January 12, 2023

Dear Investors,

During the fourth quarter of 2022, Prosper Stars & Stripes gained +0.5% net compared to a total return of +1.7% for our long/short equity peer group, represented by the HFRX Equity Hedge Index (the "HFRX")[i] and +6.2% for the long-only small cap Russell 2000 Index (the "Russell")[ii].
Prosper Stars & Stripes is the UCITS Fund launched in May 2015 designed to run pari passu to the Roubaix Fund Composite (the Composite)[iii], launched in January 2010, where its long/short equity peer group is represented by the HFRI Equity Hedge (Total) Index (the "HFRI")[iv]. The end of period net exposure was 40.4% compared to a 43.3% average since inception in January 2010.

For the full year 2022, the Composite generated a net return of -9.8% compared to losses of -10.4% for the HFRI and -20.4% for the Russell. Our 13th year running a fundamental long/short equity strategy focused on small and mid cap U.S. stocks marked the 11th time the Composite has outperformed its peers on an annual basis net of all fees, with a net return since inception ~2x the HFRI peer group. Relative to the market itself, the Composite has delivered an annualized net return since inception comparable to the Russell despite less than half of the standard deviation and just 1/3 of the downside deviation of the index. Such consistently low volatility has driven industry leading Sharpe and Sortino ratios relative to peers, and ~2x that of the market itself.

As of December 31, 2022	Roubaix Composite	HFRI Equity Hedge Index	Russell 2000 Index
Quarter to Date	0.81%	3.99%	6.23%
Trailing 1 Year	(9.84%)	(10.37%)	(20.44%)
Trailing 3 Years	14.65%	5.67%	3.10%
Trailing 5 Years	9.40%	4.50%	4.12%
Trailing 10 Years	10.32%	5.54%	9.00%
Since Inception (1/1/2010)	9.62%	4.91%	9.74%
Standard Deviation	8.94%	8.51%	19.48%
Sharpe Ratio	1.00	0.53	0.54
Downside Deviation	4.57%	5.79%	12.99%
Sortino Ratio	1.97	0.78	0.82
Bull Beta		1.00	0.47
Bear Beta		0.07	0.06
Annualized Alpha		6.18%	5.99%

MARKETS

Markets rallied during the fourth quarter in reaction to further evidence that inflation had peaked, and the resulting pace of rate hikes would slow. Investor enthusiasm for this narrative drove bond yields lower, and in turn equity prices higher. Despite improving inflation readings, markets broadly ended the year on a weak note in December, reversing a large portion of the gains early in the fourth quarter. Relief from lower inflation shifted to fears about a potential recession in 2023. For the year, 2022 will be remembered as one of the worst years for U.S. investors as both stocks and bonds posted historically weak performance. A blended 60/40 portfolio of stocks and bonds produced the worst annual return since 1937.

The Worst Years Ever For the U.S. Stock Market

Year	S&P 500	Reason
1931	-43.8%	Great Depression
2008	-36.6%	Great Financial Crisis
1937	-35.3%	1937 Crash
1974	-25.9%	1973-74 Bear Market
1930	-25.1%	Great Depression
2002	-22.0%	Dot-Com Crash
2022	-18.1%	The Great Inflation
1973	-14.3%	1973-74 Bear Market
1941	-12.8%	WWII
2001	-11.9%	Dot-Com Crash
1940	-10.7%	WWII
1957	-10.5%	1957-58 Recession

The Worst Years Ever For a 60/40 Portfolio

Year	60/40 Portfolio	Reason
1931	-27.3%	Great Depression
1937	-20.7%	1937 Crash
2022	-16.9%	The Great Inflation
1974	-14.7%	1973-74 Bear Market
2008	-13.9%	Great Financial Crisis
1930	-13.3%	Great Depression
1941	-8.5%	WWII
2002	-7.1%	Dot-Com Crash
1973	-7.1%	1973-74 Bear Market
1969	-6.9%	Nifty Fifty Crash
2001	-4.9%	Dot-Com Crash
1966	-4.8%	1966 Bear Market

Source: A Wealth of Common Sense, January 2, 2023

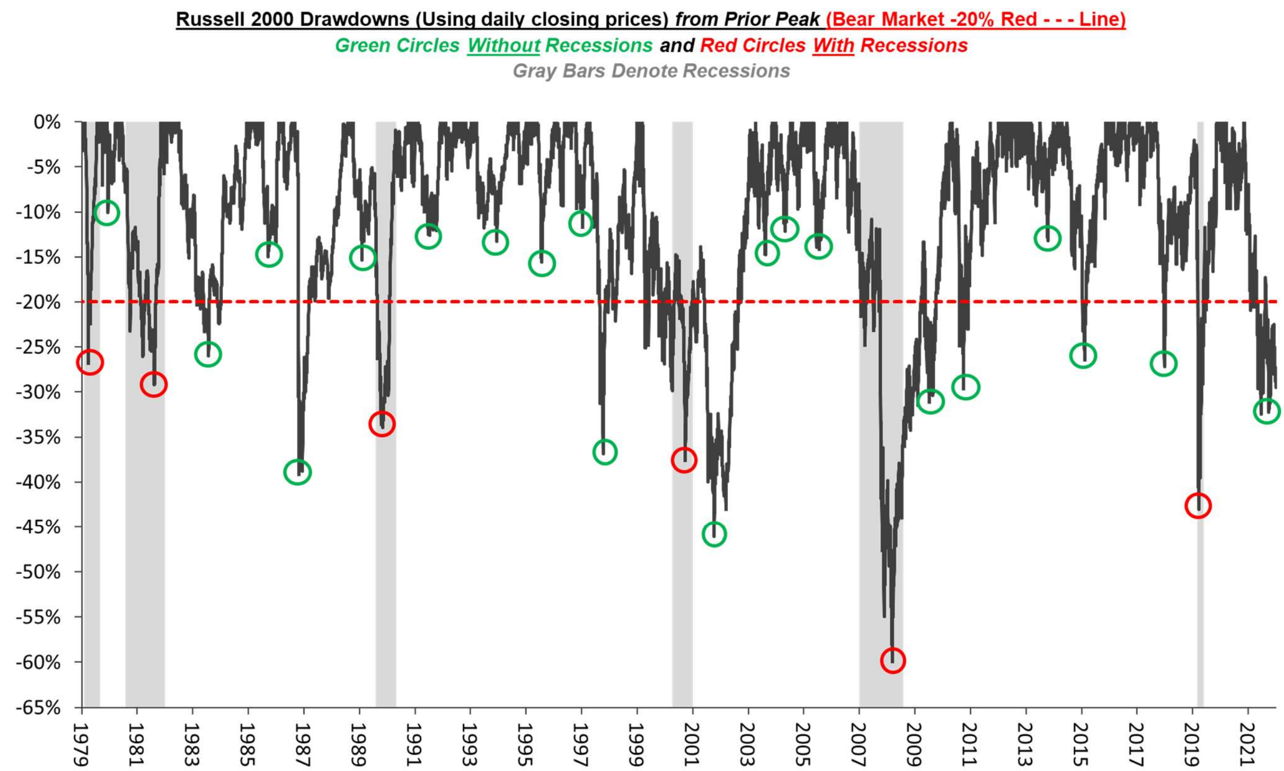
The significantly higher interest rate deck in 2022 put stocks and bonds under stress. Fixed income investors had nowhere to hide as “risk-free” U.S. treasuries posted similar losses to high yield bonds. Equity investors saw pressure across the board, though declines in large caps and value were less than they were in small caps and growth. Companies with high multiples and/or negative earnings factors underperformed, which played a role in communications services, information technology and healthcare sectors declining more than the broader averages. The energy sector was the main standout for 2022 as strong earnings and low multiples were supported by recent periods of underinvestment and the short-term increase in prices catalyzed by the conflict in Ukraine. Defensive sectors such as utilities and consumer staples also outperformed as the value of defensive exposure increased during the bear market and sustained worries about a potential recession.

