

*The Directors of the Company whose names appear on the last page of this Offering Memorandum accept responsibility for the information contained herein. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) as at the date of this Offering Memorandum the information contained in it is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.*

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# Offering Memorandum

**[-], 2024**

relating to the offering of non-voting participating Investor Shares in

## **APF GROUP EUROPE SICAV P.L.C.**

a collective investment scheme organised as a multi-class public limited liability company with variable share capital registered under the laws of Malta

**AQA Capital Ltd.**  
(Investment Manager)

**Q Securities – Malta Branch**  
(Depositary)

**CC Fund Services (Malta) Limited**  
(Administrator, Registrar and Transfer Agent)

*Regulatory Notice: EU AIFMD Status: APF GROUP EUROPE SICAV P.L.C. is an EU Alternative Investment Fund managed by an EU Alternative Investment Fund Manager.*

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**APF GROUP EUROPE SICAV P.L.C. (the “Company”)** is a Notified AIF under the Investment Services Act (List of Notified AIFs) Regulations (S.L. 386.34, Laws of Malta).

The Company is included in the List of Notified AIFs on the basis of a notification submitted by the Investment Manager. The Investment Manager is in possession of an Alternative Investment Fund Manager licence granted by the MFSA under the Investment Services Act (Cap. 370, Laws of Malta). The Directors of the Company have reviewed and approved this document.

The entry of the Company on the List of Notified AIFs is not an endorsement, guarantee or statement of approval by the MFSA nor is the MFSA responsible for the contents of this document or the selection or adequacy of its governing body or service providers. The MFSA has made no assessment or value judgment of the soundness of the Company or for the accuracy or completeness of statements made or opinions expressed with regard to it.

The MFSA has not reviewed or approved this document. Any person making statements to the contrary may be prosecuted under the Criminal Code (Cap. 9,

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**Laws of Malta). Investors must rely solely upon their own and their advisors' due diligence in making any decision to invest.**

**Investor Shares in the Company may only be marketed outside Malta to Eligible Investors as defined in the Offering Memorandum.**

**The Company is a non-retail collective investment scheme.**

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# IMPORTANT NOTICES

## Restricted Offer

This Offering Memorandum does not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation. The distribution of this Offering Memorandum and the offering of Investor Shares in certain jurisdictions is restricted. Persons to whose attention this Offering Memorandum may come are required to inform themselves about, and to observe such restrictions. Prospective investors should inform themselves as to: (a) the legal requirements within their own jurisdictions for the purchase, holding or disposal of Investor Shares, (b) any foreign exchange restrictions that may affect them, and (c) the income and other tax consequences that may apply in their own jurisdictions in relation to the purchase, holding or disposal of Investor Shares. The Directors may from time to time declare other categories of persons as not qualifying under applicable laws or being otherwise ineligible to purchase Investor Shares.

No person receiving a copy of this Offering Memorandum in any territory may treat the same as constituting an offer to such person unless, in the relevant territory, such an offer could lawfully be made to such person without complying with any further registration or other legal requirements. It is the responsibility of any person wishing to acquire Investor Shares to fully observe all the laws of the relevant territory in connection with such purchase, including obtaining any governmental or other consents that may be required or observing any other necessary formalities in such territory.

## Reliance on Offering Memorandum

No person other than the Company is authorised to give any information or to make any representation in connection with the issue of Investor Shares that is not contained or referred to in this Offering Memorandum or the documents referred to in them as being available to investors. The Investor Shares are offered solely on the basis of the information and representations contained in this Offering Memorandum. Any further information given or representations made by any person may not be relied upon as having been authorised by the Company or its Directors.

Neither the delivery of this Offering Memorandum nor the offer, issue or sale of Investor Shares shall constitute a representation that the information given in this Offering Memorandum is correct as of any time subsequent to the date on the cover page.

Founder Shares are not being offered for subscription pursuant to this Offering Memorandum.

## Notified AIF

The Company is a Notified Alternative Investment Fund in terms of the Investment Services Act (List of Notified AIFs) Regulations, 2016 (S.L. 386.34, Laws of Malta).

The Company is constituted as a public limited company with variable share capital under the Companies Act (Cap. 386, Laws of Malta).

This Offering Memorandum is drawn in accordance with MFSA Rules. The MFSA has not reviewed or approved this document or made any value judgment on the soundness of the Company or any assessment as to the accuracy or completeness of statements made or opinions expressed with regard to them.

The Company qualifies as an AIF managed by an AIFM in terms of the AIFMD.

## Eligible Investors

This offer is an offer only to:

- (a) Professional Investors as defined in Section I of Annex II of the Directive 2014/65/EU; or which may, on request, be treated as a professional client in accordance to Section II of Annex II to the Directive 2014/65/EU; or
- (b) Qualifying Investors that fulfil the following criteria:
  - i. invest a minimum of EUR100,000 or its currency equivalent;
  - ii. declare in writing to the Investment Manager and the Company that they are aware of and accept the risks associated with the proposed investment; and
  - iii. satisfy at least one of the following:
    - a) a body corporate which has net assets in excess of EUR750,000 or which is part of a group which has net assets in excess of EUR750,000 or, in each case, the currency equivalent thereof;
    - b) an unincorporated body of persons or association which has net assets in excess of EUR750,000 or the currency equivalent;
    - c) a trust where the net value of the trust's assets is in excess of EUR750,000 or the currency equivalent;
    - d) an individual whose net worth or joint net worth with that of the person's spouse, exceeds EUR750,000 or the currency equivalent; or
    - e) a senior employee or director of a service provider to the Company;

to whom a copy of this document has been furnished by or on behalf of the Company or the Investment Manager.

**PROSPECTIVE INVESTORS MUST CONFIRM IN WRITING THEIR UNDERSTANDING OF THE RISKS ASSOCIATED WITH AN INVESTMENT IN THE COMPANY. REFERENCE IS MADE TO “SECTION 3 | RISK FACTORS”.**

The Company is not authorised to, and does not intend to, offer Investor Shares to the general public.

### **Minimum Initial Subscription**

This Offering Memorandum will give details of the Minimum Initial Subscription for Investor Shares in the Company, subject to the Minimum Holding as established. The Directors may waive the Minimum Initial Subscription at their discretion, subject to any applicable laws in relation to the investment by Qualifying Investors.

### **Restrictions on Distribution**

#### **European Economic Area (“EEA”)**

The Company may be marketed (within the meaning given to the term “marketing” under the AIFMD) to: (i) Professional Investors as defined in Section I of Annex II of the Directive 2014/65/EU; (ii) investors which have requested to be treated as a professional client in accordance to Section II of Annex II to the Directive 2014/65/EU; and (iii) other Qualifying Investors who invest at least the minimum investment amount set out in this Offering Memorandum in terms of any private placement regime or other exemption available in the relevant EEA member state. The Company may also accept Eligible Investors to whom investment in the Company has not been marketed but where communication, has been initiated by the prospective investor provided that any requirements set out in this Offering Memorandum shall be complied with.

#### **Malta**

This Offering Memorandum does not constitute or form part of any offer or invitation to the public to subscribe for or purchase Shares and shall not be construed as such. No person other than the person to whom this document has been addressed or delivered shall be eligible to subscribe for or purchase Shares. Shares will not in any event be marketed to the public in Malta without the prior notification to the MFSA.

### **Information Available to all Investors**

Prospective investors and their representatives, if any, are invited to ask questions of and to obtain additional information from the Investment Manager concerning the investment, the terms and conditions of the Offering and other matters (including additional information to verify the accuracy of the information in this Offering Memorandum). A copy of the latest Offering Memorandum and is available from the Administrator and the Investment Manager. Please refer to “**Section | 18 General Information**” for further information on documents and other information available to investors.

### **Right to Refuse Any Subscription Agreement**

The Company may reject a Subscription Agreement for any reason and is not obliged to disclose the reason, or the reasons, for rejecting any Subscription Agreement.

### **No Application to List Investor Shares on any Stock Exchange**

There is no intention to list any of the Investor Shares of the Company on any stock exchange for or for the granting of permission for any Investor Shares in the Company to be traded on any other exchange. .

### **Applicable Law**

This Offering Memorandum and any statements made in them as well as Shareholders' rights in relation to Investor Shares under the Memorandum and Articles are based on and subject to Maltese law and jurisdiction. Please refer to “**Section 9 | Organisation of the Company**” for further information on Shareholders' rights.

### **Investment Risk**

Investment in the Company carries substantial risk. Investment in the Company is only suitable for those investors as defined under “Eligible Investors” in this Offering Memorandum. There can be no assurance that the Company's investment objective will be achieved and investment results may vary substantially over time. Prospective investors should be aware that the value of investments, as reflected in the Net Asset Value per Share, can go down as well as up and the attention of investors is drawn to “**Section 3 | Risk Factors**” hereof. Prospective investors should carefully consider whether an investment in Investor Shares is suitable for them in the light of their circumstances and financial resources and should consult persons who are authorised to provide advice on this kind of investment.

**INVESTMENT IN THE COMPANY IS ONLY SUITABLE FOR ELIGIBLE INVESTORS AS DEFINED IN THIS OFFERING MEMORANDUM. THERE CAN BE NO ASSURANCE THAT THE COMPANY'S INVESTMENT OBJECTIVE WILL BE ACHIEVED AND INVESTMENT RESULTS MAY VARY SUBSTANTIALLY OVER TIME. PROSPECTIVE INVESTORS SHOULD ALSO BE AWARE THAT THE VALUE OF INVESTMENTS, AS REFLECTED IN THE NAV PER SHARE, CAN GO DOWN AS WELL AS UP AND THE ATTENTION OF INVESTORS IS DRAWN TO THE RISK FACTORS BELOW. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS OFFERING MEMORANDUM OR YOU ARE CONSIDERING SUBSCRIBING FOR INVESTOR SHARES, YOU SHOULD CONSULT YOUR FINANCIAL ADVISOR.**

# Section 1 | INTERPRETATION

## Definitions

Unless the context otherwise requires or implies, the following words shall have the meanings set opposite them when used in this Offering Memorandum:

<b>Accounting Currency</b>	The reporting currency for the purposes of the compilation of the annual financial statements of the Company, which shall be the EUR.
<b>Accounting Period</b>	Unless otherwise determined by the Directors, a financial period of the Company commencing in respect of the first such period on the date of the registration of the Company and terminating on 31 December 2024 and in any other case thereafter commencing on 1 January and ending on 31 December in the same year.
<b>Administrator</b>	The entity engaged by the Company or by its appointed agent to provide administration services to the Company. Refer to “ <b>Section 5   The Administrator</b> ” for details.
<b>AIF</b>	Alternative Investment Fund as defined in the AIFMD.
<b>AIFM</b>	Alternative Investment Fund Manager as defined in the AIFMD.
<b>AIFMD</b>	European Union Directive 2011/61/EU on Alternative Investment Fund Managers including any implementing regulations issued under it. Unless the context otherwise requires or implies, references to the AIFMD refer to the AIFMD as transposed under Maltese law and MFSA Rules.
<b>Article 6 Fund</b>	The Company which does not meet the criteria set out in Article 8 or Article 9 of the SFDR.
<b>Auditors</b>	Tri-Mer Audit Limited or any successor auditors of the Company under the Companies Act.
<b>Banker</b>	Such credit institutions that may be appointed as bankers by the Company from time to time.
<b>Base Currency</b>	The currency in which a particular class of Investor Shares is denominated as further provided in this Offering Memorandum.
<b>Benchmarks Regulation</b>	Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014, as amended.

<b>Board</b>	The Board of Directors of the Company, any duly constituted committee of the Board or its delegates.
<b>Business Day</b>	Any day that is a normal business day and not a national or bank holiday in Malta or such other day as the Directors may from time to time determine.
<b>Calculation Period</b>	A twelve (12) month period ending on the last Valuation Day of each calendar year. The first Calculation Period shall commence on the Business Day immediately following the Closing Date and end on the last Valuation Day in that calendar year.
<b>Closing Date</b>	The date on which the Initial Offering Period ends. The Closing Date is <b>[ ]</b> or such earlier or later date as the Directors may in their absolute discretion determine.
<b>Companies Act</b>	The Companies Act (Cap. 386, Laws of Malta).
<b>Company</b>	APF GROUP EUROPE SICAV P.L.C.
<b>Company Secretary</b>	Ganado Services Limited, or such other person occupying the post of secretary of the Company from time to time.
<b>Data Protection Legislation</b>	The data protection and information privacy laws of Malta, including the Data Protection Act (Cap. 586, laws of Malta) and any subsidiary and replacement legislation, including regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC.
<b>Dealing Day</b>	Any Business Day that is a Subscription Day and/or a Redemption Day or any other day as may be determined by Directors from time to time.
<b>Depository</b>	Depository within the meaning of the AIFMD which is Q Securities – Malta Branch or its successor.
<b>Directors</b>	The directors of the Company.
<b>Distributor</b>	Such distributor or distributors that may be appointed by the Company and/ or the Investment Manager from time to time.
<b>EEA Member States</b>	The EEA includes EU countries and also Iceland, Liechtenstein and Norway, but not Switzerland.
<b>Eligible Investor</b>	An investor or potential investor which: satisfies the definition of a Professional Investor; or satisfies the definition of a Qualifying Investor.
<b>EMIR</b>	Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories.



<b>ESG</b>	Environmental, social and governance hallmarks.
<b>EU</b>	The European Union.
<b>EUR/€/Euro</b>	The currency of the participating member states of the European Union that have adopted a single currency in accordance with the Treaty on the European Union of 7 <sup>th</sup> February, 1992.
<b>Executing Broker</b>	Such executing or prime brokers that may be appointed in respect the Company from time to time.
<b>FATF</b>	The Financial Action Task Force.
<b>Fixed Allocation</b>	The fixed allocation, payable to the Founder Shareholders. Please refer to <b>Section 13   Fees, Charges &amp; Expenses</b> ".
<b>Founder Shareholders</b>	The holders of the Founder Shares.
<b>Founder Shares</b>	Ordinary voting non-participating Shares with no nominal value in the Company.
<b>High Watermark or HWM</b>	The higher of: (a) the Initial Offering Price; and (b) the highest NAV per Share on which a performance fee was paid; plus the Hurdle Rate.
<b>Home Member State</b>	Malta.
<b>Host Member State</b>	EU Member State or EEA State, other than Malta, where the Investment Manager markets the Company in accordance with the AIFMD.
<b>Hurdle Rate</b>	The Hurdle Rate is 6%.
<b>Illiquidity Event</b>	An event determined by the Directors, upon the recommendation of the Investment Manager, in consequence of which any asset(s) of the Company becomes illiquid or otherwise difficult to value.
<b>Initial Offering Period</b>	The period during which Investor Shares are offered at the Initial Offering Price. The Initial Offering Period is from <b>[-]</b> 2024 until the Closing Date.
<b>Initial Offering Price</b>	The price at which Investor Shares may be purchased during the Initial Offering Period which is Euro 100 per Investor Share.
<b>Investment Advisor</b>	Such investment advisor that may be appointed by the Investment Manager from time to time.
<b>Investment Advisory Fee</b>	The investment advisory fee which may be payable by the Investment Manager to the Investment Advisor.
<b>Investment Management Fee</b>	The investment management fee which may be payable by the Company to the Investment Manager. See " <b>Section 13   Fees, Charges &amp; Expenses</b> " for details.

<b>Investment Manager</b>	The AIFM of the Company which is AQA Capital Ltd. or its successor.
<b>Investor Shares</b>	Non-voting participating Shares of no par value in the capital of the Company, which may be divided into different classes.
<b>ISAct</b>	The Investment Services Act (Cap. 370, Laws of Malta) including any subsidiary legislation or regulations issued thereunder (including, the Investment Services Act (List of Notified AIFs) Regulations, 2016) (S.L. 370.34, Laws of Malta).
<b>Memorandum and Articles</b>	The Memorandum and Articles of Association of the Company.
<b>MFSA</b>	The Malta Financial Services Authority and/or any successor competent authority under the ISAct exercising supervisory and regulatory powers over the Company and the Investment Manager.
<b>MFSA Rules</b>	Any rules, conditions, guidelines or guides issued by the MFSA in terms of the ISAct and which may be applicable to the Company, and their management by the Investment Manager.
<b>Minimum Additional Subscription</b>	Following the initial subscription, the minimum amount or value of Investor Shares that must be subscribed by the same Shareholder in the Company, which is Euro 10,000 or its equivalent in any other currency.
<b>Minimum Holding</b>	The minimum amount or value of Investor Shares that must be held in the Company by any investor at all times, which is Euro 100,000 or its equivalent in any other currency.
<b>Minimum Initial Subscription</b>	The minimum amount or value of Investor Shares that must be invested in the Company by any investor on first becoming a Shareholder, which is Euro 100,000 or its equivalent in any other currency.
<b>Minimum Redemption</b>	The minimum amount or value of Investor Shares that may be redeemed, which is Euro 40,000 or its equivalent in any other currency.
<b>NAV</b>	The net asset value of the Company and where there is more than one class, that attributable to a particular class of Investor Shares of the Company.
<b>NAV per Share</b>	The NAV divided by the number of Investor Shares in issue of the Company or class of Investor Shares concerned, as applicable.
<b>Notified AIF</b>	An AIF which has been notified to the MFSA by the Investment Manager and is included in the List of Notified AIFs maintained by the MFSA in terms of the Investment Services Act (List of Notified AIFs) Regulations, 2016 (S.L. 370.34, Laws of Malta).

<b>OECD</b>	The Organisation for Economic Co-operation and Development.
<b>Offering</b>	The offering of Investor Shares for subscription as described in this Offering Memorandum.
<b>Offering Memorandum</b>	All constituent parts of this Offering Memorandum, including all of its relevant appendices, amendments, supplements and exhibits thereto, as the same may, from time to time be consolidated which may be issued from time to time.
<b>Offering Period</b>	The period during which the Company's Investor Shares will be made available at the Offering Price.
<b>Offering Price</b>	<p>The price at which Investor Shares may be purchased after the Closing Date which is the NAV per Share, rounded down to four (4) decimal places, calculated at the close of business on the Valuation Day.</p> <p>If on any Valuation Day no Investor Shares in a class are in issue then the Offering Price for Investor Shares in that class on the relevant Subscription Day shall, however, be the Initial Offering Price.</p>
<b>Officers</b>	In relation to the Company, includes a director, manager or company secretary of the Company but does not include the auditor.
<b>Performance Fee</b>	The performance fee, if any, payable to the Investment Manager. Please refer to <b>Section 13   Fees, Charges &amp; Expenses</b> ".
<b>Professional Investor</b>	<p>The term "Professional Investor" means a client who possesses the experience, knowledge and expertise to make its own investment decisions and properly assess the risks that it incurs.</p> <p>The following should all be regarded as professionals in all investment services and activities and with respect to all the financial instruments mentioned in Schedule 2 to the Investment Services Act, 1994:</p> <ol style="list-style-type: none"><li>a. Entities which are required to be authorised or regulated to operate in the financial markets. The list below should be understood as including all authorised entities carrying out the characteristic activities of the entities mentioned: entities authorised by a Member State under a Directive, entities authorised or regulated by a Member State without reference to a Directive, and entities authorised or regulated by a non-Member State:<ol style="list-style-type: none"><li>i. Credit Institutions;</li><li>ii. Investment Firms;</li><li>iii. Other authorised or regulated financial institutions;</li><li>iv. Insurance Companies;</li></ol></li></ol>

- v. Collective Investment Schemes and management companies of such Schemes;
- vi. Pension funds and management companies of such funds;
- vii. Commodity and commodity derivatives dealers;
- viii. Locals;
- ix. Other institutional investors;
- b. Large undertakings meeting two of the following size requirements on a company basis:
  - balance sheet total: EUR20,000,000
  - net turnover: EUR40,000,000
  - own funds: EUR2,000,000.
- c. National and regional governments, public bodies that manage public debt, Central banks, international and supranational institutions such as the World Bank, the IMF, the ECB, the EIB and other similar international organisations.
- d. Other institutional investors whose main activity is to invest in financial instruments, including entities dedicated to the securitisation of assets or other financing transactions.

Clients not falling under any of the above categories, including public sector bodies and private individual investors may also be treated as professional investors upon request subject to the fulfilment of specific conditions.

### **Qualifying Investor**

A potential investor who fulfils the following criteria:

- (i) invests a minimum of EUR100,000 or its currency equivalent in the Company which investment may not be reduced below this minimum amount at any time by way of a partial redemption;
- (ii) declares in writing to the Investment Manager and the Company that they are aware of and accept the risks associated with the proposed investment; and
- (iii) satisfy at least one of the following:
  - 1) a body corporate which has net assets in excess of EUR 750,000 or which is part of a group which has net assets in excess of EUR 750,000 or, in each case, the currency equivalent thereof;
  - 2) an unincorporated body of persons or association which has net assets in excess of EUR 750,000 or the currency equivalent;
  - 3) a trust where the net value of the trust's assets is in excess of EUR 750,000 or the currency equivalent;
  - 4) an individual whose net worth or joint net worth with that of the person's spouse, exceeds EUR 750,000 or the currency equivalent; or
  - 5) a senior employee or director of a service provider to the AIF.

### **Redemption Day**

The first Business Day of every calendar month and/or such other day or days as the Directors may from time to time determine, on which requests for the redemption of Investor Shares which have been accepted by the Company or on

which mandatory redemptions of Investor Shares will be effected.

**Redemption Fee**

The fee payable to the Investment Manager on a redemption of Investor Shares. Please refer to **Section 13 | Fees, Charges & Expenses**".

**Redemption Notice**

Subject to the discretion of the Directors to accept other forms of notice, the notice a specimen of which is available from the Administrator which has to be submitted to the Company by a Shareholder wishing to redeem all or some of its Investor Shares.

**Redemption Notice Deadline**

Before 05:00pm (17:00 hours) CET, 5 (five) Business Days prior to the relevant Redemption Day or such earlier or later date as the Directors may in their absolute discretion determine.

**Redemption Price**

The price at which Investor Shares accepted for redemption will be redeemed which is normally the NAV per Share at the last preceding Valuation Day.

**Redemption Proceeds**

The Redemption Price multiplied by the number of Investor Shares being redeemed by the redeeming Shareholder, net of any applicable charges as may be stated in this Offering Memorandum.

**Remitting Bank**

The bank or financial institution from which a subscriber's subscription monies are sent to the Company.

**Settlement Date**

Before 05:00pm (17:00 hours) CET, 1 (one) Business Day prior to the relevant Subscription Day.

