

Oakwise Value Fund SPC

(an exempted company with limited liability registered as a Segregated Portfolio Company under the laws of the Cayman Islands)

Amended and Restated Private Placement Memorandum

Originally dated: March 2019

First amended and restated: September 2019

Second amended and restated: November 2019

Third amended and restated: July 2020

Fourth amended and restated: December 2020

Fifth amended and restated: December 2021

An investment in the Fund is speculative and is not intended as a complete investment program. If you are in any doubt about the contents of this memorandum, you should consult your stockbroker, bank manager, solicitor, accountant, financial adviser and/or other professional adviser.

This memorandum does not constitute an offer to sell or a solicitation of an offer to buy the Participating Shares in the Fund in any jurisdiction or to any person to whom it is unlawful to make such an offer or sale. This memorandum is not authorised for public issue and is sent to the addressee personally on a confidential basis. It should not be copied or passed to any other person. No securities regulator has approved or disapproved the Fund's securities nor has it determined that this memorandum is accurate or complete. Further, no action has been taken which would permit a public offering of the Participating Shares of the Fund in any jurisdiction where action for that purpose would be required.

Important Notice

This Offer Is Available Only to Eligible Investors.

Important: You must read the following before continuing. The following applies to this memorandum following this important notice, and you are therefore advised to read this carefully before reading, accessing or making any other use of this memorandum. In accessing this memorandum, you agree to be bound by the following terms and conditions, including any modifications to them at any time you receive the same from us.

Oakwise Value Fund SPC (the “**Fund**”) is an exempted company incorporated with limited liability and registered as a Segregated Portfolio Company under the laws of the Cayman Islands that may form multiple Segregated Portfolios each of which constitutes a separate segregated portfolio of the Fund.

A complete placement memorandum consists of this memorandum and an additional supplement that provides specific information about the Segregated Portfolio in which the investor will be investing. Investors must be provided with the additional supplement relating to the particular Segregated Portfolio in which they will be investing.

This memorandum is distributed to each potential investor on a confidential basis in connection with a private placement of the Participating Shares of the Fund, none of which will be issued to any person other than a person to whom this memorandum is sent. By accepting this memorandum, all recipients of this memorandum agree to keep all of the information contained herein and not already in the public domain confidential. No person receiving a copy of this memorandum in any territory may treat the same as constituting an invitation to that person, unless in the relevant territory such an invitation could lawfully be made to that person without compliance with any registration or other legal requirements.

Investors should not treat the contents of the memorandum as advice relating to legal, taxation or investment matters and are advised to consult their own professional advisers concerning the acquisition, holding or disposal of the Participating Shares in the Fund.

This memorandum contains important information applicable to all Segregated Portfolios of the Fund. It also contains important information about the features of the Participating Shares of the Fund. Please read this memorandum carefully before you invest, and keep this memorandum and the relevant supplement for future reference.

The Directors, whose names are set out in section 4 (Management and Administration), accept responsibility for the information contained in this memorandum. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this memorandum is in accordance with the facts and does not omit anything likely to affect the importance of such information. However, the delivery of this memorandum or any sale made hereunder shall not under any circumstances imply that the information contained herein is correct and complete as of any date subsequent to the date of this memorandum.

This memorandum is not a recommendation to invest and is prepared for your general information only. This memorandum does not take into account individual prospective investors’ objectives, financial situations or needs. Prospective investors are urged to request any additional information they may consider necessary or desirable in making an informed investment decision. The description of the Articles and of other agreements mentioned in this

memorandum does not purport to be a complete statement thereof and is qualified by and subject to the detailed provisions of such documents.

The Fund has been registered as a regulated mutual fund with the Cayman Islands Monetary Authority (“**CIMA**”) under Section 4(3) of the Mutual Funds Act (as amended) of the Cayman Islands (the “**Mutual Funds Act**”).

CIMA has supervisory and enforcement powers to ensure compliance with the Mutual Funds Act. Regulation under the Mutual Funds Act entails the filing of prescribed details and audited accounts annually with CIMA. CIMA may at any time instruct the Fund to have its accounts audited and to submit them to CIMA within such time as CIMA specifies. Failure to comply with these requests by CIMA may result in substantial fines on the part of the Directors and may result in CIMA applying to court to have the Fund wound up.

The Fund will not, however, be subject to supervision in respect of its investment activities or the constitution of the Fund's portfolio by CIMA or any other governmental authority in the Cayman Islands, although CIMA does have the power to investigate the activities of the Fund in certain circumstances. Neither CIMA nor any other governmental authority in the Cayman Islands has commented upon or approved the terms or merits of this memorandum. There is no investment compensation scheme available to investors in the Cayman Islands.

CIMA may take certain actions if it is satisfied that a regulated mutual fund is or is likely to become unable to meet its obligations as they fall due or is carrying on or is attempting to carry on business or is winding up its business voluntarily in a manner that is prejudicial to its investors or creditors. The powers of CIMA include the power to require the substitution of Directors, to appoint a person to advise the Fund on the proper conduct of its affairs or to appoint a person to assume control of the affairs of the Fund. There are other remedies available to CIMA including the ability to apply to court for approval of other actions.

The Participating Shares are offered solely on the basis of this memorandum, the relevant supplement and documents incorporated by reference herein which shall include (but not limited to) the Articles. Any information or representations not contained within this memorandum may not be relied upon as having been authorised by the Fund or the Directors and should be disregarded. This memorandum contains information in relation to the Fund and the offering of the Participating Shares at the date hereof. It is subject to subsequent changes in applicable law and neither the delivery of this memorandum nor the allotment or issue of the Participating Shares shall create any implication whatsoever that there has been no change in such law or the affairs of the Fund since the date hereof.

No person is authorised to issue any advertisement, to give any information or to make any representation not contained in this memorandum in connection with the offering, subscription or sale of Participating Shares and any advertisement so issued or information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Fund. The delivery of this memorandum and the supplement(s) at any time and the allocation of the Participating Shares does not imply that information contained in these documents is correct and complete as at any time subsequent to the date of issue.

The distribution of this memorandum and the supplement(s), and the offering of the Participating Shares in certain jurisdictions may be restricted by law. Persons into whose possession this memorandum comes are required by the Fund to inform themselves about and to observe any such restrictions.

Members of the public in the Cayman Islands will not be invited to subscribe for Participating Shares.

There will be no offering of the Participating Shares in the United States, the European Union or the United Kingdom.

No application has been made to list the Participating Shares on any stock exchange. The Participating Shares may not be sold, transferred, assigned or hypothecated in whole or in part, except in accordance with the terms in this memorandum and the relevant supplement.

The value of Participating Shares can fall as well as rise. Persons interested in acquiring the Participating Shares should inform themselves as to (i) the legal requirements within the countries of their nationality, residence, ordinary residence or domicile for such acquisition, (ii) any foreign exchange restrictions or exchange control requirements which they might encounter on the acquisition or sale of Participating Shares and (iii) the income tax and other taxation consequences which might be relevant to the acquisition, holding or disposal of Participating Shares.

Because of the risks involved, investment in the Fund is only suitable for sophisticated investors who are able to bear the loss of a substantial portion or even all of the money they invest in the Fund, who understand the high degree of risk involved and believe that the investment is suitable based upon their investment objectives and financial needs. Investors are therefore advised to seek independent professional advice on the implications of investing in the Fund. Prospective investors' attention is also drawn to "Risk Factors" section.

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1. KEY TERMS

The following information is presented as a summary of the Fund's key terms only and is qualified in its entirety by reference to (i) the remainder of this memorandum and (ii) the Articles, as amended from time to time.

Important Information about the Fund

The Fund	Oakwise Value Fund SPC, an exempted company incorporated with limited liability and registered as a segregated portfolio company under the laws of the Cayman Islands
Registered office	Harneys Fiduciary (Cayman) Limited, 4th Floor, Harbour Place, 103 South Church Street, PO Box 10240, Grand Cayman, KY1-1002 Cayman Islands
Directors of the Fund	WANG Fengyu XING Chao LIN Zhixin
HK Manager	Oakwise Capital Management Limited (瑞橡資本管理有限公司) Flat 4803, 48/F, COSCO Tower 183 Queen's Road, Central Hong Kong
Directors of the HK Manager	WANG Fengyu
Cayman Manager	Oakwise Asset Management Limited 4th Floor, Harbour Place, 103 South Church Street PO Box 10240, Grand Cayman KY1-1002 Cayman Islands
Directors of the Cayman Manager	WANG Fengyu Vumindaba Dube Niall O'Dowd
Legal Adviser to the Fund and the Managers	King & Wood Mallesons 13/F Gloucester Tower, The Landmark 15 Queen's Road Central Central Hong Kong
Legal Adviser to the Fund and the Cayman Manager as to matters of Cayman Islands Law	Harney Westwood & Riegels 3501 The Center 99 Queen's Road Central Hong Kong
Administrator	Apex Fund Services Ltd (whose registered office is at Vallis Building, 4th Floor, 58 Par-la-Ville Road, Hamilton HM11, Bermuda) or any entity or person or any of its successor or replacement appointed as administrator of the Fund from time to time as disclosed in the relevant supplement of a Segregated Portfolio
Custodian	such person(s) or entity(ies) that may be appointed as custodian(s) in respect of any Segregated Portfolio(s) from time to time as specified in the relevant supplement

Prime Broker

such person(s) or entity(ies) that may be appointed as Prime Broker(s) in respect of any Segregated Portfolio(s) from time to time as specified in the relevant supplement

Auditor

Ernst & Young Ltd.
62 Forum Lane
Camana Bay
P.O. Box 510
Grand Cayman KY1-106
Cayman Islands

Important Information about a Segregated Portfolio

You may find the information below in relation to a Segregated Portfolio in the relevant supplement:

- investment objective and investment strategy
- investment restrictions (if any)
- share classes
- base currency
- subscription price
- subscription deadline
- redemption price
- redemption deadline
- minimum subscription, redemption and holding amounts
- lock-up period (if any)
- fees and expenses
- valuation
- specific risk factors
- distribution policy

2. STRUCTURE OF THE FUND

The Fund was incorporated on 10 October 2018 as an exempted company incorporated with limited liability and registered as a Segregated Portfolio Company under the laws of the Cayman Islands. The Fund, on behalf of and for the account of each Segregated Portfolio, may acquire assets and/or make investments through one or more intermediary holding entities.

As a segregated portfolio company, the Fund is permitted to create one or more Segregated Portfolios in order to segregate the assets and liabilities of the Fund held in respect of one Segregated Portfolio from the assets and liabilities of the Fund held in respect of any other Segregated Portfolio and/or the general assets and liabilities of the Fund. Under Cayman Islands law, the assets of one Segregated Portfolio will not be available to meet the liabilities of another Segregated Portfolio. Notwithstanding the segregation of assets and liabilities between Segregated Portfolios, the Fund is a single legal entity and no Segregated Portfolio constitutes a legal entity separate from the Fund itself.

The Articles provide that the Directors may from time to time establish one or more Segregated Portfolios. Each Segregated Portfolio shall be separately designated by reference to a name that includes the words "Segregated Portfolio" or the letters "S.P." or "SP". The Directors shall identify:

- (a) each asset of the Fund as either a general asset or a portfolio asset and, in the case of a portfolio asset, the Segregated Portfolio to which it is attributable;
- (b) each liability of the Fund as being that of a creditor in respect of a particular Segregated Portfolio (a "**portfolio creditor**") or a general creditor and in the case of a portfolio creditor, the Segregated Portfolio of which such person is a creditor.

The proceeds from the issue of Participating Shares shall be applied to the Segregated Portfolio in respect of which the Participating Shares are issued. The assets and liabilities and income and expenditure attributable to that Segregated Portfolio shall be applied to such Segregated Portfolio and, subject to the provisions of the Articles, to no other Segregated Portfolio.

The assets held in each Segregated Portfolio shall be applied solely in respect of the liabilities of such Segregated Portfolio in accordance with the provisions of the Articles and the Companies Act. Any surplus assets in a Segregated Portfolio shall be held, subject to the provisions of the Articles and the Companies Act, for the benefit of holders of participating shares attributable to such Segregated Portfolio.

Liabilities of the Fund which, in the opinion of the Directors, are attributable to a particular Segregated Portfolio shall be discharged from the assets of such Segregated Portfolio. If, in the opinion of the Directors a liability is fairly attributed to two or more Segregated Portfolios, such liability shall be allocated between such Segregated Portfolios on a pro rata basis unless the Directors determine that another method of allocation is more equitable. If, in the opinion of the Directors, any costs and expenses payable by the Fund are fairly attributed to all Segregated Portfolios, such costs and expenses shall be allocated to all Segregated Portfolios on a pro rata basis unless the Directors determine that another method of allocation is more equitable. Such costs and expenses may include government registration fees, annual return fees, regulatory fees, costs and expenses, professional fees, service provider fees, the cost of insurance, taxes, fines and penalties and any other liabilities of a recurring nature necessarily incurred in maintaining the continued existence and good standing of the Fund.

Income, receipts and other property acquired by the Fund and not otherwise attributable to the Segregated Portfolios shall be applied to and comprise the general assets of the Fund. Liabilities of the Fund which are not otherwise attributable to or allocated to the Segregated Portfolio will be discharged from the general assets.

The Directors may create a Segregated Portfolio at any time without notice to, or the consent of, the Shareholders. Each Segregated Portfolio may have, and is expected to have, different investment strategies from those of other Portfolios.

The base currency of a Segregated Portfolio will be set out in the relevant supplement. Each class of Participating Shares within a Segregated Portfolio will be denominated in the Class Currency thereof, which may be the base currency of the Segregated Portfolio to which such class relates or such other currency of account as specified in the relevant supplement.

3. INVESTMENT OBJECTIVE, STRATEGY AND POLICY

Objective and Strategy

The investment objective, investment strategy, the investment limitations (if any), and the strategy on financial derivatives (if any) for each Segregated Portfolio will be formulated by the Managers and will be described in the relevant supplement. The assets held by the Fund for the account of a Segregated Portfolio will be invested in accordance with the investment objective and investment strategy of that Segregated Portfolio.

The investment strategy and policy for each Segregated Portfolio will be described in the relevant supplement, and may be amended from time to time by the Directors. The Managers will give not less than ten Business Days' notice to Participating Shareholders of such Segregated Portfolio prior to any material change, or such greater period as required in order to allow the Participating Shareholders to redeem their Participating Shares before the change takes effect, in accordance with the redemption provisions in this memorandum, relevant supplement(s) and the Articles.

The business of the Fund includes the realisation and distribution of the Fund's assets to Shareholders during a wind down of the Fund's operations.

Investors should note the risks which are outlined in the section headed "Risk Factors".

Investment Restrictions

Please refer to the relevant supplement for details on investment restrictions (if any) for each Segregated Portfolio.

Borrowing/Leverage

Please refer to the relevant supplement for details on borrowing restrictions (if any) for each Segregated Portfolio.

Securities Lending

Please refer to the relevant supplement for details on securities lending (if any) for each Segregated Portfolio.

Side Pockets

The Fund or the HK Manager may make investments which are considered to be illiquid and/or lacking a readily available market value. Each such investment will be designated by the Fund or the HK Manager as a "side pocket investment" (the "**Side Pocket Investment**"). Please refer to the relevant supplement for details on Side Pocket Investments (if any) for each Segregated Portfolio.