Asset Class	Index	1Q22	2Q22	3Q22	Oct22	Nov22	Dec22	4Q22	YTD	vs. 52wk High	vs. 52wk Low
Small Cap	Russell 2000 Growth	-12.7%	-19.2%	0.4%	9.5%	1.4%	-6.3%	4.1%	-26.3%	-27.7%	10.5%
	Russell 2000	-7.5%	-17.3%	-2.1%	11.2%	2.2%	-6.5%	6.2%	-20.5%	-22.6%	6.4%
	Russell 2000 Value	-2.5%	-15.3%	-4.6%	12.7%	2.8%	-6.6%	8.3%	-14.8%	-18.0%	7.6%
Large Cap	S&P 500 Growth	-8.5%	-20.8%	-3.9%	4.5%	5.0%	-7.6%	1.4%	-29.4%	-30.6%	3.1%
	S&P 500	-4.6%	-16.1%	-4.9%	8.1%	5.6%	-5.8%	7.6%	-18.2%	-19.9%	7.3%
	S&P 500 Value	-0.2%	-11.3%	-5.8%	11.4%	6.0%	-3.9%	13.5%	-5.3%	-8.8%	12.8%
Bonds	U.S. High Yield	-4.7%	-9.5%	-1.7%	3.4%	3.4%	-1.8%	5.0%	-11.0%	-15.4%	3.5%
	U.S. Aggregate	-5.8%	-4.6%	-4.7%	-1.3%	3.8%	-0.9%	1.6%	-13.0%	-15.0%	3.6%
	U.S. Treasury	-6.5%	-3.7%	-4.4%	-1.3%	2.7%	-0.7%	0.6%	-13.4%	-14.8%	2.5%
Blend	60% SPY/40% AGG	-5.1%	-11.5%	-4.8%	4.4%	4.9%	-3.8%	5.2%	-16.1%	-18.0%	5.8%

Russell 2000 Index Sectors	Weight	1Q22	2Q22	3Q22	Oct22	Nov22	Dec22	4Q22	YTD	vs. 52wk High	vs. 52wk Low
Energy	6.6%	42.1%	-12.5%	4.1%	25.4%	1.4%	-7.0%	18.2%	53.1%	-11.0%	0.0%
Utilities	3.5%	3.2%	-3.9%	-7.6%	7.1%	5.4%	-4.4%	7.9%	-1.1%	-8.7%	-1.1%
Consumer Staples	3.6%	-7.2%	-3.0%	-7.7%	11.6%	5.3%	-6.6%	9.7%	-8.9%	-9.5%	9.7%
Materials	4.3%	-1.3%	-17.5%	-5.3%	14.2%	6.3%	-7.1%	12.8%	-13.0%	-15.2%	12.8%
Financials	17.1%	-6.9%	-12.3%	-2.2%	12.5%	2.2%	-7.6%	6.1%	-15.3%	-18.4%	8.4%
Industrials	15.6%	-5.9%	-16.0%	-3.2%	13.5%	3.5%	-5.9%	10.6%	-15.4%	-16.7%	11.4%
Real Estate	6.4%	-4.7%	-19.9%	-12.4%	11.1%	3.9%	-6.8%	7.5%	-28.1%	-28.6%	9.2%
Health Care	16.4%	-14.3%	-18.7%	6.5%	2.8%	-1.8%	-4.6%	-3.7%	-28.5%	-30.2%	15.3%
Consumer Discretionary	10.5%	-17.2%	-21.2%	-1.6%	12.7%	5.0%	-8.1%	8.8%	-30.1%	-31.1%	9.7%
Information Technology	12.7%	-13.8%	-21.7%	-4.5%	10.5%	1.9%	-6.1%	5.9%	-31.7%	-32.4%	7.7%
Communication Services	2.6%	-6.7%	-27.3%	-11.0%	10.5%	-0.1%	-8.7%	0.8%	-39.1%	-40.1%	3.3%
Russell 2000 Index (IWM)	100.0%	-7.5%	-16.8%	-2.3%	11.1%	2.4%	-6.5%	6.3%	-20.1%	-21.1%	7.9%

Source: Novus, Sentieo, Roubaix Capital, LLC

The Russell 2000 Index experienced an average bear market during 2022, falling -32.5% from peak in June relative to an average bear market decline of -35.3%. Without a recession, historical data would imply that the worst is likely behind the market. However, the current cycle has not yet neatly fit into historical context due to the abnormalities surrounding the pandemic. U.S. economic growth has remained resilient despite the sharp increase in interest rates. While there have certainly been dramatic declines in parts of the market, none of these generated a dramatic incremental sell off in stocks nor a spike in volatility that have often characterized a market bottoming event.

