

### Investment objective

The objective of the Fund is to maximise absolute returns by investing both long and short in Emerging European and Russian securities.

### Fund Data

|                   |            |
|-------------------|------------|
| NAV per A share   | USD 435.17 |
| Total Fund Assets | USD 458.7m |
| Strategy Assets   | USD 560m   |

|                      |       |
|----------------------|-------|
| <i>Since launch:</i> |       |
| Annualised return    | 11.4% |
| % of rising months   | 71.6  |
| Max monthly loss     | -7.8% |
| Sharpe ratio         | 1.6   |
| Standard deviation   | 7.3%  |
| R-squared            | 0.01  |

Total Fund Assets is an estimate that includes net subscriptions being processed. The Sharpe ratio and ex-post standard deviation figures are calculated using monthly returns. The risk free rate assumption is the average 12 month USD LIMEAN since Fund inception. R-squared is against the MSCI EM Europe Index and uses weekly data.

### Fund performance

|                             | Launch      | 3 Years     | 1 Year      | 6 Months    | 3 Months    | 1 Month     | YTD         |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| From:                       | 31 Dec 2001 | 30 Aug 2013 | 28 Aug 2015 | 29 Feb 2016 | 31 May 2016 | 29 Jul 2016 | 31 Dec 2015 |
| To:                         | 31 Aug 2016 | 31 Aug 2016 | 31 Aug 2016 | 31 Aug 2016 | 31 Aug 2016 | 31 Aug 2016 | 31 Aug 2016 |
| <b>OCCO E European Fund</b> | 389.2%      | 14.1%       | 8.5%        | 5.0%        | 3.5%        | 1.4%        | 7.4%        |
| MSCI EM Europe USD NTR      | 170.1%      | -27.2%      | 2.2%        | 14.9%       | 2.3%        | 1.8%        | 13.1%       |

Fund figures are based on the A share class and are calculated in USD net of fees. The currency denomination of the fund changed from EUR to USD on 31 Jan 2003; earlier data has been converted from EUR to USD at the appropriate exchange rate.