Liquidity Risk Management

The Managers have established a liquidity risk management policy which enables it to identify, monitor and manage the liquidity risks of each Segregated Portfolio and to ensure that the liquidity profile of the investments of each Segregated Portfolio will facilitate compliance with the relevant Segregated Portfolio's obligation to meet redemption requests. Such policy, combined with the liquidity risk management tools of the Managers, also seek to achieve fair treatment of the Participating Shareholders.

The Managers' liquidity risk management policy, as reviewed and amended from time to time, takes into account the risk appetite of each Segregated Portfolio (e.g. by considering the investment strategy, liquidity profile, redemption policy and fair valuation policies of each Segregated Portfolio). The Managers will regularly assess the liquidity of assets of each Segregated Portfolio and the liquidity profile of each Segregated Portfolio's liabilities.

The Managers shall also regularly conduct assessments of liquidity in different scenarios, including stressed situations. These measures seek to ensure fair treatment and transparency for all investors.

The Managers may utilise the following liquidity management tools for any of the Segregated Portfolios including maintaining appropriate and effective practices to suspend the payment of, or extend the period for the payment of, redemption proceeds.

4. MANAGEMENT AND ADMINISTRATION

Directors of the Fund

The Fund is governed by the board of Directors, which is responsible for overseeing the Fund, and the overall management and control of the Fund in accordance with the Articles. The board of Directors may pursuant to the Co-Management Agreement delegate the responsibility for making investment decisions to the HK Manager and the responsibility for day-to-day management and operation decisions of the Fund to the Cayman Manager, and may also delegate the responsibility for day-to-day administrative functions to the Administrator pursuant to the Administration Agreement. In addition, the Fund may also appoint such other service providers (such as the Custodian and prime broker (if any)) as it deems appropriate. In performing their duties, the Directors are entitled to rely upon, and generally rely upon the work performed by and information received from the Managers and such service providers. The Directors will review, on a periodic basis, the performance of the Managers, the Administrator, the Custodian and any other service provider.

While there is no requirement for the Directors to hold meetings, the Directors intend to conduct meetings as necessary throughout the year to oversee the Fund's operations, including reviewing its performance and overseeing potential conflicts of interest and risks of the Fund. With respect to its oversight of risks, it is likely that not all risks will be identified or mitigated.

The board of Directors of the Fund presently consists of three members. The Directors are Mr. WANG Fengyu, Mr. XING Chao and Mr. LIN Zhixin:

WANG Fengyu

Dr. Wang Fengyu is both the founder and Director of Oakwise Capital Management Ltd. (瑞橡資本管理有限公司). He obtained a bachelor's degree in management engineering, a master's degree in finance and PhD in finance from Xi'an Jiaotong University, the Graduate School of the People's Bank of China and the University of Hong Kong respectively.

Dr. Wang has over 12 years of fund investment and management experience. Prior to founding Oakwise Capital Management Limited (瑞橡資本管理有限公司), he worked as the president of New China COSCO Financial Holdings Limited, the Director of New China Asset Management (Hong Kong) Limited, and the manager of China Life Franklin Asset Management Co. Limited.

Dr. Wang has been working in asset management companies with insurance background for a successive period of time, specialising in investment in bonds, stocks and private equity. He has accumulated ample experiences in large-scale asset allocation and various types of investments. With a good and sustained track record and reputation, the fund managed by Dr. Wang has achieved outstanding success, including being awarded as "Best Greater China Fund", being nominated as "Fund of the year" and winning other awards. By establishing a solid, steady investment style through long-term investment practices, Dr. Wang has a strong insight into the investment market and is good at developing systematic market opportunities.

XING Chao

Mr. Xing is the relationship manager of National Australian Bank and has nearly 20 years of experience in the banking industry with over 6 years of experience in portfolio and relationship management. Prior to joining National Australian Bank, Mr. Xing has worked in a number of other major banks in Australia, including Bankwest (merged with Commonwealth Bank of Australia), Commonwealth Bank of Australia, ANZ Banking Group and Bank of China. Mr. Xing has extensive knowledge and experience in the banking industry and specialises in

banking products and services knowledge, especially in transaction banking and credit policy. Mr. Xing has obtained a Master of Commerce Degree majored in Accounting and Finance from the University of Sydney and is awarded the FSRA Tier 1 Accreditation: Diploma of Financial Services (Financial Planning) – ASIC PS146 compliant.

LIN Zhixin

Mr. Lin is the senior IT engineer of Tencent Technology Co., Ltd. and has more than 10 years' experience in the field of IT. With experiences in Baidu International Technology (Shenzhen) Co., Ltd. working as an IT engineer and Huawei Symantec Technology Co., Ltd. as an analyst programmer, Mr. Lin participated in private cloud system and financial data analysts and data security of China Construction Bank and Baoshang Bank and possesses an in-depth knowledge of IT engineering and infrastructure and has accumulated extensive experience in the China technology market. Mr. Lin has obtained both his Bachelor and Master degree in Communication Engineering from Wuhan University of Technology.

For the purposes of this memorandum, the address of all the Directors is the registered office of the Fund.

HK Manager

The Fund has appointed Oakwise Capital Management Limited (瑞橡資本管理有限公司) as one of the managers of the Fund to provide fund investment and management services to the Fund, as well as one or more Segregated Portfolio(s). For the avoidance of doubt, the HK Manager is the only manager which will be in charge of the execution of the investments of the Fund and/or the Segregated Portfolio(s). In consideration of its services, the HK Manager may be entitled to a Management Fee and may be entitled to a Performance Fee, as set out in the supplement of the relevant Segregated Portfolio.

The HK Manager is principally engaged in fund management and advisory investment services for corporations, institutions and individual investors.

The HK Manager is licensed with the SFC to conduct the following regulated activity: type 4 (advising on securities) and type 9 (asset management), and is subject to the licensing conditions of provision of services only to professional investors and shall not hold client assets. Certain internal policies have been implemented by the HK Manager and disclosed in section 15 (Internal Policies).

The key personnel of the HK Manager is WANG Fengyu. WANG Fengyu, LI Sisi and LIN Gary Gang are the principal licensed responsible officer.

For the purposes of this memorandum, the address of the registered office of the key personnel of the HK Manager is Flat 4803, 48/F, COSCO Tower, 183 Queen's Road, Central, Hong Kong.

Cayman Manager

Oakwise Asset Management Limited, an exempted company incorporated in the Cayman Islands has been appointed as one of the managers of the Fund as well as one or more Segregated Portfolio(s).

Under the Securities Investment Business Act (as revised) of the Cayman Islands (the "**SIB Act**"), a person acting as an investment manager is not required to be licensed if it carries on such business exclusively (whether directly or indirectly) for "sophisticated persons" (as defined in the SIB Act) or "high net worth persons" (as defined in the SIB Act) and is registered with CIMA pursuant to the SIB Act. The Cayman Manager intends to manage its business in

such a way that it is not required to be licensed although it is currently registered as a “registered person” (as defined in the SIB Act) in order to continue to conduct any securities investment business in the Cayman Islands for and on behalf of the Fund. The Cayman Manager intends to comply and will ensure it complies with such re-registration in accordance with the law.

The board of directors of the Cayman Manager presently consists of three members. The Directors are Wang Fengyu, Vumindaba Dube and Niall O’Dowd.

Wang Fengyu’s biography can be found in the section above – Directors of the Fund.

Vumindaba Dube

Mr. Dube is a director at DMS Governance Ltd. (DMS) where he is an integral part of the fund governance team, providing client service delivery across multiple product lines and for a wide range of investment funds.

Prior to joining DMS, Mr. Dube served as account manager at Citco Fund Services (Cayman Islands) Ltd., managing client relationships and leading a team responsible for a diverse portfolio of mutual funds. In more than a 10-year tenure at Citco, he was also a project leader and subject matter expert for the adoption of a key reporting application by the Cayman Islands office.

Earlier in his career, Mr. Dube worked as a senior accountant in the Audit and Advisory Services Department of Deloitte (Cayman Islands). He began his career with Deloitte & Touche in Harare, Zimbabwe.

Mr. Dube holds a Bachelor of Accountancy (Honors) degree and Post Graduate Diploma in Applied Accountancy from the University of Zimbabwe.

Mr. Dube is a CFA Charterholder, a member of the CFA Institute and the CFA Society of the Cayman Islands. He is also a registered director with the Cayman Islands Monetary Authority and a member of the Cayman Islands Directors Association, the Cayman Islands Institute of Professional Accountants and the Institute of Chartered Accountants of Zimbabwe.

Niall O’Dowd

Mr. O’Dowd serves as an independent director with DMS Governance Ltd. (DMS) where he oversees fund governance for private investment funds with a wide variety of structures and strategies.

Prior to joining DMS, Mr. O’Dowd worked for three years as associate director - Client Services for MUFG Alternative Fund Services Ireland (previously UBS Fund Services Ireland) managing a team of accountants in a client-facing role overseeing assets in excess of US\$3 billion. He also gained over 6 years of experience in fund accounting at both HSBC and UBS Fund Services, holding the role of Deputy Group Head at UBS Fund Services.

Mr. O’Dowd is a registered director with the Cayman Islands Monetary Authority and a Fellow of the Chartered Certified Accountants. He holds a Bachelor’s Degree in Commerce from National University of Ireland – Galway.

For the purposes of this memorandum, the address of the registered office of all of the key personnel of the Cayman Manager is 4th Floor, Harbour Place, 103 South Church Street, PO Box 10240, Grand Cayman, KY1-1002 Cayman Islands.

Pursuant to the Co-Management Agreement, the Cayman Manager will provide certain investment management and investment advisory services to the Fund, which may include but not limited to supervising the implementation of the investment strategy and policies, investor relations and marketing support, research and analysis, as well as assistance with the execution and implementation of the Fund's investment and trading activities. For the avoidance of doubt, in no event the Cayman Manager will execute any investment for the Fund and/or any Segregated Portfolio. In consideration of its services to the Fund, the Cayman Manager may be entitled to a Management Fee and may be entitled to a Performance Fee, as set out in the supplement of the relevant Segregated Portfolio.

Each Manager may terminate its appointment in accordance with the termination provisions set out in the Co-Management Agreement.

Administrator

Unless otherwise provided in the relevant supplement of a Segregated Portfolio, Apex Fund Services Ltd. has been appointed as the administrator of the Fund. The Administrator is part of the Apex Group, a global provider of fund administration services with 40 offices across the globe with over \$560 Billion under administration. The Administrator will perform all general administrative tasks for the Fund as well as one or more Segregated Portfolio(s), including the preparation of valuations, keeping of financial records and acting as registrar and transfer agent.

The Administrator is responsible, under the supervision of the Directors, for providing administrative services required in connection with the Fund's operations, including, compiling and publishing the Net Asset Value and the subscription price, providing registrar and transfer agent services in connection with the issue, transfer and redemption of Participating Shares and collecting subscription payments and disbursing redemption payments. Under a separate Tax Reporting Services Agreement, the Administrator provides compliance services with respect to the FATCA and to the CRS as developed by the OECD.

Under the Administration Agreement, the Administrator will not, in the absence of gross negligence, wilful misconduct or fraud or material breach of the Administration Agreement on the part of the Administrator, be liable to the Fund for any act or omission, in the course of, or in connection with providing services to the Fund or for any losses, claims, damages, liabilities and expenses or damage which the Fund may sustain or suffer as a result of, or in the course of, the discharge by the Administrator or its duties pursuant to the Administration Agreement.

Under the Administration Agreement, the Fund will indemnify the Administrator to the fullest extent permitted by law against any and all judgments, fines, amounts paid in settlement and reasonable expenses, including legal fees and disbursements, incurred by the Administrator, save where such actions, suits or proceedings are the result of fraud, wilful misconduct or gross negligence or material breach of the Administration Agreement on the part of the Administrator.

Under the Administration Agreement, the Administrator may in its discretion delegate all or any of its powers and duties to its affiliates but will remain liable to the Fund for the performance of any duties or functions so delegated by the Administrator as if no such delegation has been made. The Administrator shall enter into an agreement with such an affiliate to confirm and accept such delegation.

The initial term of the Administration Agreement is for one (1) year from the effective date and is automatically renewed for each subsequent one year period. Written notice of termination shall be provided no less than ninety (90) days before each automatic renewal (or such shorter

notice period as the parties may agree to accept) or earlier on the liquidation of either the Fund or the Administrator.

The Administrator is licensed as a fund administrator by the Bermuda Monetary Authority under section 43 of the Investment Funds Act 2006 of Bermuda.

Custodian

The Fund may appoint one or more custodian(s) in respect of any Segregated Portfolio(s) from time to time as specified in the relevant supplement.

Auditor

Ernst & Young Ltd. has been appointed as the Auditor to the Fund and the relevant Segregated Portfolio(s), and will conduct their audits in accordance with International Standards on Auditing.

Under the standard terms of the annual engagement letter which the Fund will enter into with the Auditor, the Auditor's liability under such letter is expected to be capped based upon a multiple of fees paid to the Auditor under such letter, except to the extent finally determined to have resulted from the fraud or wilful fraud by the Auditor. The annual engagement letter is also expected to contain a limitation of any liability to the Auditor's proportionate share thereof and other release and indemnity provisions relating to consequential loss, third party claims and fraudulent acts or omissions, misrepresentation or wilful default on the part of the Directors, employees or agents of the Fund. The engagement letter also generally requires that any claim arising in connection with the engagement be brought against the Auditor within one (1) year of the Fund becoming aware of the facts which give rise to the alleged liability of the Auditor and in any event within three (3) years after the completion of the audit service giving rise to the claim or the earlier termination of the Auditor's appointment. The Auditor's audit reports may only be relied upon by those parties to whom they are addressed.

The Directors may replace the Auditor without prior notice to Participating Shareholders.

5. RISK FACTORS

The Fund is established as a segregated portfolio company. As a matter of Cayman Islands law, the assets of one Segregated Portfolio will not be available to meet the liabilities of another. However, the Fund is a single legal entity which may operate or have assets held on its behalf or be subject to claims in other jurisdictions which may not necessarily recognise such segregation. In this regard, and unless the context otherwise requires, references throughout this section to the risks factors of the Fund will therefore refer to the risk factors of a Segregated Portfolio, as and where appropriate and to the extent applicable to the investment program of the relevant Segregated Portfolio.

Potential investors should be aware that an investment in a Segregated Portfolio involves a high degree of risk. There can be no assurance that a Segregated Portfolio's investment objective will be achieved, or that a Participating Shareholder will receive a return of its capital. In addition, there will be occasions when either Manager and its affiliates may encounter potential conflicts of interest in connection with a Segregated Portfolio. The following are some, but not all, of the considerations regarding risk factors and conflicts of interest that should be carefully evaluated by potential investors before making an investment in a Segregated Portfolio.

You could lose money by investing in a Segregated Portfolio. You should consider carefully the risks described below before making an investment decision. You should also refer to the other information included in this memorandum and the relevant supplement.

GENERAL MARKET-RELATED RISKS

Investing in Global Markets

The Fund intends to invest across a diverse range of global markets. As a result, the Fund is subject to risks relating to (i) currency exchange matters, including fluctuations in the rate of exchange between the base currency of the Fund and the various other currencies in which the Fund's investments may be denominated, and costs associated with conversion of investment principal and income from one currency into another; (ii) the possible imposition of withholding taxes on income received from the issuer of, or gains with respect to, such securities; (iii) market risks, such as directional price movements, deviations from historical pricing relationships, and changes in market volatility. The particular or general types of market conditions in which a Segregated Portfolio may incur losses or experience unexpected performance volatility cannot be predicted, and a Segregated Portfolio may materially underperform other investment funds with substantially similar investment objectives and approaches.

