

Fortem Capital Progressive Growth Fund

Monthly Report – 28th February 2020

For Professional Investors and Institutional Clients only



Investment objective

The Fund aims to provide positive returns of 6-7% over the medium to long term, whilst aiming to reduce equity market beta in short term draw-downs. It will invest in a Core portfolio comprised of defined return equity strategies that aim to provide capital growth over the medium to longer term, in all but extreme negative market scenarios. The Fund will make a smaller allocation to Diversifying investments that also meet strict capital preservation and investment return criteria.

The Fund will

- Employ stringent counterparty controls, limiting credit exposure to high grade sovereign risk.
- Mitigate against material single index exposure via robust portfolio construction and management.
- Impose strict exposure limits to each investment, strike level, barrier level.

Monthly update

In a month during which the S&P 500 reached an all time high of 3,450 points and subsequently suffered its worst weekly decline since the Financial Crisis, the Fund did remarkably well relative to both its peers and equity markets.

Total Return	YTD	Feb
FTSE 100	-12.0%	-9.0%
S&P 500	-8.3%	-8.2%
Eurostoxx 50	-10.8%	-8.4%
SMI	-7.4%	-7.5%
Nikkei 225	-10.6%	-8.8%
Hang Seng	-7.0%	-0.4%
FCPGF	-5.6%	-4.8%

With markets posting significant declines over the month, implied volatilities also increased considerably across maturities. Within the Core portfolio, attribution in terms of the monthly move was -4.5% to the equity market spot moves and -1.0% to increases in implied volatilities.

These losses were offset to some extent by gains made within the Diversifiers and Sovereigns portfolio. Similar to last month, the Diversifiers bucket assisted

greatly in not only being uncorrelated to equity market moves, but also contributing positive returns of 0.1% to the Fund performance. On a stand alone basis this represented 0.6% for the month / 7.0% annualised. Within the Diversifiers the stand out performers were the cross currency swaps which contributed 0.12% over the month.

Risk profile wise, whilst the overall equity market sensitivity of the Fund did increase, as one would expect given the sell off, it remained relatively stable as the table and charts overleaf illustrate. In keeping with the Fund's objective, the equity beta and realised volatility remained ~50% to that of equities.

Platform availability

Zurich	Nucleus	James Hay	Fidelity Int'l	Ascentric	Novia Fin'l	Standard Life
Novia Global	Allfunds	Aviva	7im	Old Mutual	Elevate	Transact

Past performance is not necessarily a guide for the future. Forecasts are not reliable indicators of future performance. The value of investments, and the income from them, can go down as well as up and the investor may not get back the amount originally invested. The data is sourced from Fortem Capital Limited and external sources. The data is as at the date of this document and has been reviewed by Fortem Capital Limited.

Phone: 0208 050 2905 Email: sales@fortemcapital.com

Fortem Capital Limited registration number 10042702 is authorised and regulated by the Financial Conduct Authority under firm reference number 755370

Key Facts

Investment Manager	Fortem Capital Limited
Unit NAV	Class A: £1.0566 Class D: £0.9753 ¹ Class A (hedged) USD: \$1.0010 Class A (hedged) EUR: €0.9761
Net Asset Value	£152,303,953
Fund Launch Date	20 th September 2017
Fund Type	Irish Domiciled UCITS V ICAV
Base Currency	GBP
Liquidity	Daily
Dealing Deadline	10:30am Irish Time
Pricing	Daily COB
Share Type	Class A: Accumulation Class D: Distribution of capital
Initial Share Price	£1.000
Minimum Subscription Amount	Class A: £5,000,000 [^] Class D: £5,000,000 [^]
Annual Management Charge	Class A: 50bps Class D: 50bps
OCF	Class A: 70bps Class D: 70bps
Reporting Status	Registered with HMRC
ISIN	Class A: IE00BF047831 Class D: IE00BD7Y3W82 Class A USD: IE00BJH53458 Class A EUR: IE00BJH53565
Bloomberg	FCPGFAA ID <equity> FCPGFDD ID <equity> FCPGFUA ID <equity> FCPGFEA ID <equity>
Dealing Line	+353 (0)1434 5124
Dealing Email	davy.ta.queries@ntrs.com
Depository, Admin, Registrar & TA	Northern Trust
Auditor	Deloitte

