

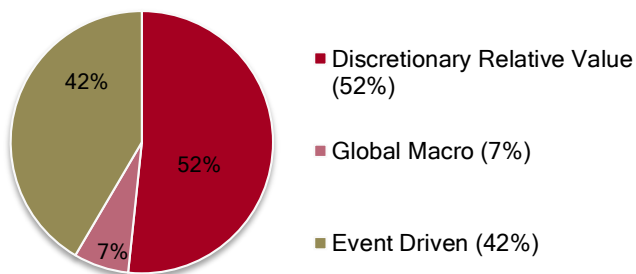
Luxembourg Selection Fund - Alaya Diversified (UCITS)

April 2019

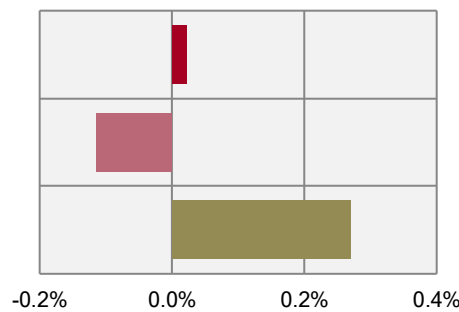
Share Class B USD NAV 101.2 (ISIN: LU1896850416, Bloomberg: LSALDBU LX, Valor: 44119852)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2019	0.50%	0.11%	-0.17%	0.37%									0.81%
2018												0.39%	0.39%

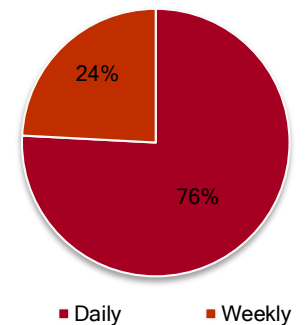
Strategy Breakdown



Strategy Contribution (gross)

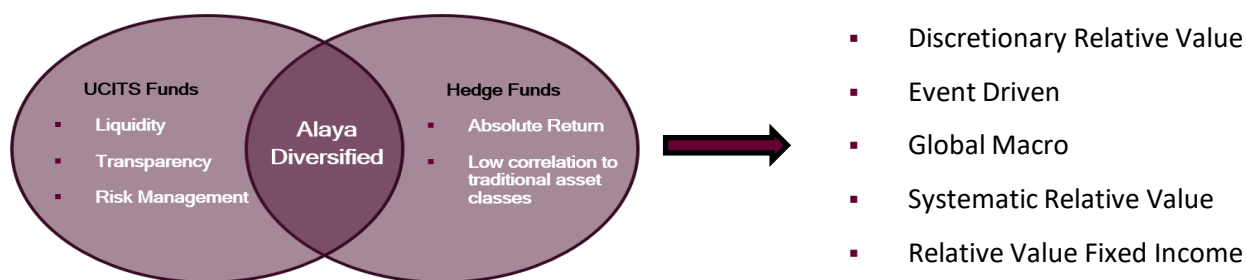


Liquidity



Fund Description

Alaya Diversified (UCITS) seeks to maximise risk-adjusted performance with low volatility and low correlation to traditional asset classes by investing in a diversified portfolio of liquid alternative investment strategies. The fund allocates its assets in hedge fund strategies that are compliant with the UCITS framework. The objectives of the Alaya Diversified Fund are a return net of fees between 4% - 6% p.a. over a 3 - 5 years investment horizon and a low volatility of 4% p.a.



Fund Details

Launch date: December 17, 2018
Fund Domicile: Luxembourg UCITS
Investment Manager: Ayaltis AG, Zurich
Fund Administrator: Northern Trust Global Services SE, Luxembourg
Fund Depository: UBS Europe SE, Luxembourg
Fund Auditors: PricewaterhouseCoopers, Luxembourg

Valuation Day: The 15th of each month and the last business day of each month
Subscription: 3 business day notice prior to val. day
Redemption: 5 business day notice prior to val. day
Minimum Investment Share Class A: EUR 1'000 or equivalent amount in USD, CHF, GBP
Minimum Investment Share Class B: EUR 1'000 or equivalent amount in USD, CHF
Subsequent Investment: EUR 100 or equivalent amount in USD, CHF, GBP
Available Currencies: USD, CHF, EUR, GBP