Source: Charlemagne Capital

### Return data since inception

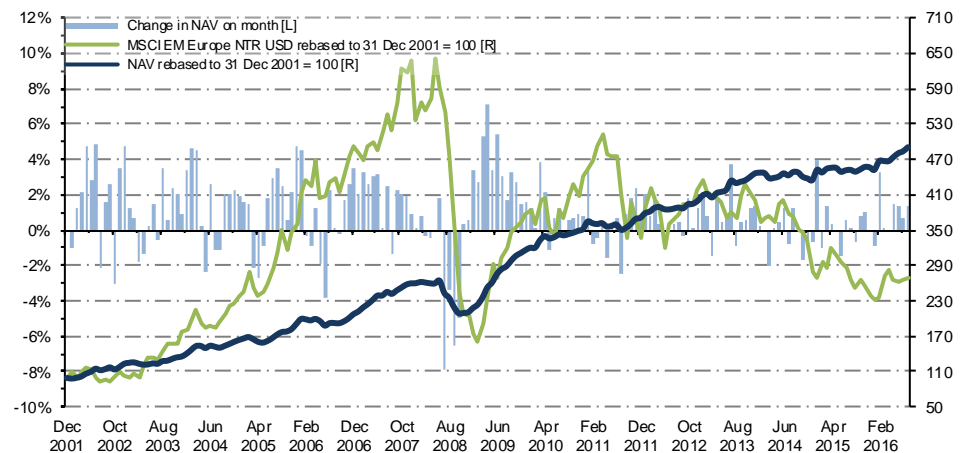
|             | 2002         | 2003        | 2004         | 2005         | 2006        | 2007         | 2008          | 2009         | 2010         | 2011        | 2012        | 2013         | 2014         | 2015        | 2016         |
|-------------|--------------|-------------|--------------|--------------|-------------|--------------|---------------|--------------|--------------|-------------|-------------|--------------|--------------|-------------|--------------|
| Jan         | -1.0%        | 1.2%        | 3.4%         | 1.6%         | 4.5%        | 2.1%         | 0.1%          | 3.4%         | 1.2%         | 3.7%        | 2.1%        | 2.2%         | 0.3%         | 4.0%        | -0.9%        |
| Feb         | 1.3%         | 0.7%        | 4.6%         | 1.5%         | -0.3%       | 3.3%         | 0.8%          | 2.7%         | 0.0%         | -0.8%       | 0.8%        | 0.8%         | -0.2%        | -1.0%       | 3.3%         |
| Mar         | 2.1%         | -1.8%       | 4.5%         | -2.1%        | -0.9%       | 2.6%         | -0.4%         | 5.3%         | 3.9%         | -0.4%       | 1.6%        | -1.5%        | -2.0%        | 1.4%        | 0.0%         |
| Apr         | 4.8%         | -1.3%       | 0.2%         | -2.7%        | 1.3%        | 3.1%         | -0.5%         | 7.1%         | 2.2%         | 0.4%        | 0.3%        | 1.9%         | 0.2%         | 0.4%        | -0.0%        |
| May         | 2.8%         | 0.3%        | -2.3%        | -0.9%        | -1.9%       | 3.2%         | -0.1%         | 3.4%         | -1.2%        | -1.6%       | -0.9%       | 0.5%         | 0.5%         | 0.0%        | 1.5%         |
| Jun         | 4.9%         | 1.5%        | 2.6%         | 1.8%         | -3.8%       | 0.0%         | 1.8%          | 5.4%         | 0.6%         | 0.3%        | -0.1%       | 0.8%         | 1.2%         | -1.5%       | 1.4%         |
| Jul         | -2.2%        | -0.6%       | -1.1%        | 2.9%         | 2.3%        | 2.5%         | -7.8%         | 3.0%         | 1.3%         | 0.7%        | 0.4%        | 3.7%         | -0.8%        | 0.6%        | 0.7%         |
| Aug         | 1.6%         | 3.5%        | -1.2%        | 3.5%         | 0.0%        | -1.3%        | -3.3%         | 1.7%         | -0.4%        | -2.5%       | 0.5%        | -0.9%        | 1.3%         | 0.2%        | 1.4%         |
| Sep         | 2.6%         | 0.6%        | 2.1%         | 2.5%         | -0.2%       | 2.3%         | -6.5%         | 3.3%         | 0.6%         | 0.9%        | -0.4%       | 0.5%         | -0.1%        | -0.7%       |              |
| Oct         | -3.0%        | 2.3%        | 2.1%         | 0.6%         | 1.7%        | 2.0%         | -4.9%         | 2.7%         | 0.7%         | 1.8%        | 1.8%        | 0.6%         | -1.7%        | 0.8%        |              |
| Nov         | 3.5%         | 2.1%        | 2.3%         | 2.1%         | 2.6%        | 2.0%         | 0.3%          | 1.5%         | 0.9%         | 2.4%        | 0.1%        | 1.3%         | -0.6%        | 1.0%        |              |
| Dec         | 4.7%         | 0.9%        | 2.0%         | 4.8%         | 3.5%        | 0.9%         | 0.6%          | 1.6%         | 0.8%         | 0.5%        | 1.3%        | 1.4%         | -0.7%        | -0.1%       |              |
| <b>Year</b> | <b>24.0%</b> | <b>9.7%</b> | <b>20.6%</b> | <b>16.4%</b> | <b>8.8%</b> | <b>25.0%</b> | <b>-18.8%</b> | <b>49.8%</b> | <b>11.2%</b> | <b>5.4%</b> | <b>7.7%</b> | <b>11.6%</b> | <b>-2.6%</b> | <b>5.0%</b> | <b>*7.4%</b> |

\* Year to date.

Return figures are based on the A share class and are calculated in USD net of fees. NAV data for other share classes is available on [www.charlemagnecapital.com](http://www.charlemagnecapital.com)

Source: Charlemagne Capital

### Return chart since inception



Source: Charlemagne Capital

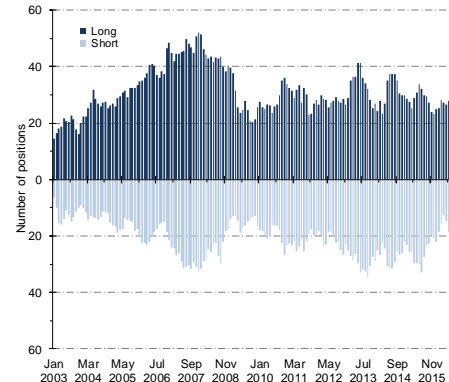
### Fund information

|                    |                                   |
|--------------------|-----------------------------------|
| Launched           | 31 Dec 2001                       |
| Domicile           | Cayman Islands                    |
| Investment Manager | Charlemagne Capital (IOM) Limited |
| Prime Brokers      | Credit Suisse<br>Goldman Sachs    |
| Dealing Day        | First day of month                |
| Valuation Day      | Last day of month                 |
| Redemption Notice  | 30 calendar days                  |

If requested by US investors for tax purposes, PFIC annual information statements can be provided.