In addition, investing in some of capital markets involves certain factors not typically associated with investing in established securities markets, including risks relating to (a) differences between markets, including potential price volatility in and relative illiquidity of some securities markets, (b) the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements, and less governmental supervision and regulation and (c) certain economic and political risks, including potential exchange control regulations and potential restrictions on investment and repatriation of capital.

Currency and Exchange Control

A significant portion of a Segregated Portfolio's investments, expected revenues and expenses are likely to be denominated in a foreign currency while Participating Shares will be denominated in US dollars. The currency prices at which Participating Shares in a Segregated Portfolio are valued and redeemed are subject to fluctuations in the relevant currency exchange rate. Each Segregated Portfolio's business will be subject to typical risks of an international business including, but not limited to, differing tax structures and general foreign exchange rate volatility or exchange rate controls. For investments denominated in a foreign currency, the value in local currency of the investments will vary with movements in exchange rates. It is possible that adverse movements in exchange rates would negatively impact the returns of a Segregated Portfolio. The ability to hedge foreign exchange risks may be affected by limited forward or option markets for the hedging of the base currency against the currency of investment. Where there is a foreign exchange risk exposure for a relevant investment, the Managers may, where it is appropriate, hedge the risk. Performance may be strongly influenced by movements in foreign exchange rates because currency positions held by funds may not correspond with the securities positions held. Details of any hedging arrangements will be disclosed in the relevant supplement. Also, certain portion of a Segregated Portfolio's investments may be made in countries with exchange control restrictions and thus may encounter difficulties or delays in relation to receipt of its divestments due to such exchange control restrictions.

Custody Risk

There are risks involved in dealing with custodians or prime brokers who hold assets of the Segregated Portfolio and who settle the Segregated Portfolio's trades. Securities and other assets deposited with custodians or prime brokers may not be clearly identified as being assets of the Segregated Portfolio, and hence the Segregated Portfolio may be exposed to a credit risk with regard to such parties. In some jurisdictions, the Segregated Portfolio may only be an unsecured creditor of its prime broker or custodian in the event of bankruptcy or administration of such broker. Further, there may be practical or time problems associated with enforcing the Segregated Portfolio's rights to its assets in the event of the insolvency of any such party (including sub-custodians or agents appointed by the custodian in jurisdictions where sub-custodians are not available).

Recent apparently significant losses incurred by many hedge funds in relation to the bankruptcy and/or administration of financial institutions illustrate the risks incurred in both derivatives trading and custody and prime brokerage arrangements. Assets deposited with prime brokers or custodians which are fully paid (being those not held by the prime broker as margin) may be held in segregated safe custody in accordance with the prime brokerage and custodian agreements. Assets held as collateral by the prime brokers or custodians in relation to facilities offered to the Segregated Portfolio and assets deposited as margin with the custodians and prime brokers may therefore be available to the creditors of such persons in the event of their insolvency.

The banking and other financial systems in some jurisdictions may not be well developed or well regulated. Delays in transfers by banks may result, as may liquidity crises and other problems arising as a result of the under-capitalisation of the banking sector as a whole.

Custodial Risk

Custodial risk is the risk arising from the possibility that the Fund for and on behalf of the Segregated Portfolio could be denied access, in whole or in part, to investments held in custody in the event of bankruptcy, negligence, willful misconduct or fraudulent activity on the part of the custodian or sub-custodian. In certain circumstances, the Fund for and on behalf of the

Segregated Portfolio may take a longer time or may even be unable to recover some of its assets, which may lead to significant losses for the Segregated Portfolio and consequently adversely affect a Participating Shareholder's investment in the relevant Segregated Portfolio.

Legal Risk

Many of the laws that govern private and foreign investments, equity securities transactions and other contractual relationships in certain countries, particularly in developing countries, are new and largely untested. As a result, a Segregated Portfolio may be subject to a number of unusual risks, including inadequate investor protection, contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets and lack of enforcement of existing regulations. Furthermore, it may be difficult to obtain and enforce a judgment in certain countries in which assets of a Segregated Portfolio are invested. There can be no assurance that this difficulty in protecting and enforcing rights will not have a material adverse effect on a Segregated Portfolio and its operations. In addition, the income and gains of a Segregated Portfolio may be subject to withholding taxes imposed by foreign governments for which Participating Shareholders may not receive a full foreign tax credit. Furthermore, it may be difficult to obtain and enforce a judgment in a court outside of the Cayman Islands.

Regulatory controls and corporate governance of companies in some developing countries may confer little protection on minority shareholders. Anti-fraud and anti-insider trading legislation is often rudimentary. The concept of fiduciary duty to shareholders by officers and directors is also limited when compared to such concepts in Western markets. In certain instances management may take significant actions without the consent of shareholders and anti-dilution protection also may be limited.

Litigation

In the ordinary course of its business, the Fund may be subject to litigation in respect of any Segregated Portfolio. The outcome of litigation, which may materially adversely affect the value of a Segregated Portfolio, may be impossible to anticipate, and such proceedings may continue without resolution for a long period. Any litigation may consume substantial amounts of the Managers' time and attention, and that time and the devotion of these resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation.

Terrorism

There is risk that the Fund's investments may be adversely affected by terrorist attack, under which properties owned or used by portfolio companies in which the Fund has invested may be subject to destruction, inability for their original intended usage, value decline, loss of life or litigations arising thereto that may not be insurable or indemnifiable.

Trading Accounts

While the account used for subscriptions and redemptions will be controlled by the Administrator (jointly with the Managers), any other accounts opened by the Fund at its broker, and/or custodian may be solely controlled by the HK Manager and/or authorized signatories appointed by it. The Administrator cannot exercise any control on the use of such accounts.

PORTFOLIO INVESTMENT RISKS

Nature of Investments

The HK Manager has broad discretion to make investments for a Segregated Portfolio. Investments may consist of one or more securities in the primary and secondary markets that may be affected by business, financial market or legal uncertainties. There can be no assurance that the HK Manager will correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on investments. Prices of investments may be volatile, and a variety of factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the value of the investments of a Segregated Portfolio. In addition, the value of the investments in a Segregated Portfolio may fluctuate as the general level of interest rates, commodity prices and foreign exchange prices fluctuate. No guarantee or representation is made that the investment objective of a Segregated Portfolio will be achieved.

Borrowing and Leverage

Subject to the supplement(s) of specific Segregated Portfolio(s), the Fund has no borrowing restrictions and will have the ability to borrow any amount for any reason, including without limitation to fund settlement timing differences, to settle foreign currency exchange transactions, to fund redemptions and to purchase investments ahead of expected subscriptions. The Fund may pledge all of the assets of a Segregated Portfolio in order to secure any such borrowing.

A Segregated Portfolio may utilize leverage in connection with a Segregated Portfolio's operation and investments. Utilization of the leverage will result in fees, expenses and interest costs to a Segregated Portfolio. While investments in leveraged companies and the use of leverage in financing transactions offer the opportunity for capital appreciation, such investments also involve a higher degree of risk. Although a Segregated Portfolio will seek to use leverage in a manner the Managers unanimously believe is prudent, such leverage will increase the exposure of an investment to adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the condition of the investment and may impair such investment's ability to finance its future operations and capital needs and result in restrictive financial and operating covenants, including those that may prevent distributions to such Segregated Portfolio. These restrictive financial covenants may limit such investment's flexibility to respond to changing business and economic conditions.

Interest Rate

If leverage is used and interest rate is floating or no acceptable interest rate hedging arrangements are implemented, adverse movements in interest rates may increase cost of debt, affecting returns from the Segregated Portfolio's assets more significantly than investments in other assets that are not as leveraged.

While interest rate risk can generally be reduced through hedging, such as interest rate swaps or other mechanisms, there is sometimes residual exposure. Furthermore, hedged debt only provides certainty for a specific time period, and there is no guarantee that future hedges will achieve the desired result, or that hedging will be available on acceptable terms.

Concentration Risk

A Segregated Portfolio may invest predominantly in a single or limited number of assets, or in a particular region or country and may likely be more volatile and subject to higher concentration risk than a broad-based fund. The Segregated Portfolio may be susceptible to an increased risk of loss, including losses due to adverse events that affect the Segregated Portfolio's investment(s) more than the market as a whole, to the extent that the Segregated Portfolio's investment(s) are concentrated in the securities of a particular issuer or issuers, country, group of countries, region, market, industry, group of industries, sector or asset class.

Counterparties

Some of the markets in which a Segregated Portfolio may effect transactions are “over-the-counter” or “interdealer” markets. The participants in such markets, although regulated, are typically not subject to credit evaluation and the same regulatory oversight as are members of “exchange-based” markets.

Exchange members normally settle through the exchange and not bilaterally. This exposes a Segregated Portfolio to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing a Segregated Portfolio to suffer a loss.

Derivative Instruments

The HK Manager may use various derivative instruments, including futures, options, forward contracts, swaps and other derivatives which may be volatile and speculative. Certain positions may be subject to wide and sudden fluctuations in market value, with a resulting fluctuation in the amount of profits and losses. Use of derivative instruments presents various risks, including the following:

- *Tracking* - When used for hedging purposes, an imperfect or variable degree of correlation between price movements of the derivative instrument and the underlying investment sought to be hedged may prevent the HK Manager from achieving the intended hedging effect or expose the portfolio to the risk of loss.
- *Liquidity* - Derivative instruments, especially when traded in large amounts, may not be liquid in all circumstances, so that in volatile markets the HK Manager may not be able to close out a position without incurring a loss. In addition, daily limits on price fluctuations and speculative positions limits on exchanges on which the HK Manager may conduct its transactions in certain derivative instruments may prevent prompt liquidation of positions, subjecting the portfolio to the potential of greater losses.
- *Leverage* - Trading in derivative instruments can result in large amounts of leverage. Thus, the leverage offered by trading in derivative instruments may magnify the gains and losses experienced by the Fund and could cause the Fund's Net Asset Value to be subject to wider fluctuations than would be the case if the HK Manager did not use the leverage feature in derivative instruments. However, the HK Manager does not foresee a wide use of leverage related to trading in derivative instruments by the Fund, except as otherwise disclosed in the relevant supplement of a Segregated Portfolio.
- *Over-the-Counter-Trading* - Derivative instruments that may be purchased or sold for the portfolio may include instruments not traded on an exchange. Over-the-counter options, unlike exchanged-traded options, are two-party contracts with price and other terms negotiated by the buyer and seller. The risk of non-performance by the obligor on such an instrument may be greater and the ease with which the HK Manager can dispose of or enter into closing transactions with respect to such an instrument may be less than in the case of an exchange-traded instrument. In addition, significant disparities may exist between "bid" and "ask" prices for derivative instruments that are not traded on an exchange. Derivative instruments not traded on exchanges are also not subject to the same type of government regulation as exchange traded instruments, and many of the protections afforded to participants in a regulated environment may not be available in connection with such transactions.

Hedging Transactions

The HK Manager may utilize derivative instruments for investment purposes and to seek hedge against fluctuations in the relative values of a Segregated Portfolio as a result of changes in currency exchange rates, market interest rates and equity prices. Hedging against a decline in the value of a portfolio position does not eliminate fluctuations in the values of portfolio positions or prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the portfolio positions' value. Such hedging transactions also limit the opportunity for gain if the value of a Segregated Portfolio's position should increase. Moreover, it may not be possible for the HK Manager to hedge against an exchange rate, interest rate or equity price fluctuation that is so generally anticipated that the HK Manager is not able to enter into a hedging transaction at a price sufficient to protect a Segregated Portfolio from the decline in value of a Segregated Portfolio's position anticipated as a result of such a fluctuation. Although the intent of hedging is to reduce fluctuations in the value of a Segregated Portfolio as a whole, in certain circumstances, particularly when markets are subject to extreme events, hedging activity may add to the volatility of a Segregated Portfolio. This may occur when previously observed correlations in the markets break down. Moreover, for a variety of reasons, the HK Manager may not seek to establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Such imperfect correlation may prevent a Segregated Portfolio from achieving the intended hedge or expose a Segregated Portfolio to risk of loss.

Possible Illiquid Markets

Stock and futures positions, if any, cannot always be liquidated at the desired price. It is difficult to execute a trade at a specific price when there is a relatively small volume of buy and sell orders in a market. A market disruption, such as when governments may take or be subject to political actions that disrupt the markets in their currency or major exports, can also make it difficult to liquidate a position. There can be no assurance that market illiquidity will not cause losses for a Segregated Portfolio. The large size of the position or positions which a Segregated Portfolio may acquire increases the risk of illiquidity by both making such position(s) more difficult to liquidate and increasing the losses incurred while trying to do so.

FUND RISKS

Limited Operating History

The Fund and its Segregated Portfolios are recently formed and as such, have limited operating history or performance record on which you may base an evaluation of their likely performance. There is no guarantee that the investment objective of the relevant Segregated Portfolio will be achieved, or that the relevant Segregated Portfolio will not incur substantial losses.

Dependence upon the HK Manager and Key Personnel

Participating Shareholders will have no right or power to manage or control the Fund, and the Fund depends solely on the ability and the continued availability of the HK Manager to make investments for a Segregated Portfolio. The HK Manager, in turn, depends on the services of certain key personnel, and the loss of the services of one or more of these professionals could impair the HK Manager's ability to service the Fund and its Segregated Portfolios and could have a material adverse effect on the performance of a Segregated Portfolio.

Conflicts of Interest

The Segregated Portfolios are subject to actual and potential conflicts of interest involving the Managers. The Managers and their principals, all of whom are engaged in other investment activities. The principals of the Managers are not required to devote substantially all their time to the business of the Segregated Portfolios, which also presents the potential for numerous conflicts of interest with the Segregated Portfolios. As a result of these and other relationships, parties involved with the Segregated Portfolios may have incentives to act in a manner other than in the best interests of the Segregated Portfolio(s) and the Shareholders. Investors are dependent on the good faith of the respective parties subject to such conflicts to resolve them equitably. Although the Managers attempt to monitor these conflicts, it is extremely difficult, if not impossible, for the Managers to ensure that these conflicts do not, in fact, result in adverse consequences to the Shareholders.

Limited Disclosure of Information

The Directors believe that disclosure of the investment portfolio of a Segregated Portfolio could be disadvantageous. Accordingly, in line with other hedge funds, a Participating Shareholder will only be provided with a general performance review but typically will not be granted access to detailed information regarding composition of the investment portfolio of the relevant Segregated Portfolio.

Limited Rights of Participating Shareholders

Participating Shareholders holding Participating Shares will have no right to participate in the day to day operations of the Fund and will not be entitled to receive notice of, nor attend or vote at, general meetings of the Fund. Consequently, Participating Shareholders will not have any control over the management of the Fund or the appointment and removal of its service providers. The Cayman Manager, as holder of all the Management Shares, controls all of the voting interests in the Fund, may make changes to this memorandum and the Articles as it deems appropriate. Accordingly, only the Directors of the Fund may terminate the services of service providers, including but not limited to the Managers, the Administrator, the Custodian, the prime broker (if any) and other agents of the Fund.

Exempt Offering

The Fund offers Participating Shares on a continuing basis without registration under any securities laws, except as disclosed in this memorandum. While the Fund intends to rely on exemptions from such registration that the Fund and the Managers believe are available, there can be no assurance that factors such as the manner in which offers and sales are made, the scope of disclosure provided or changes in applicable law will not make such exemptions unavailable. A violation of securities registration requirements could result in the rescission of investors' purchases of Participating Shares at prices higher than the current value of those Participating Shares. This may potentially have a material and adverse effect on a Segregated Portfolio's performance and business.

