

A decorative graphic on the left side of the page consisting of a solid dark blue square above three stacked white squares with dark blue outlines.

CIS Special Opportunities

G&G Private Finance S.A.M. (Monaco)

Maximus Capital S.A. (Switzerland)

March 2016

Strictly Confidential

Maximus Capital
+41 22 328 0484
swiss@maxcapman.ch

G&G Private Finance
+377 97982980
info@gngpf.com



Why invest in CIS SPECIAL OPPORTUNITIES

- Only invests in very carefully researched “one off” opportunities where we have identified a profound pricing anomaly, or where we anticipate a major corporate or sovereign event. While awaiting these opportunities, the portfolio is in cash or short term bonds.
- The only Special Opportunities strategy that offers daily NAV and liquidity
- Offers a unique, deep knowledge of CIS markets without a risky exposure to local currencies or local counterparties.
- Liquidity, brokerage, custody and administration is handled by Leonteq. Zurich - a major Swiss bank.

Executive Summary

- The goal of the CIS Special Opportunities is to exploit event-driven, short-term opportunities arising from extreme volatility and the misinterpretation of news and events in the Strategy's core markets of Russia, Ukraine, Kazakhstan and Azerbaijan.
- The Strategy targets an annual return in excess of 30% by focusing on price volatility of individual liquid assets that have direct exposure to the core markets and that are affected by a particular event.
- Investment team members have deep and broad experience investing in the core markets since the mid-1990's, and have demonstrated skills in rapidly and accurately interpreting events and their impact on asset prices. This has resulted in a track record of highly profitable results in over 70% of trades.
- The Strategy invests in equities, bonds, derivatives and cash and equivalents. It invests only in U.S. dollar- and euro-denominated assets and deals solely with major global banks, thus eliminating local currency, counterparty trade and settlement risks.
- G&G Private Finance and Maximus Capital are both seed investors in the CIS Special Opportunities, as are the investment team members.

Principals



➤ Gene Zolotarev is co-head of the investment team.

Gene, the founder of Maximus Capital, has spent more than 20 years in senior executive management roles, including CEO, in the asset management and investment banking divisions at large U.S., Russian and Baltic banks. That experience includes 13 years at Republic National Bank of New York (Moscow) and Parex Banka (Latvia), where he was responsible for capital markets, asset management and investment banking.



➤ Gabriele Tagi is co-head of the investment team.

Gabriele is a director at G&G Private Finance and has been in the industry since 1986. He has 25 year experience in global asset management concerning all asset classes with international financial institutions: ABN AMRO, KBL, Banca Commerciale Italiana, Compagnie Monegasque de Banque. He held senior management positions in asset management and banking in Monaco, Switzerland, Holland and Italy.



➤ Gene Moldavsky is co-head of the investment team.

Gene has 20 years of investment banking and management consulting experience. In past Mr. Moldavsky was involved in transactions valued at more than \$25BN working in Russia and Ukraine for some of the leading investment banks. He held senior management and executive positions in Alfa Bank, UBS Investment Bank and Renaissance Capital.



➤ Andrei Movchan is an advisory board member of Maximus Capital.

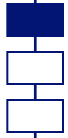
Andrei is a former CEO of leading Russian investment houses Renaissance Asset Management and Third Rome. He is also widely considered to be a leading authority on investing in the capital markets of the CIS. Andrei frequently lectures at major conferences and authors regular columns in the financial press.



➤ Alexander Rottenburg is an advisory board member of Maximus Capital.

Alexander Rottenburg has many years of experience in the banking and financial services sector. Mr. Rottenburg has broad experience of emerging markets, most aspects of investment banking & money markets, and the formulation and implementation of strategy. Currently he serves as a Director of Fraserburgh Consulting Ltd and sits on the Court of the Worshipful Company of International Bankers. Mr. Rottenburg spent much of his career in Emerging Markets at Standard Bank London and West Merchant Bank. Mr. Rottenburg has been an occasional contributor to various financial publications.

Seed investors



- The Strategy Sponsor, G&G Private Finance S.A.M., is based in Monaco and offers its clients tailored and discretionary asset management services, including risk analysis, capital preservation and portfolio management in collaboration with leading and stable banks located across Europe. G&G Private Finance also offers personalized advisory services, including investment advisory, consolidation of portfolios and cost optimization. The firm manages more than €500 million.
- Maximus Capital S.A., the authorized distributor of the CIS Special Opportunities, is based in Geneva and manages portfolio for its UHNW clients while specializing in Russia and CIS markets. The company helps clients find optimal solutions to their investment needs by providing access to the best profit-generating opportunities in the high-potential Russian, Baltic and CIS markets. Maximus Capital's partners include several major international banking groups, global hedge funds and leading investment advisors.
- Both G&G Private Finance and Maximus Capital are seed investors in the CIS Special Opportunities.



