October 28, 2024

Dear Investors,

During the third quarter of 2024, Prosper Stars & Stripes gained +3.8% compared to a total return of +2.3% for the long/short equity hedge fund peer group, represented by the HFRX Equity Hedge Index (the "HFRX)[(i)], and +9.3% 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)]. Average daily net exposure was 48.8% during the third quarter and 48.7% year-to-date ("YTD"), compared to a 43.5% average since inception in January 2010.

Year-to-date, the Composite generated a net return of +10.0% compared to a total return of +10.5% for the HFRI and +11.2% for the Russell. The Composite has historically had good upside capture and low downside capture which has driven a strong bull beta of 0.46 to the Russell during rising markets, while bear beta is just 0.10 to the Russell during falling markets.

As of Sep. 30, 2024	Roubaix Composite[(iii)]	HFRI Equity Hedge Index	Russell 2000 Index Total Return
Quarter-to-Date	4.30%	3.74%	9.27%
Year-to-Date	10.03%	10.45%	11.17%
Annualized 1 Year	13.45%	17.51%	26.76%
Annualized 3 Years	6.01%	3.62%	1.84%
Annualized 5 Years	14.09%	8.99%	9.39%
Annualized 10 Years	10.30%	6.16%	8.78%
Annualized Since Inception	10.19%	5.81%	10.49%
Standard Deviation	9.09%	8.38%	19.67%
Sharpe Ratio	0.98	0.58	0.55
Downside Deviation	4.75%	5.58%	12.85%
Sortino Ratio	1.91	0.86	0.84
Bull Beta to Benchmark		1.04	0.46
Bear Beta to Benchmark		0.09	0.10
Annualized Alpha to Benchmark		5.77%	5.77%

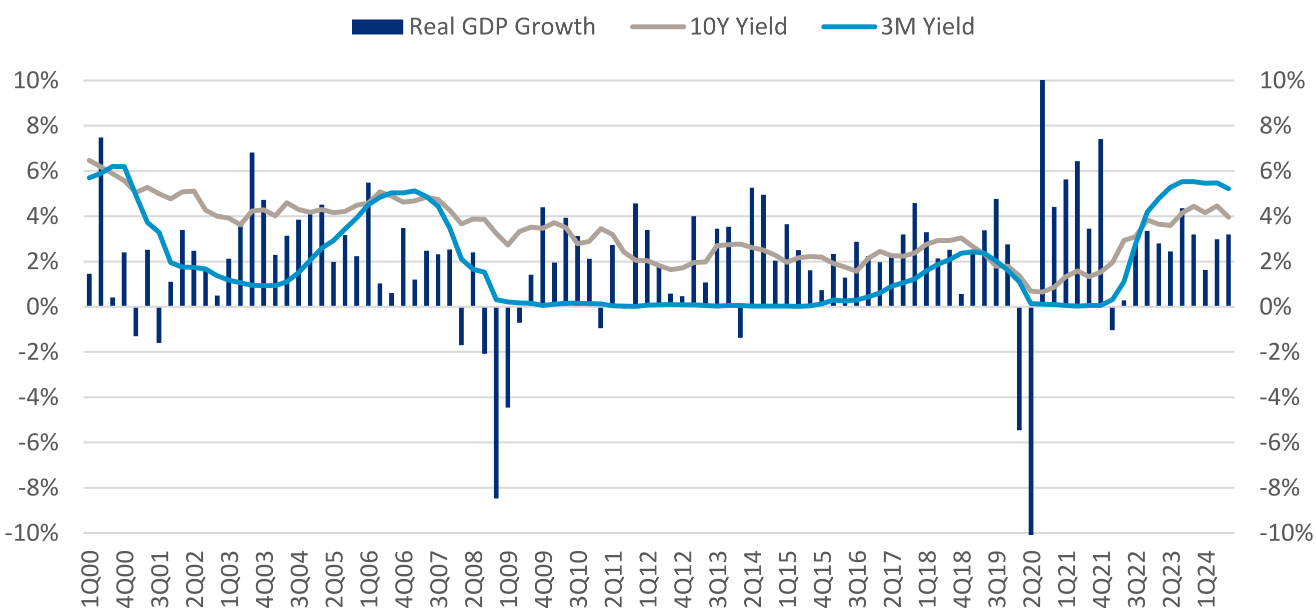
Historical results are not indicative of future performance.

ECONOMY

The U.S. economy continued its solid growth during the third quarter. The labor market continued to expand with the September job report logging 254,000 jobs and the unemployment rate remaining near lows at 4.1%.[1] GDP continued to grow at a balanced level of 3.2% according to the real time forecast from the Federal Reserve Bank of Atlanta.[2] Inflation continued to moderate towards the goal of 2% with the September CPI at 2.4%.[3]

Concern has remained high for the economy primarily due to the impact of high interest rates. While effects have been seen in certain areas of the economy, the overall impact has not been enough to generate recessionary conditions in jobs or overall growth. Many economic indicators have given cautious signals, but the historical relationships have not been good predictors for this cycle. Economic resilience, despite the massive increase in inflation and interest rates, has defied the historical playbook of monetary policy tightening causing a recession and job losses.

