THE CENTRAL EUROPE FUND

Growth in Transition Economies

Warsaw

HIGHER GROUND SICAV PLC

What we do

The Central Europe Fund searches for misunderstood opportunities in Central and Eastern Europe. The more advanced the country (Poland and Slovenia), the more we will hold growth stocks. In less developed markets (Romania and Ukraine) we favour high-yielding stocks or bonds.

The result is a balanced and ungeared portfolio of equities and bonds in countries where we believe the risk will fall and growth will be strong in the long term.

We produce long-term asset growth in transition economies

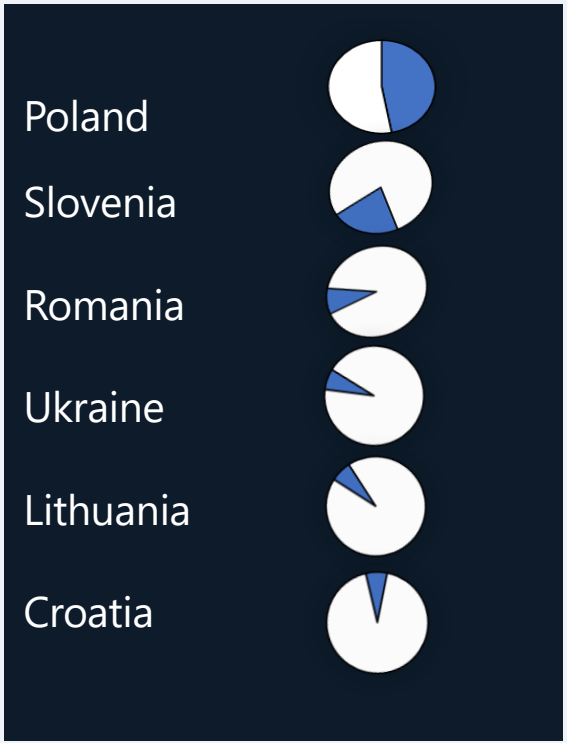
Central & Eastern Europe

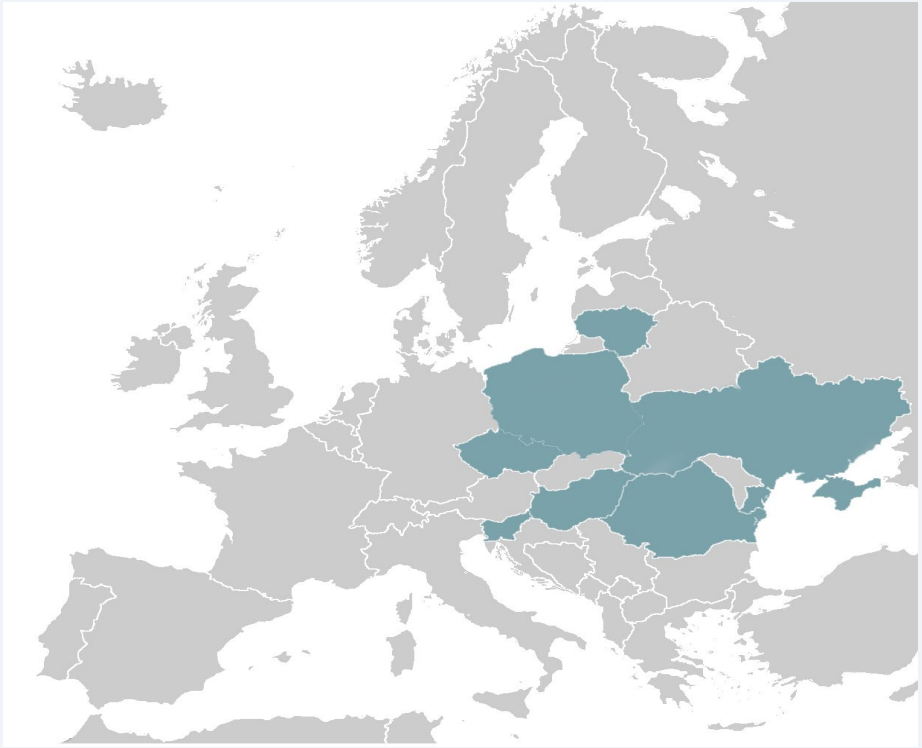
Who we are

1. Richard Wood founded Wood & Company, the Prague-based investment bank, in 1991.
2. Vladimír Jaroš currently serves as its CEO.
3. The fund exists primarily for their assets.
4. Wood & Company's reputation and understanding of opportunities in Europe's newer market economies make it an important ally for our fund.

