Dear Investors,

I hope this letter finds you and your family in good health. Arauca Capital achieved a gross return of **+6.16%** for the first half of 2024 (from the 01st of January to June 30th). As usual, net returns vary depending on when the capital was invested in the fund. For specific details, please check your individual statements, which were sent directly by our administrator, Bolder Group back in July.

During the first half of the year Arauca embraced in an interesting project - the first stock pitch competition in my home country, Colombia. In Colombia there is no investment culture, which is no surprise as there has been years of market destruction in the stock market. In fact, in the last five years you won't find a company that generated positive shareholder value. Moreover, a few industrial conglomerates dominate various sectors in Colombia, a common situation in Latin American countries, making engagement with the stock exchange through equities quite limited.

With the help of Ricardo, who did the heavy lifting, we engaged several universities and with a top-class judge panel we managed to create the first stock pitch competition. Interestingly to me, the only competitions that exist in Colombia are short term guesses of stock prices, without any analysis of the fundamentals of the companies. We wanted to change that and teach the students to analyse companies as companies, not as tickers on a screen. It was touching to read the feedback from all the participants, the common message was the learning for all was immense. The winner was Mateo Lopez who became our intern for the months of June and July, and we had a lot of fun together. I am very grateful with Mateo for all his contributions during this time.

During the last semester we welcomed several new investors to the fund, and I also managed to visit Shelly HQ´s in Sofia, Bulgaria. During that trip I had the privilege to meet Bulgarian Venture Capital Funds, one of which is Shelly largest shareholder (outside the founders) and got an impressive view of the capital markets in Eastern Europe. I believe this exposure can bring huge benefits long term, as my relationships in and knowledge of the region expand. These are positive unintended consequences of being a Shelly Shareholder.

I also attended the micro-cap summit in Idaho, where I had the pleasure to see friends and make new ones (even though that was already H2-2024). In addition I had the opportunity to pitch Shelly; if you are interested you can see the recording here, I am the third presenter.

Part 1 – General Thoughts

General Thoughts – Calibration, a must when investing in small caps

Arauca Capital is a market cap agnostic fund, we invest in companies of all sizes, but as you also know I am fond of small caps and micro-caps (that is companies below 1 billion USD of market capitalization). As most of the colleagues I speak to invest mostly within this segment (small and micro-cap) I tend to forget how ignored and sometimes hated the segment has become. A comment I hear often is to look at the performance of the Russel 2000 compared to the S&P 500 and the Nasdaq, which of course lags both indices in a 5,10- and 15-year period, but the point has some misunderstandings that I must clarify.

When a small company which is part of the Russell 2000 becomes bigger for a sustained period, it is mostly because of the increase of the earnings of the company. The company must be becoming better. Those companies, if they get too large (around 2 billion USD), must leave the index. So better companies will become part of other indices, and this exit of the Russell 2000 in most cases is a result of becoming better. This means that the Russel 2000 will have great companies only for a specific period, it is designed to not have the best business for long, small businesses that are going to be great are going to be temporarily there. This brings me to explain several points:

1. Assuming that a small cap investor will only have small caps is wrong. In my case, it is the exact opposite. I hope that all our holdings become big, very big. The difference is that I want to find them small and, assuming a constant execution of the management team of those companies, hold them for the duration of that execution.

2. Compare the performance of the Russell 2000 or any other index that has a limit on size of the constituents as the barometer of investing in the sector is having the wrong measurement.

3. Did you know that over the last years from all companies worldwide that went 10x or more than a thousand percent, 87% were microcaps? If not I recommend you to listen this podcast for more context.

I hope these few points clarify some misconceptions about investing in small and micro-caps and bring some enthusiasm about the opportunities in the space. However, the segment is not for the faint hearted, as in many cases short term up moves last just a few months and happen mostly due to momentum, also small companies with a history of mismanagement may occasionally report good numbers and gain attention on social media, but they are often impostors. Another very difficult but critical aspect of investing in this segment is that facts within small companies change a lot more often than in larger ones. In small caps a personal misbehaviour by a founder CEO can destroy a company. So, it requires extreme discipline and work to be constantly evaluating what one owns. Lastly, over the last few years, particularly in developed markets, there has been an abundance of venture capital funds with ample resources investing in early-stage companies. This has led to a delay or even cessation of the need for many early-stage companies to go public. Consequently, this increases the proportion of not-so-great businesses that are listed, which makes fishing in this pond harder. Despite the positive reasons to invest in this sector, it is crucial to understand that the majority of small-cap and micro-cap companies will not succeed. Without this knowledge, investing in the sector is unlikely to be successful. Therefore, it is essential to approach reality by closely examining the facts coming from these companies, which should guide us in properly calibrating our investment positions and it must be done with ruthless discipline.