Source: Charlemagne Capital

### Position history



Source: Charlemagne Capital

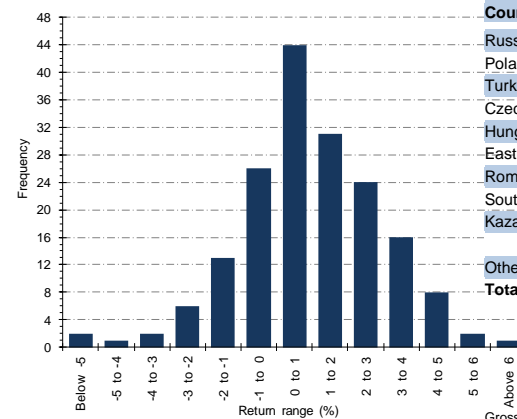
### Current portfolio structure

| Country      | Long         | Short         | Gross        | Net         |
|--------------|--------------|---------------|--------------|-------------|
| Kazakhstan   | 0.9%         | 0.0%          | 0.9%         | 0.9%        |
| Poland       | 7.7%         | -8.3%         | 16.0%        | -0.6%       |
| Romania      | 1.0%         | 0.0%          | 1.0%         | 1.0%        |
| Russia       | 33.4%        | -30.1%        | 63.5%        | 3.3%        |
| Other        | 0.0%         | 0.0%          | 0.0%         | 0.0%        |
| <b>Total</b> | <b>43.1%</b> | <b>-38.4%</b> | <b>81.5%</b> | <b>4.7%</b> |

Exposure given as a percentage of NAV

Source: Charlemagne Capital

### Distribution of monthly returns



### Gross monthly profit generation

| Country        | Long       | Short      | Net        |
|----------------|------------|------------|------------|
| Russia         | 208        | -52        | 156        |
| Poland         | 11         | -1         | 10         |
| Turkey         | -1         | 9          | 8          |
| Czech Republic | 0          | 7          | 7          |
| Hungary        | 6          | 0          | 6          |
| Eastern Europe | 5          | 0          | 5          |
| Romania        | 4          | 0          | 4          |
| South Africa   | 0          | -1         | -1         |
| Kazakhstan     | -8         | 0          | -8         |
| Other          | 0          | 0          | 0          |
| <b>Total</b>   | <b>227</b> | <b>-39</b> | <b>188</b> |

Gross profit over latest month, given in basis points

Source: Charlemagne Capital

### Share class information

| Class | Series | NAV    | FX          | Launch date | Minimum subscription | Additional subscription | Management fee | Performance fee | Restricted   | ISIN         |
|-------|--------|--------|-------------|-------------|----------------------|-------------------------|----------------|-----------------|--------------|--------------|
| A     | A      | 435.17 | USD         | 31 Dec 2001 | USD 100,000          | USD 10,000              | 1.50%          | 20%             | No           | KYG669051032 |
|       | A      | 14.10  | USD         | 01 Sep 2008 | USD 100,000          | USD 10,000              | 1.50%          | 20%             | Yes          | KYG669051297 |
|       | A      | 12.70  | GBP         | 30 Apr 2012 | GBP 100,000          | GBP 10,000              | 1.50%          | 20%             | No           | KYG669051602 |
|       | A      | 12.44  | EUR         | 30 Mar 2012 | EUR 100,000          | EUR 10,000              | 1.50%          | 20%             | No           | KYG669051784 |
|       | A      | 12.17  | CHF         | 30 Apr 2012 | CHF 100,000          | CHF 10,000              | 1.50%          | 20%             | No           | KYG669051867 |
|       | C      | 12.16  | USD         | 29 Jun 2012 | USD 100,000          | USD 10,000              | 2.50%          | 20%             | Yes          | KYG669051941 |
|       | C      | 11.98  | EUR         | 29 Jun 2012 | EUR 100,000          | EUR 10,000              | 2.50%          | 20%             | Yes          | KYG669052105 |
|       | C      | 12.31  | USD         | 29 Jun 2012 | USD 100,000          | USD 10,000              | 2.50%          | 20%             | No           | KYG669052360 |
|       | C      | 12.30  | GBP         | 31 Jul 2012 | GBP 100,000          | GBP 10,000              | 2.50%          | 20%             | No           | KYG669052444 |
| C     | 12.12  | EUR    | 29 Jun 2012 | EUR 100,000 | EUR 10,000           | 2.50%                   | 20%            | No              | KYG669052519 |              |
| D     | D      | 11.31  | USD         | 30 Aug 2013 | USD 100,000          | USD 100,000             | 1.50%          | 20%             | Yes          | KYG669052774 |
|       | D      | 11.41  | USD         | 30 Aug 2013 | USD 100,000          | USD 100,000             | 1.50%          | 20%             | No           | KYG669053012 |
|       | D      | 11.24  | EUR         | 30 Aug 2013 | EUR 100,000          | EUR 100,000             | 1.50%          | 20%             | No           | KYG669053277 |

Restricted: Members of FINRA and such other persons as are described as "restricted persons" in FINRA Rule 5130, paragraph (i)(10), may apply for only these share classes

NB: Share classes from A through to I are currently closed; share classes from J through to W are currently open to new subscriptions, but only to replace redemptions  
Further currency share series are available upon request

Source: Charlemagne Capital

August was a relatively quiet month for markets and a strong one for the portfolio. The NAV gained 142 bps over the month. Russia was again the main driver with supportive contributions from other markets.