As a result, it is fitting that a rate cutting policy is underway, the Federal Reserve (the "Fed") cut interest rates by half a percentage point in mid-September, with neither a recession nor a crisis in progress. In our view, this decision was primarily driven by the realization that the policy rate had become overly restrictive relative to inflation. Notably, inflation had significantly decreased from its peak of 7% to approximately 2% by August 2024.[4] Given this substantial reduction in inflation, we believe the Fed could no longer justify maintaining a tight monetary policy stance.



Source: Federal Reserve Bank of St. Louis, Roubaix Capital, LLC

[1] Employment Situation Summary, US Bureau of Labor Statistics, October 4, 2024
[2] GDPNow, Federal Reserve Bank of Atlanta, October 9, 2024
[3] Consumer Price Index Summary, US Bureau of Labor Statistics, October 10, 2024
[4] Chair Powell's Press Conference, September 18, 2024

MARKETS

The third quarter of 2024 brought about a dispersion or broadening of performance in the U.S. equity markets as previously laggers, such as small caps and equal weighted segment of the S&P 500 index, led the way. The Russell 2000 index ended the quarter with a quarter-to-date ("QTD") total return of 9.3%, far outpacing the QTD total return of the S&P 500, 5.9%, and the Nasdaq 100 Composite, 2.0%.

Asset Class	Index	2023	1Q24	2Q24	Jul24	Aug24	Sep24	3Q24	YTD	1YR
	Russell 2000	16.9%	5.2%	(3.3%)	10.2%	(1.5%)	0.7%	9.3%	11.2%	26.8%
Small Cap	Russell 2000 Growth	18.5%	7.5%	(2.9%)	8.2%	(0.6%)	1.3%	8.4%	13.1%	27.6%
	Russell 2000 Value	14.6%	2.6%	(3.7%)	12.4%	(1.6%)	(0.0%)	10.1%	8.8%	25.4%
	S&P 500	26.3%	10.6%	4.3%	1.2%	2.4%	2.1%	5.9%	22.1%	36.4%
	S&P 500 Equal Wgt	13.7%	7.8%	(2.6%)	4.5%	3.0%	2.3%	9.5%	14.9%	28.5%
Large Cap	S&P 500 Growth	30.0%	12.6%	9.7%	(1.4%)	4.9%	2.9%	3.7%	28.1%	41.0%
	S&P 500 Value	22.2%	8.0%	(2.1%)	4.7%	3.1%	1.1%	9.0%	15.2%	30.9%
	Nasdaq 100	54.9%	8.6%	8.1%	(1.7%)	4.1%	2.6%	2.0%	19.7%	37.2%
	U.S. High Yield	10.5%	0.9%	0.7%	2.4%	1.9%	1.7%	5.7%	7.5%	15.1%
Bonds	U.S. Aggregate	5.1%	(1.0%)	0.0%	2.4%	2.0%	1.3%	5.3%	4.2%	11.3%
	U.S. Treasury	3.7%	(0.9%)	(0.1%)	2.2%	1.8%	1.2%	4.7%	3.7%	9.4%
Blend	60% SPY/40% AGG	18.0%	5.9%	2.6%	1.7%	2.3%	1.8%	5.7%	14.9%	26.3%

Source: Copyright © 2024, S&P Global Market Intelligence, Roubaix Capital, LLC

The Russell 2000 index witnessed notable sector shifts during the quarter, reflecting evolving market dynamics. As the Federal Reserve transitioned away from rate hikes towards a less restrictive monetary policy, rate-sensitive sectors like Financials and Real Estate posted substantial gains. Concurrently, the ongoing focus on Artificial Intelligence ("AI") development and monetization acted as a catalyst for strong performances in the Communication Services and Utilities sectors, as investors grappled with AI use cases, infrastructure requirements, and energy consumption implications. In contrast, the Energy sector stood out as the only negative performer within the Russell 2000 index during this period. These sector movements underscore the market's increased appetite for areas benefiting from lower interest rates and technological innovation, highlighting AI's growing influence on investment strategies and market trends.

