

Newsletter March 2017

AC TIGER FUND – TIGER VALUE FUND (FCP-SIF)

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Launch date	12 Dec 2008			Total Gross Exposure	93.4%			Total Long Exposure	72.9%					
AuM	€ 61 m			Total Net Exposure	52.4%			Total Short Exposure	20.5%					
NAV*				WKN		ISIN		Bloomberg			Reuters			
Share Class A	€ 2,220.21			A0Q5LH		LU0400329677		TIGERAA LX EQUITY			LP68023199			
Share Class B	€ 2,416.85			A0RDZZ		LU0400329750		TIGERAB LX EQUITY			LP68023200			
NET PERFORMANCE METRICS							FUND PERFORMANCE vs. CS HF INDEX L/S EQUITY **							
	Return (since inception)	Return (p.a.)	Sharpe Ratio***	Volatility (p.a.)										
Share Class A	122.0%	10.2%	1.66x	6.3%										
Share Class B	141.7%	11.3%	1.78x	6.5%										
POSITIONS														
Number of Positions			Weightings (% of Gross)											
Long Positions	39		Long	Short										
Short Positions	18		Top 5	29.3%		13.2%								
Total No. Positions	57		Top 10	48.5%		18.0%								
MONTHLY NET RETURN														
Share Class A	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	
2008	-	-	-	-	-	-	-	-	-	-	-	0.003%	0.003%	
2009	0.56%	1.73%	0.46%	2.87%	3.60%	5.51%	1.21%	4.35%	1.05%	0.62%	1.26%	-1.29%	24.04%	
2010	0.50%	0.06%	2.22%	-0.32%	-3.08%	2.04%	0.05%	0.58%	3.25%	1.62%	0.18%	-0.41%	6.75%	
2011	3.43%	-0.21%	1.47%	2.14%	0.25%	-0.81%	-1.32%	-3.41%	0.45%	-1.72%	-2.24%	0.86%	-1.31%	
2012	4.48%	1.51%	1.35%	-1.68%	-1.05%	-0.37%	-0.59%	0.69%	1.85%	0.57%	-0.53%	1.44%	7.79%	
2013	3.57%	1.49%	-0.66%	0.24%	2.70%	-0.67%	0.95%	0.07%	3.00%	2.66%	1.14%	-0.54%	14.73%	
2014	1.88%	2.56%	0.63%	2.61%	0.63%	-0.34%	-2.19%	-0.42%	-1.20%	-1.32%	1.83%	1.14%	5.82%	
2015	2.07%	3.13%	4.23%	0.99%	1.54%	-1.60%	1.41%	-1.20%	-2.10%	3.89%	1.45%	1.60%	16.29%	
2016	-3.91%	0.21%	4.43%	1.40%	-0.99%	-1.85%	0.91%	1.05%	0.41%	0.22%	0.15%	2.70%	4.58%	
2017	1.96%	1.31%	3.33%										6.74%	
Share Class B	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	
2008	-	-	-	-	-	-	-	-	-	-	-	0.02%	0.02%	
2009	0.62%	1.87%	0.52%	3.25%	3.90%	5.95%	1.34%	4.62%	1.08%	0.70%	1.38%	-1.26%	26.51%	
2010	0.57%	0.10%	2.40%	-0.28%	-3.04%	2.08%	0.05%	0.62%	3.32%	1.80%	0.19%	-0.36%	7.57%	
2011	3.62%	-0.18%	1.56%	2.27%	0.21%	-0.71%	-1.28%	-3.37%	0.49%	-1.68%	-2.20%	0.90%	-0.59%	
2012	4.52%	1.55%	1.39%	-1.64%	-1.01%	-0.33%	-0.54%	0.73%	1.89%	0.61%	-0.49%	1.40%	8.23%	
2013	3.78%	1.62%	-0.67%	0.30%	2.91%	-0.69%	1.05%	0.11%	3.23%	2.87%	1.24%	-0.53%	16.15%	
2014	2.04%	2.75%	0.71%	2.81%	0.70%	-0.32%	-2.15%	-0.37%	-1.16%	-1.28%	1.87%	1.19%	6.84%	
2015	2.09%	3.33%	4.55%	1.09%	1.69%	-1.68%	1.53%	-1.24%	-2.06%	4.03%	1.58%	1.74%	17.69%	
2016	-3.87%	0.26%	4.49%	1.52%	-1.01%	-1.84%	0.95%	1.10%	0.46%	0.27%	0.20%	2.91%	5.30%	
2017	2.13%	1.43%	3.58%										7.29%	
MARKET CAPITALISATION														
	Pos. No	%Gross	Net Exp	Long	Short									
Large (>€5bn)	10	15.1%	-11.0%	1.6%	-12.6%									
Mid (>€1bn)	16	29.9%	13.1%	20.6%	-7.4%									
Small - Mid (€0.5-€1bn)	5	10.6%	8.9%	9.4%	-0.5%									
Small (€50m-€500m)	21	42.1%	39.4%	39.4%	0.0%									
Micro (<€50m)	5	2.2%	2.0%	2.0%	0.0%									
Total	57	100.0%	52.4%	72.9%	-20.5%									
DACH region > 90%														
SECTOR EXPOSURE														
	Pos. No	%Gross	Net Exp	Long	Short									
Technology	10	8.6%	5.3%	6.7%	-1.4%									
Media/Retail	11	21.4%	6.5%	13.3%	-6.7%									
Industrials/Materials	18	26.3%	11.4%	18.0%	-6.6%									
Real Estate/Financials	6	13.5%	11.1%	11.8%	-0.8%									
Auto/Transport	3	7.3%	4.3%	5.6%	-1.3%									
Energy/Renewables	7	15.8%	14.8%	14.8%	0.0%									
Healthcare	1	3.0%	2.8%	2.8%	0.0%									
DAX / MDAX	1	4.0%	-3.8%	0.0%	-3.8%									
Total	57	100.0%	52.4%	72.9%	-20.5%									
ASSET ALLOCATION														
	Pos. No	%Gross	Net Exp	Long	Short									
Equity	52	89.5%	52.2%	67.9%	-15.7%									
Fixed Income	3	5.4%	5.0%	5.0%	0.0%									
Future														
Option	2	5.1%	-4.8%	0.0%	-4.8%									
Total	57	100.0%	52.4%	72.9%	-20.5%									