Most pairs in the Russian book were in positive territory but two positions in particular contributed disproportionately to the month's return. X5 reported results that were well ahead of market expectations and the company continues to grow revenues notably quicker than the competition. This revenue growth, driven by an impressively efficient space expansion program and traffic gains, means that the company can negotiate better terms with suppliers and offer customers the most competitive pricing, which in turn drives footfall and performance. X5 remains a core 5% position and it yielded 75 bps in August, outperforming hedges, Magnit and Lenta, handsomely. Aeroflot also reported very strong results, confirming our thesis that the removal of capacity from the Russian aviation market (both through foreign carriers' withdrawal and through the bankruptcy of a competitor) would allow them to begin increasing yields gradually. Margins and cashflow were extremely strong (the company generated close to its market cap in free cashflow in the first six months of the year) and the growth in presold tickets indicates that the all-important summer season has also been a strong one. The position in Aeroflot generated 40 bps and, with significant consensus upgrades likely to follow, we maintain the exposure.

Our single largest position at ten per cent total gross exposure is the 5% long position in Novatek paired with a cash neutral short position in Gazprom. Ten years ago when Novatek listed its GDRs on the London Stock Exchange its market cap was a fraction of Gazprom's. In the intervening ten years Novatek's share price is up by 450% as a result of profitable growth whilst Gazprom has halved in value to along term value destructive strategy. Whilst we wish we would like to say we have captured all of this via a long duration pair trade, we haven't but the latest round of unappreciated growth opportunities at Novatek do create scope for at least one more performance harvest from this pair. Novatek in many investors eyes is approaching an ex growth cash flow plateau which struggles to captivate the enthusiasm for growth hungry emerging market investors. We believe a strategy update due at the end of the year will challenge this view, in the process revealing a number of development project options that hitherto have been given scant attention. Whilst conventional P/E and E/V EBITDA multiples are high for Novatek this masks the much more compelling free cash flow yield discount which exists as a result of much lower maintenance capex than any of its Russian peers. Capex is only 15 per cent of 2017 EBITDA compared to 85% across its larger Russian energy peers and above 100% for Gazprom. This is a legacy of asset quality, maturity and efficiency. The pair is not dependent solely on Novatek surprising investors with future growth options. It also looks to be a source of cheap tax optionality. Another round of tax increases looks to be coming for the energy sector in Russia and Gazprom once again looks like it will be shouldering the largest share of the burden. Whilst the company was able to resist the Ministry of Finance's clamour for much higher dividends, higher tax demands are a different matter. Not surprising when you consider there is no leakage to minority's investors to consider. With the Ministry of Finance due to present in the next couple of months a new 3 year budget framework seemingly based around conservative oil price assumptions, it is inevitable that taxes will have to go up. Headlines around this process should create some relative headwinds for Gazprom. Consensus numbers for Gazprom continue to price in higher gas prices and stable taxes, ignoring the fiscal risk and the longer term threat of competitive threat of LNG IN Europe.

In Central Europe the portfolio made 25 bps. A pair in the banking sector was the largest contributor yielding more than 30% in a few months. We invested in Hungarian bank OTP in July following comments from Erste Bank that credit quality within its Hungarian business was improving. We also anticipated solid results from OTP's recovering Russian franchise and expect generous dividends as a result of the bank's strong capital position. In the absence of a Hungarian banking peer we used Kommerční in Czech Republic on the short side because, although the stock offers a similar yield in a sound currency, its growth prospects are far less impressive. When the Czech regulator unexpectedly announced new and more prudent capital requirements for the sector, Kommerční said that its dividend payout was at risk and the stock fell sharply. We used this opportunity to exit the position.

We had no exposure to Turkey in the month but note that Turkey continues to underperform broader emerging markets. Erdogan's rapprochement with Putin should help the tourist industry and the current account deficit next year but military action against the Kurds in Syria is a reminder of how volatile the region remains.

There were no significant additions to the portfolio in August.

Marketing & Sales Department

Tel: + 44 (0)20 7518 2100 Fax: + 44 (0)20 7518 2199

Email: [occo.ir@charlemagnecapital.com](mailto:occo.ir@charlemagnecapital.com) Website: [www.charlemagnecapital.com](http://www.charlemagnecapital.com)

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