Investment Strategy

- 
- The Strategy's core markets -- Russia, Ukraine, Kazakhstan and Azerbaijan -- regularly present compelling investment opportunities in both the equity and fixed income markets. Stocks and bonds in these countries often see sharp falls in response to news events, followed quickly by corrections that can be multiples of the original market pricing as investors begin to fully comprehend the impact of the event and price it correctly.
 - This volatility often stems from an information disconnect, as Western investors can lack the ability to rapidly and accurately interpret and act on events. Our investment team members, having deep knowledge of these markets, identify the mis-pricings that offer the potential for double-digit short-term returns.
 - Historically, we identify a few such opportunities per year in bull markets, and several per month during crisis times, which produce greater volatility and a much greater frequency of event mis-pricings. While awaiting these event-driven trades, assets will be in cash or in high-yielding carry trades.

Current snapshot from our core markets



➤ Russia: The grand geo-political gambit designed and carried out by the Kremlin will see its effectiveness play out in post-US elections. This is when all the "chips" - Syria, Iran, and more recently Azeri/Armenian crisis will be cashed in for a new re-set with the US. Until then, the most evident risk is with the Russian banking system and how to keep it afloat in the absence of new sources of funding. Should not come to default for at least 18 months, but could come close.



➤ Ukraine: After the pinnacle of optimism following its debt restructuring in August 2015, the country's finances have been in a downward spiral. Adding to that is US/EU's disillusionment with its failure to implement reforms and fight corruption, no end to troubles seems to be in sight. Meanwhile, it is definitely too early to do any bottom-fishing and too difficult to short. No good news expected until the end of 2016 when it may become again relevant in the context of US elections.

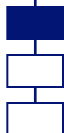


➤ Kazakhstan: Following a long-overdue devaluation of its local currency and subsequent inadequate attempts by its central bank to intervene in currency markets (burning much needed cash), its economy has somewhat stabilized. The bank system is still overwhelmed by toxic assets and low commodity prices force a practice of austerity which is far from universally accepted. We do not see any opportunities until the end of 2016 with an exception of opportunistic trades in the mining sector.



➤ Azerbaijan: Following the currency devaluation, a minor run on the banks, and a downgrade to junk, the country is now facing its most formidable challenge - its complex and un-complacent neighbors - Armenia, Iran, Turkey and Russia. Status quo is the best case scenario for at least 12 months, and with the new conflict with Armenia escalating, we do not see any opportunities, except shorting it.

Representative Investment: Ferrexpo



OPPORTUNITY

- We started to take note of FXPO when the UK listed company's stock did not adequately despite failure of Finance & Credit bank.
- FXPO is also facing a debt restructuring challenge. The company's outstanding debt is \$868m (large chunk matures in July 2016) and cash at end of Feb 2016 is \$39m. Restructuring negotiations are not moving forward.

ANALYSIS

- We felt confident that this company would experience severe pressure on its stock price due to the failure of the Finance & Credit bank, owned by the same principal shareholder as Ferrexpo, who we suspected was using the company's funds to prop up his own bank prior to its being taken under Ukrainian regulator's control and assets frozen.

THE TRADE

- In mid-October 2015 we took a short position in Ferrexpo, a metals trading company listed on the LSE entering it at the MFS price of 0.308.
- We exited the short position in mid January at 0.523 booking a 70% net profit on this trade.



Representative Investment: MTS, VIP

OPPORTUNITY

- Starting July 2015 we started to accumulate short positions in MTS, Vimpelcom and Sistema (holding company for MTS) stocks with an expectation that these companies will be negatively affected by either US/EU sanctions, Ukraine nationalization attempts, internal Russian oligarch infighting.
- VIP entry point for the short position was 5.3 and MTS was 8.2; both stocks trade on NYSE.