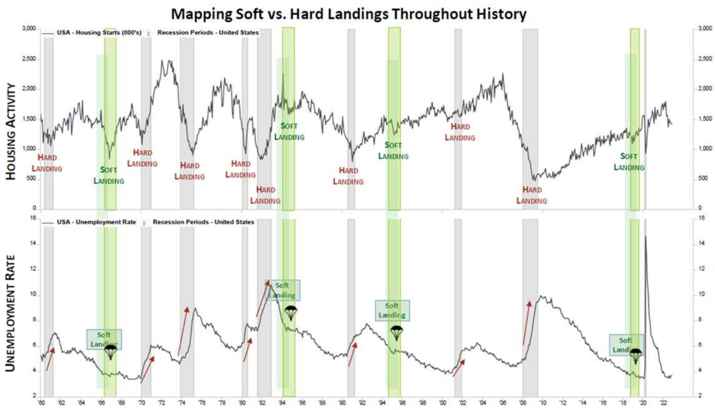


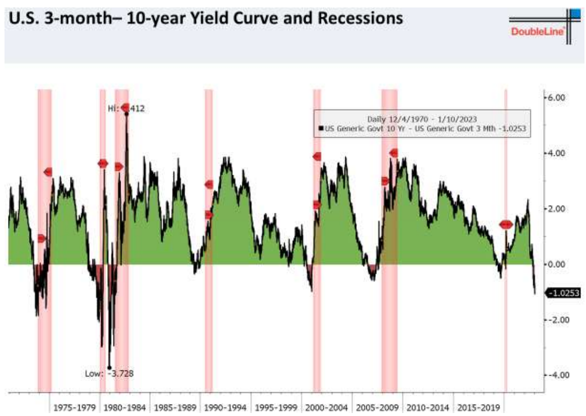
Source: Stifel Equity Strategy, Sentieo, Roubaix Capital, LLC as of December 31, 2022

ECONOMY

Inflation remains the key to the economic outlook. The U.S. central bank characterized inflation as “transitory” for too long as they miscalculated demand strength during the pandemic. Fed policy has fully shifted the priorities of its dual mandate of full employment and stable inflation solely to fighting inflation. Since the Fed can do nothing to increase supply, they have to reduce demand by tightening financial conditions and this mechanistic process is well underway. Housing activity has collapsed under the pressure of extremely low affordability as higher mortgage rates overlay record home prices.[1] This is a key area of cyclical demand that plays directly into consumer spending and inflation. While autos were a key driver of inflation during 2022, used car prices are declining at a record pace.[2] Even wages, which can be a sticky component of inflation, are showing signs that they are easing.[3]

This highlights the second major question for 2023 regarding how much employment may decline. To date, employment has been resilient, and this has supported strong GDP growth during the year. High frequency data points such as jobless claims and openings have not yet confirmed sustained pressure on labor markets, but job losses seem inevitable. Corporate layoff announcements have accelerated and budgets for 2023 probably include a focus on cost saving. Historically, just a 50+ basis point increase in the unemployment rate from a cyclical trough has coincided with a recession.[4] The weakness in leading indicators, manufacturing surveys and the inverted yield curve already signal a recession is forthcoming. Thus, it is not surprising that most economists are now forecasting a recession in 2023, which is echoed by the bond market in the form of extreme yield curve inversion.





Sources: 10 High Conviction Views in 2023, Piper Sandler, January 5, 2023; What’s Going On?, DoubleLine Capital, January 9, 2023

While our focus is on the U.S. economy and markets, a few international developments are also notable. First, the era of negative yielding debt has ended.[5] This dovetails into the broader discussion on rates, valuation multiples and the weakening macroeconomic outlook. In some ways it is hard to believe that investors accepted negative returns at such a scale, and for as long as they did. Second, the European economy has managed to hold up despite the conflict in Ukraine, high inflation, and an energy crisis. As the year begins, even employment in the Eurozone has proven similarly resilient to the US.[6] Lastly, China abruptly ended its zero covid policy.[7] On one hand, we believe that this will ease supply chain pressures once the initial wave of infection recedes. On the other, a rebounding

[1] Home Prices to Tumble Over 25% from Peak Levels in Overheated Markets, MarketWatch, January 11, 2023
[2] Used Car Prices Set Record Decline in December, Investors Business Daily, January 11, 2023
[3] Hiring, Wage Gains Eased In December, Pointing to a Cooling Labor Market in 2023, NY Times, January 6, 2023
[4] 2023 Annual Outlook, Truist Investment Advisory Group, December 5, 2022
[5] Global Negative-Yielding Debt Wiped Out By Japan Policy Shift, FT, January 5, 2023
[6] Strong Economic Data Point to Shallow Eurozone Recession, FT, January 9, 2023
[7] China Reopens Borders in Final Farewell to Zero-COVID, Reuters, January 8, 2023

Chinese economy could presumably put upward pressure on prices of commodities at a time when the global economy is looking for relief from high inflation.

LONG POSITION HIGHLIGHTS[8]

As of December 31, 2022	Roubaix Fund Composite – Gross Long Book Average Daily Exposure	Rate of Return	Total Contribution	Active Contribution(v)	Russell 2000 Total Return Index
Quarter to Date	81.58%	6.38%	4.85%	0.00%	6.23%
Year to Date	84.66%	(20.64%)	(19.97%)	(0.68%)	(20.44%)
Trailing 3Yr Annualized	89.25%	17.02%	21.29%	14.72%	3.10%

Value significantly outperformed growth during both the fourth quarter and full year, serving as a headwind to our long performance for most of 2022. We historically have a long bias to growth due to our fundamental investment philosophy and process. The primary focus of our process is to identify long investments in companies with a high quality business model, which typically translates to those with a stronger growth profile that are expanding market share and/or margins due to an innovative product or service in the early stages of its lifecycle. The Composite generally avoids long investments in typical value sectors such as financials, utilities and energy because they are not suited to stock picking over time. Banks and utilities exhibit limited differentiation other than their regional focus, and thus tend to trade in line with interest rate expectations and bond yields, respectively, rather than any company specific fundamentals. Energy companies similarly trade almost exclusively on underlying commodity prices movements.