Russell 2000 Index Sectors	Weight	2023	1Q24	2Q24	Jul24	Aug24	Sep24	3Q24	YTD	1YR
Consumer Discretionary	10.5%	30.5%	5.6%	(5.7%)	8.5%	(3.4%)	3.2%	8.1%	7.3%	25.9%
Industrials	17.3%	28.1%	8.6%	(4.0%)	9.5%	(3.4%)	1.9%	7.8%	12.4%	27.5%
Consumer Staples	3.5%	22.3%	4.5%	2.3%	3.4%	(0.7%)	2.5%	5.2%	12.5%	27.0%
Information Technology	15.4%	21.6%	12.9%	(3.1%)	1.9%	(1.7%)	0.7%	0.9%	10.4%	25.6%
Financials	16.4%	14.4%	(1.4%)	(1.7%)	16.1%	0.3%	(1.2%)	15.1%	10.6%	34.9%
Materials	4.1%	13.4%	5.4%	(3.1%)	11.0%	(4.2%)	2.7%	9.3%	11.5%	26.1%
Real Estate	5.5%	11.5%	(1.9%)	(3.0%)	10.1%	3.0%	3.4%	17.3%	11.7%	30.8%
Health Care	15.2%	9.4%	5.1%	(4.0%)	9.6%	0.4%	(0.9%)	9.1%	9.6%	24.4%
Communication Services	2.1%	9.2%	(4.3%)	(0.2%)	12.9%	1.0%	3.2%	17.6%	11.4%	22.7%
Energy	7.3%	9.0%	12.1%	(2.5%)	3.1%	(8.8%)	(4.0%)	(9.7%)	(1.4%)	(7.2%)
Utilities	2.6%	(10.2%)	(3.5%)	0.1%	10.7%	(1.2%)	2.1%	11.7%	7.9%	16.4%
Russell 2000 Index (IWM)	100.0%	16.9%	5.2%	(3.3%)	10.2%	(1.5%)	0.7%	9.3%	11.2%	26.8%

Source: Novus, Copyright © 2024, S&P Global Market Intelligence, Roubaix Capital, LLC

LONG POSITION HIGHLIGHTS

Roubaix Fund Composite – Long Book

As of Sep. 30, 2024	Average Daily Exposure	Rate of Return	Gross Contribution	Net Contribution(v)	Active(v)	Passive(v)	Russell 2000 Index Total Return
Quarter-to-Date	92.27%	9.08%	8.45%	7.81%	(0.29%)	8.49%	9.27%
Year-to-Date	91.43%	15.22%	13.17%	11.40%	2.86%	9.88%	11.17%
Annualized 1 Year	90.84%	26.76%	22.19%	19.72%	(0.63%)	23.03%	26.76%
Annualized 3 Years	86.83%	8.45%	5.50%	4.13%	4.56%	1.00%	1.84%
Annualized 5 Years	88.49%	21.75%	18.68%	16.29%	9.41%	8.63%	9.39%
Annualized 10 Years	85.55%	17.60%	15.08%	13.33%	6.67%	7.88%	8.78%
Annualized ITD	79.84%	18.97%	14.70%	13.55%	6.15%	8.13%	10.49%

Historical results are not indicative of future performance.

The Composite's long book contributed strong performance during the third quarter and year-to-date in 2024. The long book's strength is evident in its diverse range of successful investments during the year-to-date period: 17 individual investments yielded returns exceeding 20%, 8 individual investments achieved returns surpassing 50%, and 52 individual investments added positive active contribution. This broad-based success aligns with the Composite's historical pattern of generating returns across various positions in its long book. The diversified nature of these positive contributors underscores the investment strategy's approach to capitalizing on multiple opportunities within the market.

Talen Energy Corp. (TLN or "Talen") was the top quarterly contributor in the long book during the third quarter of 2024. Talen is an independent power producer ("IPP") with 10.7 gigawatts ("GW") of power producing assets in the 13 state mid-Atlantic region of the U.S. called the PJM market. The company's crown jewel asset is 2.2 GW of the Susquehanna nuclear power plant. Artificial Intelligence is driving a significant increase in the number of data centers and amount of power required on the grid to support the data centers in the U.S. Talen has a long-term deal with Amazon Web Services ("AWS") for up to 960 megawatts ("MW") of power at the Susquehanna nuclear power plant, but with capacity for over 2 GW, the company has the potential to sign more lucrative power deals. Recently, Microsoft (MSFT) signed a deal with Constellation (CEG) to re-start the dormant Three Mile Island nuclear power plant. In addition, Amazon (AMZN) and Google (GOOG) have signed deals with small nuclear reactor ("SMR") companies to build out nuclear power assets in support of their AI data center needs. These events have highlighted the value of Talen's portfolio of assets, particularly its nuclear power plant. The Street has noticed, with four sell-side firms picking up coverage of Talen in the last couple of months. We believe power producing assets will continue to be coveted assets as not only AI drives electricity demand, but also the reshoring of the U.S.'s industrial base. We believe Talen can generate $1.3 billion in fiscal year ("FY") 2026 earnings before interest, taxes, depreciation, and amortization ("EBITDA"). At 10x, the stock would be worth approximately $250 per share or approximately 40% more than its current trading price.

FTAI Aviation Ltd (FTAI) was our second best performing long in the third quarter of 2024. We first purchased FTAI in November 2022, and since our original purchase, the stock has produced an approximately 7X return from our original purchase price. There have been a number of industry tailwinds and company-specific actions that have transpired to generate the returns to–date. On the industry front, Boeing Co (BA or "Boeing") and Airbus SE (AIR:FP or "Airbus") continue to miss delivery targets on the next generation narrowbody aircraft for operational (Boeing) and supply chain (Airbus) reasons. This means older aircraft are picking up the slack. FTAI's business model combines engine leasing and engine maintenance, repair, and exchange (MRE) operations on the largest engine program in history, the CFM-56. In our view, FTAI is uniquely positioned to address an important industry chokepoint, and management has executed on acquisitions, joint ventures, and partnerships to drive an ever-increasing surface area to address a large unmet need in the industry. In a few years, we believe FTAI's core aerospace products business could achieve as much as 30% share of the CFM-56 MRE activity, and we believe this could lead to a generation of over $2 billion of EBITDA (versus approximately $340 million generated by FTAI in FY 2024). Our FY 2027 estimates call for $525 million of leasing EBITDA and $810 million of aerospace products EBITDA. We then applied a multiple of 9.5x for leasing and 18x for aerospace products generating a fair value of approximately $185.

