

ARCTIC NORWEGIAN VALUE CREATION

Focus on value-creating companies in the Norwegian market

ARCTIC
ASSET MANAGEMENT

REASONS TO INVEST



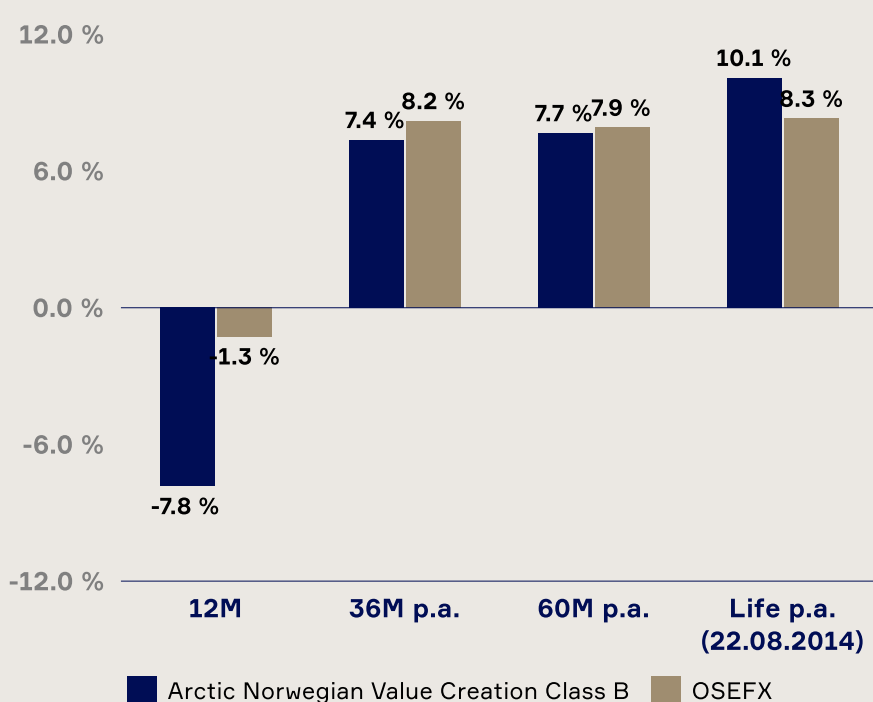
Experienced team with proven track record



Focus on long-term value creation

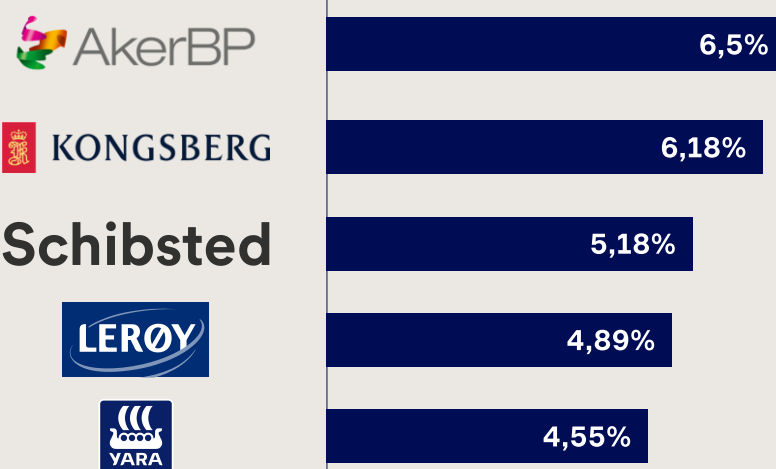


Stock picking based on own research



Top 5 positions

Weight



AUM NOK 9,390m

Start date 22.08.2014

Reference index OSEFX

Fund type Equity fund (UCITS)

SFDR Article 8

PRIIP Risk class (1-7) 4

Management fee 0.85% p.a.

Performance fee 15% p.a.