Where we invest

The Central Europe Fund currently invests in





Why Transition Economies?

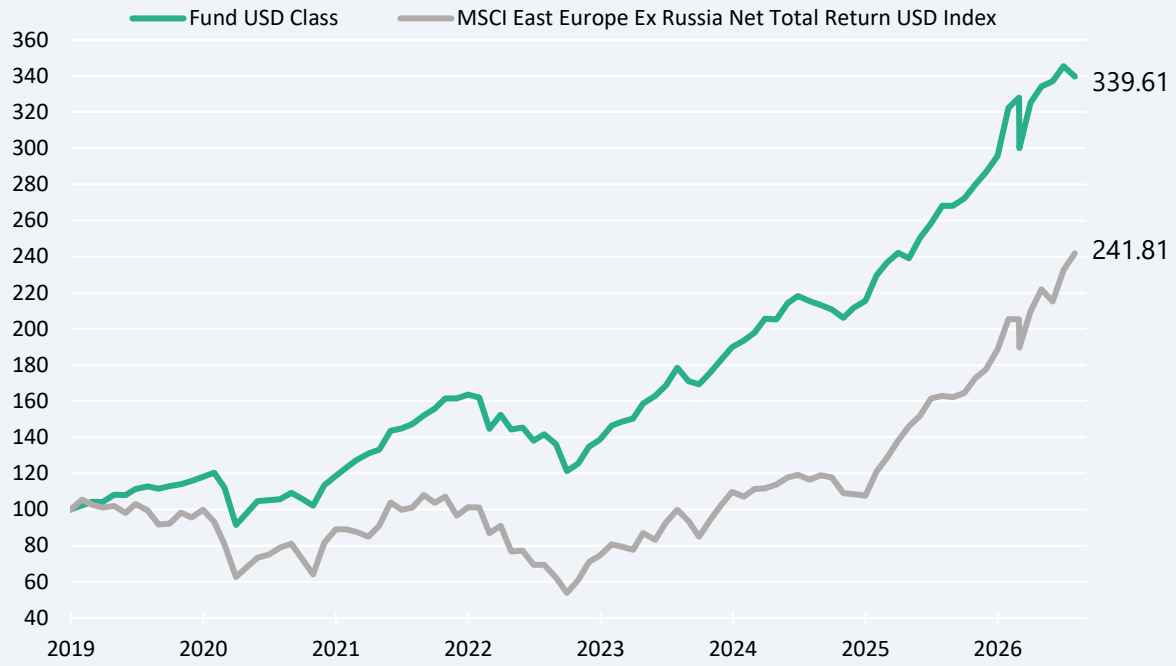
There are many more emerging markets than there are Transition Economies; places where a shift in ideology creates seismic changes and a predictable re-ordering. We believe the direction is clearer in Transition Economies, and growth will be stronger.