While energy stocks are not a focus of the Composite, when we see company specific stories that lend themselves to stock selection that fit our process we do invest. As an example, the largest contributor to fourth quarter long performance was Archaea Energy (LFG). The company fits one of the several profiles that we use to identify compelling long ideas. In this case, LFG was a leader in the renewable energy space but with a different angle than the mainstream alternative energy companies. The company turns waste gas at landfills into natural gas. Landfill owners have been sitting on an asset that simply needed the tools to turn into a successful business. LFG began by doing this very thing itself, and as a public company was scaling this expertise with landfill owners. We invested in LFG in September 2022 anticipating years of growth as they work down their robust backlog and add new customers. The return on our investment was accelerated when BP announced its intention to acquire the company in October at a ~50% premium. With the price fully realized by a strategic industry buyer, we exited the position. We do see additional opportunities to capitalize on this investment theme. Our long position in GFL Environmental (GFL) is in part due to the asset value of their core business, as well as the opportunity to unlock value in waste to energy projects.

The second largest long contributor to fourth quarter performance was Allegro MicroSystems (ALGM). The company fits into an investment theme that has persisted in our portfolio for some time - the need to generate ever greater energy efficiency in electronic devices. ALGM's portfolio over-indexes to growth markets, including electric vehicles, advanced driver assistance systems, data centers, robotics and green energy. This broad exposure has resulted in impressive growth rates, including over 20% in the most recent quarter when many companies faced

[8] Data reflects gross performance; net performance for the Composite can be found in the table on page 1 of this letter

supply chain and demand related headwinds. With impressive GAAP operating margins of 25% and positive free cash flow, the company's financial statements support our view that it is an excellent business. Having initiated our long position in April 2022 at ~$24, we exited in early December as the stock price appreciated to the high end of our assessment of value. ALGM remains on our focus list and we continue to monitor the stock for a more attractive entry point.

The largest detractor in the long portfolio during the fourth quarter was Omnicell (OMCL). OMCL makes automated drug dispensing machines that are deployed in high volume settings. The machines ensure greater accuracy for patients and reduce the need for highly paid skilled labor. We anticipated that upcoming product launches as well as the freeing up of budgets in healthcare away from pandemic related spending would open the door for continued growth. Further, the company has shown traction in layering software content into its machines to boost margins, which we also believed would continue. However, OMCL warned in early November that they were seeing customers reduce and delay spending, driving a materially lower earnings outlook. We were surprised by this update as it came just weeks after an analyst day where targets for 2022 and beyond were shared with investors. Due to our stop-loss discipline and lower confidence in the company's long term goals we exited the position.

SHORT POSITION HIGHLIGHTS[9]

	Roubaix Fund Composite – Gross Short Book				Russell 2000 Total Return Index
As of December 31, 2022	Average Daily Exposure	Rate of Return	Gross Contribution	Active Contribution	
Quarter to Date	(40.77%)	7.02%	(3.77%)	(0.43%)	6.23%
Year to Date	(43.31%)	(27.00%)	11.13%	1.89%	(20.44%)
Trailing 3Yr Annualized	(44.14%)	(4.96%)	1.26%	3.15%	3.10%

Short book returns began the quarter under pressure as the Russell 2000 surged 11% in October. Since the original market decline in January 2022, the Russell 2000 has experienced four separate bear market rallies of more than 10%, with an average gain of 14.9% over the four periods. The magnitude and pace of these bear market rallies were challenging to navigate. The day of initiating a new short position was often more important than the fundamental outlook for the stock as risk-on vs. risk-off factors dominated much of the year's trading. Despite these headwinds, the short book was able to recover most of October's losses during the December market selloff when investors refocused their attention on risks in 2023. Overall, we generated close to 2% gross short alpha during 2022, relative to our ~2.5% annualized gross short alpha since inception.

The best performing short position in the fourth quarter was Proto Labs (PRLB), an industrial company focused on rapid prototyping and production that benefited from the stronger than expected economy during the pandemic. PRLB's one-off business model gained market share from companies that were embroiled in supply chain disruptions. We believed that the industrial economy would slow and that supply chain improvements would likely reverse temporary market share gains of companies like PRLB. Lastly, we felt that PRLB's premium valuation due to its recent success added greater risk to the stock price in the near term. The company announced disappointing Q3 results in early November, and the ensuing stock price decline led us to exit our position.

[9] Data reflects gross performance; net performance for the Composite can be found in the table on page 1 of this letter

The second best short in the quarter was Expensify (EXFY). EXFY is a 2021 IPO focused on making expense reporting easier for small businesses. They have grown at a high rate due to the product's ease of use and the benefits it provides businesses around accounting, reporting and streamlining this back-office function. EXFY has also generated impressive margins for a company of its size. While we see these strengths, we confidently believe that the rise in inflation, wage growth and a slowing economy could all pressure small business spending. Further, we understand that competition appears to be increasing in this vertical, which makes us skeptical that the high growth rates and margins can be sustained. As a result, we have remained short as we anticipate another reset to further pressure the EXFY share price.

The largest detractor in the short portfolio during the fourth quarter was amusement park operator Six Flags Entertainment (SIX). The company reported weak results during the quarter due to a change in strategy and pressure on consumer spending. SIX raised prices in an attempt to generate more revenue and expand margins. We viewed this as the wrong strategy given the increasing pressure on consumers in such an inflationary environment. Further, SIX does not have the broader media and brand connection with consumers that Disney and Universal carry, and we expected SIX to lose market share as consumers pulled back on non-essential spending. When the stock failed to react to the weakening outlook for the rest of year and into 2023, we exited our short. Subsequent to our exit, SIX gained an activist shareholder that is encouraging the company to find a way to monetize its real estate assets. This may have been another reason why the stock did not respond to the worsening trends, backing up our decision to exit.