This brings me to a powerful concept that I call **calibration**, which is essential in the context of investing. Calibration involves the constant evaluation of our hypothesis compared to the incoming facts, valuation, and measurement of optionality. All these actions should translate into adjusting the size of the position accordingly or exiting. It is a constant flow, like a river; nothing is static.

Part 2 - Portfolio Update

General commentary – Shelly Group (update) – Portfolio Exits– Mistakes and new positions

Undisclosed positions – Dry Powder – General Observations

Regarding the undisclosed positions mentioned in the last letter, we only have one left in the portfolio. Given the low liquidity and the fact that the share price has moved considerably up, I have not been able to have the size at the price I want. Meaning, I am still buying today. The company is completely under the radar without even a twitter mention by investors. Eventually I will disclose it but cannot promise when.

Given the new inflows in the fund and the exit of some of our portfolio companies, I still have a large position in short term treasury bills. I am constantly in the bid for the companies I want to add, with that said, we currently have proper dry powder that will be deployed rationally without any rush.

Let me share some of my thoughts in the fund's latest moves and more extra colour on Shelly, our largest position.

Gaming Innovation Group (GIG) - Sold

GIG is a good business, run by a great management team. The largest shareholders are people I admire. In addition, the latest acquisitions have proven how great GIG is as company, the websites acquired are having an incredibly turnaround with high growth. With that said, I decided to sell our stake in the company. The decision to sell is more an internal realization about whether I have an edge understanding the risks inherent in this industry, I concluded that I do not. It has always been clear that the affiliation industry is dependant to a large extent to google algorithm updates. These changes can drastically affect the performance of any company in this industry, and I realized that I lacked the ability to assess that risk properly. I witnessed how several companies suffered after the latest Google algorithm update, which did not affect GIG much and speaks of the competitive advantage of the company. However, I felt prudent to exit given this realization.

I wish the best to the wonderful management team, which I believe they will unlock the value GIG deserves. For us in the fund, our investment in GIG was very profitable.

Shelly Group:

As a reminder, **this link** contains our full write-up shared in my last letter. Below, I will provide further commentary, so you know why Shelly is our largest position.

Shelly is a rare company that the facts and execution of the company have far exceeded my expectations, it has grown to be our largest position and since I started buying for Arauca is a 3.2x bagger (we started the position around 11.00 EUR).

During the previous months, margins continued to expand and to my surprise topline growth even accelerated to 52% in Q2 2024. In Q2 Shelly released an entire new vertical called Shelly X, which I believe has the potential to be bigger than the existing business is today, I will further expand on this vertical.

The more I learn about Shelly, the more I realize the market does not understand the company well. The IoT (Internet of Things) industry was ripe for disruption, without a single player providing a broad spectrum of integration, communication among devices, open source, high level of customization and compatibility with all major existing protocols. Shelly became that player, and thus Shelly is simply unique, and I think is appropriate to give you a glimpse into the competitive landscape. I need to give Mateo, the winner of the stock pitch competition in Colombia and consequently our intern a shoutout for doing a great job helping me put this research together.

Shelly´s current main revenues come from relays, in addition to that Shelly is offering smart switches and smart plugs, besides the Shelly premium app. Shelly is the only company with relentless innovation, in 2024 between 40 and 60 new products and updates are expected. As a reminder a relay are devices installed behind power outlets. Relays facilitate energy consumption monitoring, smart control of lights and of devices and sensors, via the shelly app, which is available in iOS, Android, App Gallery (Huawei), and desktop versions), and/or smart assistants such as Amazon's Alexa.

Before explaining the competition, it is important to define what is a protocol within the IoT industry. Protocols are standardized sets of rules and conventions that define how data is transmitted and received over networks, ensuring compatibility and interoperability between different devices and systems. In summary it is how devices communicate with each other and in some cases how they connect with the internet.