Illiquidity of the Participating Shares

An investment in a Segregated Portfolio is suitable only for certain sophisticated investors who have no need for immediate liquidity in their investments. There is no active secondary market for the Participating Shares. Participating Shares are not transferable without approval of the Directors. Consequently, Participating Shareholders may not dispose of their Participating Shares except by means of the redemption privilege. Redemptions may also be subject to certain charges, redemption gates or other restrictions as specified in this memorandum, the Articles or the relevant supplement, including without limitation, restrictions of partial redemption if immediately thereafter, the value of a redeeming Participating Shareholder's

holding would be less than the Minimum Holding Amount or the maximum redemption limit, unless approved by the Directors in their sole and absolute discretion.

Cross liability among classes within a Segregated Portfolio

As a matter of Cayman Islands law, the assets of one Segregated Portfolio will not be available to meet the liabilities of another Segregated Portfolio. Each Segregated Portfolio will maintain separate portfolios of securities representing investments made with proceeds of the issue of each class of Participating Shares that participates in such Segregated Portfolio. However, the Fund may operate or have assets held on their behalf or be subject to claims in other jurisdictions which may not necessarily recognise such segregation. There is no guarantee that the courts of any jurisdiction will respect the limitations on liability associated with a Segregated Portfolio Company.

Furthermore, although the Articles require the Fund to segregate into a sub-fund the assets of each class and to allocate the liabilities of the Segregated Portfolio among the classes, so that the assets of one class are not available to satisfy the liabilities of another, this arrangement is binding only as between the Shareholders of the Segregated Portfolio amongst themselves and as between the Shareholders and the Fund itself. They are not binding on an external creditor of the Segregated Portfolio, who deals with the Segregated Portfolio as a whole. Accordingly, where indebtedness is incurred for the account of one class and the creditor obtains a judgment against the Segregated Portfolio for that debt, any assets of the Segregated Portfolio, regardless of the class to which they have been allocated, would be available to satisfy that judgment. This would be the case in respect of any external creditor, unless that external creditor agrees to limit its recourse to the class concerned. Although separate portfolios of securities may be maintained in respect of each class within a Segregated Portfolio, each class within a Segregated Portfolio will adopt the same investment objective and policies and, accordingly, it is not expected that the risk profile of the several classes within a Segregated Portfolio will vary materially.

Performance Fee

The Performance Fee payable to the HK Manager (if any) may create an incentive for the HK Manager to make investments that are riskier or more speculative than would be the case in the absence of a Performance Fee. Prospective investors should note that the Management Fee and Performance Fee payable to the Managers are based in part upon unrealised gains (as well as unrealised losses), and that such unrealised gains and losses may never be realised by a Segregated Portfolio.

Possible Indemnification Obligations

The Fund has agreed, or may agree, to indemnify the Directors, the Managers, the Administrator, the Custodian, the prime broker (if any) and other third parties under various agreements entered into with such persons against certain liabilities they or their respective directors, officers, affiliates or agents may incur in connection with their relationship with the Fund. If the Fund was called upon to perform under its indemnification obligations, the amount otherwise available for the Fund's operations will be reduced.

Redemption

Large redemptions of Shares in the Fund might result in the Fund being forced to sell assets at a time and price at which it would normally prefer not to dispose of those assets.

Taxation

Investing in a Segregated Portfolio may have taxation implications for a Participating Shareholder. The taxation implications of investing in a Segregated Portfolio may depend on the particular circumstances of each Participating Shareholder. You are strongly urged to seek independent advice referable to your own circumstances before making any investment decision.

Valuation of the Investments of a Segregated Portfolio

Valuation of a Segregated Portfolio's securities and other investments may involve uncertainties and judgemental determination, and if such valuations should prove to be incorrect, the Net Asset Value per Participating Share could be adversely affected. Independent pricing information may not at times be available regarding certain of a Segregated Portfolio's securities and other investments. Valuation determinations will be made in good faith in accordance with the Articles. The assets of a Segregated Portfolio are generally valued based on quotes provided by exchanges, brokers and other third party sources. However, these values may not reflect the actual prices which would be realised upon a sale of a particular asset. In addition, a Segregated Portfolio may hold loans or privately placed securities for which no public market exists. Valuation of assets undertaken or provided by a Segregated Portfolio will be conclusive and binding on all Participating Shareholders.

Prospective investors should be aware that the valuation or pricing of certain asset classes, particularly hard-to-price assets such as illiquid, unlisted and unquoted securities, may result in subjective prices being applied to the Administrator's calculations of the Net Asset Value of a Segregated Portfolio. This could materially affect the Net Asset Value of the Fund or the relevant Segregated Portfolio, the price of the Participating Shares at which the investors will deal and the fees paid by the investors, particularly if the Directors', the Managers' or their third party valuation agents' judgments regarding appropriate valuations or pricing should prove incorrect.

To the extent that the value assigned by the Fund to any such investment differs from the actual value, the Net Asset Value per Participating Share may be understated or overstated, as the case may be. In light of the foregoing, there is a risk that a Participating Shareholder who redeems all or part of its Participating Shares while the Fund holds such investments for a Segregated Portfolio will be paid an amount less than it would otherwise be paid if the actual value of such investments is higher than the value designated by the Fund. Similarly, there is a risk that such Participating Shareholder might, in effect, be overpaid if the actual value of such investments is lower than the value designated by the Fund. In addition, there is risk that an investment in a Segregated Portfolio by a new Participating Shareholder (or an additional investment by an existing Participating Shareholder) could dilute the value of such investments for the other Participating Shareholders if the actual value of such investments is higher than the value designated by the Fund. Further, there is risk that a new Participating Shareholder (or an existing Participating Shareholder that makes an additional investment) could pay more than it might otherwise if the actual value of such investments is lower than the value designated by the Fund. The Fund does not intend to adjust the Net Asset Value per Share retroactively.

None of the Directors, the Fund, the Managers or the Administrator shall have any liability in the event that any price or valuation, used in good faith in connection with the above procedures, proves to be an incorrect or an inaccurate estimate or determination of the price or value of any part of the property of the Fund or a Segregated Portfolio.

Consequences for investors as a result of AEOI

The Fund may take such action as it considers necessary in relation to an investor's holding or redemption proceeds, as a result of relevant legislation and regulations, including but not

limited to, AEOI, as further detailed in the section of this memorandum headed "Taxation". Such actions may include, but are not limited to the following:

1. The disclosure by the Fund, the Administrator or such other service provider or delegate of the Fund, of certain information relating to an investor to the Cayman TIA or equivalent authority and any other foreign government body as required by AEOI. Such information may include, without limitation, confidential information such as financial information concerning an investor's investment in the Fund, and any information relating to any shareholders, principals, partners, beneficial owners (direct or indirect) or controlling persons (direct or indirect) of such investor.
2. The Fund may compulsorily redeem any Participating Shares held by an investor in accordance with the terms of this Memorandum and may deduct relevant amounts from a recalcitrant investor so that any withholding tax payable by the Fund or any related costs, debts, expenses, obligations or liabilities (whether internal or external to the Fund) are recovered from such investor(s) whose action or inaction (directly or indirectly) gave rise or contributed to such taxes, costs or liabilities. Failure by an investor to assist the Fund in meeting its obligations pursuant to AEOI may therefore result in pecuniary loss to such investor.

Handling of mail

Mail addressed to the Fund and received at its registered office will be forwarded unopened to the forwarding address supplied by the Fund or the Managers to be dealt with. None of the Fund, its Directors, officers, advisers or service providers (including the organisation which provides registered office services in the Cayman Islands) will bear any responsibility for any delay howsoever caused in mail reaching the forwarding address. In particular, the Directors will only receive, open or deal directly with mail which is addressed to them personally (as opposed to mail which is addressed just to the Fund).

Cybersecurity

The Managers' information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by its professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although each Manager has implemented various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, the Managers and/or the Fund may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the Managers' and/or the Fund's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to Participating Shareholders (and the beneficial owners of Participating Shareholders). Such a failure could harm the Managers' and/or the Fund's reputation, subject any such entity and their respective affiliates to legal claims and otherwise affect their business and financial performance.

The foregoing list of risk factors does not purport to be a complete explanation of the risks involved in an investment in the Fund or each of its Segregated Portfolios. Prospective investors should read this entire memorandum and consult with their own legal, tax and financial advisers before deciding to invest. No assurance can be made that profits will be achieved or that substantial losses will not be incurred.

6. SUBSCRIPTION AND REDEMPTION OF PARTICIPATING SHARES

Subscription for Participating Shares

Participating Shares of each Segregated Portfolio will be offered to Eligible Investors on the terms described in this memorandum together with the relevant supplement(s). The Directors may establish from time to time new Segregated Portfolios and/or issue a class or classes and series of Participating Shares in relation thereto.

Participating Shares will not be issued to, and may not be transferred to, any person who is not an Eligible Investor, unless the Directors, in their sole discretion, where it does not contravene any applicable laws and/or regulations, determine otherwise. Additionally, Participating Shares will not be issued or transferred to any person in circumstances which in the option of the Directors, would or may cause an undue risk of adverse tax, regulatory or other consequence to the Fund or its Segregated Portfolios.

The Directors will have the right to determine to issue Participating Shares in a Segregated Portfolio from time to time within the scope of the authorised share capital.

The Managers have been delegated the authority by the Directors to decide unanimously whether to accept or reject any subscription application (whether in whole or in part), to extend any offer period and/or to extend or waive the subscription deadline for receipt of any subscription agreements and/or subscription monies.

The Participating Shares in a Segregated Portfolio are available for issue at the initial issue price for each Segregated Portfolio as set out in the relevant supplement. Thereafter, the Participating Shares in a Segregated Portfolio are available for issue at the Net Asset Value per Participating Share as at the Valuation Point on the Business Day immediately prior to the relevant Subscription Day. Fractional Participating Shares may be issued and will be rounded down to the nearest 2 decimal places. Any smaller fraction of a Participating Share that would otherwise arise will be rounded down, with the relevant subscription monies being retained for the benefit of the Segregated Portfolio.

Applicants for the Participating Shares in a Segregated Portfolio must send their properly completed irrevocable subscription forms (together with any required additional documentation) by fax or email (with the original to follow promptly by mail) to the Managers and Administrator by 5:00 p.m. (Hong Kong time) at least three (3) Business Days before the last Business Day of the initial offer period or the relevant Subscription Day, unless otherwise provided in the relevant supplement of a Segregated Portfolio. None of the Directors, the Managers or the Administrator accept responsibility for any loss arising from the illegibility of, non-receipt by either the Managers or Administrator acting in good faith on, any subscription form sent.

Unless otherwise provided in the relevant supplement of a Segregated Portfolio, cleared funds should also be received by 5:00 p.m. on the last Business Day of the initial offer period or the Business Day before the relevant Subscription Day (as the case may be) in the Fund's bank account in respect of the relevant Segregated Portfolio, details as set out in the relevant subscription agreement. All subscription monies must originate from an account held in the name of the prospective Participating Shareholder. No third party payment will be permitted.

Unless otherwise provided in the relevant supplement of a Segregated Portfolio, the Directors may, in consultation with the Managers, accept subscriptions for Participating Shares against contribution in kind of securities or other assets. Any non-cash contribution will be valued by the valuation principles applied in the section, Determination of Net Asset Value, in this

memorandum. Any costs relating to a subscription through a contribution in kind shall be borne by the relevant Participating Shareholder.

If the above conditions are not satisfied, then the application may be held over until the next Subscription Day following satisfaction of these conditions, unless otherwise approved by Directors at least one Business Day before the applicable Subscription Day.

Subscription confirmations (contract notes) will normally be sent to the applicants within fifteen (15) days after the initial offer period or the relevant Subscription Day setting out details of relevant subscription amounts, provided that the original duly completed and signed subscription agreement and all required documentation are received by the Administrator. If the applicant does not receive a confirmation, it is his responsibility to contact the Administrator or either Manager to ascertain the status of his subscription form. An applicant cannot assume that the Fund has accepted the subscription until he receives a subscription confirmation from the Administrator.

The Fund or the Managers reserve the right to reject any application in whole or in part, in which event the unused subscription monies will be returned to the applicant, without interest and at the risk and cost of the applicant. The Participating Shares in a Segregated Portfolio will not be available for subscription during any period that the calculation of the Net Asset Value of the relevant Segregated Portfolio has been suspended. The Directors reserve the right to close the Fund or a Segregated Portfolio to new subscriptions (for all or just new investors) at any time.

As part of the Fund's and the Administrator's responsibility for the prevention of money laundering and anti-terrorism initiatives, they may require a detailed verification of the applicant's identity and the source of payment for the Participating Shares. In the event of an application for the Participating Shares in a Segregated Portfolio where its subscription monies is wired from a joint bank account of the applicant, the Fund and the Administrator may also require a detailed identification and verification of for both bank account holders and an authorisation letter that outlines both account holders agreeing on such subscription monies transfer from their joint bank account. This joint bank account application would only be applicable to applicants with a spouse or with minors. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Fund or the Administrator may refuse to accept the application and all subscription monies relating thereto. None of the Fund, the Managers and the Administrator will be liable for any loss suffered by an applicant arising as a result of any such delay or failure.

By subscribing for Participating Shares, an applicant consents to the disclosure of any information provided by the subscriber to government agencies, regulatory bodies and other relevant persons in connection with anti-money laundering requirements and similar matters. Such disclosure may be made by the Fund, the Managers or the Administrator.

Each applicant will be required to make such representations as may be required by the Fund in connection with its anti-money laundering programmes. Such representations will include representations that the applicant is not a prohibited country, territory, individual or entity listed on the United States Department of Treasury's Office of Foreign Assets Control ("**OFAC**") website and that it is not directly or indirectly affiliated with any country, territory, individual or entity named on an OFAC list or prohibited by any OFAC sanctions programmes. Each applicant will also be required to represent that subscription monies are not directly or indirectly derived from activities that may contravene relevant laws and regulations, including anti-money laundering laws and regulations. If, as a result of any information or other matter which comes to his or her attention during the course of his or her business, trade, profession or employment, any person resident in the Cayman Islands (including the Fund) knows or suspects that a payment to the Fund (by way of subscription or otherwise) constitutes or is derived from the

proceeds of crime, such person is required to report such knowledge or suspicion pursuant to the Proceeds of Crime Act (as amended) of the Cayman Islands. Such a report shall not be treated as a breach of any restriction upon the disclosure of information imposed by law or otherwise.

Participating Shares and subscription confirmations will not be issued until the original subscription form, other relevant due diligence documents and subscription monies have been received.

No share certificates will be issued unless the Directors determine otherwise. All Participating Shares will be issued in registered form, meaning that a Participating Shareholder's entitlement will be evidenced by an entry in the register of members of the Fund and not by a share certificate.

Redemption of Participating Shares

Subject to provisions of the Articles and any Lock-up Period as set out in the relevant supplement, and unless otherwise determined by the Directors, a Participating Shareholder in a Segregated Portfolio shall have the right to request for redemption of its Participating Shares in a Segregated Portfolio from the issuance date of the relevant Participating Shares, by giving a completed redemption request form to the Administrator of no less than 15 Business Days (or any shorter or longer period provided in the relevant supplement) prior to each Redemption Day or such other deadline as the Directors may determine in their absolute discretion from time to time ("**Redemption Deadline**").