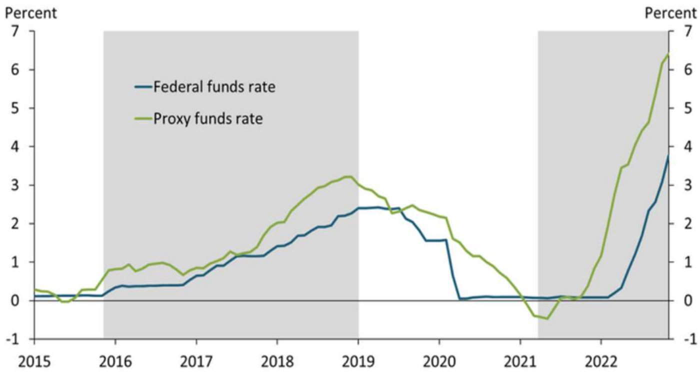
OUTLOOK

The market is likely to focus on the timing of a shift in monetary policy and the earnings cycle during 2023. Signs of slowing inflation are building and demand is likely heading lower due to tighter financial conditions and normal cyclicality. As a result, it is increasingly likely that central bank tightening is in the late innings of the ball game. KKR calculates that 84% of central banks were tightening policy during 2022, and that same measure will likely fall to zero by late 2023. Looking at another measure provided by the Federal Reserve Bank of St. Louis, the proxy funds rate is even higher when the effects of quantitative tightening are added to the headline increase in the Federal Funds rate. Both of these measures suggest the peak in policy tightness is near.

Global Central Banks Have Chopped a Lot of Wood and Are Likely Close to the End of Their Tightening Campaign

'Hiking' defined as an increase in the policy rate over the last three months. Uses Bloomberg consensus forecast for top 25 global central banks excluding the Federal Reserve. Data as at November 27, 2022. Source: Bloomberg, KKR Global Macro & Asset Allocation analysis.

Chart 1: The proxy funds rate has been higher than the effective federal funds rate during recent policy tightening (2015–18 and 2021–22)

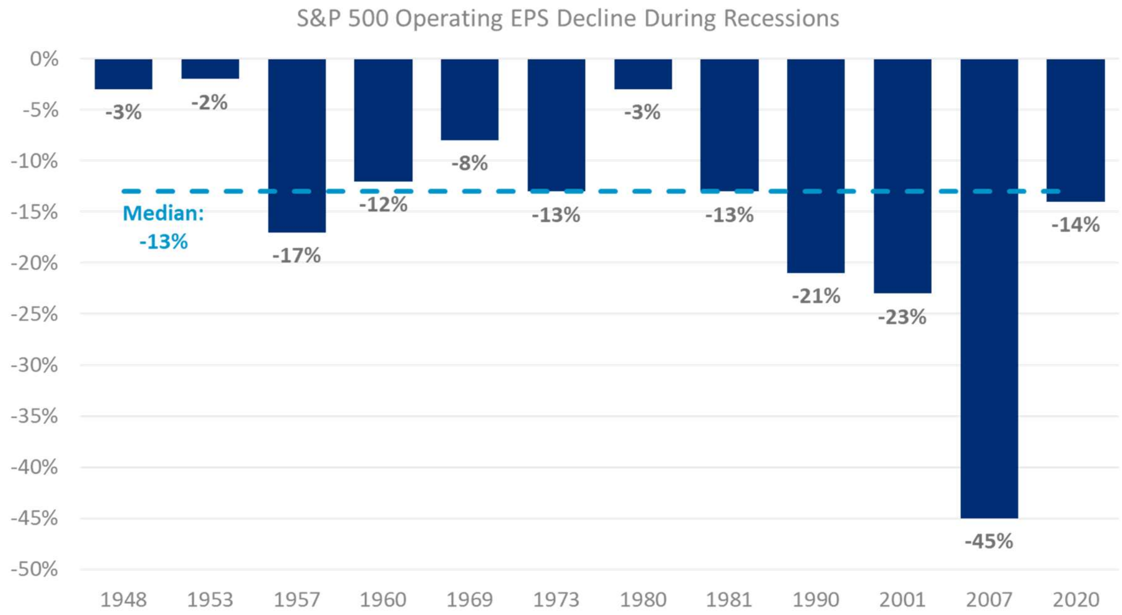


Notes: Gray bars represent tightening episodes. Data are through November 2022.

Sources: Board of Governors of the Federal Reserve System, Federal Reserve Bank of San Francisco, and authors' calculations.

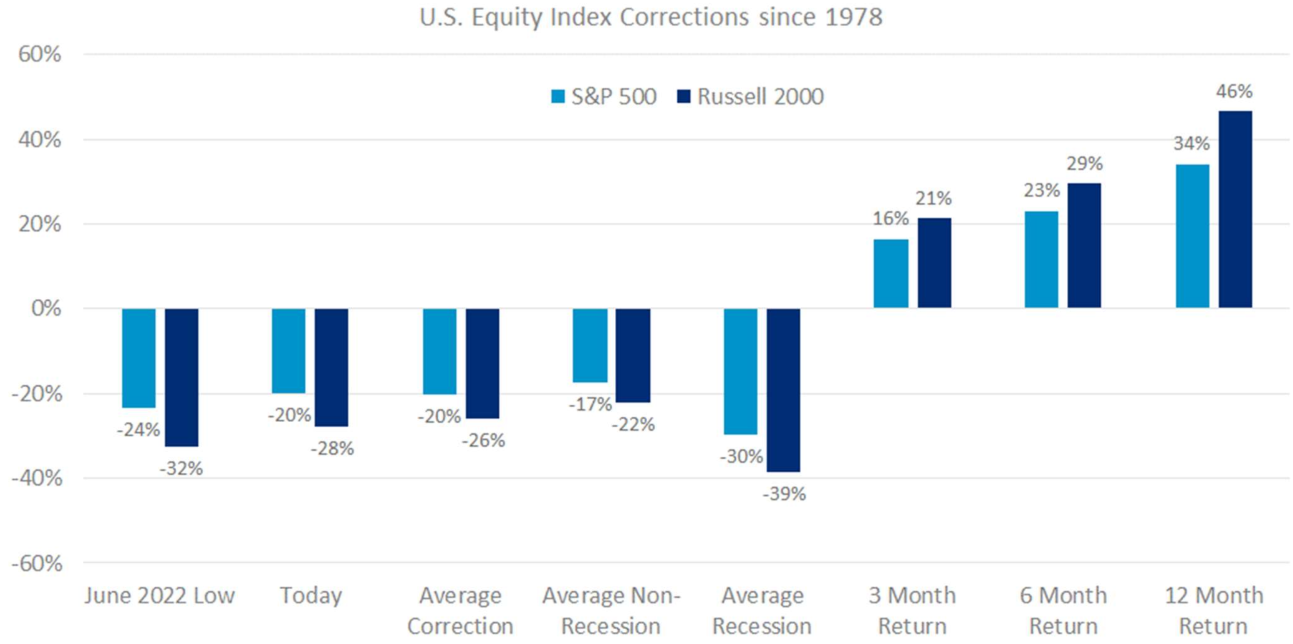
Sources: Keep It Simple, KKR, December 2022; Have Lags in Monetary Policy Transmission Shortened?, Federal Reserve Bank of Kansas City, December 21, 2022

