

Objectives: 7% Return with Max Drawdown < 10% by March 27, 2014
Investment Universe: EuroStoxx50 components
3 steps Approach: Quantitative, Fundamental and Technical analysis

Performance since inception:

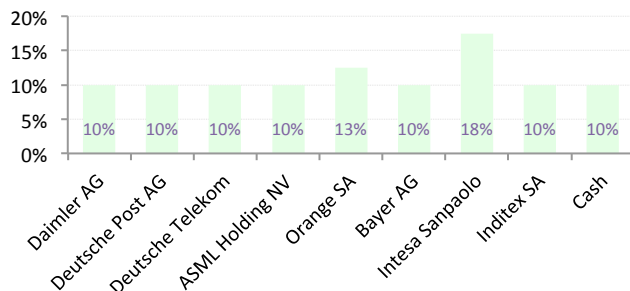
+ 3.23%

Weekly comment

Lion Equities Fund has just been launched this week on Tuesday January 20th. With EUR 100M in AUM, we strive at combining a quantitative investment approach with a fundamental and technical analysis over European stocks (EuroStoxx50). Fund rebalances will be done on a weekly basis. We will be also reporting our performance and exposition breakdowns on a weekly basis.

We have positioned ourselves positively on our best ranked stocks resulting from our quantitative filters. Since we assess Macro data, we have decided not to launch any short positions given the anticipated ECB decisions on Thursday. The market anticipates Mario Draghi's QE program which might push European stocks on an uptrend while the Euro may tumble against other major currencies. We have set up stop losses at 1% to avoid consequent losses in case Mario Draghi's decision disappoints markets practitioners.

Allocations

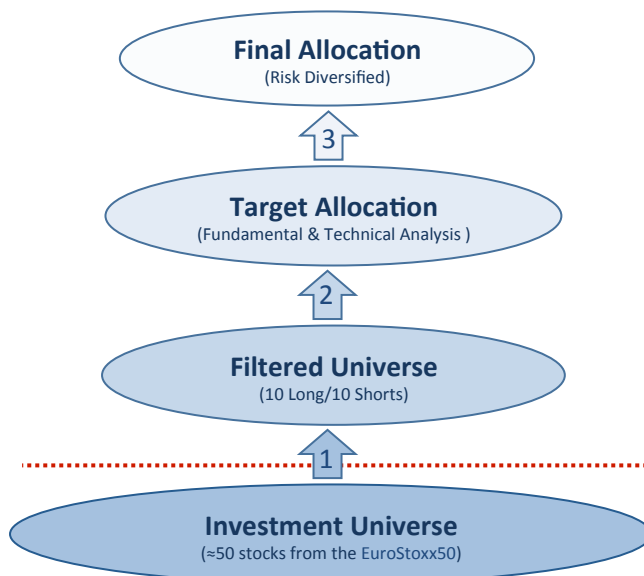


Characteristics

NAV	I Shares : 103.23 EUR
Inception	Jan 20, 2015
AUM	EUR 100 M
UCITS IV	Yes
ISIN	I Shares : IR203203203
Bloomberg Ticker	(I) LFEQIR Equity
Domicile	Ireland
Manager	Lion Partners Ltd.
Liquidity	Daily
Min initial subscription	I Share : 1 000 000€
Cut off	By D-1, 5:00 p.m.
Rebalances	Weekly
Custodian	RBC Investor Services (France)
Administrator	
Management fees (including admin fees)	1.7% per year
Incentive fees	20% of the outperformance (cf. prospectus)
Contact	lionfund203@gmail.com

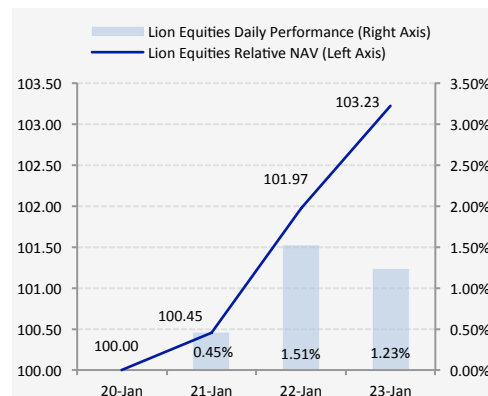
Investment Approach

1. Long term Quant Approach. We first rank the EuroStoxx50's components with their respective adjusted Sharpe ratios computed over the past 2 years (risk adjusted). We then cross these results with a CAPM regression between each stock and their benchmark ranking Alphas and Betas. We end up with Max 10 "Best" Stocks and Max 10 "Worst" stocks based on these indicators. These stocks stand as our Filtered Universe.
2. Short term Fundamental and Technical approach.
3. Final allocation based on a risk minimization (min VaR).

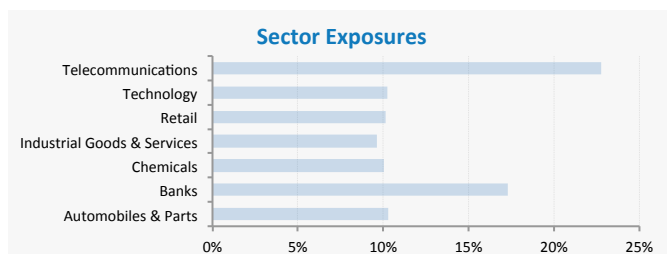


Stock Names	Position (Long/Short)	Entered Price (€)	Last Quote	Stop Loss	Performance contribution
Daimler AG	Long	74.93	79.66	-1%	+0.63%
Deutsche Post AG	Long	28.07	27.84	-1%	-0.08%
Deutsche Telekom	Long	14.3	14.9	-1%	+0.42%
ASML Holding NV	Long	89.51	94.43	-1%	+0.55%
Orange SA	Long	14.9	15.56	-1%	+0.55%
Bayer AG	Long	123.8	128.1	-1%	+0.35%
Intesa Sanpaolo	Long	2.56	2.61	-1%	+0.34%
Inditex SA	Long	25.42	26.6	-1%	+0.46%

Performance & Risks



Indicators



	Lion Equities	EuroStoxx50
Annual Volatility*	NM	NM
Max Drawdown*	0%	0%
Correlation*	NM	1

*Data based on Daily Historical NAVs since Jan 20, 2015

Fundamental Analysis

Anticipating the financial stress around the Greek Prime Minister elections and the potential winning of the left radical party Syriza's leader Alexis Tsipras on Sunday, we decided to cut our positions before the weekend and open some new ones next Monday in a threefold attempt:

- to cash in our earlier profits,
- to avoid positions to be cut on Monday by stock prices reaching thresholds (stop-losses) in case volatility increases and
- to buy back undervalued stocks on Monday at closing prices.

Technical Analysis

We have conducted a technical analysis using Moving Averages of 50 and 200 days. When the price crossed both of those Moving Averages upward, the timing for a Buy Order was confirmed and when it did so downward, the timing for a Sell Order was confirmed. Leading such an analysis reinforced some of our positions obtained from our first filters.

Risks*

- To determine the optimal weights to implement, we have minimized the variance of the portfolio with constraints on the weights and a minimal return target for the portfolio, using the returns of the stocks and their variance-covariance matrix.
- Market Risk: we are exposed to reversals in our selected stocks' prices, limited to a 1% loss (stop-loss).
- 1-day VaR 95% = NM
- 1-day CVaR 99% = NM

*Data based on Daily Historical NAVs since Jan 20, 2015