**SFDR**

Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability related disclosures in the financial services sector.

**Shares**

Founder Shares or Investor Shares, as the context requires or implies.

**Shareholder**

A registered holder of Shares and includes both holders of Founder Shares and Investor Shares as the context implies or requires.

**Side Pocket**

Assets of the Company which the Directors determine to constitute a Side Pocket, being assets that have become illiquid or that have become comparatively hard to value, and which are represented by Side Pocket Shares.

**Side Pocket Shares**

A class of Investor Shares which represent assets allocated by the Directors to a Side Pocket.

**Special Purpose Vehicles or SPVs**

A special purpose vehicle: (i) established by the Company in Malta or in a jurisdiction which is not an FATF blacklisted jurisdiction; (ii) established by the Company for the purpose of and whose activities are restricted to achieving its investment objectives; (iii) owned or controlled via majority shareholding of its voting shares either directly or

indirectly by the Company; (iv) that is subject to the Company's investment policies and restrictions (if any); and (v) the Company, at all times maintains the majority directorship of the SPV.

**Sub-Investment Manager**

Such entities or individuals which may be appointed by the Investment Manager to manage all or part of the portfolio of assets of the Company subject to the terms of the agreement between such Sub-Investment Manager and the Investment Manager.

**Sub-Investment Management Fee**

The sub-investment management fee which may be payable by the Investment Manager to the Sub-Investment Manager.

**Subscriber**

A person who has completed and submitted a Subscription Agreement for Investor Shares in the Company.

**Subscription Agreement**

The form, a specimen of which is available from the Administrator, which has to be submitted to the Company by a prospective investor for the purposes of subscribing to Investor Shares.

**Subscription Day**

The first Business Day of every calendar month and/or such other day or days as the Directors may from time to time determine, on which the Company will issue new Investor Shares to Subscribers who have been accepted.

**Subscription Notice Deadline**

Before 05:00pm (17:00 hours) CET, one (1) Business Day prior to the relevant Subscription Day or such earlier or later date as the Directors may in their absolute discretion determine.

**Sustainability Risk**

An environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

**Sustainable Investment**

An investment in an economic activity that contributes to an environmental objective, as measured by key resource efficiency indicators on (i) the use of energy, (ii) renewable energy, (iii) raw materials, (iv) water and land, (v) the production of waste, (vi) greenhouse gas emissions, or (vii) its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective (in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations), or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.

**Taxonomy Regulation**

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment

of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.

### **Valuation Day**

A Business Day on which the Net Asset Value of the Company and/or of each Investor Share is calculated, which shall be the Business Day immediately preceding a Subscription Day and/or a Redemption Day, provided that the Directors may from time to time determine such other date or dates as a Valuation Day for the purposes of the Company and such additional date or dates shall for all intents and purposes be, and deemed to be, a Valuation Day of the Company.

### **Rules of Construction**

For the purposes of this Offering Memorandum, unless the context otherwise requires or implies:

- (a) words importing the **singular** include the plural and vice versa;
- (b) words which are **gender** neutral or gender specific include each gender;
- (c) other **parts of speech and grammatical forms** of a word or phrase defined in the Offering Memorandum has a corresponding meaning;
- (d) an expression importing a **natural person** includes a company, partnership, joint venture, association, corporation or other body corporate and a government agency;
- (e) a reference to “includes” means to include without limitation;
- (f) a reference to a **law** is a reference to that law as amended, consolidated or replaced and includes any subsidiary legislation or rules issued under it;
- (g) a reference to a **document** includes all amendments or supplements to that document, or replacements or novations of it;
- (h) a reference to a **Section, Part, Paragraph** or **Appendix** refers to a Section, Part, Paragraph or Appendix of this Offering Memorandum;
- (i) a reference to an **entity** in the Offering Memorandum (as the context requires) includes that entity’s successors and permitted assigns;
- (j) a reference to **redeem** shall include repurchase;; and
- (k) all references to **currencies** shall include any successor currency.

## Section 2 | PRINCIPAL FEATURES

The following should be read in conjunction with the full text of this Offering Memorandum and is qualified in its entirety by and subject to the detailed information contained elsewhere in this document.

### Company Structure

**APF GROUP EUROPE SICAV P.L.C.** is a collective investment scheme established as an investment company with variable share capital (SICAV) incorporated with limited liability under the laws of Malta. The Company is a Notified AIF under the ISAct.

### New Classes of Investor Shares

The Company may issue new classes of Investor Shares which may be designated in various currencies and which classes do not constitute a segregated sub-fund.

### Investment Objective and Policies

#### *Investment Objective*

The investment objective of the Company is to generate long-term capital appreciation for its Shareholders.

**There is no guarantee that the investment objective will be achieved, and investment results may vary substantially over time.**

#### *Investment Policy*

The Company intends to pursue its investment objective by investing: either directly or indirectly (through the use of SPVs), in: (i) crypto-assets, predominantly being listed on crypto currency exchange platforms (“**Crypto Assets**”); ii) collective investment schemes (“**CISs**”) regulated and established in recognized jurisdictions, which can be listed and unlisted; and iii) listed and/or unlisted equities.

#### Crypto Assets

The Company will invest, directly or indirectly, in Crypto Assets. Listed on major crypto currency exchange platforms. With respect to this asset class, the Company will predominantly invest in the APF Coin.

#### *APF Coin*

The APF Coin (APFC) is a digital crypto-asset developed and issued by APF DIGITAL AGRIFUND CR s.r.o (“**APF DIGITAL**”), an affiliate of APF Group, a Czech group specializing in the investment in and trading of agricultural land in the Czech Republic. The APF Coin is stored and transferred through the decentralized blockchain platform Ethereum Mainnet. The total supply of the APF Coin in circulation is 250,000,000 coins which are traded on various crypto currency exchange platforms, including MEXC, XT.COM, Bitmart, CoinW, P2B or LATOKEN. The APF Coin is transferable without restriction. APF Coin does not carry any special rights vis-à-vis its issuer such as the right to repay a certain amount, the right to an interest payment, the right to exchange the coins for other assets, preferential subscription rights, the right to participate in decisions on disposal of proceeds of the issue or the assets acquired from the proceeds of the issue, or the right to participate in the management of the issuer or its profits.



Through the APF Coin, the APF Group raises funds to acquire agricultural land and invest in agriculture-related securities and cryptocurrencies.

The Company may invest up to 50% of the NAV of the Company in the APF Coin.

#### Collective Investment Schemes

The Company will invest in collective investment scheme which may be retail funds, professional funds and institutional funds, which may be managed by third party investment managers.

With respect to this asset class, the Company will predominantly invest in the APF GROUP CR SICAV a.s.

#### *APF GROUP CR SICAV a.s.*

APF GROUP CR SICAV a.s. ("**APF SICAV**") is a CIS organized under the laws of the Czech Republic with registered office situated at Pražákova 1008/69, Štýřice, 639 00 Brno, the Czech Republic, and is registered with the Czech National Bank as a qualified investors' fund (*fond kvalifikovaných investorů*) under number IČ: 19998503. APF SICAV qualifies as an Alternative Investment Fund under AIFMD.

APF SICAV is established to appreciate its investors' financial resources by investing in equity companies, investing in receivables, and by providing secured loans and borrowings. APF SICAV's core investment strategy is to achieve maximum possible return on assets investing in the following assets:

- Equity investments:
  - o Equity investments shall be made in companies where there is a reasonable expectation of future appreciation of the investment in line with the objective of maximizing the possible return on assets;
  - o These companies may also be in form of temporary special purpose companies established for the purpose of obtaining bank or non-bank financing and mitigating risks;
- Loans and borrowing provided to companies owned by APF SICAV;
- Bank deposits in CZK;
- Liquid assets may be invested on a short-term basis in freely disposable deposits, or term deposits with maximum 1-year maturity, provided these deposits are made with a bank.

The APV SICAV invests more than 90% of the value of its assets in Equity investments as provided above.

The Company may invest up to 50% of the NAV of the Company in the APF GROUP CR SICAV a.s..

#### Listed and/or unlisted Equities

The Company will invest, directly or indirectly, in listed and unlisted equities with respect to target companies predominantly active in the real estate, agricultural and livestock sectors. The Company will not have any bias to any particular jurisdiction and may invest in equities of companies having any market capitalization.

With respect to this asset class, the Company will invest in APF Venture Capital CR s.r.o

APF VENTURE CAPITAL CR S.R.O., a private limited liability company incorporated pursuant to the laws of the Czech Republic under company registration number C 117685 and having its registered office situated at Pražákova 1008/69, Štýřice, 639 00 Brno, Czech Republic ("**APFVC**").

APFVC is a real estate broker under the relevant Real Estate Brokerage Act and was established in May 2020 as a trader of agricultural land in the Czech Republic. It forms part of the wider APF Group and primarily focuses on long-term investments in agricultural land and agricultural projects.

The Company may invest up to 50% of the NAV of the Company in APFVC.

For temporary or defensive purposes, the Company may invest in short-term instruments, cash and cash equivalents. The Company may also hold cash and cash equivalents on an ancillary basis or cash management purposes, pending investment in accordance with its investment policy and/or to meet operating expenses and redemption requests.

Uninvested cash which has not been placed as margin may also be held on deposit in a bank account in the name of the Company. When appropriate the Company may also employ leverage through borrowing.

**Other than as may be noted below in “Investment Restrictions” the Company, will not adopt any allocation thresholds in respect of the asset classes pursued by the Company.**

### **Investment Restrictions**

Except as may be specifically stated in this Offering Memorandum, there shall be no other restriction in the manner and extent to which the Company may deploy, pledge or otherwise give as security, their assets, or assume liabilities, in pursuit of their specific investment strategies. This Offering Memorandum will provide details of any collateral and asset reuse arrangements.

The Company shall not invest, either directly or indirectly through special purpose vehicles, more than 20% of its NAV in (i) loans, whether through loan origination and/or loan acquisition and/or (ii) receivables or other payables through factoring or forfeiting.

### **Restrictions on Borrowing or Leverage**

The Company may borrow money or otherwise obtain leverage from brokers, banks and others on a secured and unsecured basis to meet short term funding requirements, pay expenses and/or to meet requests for the redemption of Investor Shares. Subject to the limit set out below, the Company may utilize leverage to the extent deemed appropriate. The overall leverage of the Company will depend on the specific market opportunities.

The leverage will be calculated and based on the commitment method and the gross method. The maximum level of leverage to be employed at any point in time shall not exceed 3X of the NAV of the Company.

The Company may borrow or employ leverage in the event that an investment opportunity arises and the Company will not have enough liquidity to proceed with the said investment.

No further restrictions on investment, borrowing or leverage will be imposed by the Company.

### **Alterations to the Offering Documents**

The Directors may, at their sole discretion, alter the Offering Memorandum of the Company. Such changes shall be notified to the MFSA within thirty (30) Business Days from the date of the resolution of the Board approving such changes. The MFSA shall acknowledge receipt of the amendments to the Offering Memorandum within ten (10) business days from the date of notification of the revisions. The revisions to the Offering Memorandum will come into effect upon MFSA's acknowledgement.

## Alterations to the Investment Objective, Policies and Restrictions

Subject to the below requirements, and subject to the minimum requirements as set out above, the Directors may, at their sole discretion, alter the Investment Objective, Policies and Restrictions of the Company.

Any alteration to the Investment Objective shall be notified to the holders of the Investor Shares in the Company by mail at least thirty (30) Business Days before such alterations to the Investment Objective are to come into effect. Investors will be offered the chance to redeem their Investor Shares, and any applicable redemption fees or charges waived accordingly, in the event that they disagree with such changes. These changes will only become effective after all redemption requests received during such notice period have been satisfied and upon MFSA's acknowledgement of the alterations to the Offering Documentation.

Any material alterations to the Investment Policies and Restrictions of the Company shall be notified to the holders of the Investor Shares before such material alterations are to come into effect.

## Redemption

Shares may generally be redeemed as of each Redemption Day at the Redemption Price. A Redemption Notice must be received by the Company at the office of the Administrator by the Redemption Notice Deadline. The Directors may waive notice requirements or permit redemptions under such other circumstances and on such conditions as they, in their sole and absolute discretion, deem appropriate.

Redemption requests received after such date will be processed on the next following Redemption Day, provided that the Directors may accept, at their sole discretion, a shorter notice. Redemption Proceeds due will be paid out as soon as practicable after final calculation of the Redemption Price on the relevant Valuation Day and after receipt of the proceeds of the sale of any investments sold to fund the redemption.

The Directors may establish reserves or holdbacks for estimated accrued expenses, liabilities and contingencies (even if such reserves or holdbacks are not otherwise required by generally accepted accounting principles) which could reduce the redemption proceeds which would otherwise be payable.

Partial redemptions may be refused if, immediately thereafter, the value of such shareholder's Shares would be less than the Minimum Holding. Shares may not be redeemed when the calculation of the Net Asset Value is suspended.

Redemption requests are irrevocable unless the Directors otherwise determine. Payment of redemption proceeds may be withheld or delayed if information required to satisfy verification of identity checks is not provided in a timely manner.

Please refer to "**Section 11 | Redemption of Shares**" for further details.

## Publication of Net Asset Value

The NAV per Share, as determined on each Valuation Day, will ordinarily be made available at the offices of the Investment Manager or Administrator.

## Minimum Initial Subscription and Minimum Holding

Unless otherwise approved by the Board, Subscribers and/or Shareholders are required to observe the Minimum Initial Subscription and the Minimum Holding requirements set out in this Offering Memorandum.

The Minimum Holding requirement applies at all times to all Shareholders; however, no obligations shall arise upon a Shareholder should the total value of its relevant holdings decline to less than the Minimum Holding as a result of any fluctuation in the value of any of the underlying assets.

### **Minimum Additional Subscription and Minimum Redemption**

Subject to the Minimum Holding requirement and subject to the discretion of Directors to permit a lesser additional subscriptions or redemptions amount, when deemed appropriate, Shareholders are required to observe the Minimum Additional Subscription and the Minimum Redemption requirements set out in this Offering Memorandum.

### **European Benchmarks Regulation**

The Company will, where relevant, work with the applicable benchmark administrator for each benchmark used by the Company to confirm that the benchmark administrators are, or intend to procure that they are, included in the register maintained by the European Securities and Markets Authority under the Benchmarks Regulation.

Furthermore, where relevant, a plan has been adopted or will be adopted by the Company to address the contingency of a benchmark used by the Company changing materially or ceasing to be provided in accordance with the Benchmarks Regulation.

### **Securities Financing Transactions and Total Return Swaps**

The Company may make use of securities financing transactions, total return swaps, repurchase or reverse repurchase agreements and securities lending transactions. Information in this respect will be disclosed to investors should the Company decide to resort to such techniques, in accordance with: (i) the MFSA Rules implementing the AIFMD and (ii) Regulation (EU) No 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and reuse and amending Regulation (EU) No 648/2012.

### **Accounting Currency**

For the purposes of the compilation of the annual financial statements of the Company, the Accounting Currency for the Company shall be the EUR.

### **Investment Risk Warning**

In this Offering Memorandum there may be disclosures or descriptions of various investment strategies, approaches, techniques, methodologies, processes and intentions. Such disclosures or descriptions may constitute “forward-looking information” as they could contain statements of the intended course of conduct and future operations relating to the management of the investments of the Company. These statements are based on assumptions made by the Investment Manager of the success of its or those of the Sub-Investment Manager’s investment strategies approaches in certain market conditions, relying on the experience of the Investment Manager’s and the Sub-Investment Manager’s officers and employees and their knowledge of historical economic and market trends.

Investors are cautioned that the assumptions made by the Investment Manager and the Sub-Investment Manager, and the success of their investment strategies are highly uncertain, and are subject to a number of factors that make them prone to a range of possible outcomes that can result in substantial losses to the Company. Economic and market conditions may change, which may materially impact the success of the Investment Manager’s and the Sub-Investment Manager’s intended strategies as well as its actual course of conduct.

Such investment strategies carry with them particular risks that are not typical of standard equity or bond funds. Current Shareholders, and any prospective investor, are urged to review carefully the risk factors in the relevant part of this Offering Memorandum (refer to “**Section 3 | Risk Factors**”).

## Section 3 | RISK FACTORS

In evaluating the potential and suitability of an investment in the Company, careful consideration should be given by prospective investors to the following risk factors which relate to the management of the Company and the underlying markets in which the Company's assets will be invested.

The summary below describes in general terms some of the risk factors that need to be considered in connection with an investment in the Company. These risk factors should be regarded as general information and may not be a complete list of all relevant risk factors. It is accordingly recommended that, besides carefully considering the risk factors below, prospective investors also consult their own advisors on any legal, tax and financial issues that are relevant to their specific situation before investing in the Company.

The attention of prospective investors is also drawn to the notice on the cover page of this Offering Memorandum regarding the fact that the Company classifies as a Notified Alternative Investment Fund targeting Professional Investors and Qualifying Investors and is therefore subject to a lower level of supervision and regulatory oversight by the MFSA than retail collective investment schemes.

### General Risks of Investing

An investment in the Company is subject to all risks incidental to investment in securities and other assets which the Company may own. These factors include without limitation, changes in government rules and fiscal and monetary policies, changes in laws and political and economic conditions throughout the world and changes in general market conditions. There can be no guarantee that any profits will be realised by the Company and, therefore, by the Shareholders.

### Tax and Legal Risks

The tax consequences to the Company and investors in the Company, the ability of the Company as a foreign investor to invest in the markets and to repatriate its assets including any income and profit earned on those assets and other operations of the Company are based on existing regulations and are subject to change through legislative, judicial or administrative action in the various jurisdictions in which the Company operates. There can be no guarantee that income tax legislation and laws or regulations governing the Company's operations and investments will not be changed in a manner that may adversely affect the Company.

### Taxation

Investors in the Investor Shares should be aware that they may be required to pay income tax, withholding tax, capital gains tax, wealth tax, stamp taxes or any other kind of tax on distributions or deemed distributions of the Company, capital gains within the Company, whether or not realised, income received or accrued or deemed received within the Company etc., and this will be according to the laws and practices of the country where the Investor Shares are purchased, sold, held or redeemed and in the country of residence or nationality of the Shareholder.

Investors should be aware of the fact that they might have to pay taxes on income or deemed income received by or accrued within the Company. Taxes might be calculated based on income received and/or deemed to be received and/or accrued in the Company in relation to the asset, whereas the performance of the Company, and subsequently the return investors receive after redemption of the Shares, might partially or fully depend on the performance of underlying assets of an FDI. This can have the effect that the investor has to pay taxes for income or/and a performance which he does not, or does not fully, receive.

Investors who are in any doubt as to their tax position should consult their own independent tax advisors. In addition, investors should be aware that tax regulations and their application or interpretation by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment, which will apply at any given time.

## Change of Law

The Company must comply with any regulatory constraints, such as a change in the laws affecting the Investment Restrictions, which might require a change in the investment policy and objectives followed by the Company.

## Political and/or Regulatory Risk

The performance of the Investor Shares or the possibility to purchase, sell, or repurchase may be affected by changes in general economic conditions and uncertainties such as political developments, changes in government policies, laws or regulations (including regarding taxation), the imposition of restrictions on the transfer of capital and changes in regulatory requirements in the Company's home jurisdiction or in countries where the Company is invested. The legal infrastructure, accounting, auditing and reporting standards in certain jurisdictions in which the capital of the Company may be invested may not offer the same degree of investor protection or information as is normally expected in major securities markets.

## European Market Infrastructure Regulation

On 16 August, 2012, the European Market Infrastructure Regulation ("EMIR") entered into force. EMIR introduces certain requirements in respect of derivative contracts, which will apply primarily to "financial counterparties" such as EU authorised investment firms, credit institutions, insurance companies, UCITS and alternative investment funds managed by EU authorised alternative investment fund managers, and "non-financial counterparties" which are entities established in the EU which are not financial counterparties. Broadly, EMIR's requirements in respect of derivative contracts are (i) mandatory clearing of OTC derivative contracts declared subject to the clearing obligation; (ii) risk mitigation techniques in respect of uncleared OTC derivative contracts; and (iii) reporting and record-keeping requirements in respect of all derivative contracts.

The Implementation of EMIR is achieved largely through secondary measures which are being phased in over time. Certain of EMIR's requirements have applied since 15 March, 2013 and additional requirements are coming into force subsequently thereafter and/or are yet to be finalised. The EU regulatory framework relating to derivatives is set not only by EMIR but also by the "recast" Markets in Financial Instruments Directive ("MiFID II") and its implementing measures. Prospective investors should be aware that the regulatory changes arising from EMIR and MiFID II may significantly raise the costs of entering into derivative contracts and may adversely affect the Company's ability to engage in transactions in derivatives.

## Limited Transferability

Since the Directors may decline to register a transfer of Investor Shares at their sole and absolute discretion, Shareholders may not be able to sell their investments and therefore, would have to utilise the Company's redemption or repurchase programme, which itself may be subject to restrictions – see "**Section 11 | Redemption of Investor Shares**".

## Illiquidity of Shares

There will be no secondary market for the Investor Shares, and consequently, Shareholders will likely only be able to dispose of the Investor Shares by redeeming their Shares. There is no assurance that, in order to meet redemptions, the Company will be able to liquidate its portfolio

without losses. These losses might have an adverse effect on the NAV and thus on the Redemption Proceeds that will be received by the redeeming investor. In the event of unsettled market conditions, or if for any reason the Company is unable to liquidate its investments or is otherwise obliged to suspend dealings in its Investor Shares, the Company may be unable to redeem Investor Shares.

Kindly also refer to “**Section 11 | Redemption of Investor Shares**” which provides detailed provisions on deferral of redemption arrangements, redemptions in specie, temporary suspension in redemptions and on suspension of redemptions requests.

These arrangements have a direct effect on the liquidity of the Investor Shares.

## **Substantial Redemptions**

Substantial redemptions of Investor Shares could require the Company to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of the Investor Shares. Substantial redemptions might also cause the liquidation of the Company.

Illiquidity in certain markets could also make it difficult for the Company to liquidate positions on favourable terms, thereby resulting in a decrease in the value of the assets. In these circumstances, the non-redeeming Shareholders will bear a disproportionate risk of any decline in the value, liquidity and quality of the Company’s assets subsequent to the redemptions.

In any of the circumstances described above, the Company may defer, suspend or limit the redemption of Investor Shares— see “**Section 11 | Redemption of Investor Shares**”.