After central bank policy, we believe the key driver of the market in 2023 will be the trajectory of earnings estimates, which currently reflect mid-single digit growth. This outlook appears optimistic given the broadening signs of lower demand. The lagged effects of tighter financial conditions suggest rising pressure through 2023. The economy must also navigate a normal cyclical slowdown from the excesses reached during the pandemic. U.S. corporate profits are at historical highs relative to GDP and in terms of absolute margin levels. Looking at the history of economic cycles, the median decline in S&P 500 earnings is -13% during post-WWII recessions. If the current forecast of $220/share for S&P 500 earnings over the next twelve months is the peak of the cycle, this would imply trough earnings of roughly $190/share in an average profit cycle.



Source: Stifel Equity Strategy, Sentieo, Roubaix Capital, LLC as of December 31, 2022

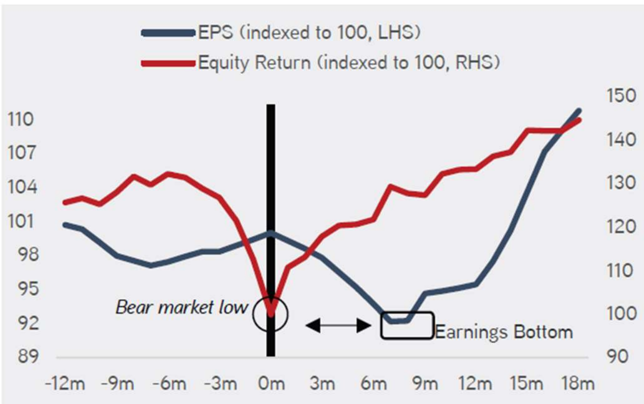
While no two cycles are exactly alike, we can also cross reference the earnings driven outlook with historical market corrections. Since its inception in 1978, the small cap Russell 2000 Index has experienced an average drawdown of -26%, with a -22% decline in non-recessionary periods and -39% during recessions. The S&P 500 has fared better in the same timeframe with an average correction of -20%, a non-recessionary decline of -17%, and a recession loss of -30%. This keeps the debate for the outlook centered on the hard versus soft landing scenarios as the market lows made in 2022 were -32.5% for small caps and -23.6% for large caps. We also observe the importance of the recoveries after corrections and note the outperformance of small caps during those periods.



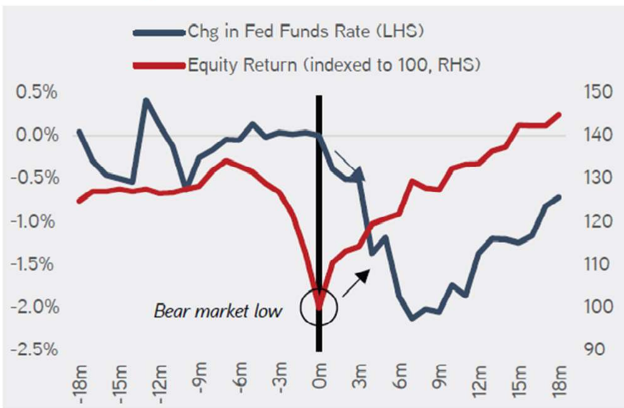
Source: Stifel Equity Strategy, Sentieo, Roubaix Capital, LLC as of December 31, 2022

The Federal Reserve is clearly committed to bringing down inflation even at the risk of going too far. Commentary from various Fed governors indicate they prefer the risk of increasing rates too much or maintaining them at a restrictive level for too long to avoid the perception of being soft on inflation.[10] Ironically, these statements are occurring simultaneously with improving inflation trends. The bond market has already moved in this direction, implying the Fed may be behind the curve yet again this cycle. Historically, the market rallies when policy pauses ahead of an eventual shift lower in rates. Likewise, markets tend to recover well before earnings estimates trough. This suggests that while 2023 has a fair set of challenges, they do lay the groundwork for a recovery that will take hold before the evidence is clear.

The Silver Lining Is That Equity Markets Tend to Bottom Six to Nine Months Before Earnings Do



Likewise, Equity Markets Typically Start Rallying When the Fed Changes Posture



Source: Keep It Simple, KKR, December 2022

[10] Fed Officials See Higher Rates for 'Some Time' Ahead, CNBC, January 4, 2023

The Composite continues to maintain long positions in companies that have the ability to generate value independent of the market environment. Core positions remain in Napco Security Technologies (NSSC), Anterix (ATEX), Park Aerospace (PKE) and Orion Engineered Carbons (OEC). All of these businesses have made progress towards creating more shareholder value during 2022, and we believe there will be further positive catalysts in 2023. NSSC continues to grow its installed base of hardware that generates annual recurring revenue at high margins. ATEX signed more customers in 2022, and the need to improve the safety and performance of the electric grid remains a focus for their utility customers. We feel PKE will benefit from further increases in commercial aerospace production, as well as growing success with other aerospace and defense applications. OEC continues to improve its free cash flow while also adding capacity in battery conductivity, which we think improves the company's growth profile.

Another company-specific investment towards the top of the portfolio is GFL Environmental (GFL). As one of the largest waste management companies in North America, GFL enjoys the stability of a largely recession resistant business. Organic growth was solid in 2022 and pricing has been exceptionally strong. We expect these drivers to remain intact for 2023, albeit at lower rates, supporting further margin expansion and free cash flow generation. Further, the company has indicated a willingness to sell non-core assets to reduce its higher than peer average balance sheet leverage. The acquisition of Archaea Energy (LFG) by BP also highlights the potential opportunities for GFL to generate incremental earnings or realized asset value from waste to energy conversion projects. We expect free cash flow per share to exceed $2.00 in 2024, and believe a 20x multiple is reasonable, affording material upside from the current share price. In addition, the value of incremental waste to energy monetization could add $5-$10 in value.