The largest detractor in our long book during the third quarter of 2024 was STAAR Surgical Co (STAA or "STAAR"). STAAR uses surgically implantable lenses to correct a range of eye conditions. The largest end market for the company is myopia. Estimates foresee half of the world to suffer from nearsightedness by 2050.[5] The condition that many of us have is the inability to see clearly at a distance. In the U.S., the incidence of the condition has nearly doubled and is approaching 50% of the population. Generally, the belief is the nature of work and play, with a higher use of screens, has a substantial impact and that this trend is unlikely to change. STAAR's solution is perceived to be easier than the daily use of glasses or contacts. The solution is also generally perceived as superior to Lasik, and the procedure can be reversed or modified as a patient's needs evolve. STAAR has had the most success to date in the Chinese market where there is a higher-than-average incidence of myopia and a less developed market for laser eye surgery. Growth in China has been robust but has slowed due to, in our opinion, a weaker economy in China. Further, the U.S. market has not developed as strongly as the company originally expected. The result has been weaker top line growth and a lower multiple for the stock. We exited the position on a combination of the share price declines and a weak outlook for the Chinese consumer; however, we re-invested after a series of aggressive economic policies were announced. In our opinion, this will support the economy and consumer demand in 2025, enabling an improvement in STAAR's growth rate. We see an opportunity for the stock to be driven higher as past merger and acquisition ("M&A") interest and a fresh set of targets for STAAR may refocus the markets attention on this unique asset. In our view, the current stock price offers 50-100% upside when valuing the company on a modest mid-single digit enterprise value/sales ("EV/S") multiple. This EV/S multiple is a discount to STAAR's historical trading range and consistent with a conservative value of the company on medical device acquisitions.

SHORT POSITION HIGHLIGHTS

	Roubaix Fund Composite – Short Book						
As of Sep. 30, 2024	Average Daily Exposure	Rate of Return	Gross Contribution	Net Contribution(v)	Active(v)	Passive(v)	Russell 2000 Index Total Return
Quarter-to-Date	(43.43%)	8.01%	(3.16%)	(3.49%)	0.53%	(4.18%)	9.27%
Year-to-Date	(42.72%)	4.25%	(1.16%)	(1.93%)	2.70%	(5.40%)	11.17%
Annualized 1 Year	(42.52%)	17.69%	(5.98%)	(6.98%)	2.97%	(10.81%)	26.76%
Annualized 3 Years	(43.26%)	(3.80%)	0.41%	(0.26%)	1.13%	(2.22%)	1.84%
Annualized 5 Years	(44.34%)	4.18%	(3.69%)	(4.66%)	1.15%	(5.25%)	9.39%
Annualized 10 Years	(42.51%)	4.18%	(3.52%)	(4.31%)	0.80%	(4.50%)	8.78%
Annualized ITD	(36.37%)	5.65%	(2.87%)	(3.46%)	0.90%	(3.86%)	10.49%

Historical results are not indicative of future performance.

The Composite's short book detracted from performance during the third quarter and year-to-date in 2024; however, the total return of investments in the short book was substantially lower than that of the market, leading to positive active contribution in both periods.

The largest contributor to short performance during the second quarter was Helen of Troy Limited (HELE or "Helen of Troy"). Helen of Troy is a leading consumer packaged goods ("CPG") company with a diversified portfolio of brands in

[5] Why Is Being Nearsighted So Common? A Look Into Why Vision Changes, CNET, September 27, 2024 and Myopia: A Close Look at Efforts To Turn Back a Growing Problem, National Eye Institute, October 3, 2017

categories such as Home & Outdoor and Beauty & Wellness. Like many CPG companies, Helen of Troy benefited from pandemic spending. And like many others, we believe the company misjudged the sustainability of the pandemic sales period. In our view, management was overconfident in what marketer's call "brand heat". As a result, the company underinvested in the brands. When sales started to slow, we saw an opportunity to short the stock. Besides slowing category spending and lessening brand strength, the most important short signal for us was increased competition and promotional spending (lack of pricing power). This resulted in a dramatically lower sales outlook on the HELE Q2 2024 earnings call. The new CEO used the dreaded words, "reset and revitalize"[6] to describe the situation. As a result, the stock declined significantly, and we proceeded to cover our position.