## **Compulsory Redemptions**

The Company reserves the right to require a Shareholder to redeem its total shareholding, within one (1) Business Day of a notice of intent to do so in the event that the holding of Shares by the Shareholder concerned may result in regulatory, pecuniary, legal, taxation or material administrative disadvantage for the Company or the Shareholders as a whole, if such Shareholder ceases to qualify as an Eligible Investor or, if on any Valuation Day, the total value of the Investor Shares held by the Shareholder is less than the Minimum Holding for the Company. Such compulsory redemptions will take place at the prevailing Redemption Price on the day that such redemption takes place. Should the Company exercise this right, it will not be liable for any loss that an investor may suffer as a result of such compulsory redemption. The Company reserves the right not to give any reason for such an action.

## **Indemnities**

The Company’s Directors and Officers, the Investment Manager, the Depositary, the Executing Broker, the Administrator and other service providers to the Company and each of their directors, officers, employees and agents are entitled to be indemnified in certain circumstances. As a result, there is a risk that the Company’s assets will be used to indemnify such persons, companies or their employees or satisfy their liabilities as a result of their activities in relation to the Company.

See “**Section 16 | Indemnities**” for further details on the indemnities granted by the Company.

## **Interest Rate Changes**

Interest rate risk includes, but is not limited to:

- (a) the risk that debt obligations will decline in value because of changes in interest rates. Generally, debt securities will decrease in value when interest rates rise and increase in value



when interest rates decline. The value of the Company's investments may fluctuate with the level of prevailing interest rates from time to time.

- (b) the risk that the cost of any borrowing by the Company, on which interest is payable at a variable rate will increase if the relevant rate of interest moves higher. Conversely, assets which earn interest at a variable rate will suffer a decline in income if the relevant rate of interest declines.

### **Concentration Risk**

To the extent that its portfolio is concentrated in investments or other assets in or from a particular country, market, industry, group of industries, sector or asset class, the Company may be adversely affected by the performance of those assets, may be subject to increased price volatility and may be more susceptible to adverse economic, market, political or regulatory occurrences affecting that market, industry, group of industries, sector or asset class.

### **Geographic Risk**

Geographic risk is the risk that the Company's assets may be concentrated in countries located in the same geographic region. This concentration will subject the Company to risks associated with that particular region, such as a natural disaster.

### **Confidential Information**

The Investment Manager may, in connection with its other business activities, acquire material non-public confidential information that may restrict the Investment Manager from purchasing assets or selling assets for itself or its clients (including the Company) or otherwise using such information for the benefit of its clients or itself.

### **Credit Risk**

Some of the assets held by the Company may derive an important part of their value from the credit quality of an issuer or an underlying entity. In the eventuality of a credit event related to that issuer or related entity, such as a bankruptcy, obligation acceleration, obligation default, failure to pay, repudiation, moratorium or restructuring, or in the eventuality of a general deterioration of credit conditions, the Company could be subject to important losses on credit related positions.

In addition, with regards to the credit risk of the Company towards the potential investors or Shareholders, monies subscribed in advance of a Subscription Day and held pending investment on the Subscription Day, or proceeds of redemptions held pending payment to investors, may be viewed by the courts as assets of the Company in the event of the insolvency of the Company prior to that relevant Dealing Day.

### **Credit Ratings**

The management of the Company may involve substantial reliance on credit ratings. Credit ratings are assigned by rating agencies such as Standard & Poor's or Moody's. It is important to understand the nature of credit ratings in order to understand the nature of securities. The level of a credit rating is an indication of the probability that (in the opinion of the rating agency) payments will be made on the relevant bond(s) or other obligation(s) to which the credit rating relates. Bonds with a rating of AAA, AA, A or BBB by S&P are generally called "investment grade" bonds, with AAA representing the credit rating of the highest quality. While credit ratings can be a useful tool for financial analysis, they are not a guarantee of quality or a guarantee of future performance in relation to the relevant obligations. Ratings assigned to securities by rating agencies may not fully reflect the true risks of an investment. Ratings may also be withdrawn or revised at any time. The Company may also invest in unrated securities which pose a higher risk than rated securities.

## Strategy

Strategy related losses can result from excessive concentration in the same investment policy or in the general economic events that adversely affect particular strategies. Furthermore, policies employed may evolve over time, and perhaps change materially, in ways that would be difficult (if not impossible) for the Investment Manager to detect or follow. There can be no assurance that any trading method employed by the Investment Manager will produce profitable results. Moreover, past performance is not necessarily indicative of future profitability.

## Trading Risks

Substantial risks are involved in alternative strategies, including the trading of options and futures. Market movements can be volatile and are difficult to predict. Politics, recession, inflation, employment levels, trade policies, international events, war and other unforeseen events can also have significant impact upon the prices of the investment instrument used. A variety of possible actions by various government agencies also can inhibit the profitability of the Company's policies or can result in losses. Such events, which can result in large market movements and volatile market conditions, create the risk of catastrophic losses on the assets and the trading entities in which the Company will invest.

The Company is also subject to the risk of the failure of any of the exchanges on which its positions trade or of their clearing houses.

## Liquidity of Investments

At various times, the markets for securities in which the Company may invest in may be "thin" or illiquid, making purchases or sales of securities at desired prices or in desired quantities difficult or impossible. The liquidity of the market may also be affected by a halt in trading on a particular futures or securities exchange or exchanges. Illiquid markets may make it difficult for the Company to get an order executed at a desired price. All of the above could result in delays in the calculation of the NAV and/or payment of any Redemption Proceeds. Under certain circumstances, the Company may be unable to liquidate portfolio investments due to the absence of a liquid market, and consequently, may not be able to redeem Investor Shares.

## Hedging Transactions

The Investment Manager may employ various techniques to attempt to reduce a portion of the risks inherent in its investment strategies. The ability to achieve the desired effect through a particular technique is dependent upon many factors, including the liquidity of the market at the desired time of execution. Thus such techniques cannot always be implemented or effective in reducing losses. Hedging transactions, including the use of derivative contracts, which may be used by the Investment Manager have risks associated with them, including possible default by the other party to the transaction, illiquidity, a lack of regulation in certain over-the-counter markets and, to the extent that the view of the Investment Manager as to certain market movements is incorrect, the risk that the use of hedging transactions could result in losses greater than if they had not been used. Use of put and call options may result in losses. The use of currency transactions can result in losses being incurred as a result of a number of factors including the imposition of exchange controls, suspension of settlements, or the inability to deliver or receive specified currency.

The use of options and futures transactions entails certain other risks. In particular the variable degree of correlation between price movements of futures contracts and price movements in the related portfolio position of the Company creates the possibility that losses on the hedging instrument may be greater than gains in the value of that position. In addition, futures and options markets may not be liquid in all circumstances. As a result, in certain markets, the Company might not be able to close out a transaction without incurring substantial losses, if at all. Although the use

of futures contracts and options transactions for hedging should tend to minimise the risk of loss due to a decline in the value of the hedged position, at the same time they tend to limit any potential gain which might result from an increase in value of such position. Finally, the daily variation margin requirements for futures contracts could create a greater ongoing potential financial risk than could purchases of options, where the exposure is limited to the cost of the initial premium. Losses resulting from the use of hedging transactions could reduce Net Asset Value, and possibly income and such losses can be greater than if the hedging transactions had not been utilised.

## **Risks Relating to Crypto Assets & Crypto Currency Exchanges**

The Company may invest directly in Crypto Assets. Crypto Assets, also known as “crypto currencies,” “virtual currencies,” “digital currencies,” or “digital commodities” are an evolving product and technology and an investment therein is subject to a variety of additional risks, including technological, security and regulatory risks as well as associated uncertainties over their future existence, support and development. Crypto Assets may also experience unusual volatility. Any such investment is highly speculative and subject to the risk that the entirety or a material portion of such investment or its value may be lost.

Typically, an individual Crypto Asset exists as a digital file, based upon a mathematical proof, and is comprised of a public key that encrypts a transaction value and a private key that decrypts it. Crypto Assets allow users to send payments within a decentralised, peer-to-peer network, and do not require a central clearinghouse or financial institution clearing transactions. The investment characteristics of Crypto Assets generally differ from those of traditional currencies, commodities or securities. Importantly, Crypto Assets are generally not backed by a central bank or a national, supra-national or quasi-national organisation, any hard assets, human capital, or other form of credit. Rather, Crypto Assets are market-based: a Crypto Asset's value is determined by (and often fluctuates according to) supply and demand factors, the number of merchants that accept it, and the value that various market participants place on it through their mutual agreement, barter or transactions. A principal risk in trading Crypto Assets is the rapid fluctuation of their market price. The price of Crypto Assets may be affected generally by a wide variety of complex and difficult to predict factors such as Crypto Asset's supply and demand; rewards and transaction fees for the recording of transactions; availability and access to virtual currency service providers (such as payment processors), exchanges or other Crypto Asset users and market participants; perceived or actual Crypto Asset network or Crypto Asset security vulnerability; inflation levels; fiscal policy; interest rates; and political, natural and economic events. Currently, there is relatively modest use of Crypto Assets in the retail and commercial marketplace compared to its use by speculators, thus contributing to price volatility that could adversely affect the Company.

The Crypto Asset exchanges on which Crypto Assets trade are relatively new and largely unregulated and may therefore be more exposed to theft, fraud and failure than established, regulated exchanges for other products. Crypto Asset exchanges may impose daily, weekly, monthly or customer-specific transaction or distribution limits or suspend withdrawals entirely, rendering the exchange of Crypto Assets difficult or impossible. Crypto Asset exchanges are appealing targets for cybercrime, hackers and malware. It is possible that any such exchange may cease operations due to theft, fraud, security breach, liquidity issues, anti-money laundering issues or government investigation. In addition, banks may refuse to process wire transfers to or from exchanges. Over the past several years, many exchanges have, indeed, closed due to fraud, theft, government or regulatory involvement, failure or security breaches, or banking issues. Hackers or malicious actors may launch attacks to steal, compromise, or secure Crypto Assets, such as by attacking Crypto Asset network source code, exchange servers, third-party platforms, cold and hot storage locations or software, or Crypto Asset transaction history, or by other means.

The securities through which the Company may obtain exposure to Crypto Assets may use digital currency wallets provided by exchanges and/or other third parties to hold all or a portion of its Crypto Assets. Detailed information technology diligence on such third-party wallet providers may not be conducted and, as a result, there may not be an awareness of all security vulnerabilities and risks. Certain third-party wallet providers may not indemnify holders of Crypto Assets against any

losses of Crypto Assets. Certain Crypto Assets are intended to be controllable only by the possessor of both the unique public and private keys relating to the local or online digital wallet in which such Crypto are held. To the extent private keys are lost, destroyed or otherwise compromised, access to the related Crypto Assets may not be possible and such private keys are not capable of being restored by a Crypto Asset network. Further, Crypto Assets are typically transferred digitally, through electronic media not controlled or regulated by any entity. To the extent a Crypto transfers erroneously to the wrong destination, it may not be possible to recover the Crypto or its value.

The regulatory framework affecting Crypto Assets may not be fully developed. Government action or regulation may directly or indirectly affect a Crypto Asset market or network, influencing Crypto Asset use or prices. It is possible that any jurisdiction may, in the near or distant future, adopt laws, regulations, policies or rules directly or indirectly affecting a Crypto Asset network, generally, or restricting the right to acquire, own, hold, sell, convert, trade, use or exchange Crypto Assets.

### **Investments in Collective Investments Schemes**

An investment in collective investment scheme is also indirectly subject to the risks of the underlying fund in which the Company invests. The risk to the Company deriving from the underlying investment is limited to the portion of the Company's assets allocated to such investment. Consequently the investor, to the extent of his investment, bears an indirect risk which is proportionate to the direct risk of the Company investing in such underlying collective investment scheme.

### **Investments in other Collective Investment Schemes managed by other Investment Managers**

Where the Company invests in collective investment schemes that are not managed by the Investment Manager, the Company may (besides management fees and performance fees which will be reflected in the performance of the investment) incur charges such as subscription and redemption fees upon investing or redeeming its units or shares.

### **Investment in Unregulated Collective Investment Schemes**

The Company may invest in unregulated collective investment schemes. It should be noted that unregulated collective investment schemes do not afford the same level of protection towards investors generally afforded by regulated collective investment schemes.

### **Use of Bankers**

The Company's cash may be deposited with one or more banking institutions selected by the Investment Manager or the Company. In spite of upcoming more stringent rules on banks' capital reserves and possible restrictions on proprietary trading, the failure of a bank is always possible, especially in the context of systemic risk trigger events. In the event of failure of a bank, the Company risks losing all or a portion of cash held with that institution. Further, as an institutional investor, the Company would not normally benefit from depositor compensation schemes.

### **Securities Borrowing**

Borrowed securities may need to be returned on short notice. If the securities borrowed cannot be returned, the Company could be required to cover the short sale by borrowing the security elsewhere or by purchasing securities at a higher price than the short sale transaction thereby

creating a loss. Also, if a broker (or prime broker) were to recall funding facilities, the Company would be forced to sell securities at disadvantageous conditions.

## **Valuations of the Underlying Assets of the Company**

The NAV of the Company and NAV per Share is not audited (except at fiscal year-end) and is based primarily upon the value of the Company's underlying assets. In valuing those investments to produce the periodic valuation of the Company and its NAV, the Company will in some cases need to rely primarily on the valuations procured from valuers engaged by the Company and other sources, which may not be audited valuations, and in the case of investments in securities, on financial information procured from the relevant underlying securities' issuers, their agents, market makers or other sources. If the information used to determine the NAV of any of the underlying investments is incomplete, inaccurate, or if such NAV does not adequately reflect the value of the underlying investments, the NAV per Share may be adversely affected. Adjustments to the NAV of the Company will generally be made to the then current NAV, not by adjusting the NAVs previously reported.

The Company will have no control over the choice of service providers, made by the companies invested in, nor on the valuation methods and accounting rules which they may use.

Investors should recognise that the Company's ability to correctly assess the value of its investments portfolio will be dependent upon the information available with respect to these investments. The valuations of the underlying assets of the Company will be based on the latest available prices. This might not reflect the current situation and current values of the investments of the Company.

## **Investment in Unlisted Companies/Instruments**

Investing in unlisted companies is a high reward / high-risk investment strategy. Companies whose securities are not registered or publicly traded are not subject to the disclosure and other investor protection requirements which would be applicable if their securities were registered or publicly traded. The Investment Manager may be unable to predict with confidence what, if any, exit strategy ultimately will be available for any given illiquid position. Exit strategies that appear to be viable when an investment is initiated may be unavailable by the time the investment is ready to be realised due to economic, legal, political, or other factors. The valuation of the less liquid investments may differ materially from the actual or realisable value of such investments.

## **Investments in Small Cap Companies**

Stocks of small-cap companies have lower trading liquidity which means that there may not be enough sellers of shares at an acceptable price when we want to buy or that we would not be able to sell shares quickly at an acceptable price when we want to sell. Additionally, low trading liquidity results in higher transaction costs. Small-cap companies have less financial resources and limited access to capital compared to larger companies. This may make it more difficult to obtain financing to pursue new growth opportunities or to endure economic and industry downturns. Furthermore, some small-cap companies do not have long operating histories or proven business models. This can make small companies more vulnerable to aggressive competition from larger competitors or regulatory scrutiny. A small-cap company is less likely to have a following of loyal customers who believe in its business model, leaving it more exposed to risk from rapid shifts in customer preferences. Less information is publicly available about small companies than large companies. Investments in small-cap companies carry higher risks than those in large capitalised companies and therefore such investment is suitable only for certain sophisticated investors.

## The SFDR

The series of legal measures (including the SFDR) requiring firms that manage investment funds to provide transparency on how they integrate sustainability considerations into the investment process with respect to the funds under management (the EU sustainable finance action plan) are being introduced in the EU on a phased basis and some elements (such as supporting regulatory technical standards) are subject to implementation delays. The Investment Manager seeks to comply with all applicable legal obligations applicable, but there may be challenges in meeting all of the requirements of these legal measures as they are introduced. The Company may be required to incur costs in order to ensure compliance with these new requirements as part of the initial implementation phase and to incur further costs as the requirements change and further elements are introduced. This could be the case in particular if there are adverse political developments or changes in government policies as the implementation phase progresses. These elements may impact the viability of the Company and its returns.

## ESG Data Reliance

The scope of the SFDR is extremely broad, covering a very wide range of financial advisors and financial market participants with regard to the integration of sustainability risks and the consideration of adverse sustainability impacts in their processes and the provision of sustainability-related information with respect financial products. It seeks to achieve more transparency in relation to how financial market participants integrate Sustainability Risks in their investment decisions and consideration of adverse sustainability impacts in the investment process. Data constraint is one of the biggest challenges when it comes to sustainability related information to end-investors, especially in the case of principal adverse impacts of investment decisions, and there are limitations on sustainability and ESG-related data provided by market participants in relation to comparability.

## ESG Investing

ESG investing is about integrating non-financial factors and good governance in the investment process and in the business models of portfolio companies to, alongside financial return, also generate positive social and environmental impact.

Sustainable finance is a relatively new field of finance. Currently, there is no universally accepted framework or list of factors to ensure that investments are sustainable. Also, the legal and regulatory framework governing sustainable finance is still under development. The lack of common standards may result in different approaches to setting and achieving ESG objectives. ESG factors may vary depending on investment themes, asset classes, investment philosophy and subjective use of different ESG indicators governing portfolio construction.

The selection and weightings applied may, to a certain extent, be subjective or based on metrics that may share the same name but have different underlying meanings. ESG information, whether from an external and/or internal source, is, by nature and in many instances, based on a qualitative and judgmental assessment, especially in the absence of well-defined market standards and due to the existence of multiple approaches to sustainable investment. An element of subjectivity and discretion is therefore inherent to the interpretation and use of ESG data. It may consequently be difficult to compare strategies integrating ESG criteria. Investors should note that the subjective value that they may or may not assign to certain types of ESG criteria may differ substantially from that of the Company.

The application of ESG and sustainability criteria in the investment process may result in the exclusion of securities in which the Company may otherwise invest. These securities could be part of the benchmark against which the Company is managed or be within the universe of potential investments. This may have a positive or negative impact on performance and may mean that the performance profile of the Company differs to that of funds which are managed against the same

benchmark or invest in a similar universe of potential investments, but without applying ESG or sustainability criteria.

Furthermore, the lack of common or harmonised definitions and labels regarding ESG, and sustainability criteria may result in different approaches by managers when integrating ESG and sustainability criteria into investment decisions. This means that it may be difficult to compare funds with ostensibly similar objectives and that these funds will employ different security selection and exclusion criteria. Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required, and this will mean that the Company may invest in a security that another manager or an investor would not.

In addition, ESG information from third-party data providers may be incomplete, inaccurate or unavailable. As a result, there exists a risk of incorrectly assessing a security or issuer, resulting in the incorrect inclusion or exclusion of a security. ESG data providers are private undertakings providing ESG data for a variety of issuers. The ESG data providers may change the evaluation of issuers or instruments, at their discretion and from time to time, due to ESG or other factors.

The approach to sustainable finance may evolve and develop over time, both due to a refinement of investment decision making processes to address ESG factors and risks, and because of legal and regulatory developments.

The Investment Manager does not currently apply any ESG criteria for the Company. As a result, the Investment Manager does not apply negative screening to exclude specific sectors or companies based on ESG criteria.

The Company does not aim to achieve long-term capital growth by integrating an ESG approach. This situation may, however, change depending on the regulatory and legal framework. In this case, this Offering Memorandum will be updated accordingly.

It should also be noted that the Taxonomy Regulation will in due course provide a common taxonomy for identifying economic activities as environmentally sustainable within the European Economic Area. However, the scope of the Taxonomy Regulation will initially be limited to six environmental objectives (and so will not cover the entire universe of ESG objectives) and is not currently expected to be used universally, outside of the European Economic Area. For the purposes of the Taxonomy Regulation, it should be noted that the investments underlying the Company do not consider the EU criteria for environmentally sustainable economic activities.

## **Dependence on Key Individuals**

The Company's success depends to a significant extent, upon the role of the Investment Manager and/or the Sub-Investment Manager in the management of the assets of the Company. To the extent that such activities relate to the operations of the Company, the Company may be adversely affected if any of those officers of the Investment Manager responsible for these activities cease to participate in the operation of the Investment Manager.

The loss of such a key individual's services (e.g. through death, disability, retirement or leaving the employment of the Investment Manager and/or the Sub-Investment Manager) could cause the Company to suffer losses.

## **Fee Structure**

The Company will bear the fee paid to the Investment Manager and other service providers. Further, certain strategies employed in the Company, or in investments made by the Company, may require frequent changes in trading positions and consequent portfolio turnover. This may involve brokerage commission expenses exceeding significantly those of other investment schemes of comparable size. Performance Fees may also be payable by the Company. The

existence of Performance Fee arrangements, especially where no capped amount is imposed, may potentially encourage any person benefiting therefrom (such as the Investment Manager) to make investments that are riskier or more speculative than would be the case in the absence of Performance Fees. The increase in NAV used as a basis for the calculation of performance fee may include both realised and unrealised gains as the end of the calculation period. Therefore, the Performance Fee may be paid out on unrealised gains which may subsequently never be realised by the Company.

## **Performance Fee**

The Company will not adopt an equalisation methodology for the calculation of the Performance Fee due to the Investment Manager. Shareholders may according underpay or overpay any performance fee due to the Investment Manager when subscribing or redeeming their Investor Shares.

## **Lack of Operating History**

At the date of the Appendix to the Placement Memorandum, the Company does not have any operating history upon which prospective investors may base an evaluation of its likely performance. The Company's results will depend upon the availability of suitable buying and selling opportunities being taken advantage of by the Company and upon the performance of the Company's underlying assets.

## **Exchange Rate Fluctuations**

The Company's accounts will be denominated in Euro however the classes of Investors Shares and the investments made directly or indirectly by the Company may be denominated in any currency. Shareholders bear all risks of exchange rate fluctuations between their base currency and the Base Currency of the Investor Shares held by them. The Company may hedge the exchange rate risk between the Base Currency of the classes of Investors Shares and the currency of the assets in which the Company invests. All costs and profits and/or losses relating to the hedging instrument will be allocated to the relevant class of Investor Shares to which the hedging instrument relates.

