USD, EUR, CHF, GBP	USD, EUR, CHF, GBP	USD, EUR, CHF, GBP	USD, EUR, CHF, GBP
Management Fee	0.75%	0.75%	1.00%	1.00%	1.50%
Performance Fee	20.00%	20.00%	20.00%	20.00%	20.00%
Min Initial Sub.	50,000,000	50,000,000	1,000,000	1,000,000	1,000
ISIN Codes	USD: IE00BKFX13 EUR: IE00BKFX20 GBP: IE00BKFXZ37 CHF: IE00BKFX059	USD: IE00BKFY166 EUR: IE00BKFY273 GBP: IE00BKFY380 CHF: IE00BKFY497	USD: IE00BKFY943 EUR: IE00BKFY612 GBP: IE00BKFY729 CHF: IE00BKFY836	USD: IE00BKFY943 EUR: IE00BKFYB67 GBP: IE00BKFYC74 CHF: IE00BKFYD81	USD: IE00BKFYF06 EUR: IE00BKFYVG13 GBP: IE00BKFYVH20 CHF: IE00BKFYVJ44

Contact Details

Investor Contact

Waystone Capital Solutions (UK) Ltd
2nd Floor, 20-22 Bedford Row
Holborn, London
T: +44 207 290 9493
investorrelations@waystone.com

Management Company

Waystone Fund Management (IE) Ltd
3rd Floor, 76 Baggot Street Lower
Dublin, Ireland
T: +353 1 533 7020
investorrelations@waystone.com

Investment Manager

Invenomic Capital Management L.P.
211 Congress Street – 7th Floor
Boston, MA 02110
T: +1 (617) 729 2323
clientrelations@invenomic.com

Disclaimer

RISK WARNING: Past performance is not a reliable indicator of future results, prices of investments and the returns from them may fall as well as rise. Investments in equities are subject to market risk. Changes in exchange rates may have an adverse effect on the value price or income of the product. The Invenomic US Equity Long/Short UCITS Fund (the "Fund") may use higher leverage and financial derivative instruments as part of the investment process. The distribution of this report does not constitute an offer or solicitation and this notice shall not be construed as an offer of sale in any other fund managed or advised by Invenomic Capital Management LP or Waystone Fund Management (IE) Ltd ("Waystone"). Any investment in the Fund should be based on the full details contained in the Fund's Supplement Prospectus and Key Investor Information Document which together with the MontLake UCITS Platform ICAV Prospectus may be downloaded from the MontLake website (<https://www.montlakeucits.com/funds/invenomic-us-equity-longshort-ucits-fund2>). Information given in this document has been obtained from, or based upon, sources believed by us to be reliable and accurate although neither Waystone nor Invenomic Capital Management LP . accepts liability for the accuracy of the contents. Waystone does not offer investment advice or make recommendations regarding investments. The Manager of the Fund is Waystone Fund Management (IE) Ltd, a company regulated by the Central Bank of Ireland. The Investment Manager for the fund, Invenomic Capital Management L.P. is authorised and regulated by the Securities Exchange Commission (the "SEC"). The MontLake UCITS Platform ICAV is registered and regulated as an open-ended Irish collective asset-management vehicle with segregated liability between sub-Funds formed in Ireland under the Irish Collective Asset management Vehicles Act 2015 and authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations. This notice shall not be construed as an offer of sale in the Fund. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units. Authorised and Regulated by the Central Bank of Ireland. The Management Company may decide to terminate the arrangements made for the marketing of the Fund in accordance with Article 93a of Directive 2009/65/EC. To view the Summary of Investor Rights, please visit the following [link](#). This is a marketing communication.