The second largest contributor to short performance in the third quarter was Integra Lifesciences Holdings Corp (IART or "Integra"). Integra is a leader in neurosurgery and reconstructive surgery with a portfolio of brands addressing different clinical needs. The stock caught our attention for a couple reasons. First, in February 2024, the CEO announced he would retire by year-end. Second, merger & acquisition ("M&A") growth strategies in health care have carried mixed results. The catalyst for us initiating a short position was Integra's Q2 2024 earnings report where the company significantly guided down expectations for 2024. The company discovered quality issues within its manufacturing operations and supply chain leading to a slowdown in shipping products and increased spending to address the process flaws. Not only was sales guidance cut from 3-4% growth to flat, but gross margins would now be expected to compress by approximately 150bps in 2024 and another approximately 60-80bps in 2025 as Integra worked to address challenges in its manufacturing and supply chain operations. In our view, stock prices tend to follow earnings, and with the earnings outlook cut and visibility impaired, we saw an opportunity to short the stock. Further, there remained the CEO transition and the idea of lost credibility for investors to grapple with. After recognizing a more than 20% return, we exited towards the end of the third quarter.

The largest detractor in the short portfolio during the second quarter was Coursera Inc (COUR or "Coursera"). Coursera is an online learning platform that enables approximately 77 million people to develop new skills and increase their knowledge of a wide range of subjects. There are a couple of reasons Coursera fit into our short framework. First, and most importantly, we believe the company faces significant competition. Besides Coursera, there are many other online learning organizations including Udemy, 2U, LinkedIn, Khan Academy, Chegg, Skillsoft, Pluralsight, and MIT. And as Generative AI ("GenAI") advances, we believe it will potentially become a very disruptive force in the category. Second, although Coursera has built a strong consumer brand as an early entrant, we believe the relative commoditization of the services provided coupled with increasing competition could suppress the margin potential of the company. Today, Coursera has less than 5% adjusted EBITDA margins for a digitally delivered subscription service. Unfortunately, our timing was off as the company reported Q2 results ahead of expectations, and the stock closed up approximately 45% on the day it reported. Although we only took a small loss over the course of shorting COUR, we covered the position in keeping with our stop-loss guardrails.

OUTLOOK

As we write this letter, the bull market for the S&P 500 moved into its third year. The historical life of the bull markets has been around 5 years, suggesting the upward trend is likely to continue barring a negative catalyst. The average return of the post World War II ("WWII") bull markets has been close to 200% with the median being approximately half of that at over 100%[7]. This offers another dose of optimism when considering the current market in comparison to historical market cycles. The outlook for profit growth has remained strong with forward estimates calling for over 10% growth in 2025. With inflation largely at the Fed's target of 2%, the interest rate reduction cycle has begun. Looking at the historical

[6] Helen of Troy 8K of release and earnings call transcript.
[7] Why There Could Be Years Left to This Bull Market, Carson Group, October 16, 2024

relationship between inflation and the Fed Funds rate policy, we believe rates could possibly decline by another 2%-2.5%. Lower interest rates and growing earnings are likely supportive of market multiples, so while the market has traded well, drivers of further gains are in place. The easing is not limited to the U.S. Global policy that was synchronized in its tightening to fight inflation is now also easing in unison. Central banks in seven out of ten developed markets are now easing[8], and China indicated they will also pursue stimulative policies.[9]

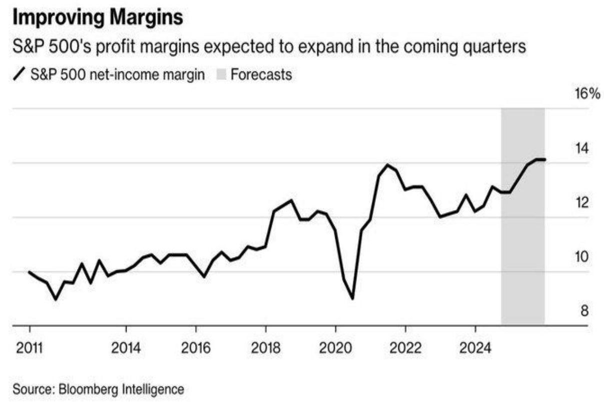
This Bull Market Might Be Two, But It Is Still Young

S&P 500 Bull Markets (1950 - Current)