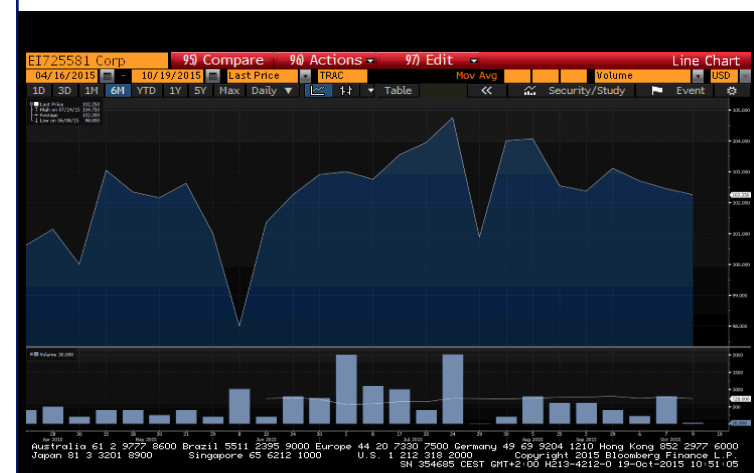
ANALYSIS

- We anticipated that due to increased tensions between the US and Russia, these large Russian companies would be viewed as a target to apply economic pressure.
- We began to analyze the situation and discuss the probability of negative events surrounding these companies.
- On 13 Aust the US DOJ announced a \$1bn asset freeze against VIP and stock began to drop.

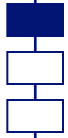
THE TRADE

- We accumulated the short positions in VIP and MTS with an average of \$4.9 and \$7.8 respectively, with 2x leverage.
- We exited the VIP trade at around 1.91, booking a profit of 61%.
- MTS shares have also fallen but we continue to hold this position with an expectation of another event.

VIP 6.2546% 01/03/2017



Representative Investment: Ukraine sovereign bonds



OPPORTUNITY

- Following the restructuring of Ukreximbank, the Ministry of Finance embarked on a restructuring of sovereign eurobonds.
- In the background of an economy weakened by war, while remaining relevant from a geopolitical perspective, Ukraine saw an opportunity to restructure its national debt.
- Following a declaration of “imminent default” bonds dropped to high 40s.

ANALYSIS

- The situation seemed to be an almost identical replay to the Ukreximbank bond restructuring, but more complex since much larger sums were involved.
- Having visited Kiev and met with Ministry of Finance and the US state department, we became increasingly convinced that the default and “40% haircut” threats were exaggerated.
- As expected, negotiations proved difficult and the parties settled on 20% haircut and extension.

THE TRADE

- We started buying Ukraine bonds, mostly short duration in June and July averaging at 54, and continued to accumulate while both sides threatened to walk away from the deal.
- Post restructuring the bonds rallied to low 80s, but we exited the trade fully in mid 70s, averaging 34% gain per position.

UKRAINE 9.25% 24/07/17



Representative Investment: Ukreximbank

OPPORTUNITY

- ↳ Ukreximbank bonds have fallen during late 2014 and early 2015 amid geopolitical tensions, a falling currency and a weak Ukrainian economy.
- ↳ The bank's bonds are seen as sovereign debt due to cross-default clauses. The government has been deciding whether to repay or restructure the bonds.
- ↳ After a declaration of "imminent default" and "likely 50% haircut," an 8.375% Ukreximbank bond maturing in April 2015 fell to low 50s in March.

ANALYSIS

- ↳ We strongly believed investors were overstating the possibility of a Ukreximbank default and the fallout from a restructuring.
- ↳ We also think it very unlikely that the IMF and EU will abandon Ukraine after their statement that they will "fight and die" for European values.
- ↳ As for the April 2015 bond itself, because of our sources and knowledge of the market, we felt a 50% haircut or default were both very unlikely.

THE TRADE

- ↳ We started buying the April 2015 bonds in early April at a median price of 54.
- ↳ On April 27, the government finally made a reasonable restructuring proposal, which extended maturity by three months, and bondholders accepted. Prices rose to the mid-70s.
- ↳ We exited at 71 shortly after the restructuring, booking a profit of about 31% on the trade.

UKREXIMBANK 9.75% 22/01/2025



Representative Investment: Alliance Oil

OPPORTUNITY

- Last November, Alliance bonds maturing in March 2015 dropped from nearly 100 to the low 80s, following rumors that the company would have difficulty paying the bonds.
- After some reassurance of management, the price soon recovered to the mid-90s.
- Earlier this year, a few weeks before the bonds were to mature, the company announced it couldn't repay and threatened to default. This sent the bond prices back down, falling to the low 50s.