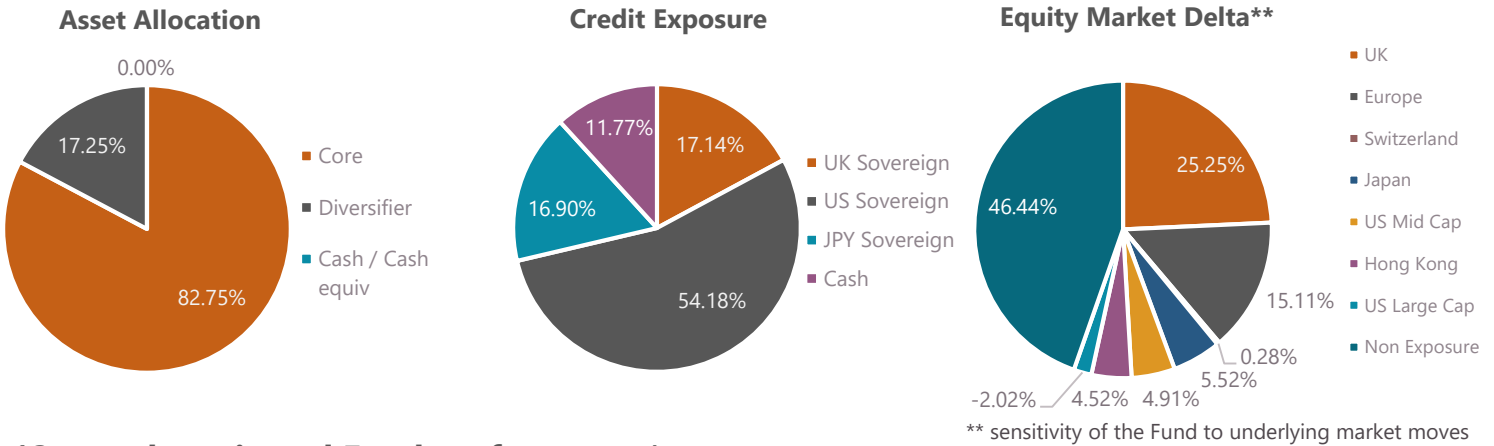
¹ Excludes distribution of capital

[^] Minimum sizing can be waived upon request

* Includes the UK Equal Weight Index

Information as at 28th February 2020

Portfolio breakdown

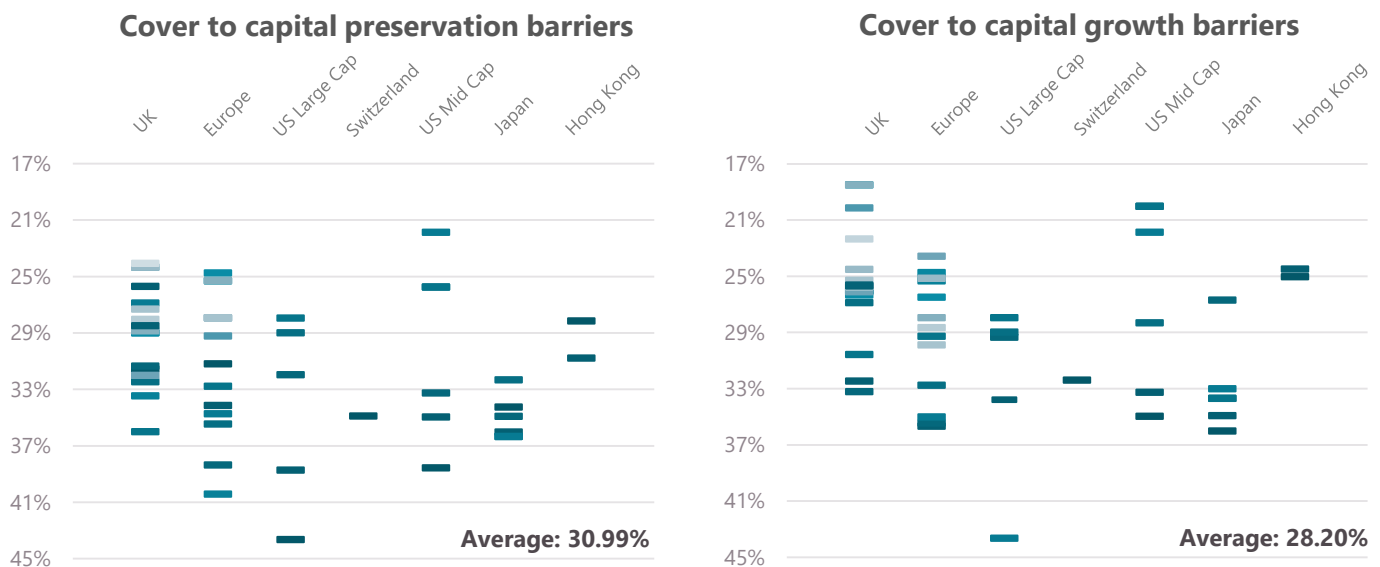


12 month projected Fund performance[^]

	-15%	-10%	-5%	0%	+5%	+10%
Immediate	-9.0%	-4.8%	-1.9%	0.0%	1.2%	2.1%
1 month	-8.6%	-4.4%	-1.4%	0.4%	1.6%	2.5%
2 months	-8.3%	-3.5%	-1.1%	0.7%	1.9%	2.8%
3 months	-7.8%	-3.1%	-0.5%	1.4%	2.6%	3.5%
6 months	-6.5%	-2.3%	0.7%	2.7%	3.9%	4.7%
12 months	-3.4%	0.9%	3.7%	5.6%	6.9%	7.8%

[^]These scenarios are net of fees and represent sensitivities to equity market moves only. Therefore it does not include performance contribution from the Diversifiers or credit.

Summary of equity index barrier exposures