Participating Shareholders in a Segregated Portfolio may obtain a redemption request form from either Manager or Administrator and complete such form by stating the number of the Participating Shares in a Segregated Portfolio or class of a Segregated Portfolio to be redeemed or the redemption amount in the base currency of the relevant Segregated Portfolio and giving payment instructions for the payment of redemption proceeds. The form should be delivered to the Managers and Administrator, unless otherwise provided in the relevant supplement of a Segregated Portfolio. Participating Shares of the relevant Class in a Segregated Portfolio will be redeemed on a "first issued, first redeemed" basis.

Redemption request forms must be duly completed and executed and may be sent by mail, fax or email on or before the Redemption Deadline, but no redemption proceeds will be paid until the Administrator has received the signed original redemption request form together with all the information as required by the Administrator. None of the Managers and the Administrator accept any responsibility for any loss caused as a result of the non-receipt of any redemption request form sent.

All redemption requests must be received by the Administrator on or before the Redemption Deadline prior to the relevant Redemption Day and any redemption request received after the Redemption Deadline will be rejected unless otherwise approved by the Directors at least one Business Day before the applicable Redemption Day. If redemption requests are rejected, the affected Participating Shareholders will be informed. Redemption requests are irrevocable unless the Directors otherwise determine in their sole and absolute discretion.

The Fund may accept a redemption request after the Redemption Deadline but prior to the relevant Redemption Day on which the redemption is to be effected.

In relation to the total redemption requests which can be processed on each Redemption Day, the Fund, in consultation with the Managers, has the right to restrict the total amount of the Participating Shares in a Segregated Portfolio redeemed on each Redemption Day (the

“Redemption Gate”). Details of any Redemption Gate will be provided in the supplement of the relevant Segregated Portfolio.

The redemption price of the Participating Shares in a Segregated Portfolio shall be the Net Asset Value of such Participating Shares (less payment of any fiscal charges, fees or reserves as applicable including without limitation, any accrued Management Fee and any accrued Performance Fee with respect to such redeemed Participating Shares) as at the Valuation Point immediately preceding the relevant Redemption Day. Please refer to the relevant supplement for applicable fees.

Unless otherwise approved by the Directors, redemption proceeds should be paid to the relevant Participating Shareholder’s bank account which should be the account where the subscription monies originated from. Redemption proceeds will be paid in the base currency of the relevant Segregated Portfolio. With the prior unanimous consent of the Managers, arrangements can be made for redemption proceeds to be paid in any major currency. The Participating Shareholder will bear the costs of any currency conversion (at a rate considered by the Managers to be appropriate) and other administrative expenses, which will be deducted from the redemption proceeds. Unless otherwise provided in this memorandum or the Articles and subject to the applicable law, redemption proceeds will generally be paid directly to the redeeming Participating Shareholder’s bank account within thirty (30) calendar days from the Redemption Day or the later of: (1) the day on which the Managers and Administrator receive the original duly completed and signed redemption request original form and such other information and documentation as may be required, and (2) the day on which the finalisation of the Redemption Price for the relevant Redemption Day is available. Payment of redemption proceeds may be withheld or delayed if the Managers and Administrator have not received the required documentation requested in connection with any applicable anti-money laundering requirement or similar matters or if the realisation of a substantial portion of investments is subject to legal or regulatory requirements (such as foreign currency control) rendering the payment of redemption money within the aforesaid time period is not practicable. None of the Directors, the Managers and the Administrator will be liable for any loss arising as a result of any delay in payment of any redemption proceeds in the light of above situations. No redemption proceeds will be paid to third parties. No interest will be paid to the Shareholder in respect of redemption proceeds.

Subject to the conditions set out in the supplement of the relevant Segregated Portfolio, no Participating Shares shall be redeemed during (i) any Lockup Period; or (ii) when the calculation of the Net Asset Value of the relevant Segregated Portfolio is suspended. Please refer to the section headed “Valuation” below for details on suspension of redemption, subscription and the determination of Net Asset Value.

The Directors have the right to pay the redeeming Participating Shareholder the redemption amount in the form of securities or other assets being held by the Segregated Portfolio under the relevant redemption request instead of cash in case the Directors regard there is difficulty for the relevant Segregated Portfolio to liquidate its assets to make the redemption payment in the form of cash.

If any redemption will result in a Participating Shareholder’s holding of the Participating Shares in a Segregated Portfolio lower than the Minimum Holding Amount, then the Fund will have the right to (i) compulsorily redeem all Participating Shares in such Segregated Portfolio held by that Participating Shareholder; or (ii) reject the redemption request.

The Directors may waive notice or redemption fee requirements of or any restriction on redemption as specified in this memorandum or the relevant supplement, or permit redemptions under such other circumstances and on such conditions as they, in their sole and absolute discretion, deem appropriate. The Directors have the absolute discretion to reject the

redemption request, including but not limited to, where a redeeming Participating Shareholder fails to provide any evidence or confirmation of identity, signature or such other information relating to the redemption on request, and if the assets in the relevant Segregated Portfolio cannot be liquidated and the redemption amount cannot be paid in the form of securities due to any transfer restrictions or other reasons.

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 the accounting standards of the Fund or the relevant Segregated Portfolio) which could reduce the amount of a distribution upon redemption. The Fund will not pay any interest on such reserves or holdbacks.

From the relevant Redemption Day, a redeeming Shareholder will be treated as a creditor for the redemption proceeds of the Participating Shares being redeemed (rather than a Shareholder). After the relevant Redemption Day, the redeeming Shareholder will have no rights as a Shareholder in respect of the Participating Shares being redeemed save for the right to receive the redemption proceeds and any dividend (if any) which has been declared in respect of the relevant Participating Shares prior to the relevant Redemption Day. The right of the redeeming Shareholder to receive the redemption proceeds and any such dividends (if any) shall rank ahead of the rights of remaining Shareholders in the distribution of the surplus assets of the Fund on its liquidation.

Transfer of Shares

Except as provided in this memorandum and Articles or approved by the Directors in writing, and subject to the applicable laws and/or regulations, no Participating Shareholder may transfer, create any encumbrance over or otherwise dispose of, any of his Participating Shares in a Segregated Portfolio. Consent will not be given if, as a consequence of such transfer, the Participating Shares retained by the transferring Participating Shareholder or registered in the name of the transferee Participating Shareholder would be less than the Minimum Holding Amount of the relevant Segregated Portfolio. In the case of the death of a joint holder, the survivor will be the only person recognised by the Fund as having any title to a Participating Share. The transfer of Participating Shares to a person who is not an Eligible Investor is prohibited.

Subject as aforesaid, Participating Shares are transferable by written instrument in the form as the Directors may from time to time approve, and signed by the transferor and the transferee in respect of the transferred Participating Shareholder. Such duly executed transfer form should be sent to the Administrator together with any evidence as the Directors may require to show the right of the transferring Participating Shareholder to make the transfer. Participating Shareholders wishing to transfer Participating Shares must complete and sign the transfer form in the exact name or names in which the Participating Shares are registered, indicating any special capacity in which they are signing. If the transferee is not already a Shareholder, it will be required to comply with all eligibility and identification requirements for an applicant for Participating Shares.

Transfers will not be effective until the transferee is registered in the Register of Participating Shareholders of the Fund.

The Directors may in their absolute discretion decline to register any transfer of Participating Shares without giving any reason therefor.

Compulsory Redemption

The Fund shall have the right to compulsorily redeem any or all Participating Shares of a Participating Shareholder in a Segregated Portfolio on any day designated by the Directors by giving prior written notice to such Shareholders. In particular, the Fund may redeem the Participating Shares held by a Shareholder upon occurrence of any of the events as follows:

- (a) If, in the reasonable opinion of the Directors, the shareholding of the Participating Shares in a Segregated Portfolio by any Participating Shareholder will cause a breach of any applicable law or requirement in any jurisdiction, or may (i) prejudice the tax status or residence of the Fund or any Segregated Portfolio or any of its Shareholders; or (ii) cause the Fund or any Segregated Portfolio or any of its Shareholders to suffer any pecuniary, fiscal or regulatory disadvantage; or (iii) cause the Fund or any Segregated Portfolio to be required to comply with any registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply; or (iv) cause the assets of the Fund or any Segregated Portfolio to become "plan assets" for the purposes of US Employee Retirement Income Securities Act of 1974, as amended ("**ERISA**"); or (v) cause the requirement to register the Fund or any Segregated Portfolio as an Investment Company under the Investment Company Act of 1940; or (vi) result in such other adverse effects to the Fund, any Segregated Portfolio, the Managers or other Shareholders.
- (b) If a Participating Shareholder fails to provide the Fund with any information the Fund requests, and, in the opinion of the Directors or the Managers, holding of Participating Shares by such person (whether directly or beneficially) will result in the Fund or any Segregated Portfolio incurring any liability to taxation or suffering a pecuniary disadvantage which the Fund or the Segregated Portfolio might not otherwise have incurred or suffered, or the Fund or any Segregated Portfolio being exposed to any liability, penalty or regulatory action, then the Directors or the Managers, may exercise its right to request a transfer of Participating Shares to another person or to compulsorily redeem the Participating Shares held by such Participating Shareholder. Any such transfer or compulsory redemption will be done in accordance with applicable laws and regulations, and the discretion to do so will be exercised by the Directors or the Managers acting in good faith and on reasonable grounds;
- (c) The Participating Shareholder is no longer an Eligible Investor as notified by the Participating Shareholders (Participating Shareholders are required to notify the Fund and either the Managers or Administrator if they cease to be Eligible Investors); or
- (d) The Net Asset Value of the Participating Shares held by that Participating Shareholder is lower than the relevant Minimum Holding Amount (set out in the supplement of the relevant Segregated Portfolio and/or Articles).

The Fund may also at any time compulsorily redeem any or all Participating Shares of a Participating Shareholder for any reason or no reason.

The Participating Shares will be compulsorily redeemed at the Net Asset Value of the Participating Shares on the date of compulsory redemption.

If certain fees, payment, withholding or deduction is payable by the Fund as a result of such compulsory redemption, the Fund may redeem a portion of such Participating Shareholder's Participating Shares in order to pay such amount. In such circumstances, the redemption proceeds may be paid directly by the Fund to the relevant third party and not paid to the Participating Shareholder.

Switching and Reinvestment of Shares

If provided for in the relevant supplement, Participating Shareholders of Segregated Portfolio(s) have the right, following the expiry of any applicable Lockup Period (unless such lock-up is waived by the Directors) and subject always to the Directors' approval, to switch all or part of their Participating Shares of a Class (the "**Initial Class**") into Participating Shares of another Class in the same Segregated Portfolio or into Shares of another Segregated Portfolio (the "**Switching Subsequent Class**") by submitting a completed notice for switching in the prescribed form (a "**Switching Notice**") to the Administrator by no later than such Redemption Deadline of the Initial Class. Any switching request received after such Redemption Deadline will be held over and dealt with on the next Redemption Day of the Initial Class unless otherwise determined by the Directors and/or provided for in the relevant supplement.

If provided for in the relevant supplement, Participating Shareholders of Segregated Portfolio(s) have the right, following the expiry of any applicable Lockup Period (unless such lock-up is waived by the Directors) and subject always to the Directors' approval, to reinvest all or part of the proceeds from the Redemption of their Initial Class into Participating Shares of a new series of the same Class in the same Segregated Portfolio (the "**Reinvestment Subsequent Class**", together with Switching Subsequent Class, the "**Subsequent Class**") by submitting a completed notice for reinvesting in the prescribed form (a "**Reinvestment Notice**") to the Administrator by no later than such Redemption Deadline of the Initial Class. Any reinvestment request received after such Redemption Deadline will be held over and dealt with on the next Redemption Day of the Initial Class unless otherwise determined by the Directors and/or provided for in the relevant supplement.

Unless otherwise specified in the relevant Switching Notice or the Reinvestment Notice, Switching Notices and Reinvestment Notices must be in writing sent by post, facsimile or e-mail. Investors should note that none of the Fund, the relevant Segregated Portfolio, the Managers, the Administrator or their respective agents and/or delegates accept any responsibility for any loss caused as a result of non-receipt or illegibility of any Switching Notice or Reinvestment Notice sent by facsimile or e-mail or otherwise or for any loss caused in respect of any action taken as a consequence of such facsimile or e-mail instructions believed in good faith to have originated from properly authorised persons, or for any loss caused as a result of such Switching Notice or such Reinvestment Notice being considered improperly or inadequately completed. This is notwithstanding the fact that a facsimile or e-mail transmission report produced by the originator of such transmission discloses that such transmission was sent.

To effect a switching or reinvestment of Participating Shares, Participating Shares in the Initial Class will be redeemed at the prevailing Redemption Price per Share of the Initial Class as at the relevant Redemption Day on which the Participating Shares are to be switched or redeemed for reinvestment and Participating Shares in the Subsequent Class will be issued to the Shareholders at the applicable Subscription Price per Share of the Subsequent Class.

The switching of Shares or the Shares redeemed for reinvestment shall be determined in accordance with the following formula:

$$N = \frac{E \times R \times F}{S}$$

Where:

N is the number of Shares of the Subsequent Class to be issued.

E is the number of Shares of the Initial Class to be switched or redeemed for reinvestment pursuant to the Switching Notice or the Reinvestment Notice (if applicable).

R is the Redemption Price per Share of the Initial Class on the Redemption Day on which the switching or the redemption for reinvestment is to take effect.

F is the currency conversion factor determined by the Directors in their sole and absolute discretion as representing the effective rate of exchange between the Class Currency of Shares of the Initial Class and the Class Currency of Shares of the Subsequent Class.

S is the Subscription Price per Share of the Subsequent Class on the Subscription Day of the Subsequent Class coincident with or next following the Redemption Day of the Initial Class on which redemption is to take effect plus such amount if any as the Directors may determine to add thereto by way of switching charge (as described below).

Unless otherwise provided in the relevant supplement, no redemption or subscription fees will be applied to the redemption or subscription of Shares for switching or reinvestment purposes. The Directors have the power to levy a switching charge or a reinvestment charge in respect of the Shares of the Subsequent Class to be issued upon a switch or a reinvestment, in either case the number of Shares of the Subsequent Class to be issued may be reduced to take into account such switching charge or reinvestment charge. The switching charge or reinvestment charge (if any) as more particularly described in the relevant supplement shall be payable to and retained for the benefit of the relevant Segregated Portfolio(s) or the Managers as the case may be. The Directors have discretion to waive such switching charges or reinvestment charges in whole or in part, whether generally or in a particular case.

Partial switching or partial reinvestment must not result in the balance holding of the applicant in the Initial Class being less than the Minimum Holding Amount of the Participating Shares of the Initial Class as may from time to time be specified (either generally or in any particular case or cases) by the Directors. If as a result of partial switching or partial reinvestment, the applicant would hold Participating Shares in the Initial Class of less than the prescribed Minimum Holding Amount, the switching request or the reinvestment request will be deemed to be in respect of the applicant's entire holding in the Initial Class (unless the Directors otherwise determines generally or in any particular case). No switching or reinvestment will be permitted if as a result of a switching request or a reinvestment request, the applicant will be issued Participating Shares in the Subsequent Class with an aggregate value of less than the Minimum Initial Subscription Amount (where the applicant does not hold any Participating Shares in the Subsequent Class at the time of switching or reinvestment) or the Minimum Subsequent Subscription Amount (where the applicant holds Shares in the Subsequent Class at the time of switching or reinvestment) of the Subsequent Class.