Source: TAM/EFA; * NAV daily calc. by EFA; **www.hedgeindex.com, Broad Indexes - CS Hedge Fund Index Long/Short Equity; *** TAM inhouse calculation

Tiger Value Fund – March 2017

o **Returns: +3.33% (class A)/ +3.58% (class B)**

In March, the Tiger Value Fund (“TVF”) had a positive net return of +3.33% for share class A and +3.58% for share class B, making a cumulative positive net return of +6.74% and +7.29% for the year to date and +122.0%/+141.7% since inception (share class A/B).

o **Commentary: Performance boosted by positive catalysts**

In March, we increased our net adjusted exposure from 40.8% to 47.4% (excl. 5.0% fixed income linked positions). We covered selective short positions and started to build new long positions. Also, we added DAX Index Put hedges to hedge our tail risk and potential negative surprises from the French election.

Our most significant attributors were Tom Tailor (+133bp), MLP (+50bp), Freenet (+42bp), Elring Klinger (+40bp), Ferratum (+39bp) and Strabag (+33bp). All of our winning positions reported strong Q4 results and outlooks which resulted into a good performance in March. In an overall positive development in equity markets we had no long position which detracted the performance by more than 7bp.

Tom Tailor performed more than 40% after the company was on a roadshow and research analysts upgraded their target prices. We reduced the Tom Tailor position and booked significant profits as the strong performance resulted into an unfavorable risk-reward ratio implying a lower 10 Point Scoring despite the fact that Tom Tailor is still trading at a 30% discount to its peer group multiples.

Freenet also performed well after the company published strong Q4 results. We believe that Freenet’s Capital Markets Day on 12th of April will be a positive catalyst as the company will give an update on its TV strategy (initial KPIs) to analysts and investors indicating high potential for its new TV access products via air (DVB-T2) and optical fibre (internet platform Waipu.TV). This should boost Freenet’s future earnings and free cash flows which makes it an attractive investment also factoring in its attractive tax-exempt dividend yield of more than 5%.

On the negative side, our single short book (incl. single put options) and DAX put index hedges detracted our performance by -41bp and -28bp respectively. We continued to expand our pipeline of long and short ideas which should continue to result in attractive risk-adjusted returns in coming months.

o **Outlook: More of the same**

Not much changed in March, economic sentiment data remained solid with German Manufacturing PMI hitting a 71-month high (highest since 2011) and US consumer confidence exploded to the highest level since 2000. This fueled another strong gain in European equity indices in March with the DAX index increasing +4% and the Stoxx Europe 600 increasing +3.3%. Equity markets in the US remained unchanged in March as Trump failed to repeal and replace Obamacare which call into question his plans to reform the US tax code.

As we mentioned in our previous newsletter, while we are mindful of many upcoming risks for the economy and markets, we see a potential blow off top in equity markets building that could continue for another few months. Nevertheless, our outlook for the year remains the same and we still expect a

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relative flat year for European equities which implies that most gains achieved so far will be given back before year end.

During March we increased our net equity exposure to 47.4% (40.8%) as we saw many strong catalysts for some of our core positions (see discussion in our commentary section). Given that many of those catalysts have now largely played out and that the implied risk/reward ratio has worsened, we are currently scaling out of some of these positions which should result in lowered net exposure in April.

Furthermore, on April 23 and May 7 France will hold its first and second round Presidential elections. While we see it as unlikely that Marine Le Pen's could win the second round election, there will surely be some nervousness in European equity markets around the first round elections which she might win. We intend to put on some further tail risk hedging ahead of these elections as a potential Le Pen win would be disastrous for the current shape of the European Union and the Euro. With a gross exposure of 93% we have ample opportunity to pursue additional ideas both on the long and short side in coming months regardless of outcome from the French elections.