Clearer Direction

Stronger Growth

Better Risk/Return

Performance



Annualised Gains*

17.29%

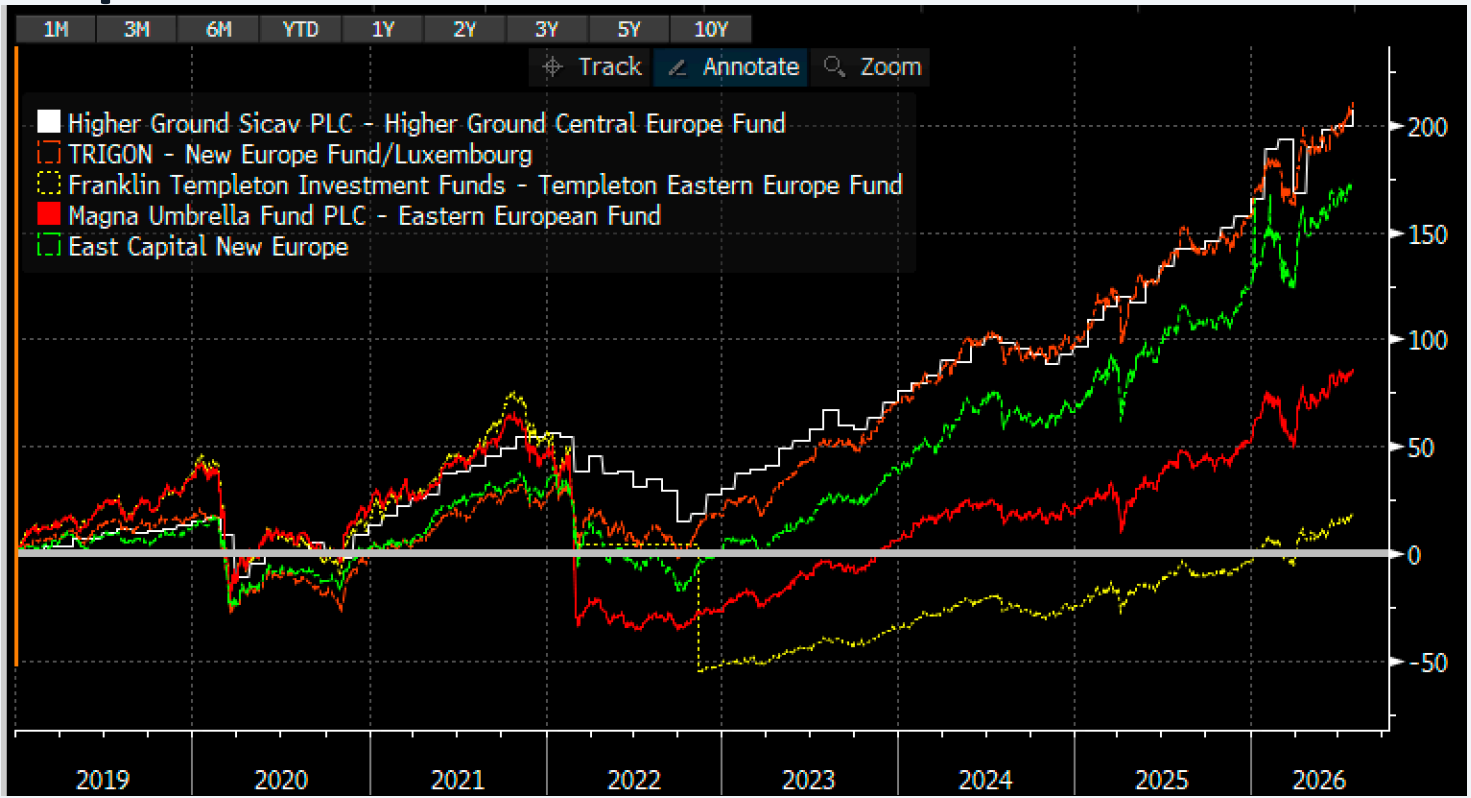
HG Central Europe Fund
(net of all fees)

12.21%

MSCI East Europe
Ex Russia Net Total Return Index

* The fund was established in 2009 as a global multi-asset wealth management product. In 2019, the fund changed its strategy to invest predominantly in CEE equities. All performance figures and ratios shown here are since 1/1/2019. Full performance figures since inception available upon request.
Past performance is not indicative of future returns.

Competitor Funds



All EUR-denominated and accumulation share classes have been considered. · Source: Bloomberg

