

Lowes UK Defined Strategy Fund

Fund Overview

The Fund aims to provide capital growth over the medium to long term in rising, directionless or modestly falling UK equities markets. The Fund will aim to achieve this, while being less volatile than a corresponding investment into UK equity markets.

It will invest in a core portfolio comprised of defined return equity strategies that aims to provide capital growth in all but extreme negative market scenarios.

The Fund is a sub-fund of of the Skyline Umbrella Fund (ICAV) which is authorised and regulated by the Central Bank of Ireland.

Investment manager:	Lowes Investment Management
Fund type:	Irish Domiciled UCITS
Fund Size:	£29,672,190.94
Unit NAV at 31/03/2026:	Class C: £1.4442
Launch date:	11 December 2018
Base currency:	GBP
Liquidity:	Daily
Dealing deadline:	10:30am Irish time
Pricing:	Daily COB
Share type:	Accumulation
Minimum subscription amount:	Class B: £1,000,000 Class C: £100
Annual management charge:	Class B: 0.4% Class C: 0.5%
OCF:	Maximum of 1%
Reporting status:	Registered with HMRC
ISIN:	Class B: IE00BG0NV307 Class C: IE00BG0NV414
Dealing line:	+353 (0) 1434 5124

Monthly Update

The Fund was up 1.43% in April.

(Source of all figures: FE Analytics)

April was a powerful risk-on month for global equity markets, despite the Middle East conflict remaining unresolved and Brent crude holding close to \$110 per barrel. The dominant story was a rotation back into artificial intelligence and technology names, with the S&P 500 up 10.5%, but standing out was the MSCI Emerging Markets up 14.7% (in US dollars), driven by extraordinary gains in Taiwanese and South Korean AI supply chains.

The UK was a developed market laggard in April. The FTSE 100 posted comparably modest returns of 2.3% (in sterling terms), with the structural tilt toward energy, financials and defensives working against it in a month that rewarded growth and tech.

Three strategies matured during April, all of which were structured notes. Two matured on their second anniversary with simple returns of 17.20% and 18.20% and the other on its first anniversary, returning 10.20%. The Fund purchased a structured note backed by Bank of America as counterparty. This autocall has a 7 year maximum term requiring the FTSE CSDI to be at least 5% higher than the initial level on the first anniversary, or at or above the initial level on the remaining six anniversaries, paying a simple return of 11.42% for each year in force.

Projected Fund Performance (Not a reliable indicator of future results)

Whilst of course the figures in the table below should not be regarded as a reliable indicator of future results, they are an estimate of the performance over specific time periods for given market movements, based on the current holdings within the Fund and prices and index levels at the end of April.

FTSE 100 movement	-10%	-5%	0%	5%	10%
1 Year	1.27%	4.23%	6.36%	7.85%	8.90%
3 Years	11.01%	15.05%	17.94%	19.97%	21.41%

For example, if the FTSE 100 index is 5% up in 3 years, we expect the value of the Fund to rise by 19.97%.

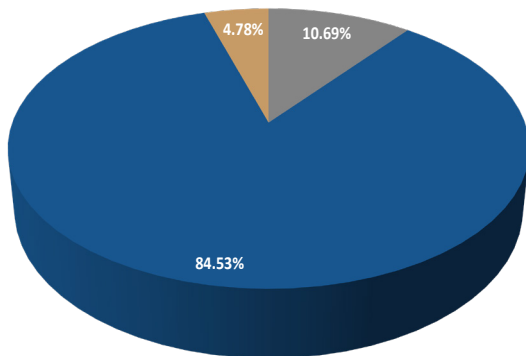
The scenarios presented are based on assumptions and are an estimate of future performance based on evidence from the past on how the value of this investment varies, and/or current market conditions and are not an exact indicator. There would be a difference between these figures and the actual performance, and what you will get will vary depending on how the market performs and how long you keep the investment/product. However, given that the Fund aims to provide capital growth over the medium to long term in rising, directionless or modestly falling UK equities markets, it is pleasing to see that these estimates suggest the Fund should do just that.

Fund Discrete Performance (%)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD
2021	-1.69%	1.05%	3.66%	3.67%	0.97%	0.42%	-0.17%	1.55%	-0.60%	1.57%	-1.53%	3.50%	12.92%
2022	0.31%	-0.19%	1.65%	-0.06%	1.25%	-3.50%	3.22%	-1.86%	-4.79%	3.52%	4.61%	0.00%	3.81%
2023	2.48%	-0.44%	-0.01%	1.04%	-1.48%	1.11%	1.06%	-0.43%	1.10%	-1.14%	2.04%	2.00%	7.50%
2024	-0.06%	0.31%	1.63%	0.72%	0.64%	0.02%	1.09%	0.75%	-0.15%	-0.63%	1.49%	-0.26%	5.66%
2025	2.35%	0.67%	-0.48%	0.13%	1.48%	0.90%	0.90%	0.36%	0.59%	0.69%	0.39%	0.66%	8.97%
2026	0.37%	1.15%	-2.82%	1.43%									0.07%

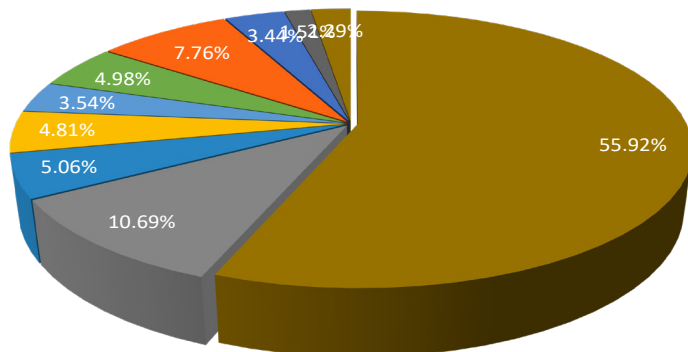
Source of all figures: FE Analytics. All figures are for the Lowes UK Defined Strategy C share class, net of fees, in Sterling.

