

**AOC**

# Arca Opportunity CEE EQUITY FUND SICAV, a.s.

Price as of January 31, 2018:

**1.00 CZK****BASIC INFORMATION:**

<b>Fund structure:</b>	Investment fund with variable registered capital SICAV
<b>ISIN:</b>	CZ0008042926
<b>Inception:</b>	January 01, 2018 for an indefinite period of time
<b>Issued security:</b>	Investment ordinary shares in certificated form
<b>Base currency unit class:</b>	CZK
<b>Fund manager:</b>	REDSIDE, Fund Management
<b>Depository:</b>	UniCredit Bank
<b>Auditor:</b>	KPMG Audit
<b>Supervisory authority:</b>	Czech National Bank
<b>Minimum initial subscription:</b>	EUR 125,000 / CZK 1,000,000
<b>Subscriptions/Redemptions:</b>	monthly

**PERFORMANCE:**

AS OF JANUARY 31, 2018

<b>NAV:</b>	NA
<b>LAST MONTH RETURN:</b>	NA
<b>6 MONTH RETURN:</b>	NA
<b>12 MONTH RETURN:</b>	NA
<b>YTD RETURN:</b>	NA

**FEES:****Entry fee:**

3 %

**Exit fee:**

0 %

**Management fee:**

1.6 %

**Performance fee:**

25 % of the fund's appreciation exceeding the 5-year Czech government bond yield increased by 5 percentage points

**INVESTMENT STRATEGY**

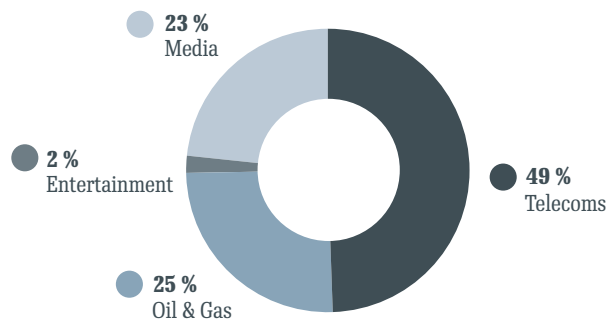
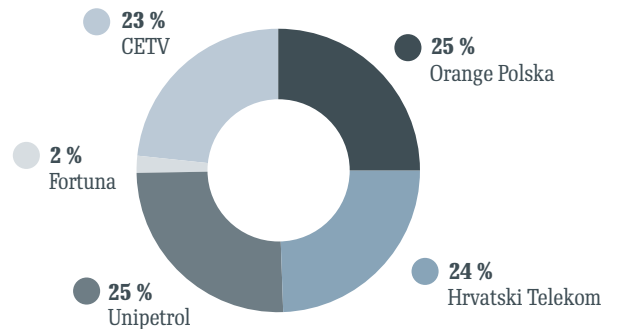
The fund represents the easiest way how to invest within the rapidly growing Central and Eastern European countries. Its fund managers employ a strongly pro-active and opportunistic approach that will deliver exceptional risk adjusted return with limited market exposure. The fund generally holds between 10-15 of our very best regional ideas with a recognizable catalyst which we anticipate will unlock value in the future.

**INVESTMENT OBJECTIVE**

The objective of the fund is to ensure stable value growth for shareholders while maintaining an adequate level of risk. The minimum target level of the Fund's performance should be 5 percentage points higher than the five-year government bond yield.

**MANAGEMENT COMMENTARY:**

We have started the fund raising proces since January 2018. Simultaneously, we have started to invest into some regional companies, namely Hrvatski Telekom, Orange Polska, CETV, Fortuna and Unipetrol. Both Hrvatski Telekom and Orange Polska represent long term stories that we expect should unlock their hidden value in upcoming future. For Orange, we see increasing chance for huge cost cuts as already indicated by the management at the end of the last year. For Hrvatski, we expect significant dividend boost within upcoming three years, back to the 100% pay-out ratio. Last three positions represent opportunistic bets. We expect CETV to improve its operational performance and deleverage significantly following the divestment of its assets in Croatia and Slovenia. In case of Fortuna and Unipetrol, we manage to purchase the shares below the buyout price and therefore increasing the portfolio performance by couple of points.

**SECTORAL COMPOSITION****PORTFOLIO STRUCTURE****CONTACTS**

REDSIDE investiční společnost, a.s., V Celnici 1031/4, 110 00 Praha 1, +420 222 500 757, www.redsidefunds.com

**DISCLAIMER:**

The investment is intended exclusively for persons fulfilling the definition of a qualified investor in compliance with Section 272 of Act No. 240/2013 Coll., on Investment Companies and Investment Funds, as amended. In the case of an investment ranging from CZK 1,000,000 to EUR 125,000, the Investment Manager evaluates the suitability of the investment on behalf of the Fund manager. The return on the investment is not guaranteed; detailed information is provided in the fund's statute, which is available at the registered Fund manager's office.