Wi-Fi and Bluetooth are protocols we are all familiar with. Bluetooth. For instance, having the benefit of low power consumption, easy pairing but with limited range up to 10 meters, Wi-Fi being able to high data transfers, widespread compatibility, no need for additional hubs but with the disadvantage of potential network congestion and higher power consumption.

There are several more protocols, for instance **Z-Wave** which is mostly used in the US. It is a wireless communication protocol designed specifically for home automation with a mesh network ensuring reliable connectivity. **Zigbee**, which is a similar protocol to Z-wave, but with the disadvantages of being able to only use the 2.4 GHz frequency, which may cause interference with Wi-Fi or other household devices. Lastly important to mention the **KNX protocol**. KNX is a standardized protocol for building automation that enables both wired and wireless communication between devices. It is highly reliable and scalable, supporting a wide range of devices and applications in building automation. However, KNX can be complex to install and set up, and it tends to be more expensive. It is primarily used in professional and commercial installations rather than DIY home automation. Notable companies using KNX include Gira, Siemens, ABB, besides of course Shelly.

Within the Relay segment, simply there is no competitor offering what Shelly does, let´s review the main competitors:

- Plejd AB: Plejd focuses on developing and selling products in connected, smart lighting control and smart luminaire. Pledj´s markets are mostly Sweden and Norway. Plejd offers smart lighting control modules, which are the equivalent of a relay, in addition to that Plejd also sells smart luminaries, which are equivalent to smart switches. Plejd is limited to lighting, as opposed of Shelly large selection of products for smart home automation.

  Plejd´s relays (modules or plucks as they call them) use exclusively Bluetooth as protocol, probably the weakest protocol of all, as it has very limited range. Plejd´s products are connected to their cloud platform that supports only their own app and Google Assistant, basically as one user put in a forum "They are fencing themselves up", which is completely the opposite of what Shelly does, which is integrating Shelly Products to any ecosystem, protocol and being open source.

  Plejd's pricing averages around 60 EUR, which is significantly higher (multiple times) than Shelly's prices, despite Shelly offering more functionalities. In terms of customization, Plejd's closed ecosystem cannot compare to Shelly's open system. However, Plejd has excelled in its market approach by targeting electricians and not selling directly to consumers. This means that when a client in Sweden or Norway requests smart lighting, the electrician is likely to recommend and install Plejd products (for now).

  This strategy, however, carries risks. As consumers become more knowledgeable, they tend to prefer products with greater capabilities that can integrate with other household appliances, specially at a lower price. Customers, as seen by forum reviews in the Nordics are starting to catch up with Shelly´s capabilities and it is clear the enormous potential Shelly has in those countries. As a final note, Plejd is a public company and trades at higher multiples than Shelly´s at the time of writing.

- Sonoff: Sonoff is a Chinese company focused on smart home solutions, providing relays that directly compete with Shelly's products. Sonoff specializes in a variety of smart home devices, similar to Shelly, but unlike Plejd, which focuses mostly on lighting. Sonoff relays are among the cheapest in the industry, priced around 15 EUR. However, Sonoff operates under WiFi and ZigBee protocols, limiting users to these two options. Sonoff products are generally lower in quality and offer limited customization capabilities.

In contrast, Shelly is miles ahead of Sonoff in terms of innovation, frequently introducing new capabilities, and products. Shelly's devices are known for their superior build quality and high level of customization, making them a favourite among advanced users and enthusiasts, which has advanced to less sophisticated users with the smart plugs. Although Shelly products are more expensive, the price difference is minimal when compared to the product difference. Shelly´s products are preferred by those seeking better quality and advanced features due to their open-source nature. Additionally, Shelly is likely to benefit more from the new EU Cybersecurity Act, which emphasizes high cybersecurity standards and certifications, potentially giving Shelly a massive edge in the European market.

- Fibaro: Fibaro was one of the pioneers in selling smart relays. However, Fibaro's products operate exclusively under the Z-Wave protocol. Since Shelly entered the market, offering relays compatible with multiple protocols including Z-Wave, Fibaro has struggled to keep up. According to Shelly's management team in their last earnings call, Fibaro as a brand is expected to disappear, though is not clear if the products will continue being sold under the NICE brand. Fibaro products are not only more challenging to install but are also priced significantly higher than Shelly's offerings. Additionally, in terms of customization, Fibaro lags far behind Shelly.