Asset Allocation



	(%)	
Strategies	84.53	●
Unallocated Gilts	4.78	●
Cash	10.69	●

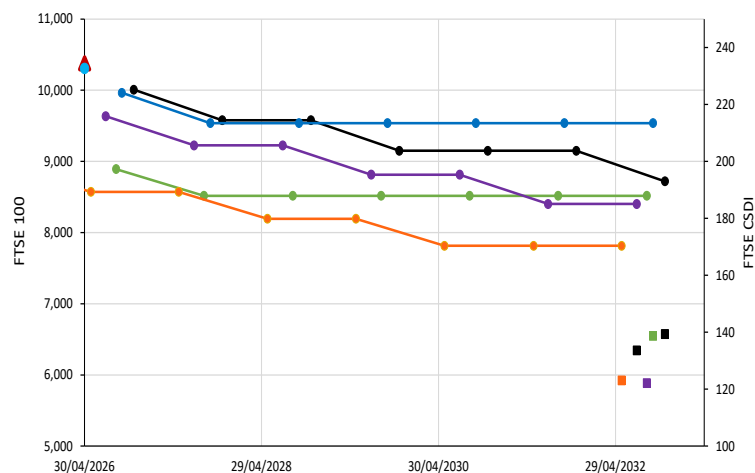
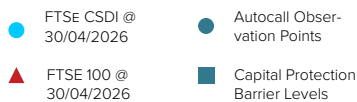
Counterparty Exposure



	(%)		(%)		
UK Government	55.92	●	JP Morgan	7.76	●
Cash	10.69	●	Morgan Stanley	3.44	●
Bank of America	5.06	●	Natixis	1.51	●
Citigroup	4.81	●	UBS	2.29	●
Credit Agricole	3.54	●			
Goldman Sachs	4.98	●			

Fund Largest Holdings

Gilt Backed 8Y CSDI/E50 8.83% SD from 105% 24/05/2032	5.68%	●
Gilt Backed 7Y CSDI/E50 9.44% SD 19/11/2032	5.08%	●
Gilt Backed 7Y CSDI/E50 8.75% SD 26//07/2032	5.17%	●
Gilt Backed 7Y CSDI 8.00% 105% ATM 05/09/2032	5.22%	●
Gilt Backed 7Y CSDI 8.15% 105% ATM 01/10/2032	5.19%	●



Summary

The Fund is up this year following the April rebound. Spread over twenty one different strategies, the Fund continues to be well diversified in terms of observations dates, observation levels and counterparty exposure. Gilt-backed strategies continue to be the largest allocation, while the strategies in note form are diversified across eight counterparty banks.

We hope this update provides you with a flavour of how the Fund is currently positioned.

Sources of Indices Data: Mariana Capital / Investing.com / FT

Charges

There are no entry, exit, or performance fees applied to the fund. The Ongoing Charge Figure (OCF) for the fund remains at its capped level of 1% p.a. A full list of fees associated with investing in the Fund is included in the Fund Supplement.

Platform Availability

- Aegon
- AJ Bell
- Allfunds
- Aviva
- FNZ Clear
- Fusion
- Hubwise
- IFDL
- James Hay
- Lowes Platinum
- Novia
- Nucleus
- Quilter
- Seven IM
- Scottish Widows
- Transact

Also available through SIPPs and full-service stockbrokers.

Disclaimer

The value of this investment can fall as well as rise and investors may get back less than they originally invested. Past performance is not necessarily a guide to future performance.

The Fund is suitable for investors who are seeking capital growth over a medium to long term horizon but who are willing to tolerate medium to high risks due to the potentially volatile nature of the investments.

The contents of this document have been issued and approved by Lowes Investment Management, who are authorised and regulated by the Financial Conduct Authority (FCA) under the firm reference number 192938.

The information provided in this document has been provided for information purposes only and should not be regarded as a recommendation to buy or sell the Lowes UK Defined Strategy Fund. This is a marketing communication. Any investment should be made on the basis of the information contained within the Prospectus, the Key Investor Information Document (KIID), and the Supplementary Information Document (SID), available from <https://iqeq.com/skyline/>

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The tax treatment of any investment in this fund will depend on the individual circumstances of each investor and the method of investing and may be subject to change in the future. If you have any doubts as to the suitability of this investment for you then please talk to an appropriately qualified party.

There are risks associated with the Fund that could adversely impact its profitability or result in losses. For a full list of these risks, please refer to the section “Risk Factors” set out in the ICAV Prospectus and Supplement of the fund. A full summary of investor rights is available in English on the website of the Management Company, IQ EQ Fund Management (Ireland) limited, at <https://iqeq.com/wp-content/uploads/2024/12/November-2024-Update-IQ-EQ-Summary-of-Investor-Rights.pdf>.