## **Conflicts of Interest**

Conflicts of interest may arise between the Company and the persons or entities involved in the management of the Company or offering services to it including the Investment Manager, the Administrator, the Depositary, the Executing Broker and other service providers which may be appointed or counterparties thereof. The Investment Manager, the Sub-Investment Manager, the Investment Advisor, the Depositary, the Executing Broker and the Administrator which may be appointed (including their respective principals, shareholders, members, directors, officers, agents or delegates and employees) may from time to time act as Investment Manager, Sub-Investment Manager, Investment Advisor, the Depositary, the Executing Broker or Administrator in relation to, or otherwise be involved in, other funds established by parties other than the Company, which have similar objectives and which make investments similar to those made on behalf of the Company. Such clients could thus compete for the same trades or investments, and whilst available investments or opportunities for each client are generally expected to be allocated in a manner believed to be equitable to each, certain of the allocation procedures may adversely affect the price paid or received for investments or the size of positions obtained or disposed. Similarly, the Investment Manager, the Sub-Investment Manager, the Investment Advisor, the Administrator, the Depositary, the Executing Broker, and their principals and the Directors may trade for their own accounts in any of the types of assets in which the Company invests or intends to invest.

Conflicts may also arise as a result of the other services provided by affiliates of the Investment Manager which may provide advisory, depositary or other services to the Investment Manager.



Similarly, the Directors may also be directors of service providers to the Company or of companies in which the Company may invest, which could result in conflicts of interest.

The Directors in their personal capacities, or entities in which the Directors may have a management or financial interest, may also from time to time invest in the Company and may increase or decrease such holdings without notice.

Generally, there may be conflicts of interest between the interests of the Company and the interests of the Investment Manager, the Sub-Investment Manager, the Investment Advisor, the Depositary, the Executing Broker, the Administrator and their respective affiliates and the Directors to generate fees, commissions and other revenues. In the event that such a conflict of interest arises, the Directors will endeavour to ensure that it is resolved in the best interest of the Company. It should be noted that the Investment Manager as well as its affiliates, may at any time also be offering their services to one or more of the investors in the Company.

Furthermore, the Investment Manager may have equity stakes in the funds (or fund managers) to which they are providing their services, or own or have an interest in one or more assets that are also owned by such funds. Conflicts of interest can therefore not be ruled out.

See “**Section 8 | Conflicts of Interest**” for further details on the conflict of interests applicable to the Company.

### **Side Pockets**

The illiquid or hard to value assets of the Company represented by Side Pocket Shares is such that Investors holding Side Pocket Shares will not be able to redeem their Investor Shares. The illiquidity of such assets may negatively affect the performance of the Company. Investors should also be aware of the increased difficulty in the valuation of Side Pocket Shares and the restrictions associated with the realization of interest from such Side Pocket Shares.

Kindly also refer to “**Section 12 | Side Pockets**” which provides detailed provisions on Side Pockets.

### **Significant Investor / Shareholder**

It is expected that at any time investors in the Company may include individual investors (“**Significant Investors**”) with significant holdings in the outstanding Investor Shares. The presence of a large investor helps to mitigate the burden of the fixed costs of the Company, by effectively spreading the impact of such costs over a larger NAV than would otherwise be the case. By the same token, any large redemptions by such an investor will raise the impact of such fixed costs on remaining investors. Large orders to purchase or sell Investor Shares in the Company by Significant Investors may, individually or on a combined basis, also result in parallel investment / disinvestment transactions by the Company concerned in one or more of its underlying assets. This could in turn possibly impact on the value of such investments thereby affecting the NAV of the Company.

**THE FOREGOING LIST OF RISK FACTORS DOES NOT PURPORT TO BE A COMPLETE ENUMERATION OR EXPLANATION OF THE RISKS INVOLVED IN AN INVESTMENT IN THE COMPANY. PROSPECTIVE INVESTORS SHOULD READ THIS ENTIRE OFFERING MEMORANDUM AND CONSULT THEIR OWN COUNSEL AND ADVISORS BEFORE DECIDING TO INVEST IN THE COMPANY.**

## Section 4 | THE INVESTMENT MANAGER

Pursuant to an investment management agreement (the “**Investment Management Agreement**”) entered into between the Company and **AQA Capital Ltd.**, the Company has appointed the latter to act as Investment Manager for the Company, in pursuit of the investment objectives and subject to the investment restrictions described in this Offering Memorandum.

The Directors of the Investment Manager are:

### **Prof. Joseph Falzon**

Professor Joseph Falzon is the former Head of the Department of Banking and Finance, and the former Dean of the Faculty of Economics, Management and Accountancy, at the University of Malta. He received a B.A. degree from the University of Malta in June 1979; a M.A. degree in economics from Memphis State University, Memphis, Tennessee, U.S.A. in December 1980; and a Ph.D. degree in economics from Northwestern University, Evanston, Illinois, U.S.A. in August 1984. His doctoral areas of specialization were in international finance, monetary economics and macroeconomics.

He was awarded a graduate assistantship, in the Economics Department, at Memphis State University, from January to December 1980; a Rotary Fellow of Rotary Foundation of Rotary International, at Northwestern University, from October 1981 to June 1982; a teaching assistantship, in the Economics Department, Northwestern University, during academic years 1982-1983 and 1983-1984; and a Salzburg Fellow, at a Salzburg Seminar, in March 1991.

Professor Falzon served as a visiting assistant professor and taught at several American Universities including Roosevelt University in Chicago, from 1982 to 1984; Northwestern University, Evanston, Illinois, from 1985 to 1986; University of Cincinnati, Cincinnati, Ohio, from 1986 to 1987; and Howard University, Washington, D.C., from 1987 to 1988.

He returned to Malta in 1988 to teach at the University of Malta and to serve as an economic consultant to several public and private institutions. He was appointed as the first Head of the new Department of Banking and Finance, set up in 1994 at the University of Malta. This Department now offers undergraduate degrees in Banking and Finance and in Insurance (between 2008 and 2015), and an internationally taught evening M.Sc. degree in Banking and Finance.

He is the author of several local and foreign publications and of numerous papers on the Maltese economy. He is the co-editor of “Strategic Challenges in European Banking” published by Macmillan in 1999, and the editor of “Bank Performance, Risk and Securitization”, and “Bank Stability, Sovereign Debt and Derivatives”, both published by Palgrave Macmillan in 2013.

His current research interests include portfolio management, hedge fund strategies, risk management and economic development.

Professor Falzon has served as a consultant to the Government of Malta and to several private and financial organizations including: the Economic Planning Division (1988 to 1992); the Ministry of Finance (1992 to 1995); the Office of Fair Competition (1995 to 1996); the Ministry of Economic Services (1999 to 2003); the Bank of Valletta (1993 to 1998); the National Tourist Organization (1997 to 2001); the Malta Tourism Authority (2002 to 2006); the Central Bank of Malta (2004 to 2008); the Chamber of Small and Medium Sized Enterprises, GRTU (2006 to 2008); the Malta Housing Authority (2008 to 2010), and the Malta Council of Economic and Social Development, MCESD (2013 to 2016).

He has also been appointed as a director and board member on the executive board of the National Tourist Organization, Malta (1996); the Enemalta Corporation (1999 to 2003); the Malta Statistics Authority (2001 to 2011); a member on the Investment Committee of Integradvisory, Financial and

Investment Advisors (2009 to 2013); a Member of the Board of Directors, FMG Funds SICAV Plc (since 2013); risk manager of Auriga Asset Management Ltd (2013 to 2015); Chairman of the Investment Committee of Valletta Fund Management (2013 to 2016); and member of the investment committee of FX International Ltd (2013 to 2015). He was Chairman of the fuel hedging advisory committee of Enemalta Corporation during 2005, and is currently the Deputy Chairman of the Malta Stock Exchange.

Professor Falzon has also served, since 1995, as Member of the Organizing Committee of the European Association of University Lecturers of Banking and Finance. He also organized the 1996 and 2012 annual conferences of this association in Malta.

### **Mr Joseph Portelli**

Mr. Portelli has been employed in the financial markets for over 27 years. He has been engaged in various capacities with numerous Wall Street firms including the Bank of America, Nomura Securities, Goldman Sachs, Millburn Ridgefield, Global Capital and Liongate Capital Management. He was employed as a foreign exchange dealer, portfolio manager, and futures and options trader for much of his career.

Mr. Portelli was also the Managing Director and Chief Investment Officer of FMG Funds, an emerging market specialist.

Currently he sits on the board of the Malta Stock Exchange and other financial institutions and is a visiting lecturer at the University of Malta, Banking and Finance Department.

### **Mr Gabriele Rossi**

After graduating from Bocconi University, Mr Rossi worked as an auditor for PriceWaterhouseCoopers (PWC). He later moved to Vodafone (Italy) where he worked in the Planning and Economics department. Mr Rossi then worked as a financial analyst for Mediobanca, evaluating Italian big cap and managing the examination of several IPOs. He set up and managed the Italian equity research department at Exane BNP Paribas and, subsequently, Ms Rossi co-managed long-short equity funds and bond funds at Sequoia, Lemanik SA and ZEST SA.

### **Dr Christian Manicaro**

Dr Manicaro graduated in Economics from the University of Malta and started his career as a Merger and Acquisitions analyst at the Office of Competition. Later, he moved to the United Kingdom, reading a MSc at the University of York and acquiring the CFA Charterholder. After his studies, Mr Manicaro joined APS Bank Limited in Malta as a fund manager. He then joined AQA Capital Ltd, setting up offices in Malta and networking connections throughout the country. Dr Manicaro also holds a PhD in Finance from the University of York and is a visiting lecturer at the University of Malta.

### **Ms Elaine Bonnici**

Ms Bonnici started her career at one of Malta's leading banks, focused primarily on retail and commercial advances. She then moved to the Malta Financial Services Authority, within the Authorisation Unit, gaining extensive experience in the regulatory framework for investment services and collective investment schemes. Ms Bonnici joined AQA Capital as the Head of Compliance and was later appointed as Head of Strategy and Business Development.

Ms Bonnici holds an Honours Degree in Banking and Finance and a Master's Degree in Banking and Finance, both awarded from the University of Malta, and has her academic work published in the Islamic Economic Studies journal.

### **Mr Alberto Conca**

Mr Conca has over 20 years of experience in portfolio management, having worked in the United States, Ireland, Italy, and Switzerland. After graduating in Economics from the University of Pavia, Mr Conca moved to Connecticut (USA), where he worked on the development of non-linear models for the prediction of volatility. He later returned to Italy and worked for RAS, becoming the Head of Equity at Aletti Gestielle. Mr Conca then worked as a fund manager for Kairos Alternative Investments, and at Pioneer Alternative Investments, where he co-managed the Global Long Short Fund from Ireland. In 2008, he arranged and managed funds at Sequoia and later at Lemanik. In 2015 he co-founded AQA Capital Ltd, a European management company, taking the role of Chief Investment Officer. From 2018 Mr Conca is also a shareholder and the Chief Investment Officer of Zest SA, a Swiss asset manager offering management of collective investment schemes and discretionary portfolio management services.

## Duties of the Investment Manager

The Investment Manager has carried out all the necessary due diligence on the Company and is satisfied that the Company complies with the standards of fitness and properness required by the MFSA in terms of the ISAct.

The Investment Manager is also responsible for selecting the service providers appointed for the Company and to ensure that each service provider appointed is competent, qualified and capable of undertaking the functions being appointed by the Company.

The Investment Manager is further responsible for the management of the assets of the Company. Under the Investment Management Agreement, the Investment Manager has full discretion to invest the assets of the Company, in pursuit of the investment objectives and subject to the investment restrictions described in this Offering Memorandum.

The Investment Manager shall at all times, have sufficient own funds to maintain operational continuity and adequate and appropriate human and technical resources as necessary for the proper management of the Company.

The Investment Manager has set up an Investment Committee responsible for:

- a) providing the board of directors with advice related to the investment management services for which the Investment Manager is licensed as this might be required by the board from time to time;
- b) making any recommendations it deems necessary to the board;
- c) reporting regularly to the board on any matter which it feels should be brought to the attention of the board;
- d) establishing, monitoring and reviewing the investment policies, strategies and performance of the fund/s/ portfolios under management;
- e) the determination of the investment allocation criteria to be followed by the portfolio manager and set up the portfolio structure and asset allocation;
- f) issuing rules for stock selection;
- g) operating in accordance with the investment objectives and policies described in any schemes prospectus/offering document in general and the investment guidelines issued by the investment committee of any such fund or scheme in particular.

The Investment Manager employs risk management processes and also has risk management procedures and processes which enable it to monitor the risks of the Company.

The Investment Manager has arrangements in place which may also be used in response to redemption requests, including the temporary suspension or deferral of such redemption requests in certain circumstances or use of similar arrangements which, if activated, will restrict the redemption rights investors benefit from in normal circumstances as set out below under “**Section 11 | Redemption of Investor Shares**”.

The Investment Manager is required to act honestly, fairly and with due skill and diligence in conducting its activities in respect of the Company. For this purpose, the Investment Manager has established policies and procedures and made arrangements to ensure the fair treatment of investors. Such arrangements include, but are not limited to:

- a. policies and procedures for preventing malpractices that can reasonably be expected to affect the interests of the investors and investments of the Company;
- b. rules relating to the conduct of business of the Investment Manger aimed at promoting the best interests of the Company, the investors therein and the integrity of the market;
- c. the application of a high level of diligence in the selection and ongoing monitoring of investments in terms of this Offering Memorandum;
- d. ensuring adequate knowledge and understanding of the investments to be made by the Company;
- e. the fair treatment of investors;
- f. ensuring that no investor obtains preferential treatment, unless such preferential treatment is disclosed in the rules or instruments of incorporation of the Company.

The Investment Manager maintains a policy (the “**ESG Policy**”) which integrates sustainability risks and opportunities into its research, analysis and investment decision-making processes in respect of ESG, where applicable. The ESG Policy forms an integral part of its investment process and seeks to mitigate ESG and sustainability risks by ensuring that the Investment Manager only invests in companies or assets that are operated in an environmentally responsible manner, with respect for human rights and labour rights and providing good, healthy and safe working conditions and promote good governance conduct, always to the extent applicable and appropriate. Where applicable, consideration of potential ESG and sustainability risks related to a company or asset is integrated in the Investment Manager’s investment process, from transaction sourcing and selection to approvals and execution. The consideration of sustainability risks and opportunities, when applied, may have a material impact on long-term returns for Shareholders. Please refer to the section entitled ‘**Section 3 | Risk Factors**’ in this respect. Potential risks are further identified in the due diligence process, by means of screening for ESG controversies or further ESG analysis as warranted in context of the specific investments and addressed for each investment on a case-by-case basis pursuant to the Investment Manager’s risk management framework and ESG Policy.

The Investment Manager does not deem sustainability risks to be relevant to the Company. Consequently, the Investment Manager does not make investments decisions in respect of the Company based on sustainability risks and does not consider the adverse impacts of sustainability factors on the returns it offers to its Shareholders as this does not fit in with any of the current investment strategies of the Company.

The classification of the Company as an Article 6 Fund means that the Company do not promote environmental or social characteristics in a way that meets the specific criteria contained in Article 8 of the SFDR or has Sustainable Investment as its objective in a way that meets the specific criteria contained in Article 9 of the SFDR. As an Article 6 Fund, the Company is not expected to pursue an investment approach that explicitly promotes environmental or social characteristics or to have Sustainable Investment as its objective. Accordingly, the investments pursued by the Company do not consider the EU criteria for environmentally sustainable economic activities.

All rights and obligations to investors, including those related to subscription and redemption requests, are set out in this Offering Memorandum or the Memorandum and Articles.

The Investment Manager is required to establish and implement effective arrangements for complying with the best execution requirements, required under the AIFMD. The Investment Manager will therefore take all reasonable steps to achieve the best possible execution result on a consistent basis.

The Investment Management Agreement between the Company and the Investment Manager provides, inter alia, that the agreement may be terminated at any time by either party upon not less than 90 days’ prior written notice, that the Investment Manager shall not be liable to the Company

for any loss arising in connection with the subject matter of the Investment Management Agreement, howsoever any such loss may have occurred unless: (i) such loss arose because of the Investment Manager acting in bad faith and in a manner which is not in the best interests of the Company; and (ii) the Investment Manager's conduct constituted actual fraud, wilful misconduct, negligence or material breach of its obligation under the Investment Management Agreement.

In terms of the Investment Management Agreement, the Investment Manager may engage Sub-Investment Managers, Distributors or other delegates (the “**Delegates**”) in order to assist it in the fulfilment of its duties. The Delegates will be remunerated by the Investment Manager.

The Investment Manager holds additional own funds in order in order to cover potential professional liability risks resulting from the duties of the Investment Manager pursuant to the Investment Management Agreement.

The Investment Management Agreement is regulated by the laws of Malta and is subject to the jurisdiction of the Maltese courts.

The fees payable to the Investment Manager are set out in “**Section 13 | Fees, Charges and Expenses**” hereunder.

## Section 5 | THE ADMINISTRATOR

Pursuant to an administration agreement (the “**Administration Agreement**”) entered into between the Company, the Investment Manager and **CC Fund Services (Malta) Limited**, the Company has appointed the latter as the administrator, registrar and transfer agent of the Company.

The Administrator is a limited liability company registered under the laws of Malta, with registration number C 45733 and with registered office at Ewropa Business Centre, Triq Dun Karm, Birkirkara, BKR 9034, Malta. The Administrator is recognised to provide fund administration services by the MFSA.

The Administrator is responsible under the overall supervision of the Investment Manager and the Board of Directors for, inter alia, the general administration of the Company, which includes keeping the register of Shareholders, the proper book-keeping of the Company, arranging for the issue and redemption of Investor Shares, and calculating the Net Asset Value.

The Administrator is entitled to be indemnified by the Company and/or the Investment Manager against all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (other than those resulting from the fraud, gross negligence or wilful default on the part of the Administrator) which may be imposed on, incurred by or asserted against the Administrator in performing its obligations or duties.

The Administrator shall be entitled, without verification, further enquiry or liability on the Administrator’s part, to rely on pricing information in relation to specified investments held by the Company which is provided by price sources stipulated in the Administration Agreement or, in the absence of any such stipulated price sources, any price sources on which the Administrator may choose to rely. Without prejudice to the generality of the foregoing, the Administrator shall not be responsible or liable to any person for the valuation or pricing of any assets or liabilities of the Company (save as provided in the Administration Agreement) or for any inaccuracy, error or delay in pricing information supplied to the Administrator.

The Administrator is not required and is under no obligation to value underlying assets. In calculating the NAV and/or verify pricing information. In the absence of readily available independent pricing sources, the Administrator may rely solely upon any valuation or pricing information (including, without limitation, fair value pricing information) about any such assets or liabilities of the Company which is provided to it by: (i) the Company; (ii) the Investment Manager; and/or (iii) any valuer, third party valuation agent, intermediary or other third party which in each such case is appointed or authorised by the Company and/or the Investment Manager to provide valuations or pricing information of the assets or liabilities of the Company to the Administrator. The Administrator shall not be liable for any loss suffered by any person as a result of the Administrator not valuing or pricing any such asset or liability of the Company.

The Administrator in no way acts as guarantor or offeror of the Company’s Shares or any underlying investment. The Administrator is a Service Provider to the Company and has no responsibility or authority to make investment decisions, or render investment advice, with respect to the assets of the Company. The Administrator is not responsible for, and accepts no responsibility or liability for any losses suffered by the Company and/or the Investment Manager or any investors in the Company as a result of any failure by the Investment Manager to adhere to the investment objective, policy, investment restrictions, borrowing restrictions or operating guidelines.

The Administrator shall not be liable or otherwise responsible for any loss suffered by any person by reason of (i) any act or omission of any person prior to the commencement date of the Administration Agreement, (ii) any defect, error, inaccuracy, breakdown or delay in any product or service provided to the Administrator by any third party service provider, and (iii) any inaccuracy, error or delay in information provided to the Administrator by or for the Company.

The Administrator shall not otherwise be liable for any loss to the Company and/or the Investment Manager or any other person unless direct loss is sustained as a result of its fraud, gross negligence or wilful default.

Under the terms of the Administration Agreement, the Administrator is able to delegate certain of its functions and duties to the Administrator's affiliates.

The appointment of the Administrator may be terminated without cause by not less than 90 days' notice in writing.

The Administrator is not responsible for the preparation or issue of this document other than with respect to the description above in respect of the Administrator.

The fees payable to the Administrator are set out in the Administration Agreement and as provided in **"Section 13 | Fees, Charges and Expenses"** hereunder.



## Section 6 | THE DEPOSITARY

Pursuant to a depositary agreement (the “**Depositary Agreement**”) entered into between the Company, the Investment Manager and **Q Securities – Malta Branch**, the Company has appointed the latter as depositary of the Company and fulfils the obligations and duties provided for by applicable Maltese law.

The Depositary is incorporated in Malta as a branch of Q Securities S.A., a public limited liability company (Spolka Akcyjna) with its registered office in Warsaw at Marszałkowska 142, 00-061 Warsaw, entered into the Register of Entrepreneurs kept by the District Court for the Capital City of Warsaw in Warsaw, 12<sup>th</sup> Commercial Department of the National Court Register, under number KRS: 0000446527. The Depositary is registered with the Malta Business Registry under the registration number OC 1458. The Depositary is licensed by the MFSA (authorization ID QSS-21202 issued on February 20<sup>th</sup>, 2023) to provide, *inter alia*, custody services to collective investment schemes. The Depositary’s registered office is situated at Soho, the Strand, Fawwara Building, Triq L-Imsida, Gzira, GZR 1401, Malta.

The duty of the Depositary is to provide safekeeping, oversight and cash monitoring services in respect of the assets of the Company in accordance with the AIFMD. In carrying out its duties, the Depositary must act solely in the interest of the investors of the Company.

Under the Depositary Agreement and the AIFMD, the Depositary is liable for:

- (a) any loss suffered as a result of the Depositary’s negligence or intentional failure to properly fulfil its obligations under the AIFMD; and
- (b) the loss of assets held in custody (i.e. those assets which are required to be held in custody under the AIFMD) or in the custody of any sub-custodian unless it can establish that the loss has been incurred as a result of an external event beyond its control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

In relation to any other liability (i.e. other than (a) and (b) above), the Depositary’s liability is limited under the Depositary Agreement unless such limitation or exclusion would exclude or limit any obligation or liability required under the AIFMD.