- Companies under the KNX protocol: Siemens, ABB and GIRA: Installations under the KNX protocol are expensive due to the need for professional electricians and complex wiring. However, once installed, KNX systems are highly reliable. Gira, which offer products only under this protocol, is a direct competitor to Shelly Pro. Siemens and ABB also offer relays under KNX, but they are not as focused on smart automation and primarily participate in the IoT market for its growth potential.

  Companies like Gira, Siemens, and ABB, which offer products exclusively under the KNX protocol, face limitations in customization despite KNX being an open-source protocol. Adding wireless devices outside the KNX network can be complex or even unfeasible. In contrast, Shelly supports KNX along with other protocols, offering extensive customization capabilities. This flexibility and adaptability position Shelly to increase its market share significantly.

Besides Shelly, there is no company today that operates under all protocols. Shelly, for example, does not need Zigbee if it offers Z-Wave, as Z-Wave is essentially a better version of the Zigbee protocol. Additionally, no company (besides Shelly) is compatible with all other systems: Android, iOS, Huawei, and voice assistants such as Alexa. Shelly, unlike most competitors, understood early on that by being an open system, users would be able to make their entire home smart irrespective of what device, protocol, or system they use. Additionally, due to the open-source nature of the products and the extremely high level of customization, Shelly is years ahead of competitors. This approach has led

Shelly to become a platform and technology enabler. When thinking about home automation, did you know that Shelly devices help you detect water leakages and smoke events?

Shelly realized that their technology could go further and make any device smart. Currently, Shelly is launching a new module, called Shelly X, which can make just that – turn devices into smart devices. This innovation opens an entirely new vertical that has the potential to surpass the scale of Shelly's existing business lines.

As shown, many competitors, such as Plejd, want to limit users to their own ecosystem, believing they will remain loyal. However, as users seek more connectivity in their homes, these companies close off that option, driving users to seek alternatives. When they find Shelly, they are unlikely to return. Surprisingly, these companies have not realized the danger, despite Shelly gaining significant traction and market share. Competitors seem somewhat complacent, while Shelly remains restless. This brief competitor comparison, I hope, makes it clear that there is no one like Shelly today. With this, I need to explain and provide an idea of what Shelly X is and what it can mean for Shelly as a whole.

<u>Shelly X:</u>

If you have a Whirlpool washing machine that is smart (connected to the internet and/or following commands remotely), have you ever wondered how it became smart? Do you think making appliances "smart" is an easy process? Let me tell you, it is not. Most of the largest OEMs (original equipment manufacturers) and brands in the world, like Whirlpool, Sharp, Philips, use an external module to make that happen. These companies are experts at making the machines but making appliances smart requires a different infrastructure. Today, one company is the largest producer of this special module, and those OEMs and brands are its clients. The company is a Chinese company called Tuya.

Currently there a very few numbers of brands that are building their internal IoT solution. Those brands limit users to their own products and services, those brands lack the technology, and expertise to create a module that can connect to millions of devices. And that is where Tuya came to fill that need.

Tuya started in 2014 and has been up to now the only option for these brands, providing a module that with software, connects these devices and make them smart, a module which is open to all brands.

With that said, Tuya's modules do not come with open APIs (Tuya does offer a service called Cube Private Cloud with open API´s but that is another feature). Tuya offers a minimal warranty and most importantly Tuya did not develop its own cloud infrastructure, so the company must rely on and pay third-party providers for cloud-based infrastructure. Tuya has focused on making the modules brand-agnostic but did not focus on their customization capabilities. Additionally, the fact that Tuya is a Chinese company adds security concerns, especially since external cloud providers are involved, making these security concerns more significant.

Shelly developed its own internal cloud infrastructure for its core products. Additionally, Shelly's products can be accessed through a built-in web interface combined with local APIs, allowing users to send commands to devices over local networks. This enables integration with various smart home systems and customization without relying on the internet, if the user chooses. Shelly had built an entire infrastructure for its core products, which is now ready to disrupt the module business as well.

Thankfully, Shelly's management is voracious in innovation and spotting opportunities. Shelly announced the launch of Shelly X, which will compete directly with Tuya, offering all the benefits mentioned above (including open, API´s, extensive warranty, an unprecedent level of customization). OEMs with their brands will have the chance to switch to a superior product if they truly care about making their appliances smart, customizable, reliable, and secure.