Switching and reinvestment of Shares will be suspended during any period when the calculation of the Net Asset Value of the relevant Segregated Portfolio and/or the switching or reinvestment of Shares of the relevant Segregated Portfolio is suspended in the situations specified in this Memorandum or the relevant Supplement (if applicable). For details, please see the section 7 (Valuation). Applicant shall not without the consent of the Directors be entitled to withdraw a Switching Notice or a Reinvestment Notice except in the event of a suspension.

7. VALUATION

Determination of Net Asset Value

The Administrator designated in the relevant Segregated Portfolio will calculate the Net Asset Value of a Segregated Portfolio, each class of a Segregated Portfolio, and the Net Asset Value per Participating Share in a Segregated Portfolio at each Valuation Point on each Valuation Day (as set out in the supplement in respect of the relevant Segregated Portfolio) or at any other time the Directors determine, in accordance with the provisions of the Articles. The Net Asset Value calculated shall be rounded down to the nearest 2 decimal places.

The Directors may delegate to one or more professional administrators the determination of the Net Asset Value of a Segregated Portfolio, and the Net Asset Value per Participating Share of each class in a Segregated Portfolio, subject to the overall supervision and direction of the Directors. Unless the relevant supplement of a Segregated Portfolio provides otherwise, in determining the Net Asset Value of a Segregated Portfolio and the Net Asset Value per Participating Share of each class in a Segregated Portfolio, the Administrator or sub-administrator of the relevant Segregated Portfolio (if any) will follow the valuation policies and procedures adopted by the Fund set out below.

The following valuation policies will apply as at the Valuation Point for a Segregated Portfolio:

- (a) The assets of a Segregated Portfolio are deemed to include, without limitation: (i) all cash on hand or on deposit, including any interest accrued thereon; (ii) all bills and demand notes and accounts receivable (including proceeds of investments and other assets sold but not delivered); (iii) all investments and other assets owned or contracted for by the Segregated Portfolio; (iv) the Segregated Portfolio's interest in any funds; (v) all dividends and distributions payable in stock, cash or other property receivable by the Segregated Portfolio, provided that the Fund may make adjustments with respect to fluctuations in the market value of investments caused by trading ex-dividend or ex-rights or by similar practices; (vi) all interest accrued on any interest-bearing instruments owned by the Segregated Portfolio, except to the extent that the same is included or reflected in the valuation of such instruments; and (vii) all other assets of every kind and nature, including prepaid expenses (it being understood that goodwill of the Segregated Portfolio will be deemed to have no value).
- (b) The liabilities of a Segregated Portfolio are deemed to include, without limitation: (i) all loans, bills and accounts payable; (ii) all accrued or payable expenses and fees chargeable to the Segregated Portfolio (provided that expenses of a regular or recurring nature may be calculated on an estimated figure for yearly or other periods in advance and accrued over any such period) and accrued fees payable to the Managers (including the Performance Fee (if any)); (iii) gross acquisition cost of investments and other property contracted to be purchased; (iv) such sum, if any, as the Directors consider appropriate to allow for brokerage, stamp duty and any other governmental tax or charges; (v) dividends declared on shares of any class or series, but not yet paid; and (vi) all other liabilities, including unknown or unfixed contingencies, preliminary expenses incurred in or about the formation and establishment of the Fund and the relevant Segregated Portfolio (apportioned in accordance with the relevant Articles) and any reserves the Directors reasonably deem advisable. If any liability is not payable until some future time after the Segregated Portfolio's Valuation Day, the Directors may make any allowance considered appropriate to reflect the true current value thereof.

Valuation of Investments

The Net Asset Value of a Segregated Portfolio will be calculated at such time as set out in the supplement of the relevant Segregated Portfolio or at such other times as the Directors consider appropriate. The investors will receive monthly statements from the Managers showing the Net Asset Value of their Shares in the relevant Segregated Portfolio.

The Net Asset Value of a Segregated Portfolio will be calculated, in base currency, by the Administrator, as of each Valuation Day on the basis of valuation guidelines adopted by the Directors.

For the purposes of calculating the Net Asset Value, assets of the Segregated Portfolio will be valued in accordance with the following principles:

- (a) any security which is listed or quoted on any securities exchange or similar electronic system and regularly traded thereon will be valued at its closing price as at the Valuation on the relevant Valuation Day. Where prices are available on more than one exchange or system for a particular security the price will be the closing price, as the case may be, on the exchange which constitutes the main market for such security or the one which the Directors determine provides the fairest criteria in ascribing a value to such security;
- (b) any security not listed or quoted on any securities exchange or similar electronic system or if, being so listed or quoted, is not regularly traded thereon or in respect of which no prices as described above are available, will be valued at its probable realisation value as determined by the Managers and/or the Directors in good faith having regard to its cost price, the price at which any recent transaction in the security may have been effected, the size of the holding having regard to the total amount of such security in issue, and such other factors as the Managers and/or the Directors deem relevant in considering a positive or negative adjustment to the valuation;
- (c) investments, other than securities, which are dealt in or traded through a clearing house or exchange or through a financial institution will be valued as at the Valuation Point by reference to the most recent official settlement price quoted by that clearing house, exchange or financial institution. If there is no such price, then the average will be taken between the lowest offer price and the highest bid price as at the Valuation Point on any market on which such investments are or can be dealt in or traded, provided that where such investments are dealt in or traded on more than one market, the Directors may determine which market shall prevail;
- (d) investments, other than securities, including over-the-counter derivative contracts, which are not dealt in or traded through a clearing firm or an exchange or through a financial institution will be valued by reference to the valuation obtained from an independent pricing source, but where no such valuation is available for a particular investment, the investment will be valued by comparing the latest available valuation provided by the relevant counterparty against the valuation provided by such other counterparties as the Directors deem appropriate. In the event that the valuations provided respectively by the relevant counterparty and the other counterparties differ to an extent that the Directors consider to be material, the investment shall be valued on the basis of the average of all of the valuations but otherwise will be valued on the basis of the valuation provided by the relevant counterparty;
- (e) deposits will be valued at their cost plus accrued interest;
- (f) shares, units, limited partner interests, limited liability company interests and other interests in investment vehicles are generally valued at the net asset value supplied by the Managers of those investment vehicle or their appointed administrators, less any

applicable redemption or withdrawal charges customarily imposed by such investment vehicles;

- (g) all other investments will be valued by the Directors, in consultation with the Managers, or in a manner approved for the purpose by the Directors, at a valuation based on third-party transactions in the same or in similar investments or at fair market value, taking into consideration the fair value of the investments, the quoted prices of investments of comparable publicly traded companies, market conditions, the underlying collateral, financial data and projections of the issuer of any relevant securities, and such other factors as the Directors may deem relevant;
- (h) liabilities shall be deemed to include all liabilities (including such amount as the Directors determine should be provided in respect of taxation and any contingent liabilities of whatsoever kind and nature) in determining the amount of such liabilities the Directors may calculate any liabilities on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any such period; and
- (i) any value other than in base currency shall be translated at any officially set exchange rate or appropriate spot market rate at the Valuation Point on the Valuation Day as the Directors deem appropriate in the circumstances having regard, inter alia, to any premium or discount which may be relevant and to costs of exchange.

For the purpose of determining the value to be ascribed to any assets of the Fund used for an in-kind redemption, the value ascribed to such assets shall be the value of such assets on the relevant Redemption Day. The risk of a decline in the value of such assets in the period from the relevant Redemption Day to the date upon which such assets are distributed to the redeeming Participating Shareholder, and the risk of any loss or delay in liquidating such securities, will be borne by the redeeming Participating Shareholder.

If the Directors consider that any of the above bases of valuation are inappropriate in any particular case or generally, they may adopt such other valuation or valuation procedure as they consider that such valuation better reflects the fair value generally or in particular markets or market conditions in the circumstances. The Directors may delegate to the Administrator and/or the Managers any of its discretions under the valuation guidelines.

The financial statements of the Fund or the Segregated Portfolios will be prepared in accordance with IFRS. To the extent that the valuation policies described above deviate from IFRS, the Directors may make necessary adjustments in the annual financial statements in order to comply with IFRS. If relevant, a reconciliation note may be included in the annual financial statements to reconcile values shown in the annual financial statements determined under IFRS to those arrived at by applying the valuation policies described above.

The valuation policies, procedures and process will be periodically reviewed (at least annually) by a competent and functionally-independent party such as a qualified independent third party or a person performing an independent audit function.

For the purposes of preparing any valuation the Directors shall be entitled to obtain, at the expense of the Fund (or a Segregated Portfolio, as applicable), and to rely on, such independent professional advice as they consider appropriate. In no event and under no circumstances will the Directors, the Administrator or sub-administrator or the Managers incur any individual liability or responsibility for any determination made, advice given or other action taken or omitted by them in good faith with respect to the determination of the value of the assets of the Segregated Portfolio and/or the Fund, or the Net Asset Value of the Participating Shares or of the Segregated Portfolio, as the case may be.

Suspension of Redemption, Subscription and the Determination of Net Asset Value

The Directors may suspend (a) the determination of Net Asset Value of a Segregated Portfolio and/or (b) the subscription for Participating Shares and/or (c) the redemption of Participating Shares at the option of the Participating Shareholder (either in whole or in part) and/or (d) the payment of redemption proceeds to a redeeming Participating Shareholder, in each case for the whole or any part of any period and in such circumstances as the Directors may determine including (but not limited to):

- (a) any securities market on which any substantial portion of the assets of the relevant Segregated Portfolio are quoted, listed or dealt in is closed (other than customary weekend and holiday closing) or trading on any such securities market is restricted or suspended;
- (b) circumstances exist as a result of which, in the opinion of the Directors, it is not reasonably practicable to determine the value of the relevant Segregated Portfolio's assets or otherwise in the best interest of the Participating Shareholders;
- (c) during any period in which, in the opinion of the Directors, disposal of a substantial portion of the investments of the relevant Segregated Portfolio would not be reasonable or practical;
- (d) during any period in which the transfer of funds involved in the realisation or acquisition of a substantial portion of the investments of the relevant Segregated Portfolio cannot be effected at normal rates of exchange;
- (e) for any period during which the redemption of the Participating Shares would cause a breach or default under any covenant in any agreement entered into by the Fund in respect of the relevant Segregated Portfolio for borrowing or cash management purposes;
- (f) a breakdown occurs in any of the means normally employed by the Directors in ascertaining the value of a substantial portion of the assets of the relevant Segregated Portfolio;
- (g) when redemption proceeds cannot be lawfully paid by the Fund;
- (h) when the business operations of the Managers, the prime broker (if any) or the Administrator in respect of the Fund or any Segregated Portfolios are substantially interrupted, or closed due to terrorism, revolution, civil unrest, riot, cyber-attack, natural disasters or other events beyond the reasonable control of the relevant party;
- (i) when the proceeds of the sale or redemption of Participating Shares cannot be transmitted to or from the Fund's account;
- (j) after the passing of a resolution to wind-up the Fund; and/or
- (k) the existence of other circumstances that the Directors may determine at their sole discretion for the best interest of the Fund as a whole or the relevant Segregated Portfolio.

Any suspension of redemptions, switching, reinvestments, subscriptions or the determination of the Net Asset Value, as the case may be, shall take effect at such time as the Directors shall declare and, thereafter, subject to the discretion of the Directors to effect redemptions, switching, reinvestments or subscriptions that are not dependent upon the determination of the Net Asset Value, there shall be no redemptions, switching, reinvestments, subscriptions or

determination of Net Asset Value, as the case may be, until the Directors shall declare any such suspension to be at an end. The Directors shall declare an end to such suspension when the condition giving rise to the suspension ceases to exist.

All Participating Shareholders will be notified immediately by the Managers of any suspension of redemptions, switching, reinvestments, subscriptions or determination of Net Asset Value, or of any reinstatement following a suspension thereof and all reasonable steps will be taken to bring any suspension to an end as soon as possible.

8. FEES AND EXPENSES

The information below summarizes all fees and expenses paid directly by a Segregated Portfolio, before Participating Share prices are calculated. The fees and expense payable by a Segregated Portfolio may therefore indirectly reduce the value of your investment.

Management Fee

In consideration of the provision of general management and administrative services to a Segregated Portfolio, the Fund may pay the Managers a Management Fee in respect of a Segregated Portfolio as set out in the supplement of the relevant Segregated Portfolio.

Each Manager may, in its discretion, reduce, waive or rebate any Management Fees it is entitled to at any time, including in particular during any wind-down of the Fund's business.

Performance Fee

A Performance Fee may be payable to the Managers. The terms and details of the calculation of the Performance Fee will be set out separately in the supplement for each Segregated Portfolio.

A charge of Performance Fee may have been borne by a Participating Shareholder notwithstanding the Participating Shareholder concerned may have suffered a loss in investment in the Participating Shares. On the other hand, a Participating Shareholder may not be subject to any Performance Fee notwithstanding the Participating Shareholder concerned may have realised a gain in investment in the Participating Shares.

Administration and Custody Fee

In consideration of the provision of administrative and custody services to a Segregated Portfolio, the Administrator and Custodian will be entitled to receive fees from the Segregated Portfolio. Such fees are charged at rates agreed between the Fund on behalf of the relevant Segregated Portfolio and the Administrator and Custodian from time to time. They shall also be entitled to receive reimbursement from the Segregated Portfolio for all out-of-pocket expenses, including transaction charges, properly incurred by them wholly and exclusively in the performance of their duties in respect of the Segregated Portfolio.

Establishment Costs

Investors of the Fund will bear all costs and expenses associated with the establishment of the Fund and the relevant Segregated Portfolio, including expenses incurred in connection with formation of the Fund and the Segregated Portfolios, registration fees, all promotional costs (including travel expenses), professional fees and expenses in connection with the preparation of this memorandum and the agreements referred to herein, and any other expenses, directly or indirectly, related to the organisation of the Fund and Segregated Portfolios or the offering of the Participating Shares in a Segregated Portfolio. Unless otherwise provided in the supplement for a Segregated Portfolio, such costs and expenses will be amortised over a period of 12 months (or such other dates and time as the Directors may determine in their discretion) for each separate Segregated Portfolio.

The Fund has paid the expenses of establishing the Fund and the initial Segregated Portfolio, and offering and selling of the Participating Shares (including, without limitation, legal and accounting costs). The organisational expenses of the Fund and the initial Segregated Portfolio and initial offering costs of the Fund and the initial Segregated Portfolio were estimated to US\$100,000. Such expenses will be payable out of the proceeds of the initial issue of the

Participating Shares. These expenses will be amortised on a straight line basis for 12 months from the inception of the Fund unless the Directors decide that some other amortization method shall be applied. A redeeming Participating Shareholder may be charged its pro-rata share of any such expenses that remain unamortized at the time of redemption.

The Managers or their affiliates may advance the above expenses and will be reimbursed by the Fund and/or the Segregated Portfolio.

It should be noted that the above treatment of amortising the establishment costs may not be in accordance with IFRS, which requires preliminary expenses to be expensed as incurred. The Directors believe that the amortisation of establishment costs over a period of 12 months is more equitable to the initial Participating Shareholders than expensing the entire amounts as they are incurred and are of the opinion that the departure is unlikely to be material to the Fund's overall financial statements. To the extent that the establishment costs policy adopted by the Fund deviates from IFRS, the Directors may make necessary adjustments in the annual financial statements in order to comply with IFRS. If the Fund is dissolved within 12 months of its commencement, any unamortised expenses will be recognised.