The Depositary may delegate some of its custodial functions to financial institutions, sub-custodians and nominees (each a “**Sub-Custodian**”) provided its liability will not be affected by the fact that it has entrusted to a Sub-Custodian some or all of the assets in its safekeeping. In order for the Depositary to discharge its responsibility under the MFSA Rules, the Depositary must exercise all due skill, care and diligence in the selection and appointment, periodic review and ongoing monitoring of Sub-Custodians. Further, the Depositary must establish that (i) there is a written contract between the Depositary and the Sub-Custodian which expressly transfers the liability of the Depositary to that Sub-Custodian and makes it possible for the Company to make a claim against the Sub-Custodian in respect of the loss of financial instruments or for the Depositary to make such claim on their behalf; (ii) there is a written contract between the Depositary and the Company (or the Investment Manager acting on behalf of the Company) which expressly allows for the discharge of the liability of the Depositary to a Sub-Custodian and establishes the objective reasons to contract such a discharge.

The Depositary’s liability to the Shareholders of the Company may be invoked directly by the Company.

The Investment Manager will disclose to investors before they invest in the Company any arrangement made by the Depositary to contractually discharge itself of liability. In the event that

there are any changes to depositary liability, the Investment Manager will inform shareholders of such changes without delay.

The Depositary Agreement provides that the Depositary shall not re-use, and shall not grant any Sub-Custodian the right to re-use, any assets for its own account or the account of other clients, unless otherwise agreed between the Company and the Depositary.

The Depositary is an Maltese branch of an entity established in the Republic of Poland. The operational model of the Depositary assumes performing supporting depositary operational tasks from its parent entity in Poland. Investors accept the outsourcing of depositary operational tasks of the Depositary to its entity established in the Republic of Poland along with the type of information transmitted in the context of the outsourcing. The information transmitted within the outsourcing is defined as follows: all data related to the Fund investment activity and Investor data in the documentation used by the Depositary, or any other data which is collected by the Depositary to perform its duties defined in applicable laws.

The Depositary Agreement was made "or a' unlimited duration and may, unless grounds subsist for immediate termination (e.g. material breaches), be terminated by either party giving a minimum of 90 days' prior written notice.

The Depositary Agreement is regulated by the laws of Malta and is subject to the jurisdiction of the Maltese courts.

The fees payable to the Depositary are set out in the "**Section 13 | Fees, Charges and Expenses**" hereunder and in the Depositary Agreement.

## Section 7 | OFFICERS OF THE COMPANY

The Directors and other Officers of the Company are:

<b>Jan Mičulka</b>	Director
<b>David Sosik</b>	Director
<b>Sarah Farrugia</b>	Director
<b>Ganado Services Limited</b>	Company Secretary

### Directors

The address of the Directors, for the purposes of the Company, is the registered office of the Company. The Directors of the Company are:

#### **Bc. Jan Mičulka, BA (Hons)**

Bc. Jan Mičulka is an experienced finance professional with a robust background in both financial management and audit. He currently serves as the Finance Manager at APF VENTURE CAPITAL CR s.r.o., where he has been employed since 2022. In this role, he oversees the financial management of business activities, ensures the accuracy and upkeep of business case records, prepares financial statements, manages accounting, and collaborates with external partners such as tax advisors and auditors. He is also responsible for the consolidation of the APF Group and maintains communication with state administration bodies, banks, and insurance companies.

Prior to his current position, Jan Mičulka spent seven years at KPMG Česká republika Audit, s.r.o. He began as an Audit Service Group Assistant (2015-2017), providing supporting audit services to engagement teams and reviewing financial statements. He then advanced to Audit Assistant (2017-2019), where he tested and documented control environments and reviewed compliance with relevant accounting standards. As an Audit Senior and later Audit Supervisor (2019-2022), he managed financial audits for a diverse portfolio of prestigious clients across various industries, leading engagement teams of 2-6 members through the entire audit process.

Jan Mičulka holds a Bachelor of Arts with Honours in European Business from the University of Huddersfield, United Kingdom (2013-2014), where he graduated with an Upper Second Class degree. He also earned a Bachelor's degree in Business Management from the Faculty of Economics and Administration at Masaryk University, Brno (2011-2015).

In addition to his formal education, Jan Mičulka has pursued professional qualifications through the Association of Chartered Certified Accountants (ACCA), having completed the Applied Knowledge and Applied Skills exams.

#### **David Sosik**

David Sosik is a dynamic marketing professional currently serving as the Marketing Manager at APF VENTURE CAPITAL CR s.r.o. since 2024. In this role, he manages all marketing activities, oversees marketing strategies for the APF Group, communicates with clients and external marketing companies, organizes and attends PR events, and represents the APF Group in negotiations and public relations.

Prior to his current role, David Sosik worked in public relations for APF VENTURE CAPITAL CR s.r.o. from 2022 to 2024. His responsibilities included client communication, attending PR events, and representing the APF Group.

David Sosik is currently enrolled in a management university program at Palatinum – More Than Sales in the Czech Republic, focusing on coaching for managers. He holds a Matriculation's

degree in Civil Engineering from the Highschool of Civil Engineering Prostějov, where he studied from 2017 to 2022.

### **Sarah Farrugia**

Ms Sarah Farrugia has over 15 years' experience in the financial services industry, having begun her career at Bank of Valletta p.l.c as a senior relationship officer, working both in a branch and in the Wealth Management department. In 2014, Ms Farrugia joined the Malta Financial Services Authority (“MFSA”) as an Analyst within the Authorisation function, where she was later appointed as Senior Analyst. She then moved with the Securities and Markets Supervision function at the MFSA, where in November 2019 she was appointed as Senior Manager in charge of the Funds Supervision team which was responsible for a population of over 500 Licence Holders ranging from Funds, Fund Managers, Custodians and Fund Administrators. During this time, she contributed in the development of various policy initiatives as well as represented the MFSA at the ESMA Investment Management Standing Committee. In 2022, she took up her current role as Head of Compliance at RMC Wise Limited. Ms Farrugia has also guest lectured at the University of Malta and the MFSA's Financial Services Academy on various regulatory topics. Ms Farrugia graduated from the University of Malta with a second upper class Bachelor of Commerce (Honours) in Banking and Finance in 2009 and has also obtained a Masters in Finance with Distinction from the University of Leicester in 2013.

### **Company Secretary**

The Company has appointed **Ganado Services Limited** as Company Secretary.

The Company Secretary's duties will include maintaining the Company's statutory books and records, minutes of meetings and complying with other requirements of the Companies Act. The Company Secretary does not retain the register of members (other than in relation to the Founder Shares) since the Administrator acts as registrar and transfer agent.

### **Other Service Providers**

The Company may appoint additional service providers.

The Board have also engaged the following other main service providers:

### **Auditor**

The Founder Shareholders have appointed **Tri-Mer Audit Limited** (the “**Auditor**”) as the statutory auditors of the Company. The Auditor's main duty is to fulfil its statutory responsibility to report to the Shareholders whether, in their opinion, the annual financial statements give a true and fair view and whether they have been properly prepared in accordance with the Companies Act.

### **Shareholder Rights against Service Providers**

It should be noted that Shareholders will only be able to exercise their rights directly against the Company and will not have any direct contractual rights against the service providers of the Company appointed from time to time.

## SECTION 8 | CONFLICTS OF INTEREST

Potential investors should be aware that there may be situations in which each and any of the involved parties as defined in “**Section 3 | Risk Factors**”, the Investment Advisor, and the Administrator (together the “**Interested Parties**”), could encounter a conflict of interest in connection with the Company. Should a conflict of interest actually arise, the Directors and the Investment Manager will endeavour to ensure that it is resolved fairly.

All the Interested Parties are taken into account to avoid possible conflicts which may arise from a party / parties which:

- a) is/are likely to make a financial gain, or avoid a financial loss, at the expense of the Company or its investors;
- b) has an interest in the outcome of a service or an activity provided to the Company or its investors, or to a client or of a transaction carried out on behalf of the Company or a client, which is distinct from the Company’s interest in that outcome;
- c) has a financial or other incentive to favour:
  - i. the interest of a client or group of clients or another AIF or a UCITS over the interest of the Company,
  - ii. the interest of one investor over the interest of another investor or group of investors in the same Company;
- d) carries out the same activities for the Company and for another AIF, UCITS or client; or
- e) receives or will receive an inducement in relation to collective portfolio management activities provided to the Company, from a person other than the Company or its investors in the form of monies, goods or services other than the standard commission or fee for that service.

The Investment Manager will identify any conflict of interest above and will monitor to prevent such conflicts by ensuring that:

1. any conflict of interest is included in its conflict of interest policy in writing;
2. the policy is proportionate to the size and organisation of the Investment Manager and the Company and the nature, scale and complexity of its business.
3. the policy identifies the circumstances that may give rise to a conflict of interest and includes procedures and measures in order to prevent, manage and monitor such conflicts on an ongoing basis. These measures could include one or more of the following, as appropriate:
  - a. preventing the exchange of information between relevant persons where needed;
  - b. separating the supervision of relevant persons whose interest may conflict;
  - c. removing links in the remuneration of relevant persons engaged in different activities where a conflict may arise;
  - d. measures to prevent a relevant person from exercising inappropriate influence over the management of the Company;
  - f) measures to prevent or control the involvement of a relevant person in different activities where a conflict of interest may arise;
  - g) other alternative measures, where appropriate.
4. where the measures included in the conflicts of interest policy are not sufficient to ensure in a reasonable manner the prevention of the damage caused by conflicts of interest, the Directors of the Company shall be informed and shall take the necessary action to ensure that the Investment Manager acts in the best interest of the Company or the respective investors.

If, notwithstanding the existence of conflicts of interest that cannot be avoided, the Directors of the Company decide to carry on with the business, the Investment Manager shall disclose the conflicts of interest promptly to the investors prior to undertaking the investment management of the Company. In any case, the Investment Manager shall disclose the general nature or sources of conflicts of interest to investors before undertaking business on behalf of the Company.

The Investment Manager has developed adequate and effective strategies for determining when and how any voting rights held in the Company are to be exercised, to the exclusive benefit of the Company concerned and its investors. These strategies should determine measures and procedures for:

- a. monitoring relevant corporate actions,
- b. ensuring that the exercise of voting rights is in accordance with the investment objectives and policy of the relevant Company, and
- c. preventing or managing any conflicts of interest arising from the exercise of voting rights.

The Investment Manager, upon request, will provide to the investors with a summary description of the strategies and details of the actions taken on the basis of the strategies referred to in paragraph above.

In addition, the Directors of the Company and the Investment Manager will seek to ensure that all agreements and transactions entered into by the Company are negotiated at arm's length insofar as it is reasonably possible to do so. In particular, potential investors should be aware of the following:

- (a) the Investment Manager of the Company, persons who conduct the business of the Investment Manager, employees of, or any person involved in the Investment Manager may be involved, whether directly or indirectly, or have an interest in, the Company, or the investors therein;
- (b) the Investment Manager acts as Investment Manager of one or more collective investment schemes which the Company may invest in;
- (c) certain Directors or entities in which they may have a financial or managerial interest, may receive a portion of each, or all, of the fees payable (including advisory fees or management fees) by the Company. Thus, such Directors may have a conflict of interest between their duty to act for the benefit of the Shareholders in limiting expenses of the Company and their interest in receiving such fees;
- (d) the Investment Manager may make investments for other clients without making the same available to the Company; and
- (e) the Investment Manager may make investments in companies or instruments which certain Directors, the Founder Shareholders or entities in which they may have a financial or managerial interest, may have created or which hold interests therein.

## Section 9 | ORGANISATION OF THE COMPANY

The Company was registered in Malta on 11 June, 2024 with registration number SV 608

The Company is a limited liability company with variable share capital (SICAV).

The Company is a Notified AIF under the Investment Services Act (List of Notified AIFs) Regulations and is included in the Notified AIF list of the MFSA.

### Capitalisation of the Company

As the Company is organised as a Company with variable share capital, its share capital is equal to the value of the issued share capital of the Company at any time. The Company may issue up to a maximum of two thousand (2,000) Founder Shares and up to five billion (5,000,000,000) fully-paid up Investor Shares in each case without any nominal value assigned to them.

The paid up share capital of the Company shall at all times be equal to the NAV of the Company as determined in accordance with the Memorandum and Articles and this Offering Memorandum.

### The Founder Shares

The initial share capital of the Company is two thousand Euro (EUR 2,000) divided into two thousand (2,000) Founder Shares having no nominal value, which shares constitute a separate class of shares of the Company but do not constitute a separate sub-fund.

The Founder Shares are held as follows: one thousand nine hundred and eighty (1,999) Founder Shares held by APF AGRICULTURAL INVESTMENT LTD and one (1) Founder Share held by Andrea Mičulková.

The Founder Shares carry the right to one (1) vote each on all matters which may arise for consideration by the holders of the issued and outstanding Founder Shares of the Company. The holders of Founder Shares shall have the right to receive notice of, attend and vote on any matter requiring the approval of members generally as contained in the Articles and applicable law.

Except to the extent that they have the right to a return of paid-up capital on winding-up, the Founder Shares do not participate in the assets of the Company.

Each Investor Share and each Founder Share, when issued will be fully paid and non-assessable.

### The Investor Shares

In terms of this Offering Memorandum the Company is offering non-voting Investor Shares with no nominal value.

The Company is comprised of one (1) Class of Investor Shares, namely:

- the Class A – EUR Investor Shares

ISIN: Class A – EUR – Investor Shares – MT7000035663.

The Company may, in due course, issue additional classes of Investor Shares, which may be designated in other currencies with different rights.

All Investor Shares of the Company participate equally in the net assets of the Company as are represented by the appropriate class(es) of Investor Shares on liquidation and in any dividends and other distributions attributable to the Company as may be declared.

Other than as stated above, no shares in the Company have preferential, pre-emptive, conversion or exchange rights and there are no outstanding options or any special rights relating to Investor Shares or Founder Shares.

### **Duration of the Company**

The duration of the Company is indefinite. Generally however the Company will have a continuous Offering Period that shall remain open until the Directors determine otherwise.

### **Alterations to the Company's Share Capital**

The Company may increase or reduce its authorised share capital being the maximum number of Shares that may be in issue (see "Capitalisation of the Company" above) by an extraordinary resolution of the holders of the voting Founder Shares (i.e. a resolution notice of which has been given prior to the meeting, and which is approved by in excess of 50% of the holders of the voting Founder Shares who are entitled to vote thereon at the meeting).

### **Amendment to Memorandum and Articles of Association**

The Memorandum and Articles may only be altered or amended by the passing of an extraordinary resolution of the holders of the Founder Shares to such effect. In terms of the Memorandum and Articles, any such resolution amending the Memorandum and Articles is to be, prior to adoption, notified to the Board of Directors. Amendments to the Memorandum and Articles that affect existing Shareholder class rights will also need to be approved as set out below.

### **Variation of Class Rights**

If at any time the share capital is divided into classes of shares, the rights attached to any than existing class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of not less than three-fourths ( $\frac{3}{4}$ ) of the issued shares of that class and of any other class of shares which may be affected by such variation or by a special resolution (i.e. a resolution passed by a three-fourths ( $\frac{3}{4}$ ) majority of those persons present and entitled to vote in favour of the resolution) passed at a separate class meeting of the holders of the shares of such class or by unanimous written resolution of such separate class. In terms of the Memorandum and Articles, it shall not be deemed to be a variation of the rights attaching to any particular class of shares for the Company to, amongst others, (i) create, allot or issue further Investor Shares or Founder Shares ranking *pari passu* with, in priority to or subsequent to the existing Investor or Founder Shares respectively, (ii) amend or vary the investment objective of the Company, (iii) liquidate the Company and distribute its assets to Shareholders in accordance with their rights, (iv) vest the assets in, or in trustees for, the Shareholders in specie or (v) purchase or redeem its Investor Shares.

### **Further Issues of Investor Shares**

The Company may, by resolution of the Board, at any time decide to offer further non-voting Investor Shares up to a maximum amount of 5,000,000,000 shares in issue at any time and, without prejudice to any special rights previously conferred on the holders of existing Investor Shares, to allot, issue, grant options over or otherwise dispose of the Investor Shares or any other classes of Investor Shares (including fractions of Investor Shares) with or without preferred, deferred or other special rights or restrictions, whether with regard to dividend or otherwise and to such persons, at such times and on such other terms as the Board shall think proper, but not in a manner to reduce the financial rights of Shareholders without their consent.



## Repurchase of Investor Shares

Under the Companies Act, the Company is permitted to repurchase or redeem its Investor Shares without restriction. Repurchased or redeemed Investor Shares shall be treated as cancelled and deemed never to have been issued for the purpose of calculation of the maximum number of Investor Shares which may be issued, and shall be available for reissue by the Company at any time in the future. Redemptions of Investor Shares will be made at the Redemption Price.

## Liquidation

The Company has been incorporated for an indefinite period and unless closed or liquidated as described hereunder will exist in perpetuity.

The Company may be dissolved and wound up either voluntarily or under supervision or by a competent Court. The Company may be placed in voluntary liquidation at any time by a resolution adopted by the holders of the voting Founder A Shares and the Founder B Share in the same manner as that required for amending the Memorandum and Articles. Any voluntary liquidation of the Company shall be carried out pursuant to applicable Maltese laws and the Memorandum and Articles. Amounts which have not been claimed by Shareholders at the close of the liquidation will be deposited in an account in the Shareholder's name with a trustee selected by the liquidator. Any such amount not claimed within a period of seven (7) years will be donated to a Maltese enrolled voluntary organisation selected at the discretion of the trustee. The term 'proceedings' as used herein refers to any proceedings whatsoever including in terms of Title II of Part V and of Part VI of the Companies Act.

## Applicable Law, Jurisdiction and Recognition of Judgements

As shareholders in a Maltese company, Shareholders' rights (as described in this Section) are subject to Maltese law (in particular the ISAct and the Companies Act) and jurisdiction.

Without prejudice to the above choice of jurisdiction, judgements awarded by a competent court outside Malta would be recognised as a valid judgement and enforceable in the courts of Malta without re-examination of the merits of any matters treated in that judgment, subject to the following:

- (a) in the case of judgments falling within the scope of the Regulation (EU) No. 1215/2012 on Jurisdiction and the Recognition and Enforcement of Judgements in Civil and Commercial Matters (the "European Judgements Regulation"), the recognition and enforcement would be subject to the provisions contained in the European Judgements Regulation;<sup>1</sup>
- (b) in the case of judgments falling within the scope of the Convention on Jurisdiction and the Recognition and Enforcement of Judgments in Civil and Commercial Matters signed in Lugano on the 30 October 2007 between the European Community, the Kingdom of Denmark, the Republic of Iceland, the Kingdom of Norway and the Swiss Federation (the "Lugano Convention"), the recognition and enforcement of judgments delivered in Member states of the Lugano Convention, other than judgements which fall within the European Judgements Regulation, would be subject to the provisions contained in the Lugano Convention; and

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<sup>1</sup> Malta also has a reciprocal enforcement agreement with the United Kingdom but this operates in relation to money judgements only. Judgements are registered, by application, with the Court of Appeal in accordance with and subject to the terms of the British Judgements (Reciprocal Enforcement) Act (Cap. 52, Laws of Malta).

- (c) in the case of judgements neither falling within the scope of the European Judgments Regulation nor the Lugano Convention, the recognition and enforcement would be subject to the applicable law of Malta imposing judgment registration or confirmation in Malta, provided that the judgement: (i) does not contain dispositions contrary to public policy and (ii) cannot be set aside on any of the grounds for re-trial as contemplated in the law of Malta on civil procedure.

## Section 10 | ACQUISITION OF INVESTOR SHARES

### Share Offer

Up to 100,000,000 Class A – EUR Investor Shares, each with no nominal value, are on offer. The offering of the Investor Shares at the Initial Offering Price shall open on the date of this Offering Memorandum and shall close on the Closing Date. The Company is entitled to close the Initial Offering Period at any time prior to the Closing Date or to extend it beyond the Closing Date and this at its sole discretion.

During the Offering Period, which shall commence from the first Business Day after the close of the Initial Offering Period, the offer will be for Investor Shares at the Offering Price applicable on the relevant Subscription Day. The Offering Period shall remain open until such time as the Directors determine otherwise.

The Investor Shares of the Company can only be acquired, and at all times held, by persons, whether corporate or incorporate, being Eligible Investors. In order to acquire Investor Shares in the Company, all Eligible Investors, as applicable must satisfy the conditions set out in this Offering Memorandum.

### Subscription Procedures

Purchases of Investor Shares can be made at the prevailing Offering Price (or at the Initial Offering Price during the Initial Offering Period) on the relevant Subscription Day, by submission to the Company at the office of the Administrator of the documents referred to below.

In order to purchase Investor Shares in the Company, a prospective investor must:

- i. Complete and sign the Subscription Agreement, which includes the Eligible Investor Declaration Form as applicable, a copy of which is available from the Administrator and/or the Investment Manager;
- ii. Pay the subscription amount in the Base Currency of the Investor Shares to the Company's bank account by bank transfer of clear funds by the Settlement Date which shall. To ensure prompt receipt and identification of the subscription payment – the Subscriber should use the "Bank Transfer Instruction Letter" form;
- iii. Send the signed and completed Subscription Agreement and Eligible Investor Declaration Form by the Subscription Notice Deadline, together with a copy of the Bank Transfer Instruction Letter, to the Company c/o the Administrator enclosing those documents required in the Anti-Money Laundering Supplement ("AML Supplement"), which forms part of the Subscription Agreement; and
- iv. Comply with the relevant Minimum Initial Subscription and the Minimum Holding limits.

**The Company will only issue Investor Shares to applicants upon receipt, at the offices of the Administrator within the deadlines specified in this Offering Memorandum, of a properly executed Subscription Agreement and other required documentation, and of cleared payments.**

A copy of the Subscription Agreement and Eligible Investor Declaration Form, as applicable, should be completed and retained by the applicant for the applicant's personal reference and records.

The Company may accept, in its sole and absolute discretion, investments in other currencies under the following conditions: (i) each currency will be converted to the Base Currency of the respective Investor Share, at the sole cost and expense of the Subscriber (and the cost will be deducted from the Subscriber's gross subscription amount); (ii) each Subscriber will bear all currency fluctuation risks between the Base Currency of the respective Investor Share and their base currency; and (iii) all distributions (including Redemption Proceeds) will be made in the Base Currency of the respective Investor Share, unless the Subscriber requests in writing in advance that distributions to be made in a different currency, in which event the Subscriber will bear the cost of converting the distribution to its base currency and such cost shall be deducted from such distribution.

### **Subscribers' Undertakings and Warranties**

Subscribers should take notice that by completing and executing the Subscription Agreement and the Eligible Investor Declaration Form, as applicable, the subscriber is entering into a number of undertakings and giving a number of warranties as specifically set out in this Offering Memorandum and in the Subscription Agreement.