ANALYSIS

- The company said it was low on cash and that international sanctions and other factors were impacting its business.
- After consulting our industry contacts, we concluded that management was exaggerating the negatives regarding its ability to repay the March 2015 bonds.
- Our analysis concluded that Alliance had sufficient cash reserves and that their product was sold mostly domestically, and hence was unaffected by sanctions.

THE TRADE

- We started buying the bonds at about 55.
- Shortly before the bonds' maturity date in March, Alliance announced a restructuring which paid 20% in cash on maturity and extended the bonds by four years at a price of 70.
- We exited the trade at 83.71, booking a profit of more than 50%.
- The chart below shows a similar price drop for the company's 2019 bonds, which may present a similar investment opportunity.



Investment Detail: Carry Trades

- While awaiting event-driven trades, assets will be in cash or in short-term, high-yielding carry trades, targeting returns of 2% to 5% over a time period of a few days.
- These trades will involve buying ADRs/GDRs or dollar-/euro-denominated bonds shortly before the payout date for a dividend or coupon, respectively.
- Such trades can be profitable because, due in part to the information disconnect, certain bonds and equities in our core markets do not respond the same way as bonds and equities do in the West. In the West, ahead of a coupon or dividend payout, security prices will drop slightly to reflect the pending payment.
- Certain CIS securities do not follow this pattern: their price does not dip ahead of a coupon or dividend payment.
- Knowing how to identify such securities – as our investment team members do – allows for small but significant profits, in a very short time period.

Risk Management: Basics

- 
- ↗ The investment team of the CIS Special Opportunities takes numerous steps to ensure that risk is properly managed and monitored:
 - ↗ No single position can exceed 10% of total assets.
 - ↗ The investment team holds weekly meetings to discuss every position in detail.
 - ↗ Additional special meetings are convened whenever news breaks that impacts any portfolio position, or when any position makes a significant move.
 - ↗ The Strategy invests only in U.S. dollar- or euro-denominated securities, whether equities or bonds, which removes any local currency risk.
 - ↗ The Strategy deals only with major global banks, thereby eliminating counterparty trade and settlement risks.

Risk Management: Limits

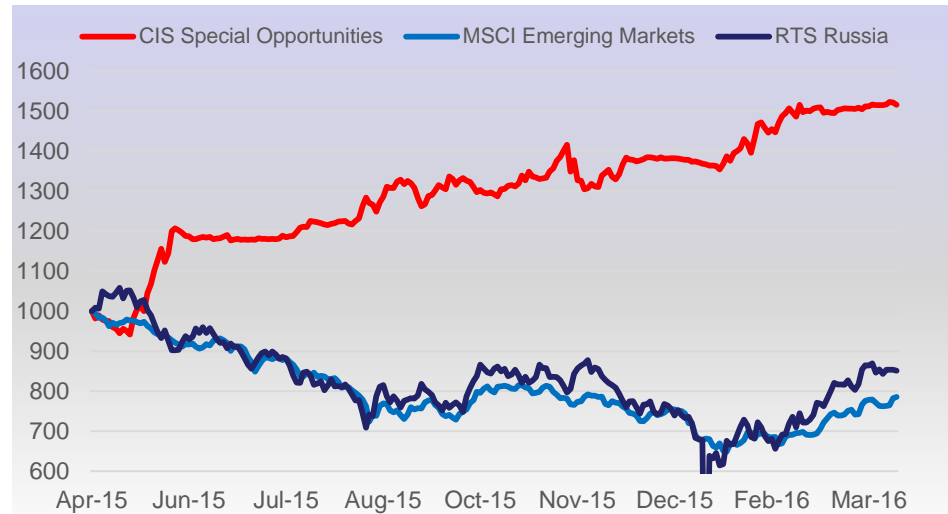


- ↪ Whenever a new position is initiated, the investment team sets applicable limits, whether there is price appreciation or not.
- ↪ One limit is a target price, and we will exit the position when that target is met.
- ↪ The other is a target date, typically within a few weeks from the price move that precipitated the position. If the security price fails to correct by the time the target date is reached, we exit the position.