Operating Expenses

Each Segregated Portfolio pays its own administration and operating expenses, and indirectly bears its proportionate share of the operating expenses of the Fund according to the Net Asset Value of each Segregated Portfolio or such other reasonable basis as the Directors may determine, after giving effect to any rebates or waivers (if applicable). Operating expenses include, but are not limited to, the costs and expenses:

- (a) in respect of all transactions carried out by it or on its behalf (including costs and expenses (including travel expenses) incurred by either Manager in sourcing and researching investment opportunities for a Segregated Portfolio; and
- (b) incurred for the administration of the Fund or a Segregated Portfolio (as applicable) including:
 - (i) any fees, commission, charges and expenses of bankers, brokers, custodians, depositories, outside counsel, legal advisers, auditors and accountants, consultants, any agent for service of process and other similar external advisors and other similar fees;
 - (ii) costs of analysis or due diligence of potential acquisitions or disposals of investments (including costs and expenses relating to investment and divestment opportunities identified and targeted for a Segregated Portfolio by either Manager and its affiliates, agents and advisers regardless whether such investments close);
 - (iii) fees and out-of-pocket expenses reasonably incurred by the Administrator, Custodian, Auditor and prime broker (as applicable) in the performance of their duties;
 - (iv) any interest arising out of, all permitted indebtedness and hedging activities by the Fund, including but not limited to borrowings from brokers of the Fund (if any);
 - (v) all other expenses incurred in connection with the investments of a Segregated Portfolio;

- (vi) all taxes and corporate fees payable to governments or agencies including transfer, capital and other taxes, duties and costs incurred in acquiring, holding selling or otherwise disposing of investments for a Segregated Portfolio;
- (vii) Directors' fees (if any) and expenses;
- (viii) all routine administrative expenses of the Fund or a Segregated Portfolio which in the reasonable opinion of the Fund and the Managers shall have been properly incurred in the administrative and investment activities of the Fund, including but not limited to, the costs of the preparation and distribution of reports to the Participating Shareholders (including the annual audit, financial reports and tax reports, annual reports, the preparation of any special or additional reports, reports or reviews necessary to address legal and/or regulatory requirements of particular jurisdictions), costs of the preparation of valuations and tax returns, the cost of maintaining accounts and other records, cash management expenses and other related legal expenses and accounting expenses;
- (ix) any related litigation or other extraordinary expenses and insurance and indemnity expenses;
- (x) the cost of meetings of the Fund or a Segregated Portfolio including reasonable travel and accommodation costs of Directors and officers of the Fund and/or the Managers;
- (xi) insurance costs of the Fund or a Segregated Portfolio (including, but not limited to, director and officer insurances);
- (xii) banking, brokerage, broken-deal, registration, qualification, finders, depository and similar fees or commissions;
- (xiii) any expenses incurred in connection with maintaining the good standing and the registration of the Fund, the principal office of the Fund, and the registered office in the Cayman Islands of the Fund;
- (xiv) the costs of any exit or dissolving, liquidating and winding up the Fund or a Segregated Portfolio; and
- (xv) all other establishment and organisational expenses.

The Fund is not liable to pay either Manager for any Overhead Expenses incurred by such Manager.

Soft dollars

Each Manager may select a brokerage firm in recognition of the value of various services or products, beyond transaction execution, that they provide to the Fund or such Manager. Selecting a brokerage firm in recognition of the provision of services or products other than transaction execution is known as paying for those services or products with "soft dollars". This is common in the professional management of securities portfolios. Each Manager may acquire services or products with the Fund's soft dollars. Because many services and products each Manager may receive from brokerage firms may benefit such Manager, such Manager's interests in allocating the Fund's securities transactional business may conflict with the Fund's.

Either Manager may or may not use other clients' "soft dollars" to pay for services and products the Fund pays for and, if it does, that use may not be in proportion to account size, transaction

volume, or uses of those services and products. Either Manager may use the Fund's soft dollars to buy products or services that benefit such Manager and/or other clients of such Manager.

9. TAX CONSIDERATIONS

YOU SHOULD CONSULT YOUR OWN TAX ADVISERS AND COUNSEL ABOUT THE POSSIBLE TAX CONSEQUENCES TO YOU OF AN INVESTMENT IN THE PARTICIPATING SHARES BECAUSE TAX CONSEQUENCES MAY DIFFER FOR DIFFERENT INVESTORS. THE COMMENTS BELOW DO NOT CONSTITUTE ANY TAX ADVICE.

Dividends, interest and capital gains (if any) which a Segregated Portfolio receives with respect to its investments may be subject to taxes, including withholding taxes, in the countries in which the issuers of investments are located.

In addition, investors should be aware that income or dividends received or profits realised may lead to an additional taxation in their country of citizenship, residence, domicile and/or incorporation. Investors should consult their financial or other professional advisers on the possible tax or other consequences of subscribing, holding, transferring, switching, redeeming or otherwise dealing in the Participating Shares under the laws of their countries of citizenship, residence, domicile and/or incorporation.

Furthermore, if the Fund or a Segregated Portfolio becomes liable to account for tax, in any jurisdiction, including any interest or penalties thereon if an event giving rise to a tax liability occurs, the Fund shall be entitled to deduct such amount from the payment arising on such event or to compulsorily redeem or cancel such number of Participating Shares held by the Participating Shareholder or the beneficial owner of the Participating Shares as to have a value sufficient after the deduction of any redemption charges to discharge any such liability. The relevant Participating Shareholder shall indemnify and keep the Fund and the relevant Segregated Portfolio indemnified against any loss arising to the Fund or the Segregated Portfolio by reason of the Fund or the Segregated Portfolio becoming liable to account for tax and any interest or penalties thereon on the happening of an event giving rise to a tax liability including if no such deduction, appropriation or cancellation has been made.

Certain Cayman Islands Tax Considerations

The Fund is not subject to any income, withholding or capital gains taxes in the Cayman Islands.

Shareholders will not be subject to any income, withholding or capital gains taxes in the Cayman Islands with respect to their Participating Shares and dividends received on those Participating Shares, nor will they be subject to any estate or inheritance taxes in the Cayman Islands. There are no exchange controls in the Cayman Islands.

Hong Kong Taxation

The Fund

Hong Kong Profits Tax is charged on profits from a trade, profession or business carried on in Hong Kong in respect of profits arising in or derived from Hong Kong from such trade, profession or business. Hong Kong does not levy tax on profits of a capital nature.

If the Fund is regarded as carrying on a business in Hong Kong, either by itself or through the activities of another person on its behalf in Hong Kong, the Fund would be liable to Profits Tax at the current rate of 16.5% on its Hong Kong sourced profits arising from the trade or business in Hong Kong unless the Fund qualifies for Profits Tax Exemption under Section 20 AC of the IRO.

The Fund will be exempt under Section 20AC of the IRO if:

- The Fund is a non-resident of Hong Kong;
- The Fund's profits are derived from specified transactions or incidental transactions; and
- The specified transactions have been carried out through or arranged by a specified person i.e. an authorized financial institution registered under the SFO or a corporation holding any licences issued by the SFC under Part V of the SFO or the fund is otherwise a qualifying fund.

The Fund will be regarded as non-resident if the central management and control of the Fund is exercised through the board of directors outside of Hong Kong. Specified transactions are broadly defined to include a transaction in securities, future contracts, foreign exchange contracts, deposits other than by way of money-lending business, foreign currencies and exchange-traded commodities and transactions in certain non-Hong Kong incorporated private companies. A fund may carry out transactions in Hong Kong which are not specified transactions but incidental to the carrying out of the specified transactions. According to the Department Interpretation and Practice Notes No. 43 (revised) issued by the Hong Kong tax authorities in May 2016, interest income earned from holding an investment is considered as an incidental transaction, and the holding of debentures, bonds or notes to earn interest income is not a transaction in securities since such holding does not generate gains from purchase and sale transactions. Therefore, to the extent that the onshore sourced interest income derived from the debt instruments would exceed 5% of the total receipts derived from incidental transactions and specified transactions, the interest income would not be covered by the Offshore Funds Exemption. It is intended that the affairs of the Fund will be conducted and managed in a manner so that the Fund qualifies for the Offshore Funds Exemption (pursuant to the Revenue (Profits Tax Exemption for Offshore Funds) Ordinance 2006 and as amended by the Inland Revenue (Amendment) (No. 2) Ordinance 2015) and should therefore be exempt from Hong Kong Profits Tax. However, no assurance can be given that profits from certain investments will not give rise to a liability for Profits Tax in Hong Kong.

The Shareholders

Profits Tax

Profits arising from the disposal or redemption of shares in the Fund will be subject to Profits Tax only if those investors are considered as carrying on a trade, profession or business in Hong Kong and such profits (except gains from the sale of capital assets) arose in or are derived from Hong Kong from such trade, profession or business carried on in Hong Kong. The nature of an asset as trading or capital will depend on the particular circumstances of each investor. Investors should seek their own independent Hong Kong tax advice on this issue.

Hong Kong does not impose withholding tax on dividends and interest. Any distribution received by investors from their investment in the Fund should generally not be chargeable to tax in Hong Kong (whether by way of withholding or otherwise) under the current law.

Under the IRO, a Hong Kong resident, who, inter alia (i) alone or jointly with associates, holds a 30% or more beneficial interest in an offshore fund which is tax exempt under Section 20AC of the IRO or (ii) holds any percentage of the beneficial interest in such exempt offshore fund which is an associate of the Hong Kong resident investor, will be deemed to be subject to tax on their share of the Fund's profits from specified transactions that are otherwise taxable under the general assessing provisions. The deeming provision would not apply where the exempt offshore fund is bona fide widely held.

Stamp Duty

The registers of members of the Fund will be maintained outside Hong Kong. Accordingly the Shares of the Fund should not constitute Hong Kong stock for the purposes of the Stamp Duty Ordinance of Hong Kong and a charge to Hong Kong stamp duty should not arise on the subscription, redemption or transfer of any Shares.

Stamp duty on the Fund's transactions

Whenever the Fund sells or purchases Hong Kong stock (as defined under the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong)), stamp duty will be imposed at the current rate of 0.1% on the consideration or the fair market value of the stocks (whichever is higher) on each bought note and sold note. The seller and the purchaser (as the case may be for the Fund) will each be liable for stamp duty for the respective bought and sold notes of such Hong Kong stocks.

This Hong Kong tax disclosure is general in nature and does not purport to cover all Hong Kong tax consequences of investing in the Fund. Prospective Shareholders should independently consult their own professional advisers on the potential taxation consequences of their subscribing for, buying, holding, transferring, selling, withdrawing or otherwise disposal of the interests in the Fund.

COMPLIANCE WITH AUTOMATIC EXCHANGE OF INFORMATION LEGISLATION

US Foreign Account Tax Compliance Act

The FATCA requires certain “Foreign Financial Institutions”, including the Fund, to report on assets held by US person. Failure to do so could result in the Foreign Financial Institution being subject to a withholding tax (currently at the rate of 30 per cent) on certain payments. Payments subject to withholding under these rules generally include gross US-source dividend and interest income, gross proceeds from the sale of property that produces dividend or interest income from sources within the US and certain other payments made by or through “Participating Foreign Financial Institutions” to “recalcitrant account holders” and “Non-participating Financial Institutions” (so called “foreign pass thru payments”).

The US IGA implemented domestic regulations (the “**Cayman US FATCA Regulations**”) to facilitate compliance with FATCA. The US IGA provides that Cayman Islands Financial Institutions, including the Fund, which comply with the Cayman US FATCA Regulations (and through them the US IGA) will be treated as satisfying the due diligence and reporting requirements of FATCA and accordingly will be “deemed compliant” with the requirements of FATCA. To comply with its obligations under the Cayman US FATCA Regulations, the Fund will be required to identify whether Participating Shares are held directly or indirectly by “Specified US Persons” (as defined in the US IGA) and report information on such Specified US Persons to the Cayman Islands TIA. The Cayman TIA will in turn report relevant information to the IRS. If the Fund is not able to comply with its reporting requirements under the US IGA (whether due to a failure of one or more Shareholders to provide adequate information or otherwise), the Fund could be deemed to be a “Non-participating Financial Institution” as a result of “significant non-compliance”. In such a situation the withholding tax under FATCA could be imposed on US-sourced amounts paid to the Fund.

OECD Common Reporting Standard requirements regarding tax reporting

The CRS was developed by the OECD to be an international standard for the automatic exchange of financial account information between relevant jurisdictions. Jurisdictions committed to the CRS (each a **Participating Jurisdiction**) will either be a signatory to the

multi-lateral competent authority agreement (“**MCAA**”) or will sign bilateral competent authority agreements with certain other Participating Jurisdictions.

Under the MCAA (or the relevant bilateral agreement), Participating Jurisdictions will become **Reportable Jurisdictions** once they have implemented appropriate domestic legislation, put in place the necessary administrative and IT infrastructure (both to collect and exchange information and to protect confidentiality and safeguard data) and provided the necessary notifications for exchange. Reportable Jurisdictions will have to collect and exchange relevant information with other relevant Reportable Jurisdictions.

The Cayman Islands Government is a signatory to the MCAA and has implemented CRS through the Tax Information Authority (International Tax Compliance) (Common Reporting Standards) Regulations 2015, as amended (the “**CRS Regulations**”). Under the CRS Regulations, the Fund will be required to make an annual filing to the Cayman TIA in respect of Shareholders who are tax resident in a Reportable Jurisdiction and/or whose “Controlling Persons” are tax resident in a Reportable Jurisdiction (unless one or more of the limited exemptions in the CRS Regulations apply).

The list of Reportable Jurisdictions for the Cayman Islands is available on the Cayman TIA website at http://www.tia.gov.ky/pdf/CRS_Legislation.pdf.

Implications for Shareholders

In order to comply with the US IGA, the MCAA (or any relevant bilateral agreement) and the relevant domestic legislation (collectively “**AEOI Legislation**”), the Fund may be required to disclose certain confidential information provided by Shareholders to the Cayman TIA, which in turn will report the information to the relevant foreign fiscal authority. In addition, the Fund may at any time require a Shareholder to provide additional information and/or documentation which the Fund may be required to disclose to the Cayman TIA.

If a Shareholder does not provide the requested information and/or documentation, whether or not that actually leads to compliance failures by the Fund, or a risk of the Fund being subject to any withholding tax or other liability or being required to withhold amounts from distributions to be made to any Shareholder, the Fund may take any action and/or pursue any remedy at its disposal. Such action or remedy may include the compulsory redemption of some or all of the Participating Shares held by the Shareholder concerned or the conversion of such Participating Shares into Participating Shares of another Class.

To the extent the Fund incurs any costs or suffers any withholding as a result of a Shareholder’s failure, or is required by law to apply a withholding against the Shareholder, it may set off such amount against any payment otherwise due from the Fund to the Shareholder or may allocate such amount to the Participating Shares held by such Shareholder. No Shareholder affected by any such action or remedy shall have any claim against the Fund for any form of damages or liability as a result of actions taken or remedies pursued by or on behalf of the Fund in order to comply with the AEOI Legislation.

Shareholders are encouraged to consult their own advisors regarding the possible application of the AEOI Legislation and the potential impact of the same, on any their investment in any Portfolio.

