

Newsletter January 2018

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

AC TIGER FUND - TIGER VALUE FUND (FCP-SIF)														
Launch date	12 Dec 2008			Total Gross Exposure	85.6%			Total Long Exposure	61.5%					
AuM	\$158m / € 128m			Total Net Exposure	37.4%			Total Short Exposure	24.1%					
	NAV*	ISIN	Bloomberg		NAV*	ISIN	Bloomberg							
Share Class A	€ 2,253.06	LU0400329677	TIGERAA LX EQUITY	Share Class V	€ 1,004.70	LU1740273310	TIGEREV LX EQUITY							
Share Class B	€ 2,467.52	LU0400329750	TIGERAB LX EQUITY	Share Class C	€ 989.28	LU1744650885	TIGEREC LX EQUITY							
Share Class U	\$ 1,002.18	LU1647855136	TIGERUV LX EQUITY											
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	125.3%	9.4%	1.55x	6.2%										
Share Class B	146.8%	10.5%	1.67x	6.5%										
POSITIONS														
Number of Positions		Weightings (% of Gross)												
Long Positions	44	Long	Short											
Short Positions	38	Top 5	25.3%	11.4%										
Total No. Positions	82	Top 10	39.2%	17.9%										
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%	0.22%	2.12%	0.97%	-1.07%	-1.23%	-0.77%	0.45%	0.39%	0.41%	8.30%	
2018	0.02%												0.02%	
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%	0.27%	2.30%	1.07%	-1.03%	-1.19%	-0.73%	0.50%	0.43%	0.45%	9.47%	
2018	0.07%												0.07%	
Share Class U	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	
2017	-	-	-	-	-	-	-	-0.99%	-0.91%	0.62%	0.67%	0.60%	-0.02%	
2018	0.24%												0.24%	
Share Class V	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	
2017	-	-	-	-	-	-	-	-	-	-	-	0.43%	0.43%	
2018	0.04%												0.04%	
Share Class C	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	
2018	-1.07%												-1.07%	
MARKET CAP EXPOSURE							ASSET ALLOCATION							
SECTOR EXPOSURE														
DACH Region > 80% (country of origin); DACH-linked Region (listing) > 90%														
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 – January 2018

o **Returns: +0.02% (class A)/ +0.07% (class B)/ +0.24% (class U)**

In January, the Tiger Value Fund (“TVF”) had a net return of +0.02% for share class A and +0.07% for share class B, making a cumulative positive net return of +125.3%/+146.8% since inception (share class A/B). Our FX hedged USD share class U had a net return of +0.24% in January, making a cumulative net return of +0.22% since the inception in August 2017. Also, we have launched the institutional share classes V and C as of 29th December 2017 and 9th January 2018 which are up/down +0.47%/-1.07% since inception.

o **Commentary: Mixed bag – suffering from weaker USD**

In January, we decreased our net adjusted exposure from 44.4% to 34.6% (excl. 2.8% fixed income linked positions) as we booked profits and cut some losses on long positions and as we increased our index hedges and added to our single short positions. Our net adjusted exposure drops to below 30% if we adjust for our recent special situation case Hochtief/Abertis (see below) which also explains our current low market correlation.

Our top long attributers were PNE Wind (+32bp), Zeal Network (+32bp), Metro (+20bp) and Abertis (+21bp). While PNE Wind and Zeal Network shares profited from good news flow, the negative sentiment at Metro is turning into positive as near-term headwinds dissipate and growth is likely to accelerate. In particular, Russia should be a positive catalyst for Metro due to the World Cup and Russian presidential election in 2018. With the shares trading at a 30-50% discount to peers, the potential for re-rating is material.

We bought a position in Abertis below the takeover offer of Hochtief to hedge a smaller Hochtief position and to potentially swap the Abertis shares into Hochtief shares during the offer period. We see significant synergy potential and upside in Hochtief, if the company wins the bidding war against Atlantia. The next short-term catalysts are the approval of the Spanish Ministry of Energy and an improved counter bid from Atlantia. Due to the bidding war at Abertis the downside is limited but the upside potential material in case we can opt for Hochtief shares, i.e. Hochtief wins the takeover battle.

On the negative side our performance was burdened by Dialog Semiconductor (-21bp), Innogy (-15bp), Software AG (-13bp), Osram (-12bp), VA-Q-TEC (-12bp) and AMS (-11bp). Most of our detractors suffered also due to the weak USD as these companies face analyst estimate and price target cuts if the USD stays at the current 1.25 EURUSD exchange rate. While we have reduced our positions at Software AG, Osram and AMS with the aim to buy back after the potential negative news flow at lower share price levels, we slightly increased the positions at other detractors as we expect positive catalysts near-term.