Portfolio managers: Sindre Sørbye
Ole E. Dahl

Tore Mengshoel

Kay-Erik Mamre-Johansen

INVESTMENT APPROACH

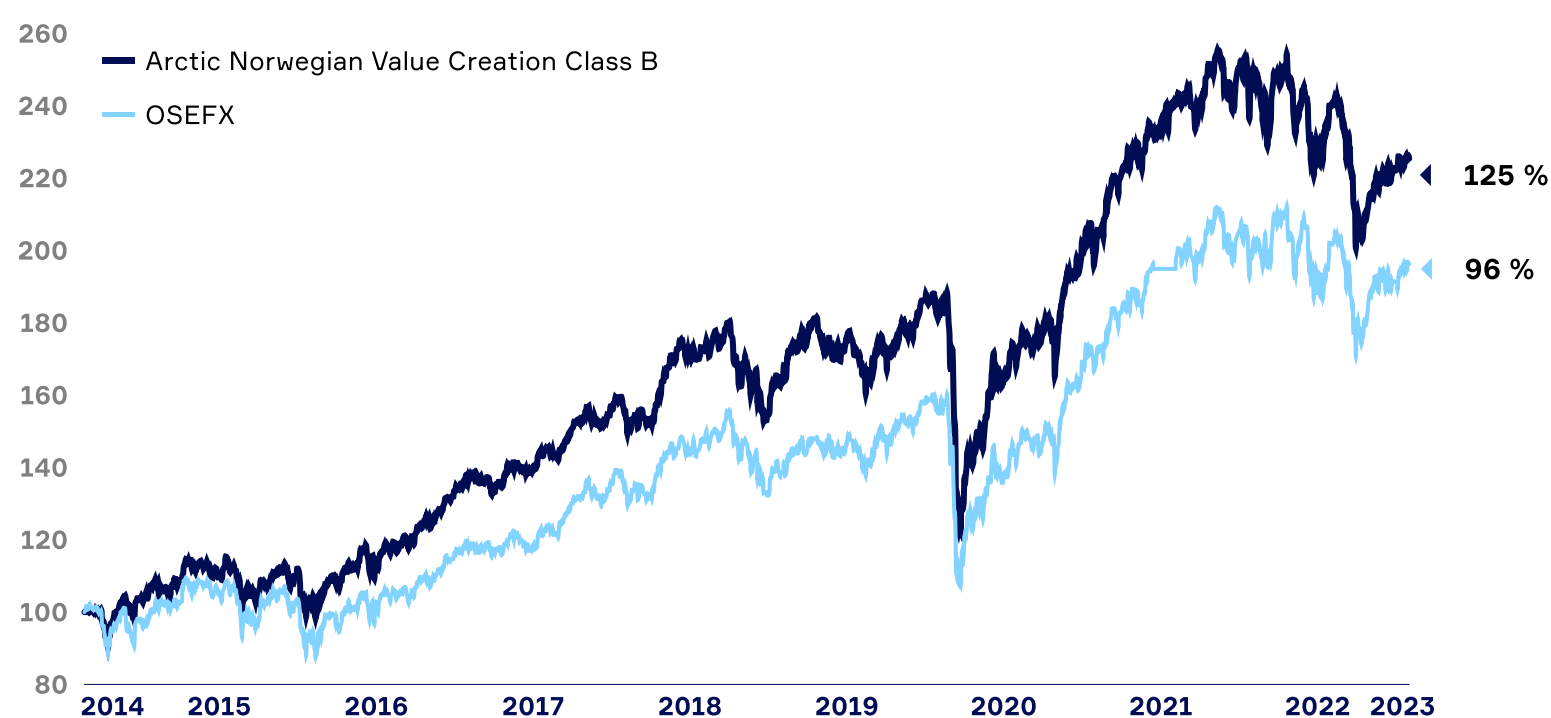
Arctic Norwegian Value Creation is an equity fund focusing on value-creating companies at a reasonable price with a long-term investment approach where detailed proprietary research is at the center of the investment process.

The fund is managed by an integrated team of four investment professionals with extensive industrial, as well as financial, experience.

The investment team employs a disciplined investment process with a fundamental approach carrying out bottom-up stock picking.

The result of our process is an index independent and truly active equity fund.

The fund has outperformed index significantly since inception



We focus on companies with long-term value creation

VALUE CREATION	VALUE > PRICE	CHANGE / OPPORTUNISM
<p>"Well-run, reasonably priced"</p> <p>CHARACTERISTICS</p> <ul style="list-style-type: none"> Leading market positions Competent management Profitable growth opportunities High return on capital Strong cash flow generation <p>HORIZON</p> <p>Long</p> <p>ENTRY CATALYSTS</p> <ul style="list-style-type: none"> Market underappreciated company Temporary weakness in share price <p>VALUATION FOCUS</p> <ul style="list-style-type: none"> EV/EBIT vs. ROCE vs. growth Free cash flow yield DCF <p>PORTFOLIO EXAMPLE</p> <p>KONGSBERG</p>	<p>"Low growth, stable earnings" "Deep value, rich asset base"</p> <p>CHARACTERISTICS</p> <ul style="list-style-type: none"> Cash-flow > net profit "Hidden values", S-O-P > share price Share price more volatile than value Out-of fashion <p>HORIZON</p> <p>Medium/long</p> <p>ENTRY CATALYSTS</p> <ul style="list-style-type: none"> Multiple & short-term earnings compression Emerging value <p>VALUATION FOCUS</p> <ul style="list-style-type: none"> Normalised EV/EBIT P/BV, Sum of parts Free cash flow yield <p>PORTFOLIO EXAMPLE</p> <p>Europris</p>	<p>"Special situations"</p> <p>CHARACTERISTICS</p> <ul style="list-style-type: none"> Change / turnaround Spin-offs, split-ups, IPOs Underutilised balance sheet Take-over target <p>HORIZON</p> <p>Short/medium</p> <p>ENTRY CATALYSTS</p> <ul style="list-style-type: none"> Identifying change New management <p>VALUATION FOCUS</p> <ul style="list-style-type: none"> Normalised EV/EBIT Relative valuation M&A multiples Sum of parts <p>PORTFOLIO EXAMPLE</p> <p>SALMON EVOLUTION</p>

Companies might move between categories, preferably to the left

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Historical returns and performance are no guarantee for future returns and performance.