Subscribers should also take notice that no share certificates will be issued but the Administrator will provide written confirmation of the subscription.

### **Subscriptions in Specie**

The Company shall, at its option, be entitled to receive securities or other investments, to the satisfaction of the Company and the Investment Manager, from a prospective Shareholder for the issue of Investor Shares in the Company in accordance with the provisions of the Memorandum and Articles and in accordance with applicable law.

The Company shall appoint a valuer which may be the Investment Manager or an appointed third party, to draw up a valuer's report. Such report shall include:

- a description of each of the assets comprising the consideration;
- the value of each asset and a description of the method of valuation used; and
- a confirmation that the value of the consideration is at least equal to the net asset value of the shares to be issued in return for such consideration.

The Company shall only issue Investor Shares once the assets referred to in the valuer's report have been transferred in favour of the Company to the satisfaction of the Directors and the Depositary.

All valuer reports issued by the appointed valuer shall be kept in Malta at the registered office of the Company.

### **Exchange of Shares**

A holder of Investor Shares may exchange all or part of his Investor Shares in the Company (the "**Original Shares**") to a different class of Investor Shares in the Company (the "**New Shares**").

An irrevocable request to exchange Investor Shares shall be construed as being a request for the repurchase of the stated number of Original Shares (save that the repurchase monies shall not be released to the investor, but shall be deemed to be paid to the Company for the purpose of acquiring the New Shares) and a simultaneous request for the proceeds from such repurchase to

be applied in the purchase of New Shares as may be indicated. The exchange of Shares shall take place on the same Dealing Day at the relevant Redemption Price and Offering Price.

Absent any other arrangements between the holder of the Original Shares and the Company, if for any reason whatsoever the repurchase of the Original Shares and the purchase of the New Shares cannot both be completed on the same Dealing Day, then the request to exchange Shares shall be processed on the next Dealing Day when such repurchase and purchase can both be completed.

The number of New Shares to be issued on exchange shall be determined by the Administrator in accordance (or as nearly as may be in accordance) with the following formula: -

$$NS = \frac{[(A \times B) - C] \times D}{E}$$

where:-

- NS = the number of New Shares which will be issued;  
 A = the number of Original Shares to be exchanged;  
 B = the Redemption Price of such Original Shares on the relevant Dealing Day;  
 C = any applicable transaction costs (including any relevant fees set out in the Offering Memorandum);  
 D = if applicable, the rate of exchange determined by the Administrator for converting the Base Currency of the Original Shares into the Base Currency of the New Shares; and  
 E = the Offering Price of the New Shares on the relevant Dealing Day (including any commissions payable).

## Transfer of Shares

### General

The Investor Shares of the Company can only be transferred to, and at all times held by, persons being Eligible Investors. In order to acquire or hold Investor Shares in the Company, all Eligible Investors must satisfy the conditions set out in this Offering Memorandum.

A Shareholder desiring to transfer his Investor Shares must make available to the Company the certificate(s), if issued, representing the Investor Shares that such Shareholder desires to transfer, together with a written instrument of transfer executed by or on behalf of the proposed transferor setting forth:

- i. the names and addresses of the proposed transferor and transferee;
- ii. the number of Investor Shares to be transferred; and
- iii. such other information as the Company may require, including information necessary to satisfy the Company that the proposed transfer complies with applicable laws and appropriate identification documentation is provided as required by the Company or the Administrator on its behalf to comply with applicable anti-money laundering regimes.

The proposed transferee must, in the above-mentioned instrument of transfer, agree to take such Investor Shares subject to the same conditions and restrictions pursuant to which the Investor Shares were held by the transferor.

The Memorandum and Articles provide that the Directors may, in their absolute discretion, decline to give effect to the proposed transfer of any Investor Share and may withhold approval for any reason.

Furthermore, the Directors may decline to register any transfer of Investor Shares:

- i. unless the instrument of transfer is deposited to the Company at the office of the Administrator or such place as the Directors may reasonably require and such other evidence as the Directors may reasonably require to prove the right of the transferor to make the transfer;
- ii. if the Company has any lien on the Investor Shares being transferred; or
- iii. if the registration of transfers has been suspended by the Directors in accordance with the Memorandum and Articles.

If the Directors decline to register a transfer, they shall send notice to the transferee of such refusal within two (2) months. If after two (2) months of receipt by the Company of an acceptable instrument of transfer the Directors do not deny permission for the transfer, the Company shall be deemed to have approved the transfer, and shall be obliged to register the transfer without delay.

### **Eligible Investors**

The investor must meet all suitability requirements described herein and in the Subscription Agreement. The Company will not knowingly offer or sell Investor Shares to any investor to whom such offer or sale would be unlawful.

The Directors shall not be bound to register more than four (4) persons as joint holders of any Investor Shares and Shares may not be transferred to persons under the age of eighteen (18).

Each investor must represent and warrant to the Company that, amongst other things, he is an Eligible Investor and is able to acquire Investor Shares without violating applicable laws.

### **Minimum Holding Requirements for Registration of Transfers**

Should it appear to the Administrator that the effect of a transfer will result, after the transfer, in the transferor or the transferee holding in aggregate less than the Minimum Holding required in this Offering Memorandum, the Administrator shall immediately inform the applicant that the request for registration of a transfer has been suspended until the request is amended to result in observance of the Minimum Holding of Investor Shares after the transfer of Investor Shares by the transferor and transferee.

## Section 11 | REDEMPTION OF INVESTOR SHARES

### Procedure

Subject to the restrictions appearing in this Offering Memorandum and the Memorandum and Articles, a Shareholder may cause any or all of his Investor Shares to be redeemed by the Company on a Redemption Day at the Redemption Price.

Redemptions of Investor Shares may be made on any Redemption Day, at the Redemption Price, if a valid Redemption Notice is received by the Company at the office of the Administrator by the Redemption Notice Deadline. Redemption requests received after such time and date will not be processed on the next Redemption Day but on the first one thereafter.

Subject to any conditions which may be stated in a Redemption Notice, Redemption Proceeds due will be paid out as soon as practicable after final calculation of the NAV per Share, and after receipt of the proceeds of the sale of any investments sold to fund the redemption.

Except as discussed above and below, all requests for redemption in the proper form will be honoured and the Company's investments will be liquidated to the extent necessary (if any) to discharge its liability on the date of redemption.

Redemption Notices sent by the Shareholder to the Company at the office of the Administrator will be deemed not to have been received by the Company at the office of the Administrator unless receipt is acknowledged in writing by the Administrator. Exceptions are made where the delivery of the communication has been acknowledged by a signed receipt.

The Directors may establish reserves or holdbacks for estimated accrued expenses, liabilities and contingencies (even if such reserves or holdbacks are not otherwise required by generally accepted accounting principles) which could reduce the redemption proceeds which would otherwise be payable.

Redemption requests are irrevocable unless the Directors otherwise determine. Payment of redemption proceeds may be withheld or delayed if information required to satisfy verification of identity checks is not provided in a timely manner.

### Redemption Price

The Redemption Price per share on the relevant Redemption Day is the NAV per Share calculated to four (4) decimal places as at the close of business on the relevant Valuation Day.

### Redemption in Specie

Apart from the circumstances described under "Total Redemptions" below, the Memorandum and Articles provide that the Directors may determine that the payment of the Redemption Proceeds to any Shareholder may, subject to the conditions specified hereunder being satisfied, be made wholly or partially *in specie*. This will be done by transferring to the Shareholder, from the portfolio of assets allocated to the class or classes of Investor Shares being redeemed, assets with a value equal – as of the Valuation Day on which the Redemption Price is calculated – to the whole, or (where applicable) the appropriate portion, of the Redemption Proceeds.

With regard to the conditions referred to above, the Directors shall request the Investment Manager to ensure that the Company shall only carry out such redemption *in specie*:

- i. where the Shareholder has consented in writing to such redemption *in specie*; and
- ii. equal treatment is afforded to all Shareholders, of the same class of Investor Shares, being offered a redemption *in specie* on the same Redemption Day; and

- iii. the nature and type of assets to be transferred are determined on a fair and reasonable basis and without prejudicing the interests of the other holders of Investor Shares of the relevant class or classes of shares.

Any costs resulting from such redemption in specie shall be borne by the Company.

### **Deferral of Redemptions**

The Directors may in their exclusive discretion, set out a limit on total amount of redemptions that may be affected on any Redemption Day. The limit will generally be a 40% of the Investor Shares in issue on that day (in each case before giving effect to sales of Investor Shares or requests for redemption for such Redemption Day). In such circumstances the Company or its authorised agent may scale down pro rata the number of Investor Shares to be redeemed in response to each request for redemption to the extent necessary to ensure that the said limit is not exceeded. The balance for redemption shall be carried forward as at the next Redemption Day and so on to each succeeding Redemption Day until each request has been complied with in full. Requests for redemption carried forward from an earlier Redemption Day shall have priority over later requests.

### **Temporary Suspension in Redemptions**

The Company may suspend the calculation of the NAV and the right of any Shareholder to require redemption of any Investor Share and the issue of Investor Shares during; (a) any period when any stock exchange on which a significant proportion of the investments of the Company is quoted is closed otherwise than for ordinary holidays or during which dealings thereon are restricted or suspended; (b) any period when disposals of investments by the Company cannot be effected normally or without seriously prejudicing the interests of Shareholders; (c) any period when there is a breakdown in the means of communication normally employed in determining the price or value of any of the investments or the current price or values on any stock exchange; or (d) any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of Investor Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Investor Shares cannot, in the opinion of the Directors, be effected at normal rates of exchange. Notice of any such suspension will be given to all Shareholders, including any Shareholder tendering his Investor Shares for redemption. Shareholders will be promptly notified upon the termination of such suspension.

### **Withholding of Redemption Proceeds**

A significant portion of the Company may be invested in underlying funds which are less liquid than other underlying funds and asset classes in which the Company has invested, such as real estate or private equity funds, and in which the Company cannot readily realise its investment. In such circumstances, a pro rata portion of the redemption proceeds may be withheld until such time as there is significant liquidity within the Company to permit payment of the balance. It should be noted that, to the extent that the Company is able to dispose of an interest in an underlying fund in the secondary market, the price realised may be at a discount, which could be substantial, to the net asset value of such underlying fund. In such circumstances, the redeeming shareholder will receive the actual price realised rather than the net asset value.

In respect of redemption requests representing a significant proportion of the Company, as determined by the Directors, the Directors reserve the right, upon receipt of such request, to redeem a pro rata amount of each underlying fund effective as at, or as soon as practicable after, the Redemption Day on which such redemption request is effective, and to pay the proceeds of such redemption to the relevant shareholders, such payment to be made upon receipt of the relevant redemption proceeds from the underlying fund, which may be at different times and over an extended period. Shareholders should be aware that in the event of any such redemption, the amount received by such shareholder will reflect the amount received by the Company from the relevant underlying funds. As the dealing days of the underlying funds will not necessarily be the same as the Redemption Days of the Fund and as the Net Asset Value is calculated by reference



to the most recent available net asset value of the underlying funds, the price at which units or shares in the underlying funds are redeemed may differ from the price(s) upon which the Net Asset Value was calculated and as a consequence the redeeming shareholder could receive greater or lesser redemption proceeds.

Alternatively, at the discretion of the Directors and upon notification to the redeeming shareholder, or at the request of the redeeming shareholder with the agreement of the Directors, payment may be made by the transfer of a proportionate amount of the assets of the Company (as far as is practicable and subject to the consent of the underlying funds), to the relevant value (as determined by the Directors in their absolute discretion) and provided such transfer shall not materially prejudice the interests of the remaining shareholders.

### **Compulsory Redemption**

The Company reserves the right to require a Shareholder to redeem its total shareholding, within one (1) Business Day of a notice of intent to do so, at the prevailing Redemption Price on the day that the requested redemption takes place, in the event that the holding of Investor Shares by the Shareholder concerned may result in regulatory, pecuniary, legal, taxation or material administrative disadvantage for the Company or the Shareholders as a whole, if the Shareholder ceases to qualify as an Eligible Investor. Such compulsory redemptions will take place at the prevailing Redemption Price on the day that such redemption takes place.

### **Suspension of Redemption Requests**

Should it appear to the Administrator that the effect of a Redemption Notice will result, after the redemption, in the Shareholder holding in aggregate less than the minimum required in this Offering Memorandum, the Administrator shall immediately inform the applicant that the request for redemption has been suspended until the Redemption Notice is amended either to result in observance of the Minimum Holding of Investor Shares, after redemption, or to request the redemption of all of the outstanding Investor Shares in the name of the Shareholder.

### **Total Redemption**

If at any time the continuation the Company is no longer viable or desirable owing to:

- i. the termination of the engagement of the Investment Manager; or
- ii. the Investment Manager recommending the Company on the basis that the outlook and the potential of the investment strategy or strategies available for the management of the assets of the Company may in the light of certain developments, no longer be attractive or viable; or
- iii. other factors that may prejudice the successful pursuit of such strategies or the adequate fulfilment of the investment objective of the Company.

The Company may, by reasonable notice in writing (expiring on a Dealing Day) to all interested Shareholders, redeem all the relevant Investor Shares not previously redeemed. Subject to the conditions set out above and in the Memorandum and Articles, the holders of the relevant Investor Shares may be required to receive redemptions *in specie*.

## Section 12 | SIDE POCKETS

Notwithstanding anything to the contrary herein, the Directors may, upon the happening of an Illiquidity Event, reconstitute such number of Investor Shares into Side Pocket Shares, in proportion to the value of the assets which have become illiquid or otherwise difficult to value. The Directors may, at their sole and absolute discretion, reconstitute such number of Investor Shares into Side Pocket Shares as may be necessary depending on the extent of the illiquidity of the assets of the Company. Therefore, the Directors are not subject to any limit on the percentage value of assets of the Company that may be allocated to a Side Pocket.

Upon the crystallization of an Illiquidity Event, all existing Shareholders will have such number of Investor Shares held by them converted into Side Pocket Shares, pro rata to their shareholding in the Company. The Company will not issue Side Pocket Shares to investors subscribing for Investor Shares after the happening of an Illiquidity Event, unless a new Illiquidity Event materializes subsequent to their subscription to Investor Shares in the Company.

The value of assets allocated to a Side Pocket shall be determined in accordance with the provisions in this Offering Memorandum relating to the determination of the Net Asset Value.

Side Pocket Shares shall not be redeemable until the illiquid assets which they represent become liquid or capable of valuation. Once an illiquid asset constituting the Side Pocket becomes liquid or capable of valuation, the Directors may:

- (i) compulsorily redeem such portion of the Side Pocket Shares representing the previously illiquid asset in accordance with the procedures set out in this Offering Memorandum on compulsory redemptions; or
- (ii) reconstitute such portion of the Side Pocket Shares representing the illiquid asset into Investor Shares in the Company, and transferring to the liquid pool of assets of the relevant Company the asset which was previously illiquid or hard to value.

Provided that, a compulsory redemption or reconstitution of Side Pocket Shares into Investor Shares in the Company in terms of the above, shall be undertaken pro rata amongst all the holders of Side Pocket Shares in the Company.

Where the Company has Side Pocket Shares in issue, any Investment Management Fees due by the Company to the Investment Manager, shall be calculated on the basis of the lower of costs and fair value of the assets allocated to the Side Pocket.

## Section 13 | FEES, CHARGES AND EXPENSES

### Investment Management Fees

Under the terms of the Investment Management Agreement, the Company is to pay the Investment Manager an investment management fee of 1% per annum of the NAV in respect of the Investor Shares subject to a minimum fee of €45,000. The Investment Management Fee will accrue on every Valuation Day and shall be payable monthly in arrears with an end-year adjustment to provide for any overpayment or underpayment.

The investment Manager may waive or allocate any of its Investment Management Fees to investors and third parties including Investment Advisors, Sub-Investment Managers and Distributors or direct the Company to pay such portion of its Investment Management Fee directly to such third parties.

The Investment Manager shall bear its own overhead and other internal operating costs, but shall be reimbursed by the Company concerned for such reasonable out-of-pocket expenses which the Investment Manager incurs on behalf of the Company.

### Performance Fees

The Investment Manager shall also receive from the Company a Performance Fee on the appreciation in the Gross Asset Value (“**GAV**”) of the Company over the previous High Watermark (“**HWM**”) multiplied by the average number of Investor Shares in issue in the related class of Investor Share at the end of the previous Calculation Period on which a Performance Fee was paid, provided that the appreciation in the Net Asset Value of the Company over the HWM is equal to or exceeds the Hurdle Rate.

The Performance Fee in respect of each Calculation Period will be calculated by reference to the Net Asset Value before deduction for any accrued Performance Fees and section (b) of the Fixed Allocation fee paid (the GAV).

For each Calculation Period, a Performance Fee shall be payable in the amount of 2% by which the GAV exceeds the HWM. The HWM is the higher of: (a) the Initial Offering Price; and (b) the highest NAV per Share on which a Performance Fee was paid; plus the Hurdle Rate.

Once a Performance Fee has been paid, additional Performance Fees will be payable only once the Company’s GAV exceeds the new HWM.

The Performance Fee will be deemed to be calculated and accrued as at each Valuation Day and shall be payable annually in arrears and normally within thirty (30) calendar days of the end of each Calculation Period.

The Investment Manager may waive or allocate any of its Performance Fees to investors and third parties including Investment Advisors, Sub-Investment Managers, and Distributors or direct the Company to pay such portion of its Performance Fee directly to such third parties.

The Company will not adopt an equalisation methodology for the calculation of the Performance Fee due to the Investment Manager. Shareholders may according underpay/ overpay any Performance Fee due to the Investment Manager when subscribing and/or redeeming their Investor Shares.

### Alterations to the Investment Management Fee and Performance Fees

The Directors may, at their sole discretion, agree to any changes to the Investment Management Fees or Performance Fees applicable to the Company provided that notice of any material alterations to the said fees as may apply to the Company or class of Investor Shares and of the date when and the method how the said alterations shall come into force shall be given to the Shareholders holding Investor Shares.

Where the introduction of such alterations will effectively result in higher costs to investors, they shall only come into force only after a period of at least thirty (30) Business Days from the date of such notice. In all other cases the changes may be brought into effect immediately.

### Fixed Allocation

The Company will make a Fixed Allocation to the Founder Shares of:

- a) 1% per annum of the NAV; and
- b) 2% by which the GAV exceeds the HWM.

The Fixed Allocation will accrue on every Valuation Day and shall be payable annually in arrears.

### Administration Fee

Under the terms of the Administration Agreement, the Company shall pay the Administrator an annual Administration Fee as per the below based on the NAV of the Company, subject to a minimum annual fee of Euro 18,000:

NAV	%
>Euro 0m ≤ Euro 50m	0.065%
> Euro 50m ≤ Euro 75m	0.060%
> Euro 75m ≤ Euro 100m	0.050%
> 100m	0.040%

The fees are calculated by reference to the NAV on each Valuation Day and payable monthly in arrears.

The Administrator will be reimbursed for all properly incurred and approved out-of-pocket expenses.

### Depository Fee

Under the terms of the Depository Agreement, the Company shall pay the Depository an annual Depository Fee of Euro 15,000 payable monthly in arrears.

The Depository as applicable will be reimbursed for all properly incurred and approved out-of-pocket expenses.

### Directors and Officers Fees and Expenses

The Directors will be paid annual fees for acting as Directors of the Company. The Company will meet all travel, accommodation and other reasonable expenses incurred by the Directors in holding Board meetings and in relation to the business of the Company and when the Directors personally pay for any costs they will also be reimbursed for out-of-pocket expenses. The aggregate remuneration of the Directors shall not exceed one hundred thousand Euro (EUR100,000) per annum and such sum shall be maintained unless modified by the members of the Company entitled to attend and vote at the general meeting of the Company.

### Own Funds and Professional Liability

The Investment Manager ensures own funds are sufficient to maintain operational continuity and adequate and appropriate human and technical resources, as necessary for the proper management of the Company.

The Investment Manager holds additional own funds in order to cover potential professional liability risks resulting from the duties of the Investment Manager pursuant to the Investment Management Agreement.

### **Other Fees and Expenses**

All costs and expenses associated with the launch of the Company, including government incorporation charges, MFSA notification fees, renewals thereof and professional fees and expenses in connection with the preparation of this Offering Memorandum and the agreements referred to herein, will be paid by the Company. Such costs and expenses are expected to amount to around EUR100,000 and may be amortised over a period of five (5) years at the sole discretion of the Directors solely for the purpose of the Company's NAV calculation.

The Company shall bear the costs incurred for the establishment and notification of the Company and the offering of the Investor Shares. In particular it shall incur a fee of EUR1,000 payable to the MFSA in respect of the initial listing of the Notified AIF in the Notified AIF List of the MFSA and an annual renewal notification fee of EUR600 payable to the MFSA on each anniversary of the date of inclusion of the Company in the List of Notified AIFs of the MFSA.

The Company may also bear all other expenses incidental to the Company's operations and business, including subscription and redemption fees with respect to investments in other funds, transactional costs including all brokerage, banking, sales and purchase commissions and charges and exchange fees, fees and charges of clearing agencies, interest and commitment fees on loans and debit balances, income taxes, withholding taxes, transfer taxes and other governmental charges and duties, any costs incurred in respect of meetings of the Directors (including its committees) and meetings, if any, of Shareholders, fees of the Company's company secretary, legal advisors and the Auditors at such rates as may be agreed from time to time between the Company and the Auditors, Directors' fees and expenses, the costs of maintaining the Company's registered office in Malta and its listing as a Notified AIF with the MFSA and the costs of printing and distributing any offering materials and any reports and notices to Shareholders.

### **Subscription Fee**

None. Provided that the Directors reserve the right to introduce a Subscription Fee in the future.

### **Redemption Fees**

Up to 10% of the redemption proceeds, chargeable only if the Investor Shares are redeemed within five (5) calendar years from the date of subscription. A redemption fee of up to 5% on redemption proceeds, shall be chargeable with respect to redemptions occurring after the fifth year from the date of subscription.

The Redemption Fee may be waived at the discretion of the Board of Directors.

The Company shall apply the first in first out approach for the purposes of determining the holding period of a Shareholder in respect to the Investor Shares.

### **Switching Charge**

None. Provided that the Directors reserve the right to introduce a switching charge in the case of the switching of Investor Shares in the Company into shares of another class in the Company. Any switching charge may be waived at the discretion of the Directors.