GDP Growth in Our Core Countries

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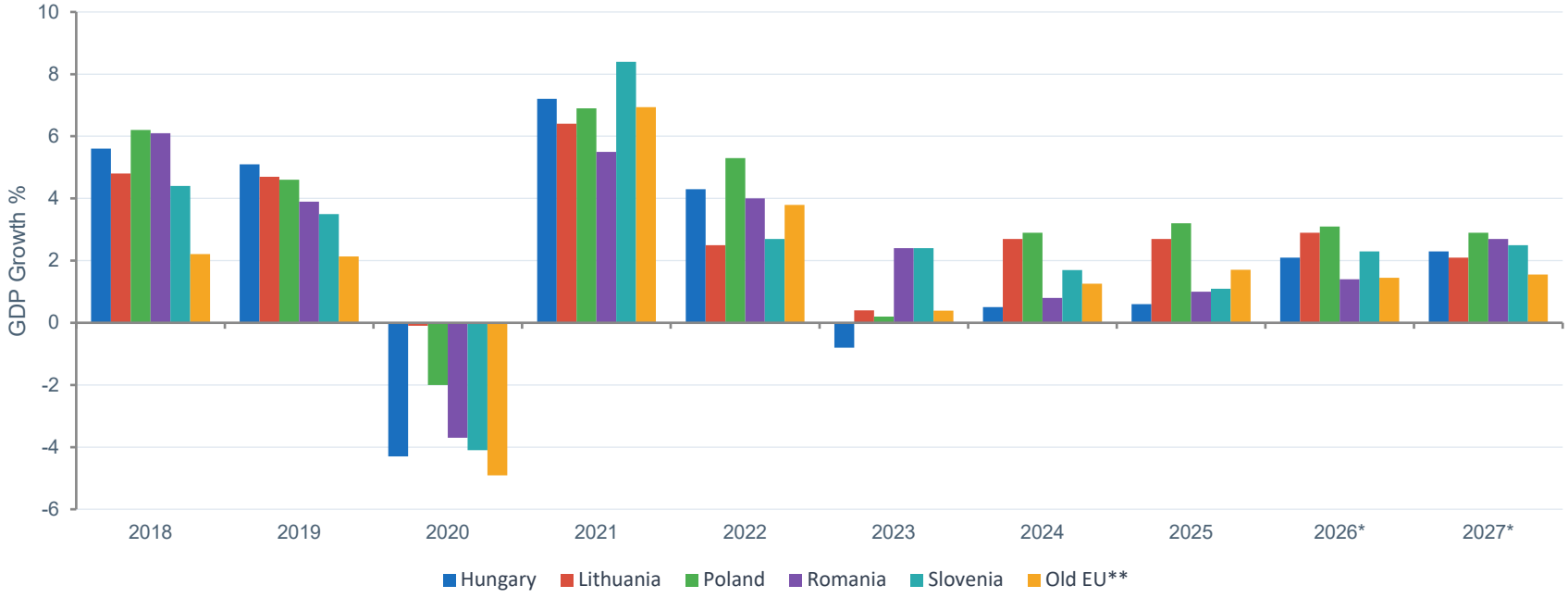
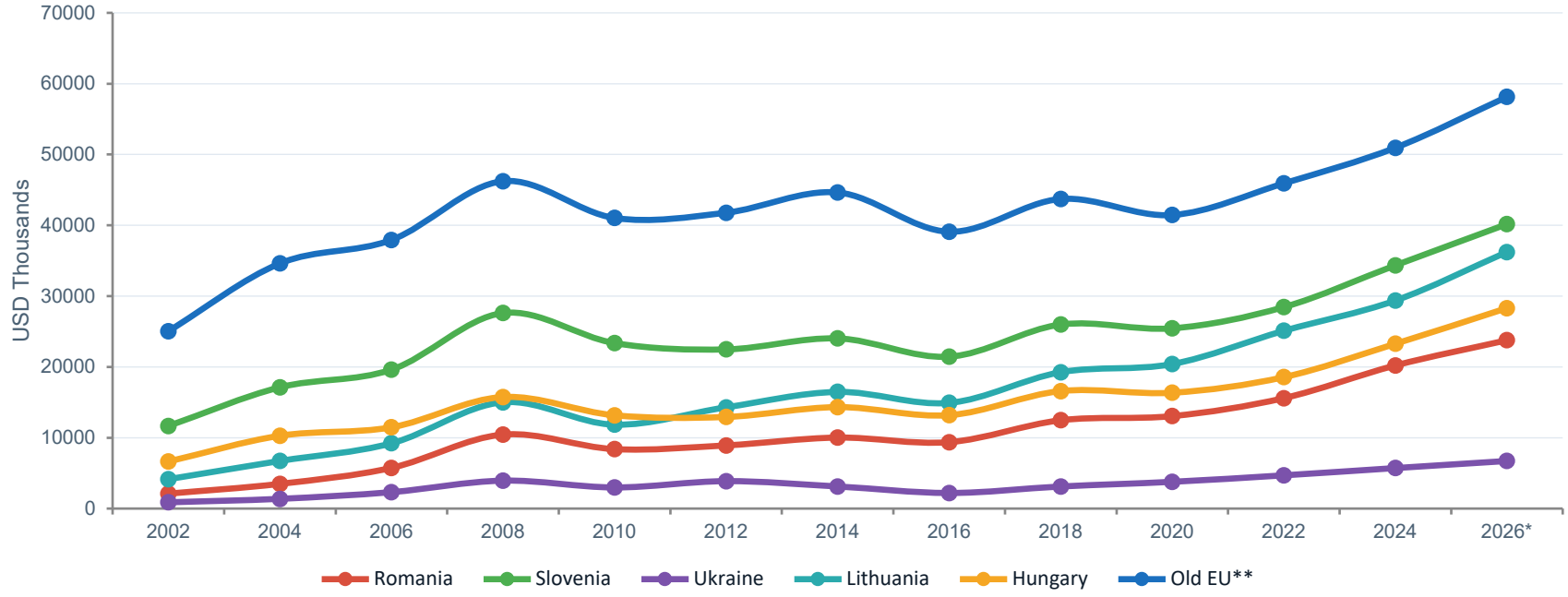


