

Reporting as of 30th November 2016

Investment Philosophy and Style

THE CIS SPECIAL OPPORTUNITIES, offered by G&G Private Finance jointly with Maximus Capital S.A., invests in liquid equities, bonds and derivatives in Russia and other CIS markets. The CIS Special Opportunities objective is to capitalize on extreme mis-pricings due to events affecting companies, markets and Governments in its core markets of Russia, Ukraine, Kazakhstan and Azerbaijan. The strategy invests solely in USD and EUR denominated securities traded on international exchanges and so faces no local currency or counterparty exposure.

Monthly Commentary

This month was the most turbulent one for our strategy to date with a -12.8% drop as a result of our dramatic repositioning of our trades. As painful as it was to abandon the "short the Russian banks" trade, we managed to avoid a further -10% drop as the sector continued to rally against all logic and common sense. With no end in near sight (actually we feel the end will be 6-12 months from now when the Trump-Putin bromance will be over for good) we simply could not hold on to those positions despite our deep conviction to the contrary. Looks like we did the right thing, during the past week, we were up over +3%. As we discussed in our interim report, we chose instead to go back to our "roots" and focus on specific companies where we could go long or short based on our deep knowledge of individual situation - hence Special Situations. We presently have exposure of about 40% to the following positions:

FERREXO (FXPO) - yes, we repeatedly said that the share price will eventually reflect the reality of this company - severe cash crunch, possibly bankruptcy. It's a triple threat:

- Massively overvalued with the analysts average target price 70% below its current value ("Ferrexpo Plc (FXPO) Receives GBX 52.78 Consensus Price Target from Analysts. Posted by Eileen French on Nov 20th, 2016");
- Negative outlook on the future, and core investors selling their stakes (Wigmore, second largest shareholder is offloading its 11% of stock) [Frisco Fastball, Reuters];
- Local criminal investigations Ukrainian police uncovered an embezzlement scheme of over 1bn from Zhevago's (Ferrexpo's founder, chairman and main shareholder) now defunct bank Finance & Kredit Bank; senior manager was arrested. Government has filed a claim against Zhevago to recover 1.45bn in state aid provided to his bank. Moreover, tax fraud case in in the works [Segodnya.ua].

EVRAZ (EVR): this company is hugely levered and relies on favorable export conditions - both of these are under threat. Refinancing next year will be difficult if not impossible due to sanctions, and the protectionist environment ushered in by Trump is likely to adversely affect its core export markets. [Bloomberg, Evening Standard, International Business Times]. What is remarkable is that when these negative news came out it was trading at 85, and it is now 225!

BANK OF GEORGIA (BGEO): Our analysis points to an immediate threat - regulatory sanctions stemming from its remarkably high profitability and growth trajectory amidst a stagnating market and weak economy. Its insiders (former CEO of many years) are selling stock as rapidly as they can. [Community Financial News].

Fundamentally, this stock is massively overvalued trading at a 200%+ premium of price/book value to the world's best banks. Why all this success while the economy stagnates? Perhaps there are some certain "core skills" that are still in demand [Nomad Capitalist]. And you don't even need to go to Georgia, just stop by its subsidiary (not regulated) in Tel Aviv, and your account is operational in a couple of days [Georgia Financial Investments].

We also retain a 23% bond position in 4Finance, which is our 11% coupon cash cow, and for a company with such healthy cash flow, it's a bargain.

We feel that we are now on the cusp of turning around our performance in 2016 and aim to finish 2016 on a positive note.

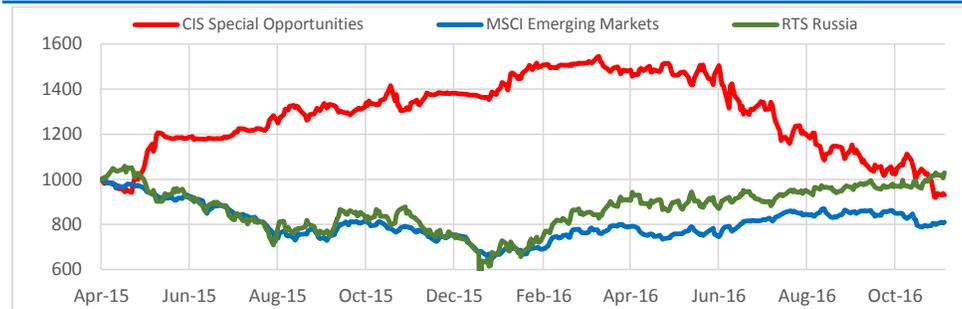
The Fund

Type	Actively Managed Fund
Issuer and lead manager	Leonteq securities AG
Sponsor	G&G Private Finance
Authorized distributor	Maximus Capital SA
Inception date	21th April, 2015
Jurisdiction	Guernsey, UK
Isin	CH0266687547

General Conditions of the Fund

Reference currency	USD
Liquidity	Daily
Valorisation	Daily
Management fee	2%
Performance fee	20%
Min investment	\$ 100 000
Issue price	\$ 1,000