## Section 14 | AML-CFT, SANCTIONS AND DATA PROTECTION

### Anti-Money Laundering and Counter Terrorist Financing Measures

The Company is a subject person in terms of the Prevention of Money Laundering Act (Cap. 373 of the Laws of Malta) (the “PMLA”) and the Prevention of Money Laundering and Funding of Terrorism Regulations (S.L. 373.01 of the Laws of Malta (the “PMLFTR”). Consequently, it is required to comply with the obligations which arise from the PMLFTR and the Implementing Procedures issued by the Financial Intelligence Analysis Unit (the “Implementing Procedures”).

The PMLFTR issued in terms of the PMLA, flesh out the obligations, policies and procedures to be adopted by subject persons in the course of their business activities. They also provide high level requirements for the (i) identification and verification of the investor and, where applicable, the beneficial owner, (ii) the establishment of the purpose and intended nature of the business relationship, including obtaining information (and where required, documentation) in relation to the source of funds and source of wealth of the investor and building a risk profile of the investor (iii) internal record keeping, (iv) reporting of suspicious transactions, and (v) internal and external reporting of suspicious transactions.

All prospective investors will be subject to customer due diligence in accordance with the policies and procedures established by the Company from time to time. Investors will also be subject to ongoing customer due diligence checks in fulfilment of the Company’s ongoing monitoring obligation. The level and type of customer due diligence and the level of verification required may vary according to the investor’s money laundering (“ML”) and funding of terrorism (“FT”) risk profile.

The specific requirements include, inter alia, the fundamental requirement to conduct suitable investor due diligence, including the requirement to identify and verify the investor, which extends, for any ‘non-individual’ investor, to the ultimate beneficial owner(s) of the monies invested. The Company has appointed the Administrator to assist in the performance of Investor due diligence. In this respect, the Administrator may request information from the prospective investor or the investor, in order to satisfy its and the Company’s regulatory obligations.

The Company is also obliged to obtain information on the purpose and intended nature of the business relationship to be in a position to establish the business and the AML risk profile of the investor and to obtain information on the investor’s source of wealth and source of funds. Through such checks, the Company should be able to verify whether the funds being invested by the prospective investor or investor have been obtained from legitimate sources. In fulfilment of its ongoing monitoring, the Company will also assess all additional subscriptions, redemption and transfer of shares requests.

The Company (and/ or its delegates, such as the Administrator) reserves the right to request such information, documentation and/or data as is necessary to verify the identity of a prospective investor, any underlying beneficial owner of the investor and/or the source of funds and source of wealth of the investor and/or the ultimate beneficial owner. The Company (and/or its delegates) may also request such identification evidence in respect of a transferee of Investor Shares.

In the event of delay or failure by the prospective investor or transferee to produce any information required for verification purposes, the Administrator may refuse to accept or delay the acceptance of the Application Form, or (as the case may be) to register the relevant transfer of Investor Shares, and in the case of a subscription for Investor Shares, and subject to compliance with the applicable legislation, any funds received will be returned without interest to the account from which the monies were originally debited.

Where, following receipt of subscription monies and prior to the issuance of Investor Shares, the Administrator is not satisfied with the AML documentation, the money may be held in the account to which it was remitted, and the subscriber will bear all associated risks. The Company has absolute discretion to determine whether, in the light of its AML obligations, it has sufficient documentation in hand to allow the issuing of Investor Shares.

It must also be noted that, in the event that a redemption request is received from an Investor who in the opinion of the Company has failed to submit all the required AML documents, although the redemption will be acted upon, the redemption proceeds cannot be remitted to the Investor until all documents requested have been received or necessary verifications made. The redemption proceeds will be held accordingly, and the Investor will bear all associated risks.

It is a regulatory requirement to report suspicious transactions to the competent authorities, and any relevant data in this regard may need to be transferred to the relevant regulators.

### **Sanctions**

The Company is also subject to the obligations as set out in the National Interest (Enabling Powers) Act (Chapter 365 of the Laws of Malta). In this respect, the Company is required to comply with the sanctions imposed in terms of: (i) the United Nation Security Council Resolutions, (ii) the Regulations of the Council of the European Union and (iii) the regulations issued by the Minister of Foreign Affairs in Malta, upon the recommendation of the Sanctions Monitoring Board and of the Attorney General.

The Company is obliged to refuse to make any redemption payment or distribution to a Shareholder, if the payment of any redemption or distribution moneys to such Shareholder may result in a breach or violation of any applicable anti-money laundering laws or the sanctions imposed by the United Nations Security Council, the Council of the European Union and/or the Minister of the Foreign Affairs.

The Subscriber is advised that, the Company may be obliged, either by law or due to its commitment to comply with any other non-mandatory sanctions, to “freeze the money” of such Subscriber, either by prohibiting additional investments from the subscriber, declining any redemption requests from the subscriber, suspending the payment of redemption proceeds payable to the subscriber, and/or segregating the assets in the account in compliance with governmental regulations. The Subscriber is advised that the above measures may be applied in the event that the Subscriber, the ultimate beneficial owner, and/or any person owning or controlling the Subscriber is a designated person in terms of any of the Sanctions Lists. By subscribing into the Company, the Subscriber consents to such freezing of assets in accordance with the relevant sanctions regime. The Company may also be required to report such action and to disclose the Subscriber’s identity to the Sanctions Monitoring Board or other applicable governmental and regulatory authorities.

### **Data Protection**

In the course of business the Company and/or any of its delegates and/or service providers may collect, record, store, adapt, transfer and otherwise process information by which prospective investors may be directly or indirectly identified (“personal data”). The Company and/or any of its delegates is a “data controller”, within the meaning of Data Protection Legislation, and undertakes to hold any personal information provided by investors in confidence and in accordance with Data Protection Legislation.

The Company and/or any of its delegates may process an investor’s personal data for any one or more of the following purposes and legal bases:

- (a) Operating the Company, including managing and administering an investor’s holding in the Company and any related accounts on an on-going basis (i.e. for the performance of the Company’s contract with the investor);

- (b) To comply with any applicable legal, tax or regulatory obligations, including legal obligations under company law, anti-money laundering legislation, taxation laws and financial services regulations;
- (c) For any other legitimate business interests of the Company or a third party to whom the data is disclosed, where such interests are not overridden by the interests of a data subject, including for statistical analysis (including data profiling) and market research purposes; or
- (d) For any other specific purposes where investors have given their specific consent. Where processing of personal data is based on consent, the investors will have the right to withdraw it at any time.

The Company and/or any of its delegates or service providers may disclose or transfer personal data, whether in Malta or elsewhere (including companies situated in countries outside of the EEA), to third parties, including financial advisers, regulatory bodies, taxation authorities, auditors, technology providers or the Company's delegates and its or their duly appointed agents and any of their respective related, associated or affiliated companies for the purposes specified above.

Please note that investors' personal data will be retained by the Company for the duration of their investment and otherwise in accordance with the Company's legal obligations including, but not limited to, the Company's record retention policy. In determining appropriate retention periods, the Company shall have regard to the purpose(s) for which it was collected, the prescriptive periods under Maltese law (statutes of limitation) and any statutory obligations to retain information, including anti-money laundering, revenue and tax legislation. The Company will take all reasonable steps to destroy or erase the data from its systems when they are no longer required.

Where specific processing is based on an investor's consent, that investor has the right to withdraw it at any time. Investors have the right to request access to their personal data kept by Company; and the right to rectification or erasure of their data; to restrict or object to processing of their data, and to data portability.

The Company and/or any of its delegates will not transfer personal data to a country outside of the EEA unless that country ensures an adequate level of data protection or appropriate safeguards are in place. The European Commission has prepared a list of countries that are deemed to provide an adequate level of data protection which, to date, includes Andorra, Argentina, Canada (limited to commercial organisations), Faroe Islands, Guernsey, Israel, Isle of Man, Jersey, New Zealand, Switzerland, and Uruguay, as providing adequate protection. Further countries may be added to this list by the European Commission at any time. The US is also deemed to provide an adequate level of protection where the US recipient of the data is Privacy Shield-certified. If a third country does not provide an adequate level of data protection, then the Company and/or any of its delegates will rely on the "Model clauses" (which are standardised contractual clauses, approved by the European Commission) or binding corporate rules or one of the other alternative measures provided for in Data Protection Legislation.

Where processing is carried out on behalf of the Company, the Company shall engage a "data processor", within the meaning of Data Protection Legislation, who provides sufficient guarantees to implement appropriate technical and organisational security measures in such a manner that processing meets the requirements of Data Protection Legislation, and ensures the protection of the rights of investors. The Company will enter into a written contract with the data processor which will set out the data processor's specific mandatory obligations laid down in Data Protection Legislation, including to only process personal data on documented instructions from the Company.

As part of the Company's business and ongoing monitoring, the Company may from time to time carry out automated decision-making in relation to investors, including profiling of investors, and this may result in an investor being identified to tax revenue and law enforcement authorities, and the Company terminating its relationship with the investor.

Investors are required to provide their personal data for statutory and contractual purposes. Failure to provide the required data will result in the Company being unable to permit the investor's



investment in the Company and this may result in the Company terminating its relationship with the investor. Investors have a right to lodge a complaint with the Information and Data Protection Commissioner in Malta if they are unhappy with how the Company is handling their data.

If you have any queries regarding this data protection notice, please contact the Directors at the address provided in the Directory.

## Section 15 | TAXATION

**It is entirely the responsibility of prospective shareholders to inform themselves as to any taxation or exchange control legislation affecting them personally. The following summary is not and should not be considered legal or professional tax advice.**

### General

Investors and prospective investors are urged to seek professional advice as regards both Maltese and any foreign tax legislation applicable to the acquisition, holding and disposal of Investor Shares as well as distributions, if any, made by the Company.

The following is a summary of the anticipated tax treatment applicable to the Company and to its Shareholders in Malta. This information, which does not constitute legal or tax advice, refers only to Shareholders who do not deal in securities in the course of their normal trading activity.

The information below is based on tax law and practice applicable at the date of this Offering Memorandum. Shareholders of the Company are reminded that tax law and practice and the levels of tax relating to the Company and the Shareholders, may change from time to time.

### The Company

In terms of current legislation, the tax regime in Malta for collective investment schemes is based on the classification of funds into “**prescribed funds**” or “**non-prescribed funds**”. In general, a “prescribed fund” is defined as a resident fund which has declared that the value of its assets situated in Malta amounts to at least eighty-five percent (85%) of the value of the total assets of the fund. A non-prescribed fund is a fund which does not qualify as a prescribed fund.

The Company is classified as “prescribed” or “non-prescribed” funds in terms of the Investment Income Regulations (S.L. 123.60, Laws of Malta). The Company shall be classified as “non-prescribed” fund and a declaration to such effect will, where required, be made in accordance with the Investment Income Regulations (S.L. 123.60, Laws of Malta) to achieve such classification.

In respect of “non-prescribed funds”, a tax exemption applies on all the income/capital gains (except for income from immovable property situated in Malta, if any).

“Prescribed funds” are subject to tax on certain local interest income and on income from immovable property situated in Malta. No Maltese tax is due in respect of foreign source interest which does not qualify as investment income for purposes of Maltese income tax laws.

The Company (whether in respect of “prescribed funds” or “non-prescribed funds”) is not entitled to a credit or to a refund of any tax at source deducted from income received by the Company.

In respect of both “prescribed funds” and “non-prescribed funds”, capital gains, dividends, interest and any other income from foreign securities held by the Company may be subject to tax imposed by the country of origin concerned and such taxes may not be recoverable by the Company or its investors.

### Value Added Tax

Fees chargeable to the Company may be subject to VAT in accordance with applicable law. If any VAT is charged, this will generally not be recoverable by the Company.

## The Shareholders

### - Capital Gains derived by Non-Maltese Resident Investors

Capital gains realised by investors who are non-residents of Malta and who are not owned and controlled by, directly or indirectly, nor act on behalf of, individuals who are ordinarily resident and domiciled in Malta, on the transfer or redemption of Investor Shares in “prescribed funds” or “non-prescribed funds” are exempt from tax in Malta.

### - Capital Gains derived by Maltese Resident Investors

#### Non-Prescribed Funds

Capital gains realised by Maltese resident investors on redemption of Investor Shares or the transfer of Investor Shares to third parties in the case of a fund classified as a “non-prescribed fund” are treated as follows:

In case of redemption of the Investor Shares by Maltese resident investors (other than (a) persons carrying on banking business or (b) persons carrying on the business of insurance or (c) companies owned and controlled, directly or indirectly, by such persons in (a) and (b)) any capital gain realised upon the redemption of units will be subject to a withholding tax of 15%. Such withholding tax will be deducted at source by the Company. In the case of Maltese resident persons carrying on banking business or carrying on the business of insurance or companies owned and controlled, directly or indirectly, by such persons and in case of Maltese resident investors who opt not to receive the capital gains subject to a 15% withholding tax, such investors will be bound to declare such capital gains in their personal income tax return and would be subject to tax at the normal rates of tax which are applicable to them.

In case of transfers of the Investor Shares by Maltese resident investors to third parties, the transferor is obliged to declare any capital gains in the income tax return and pay tax at the normal rates. Any capital gains on an eventual redemption will be calculated without reference to any intermediate transfer.

#### Prescribed Funds

Where the Investor Shares in a “prescribed fund” are listed on the Malta Stock Exchange or another recognised exchange any transfer or redemption of the said Investor Shares will be exempt from Maltese tax. Where the Investor Shares in a “prescribed fund” are not so listed then the transferor will be obliged to declare any capital gains in the income tax return and pay tax at the normal rates.

### - Distributions by the Company

Distributions by the Company (both “prescribed funds” and “non-prescribed funds”) will be subject to a withholding tax if such distribution by the Company is made out of what is known as the untaxed account and is made to:

- a. Maltese resident investors (other than Maltese resident companies), and
- b. Non-Maltese resident investors (including non-resident companies) who are owned and controlled by, directly or indirectly, or who act on behalf of, individuals who are ordinarily resident and domiciled in Malta.

The rate of withholding tax is 15% and such withholding tax will be deducted by the Company. Investors who receive dividends out of the Untaxed Account subject to the said 15% withholding tax are not required to declare such dividends in their Maltese income tax returns. However, such investors are entitled, depending on their personal circumstances, to declare such dividends in their income tax return and claim a credit of the 15% tax withheld.

The distribution of profits out of the untaxed account to persons (other than those mentioned in (a) and (b)) is not subject to withholding tax.

In view of the fact that a “non-prescribed fund” will likely receive foreign source income from its investments and such foreign source income will be exempt from Maltese tax in the hands of the said “non-prescribed fund”, it is expected that the Company will be allocating the majority of its profits to its untaxed account.

### **Duty on Documents and Transfers**

Redemptions of Investors Shares by the Company and transfers of Investor Shares to third parties are exempt from duty on documents and transfers in Malta, as the Company is a licensed collective investment scheme and will apply for a stamp duty exemption in terms of the applicable Maltese stamp duty legislation.

### **FATCA Implementation in Malta**

On 16 December 2013, the governments of Malta and the United States signed an agreement to “Improve International Tax Compliance and to Implement FATCA” (the “Inter-Governmental Agreement”). This agreement will significantly increase the amount of tax information automatically exchanged between Malta and the United States. It provides for the automatic reporting and exchange of information in relation to accounts held in Maltese “financial institutions” by U.S. persons and the reciprocal exchange of information regarding U.S. financial accounts held by Maltese residents. The Company may be subject to these rules.

The Inter-Governmental Agreement provides that Maltese financial institutions will report to the Malta Finance Ministry or its delegates in respect of U.S. account-holders and, in exchange, U.S. financial institutions will be required to report to the U.S. Secretary of the Treasury or his delegates in respect of any Malta-resident account-holders. The two tax authorities will then automatically exchange this information on an annual basis.

The Company (and / or the Administrator) shall be entitled to require investors to provide any information regarding their tax status, identity or residency in order to satisfy any reporting requirements which the Company may have as a result of the Inter-Governmental Agreement or any legislation issued in connection with the agreement and investors will be deemed, by their subscription for or holding of Shares to have authorised the automatic disclosure of such information by the issuer or any other person to the relevant tax authorities.

Other jurisdictions may enact legislation, regulations or official guidance which may result in further intergovernmental agreements with potentially similar reporting exchange of information and/or withholding obligations.

### **Common Reporting Standards**

The Organisation for Economic Co-operation and Development (OECD) has developed a new global standard for the automatic exchange of financial information between tax authorities (the “Common Reporting Standard”), which is similar to FATCA. Malta is a signatory jurisdiction to the Common Reporting Standard.

The European Union directive regarding the taxation of interest income (the “EU Savings Directive”) has been repealed and was effectively replaced by EU Council Directive 2014/107/EU. EU Council Directive 2014/107/EU extends the scope of mandatory exchange of information between EU member states to financial account of information. This extension effectively incorporated the Common Reporting Standard in the EU Directives concerning automatic exchange of information.

The EU Council Directive 2014/107/EU and the Common Reporting Standard have been implemented in Maltese legislation through the publication of the Co-Operation with Other Jurisdictions on Tax Matters (Amendment) Regulations with effect from 1 January 2016 and the Inland Revenue has published guidelines in this respect.

The said requirements, may impose additional burdens and costs on the Company and/or its Shareholders.

The Company may require certain additional financial information from Investors and financial intermediaries acting on behalf of Investors to comply with its diligence and reporting obligations. If the Company is unable to obtain the necessary information from Investors, it may take any steps necessary to avoid resulting sanctions, which may include (but are not limited to) compulsorily redeeming the relevant Shareholder.

## **Financial Transaction Taxes**

A number of jurisdictions have implemented, or are considering implementing, certain taxes on the sale, purchase or transfer of financial instruments (including derivatives), such taxes commonly known as the “Financial Transaction Tax” (“FTT”). Prospective investors should consult their own tax advisers in relation to the consequences of any FTT associated with subscribing, purchasing, holding and disposing of shares in the Company.

## **Other Taxes**

Prospective shareholders should consult their own counsel regarding tax laws and regulations of any other jurisdiction which may be applicable to them.

Potential investors should consult their own professional advisor on the possible tax implications of buying, holding, transferring or selling any of the Shares under the laws of their countries of citizenship, residence and domicile.

No warranty is given or implied regarding the applicability or interpretation of the tax laws in any jurisdiction.

**PROSPECTIVE SHAREHOLDERS SHOULD CONSULT THEIR OWN PROFESSIONAL TAX ADVISOR REGARDING THE TAX CONSEQUENCES OF AN INVESTMENT IN THE SHARES OF THE COMPANY TO THEM INDIVIDUALLY.**

**TAX CONSEQUENCES MAY VARY DEPENDING UPON THE PARTICULAR STATUS OF AN INVESTOR.**

**THE TAX AND OTHER MATTERS DESCRIBED IN THIS OFFERING MEMORANDUM DO NOT CONSTITUTE, AND IS NOT AND SHOULD NOT BE CONSIDERED AS, LEGAL OR TAX ADVICE TO INVESTORS.**

## Section 16 | INDEMNITIES

The Company has agreed that with respect to any actions in which any of its Directors, Officers, employees and agents is a party, the Company shall indemnify and hold harmless such person against any loss, claim, damage, charge, liability or expense (including reasonable attorneys' and accountants' fees), judgements and amounts paid in settlement, provided such actions did not involve negligence, wilful default or fraud. Expenses may be paid by the Company in advance of the final disposition of such action if the indemnified person agrees to reimburse the Company in the event indemnification is not permitted.

The Company may purchase and maintain insurance in relation to the Directors against any liabilities asserted against them.

In addition, the Company has granted indemnities to the Investment Manager, the Administrator and the Depositary and each of their Directors, Officers, employees and agents in respect of actions brought against them in their respective capacities provided that such actions did not involve wilful misconduct, bad faith, negligence or material breach of their obligations and duties under the relative agreements.

## SECTION 17 | DETERMINATION OF NET ASSET VALUE

### NAV per Share

The NAV per Share will be determined by the Administrator, except when the determination of same has been suspended in accordance with the Memorandum and Articles, on each Valuation Day and is calculated to four (4) decimal figures by aggregating the value of the assets owned or contracted by the Company and attributable to the relevant class and deducting all of the liabilities of the Company attributable to the relevant class (including accrued liabilities and such provisions and allowances for contingencies as the Administrator considers appropriate in respect of the costs and expenses payable by the Company and attributable to the relevant class) and dividing such sum by the number of Investor Shares of the relevant class as may be outstanding at the close of business on that Valuation Day.