* Forecast figures
** Belgium, France, Italy, Luxembourg, Netherlands, Germany, Denmark, Ireland, United Kingdom, Greece, Spain, Portugal, Austria, Sweden, Finland
Source: International Monetary Fund – Real GDP Growth Rate

But Still Room to Outperform

GDP/capita (Current USD)



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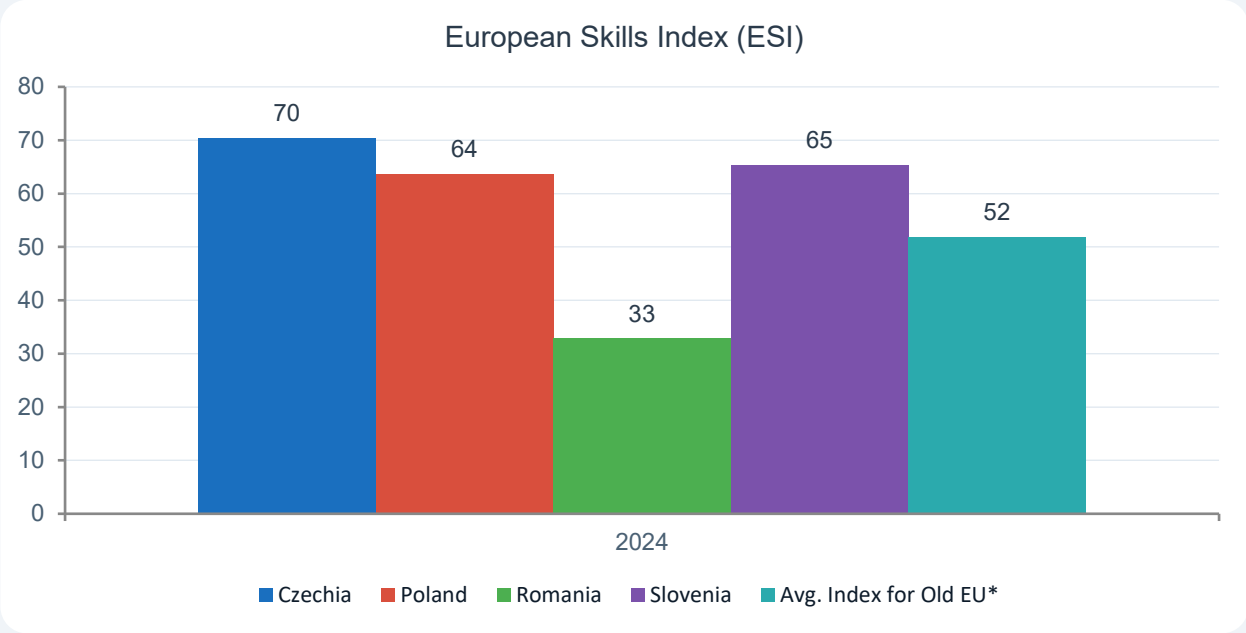
Source: International Monetary Fund

Skill Levels



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European skills index (ESI) analyses the performance of skills systems, within EU Member States. Index measures how smoothly people move into work; how many and which groups of the population are economically active; and how well their skills are utilized at work. Basically, Skills development, activation and matching.
Source: Euro Stats –cedefop.europa.eu