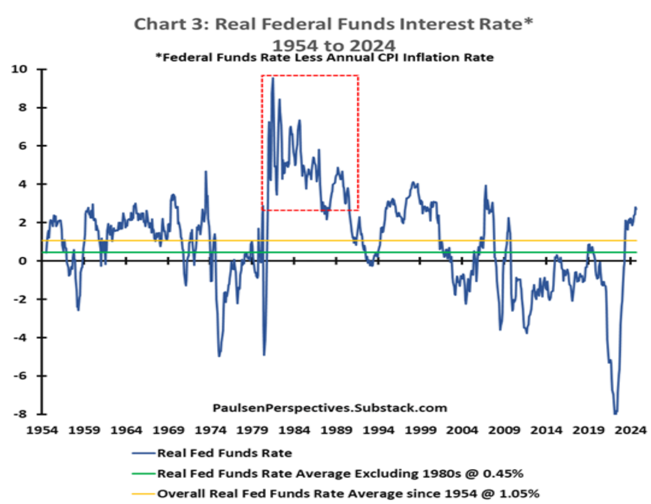
Bear Market Bottom	Bull Market Peak	S&P 500 Change	Years	Bull Start In October?
6/13/1949	8/2/1956	267.1%	7.1	No
10/22/1957	12/12/1961	86.4%	4.1	Yes
6/26/1962	2/9/1966	79.8%	3.6	No
10/7/1966	11/29/1968	48.0%	2.1	Yes
5/26/1970	1/11/1973	73.5%	2.6	No
10/3/1974	11/28/1980	125.6%	6.2	Yes
8/12/1982	8/25/1987	228.8%	5.0	No
12/4/1987	3/24/2000	582.1%	12.3	No
10/9/2002	10/9/2007	101.5%	5.0	Yes
3/9/2009	2/19/2020	400.5%	11.0	No
3/23/2020	1/3/2022	114.4%	1.8	No
10/12/2022	10/14/2024*	63.8%	2.0	Yes
Average		191.6%	5.5	5 of 12 Started October
Median		114.4%	5.0	

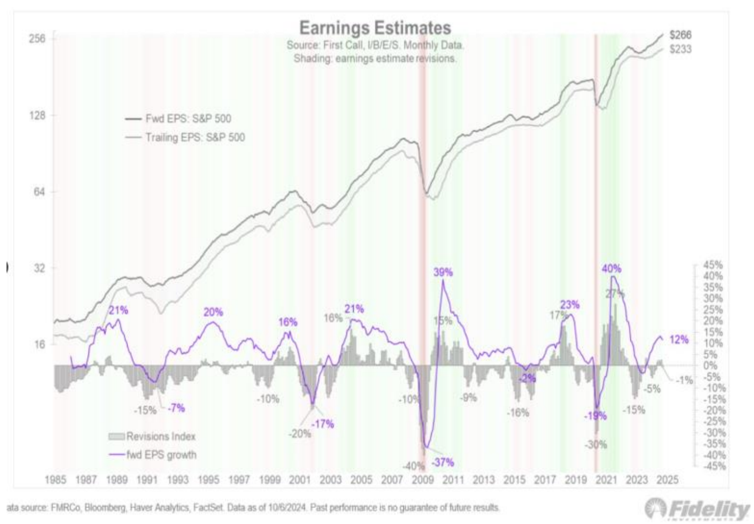
Source: Carson Investment Research, YCharts 10/15/2024
* Most recent new all-time high was on 10/14/2024
@ryandetrick

CARSON



Source: Why There Could Be Years Left to This Bull Market, Carson Group, October 16, 2024, and Jurrien Timmer on X, October 9, 2024



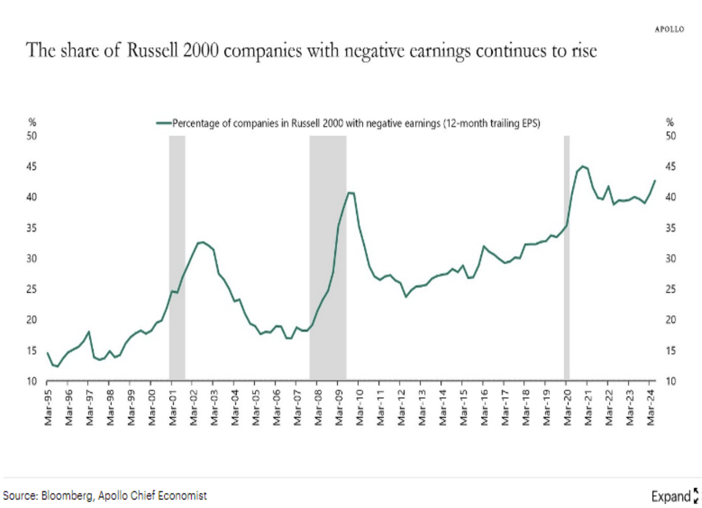


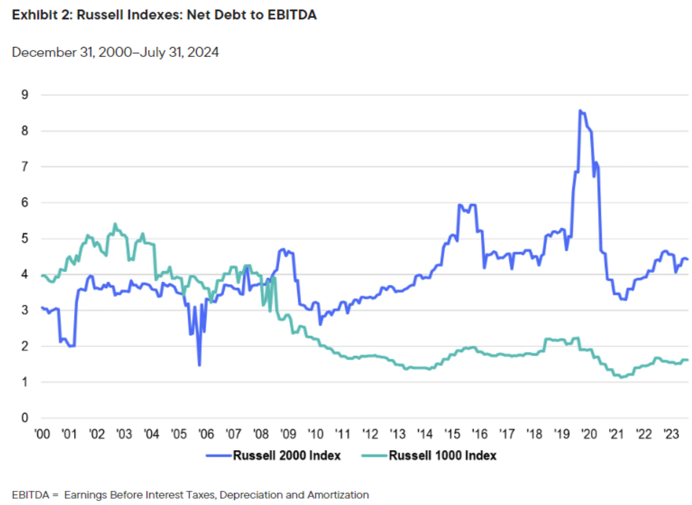
Source: A Few Random Thoughts, Jim Paulsen, October 16, 2024