### Valuation of Assets and Calculation of NAV

In general, the assets of the Company will be valued as follows:

- a) The value of any investment which is quoted, listed or normally dealt in on a market shall be calculated by reference to the price appearing to the Company or its appointees for valuation (the “Valuer”) to be the last available middle quotation price if bid and asked prices are available (or if bid and asked prices are not available, the closing price) on the market on which the investment is quoted, listed or ordinarily dealt in for such amount of such investment as the Valuer may consider in the circumstances to provide a fair criterion, provided that:
  1. if an investment is quoted, listed or normally dealt in on more than one market, the Valuer shall adopt the last available middle quotation price or, as the case may be, the closing price, on the market which in their opinion provides the principal market for such investment; and
  2. in the case of an investment which is quoted, listed or normally dealt in on a market but in respect of which for any reason, prices on that market may not be available at any relevant time, the value therefore shall be certified by a person firm or association making a market in such investment and qualified, in the opinion of the Valuer, to provide such a certificate; and
  3. there shall be taken into account interest on interest bearing investments up to the relevant Valuation Day.
- b) The value of any investment, which is not quoted, listed or normally dealt in on a market shall be the value thereof ascertained by the Valuer in good faith. Where the Valuer does not have the necessary knowledge, experience and expertise, the Valuer may appoint an external, independent and appropriately qualified valuer(s), as necessary, to value any such investment (hereinafter, also referred to as the “Valuer” accordingly). For this purpose:
  1. the initial value of such investment shall be the amount expended in the acquisition thereof (including the amount of the stamp duties, commissions and other expenses incurred in the acquisition thereof and the vesting thereof in the Company);
  2. there shall be taken into account interest on interest bearing investments up to the relevant Valuation Day; and

3. in valuing such investments the Valuer may consider, inter alia, the fundamental analytical data relating to the investments, the nature and duration of restrictions on disposition of the investments and the forces, which influence the market in which the investments are purchased and sold.
- c) The value of any future contracts, index futures contracts and options which are dealt in on a market shall be calculated by reference to the price appearing to the Valuer to be the settlement price as determined by the market in question provided that where it is not the practice of the relevant market to quote a settlement price or if such settlement price is not available for any reason, such value shall be calculated in such manner as Valuer shall determine;
  - d) On each Valuation Day, the value of any investment vehicle in which the Company is invested will be the final net asset value (“Final NAV”) reported by the fund manager or administrator of the investment vehicle on the Valuation Day or, if not available, the most recent estimated net asset value based on preliminary returns reported by such fund manager or administrator (“Estimated NAV”). All values assigned to securities and other assets and liabilities by the relevant party shall be final and conclusive as to all holders of the Investor Shares in the Company. The NAV per Share will be based on Estimated NAV when Final NAV is unavailable. The Valuer will obtain confirmation from the managers or administrators of the investment vehicle in which the Company invests regarding their net asset value calculations (whether they are supplying Estimated or Final NAV) prior to the determination of the NAV per Share. Once the NAV per Share has been finalised as of any Valuation Day, whether or not based on Estimated NAV, no adjustments or restatements of such NAV per Share will be performed, even if the Final NAV for particular assets differs from the Estimated NAV used to value such assets. Thus, in the event that there is a difference between Estimated NAV and Final NAV, any necessary adjustments will affect, and be reflected in, the NAV per Share reported in subsequent periods only. Accordingly, any purchase or redemption of Investor Shares will be at NAV per Share as of the Valuation Day coinciding with or immediately preceding the relevant Dealing Day. If there is ultimately a difference between the Estimated NAV and the Final NAV for particular assets that results in an adjustment of NAV after the Dealing Day, the Valuer will not make any adjustment to the dealing price;
  - e) Currency and futures forwards and currency and futures options shall be valued at bid or offer values (as appropriate) in accordance with procedures determined by the Valuer, as at such time on the Valuation Day as shall be determined by the Valuer;
  - f) Certificates of deposit acquired at their nominal value plus accrued interest (if any) shall be valued at cost plus accrued interest from the date of acquisition on the nominal value at the coupon rate;
  - g) Certificates of deposit acquired at a discount or premium on the sum of the nominal value and accrued interest at the date of acquisition shall be valued at their cost plus accrued interest from the date of acquisition on the nominal value at the coupon rate, and adjusted by an amount equal to the discount or premium at which they were acquired divided by the number of days unexpired at the date of acquisition and multiplied by the number of days elapsed from the date of acquisition to the relevant Valuation Day;
  - h) Interest bearing securities shall be valued at cost plus accrued interest from the date of acquisition and adjusted by an amount equal to any discount or premium on the sum of the nominal value and accrued interest at the date of acquisition divided by the number of days unexpired at the date of acquisition and multiplied by the number of days elapsed from the date of acquisition to the relevant Valuation Day;
  - i) In the case of any security or other property which in the opinion of the Valuer it would not be appropriate to value as above provided, its value thereof shall be determined in such manner as the Valuer shall from time to time determine;



- j) In the case of any asset realised or contracted to be realised at a known value the net proceeds, discounted at a rate considered appropriate by the Valuer of such realisation shall be taken into account in lieu of any other method of determining the value of the asset concerned;
- k) The value of any such securities or other assets listed above shall be determined having regard to the full amount of any currency premium or discount which may be relevant.

Prospective investors should be aware that situations involving uncertainties as to the valuation of investment vehicles may occur and could have an adverse effect on the Company's net assets. Absent bad faith or manifest error, the NAV per Share as determined by the Administrator is conclusive and binding on all Shareholders.

The Company may suspend the calculation of the NAV per Share of the Company, and as a result the issue and redemption of Investor Shares of the Company will be suspended, under any one or more of the following circumstances:

- a) a closure of or suspension of trading on any market on which any assets of the Company are traded; or
- b) a breakdown occurs in any of the means normally employed by the Administrator or Investment Manager to ascertain the value of the assets of the Company or when for any other reason the value of the assets of the Company cannot reasonably be ascertained; or
- c) circumstances exist as a result of which in the opinion of the Investment Manager in consultation with the Directors it is not reasonably practicable for the Company to realise any investments or other assets owned or contracted for which together constitute a material proportion of the overall assets of the Company; or
- d) for any other reason that the Investment Manager in consultation with the Directors in their discretion deem is in the best interests of the Company.

Notwithstanding anything contained above, the Directors may adjust the value of any investment or permit some other method of valuation to be used if they consider that in the circumstances such adjustment or other method of valuation should be adopted to reflect more fairly the value of such investment.

In determining the value of investments, the Company will follow the above rules. For the purpose of calculating the NAV and the NAV per Share, the Administrator shall, and shall be entitled to, rely on, and will not be responsible for the accuracy of, financial data furnished to it by the Investment Manager. The Administrator may also use and rely on industry standard financial models identified by the Company or the Investment Manager in order to price any of the Company's securities or other assets. If and to the extent that the Investment Manager is responsible for or otherwise involved in the pricing of any of the Company's securities or other assets, the Administrator may accept, use and rely on such prices in determining the NAV per Share and shall not be liable to the Company, any investor in the Company, the Directors, the Investment Manager or any other person in so doing. The Administrator is not required and is under no obligation to value individual assets in calculating the NAV and/or verify pricing information. Accordingly, in calculating the NAV, the Administrator shall rely in absolute terms upon the Company, or the relevant service providers for the purpose of providing the valuation of the underlying assets. The Administrator shall have the right to request the Valuer to confirm the sources used for the valuation of the underlying assets.

## Section 18 | GENERAL INFORMATION

### The Rights of Shareholders

The rights of Shareholders are stated in this Offering Memorandum, the Memorandum and Articles and in the Companies Act. The Investor Shares entitle Shareholders to participate in the movements, both positive and negative, in value of the assets of the Company. It is not expected that Company will declare any dividends and for a Shareholder to receive the benefits of any growth in the capital value of the Investor Shares, the shareholder is entitled to request the redemption of the Investor Shares held by him at any time and the Investor Shares will, subject to the relevant Redemption Notice Deadline, be repurchased by the Company on the next Redemption Day following such request. **The Investor Shares do not carry any voting rights.** On winding up of the Company, the holders of the Investor Shares shall be entitled to their share of the value of the assets of the Company.

### Dividend Policy

The income of the Company will generally be accumulated and reflected in the Net Asset Value of the Company. It is not the present intention of the Directors that the Company will pay dividends, however the Directors reserve the right to pay dividends at any time if they consider that a payment of dividend is appropriate.

### Fractional Shares

Fractional Shares will be issued up to four (4) decimal places.

### Shares in Issue

As of the date of this Offering Memorandum, there are no Investor Shares in issue.

### Amendments to the Offering Memorandum

This Offering Memorandum may be amended or supplemented at any time as determined by the Directors in their sole discretion for the purpose of: (i) clarifying any inaccuracy or ambiguity or reconciling any inconsistency in its provisions, or as between the provisions of this Offering Memorandum and/or the provisions of the Memorandum and Articles, or to make any other provisions with respect to matters or questions arising under this Offering Memorandum which are not inconsistent with the provisions of the Memorandum and Articles; (ii) deleting or adding any provision required to be deleted or added by the MFSA or any other governmental agency or official or in order to comply with any law, rule or regulation applicable to the Company, the Investment Manager or any of their service providers; (iii) reflecting a change of location of the principal place of business of the Company or its service providers, (iv) reflecting and describing an amendment to the terms of any agreement entered into by the Company and described in this Offering Memorandum, or reflecting and describing the terms of any new agreement entered into by the Company; (v) making provision for the offer of a new class of Investor Shares in the Company; (vi) changing this Offering Memorandum in any manner that does not, in the opinion of the Board of Directors, adversely affect the Shareholders in any material respect or that is required or contemplated by the provisions of the Memorandum and Articles or by any provision of this Offering Memorandum; or (vii) making any other amendment similar to the above that the Directors determine to be in the best interests of the Company (provided always that such amendment does not conflict with the terms of the Memorandum and Articles).

Investors should note that, unless otherwise provided in this Offering Memorandum for any specific cases or events, by subscribing for Investor Shares they accept that the terms of this Offering

Memorandum may be amended by the Board of Directors in accordance with the above criteria without any advance notification to, or consent of, the Shareholders. Amendments to this Offering Memorandum effected by the Board of Directors in accordance with the foregoing criteria will be notified to the Shareholders following their adoption.

### **Annual Reports**

The Accounting Reference Date adopted by the Company is the 31 December of each year. The first Accounting Period commenced on the date of registration of the Company and shall end on 31 December 2024.

The financial statements of the Company are prepared in accordance with International Financial Reporting Standards and are audited annually at the Company's expense by an independent firm of auditors.

Copies of the Annual Report are normally mailed to registered Shareholders and to the MFSA within a maximum period of six (6) months from the financial year end.

The following information will be included in the Annual Report and will also be made available to investors upon request:

- the composition of the portfolio of the Company;
- a description of the investment activities of the Company during the preceding year; and
- disclosure of the profits earned by the Company at the end of its life and, where applicable; profits distributed during the life of the Company.

### **Evidence of Ownership of Investor Shares**

Ownership of Investor Shares in the Company shall be evidenced by book entries in registers maintained by the Administrator and Investor Shares shall not be certificated. Pledges of Investor Shares shall be notified to the Administrator and shall also be evidenced in the same manner.

### **Fair Treatment of Investors**

The Investment Manager has established policies and procedures and made arrangements to ensure the fair treatment of investors. Such arrangements include, but are not limited to, ensuring that no one or more investors are given preferential treatment over any rights and obligations in relation to their investment in the Company. All rights and obligations to investors, including those related to subscription and redemption requests, are set out in this Offering Memorandum or the Memorandum and Articles.

### **Information to be provided before Investing**

In addition to the Offering Memorandum, a prospective investor is, before investing, entitled to be provided with (and should request):

- (a) the latest Audited Financial Statements of the Company;
- (b) the latest NAV per Share; and
- (c) historical performance of the Company.

Prior to providing the above information, the Investment Manager may require appropriate confidentiality undertakings to be put in place or impose additional conditions. Where such conditions are required, compliance with such conditions should be considered as additional eligibility requirements to subscribe for Shares.

### **Additional Information**

The Company intends that all prospective investors be given access to information appropriate for their consideration in determining whether to invest in the Company including, notably, the Memorandum and Articles, the certificate of incorporation of the Company, the Investment Management Agreement, the relevant administration agreement, and the Investment Manager's best execution policy. Accordingly, prospective investors may communicate in this regard with the Investment Manager. In addition to the Offering Memorandum, and the documents referred to above, the Investment Manager may, from time to time, provide material information to investors and prospective investors. Such information may take the form of reporting tailored to meet investors' specific requirements, risk reports, analysis on various subjects pertaining to the Company or its investment strategies and marketing materials highlighting the Company's features and characteristics. In providing such additional information to investors and prospective investors, the Investment Manager will strive to maintain fairness with respect to the level of disclosures and information being provided amongst investors and prospective investors of the Company.

The Investment Manager shall comply with the regular and periodic disclosure requirements as set out in the AIFMD.

Investors and prospective investors are invited to contact the Investment Manager should they wish to obtain additional information.

### **Information Available for Inspection**

Copies of the following documents will be available for inspection by prospective investors (and Shareholders) or their representatives at the registered office of the Company, or at the offices of the Investment Manager:

- the Memorandum and Articles and the certificate of incorporation of the Company;
- the latest Offering Memorandum;
- the Investment Management Agreement;
- the Administration Agreement;
- the Depositary Agreement;
- the ISAct;
- the Audited Financial Statements of the Company, when available; and
- the documentation related to side arrangements, if applicable.

## Section 19 | UNDERTAKINGS AND WARRANTIES

Subscribers should take notice that by completing and executing the Subscription Agreement, the Subscriber is entering into the following undertakings and giving the following warranties specified herein below:

- (a) The Subscriber irrevocably subscribes for the Investor Shares as specified in the Subscription Agreement, as may be determined in accordance with the Memorandum and Articles at the Initial Offering Price or, if the subscription is made after the Closing Date, at the prevailing Offering Price on the next Subscription Day following acceptance of the application by the Company. The Subscriber understands that fractional shares may be issued up to four (4) decimal places.
- (b) The Subscriber acknowledges that Investor Shares will be issued on the next applicable Subscription Day following the lapse of any applicable subscription notice period set out in this Offering Memorandum commencing from the date of receipt of both the Subscription Agreement and the subscription monies in cleared funds, the former of which must be received by the Company at the office of the Administrator and the latter of which must be received by the Depositary in acceptable form, whichever is the later.
- (c) The Subscriber agrees and acknowledges that, if the application is accepted by the Company, subscription monies received in advance of a subscription may also be utilised by the Company from the date of receipt in the Remitting Bank until the applicable Subscription Day. In such case, the subscription monies will be deemed to have been lent by the Subscriber to the Company until the Subscription Day with a guaranteed return of Investor Shares issued to the value of the subscription monies (less any applicable subscription charges) received by the Depositary as cleared funds. In this regard, the value of the subscription monies will not be affected by any changes in the value of the Company in advance of the applicable Subscription Day. The Subscriber agrees and acknowledges the foregoing and recognises the risk that, in the event of the Company's insolvency between the time that subscription monies are received in the Remitting Bank's account and the applicable Subscription Day, the Subscriber will rank as an unsecured credit of the Company.
- (d) The Subscriber agrees that subscriptions and redemptions made in currencies other than the Base Currency of the relevant class of Investor Shares will be sold or purchased on behalf of the Company by the Depositary at the Depositary's market rate for the said designated currency and Investor Shares will be issued, or payment of redemption proceeds will be made, to the value of the said designated currency proceeds and the Subscriber accepts the exchange risk and costs relating to that transaction.
- (e) The Subscriber acknowledges and confirms receipt of, and that he has read, is familiar with and understands this Offering Memorandum including all relevant appendices.
- (f) The Subscriber recognises that an investment in the Company involves a high degree of risk and has taken full cognisance of and understands all of the risk factors related to the purchase of Investor Shares, including but not limited to those set forth in this Offering Memorandum under "**Section 3 | Risk Factors**". In evaluating the suitability of an investment in the Company the Subscriber has not relied upon any representations or other information (whether oral or written) other than as set forth herein.

- (g) The Subscriber has taken the advice of professional advisors who have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of this investment and the Subscriber is fully capable of assessing and bearing the risks involved in the Subscriber's own right or with the benefit of such professional advice received.
- (h) The Subscriber acknowledges the Minimum Initial Subscription, Minimum Holding, Minimum Additional Subscription, Minimum Redemption and other minimum restrictions as outlined herein.
- (i) The Subscriber accepts and acknowledges that the Directors may at their discretion accept a Subscription Agreement from a Subscriber which does not comply with the Minimum Initial Subscription or Minimum Additional Subscription; **provided that** in such case the relevant Subscription Day shall be deemed to be the next applicable Subscription Day after: (a) all pending subscriptions by that Subscriber comply, in aggregate, with the Minimum Initial Subscription or Minimum Additional Subscription as applicable; and (b) the lapse of any applicable subscription notice period. The Subscriber accepts and acknowledges that until such Subscription Day any subscription monies may be used by the Company as described in (c) above.
- (j) The Subscriber warrants that it is eligible to be treated as an Eligible Investor.
- (k) The Subscriber warrants that it has the knowledge, experience, and expertise in financial matters to evaluate the risks and understand the relevant the Company's investment policy, has received, read and understood this Offering Memorandum and is aware of the risks inherent in investing in the Investor Shares in the Company and the method by which the assets of the Company are held and traded, as described in this Offering Memorandum and the Subscriber can bear the risk of loss of his/her entire investment.
- (l) The Subscriber agrees that the Investor Shares hereby subscribed for will be held subject to the terms and conditions of the Memorandum and Articles and the Offering Memorandum as amended from time to time and that the Company will fully protect and indemnify its Directors, the Investment Manager, the Depositary and the Administrator against liability for all acts taken on his or its behalf, except for acts involving negligence, wilful default or fraud.
- (m) The Subscriber fully appreciates the Company's rights to accept or reject all applications for subscription in its sole discretion.
- (n) The Subscriber agrees that no Investor Shares hereby subscribed for may at any time be transferred to any other person without first seeking the approval of the Company in accordance with the provisions of "**Section 10 | Acquisition of Investor Shares**".
- (o) The Subscriber acknowledges and accepts that no share certificates will be issued.
- (p) The Subscriber acknowledges and accepts that the Offering Memorandum and the Subscription Agreement are governed by Maltese law and hereby submits to the non-exclusive jurisdiction of the Courts of Malta.
- (q) The Subscriber confirms that, to the best of the Subscriber's knowledge and belief, the Subscriber's subscription moneys are not, in whole or in part, the proceeds of drug trafficking, terrorism or any other criminal activity, nor do they represent, in whole or in part, directly or indirectly, such proceeds.

- (r) If the Subscriber is an individual person, or is a nominee for an individual person, he warrants that he is, and the beneficial owners (if applicable) are, at the date of execution of this Subscription Application, the greater of 18 years of age, or the minimum age permitted to enter into a legally binding and irrevocable contract, such as the Subscription Application, in his, or the beneficial owner's, country of residence.
- (s) The Subscriber acknowledges that it has read and understood the part headed "**Section 14 | AML-CFT, Sanctions and Data Protection**" in the Offering Memorandum, and further acknowledges that the Company, Administrator or other service provider to the Company may be required by the applicable laws and/or regulations or its internal policies and procedures to take further reasonable steps to establish the identity of the Subscriber or of any other person whom the Company, the Administrator or other service provider knows or has reason to believe is a person for whom or on whose behalf the Subscriber is acting and the Subscriber undertakes to co-operate with and assist the Company, the Administrator or other service provider in relation to such steps. The Subscriber acknowledges that the Company, the Administrator or other service provider shall be held harmless and indemnified by the Subscriber against any loss arising as a result of a failure to process the Subscription Application if any information required by the Company, the Administrator or other service provider has not been provided by the Subscriber. In this context, the Subscriber hereby agrees that it will provide the relevant information, documentation and/or data on the Subscriber or on any person or persons on whose behalf the Subscriber is acting, including but not limited to the information documentation and or data on the ultimate beneficial owners of such person and the source of wealth and source of funds of such person) immediately upon request.
- (t) If the Subscriber wishes to redeem his investment but the information has not been provided, the redemption will be acted upon but no monies will be paid to the Subscriber. Instead, the monies will be held in the Subscriber's name at the Company's account and the Subscriber will bear all associated risks.
- (u) The Subscriber confirms that, if it is a bank, insurance company, or other financial institution, or financial intermediary, and is regulated by an approved regulated body, subscribing for on behalf of another person as nominee, it has (i) verified the identity of that other person, and, where applicable, its ultimate beneficial owners, in accordance with applicable anti-money laundering laws and/or regulations. (ii) identified the source of wealth and source of funds of the person on whose behalf the Subscriber is acting, (iii) verified, on a risk sensitive basis, the source of funds and source of wealth of such person(s) and (iv) verified that the person(s) on whose behalf the Subscriber is acting (including its ultimate beneficial owners and related parties holding ownership of control over such person) is/are not subject to sanctions or adverse media. In the event that the person(s) above-mentioned are subject to any sanctions and/or adverse media reports, the Subscriber shall notify the Company and the Administrator of such sanctions and adverse media prior to submitting a subscription, redemption and/or transfer request.
- (v) The Subscriber consents to the release by the Remitting Bank from which the subscription was made to the Company and/or the Administrator or other service provider of all evidence of the Subscriber's identity which said bank / financial institution shall have retained. The Subscriber agrees that such evidence may further be furnished by the Company and/or the Administrator to any other service provider to the Company upon request, to enable such other service provider to meet its obligations under applicable laws and/or regulations.
- (w) The Subscriber hereby authorises the Company and the Administrator to obtain verification of any information provided by the Subscriber as part of its subscription application.
- (x) The Subscriber agrees to provide any other information that may be required from time to time in compliance with relevant regulations.

- (y) Subscribers should be aware that suspicious events are reportable, under the Maltese prevention of money laundering laws and regulations and, by way of example, failure to provide justification for the change of bank account, or a request to pay the proceeds into a bank account in a jurisdiction which the subscriber is not a resident could be deemed suspicious and therefore would be reportable under the regulations and may cause the payment to be delayed or refused.
- (z) The Subscriber consents to the processing of any Personal Data by the Company and/or its data processors (which include the Administrator and the Investment Manager) as described in “**Section 14 | AML-CFT, Sanctions and Data Protection**” and specifically and unambiguously consents to the transfer of any such Personal Data to the persons and in the manner described in the aforementioned Section.
- (aa) The Subscriber agrees that, where redemption requests made by the Subscriber are sent to the Company at the office of the Administrator by facsimile, the Subscriber shall immediately send the original such notice to the Company at the office of the Administrator by post or by courier but that the Administrator shall, nonetheless, be entitled, but not obliged, to treat such facsimile notice at face value and to act thereon if the original has not arrived by the relevant Subscription Day.

Exceptions are made where the delivery of the communication has been acknowledged by a signed receipt. The Subscriber further agrees to indemnify and hold harmless the Administrator, its directors and other officers, servants, employees and agents from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgements, suits, costs, expenses or disbursements of any kind or nature whatsoever (other than those resulting from the gross negligence, fraud or wilful default of the Administrator, its directors or other officers, servants, employees or agents in its treatment of such facsimile notice) which may be imposed on, incurred by or asserted against Administrator, its directors or other officers, servants, employees or agents in its treatment of such facsimile notice.



# DIRECTORY

**Directors of the Company**

**Jan Mičulka**  
**David Sosik**  
**Sarah Farrugia**

**Registered Office**

171, Old Bakery Street,  
Valletta VLT 1455,  
Malta.

**Investment Manager**

**AQA Capital Ltd.**  
171 Old Bakery Street,  
Valletta VLT1455,  
Malta.

**Depositary**

**Q Securities – Malta Branch**  
SOHO - The Strand,  
Fawwara Building,  
Triq L-Imsida,  
Gzira,  
GZR 1401,  
Malta

**Administrator, Register and  
Transfer Agent**

**CC Fund Services (Malta) Limited**  
Ewropa Business Centre,  
Triq Dun Karm,  
Birkirakara BKR 9034,  
Malta.

**Auditors**

**Tri-Mer Audit Limited**  
International House  
Mdina Road, Zone 1, Central Business District  
CBD 1010 Birkirkara  
Malta

**Company Secretary**

**Ganado Services Limited**  
171, Old Bakery Street,  
Valletta VLT1455,  
Malta.