Think about data: within the Shelly ecosystem, data stays within the local network. In Tuya's case, data must be sent to cloud servers. Within the Shelly ecosystem, brands and potentially users can create custom integrations and automations and integrate with any protocol or smart home system. As far as I understand, the plan is for Shelly modules to be sold at one price that includes 10 years of service, allowing brands to be completely relaxed about any eventuality.

How should we think about the potential of this new vertical? My estimate is that Tuya sells approximately 150 million modules, priced around 1.50 USD each. Shelly will offer a complete set of new services within the module, as mentioned above. While I could be wrong, I do not see how a Shelly module could be sold for less than 3.00 USD. I estimate these modules to have the same gross margins as the main products (around 50%), and management has agreed with this estimate. If that is the case, we can extrapolate that net income margins will be around 20%.

If Shelly manages to capture just 1/15th of Tuya's market, that means Shelly will sell 10 million modules. At my conservative price estimate of 3.00 USD, this would represent 30 million USD or 27 million EUR in revenue, translating into 5.5 million EUR in new profit. This is 33% of the net income generated in 2023. Imagine if the company sells 50 million modules, imagine if the price is above 3.00 USD, or if the market expands. The potential for Shelly X is enormous. As of August 2024, the company is working with 5 leading brands, and I hope to learn who they are soon.

<u>Final Thoughts on Shelly:</u>

Shelly recently disclosed the acquisition of <u>LOQED</u>, a company that designs and distributes smart locks. Their products are extraordinary, but the company went into bankruptcy as management overestimated the market potential. Shelly bought the company out of bankruptcy for 150,000 EUR, an insignificant amount that seems lower than the value of the inventory. By securing this acquisition, Shelly owns the IP, distribution channels, and relationships with manufacturers, and will integrate the LOQED products into the Shelly ecosystem. With a minimal investment, Shelly entered a new vertical that opens the door (no pun intended) into security, integrating all aspects with home and building automation. This demonstrates the capital allocation skills of the management team, deploying a few thousand euros and getting a new vertical.

Shelly's shares at the time of writing trade at 36.00 EUR, representing 21 times my estimate of 2025 earnings and 15 times 2026 earnings. This estimate only includes the existing products and markets. If Shelly X, the new vertical into smart locks, and geographical expansion succeed, this estimate will be very conservative. Shelly is an illustration of a company constantly providing new and free optionality.

Learnings/Mistakes

Once again, there were mistakes made, I passed a few names that I understood, had good margin of safety and optionality and for some reason did not pull the trigger. Currently valuation does not justify the price. The reason for having passed was an overly cautious attitude. I have to accept that the current geopolitical situation does make me more a bit more conservative, I need to not let that influence me when finding opportunities that tick most boxes.

Small investments / Convex segment of the portfolio:

I spent a very small amount in premiums for bullish options in Natural gas and WTI as a hedge in case the world gets crazier. As usual I expect this premium to be lost, but in case there is a fat tail (low probability, large impact event) we could make multiple times the amount paid in premium. And I hope the world does have a scenario where we have to exercise these options, they expire in October and November this year.

Earlier in the year, I changed my mind regarding a tiny Swedish company (as I had originally passed). This is a very small position (1% at cost), and I consider it in the convex segment of the portfolio. Moberg Pharma developed a drug called MOB-015, which is a topical medication for treating nail fungus. To put it briefly, the drug works. The only country where the drug is currently on sale is Sweden under the brand Terclara. Sales in Sweden started in April 2024 and within the first month it became the market leader and expanded the market, which grew by 52% after launch. At the end of Q2-2024 Terclara had a market share in value of 39%.

MOB-015 is approved in 13 European countries, with expected launch in 2026 or 2027 latest and in North America, the company had to conduct another clinical trial only due to an issue with the colour of the nail after treatment, not because efficacy. The results are expected in January 2025. The company currently has 8 partners for commercialization of the drug in different countries. I like the odds of this to work out, it is our only position in the convex segment besides the tiny options.

Final Comments:

Besides our current position in short term treasury bills, our top 3 positions are: Shelly Group, Vistry and the holding that remains confidential.