Small cap stocks have faced challenges in recent years[10], underperforming their larger counterparts[11] due to factors like lower profitability and higher debt sensitivity. However, this segment may be poised for a turnaround. With interest rate cuts in progress, small caps could benefit from reduced borrowing costs. Additionally, improving earnings forecasts for profitable small cap companies suggest an opportunity for a brighter future. Small caps are projected to experience stronger earnings growth compared to large caps and could be assisted even further by the ongoing trend of reshoring. Reshoring, which involves bringing manufacturing and services back to the U.S., is expected to benefit small caps significantly. Small caps often derive most of their revenue domestically, making them well-positioned to capitalize on

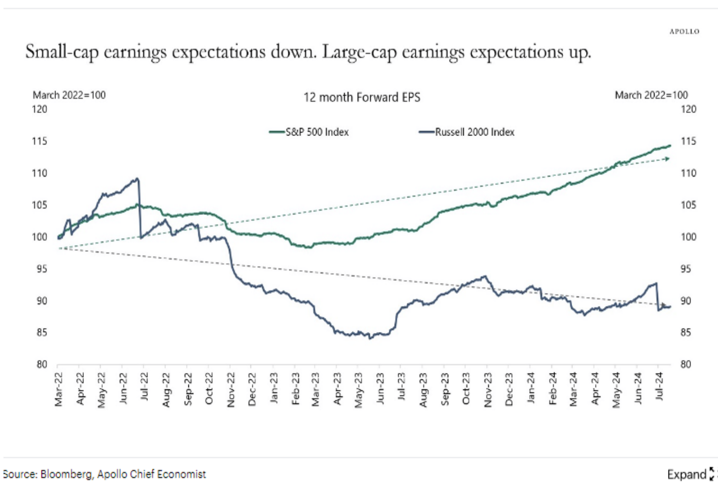
[8] Fed (Finally) Joins a Global Rate-Cutting Cycles, Reuters, September 19, 2024
[9] China's Central Bank Unveils Most Aggressive Stimulus Since Pandemic, Reuters, September 24, 2024
[10] Big-Cap Bull Market Turns Two, Leaving Small-Cap Stocks Further Behind, CNBC, October 14, 2024
[11] Can Small Caps Regain Their Sizzle, Harbor Capital, July 11, 2024

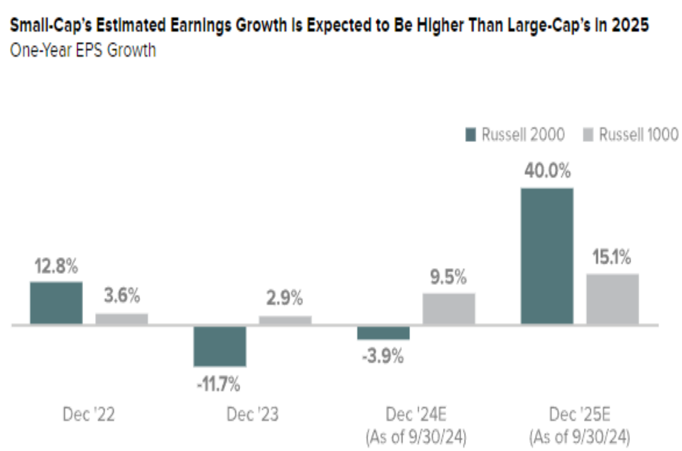
increased demand for local suppliers and subcontractors as production returns to the U.S.[12] This shift in earnings prospects could mark the end of small caps underperformance streak. While risks remain, their current valuations appear to be reflective of past challenges, and the changing landscape may present attractive opportunities.





Source: A Rising Share of the Russell 2000 Have Negative Earnings, [Apollo Academy](), October 15, 2024 and Quality Small Caps Can Offer a Smoother Climb, [Franklin Templeton](), September 11, 2024





Source: Small-Cap vs Large-Cap Earnings Expectations, [Apollo](), July 22, 2024 and The Prospects for Extended Small-Cap Outperformance, [Royce](), October 7, 2024

With the general backdrop improving due to global easing and a solid outlook for corporate profit growth, the Composite continues to strive for identifying a mix of compelling investments that emphasizes company specific drivers while taking into account the cyclical backdrop. A position the Composite entered in the quarter was Lattice Semiconductor Corp (LSCC or "Lattice"). Lattice is the number one supplier of fully programmable gate arrays (FPGAs). We consider these products to have many advantages including lower power usage, faster speeds, smaller size, and ease of use and updating.[13] The company grew at a strong pace for many years, but like many peers in the technology supply chain, Lattice found a reset lower in revenues after the pandemic. Sales declined 35% year-over-year ("YoY") in the second quarter of 2024 and the