Our single short book (incl. single put options) burdened our performance with -60bp. We rolled over some of our DAX option hedges when the DAX traded close to all-time highs which lowered our overall index hedging costs to -2bp in January. We continue to discover new catalyst shorts both structural long-term shorts and shorts with short-term catalysts which should pay off going forward.

o **Outlook: Fast reversals**

As we have frequently discussed in recent newsletters, we have been expecting rising interest rates and an increase in volatility as monetary policy is normalised after nine years of extremely loose financial conditions. After a very strong start of the year (DAX gained +5% until mid/late January), the reality of this impending normalisation process has hit financial markets hard in the last few days once interest rates both in Europe and the US broke through critical technical levels (0.6% for the German 10 year Bund and 2.60% for the US 10 year Treasury). At 0.77%, the German 10 year Bund is now at its highest in 3 years. At the same time the EURUSD exchange rate has continued to power ahead to 1.25 once it also broke through the critical 1.20 level. As at close on Friday February 2, the DAX has turned a +5% gain into -1% loss for the year. The VDAX, the volatility index for the DAX, has gone from 14.1% at the beginning of the year (and a low of below 12% in early January) to 19.4% currently. So far in 2018 we have seen some very fast reversals in many financial markets and this is only the beginning of what we expect will be a very volatile and different year to 2017.

Since we did not believe the strong start to the year could be sustained, we significantly reduced our net adjusted equity exposure during January from 44% to below 30%. While we saw a revived interest in the first few days of 2018 for many previously discarded stocks, many value stocks remain significantly depressed and unloved. Once equity markets have re-adjusted to a higher interest rate and volatility environment we aim to exploit this substantial mispricing and become more aggressive in our exposure levels. In the meantime, we continue to initiate new shorts particularly in stocks vulnerable to higher interest rates. In this last manic phase of the bull market, it is incredibly important to stay committed to well established investment principles and not to get carried away with the latest speculative bubble. Our investors can rest assured that we will remain steadfast and committed to our investment strategy based on our 10 point scoring model and risk/reward premise. Finally, we would like to welcome our new investors (institutional share classes V and C) to the Tiger family and look forward to a fruitful and profitable 2018.

The Tiger Value Fund Desk, 5th February 2018



Matthias Rutsch



Marc Schädler



Peter Irbld

Newsletter January 2018

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

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 20-40 long investments (excl. residual positions, options and fixed income) 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/U	2.00%
Fund Structure	Open-ended multi-class	Share Class B	1.50%
		Share Class C/V**	1.75%
Style mandate	Long/Short and Active Value	Performance Fee	
Investment Minimum		Share Class A/U	20%
Share Class A/U	€ 125,000 /US-\$ 125,000	Share Class B/C/V	15%
Share Class B/C/V	€ 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/U	5 business days*	Fund Benchmark	CS HF Index L/S Equity
Share Class B	6 months		
Share Class C/V	1 month	Yearly Dividend	Share Class V

*) 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.

**) max. 1.75%

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

Newsletter January 2018

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

Sales documents may not be forwarded to investors other than those who meet the 'experienced investor' requirements under the Law of 2007 as amended from time to time.

Disclaimer: This report is provided to you for information purposes only and is not to be used or construed as an offer to buy or sell shares of the Fund, which may only be sold pursuant to the Issue Document of the Fund, a copy of which may be obtained from Tiger Asset Management GmbH ("Investment Advisor") or Alceda ("Management Company"). The Management Company will not treat recipients of this report as its customers by virtue of their receiving this report. Due to individual client objectives, this report should not be construed as advice designed to meet the particular investment needs of any investor and this report is not to be relied upon in substitution for the exercise of independent judgment. Information and opinions presented in this report have been obtained or derived from sources believed by the Investment Advisor to be reliable, but the Investment Advisor makes no representation as to their accuracy or completeness. Information, opinions, and estimates contained in this report reflect a judgment at its original date of publication by the Investment Advisor and are subject to change without notice. The Investment Advisor accepts no liability for loss arising from the use of the material presented in this report.

Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. The price, value of and income from any of the securities or financial instruments held by the Fund can rise and fall as well. Investments held by the Fund may have a high level of volatility. High volatility investments may experience sudden and large falls in their value causing losses when that investment is realized. Income yields from investments may fluctuate and, in consequence, initial capital paid to make the investment may be used as part of that income yield. Some investments may not be readily realizable and it may be difficult to sell or realize those investments. Similarly it may prove difficult for you to obtain reliable information about the value, or risks, to which such an investment is exposed.

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.

The Tiger Fund has been passported for marketing in Austria and Germany in accordance with the terms of the AIFMD, the 2013 Law and the AIFMG (Austrian Alternative Investment Funds Manager Act (Alternative Investmentfonds Manager-Gesetz)) respectively the KAGB (Investment Code (Kapitalanlagegesetzbuch)). The Units passported may be marketed in Austria and/or in Germany in line with the terms and exclusively to professional investors within the meaning of the AIFMG and/or KAGB. Any marketing activities to other categories of investors are prohibited.

The information in this report is confidential and the copyright in this presentation belongs to Tiger Asset Management GmbH and must not be copied, reproduced or distributed to others at any time except where analysis of the information by certain employees and advisers of the recipient is necessary to evaluate the investment opportunity offered to the recipient in the report in which case the information may be disclosed to those employees and advisers, but only on the condition that the recipient has first procured that they have agreed to treat such information as confidential and not to disclose it to third parties.