Current Portfolio

Investment	Country	Sector	%
Alior Bank	Poland	Banking	4.8
Astarta	Ukraine	Agriculture	2.4
Artea Bankas	Lithuania	Banking	2.1
Banca Transilvania	Romania	Banking	5.5
Benefit Systems	Poland	Health	6.3
Cyber Folks	Poland	Technology	4.2
Dom Development	Poland	Real Estate	4.0
Ignitis	Lithuania	Power Generation	3.9
Kety	Poland	Aluminium	2.9
Koncar	Croatia	Power Generation	5.2
Kruk	Poland	Debt Workout	3.8
Kyivstar	Ukraine	Telecommunications	3.5
Metiinvest Bonds	Ukraine	Steel & Mining	0.4
MHP	Ukraine	Agriculture	2.3

Investment	Country	Sector	%
Nova Ljubljanska Banka	Slovenia	Banking	9.3
Nuclearelectrica	Romania	Power Generation	5.8
PGE	Poland	Power Generation	3.2
PKO Bank Polski	Poland	Banking	5.2
PZU	Poland	Insurance	6.4
Sava Re	Slovenia	Insurance	4.9
Tauron	Poland	Power Generation	3.6
Ukrainian State Bonds	Ukraine	Sovereign Bonds	1.3
Zavarovalnica Triglav	Slovenia	Insurance	6.7
Cash			2.1
Other Assets			0.4
TOTAL			**100.0**

The Leadership Team

Seasoned professionals in Transition Economies

Richard Wood

Board Member · Investment Advisor

Richard founded Wood & Company, the Central and Eastern European investment bank, in 1991. During his ten years running the firm, it played a central role in the coupon privatisation programs of central Europe. Wood & Company now has offices in Prague, Warsaw, Bratislava, Bucharest, Milan, London, and New York. The firm today remains the largest stockbroker and investment bank in the region.

Prior to that, Richard was a Vice President in the fixed income derivatives department of Salomon Brothers. After leaving Durham University with a degree in Economics, he spent four years as a lending banker with Barclays Bank in London, New York, and Pittsburgh. Richard is a citizen of UK and Canada and lives in London. He is an anchor investor in all Higher Ground's funds.

Miroslav Nosal

Investment Committee Member

Miroslav Nosal is the CEO of Wood & Co., Asset Management. With a background spanning 30 years, he brings a wealth of experience in the Banking, Finance, and Energy industries. Having served as an Investment Director, Miroslav has a proven track record in identifying investment opportunities, overseeing due diligence, and project valuation, particularly within Central and Eastern Europe. His substantial experience contributes valuable knowledge and insights to Higher Ground. Miroslav is also a CFA Charter holder.

The Leadership Team

Strong Governance in Malta

David Curmi

Board Member · Investment Committee Member

David runs Curmi & Partners, a multi-generational fund management business in Malta. Before taking over from his father in 1995, he worked at James Capel in London. He holds a degree in Economics from Oxford Brookes University.

Michael Warrington

Board Member · Investment Committee Member

Michael started his career with the Bank of Valletta, moving on to Air Malta and subsequently the AX Group – real estate, healthcare, and hotels. Until recently, Michael was CEO of Novum Bank. He has held board positions with GO PLC, Malta Properties PLC, and AX Investments PLC, all of which are listed on the Malta Stock Exchange. He is currently the Chief Executive Officer of the AX Holdings Group of Companies, a director of AX Investments, Forthnet A.E, Citadel Insurance, Ni International Insurance, and Valletta Cruise Port.

Term Sheet

Description of fund
Open-ended, self-managed, 'professional investor fund' incorporated in Malta as a sub-fund of Higher Ground SICAV plc and licensed by MFSA from May 2009.

Liquidity
Month end subscriptions/redemptions at NAV. 3 months notice for redemptions.

Board of Directors and Investment Committee
Richard Wood (London), Miroslav Nosal (Prague), David Curmi and Michael Warrington (Malta). www.higherground.mt for CV's.

Investment Objective
The investment objective is to provide shareholders with capital preservation, limited volatility, and long-term capital appreciation from investments in transition economies.

Investment Policy
The Sub-Fund will generally invest in publicly-traded securities, other collective investment schemes and in cash and money market instruments.

Classes of Shares
EUR, GBP, USD

Minimum Investment
EUR 100,000 or equivalent.

Investment Management Fee
1% per annum of the Net Asset Value.

Performance Fee
10% of gains with high water mark.

Administrator
Apex Fund Services

Custodian
Wood & Company Financial Services a.s. Prague & Swissquote Financial Services (Malta) Ltd

Auditor
PwC