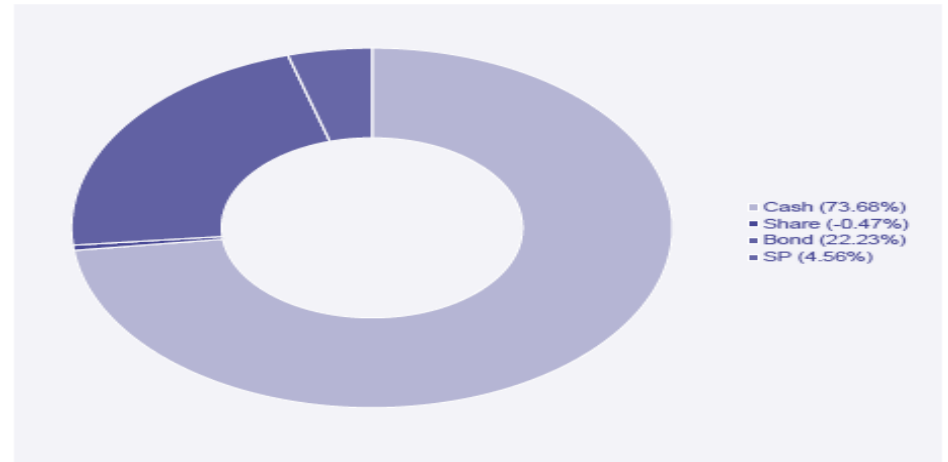
Performance & Attribution

	2014	2015	2016
January	2.2%	13.6%	3.75%
February	1.8%	30.1%	5.15%
March	7.9%	-2.7%	0.46%
April	0.6%	-1.3%*	
May	2.4%	12.53%	
June	2.8%	5.73%	
July	3.1%	4.25%	
August	15.4%	4.80%	
September	7.2%	4.11%	
October	-4.2%	1.56%	
November	-3.8%	-0.83%	
December	27.6%	3.79	
Year to Date	63%	75.64%	9.59%

*Performance figures prior to April 2015 represent performance of the strategy across several managed accounts



INDEX NET ALLOCATION BREAKDOWN



Source: Leonteq Securities AG. Composition: 01/04/2016, Pricing Data: 31/03/2016

- MAX DRAWDOWN = 8.59%
- SHARPE RATIO = 2.82
- MAR RATIO = 4.43

Investment Details

- The CIS Special Opportunities seeks annual returns in excess of 30%.
- The Strategy invests in U.S. dollar- or euro-denominated securities from its core markets, with a roughly even split between equities and bonds.
- The Strategy can hold a maximum of 25 securities at any given time, and holdings may include equities, bonds, derivatives, cash and cash equivalents.
- The Strategy has maximum leverage of 30% for bonds and 300% for equities.
- We trade and custody only with Swiss banks, thus ensuring no local counterparty exposure risk.

Structure & Terms

⇒	Type of Security:	Actively Managed Strategy
⇒	Issuer and lead manager:	Leonteq Securities AG, Zurich
⇒	Strategy Sponsor:	G&G Private Finance SAM, Monaco
⇒	Authorized distributor:	Maximus Capital SA, Geneva
⇒	Launch Date:	April 21, 2015
⇒	Issue size:	6,000 certificates
⇒	Issue price:	USD 1,000
⇒	Daily NAV calculation	
⇒	ISIN:	CH0266687547
⇒	Governing law/jurisdiction:	Guernsey, UK
⇒	Management fee:	2%
⇒	Success fee:	20%
⇒	Underlying:	The CIS Markets Debt-Equity Special Opportunities Strategy

Contact Information

✈ G&G Private Finance

✈ 27 Boulevard des Moulins

✈ 98000 Monaco

✈ Tel: +377 97 98 29 80

✈ Fax : +377 97 98 29 88

✈ Email: info@gngpf.com

✈ Maximus Capital S.A.

✈ Rue des Bains 33

✈ 1205 Genève

✈ Switzerland

✈ Tel: +41 22 328 0484

✈ Fax: +41 22 328 0486

✈ Email: swiss@maxcapman.ch

✈ Gene Zolotarev

✈ gene.zolotarev@maximuscapman.com

✈ Mobile: +371 29503683

Disclaimer

- The material contained in the preceding presentation is not intended to be an offer or solicitation for the purchase or sale of any financial instrument.
- The material contained in this presentation is for your private information; Maximus Capital S.A. and G&G Private Finance S.A.M. are not soliciting any action based upon it. All statements of opinion and/or belief contained herein, and all statements related to expectations regarding future events, represent the assessment of Maximus Capital S.A. and G&G Private Finance S.A.M. and the interpretation of information currently available to the two firms. Any statements made or information given in this material in relation to any third parties is for your private information and shall not be regarded as a presentation of Maximus Capital S.A. or G&G Private Finance S.A.M.