Fund Size: USD 30m
Retail Share Class A: 1.25% Mgmt Fee p.a. 7.5% Perf. Fee p.a.
Institutional Share Class B: 0.75% Mgmt Fee p.a. 7.5% Perf. Fee p.a.
Distribution Fees Available for all Classes

Contact

Investor Relations, Tel.: +41 43 501 37 60, ir@ayaltis.com

Investment Philosophy

Ayaltis applies a unique selection process to identify the most interesting hedge fund opportunities with more than 10 years' experience irrespective of the underlying asset classes. The focus is on downside protection. Defining the investment approach in more detail, a major part of the long-term success comprises of portfolio construction, designed on a sophisticated risk premia model, which focusses on correlations of the underlying single hedge funds amongst each other and within the portfolio.

Ayaltis Expertise in Fund of Hedge Funds

- Proven track record in selecting best-in-class hedge funds
- Superior strategy selection capabilities amongst different hedge fund styles
- Institutionalised risk management focusing on risk/return profiling
- Leading fund of hedge funds manager with more than 10 years' proven track record

Characteristics

- **Diversification** - The fund is diversified across the best alternative UCITS strategies
- **Liquidity** - Access to liquid (semi-monthly) alternative return profiles
- **Regulation** - UCITS regulations enhance risk management and reduce counterparty risk

Share Class B CHF NAV 99.53 (ISIN: LU1896850093, Bloomberg: LSALDBC LX, Valor: 44119846)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2019	0.03%	-0.04%	-0.52%	0.06%									-0.47%
2018													

Share Class B EUR NAV 99.67 (ISIN: LU1896850259, Bloomberg: LSALDBE LX, Valor: 44119848)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2019	0.05%	0.00%	-0.48%	0.10%									-0.33%
2018													

Performance Overview by Retail Share Class A and by Institutional Share Class B

Class	ISIN	Inception	Apr 19 NAV	Apr 19 Return	YTD Return	Return S.I.
A USD	LU1896850333	17-Dec-2018	n/a USD	n/a	n/a	n/a
A EUR	LU1896850176	17-Dec-2018	n/a EUR	n/a	n/a	n/a
A CHF	LU1896849913	17-Dec-2018	n/a CHF	n/a	n/a	n/a
A GBP	LU1896850507	17-Dec-2018	n/a GBP	n/a	n/a	n/a
B USD	LU1896850416	17-Dec-2018	101.20 USD	0.37%	0.81%	1.20%
B EUR	LU1896850259	17-Dec-2018	99.67 EUR	0.10%	-0.33%	-0.33%
B CHF	LU1896850093	17-Dec-2018	99.53 CHF	0.06%	-0.47%	-0.47%

Contact

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Portfolio Commentary

The Fund performed 0.37% in April. European merger arbitrage was the main driver. Once again, discretionary trading was subdued. The lack of volatility (the S&P500 never dropped more than 1% in a single day) had a negative impact on short-term opportunistic strategies. What represents a profitable harvesting season for Event Driven funds is partially offset by a less attractive trading environment for traders (systematic and discretionary) who rely on above average volatility to extract performance.

From an economic point of view, the first quarter ended with a less than expected decrease of company earnings. The Chinese economy shows a rather remarkable resilience, driven by secular growth in consumption, government stimulus measures and renewed positive corporate and consumer sentiments. Nevertheless, a few indicators at the end of the month show that the equilibrium is far from stable.

For almost every major economy we see a fragile balance between long-term structural risks and near-term monetary and fiscal accommodation. The low volatility of equity and credit markets of the last months compressed Alaya's opportunity sets, which are built on the premises of a limited exposure to market trends.

We continued to diversify our portfolio adding uncorrelated emerging managers. The last addition exploits technical and fundamental forecasters systematically, to trade approximately 90 futures and G7 FX crosses.

The state of the origin of the fund is Luxembourg. This document may only be distributed in Switzerland to qualified investors within the meaning of art. 10 para. 3, 3bis and 3ter CISA. In Switzerland, the representative is ACOLIN Fund Services AG, Affolternstrasse 56, CH-8050 Zurich, whilst the paying agent is UBS Switzerland AG, Bahnhofstrasse 45, CH-8001 Zurich. The basic documents of the fund as well as the annual and, if applicable, semi-annual report may be obtained free of charge from the representative. In respect of the units distributed in or from Switzerland, the place of performance and jurisdiction is at the registered office of the representative. 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.

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