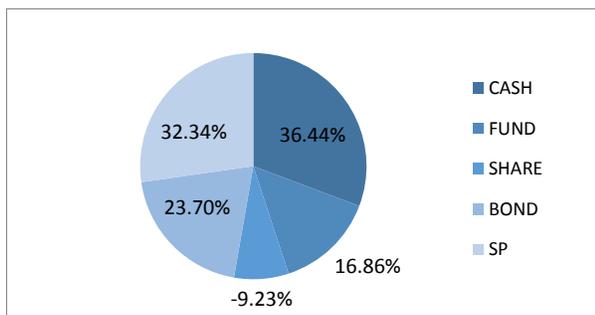
Performances



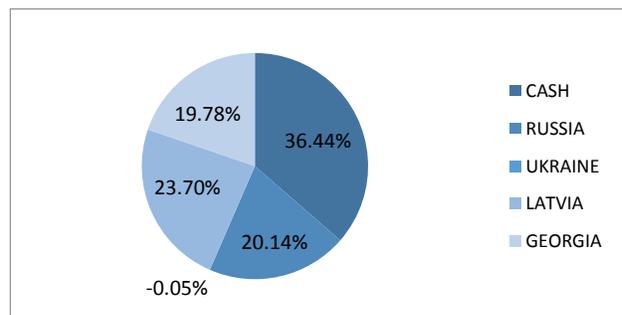
Management Company

Monaco-based G&G Private Finance manages over €500 million and offers its clients tailored and discretionary asset management services, including risk analysis, capital preservation, and portfolio management in collaboration with leading banks across Europe. Maximus Capital is based in Geneva and manages portfolios for its UHNW clients while specializing in Russia and CIS markets. Both firms are seed investors in this product.

INDEX NET ALLOCATION BREAKDOWN



PORTFOLIO ALLOCATION BY COUNTRIES



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Recent Trades

Security	Sale Price	Profit on Trade	Discussion of Trade
Ferrexpo	\$0.52	70%	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 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. We exited the short position in mid January at 0.523 booking a 70% net profit on this trade.
MTS, VIP	\$1.91	61%	Starting July 2015 we started to accumulate short positions in MTS, Vimpelcom and Sistema (holding company for MTS) with an expectation that these companies might be negatively affected by either US/EU sanctions, Ukraine nationalization attempts or internal Russian oligarch infighting. Entry point for the short position on VIP was 5.3 and 8.2 for MTS. Both stocks trade on NYSE. We accumulated the short positions in VIP and MTS with a final average purchase price of \$4.9 and \$7.8 respectively, with 2x leverage. We exited the VIP trade at around \$1.91, booking a profit of 61%.
Ukraine Sovereign Bonds	In mid 70's	34%	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 geo-political perspective, Ukraine saw an opportunity to restructure its national debt. Following a declaration of "imminent default", bonds dropped to high 40s. We started buying Ukraine bonds, mostly short duration, in June and July at an average price of \$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 a 34% gain per position.
Ukreximbank bonds	\$71	31%	Ukreximbank bonds have plummeted in price in recent months amid tensions with Russia, a falling currency and a weak Ukrainian economy. Earlier this year, after a declaration of "imminent default" and "likely 50% haircut," an 8.375% bond maturing in April fell to the low 50s. Thanks to information gleaned from our industry contacts, we felt the market was far overestimating the possibility of a default or a 50% haircut, and started buying the bonds in early April at an average price of \$54. On April 27th, bondholders accepted a restructuring offer that pushed the price to the mid 70s. We exited at 71, booking a 31% profit.
Alliance oil bonds	\$83.71	52.2%	Earlier this year, Alliance Oil announced it could not repay a bond that was to mature in March, and the company threatened to default. The price fell from the mid 90s to the low 50s. Our sources told us Alliance management was exaggerating the negatives and had enough cash to make the payment, so we started buying the bonds at about \$55. Just before maturity, Alliance announced a restructuring that paid 20% in cash and extended the bonds by four years at a price of \$70. We exited the trade at \$83, booking a profit of over 50%.

Principals


Gene Zolotarev, who is head of the investment team, prior to founding Maximus Capital spent over 20 years in senior executive management roles (as a board member, CEO and Chairman) of asset management and investment banking divisions at large U.S., Russian and Baltic banks.



Salim Kriman, member of the investment team, has more than 15 years of experience in CIS markets - both equities and bonds. From 2005 to 2014 he served as Chairman of the board of Bank Standard (Azerbaijan), and prior to this he was the President of Baku Stock Exchange.



Gene Moldavsky, member of the investment team, 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.



Aleksandr Savchenko, member of the investment team, from 2005 to 2009 was Vice Chairman of National Bank of Ukraine. From 1999 to 2005 Mr Savchenko was Chairman of International Commercial Bank. Earlier Mr. Savchenko served as Chairman of Bank Austria Creditanstalt Ukraine, which he originated with Bank Aval and International Financial Corporation.

Monthly Performances

	Jan	Feb	Mar	Apr*	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD*
2016	3.75%	5.15%	0.46%	-3.47%	0.59%	-3.85%	-7.71%	-7.70%	-6.21%	-5.59%	-12.80%		-32.70%
2015	13.6%	30.1%	-2.7%	-1.3%	12.53%	5.73%	4.25%	4.8%	4.11%	1.56%	-0.83%	3.79%	75.64%
2014	2.2%	1.8%	7.9%	0.6%	2.4%	2.8%	3.1%	15.4%	7.2%	-4.2%	-3.8%	27.6%	63%

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

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Maxdrawdown	40.51%
Sharpe Ratio	-1.76
Mar Ratio	0.05