- Cover to capital preservation represents for each investment, the level by which the underlying equity index may fall, before capital is eroded, assuming each investments runs to it's maturity.
- Cover to capital growth represents for each investment, the level by which the underlying equity index may fall, before capital growth is zero, assuming each investments runs to it's maturity.

Past performance is not necessarily a guide for the future. Forecasts are not reliable indicators of future performance. The value of investments, and the income from them, can go down as well as up and the investor may not get back the amount originally invested. The data is sourced from Fortem Capital Limited and external sources. The data is as at the date of this document and has been reviewed by Fortem Capital Limited.

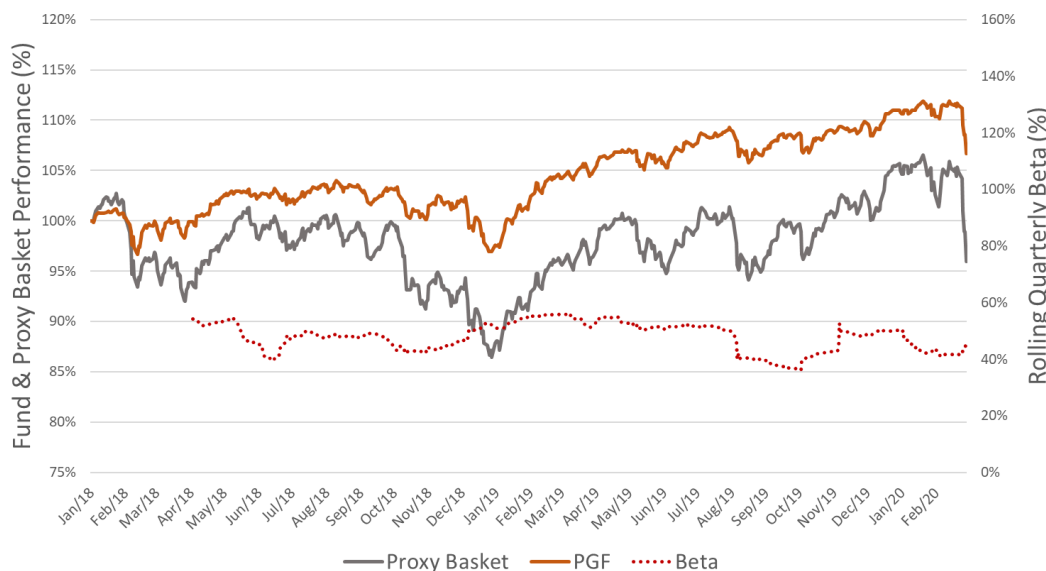
Phone: 0208 050 2905 Email: sales@fortemcapital.com