FTAI Aviation (FTAI) is another top holding that has a differentiated growth profile in this uncertain market. We saw a catalyst for stock at the end of 2022 when the structure changed from a partnership to a corporation. Partnerships can be onerous for investors and make up a small percentage of public companies, so changing the structure was a logical step towards unlocking value. Currently, the majority of FTAI's business comes from commercial aircraft equipment leasing. What we see as a more attractive driver of the stock is a growing parts and service business. In particular, the company has laid the groundwork with regulatory approvals and infrastructure buildout to perform high value maintenance on commercial jet engines. Based on their estimates, we think they can perform this service with proprietary parts at half the cost of competitors. We see a long runway of growth ahead as this strategy scales and the company builds incremental business around it, driving value of $30 or more over the next two years.

Thematically, the Composite also sees several opportunities. One area is the burgeoning trend towards multiple supply chains for key semiconductors. The U.S. has long led the world in the design of leading edge chips, but globalization drove production concentration in Taiwan and China. The value of the semiconductor now exceeds that of oil, and this alone explains most of the geopolitical value of the design and manufacturing of chips. Despite being almost three years past the initial supply shocks from the pandemic, supply chain issues have not yet been fully resolved, and the need for redundant supply has certainly risen. The war in Europe has again demonstrated the value of advanced technology in weapons, as well as highlighted the reality that such improbable events cannot be ruled out. With the U.S. and China competing for global leadership on several fronts, it is no wonder semiconductors are at the heart of the matter. One company we see directly benefiting from this reality is PDF Solutions (PDFS).

PDFS provides analytics that enable the semiconductor supply chain to be more efficient. Their tools integrate data from the components of the supply chain to improve yields, and thereby reduce costs. Manufacturing has become ever more complex, from the tools to design chips, to the equipment to fabricate, to the many steps and layers of technology that need to come together on the production line. As such, the risks to successful implementation and manufacturing have never been greater. As a data center and analytics tool across the supply chain, we feel PDFS is in a truly unique position as an enabler of improvement. Sales growth is expected to accelerate to 30% in 2022 and we believe sustainable top line growth and margin expansion will drive significant earnings growth in the years to come. We see the opportunity for sales to near $250mm by 2024 and for earnings to exceed $1.25/share. With a high quality recurring revenue stream, we see the opportunity for this stock to appreciate towards $40 from its price in the high $20s today.

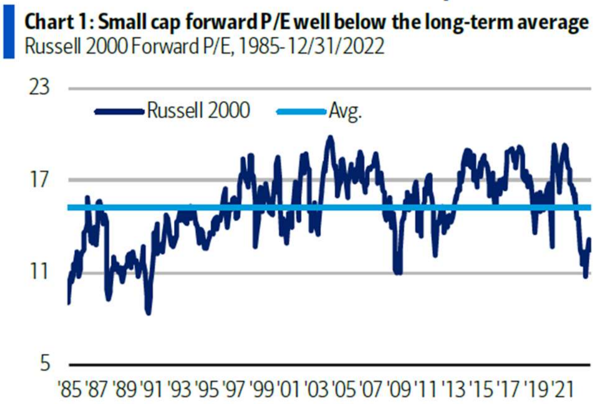
Our short book continues to have a good mix of thematic, company specific and cyclically oriented investments. We continue to see opportunities in shorting pandmeic hangover stocks, such as cable companies. Demand for reliable high speed data was very strong during the pandemic as people started working from home. This is the highest margin offering for cable companies as they do not share revenues with content providers in the way they do for television subscriptions. Now, competition is rapidly accelerating for broadband subscribers. Fresh buildouts from well-funded startups, expansion of 5G at home, as well as unconventional competitors including utilities, suggest the high margin broadband business is now a battleground rather than a cash cow. We see risks to Cable One (CABO) and WideOpenWest (WOW) for these reasons and certain company specific risks, including a higher than peer valuation weighing on CABO and the overbuild strategy and high leverage pressuring shares of WOW.

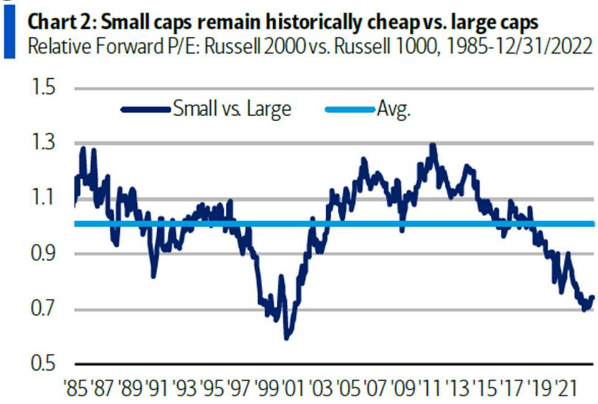
Another company at risk of an unwind in pandemic era demand is Middleby (MIDD), whose business has been more resilient than its foodservice equipment peers. Large manufacturing delays have helped the company navigate the slowdown in demand from the U.S. housing market downturn. However, we do not think the company can navigate the current environment without a material reduction in its outlook, similar to peers like Whirlpool (WHR) and other home furnishings and building products manufacturers. Further, MIDD's acquisition strategy led it to buy an outdoor cooking company during the pandemic, and we have seen industry leaders Weber (WEBR) and Traeger (COOK) face dramatic declines in sales and margins. As a result, we expect MIDD to be one of the many companies forced to reduce its outlook at the start of 2023.

Overall, the market narrative remains centered on the interaction between inflation and central bank policy and the severity of the looming earnings cycle. The Composite continues to deploy capital to long investments with visible growth prospects that should be independent of the timing or magnitude of a recession. On the short side, the Composite continues to rotate through our focus list names that face a combination of secular and cyclical pressures that will only be exacerbated by a recession. Overall, we believe volatility will remain at elevated levels, which should provide ample opportunity to identify new long and short investments as the timing, magnitude and duration of a potential recession becomes clearer over the coming months.

The Composite once again generated positive alpha during the 2022 bear market. We are confident in our ability to navigate the market bottoming process and eventual recovery later in 2023 and 2024. Small cap stocks remain at the widest discount to large caps from both an absolute price level and valuation perspective since the financial crisis. This leaves small caps particuarly attractive investments into a market bottom as they typically outperform large caps out of corrections. Thus, Roubaix is in a unique position to capitalize on both market downside into a potential recession, and upside during the subsequent recovery.

