



OAM European Value Fund

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Announcement

OAM European Value Fund

As notified to its shareholders, the Fund's Directors resolved to write down the value of four holdings with significant assets in Russia to zero with effect from 31st March 2022. These companies had trading in their shares or GDRs suspended by the London Stock Exchange (LSE) during March. The four holdings in the Fund are as follows:

1,000,000 Sberbank GDRs
180,110 GazpromNeft GDRs
22,500 TCS Group Holdings GDRs
2,359,483 Raven Property Group preferred shares

On 27th April 2022, a Russian law came into effect that required Russian companies to terminate their ADR and GDR programmes. This law will affect the Fund's holdings of Sberbank GDRs and GazpromNeft GDRs. Accordingly, the Fund has instructed its custodian, Butterfield Bank (Jersey) Ltd. ("BBJL") to transfer both GDRs to Butterfield Bank (Guernsey) Ltd. ("BBGL") which has a sub-custodian account with Bank of New York Mellon ("BNYM") who have an existing Russian domestic market custody account. The GDR cancellations are currently being processed by BNYM and the Fund has been advised that subject to certain approvals, it should receive local shares in exchange that will be held in a dedicated S-account at the National Securities Depository ("NSD") in Russia. The Fund expects to receive 4,000,000 Sberbank ordinary shares in exchange for the cancellation of its Sberbank GDRs and 900,550 GazpromNeft ordinary shares in exchange for the cancellation of its GazpromNeft GDRs.

The two Russian shares that the Fund expects to receive on cancellation of the GDRs have a notional value of approximately US\$12.5 million based on today's closing price of the shares on the Moscow exchange and the RUB:USD exchange rate. However, there is uncertainty as to whether the conversion of the GDRs to local shares will be approved and completed in time; trading of shares held by foreign investors in S-accounts is not currently permitted; there is no mechanism currently in place for foreign investors to receive future dividends; and Western sanctions and Russian capital restrictions currently make it difficult to convert rubles to US dollars or euros. Therefore, the Fund's Directors agreed that its Russian holdings should continue to be valued at zero, but the Board of Directors will review its valuation of these holdings on an ongoing basis.

The Fund's priority is to make every effort to preserve clear title to its assets in Russia with the goal of ultimately receiving dividends and selling these investments for the benefit of its shareholders at a suitable time.