Fund performance (%) – Share Class A (Acc)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	12 Month Perf Periods	
2017									-0.10	0.06	0.33	0.84	1.13	Feb 17 - Feb 18	N/A
2018	0.34	-0.88	0.45	2.66	-0.20	-0.15	1.38	-0.78	0.29	-1.54	0.34	-4.24	-2.47	Feb 18 – Feb 19	4.80
2019	5.03	1.76	1.17	1.48	-1.60	2.32	1.08	-1.62	1.49	0.00	0.75	1.00	13.46	Feb19 – Feb 20	0.24
2020	-0.79	-4.84											-5.58		

Fund performance (%) – Share Class A (Acc) versus proxy basket of equity indices

FCPGF Performance, Rolling Beta versus Proxy Equity Basket



*** Proxy basket of indices consists of underlying indices to which the Fund has market sensitivity, as measured by delta. Their weight within the basket is rebalanced each month end to match that of the Fund's delta, normalised to an overall basket weight of 100%.

For example May 2019 the UK market delta = 21% and overall Fund delta = 50%, UK weight in proxy basket = 21% / 50% = 42%. This methodology is applied for each underlying equity index.

The weights as calculated at May 2019 will be applied for calculating June 2019's historical performance for the Proxy basket.

Past performance is not necessarily a guide for the future. Forecasts are not reliable indicators of future performance. The value of investments, and the income from them, can go down as well as up and the investor may not get back the amount originally invested. The data is as at the date of this document and has been reviewed by Fortem Capital Limited.

Disclaimer

- This document has been issued and approved as a financial promotion by Fortem Capital Limited for the purpose of section 21 of the Financial Services and Markets Acts 2000. Fortem Capital Limited registration number 10042702 is authorised and regulated by the Financial Conduct Authority under firm reference number 755370.
- This document is intended for Professional Investors, Institutional Clients and Advisors and should not be communicated to any other person.
- The information has been prepared solely for information purposes only and is not an offer or solicitation of an offer to buy or sell the product.
- Data is sourced from Fortem Capital Limited and external sources. The data is as at the date of this document and has been reviewed by Fortem Capital Limited.
- Information, including prices, analytical data and opinions contained within this document are believed to be correct, accurate and derived from reliable sources as at the date of the document. However, no representation or warranty, expressed or implied is made as to the correctness, accuracy or validity of such information.
- Fortem Capital Limited assumes no responsibility or

liability for any errors, omissions or inaccuracy with respect to the information contained within this document.

- All price and analytical data included in this document is intended for indicative purposes only and is as at the date of the document.

- The information within this document does not take into account the specific investment objective or financial situation of any person. Investors should refer to the final documentation and any prospectus to ascertain all of the risks and terms associated with these securities and seek independent advice, where necessary, before making any decision to buy or sell.

- The product may not be offered, sold, transferred or delivered directly or indirectly in the United States to, or for the account or benefit of, any U.S. Person.

- The Fortem Capital Progressive Growth Fund is a Sub-Fund of Skyline, an open-ended investment company with variable capital incorporated on 1 June 2010 with limited liability under the laws of Ireland with segregated liability between Funds. The Company is authorised in Ireland by the Central Bank of Ireland pursuant to the UCITS Regulations.