[12] Reborn in the USA: How Reshoring May Benefit Small-Cap Stocks, [American Century Investments](), July 15, 2024
[13] [Lattice Semiconductor](), Analyst Day, May 15, 2023

upcoming third quarter will likely result in a full year's worth of sales declines. Lattice is unusually profitable with operating margins nearing 40% last year and holding up at approximately 25% despite the sharp decline in sales last quarter.[14] The company plans to grow 15-20% per year going forward. They believe the majority of the inventory destocking and customer cautiousness is behind them, allowing the strong structural demand to reassert itself. The company's new product launch is underway, and they have disclosed they are getting 50% more content in next generation server deployments, for example.[15] The opportunity to invest was created by a combination of the revenue headwinds and a CEO change. While the former CEO was justifiably well regarded, the new CEO has an impressive track record and a notable compensation package that was announced with his hiring. The new CEO's incentive plan vests at stock prices 25-200% above the price when he was hired. We seek to identify signals from the fiduciaries of the companies we invest in. Seeing a successful CEO with a high degree of long term incentives overlayed with the fundamental story at LSCC is compelling to us. We believe the stock can appreciate to $70 on a 35x future earnings of $2.00+.

Another compelling long position in the Composite is Latham Pools (SWIM). The company is the largest designer, manufacturer, and marketer of in-ground residential swimming pools in North America. Latham specializes in prefabricated, fiberglass pools as compared to concrete pools. Fiberglass pools are taking share from concrete for several reasons, including lower up-front costs, faster installation time, more environmentally friendly, lower lifetime maintenance costs and more customization. SWIM is a good example of the value of our focus list. We have kept track of the company since its initial public offering ("IPO") a few years ago recognizing the material conversion opportunity, the company's direct-to-consumer ("DTC") marketing approach, and its strong dealership network. In our view, it is these factors that have helped to deliver high-teens-to-low-twenties EBITDA margins and excellent free cash flow. However, pool construction is a cyclical industry with above-average economic and interest rate sensitivity. Initially, the set-up presented a poor risk-reward, but more recently, we believed the risk-reward equation has improved considerably. Management has continued to invest through the downturn and SWIM has become one of the largest fiberglass pool manufacturers in the U.S. After a three-year downturn, we believe easing inflation and a still healthy economy will potentially lead to a multi-year tailwind for new pool construction. In our view, SWIM is particularly well positioned to take share with what we believe to be a superior dealer and consumer value proposition (a healthy ecosystem). Our near-term price target has another approximate 30% upside with our longer-term price target presenting an approximate 80% upside.

The Composite continues to identify short investments based on the combination of thematic, cyclical, and company-specific views. We believe one part of the market that has thematic support and a cyclical headwind is consumer staples. This sector is less attractive in our view because of the stable economy and the potential for lower rates through easing global policy. Further, the massive growth in the GLP-1 drugs has done more than just show promise for treating diabetes. It has also cast a different light on consumer behavior and may contribute to a lasting change in consumption patterns. The drugs are having an impact on the amount and types of foods and drinks that consumers choose. We think this also has gained traction in popular media and is contributing to less consumption of certain categories.[16] We see companies including WK Kellogg Co (KLG), Molson Coors Beverage Co (TAP), J M Smucker Co (SJM), Sensient Technologies Corp (SXT), and TreeHouse Foods Inc (THS) facing headwinds to volume, price and margins as a result.

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

[14] Lattice Semiconductor, Corporate Overview, October 2024
[15] Lattice Semiconductor, Company Conference Presentation – KeyBanc Capital Markets, August 6, 2024
[16] Ozempic Is Making People Buy Less Food, Walmart Says, Bloomberg, October 4, 2023

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 compared 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

IMPORTANT INFORMATION

All figures are unaudited. These figures are based on 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 of 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. On October 1, 2015, Roubaix replaced Independence Capital Asset Partners, LLC as General Partner to Roubaix Fund, L.P. (formerly Independence Capital Small Cap Fund LP) and as investment manager of the separate account, both of which historically comprised the Composite. The management, investment objective and strategy of the Composite has remained substantially the same since the Composite's inception on January 1, 2010.

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 Framework decomposes contribution into four factors: market (contribution attributable to market benchmark), category (contribution attributable to the specific sector benchmark), security (contribution attributable to stock selection), and trading (contribution attributable to position liquidation). Within the Novus Framework, we define "Passive Contribution" as equivalent to Market contribution, which is synonymous with 'Beta' to the relevant portfolio benchmark. We define "Active Contribution" as equivalent to Security + Trading + Category contribution, which is synonymous with portfolio manager 'Alpha'. Definitions of additional attribution terms discussed in this letter can be found in the pitch book for the Roubaix Strategy, which has preceded or accompanied this letter. The net contribution for the Longs and Shorts were converted to account for fees and expenses. The methodology for this Gross-to-Net conversion involves dollarizing the difference between Gross and Net returns using AUM for that month. The Gross exposure is then normalized down to 100%, and the dollarized net fees are allocated pro rata by subcategory size, i.e., Long/ Short and Sector. Importantly, the summation of subcategory net returns may differ to the Fund- level net return due to mathematical differences in subcategory compounding.

More frequent performance information is available upon request.

THIS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION 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.