I shared with you that I had started to build a position in XPEL. I decided to fully exit, as I am having trouble justifying the expected growth with valuation (we excited almost at the same price we had entered). The fund entered H2-2024 with a large position on Shelly, approximately 11% of NAV that I expect to leave untouched if the execution of the company continues (calibration), valuation still makes sense, the optionality materializes and new optionality emerges. This ensures our fund is ready for whatever scenario the world bring us, we have dry powder, and we are positioned with a size that allows to rip the benefits if we are correct in our largest conviction names. I am excited but remain somehow cautious.

Part 3

Gratitude

Investing with a long-term horizon is extremely difficult if you run a fund. To grow a fund, you need institutional money, and institutional money in my experience requires most of what is detrimental for success. They have demands in terms of drawdowns, assets you can invest, specific allocations for certain assets or demand completely the avoidance of exposure to a certain sector (like micro-caps for instance). Therefore, as an emerging manager you (in this case I) have to work a lot harder; it is a massive obstacle, and it is not easy. That is why I really want to express my gratitude to the all the people who have helped me or even just encouraged me, when you take risks and face the up and downs of owning a business you value those moments of support enormously.

First I want to thank my daughter Graciela and wife Laura, they are everything. Ricardo Gonzalez for his endless effort, my partners and my colleagues.

Being in the markets is like being in the jungle: eat or be eaten. The difference is we fight mostly with ourselves—our emotions, discipline, and ego—to create an environment for good decision-making. In the wild, animals succeed through skills, attributes, and experience, as noted by Jiu-Jitsu expert John Danaher. Let's apply this to investing

Skills are the learned capabilities to perform tasks efficiently and effectively. It could be your capability of performing calculations of intrinsic value, or your learned capabilities of reading people, a very important skill when dealing with management teams. **Attributes** are the inherent qualities or characteristics; in our case these could be mental traits or our inherent curiosity. And **Experience**, the most difficult to obtain, is the accumulated knowledge from hands-on practice and exposure to various situations. Over time, it becomes wisdom.

Just as fighting animals in the wild, success in the market relies on a combination of skills, attributes, and experience. I think deeply about mine, which are different from anyone else's. The point is to think about how we can expand our skills and protect the ones already gained, how once we identify our attributes, we can put them to best use, and how our experience translates into better decision-making. I hope these reflections help you glimpse how I think about my investing evolution.

I am always happy to hear from anyone who wants to discuss investing ideas, so please feel free to reach out.

Yours truly,

Jean Philippe

Jean Philippe Tissot

Founder of Arauca Capital

Jean Philippe Tissot full track record		
	Year	**Gross Returns**
Partnership	2014	*+12.47%*
Partnership	2015	*-8.32%*
Partnership	2016	*+63.42%*
Partnership	2017	*+12.62%*
Partnership	2018	*+0.81%*
Partnership	2019	*+43.14%*
Partnership	2020	*+84.21%*
Partnership	*2021 H1	*+16.11%*
Arauca Capital	**2021 H2	*-11.42%*
Arauca Capital	**2022	*-19.54%*
Arauca Capital	**2023	*+30.65%*
Arauca Capital	***2024 H1	*+6.16%*
	CAGR	***17.31%***

** Arauca Capital was launched in July 2021 post the family partnership*
*** Gross returns do not include management fee*
**** Mid-year returns are not annualized and assume a yearly return*

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At the time of writing this letter, this investment fund falls outside the supervision of the Dutch Financial Markets regulator, or AFM (Autoriteit Financiële Markten).

Therefore, the fund manager is registered with the AFM as an AIFMD "light regime" or "de minimis regime" (not supervised) manager. The registration number of this Fund is **50026641**, and the updated registry of "light regime" managers can be obtained on the AFM website: https://www.afm.nl/en/professionals/registers/vergunningenregisters/beleggingsinstellingen

Light regime managers such as Arauca Capital B.V. have no license, and no prospectus is required for this activity.

Prospective investors should review the Information Memorandum, including the risk factors section, before deciding to invest.

In addition, prospective investors should rely only on the Information Memorandum when deciding to invest, although certain descriptions contained herein may be more detailed than those contained in the Information Memorandum. Past performance is no guarantee, nor does it indicate future performance. Subscriptions may only be made on the terms of the Information Memorandum and subject to completion of a Subscription Form and the approval of the Fund Manager. This document is not intended as an offer or solicitation with respect to the purchase or sale of any security. This document is not intended for distribution to or use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation. This document is not intended for distribution in the United States of America. Opinions expressed herein correspond only to those of the Fund Manager and are subject to change without notice.

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