Russell 2000 and Russell Midcap valuations at-a-glance





Source: What's still expensive and riskier vs. last year?, BofA Global Research, January 9, 2023

INVESTMENT PHILOSOPHY

We believe the most important drivers of equity value over time are the strength or weakness of a company's business model, the advantages or challenges created by their financial structure, and the quality of the fiduciaries involved. We identify what we believe are the best long and short narratives in the small and mid-cap universe of U.S. stocks and track them on a focus list. Our list is dynamic as we evaluate new companies entering our market cap range due to price changes, IPOs, spin-offs and other corporate developments. Likewise, we eliminate stocks from our focus list when the long thesis plays out and they become too large for our approach, or if the short thesis drives the stock price to a level at which it transforms into a special situation with vastly decreased liquidity and/or increased price volatility. Base, bull and bear case price targets are derived from two year forward valuation, while also considering longer term trends discounted back appropriately. We deploy capital when these differentiated narratives present themselves with a compelling risk/reward profile relative to other stocks in our portfolio.

We concentrate our efforts on smaller companies due to their inherent structural inefficiencies that drive greater price dispersion, in turn enabling higher alpha generation on both longs and shorts. The investment landscape continues its trend of consolidating investment management and advice at ever larger financial institutions. The cost benefit of increased scale has an inverse effect on the ability of investment managers to buy and sell smaller stocks when considering reasonable liquidity parameters. Further, the rapid growth in passive and quantitative investing is reducing the amount of competition from fundamentally driven active stock pickers overall. As an increasing share of daily trading volume shifts to passive from active mandates, there is even less economic benefit to sell side equity research. This in turn reduces the amount of published information, particularly in smaller stocks with lower trading volume. Importantly, we think these inefficiencies are not just persistent, but should move even more in our favor over time.

Smaller companies are likely to remain a reliable source of mispriced investment opportunities that are either overlooked or are not practical investments for larger firms. We believe our structured fundamental investment process allows us to uncover such unique ideas and generate value through stock selection on both long and short investments. We tend to concentrate individual stock positions in 30-50 longs and 30-50 shorts to maximize the value of our research, and likewise do not utilize ETFs or options to hedge. Position level weights are optimized for exposure to changing fundamental factors, catalysts and risks. To manage overall portfolio risk, we avoid leverage on the long side, maintain consistent net exposure, and remain disciplined with our price targets and stop-loss levels. We believe our strategy is amongst the leaders in small cap l/s equity with a decade of compelling net returns, low volatility, and consistent capital preservation in weak markets.

Thank you for your ongoing support,

Christopher E. Hillary

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All figures are unaudited. These figures are based upon estimates. Estimates are subject to change. Historical results are not indicative of future performance.

i. HFRX Equity Hedge Index : Equity Hedge strategies maintain positions both long and short in primarily equity and equity derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques; strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of levels of net exposure, leverage employed, holding period, concentrations of market capitalizations and valuation ranges of typical portfolios. Equity Hedge managers would typically maintain at least 50%, and may in some cases be substantially entirely invested in equities, both long and short. Hedge Fund Research, Inc. (HFR) utilizes a UCITSIII compliant methodology to construct the HFRX Hedge Fund Indices. HFRX Equity Hedge Index is rebalanced on a quarterly basis and is composed of funds that have at least USD 50 million under management and have been actively trading for at least twenty-four months.

ii. The Russell 2000 Total Return Index is Russell Investments' Composite Index of 2000 small cap stocks, a widely recognized, unmanaged index of common stock prices. The benchmark index may or may not hold substantially similar securities to those held by the Composite, and thus little correlation may exist between the Composite returns and that of the Index. The Index is not available for direct investments; therefore, its performance does not reflect the expenses associated with active management of an actual portfolio. The return for the Index includes gross dividends reinvested into the index.

iii. The performance referenced in this letter shows the historical performance of the Roubaix Fund Composite (the "Composite"), unless otherwise noted. The accounts in the Composite have investment objectives, policies and strategies that are substantially similar. The Composite was composed of the Roubaix Fund, L.P. ("Roubaix Fund") and another pooled investment vehicle from 2010 to February 29, 2020 and is presently composed of the Roubaix Fund and Roubaix Offshore Fund, Ltd. ("Offshore Fund") since February 1, 2022. Accounts contained in the Composite are actively managed and characteristics may vary. Net performance for the typical investor reflects the deduction of 1.15% annual management fee, 15% annual incentive allocation and other expenses and includes gross dividends and other income reinvested in the portfolio. Net performance figures reflect the performance of a typical investor in the portfolio who invested at the beginning of the period and remained invested throughout the period. The performance for an individual investor may vary based upon various investor-specific factors including, without limitation, the investor's eligibility to participate in new issues. Advisory fees are deducted monthly while incentive fees are deducted annually and over time each will reduce the net return on a compounded basis. A fee schedule can be found on Form ADV, Part 2A for Roubaix Capital, LLC.

iv. The HFRI Equity Hedge (Total) Index tracks funds that maintain positions both long and short in primarily equity and equity derivative securities. Equity hedge managers would typically maintain at least 50% exposure, and may in some cases be entirely invested in, equities-both long and short. HFRI Equity Hedge (Total) is a fund weighted index and reflects monthly returns, net of all fees, of funds that have at least $50 million under management or have been actively trading for at least twelve months. The Index is not available for direct investment.

v. Roubaix utilizes Novus for portfolio attribution. The Novus selection framework is an attribution decomposition, splitting a return stream into two components: Passive (i.e., Beta) and Active (i.e., Alpha). Passive is the sum of the Market and Category components, while Active is the sum of the Security and Trading components. Definitions for attribution terms discussed in this letter can be found in the pitch book for the Roubaix Strategy, which has preceded or accompanied this letter.

More frequent performance information is available upon request.

THIS SHALL NOT CONSTITUE AN OFFER TO SELL OR THE SOLICTIATION OF AN OFFER TO BUY ANY INTERESTS IN ANY FUND MANAGED BY ROUBAIX. SUCH AN OFFER TO SELL OR SOLICITATION OF AN OFFER TO BUY INTERESTS MAY ONLY BE MADE PURSUANT TO DEFINITIVE SUBSCRIPTION DOCUMENTS BETWEEN A FUND AND AN INVESTOR.