The Tiger Value Fund Desk, 3rd April 2017



Matthias Rutsch



Marc Schädler



Peter Irlblad

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Objectives

The objective is to identify undervalued companies with external catalysts and/or initiate pro-active measures to create shareholder value. The fund aims for a 5 year return of 10-15% p.a. with strong focus on capital preservation.

Investment Strategy

The Investment Advisor is a specialized fundamental European long/short equity investment manager. The investment philosophy is based on seeking out undervalued value creating companies where we see upcoming catalysts and/or value creation measures that could improve the intrinsic value of the company and drive shareholder returns. At the same time we seek to profit from identifying overvalued value destroying companies where the intrinsic value is continuously being eroded. For each position we perform a detailed analysis including a 360 degree research process and 10 point scoring system (further details are available in our DDQ of investor presentation). The managers foresee a direct dialog with the company as well as with other shareholders to support management to initiate value creating measures. Their partner network i.e. other shareholders, consultants, sector experts, media etc. will help to impact positive change.

The fund intends to engage in 30 long investments with a target net long exposure of around 20-50%. The geographic focus is likely to be Germany, Switzerland and Austria.

Fund Information		Fee Structure and Risk Management	
Currency	EUR	Admin/Custodian Fee	Up to 0.49%
Legal Entity	FCP-SIF	Advisory (Mgmt) Fee	
Fund Domicile	Luxembourg	Share Class A	2.0%
Fund Structure	Open-ended multi-class	Share Class B	1.5%
Style mandate	Long/Short and Active Value	Performance Fee	
Investment Minimum		Share Class A	20%
Share Class A	€ 125,000	Share Class B	15%
Share Class B	€ 5,000,000	Hurdle Rate	None
Sub. Frequency	Monthly	High Water Mark	Yes
Red. Frequency	Monthly	Eligible Investors	See Issue Document
Redemption Notice		Leverage	Maximum 200% of NAV
Share Class A	monthly*	Fund Benchmark	CS HF Index L/S Equity
Share Class B	6 months		

*) The redemption notice has to be send to the Administrator five business days prior to month end (cut-off 5pm). Therefore the redemption term is monthly with a notice period of 5 days. Please see the offering document for further information.

Investors: Sales documents may not be forwarded to investors other than those who meet the 'experienced investor' requirements under the Law of 2007.

Fund Advisor Details and Service Providers

Management Company	Alceda Fund Management SA
Investment Advisor	Tiger Asset Management GmbH
Swiss Representative	ACOLIN Fund Services AG
Prime Broker/Custodian	SEB AB / SEB SA
Administrator	European Fund Administration SA
Auditor	PriceWaterhouseCoopers

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Statements that are predictive in nature, that depend upon or refer to future events or conditions or that include words such as "expects," "anticipates," "intends," "plans," "believes," "estimates," "thinks," and similar expressions are forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results and performance to be materially different from any future results or performance expressed or implied by these forward-looking statements. These factors include, among other things, those matters discussed as "Risk Factors," in the Issue Document of the Fund, as well as (1) general economic and business conditions; (2) new governmental regulations and changes in, or the failure to comply with existing governmental regulation, (3) legislative proposals that impact our industry or the way we do business, (4) competition, and (5) our ability to attract and retain qualified personnel.

Although we believe that these statements are based upon reasonable assumptions, we can give no assurance that our goals will be achieved. Given these uncertainties, prospective investors are cautioned not to place undue reliance on these forward-looking statements. We assume no obligation to update or revise any forward-looking statements contained on this document or provide reasons why actual results may differ. The investment objectives and methods summarized herein represent the current intentions of the Investment Advisor. Depending on conditions and trends in the securities markets and the economy in general, we may pursue any objectives, employ any investment techniques or purchase any type of security that we consider appropriate and in the best interest of the funds, whether or not described herein. The discussion herein includes and is based upon numerous assumptions and opinions of the Investment Advisor concerning world financial markets and other matters, the accuracy of which cannot be assured. There can be no assurance that the investment strategy of the Fund will achieve profitable results for the Fund.

The state of the origin of the Fund is Luxembourg. This document may only be distributed in or from Switzerland to qualified investors within the meaning of Art. 10 Para. 3, 3bis and 3ter CISA. The Representative in Switzerland is ACOLIN Fund Services AG, Affolternstrasse 56, CH-8050 Zurich, whilst the Paying Agent is M.M. Warburg Bank (Switzerland) Ltd., Parkring 12, 8027 Zurich. In respect of the units distributed in or from Switzerland, the place of performance and jurisdiction is at the registered office of the Swiss representative. The basic documents of the Fund as well as the annual and, if applicable, semi-annual report may be obtained free of charge at the registered office of the Swiss Representative. The current document is intended for information purposes only and shall not to be used as an offer to buy and/or sell shares. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming shares. Past performance may not be reliable guide to future performance.

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