Each Participating Shareholder acknowledges that the Fund may take such action as it considers necessary in accordance with applicable law in relation to such Participating Shareholder's holding to ensure that any withholding tax payable by a Segregated Portfolio, and any related costs, interest, penalties and other losses and liabilities suffered by the Fund, a Segregated Portfolio, the Administrator or any other Participating Shareholders, or any

agent, delegate, employee, director, officer or affiliate of any of the foregoing persons, arising from such Participating Shareholder's failure to provide the requested information to the Fund, is economically borne by such Participating Shareholder.

10. GENERAL INFORMATION

The following summary describes in brief the shares and certain aspects of the operation of the Fund and its Segregated Portfolios, and the respective responsibilities of the Managers concerning the Fund and its Segregated Portfolios, and the material terms of the Articles, except as set forth below. You should carefully review the Articles and consult with your own advisers about investing in a Segregated Portfolio.

Capital structure of the Fund

The authorised share capital of the Fund is US\$1,000,000 divided into 100 Management Shares of par value US\$0.01 each and 99,999,900 Participating Shares of par value US\$0.01 each.

Subject to the Companies Act and the Articles, the Fund may increase or reduce its authorised share capital, divide or combine all or any of its share capital into Shares of smaller amount or larger amount as the case may be. Subject to the Articles, any unissued Shares of the Fund, are under the control of the Directors who may issue, allot and dispose of or grant options over them to any such persons, and on terms and in such manner as they may think fit.

Management Shares

The Management Shares have been issued at par value, fully paid and held by the Cayman Manager. They confer no right to receive dividends. In a liquidation, the Management Shares rank only for a return of the nominal amount paid up on those shares before any payment to the holders of Participating Shares and any other shares ranking *pari passu* with the Participating Shares in a liquidation. The Management Shares shall carry the right to receive notice of, attend and vote at general meetings of the Fund, including, without limitation, in relation to:

- (a) a change of name for the Fund or any of its Segregated Portfolios;
- (b) amendments to the Articles, in relation or incidental to the creation of one or more additional classes or sub-series of Shares of such number, par value and denomination, and with such rights and privileges and such terms as the holder of the Management Shares may determine, whether by means of conversion or by way of cancellation of all or any of the authorised but unissued Participating Shares and the creation of fresh authorised Participating Shares, as the holders of the Management Shares may determine provided that the rights attaching to Participating Shares already in issue are not thereby adversely affected;
- (c) the winding-up of the Fund; and
- (d) to increase the authorised capital of the Fund, including by the addition of other currencies.

Participating Shares

Subject to the terms of the Articles, authorised but unissued Participating Shares may be redesignated and/or issued at the discretion of the Directors and there are no pre-emption rights with respect to the issue of additional Participating Shares. No capital of the Fund is under option or agreed to be put under option.

The Participating Shares carry a right to any dividends or other distributions (if any) but do not confer any right to receive notice of, or vote at general meetings of the Fund (unless otherwise

specified in the Articles), or take part in the management or control in the operations or the business of the Fund or its Segregated Portfolios. Upon winding up of the Fund or a specific Segregated Portfolio, the full amount of the assets of relevant Segregated Portfolio available for distribution will be distributed to the corresponding registered holders of Participating Shares other than the aggregate paid in capital in respect of the Management Shares.

The Directors may, in their absolute discretion, issue classes of Participating Shares in respect of a Segregated Portfolio which may have different rights, privileges and terms in the future and which may be denominated in different currencies, among other things.

Modification of rights attaching to the Participating Shares

The rights attaching to a Participating Share may not be materially adversely modified or abrogated unless approved by resolution (in writing or in a general meeting) passed by Participating Shareholder holding at least two thirds of the relevant Participating Shares.

All the provisions of the Articles as to general meetings of the Fund apply to every such separate meeting, except that the necessary quorum at any such meeting is one or more persons at least holding or representing by proxy not less than one-third of the issued Participating Shares then in issue (except that at an adjourned meeting of the Participating Shareholders those Participating Shareholders who are present in person or by proxy shall constitute a quorum).

The rights attaching to the Participating Shares shall be deemed not to be varied by the creation, allotment or issue of further shares ranking *pari passu* with the Participating Shares or ranking behind the Participating Shares, the redemption or repurchase of any shares, the passing of a Directors' resolution to change or vary the investment objective, investment technique and strategy and/or investment policy, or any modification of the fees payable to any service provider to the Fund.

Save in relation to such variation of their class rights, the holders of the Participating Shares shall have no voting rights.

Distribution

The assets and liabilities and income and expenditure attributable to that Segregated Portfolio shall be applied to such Segregated Portfolio and, subject to the provisions of the Articles, to no other Segregated Portfolio. If applicable, the proceeds from the issue of each class of Participating Shares shall be applied in the books of the Fund to the Segregated Portfolio established for that class of Participating Shares.

Subject to applicable laws and regulations, the Directors have discretionary authority over all distributions made by each Segregated Portfolio. Subject to the Articles and applicable law, distributions may be made out of profits or share premium accounts of the relevant Segregated Portfolio, as determined in the discretion of the Directors. Following the distributions, the value of the relevant Segregated Portfolio's assets shall exceed its liabilities. A distribution may not be made if this would result in the relevant Segregated Portfolio being unable to pay its debts as they fall due in the ordinary course of business, notwithstanding that such Segregated Portfolio has sufficient profit or share premium.

Please refer to the supplement of the relevant Segregated Portfolio for details on its distribution policy.

Unless otherwise stated, a distribution payable to a Participating Shareholder will be paid in the base currency of the relevant Segregated Portfolio by bank transfer at the risk and expense

of such Participating Shareholder (including any bank charges and foreign exchange expenses).

Side Letters

Subject to the Articles and all applicable laws, the Directors and/or the Managers, in their sole discretion and without notice to the other Participating Shareholders of the Fund, may, for the account of a Segregated Portfolio from time to time, enter into side letters or agreements (to satisfy regulatory requirements or for any other reason) with certain investors granting them, among other things, fee waivers or reductions, different voting rights or restrictions, additional rights to reports or other information and other more favourable (or less favourable) investment terms than the terms associated with an investment by Participating Shareholders in the Fund pursuant to the terms offered pursuant to this PPM and any applicable supplement. In particular, the Fund may, with respect to a Segregated Portfolio, enter into a side letter or agreement with an investor granting them, among other things, reduced fees and preferential redemption rights and rights to receive regular portfolio information. The Fund has the power to create different Classes of Participating Shares for certain investors and may create additional Classes having different rights for the purposes of implementing such agreements. The Fund shall have no obligation to offer such additional rights, terms or conditions granted to other or all investors in the Fund.

Share Certificate

The Fund will not issue individual share certificates for the Shares.

Reporting

The financial year of the Fund will end on 31 December of each calendar year, with the first fiscal year ending on 31 December 2019.

The Fund will prepare its annual financial statements and the statements in respect of each Segregated Portfolio in accordance with IFRS or such other internationally recognised accounting standards as determined by the Directors.

The Fund will file copies of the relevant Segregated Portfolio's audited financial statements with CIMA within 6 months after the end of the relevant financial year (or within such extension of that period as CIMA may allow). Copies of the audited financial statements of the relevant Segregated Portfolio will generally be provided to its Participating Shareholders within 120 days after the end of the relevant financial year. The Directors may also provide regular updates to the Participating Shareholders.

Indemnity to Directors

Under the Articles, every Director, alternate Director or other officer for the time being and from time to time of the Fund and the personal representatives of the same ("**Indemnified Person**") shall be indemnified and secured harmless out of the assets and funds of the Fund against all liabilities, actions, proceedings, claims, demands, costs, damages and expenses (including any legal expenses) whatsoever (each a "**Loss**") incurred or sustained by him, other than by reason of such Indemnified Person's actual fraud, wilful misconduct or Gross Negligence (as defined in the Articles) as determined by a court of competent jurisdiction, in or about the conduct of the Fund's business or affairs or in the execution or discharge of his duties, powers, authorities or discretions, including without prejudice to the generality of the foregoing, any costs, expenses, losses or liabilities incurred by him in defending (whether successfully or otherwise) any civil proceedings concerning the Fund or its affairs in any court whether in the Cayman Islands or elsewhere. An Indemnified Person shall be indemnified only out of the

portfolio assets of the Segregated Portfolio in respect of which the Loss is incurred and not out of the portfolio assets of any other Segregated Portfolio or the General Assets of the Fund provided that if the Loss relates to more than one Segregated Portfolio, the Indemnified Person shall be indemnified out of the portfolio assets of each relevant Segregated Portfolio on a pro rata basis.

Indemnity to the Managers

The Co-Management Agreement provides that each Manager, its affiliates, and any of their shareholders, directors, officers, employees, agents or contractors and each of their respective successors and assigns and each person who previously served in any such capacity (“**Relevant Persons**”) shall not be liable for any loss or damage arising directly or indirectly out of or in connection with the performance by such Manager of its duties and obligations under the Co-Management Agreement unless such loss or damage is due to such Relevant Persons’ fraud, wilful default, wilful misconduct, bad faith or Gross Negligence as finally judicially determined by a final court of competent jurisdiction.

The Co-Management Agreement provides further that the Fund shall indemnify the Relevant Persons against any liabilities, judgments, obligations, losses, damages, claims, actions, suits or other proceedings (in which such Relevant Persons may be or may have been involved as a party or otherwise or with which it, he or she may or may have been threatened, while in office or thereafter) and reasonable costs, commissions, charges, expenses, taxes and disbursements (including legal and accounting fees and expenses) of any kind and nature whatsoever (collectively, “**Covered Losses**”) that may be imposed on, incurred by, or asserted at any time against such Relevant Persons (whether or not indemnified against by other parties) in any way related to or arising out of the Co-Management Agreement, the administration of Fund and its Segregated Portfolio’s investment or the action or inaction of such Relevant Persons in connection with the Co-Management Agreement (including actions or inactions on the Fund’s dissolution) or in connection with contracts with the Fund, unless such Covered Losses resulted from the Relevant Persons’ fraud, wilful default, wilful misconduct, bad faith or Gross Negligence as finally judicially determined by a court of competent jurisdiction.

Indemnity to service providers

The Fund may be responsible for indemnifying the Administrator, the Custodian, the prime broker (if any), the Auditor and other service providers under their respective service agreements, the Fund may also be responsible for indemnifying the respective directors, officers, affiliates and agents of such service providers.

Soft Wind Down

If the Directors, in consultation with the Managers, decide that the investment strategy is no longer viable they may resolve that the Fund in respect of any Segregated Portfolio, be managed with the objective of realising assets in an orderly manner and distributing the proceeds to Participating Shareholders in such manner as they determine to be in the best interests of the Fund with respect of any Segregated Portfolio, in accordance with the terms of the Articles and this memorandum, including, without limitation, compulsorily redeeming Participating Shares, paying any dividend proceeds in specie and/or declaring a suspension of redemptions and subscriptions while assets are realised. In special circumstances, this process may be subject to suspension, holdback or partial holdback, and may also be subject to a reserve for contingent liabilities of the Fund in respect of any Segregated Portfolio. This process is also integral to the business of the Fund and/or the relevant Segregated Portfolio and may be carried out without recourse to a formal liquidation under the Companies Act or

any other applicable bankruptcy or insolvency regime, but shall be without prejudice to the right of the holder of the Management Shares to place the Fund into winding up and liquidation.

Termination of the Fund

The Cayman Manager, as the holder of the Management Shares, will have the right to terminate the Fund in the event of the following:

- (a) bankruptcy, liquidation, insolvency or dissolution of the Fund;
- (b) by a special resolution of holders of the Management Shares; and
- (c) all investments of the Fund have been disposed or realized, and the proceeds from which have been distributed to the Participating Shareholders and the holders of the Management Shares or the Directors have determined to dissolve the Fund.

Details on the order of distribution of liquidation proceeds on a winding-up will be set out in the supplement of the relevant Segregated Portfolio. As a matter of Cayman Islands law, the assets and liabilities of one Segregated Portfolio will not be available to meet the liabilities of another Segregated Portfolio.

A Segregated Portfolio or a class or classes of Participating Shares in relation thereto (as the case may be) will be terminated by the compulsory redemption of all Participating Shares attributable to the relevant Segregated Portfolio or the relevant class or classes of Participating Shares in relation thereto (as the case may be) in the event of one of the following:

- (a) insolvency of the Segregated Portfolio;
- (b) by a special resolution of holders of the Management Shares; and
- (c) all investments of the Segregated Portfolio have been disposed or realised, the proceeds from which have been distributed to the Participating Shareholders of the relevant Segregated Portfolio and the holders of the Management Shares or the Directors have determined to terminate the Segregated Portfolio.

The Directors may cause one or more Segregated Portfolios or a class or classes in relation thereto (as the case may be) to be terminated if they, in consultation with the Managers, determine that the investment objective or investment strategy of the relevant Segregated Portfolio can no longer be met and if they consider such action to be in the best interest of the Participating Shareholders of the relevant Segregated Portfolio.

Termination of any Segregated Portfolio shall be by prior notice in writing from the Directors to the Participating Shareholders of the relevant Segregated Portfolio(s) which will indicate the reasons for and the procedure of the redemptions. On such termination, the relevant Net Asset Value(s) shall be calculated in accordance with the Articles.

Cayman Islands Mutual Funds Act

The Fund is registered as a mutual fund under section 4(3) of the Mutual Funds Act and is therefore regulated under that law. In connection with its initial registration under the Mutual Funds Act, the Fund has filed with CIMA a copy of this memorandum and certain details of this memorandum, as required by the Mutual Funds Act. The Fund has also paid the prescribed initial registration fee as required by the Mutual Funds Act.

A MUTUAL FUND LICENCE ISSUED OR A FUND REGISTERED BY THE CAYMAN ISLANDS MONETARY AUTHORITY DOES NOT CONSTITUTE AN OBLIGATION OF THE

AUTHORITY TO ANY INVESTOR AS TO THE PERFORMANCE OR CREDITWORTHINESS OF THE FUND.

FURTHERMORE, IN ISSUING SUCH A LICENCE OR IN REGISTERING A FUND, THE AUTHORITY SHALL NOT BE LIABLE FOR ANY LOSSES OR DEFAULT OF THE FUND OR FOR THE CORRECTNESS OF ANY OPINIONS OR STATEMENTS EXPRESSED IN ANY PROSPECTUS OR OFFERING DOCUMENT.

As a regulated mutual fund with CIMA, the Fund will be subject to the supervision of CIMA. The Fund must then file this memorandum and details of any changes that materially affect any information in this memorandum with CIMA. The Fund must also file annually with CIMA accounts approved by an approved auditor, together with an annual return containing particulars specified by CIMA, within six months of its financial year end or within such extension of that period as CIMA may allow. A prescribed fee must also be paid annually.

CIMA may, at any time, instruct the Fund to have its accounts audited and to submit them to CIMA within such time as CIMA specifies. In addition, CIMA may ask the Directors to give CIMA such information or such explanation in respect of the Fund as CIMA may reasonably require to enable it to carry out its duty under the Mutual Funds Act.

CIMA may examine, including by way of on-site inspections or in such other manner as it may determine, the affairs or business of the Fund for the purpose of satisfying itself that the provisions of the Mutual Funds Act and applicable anti-money laundering regulations are being complied with.

The Directors must give CIMA access to or provide at any reasonable time all records relating to the Fund and CIMA may copy or take an extract of a record it is given access to. Failure to comply with these requests by CIMA may result in substantial fines on the part of the Directors and may result in CIMA applying to the court to have the Fund wound up.

CIMA may take certain actions if it is satisfied that a regulated mutual fund:

- (a) is or is likely to become unable to meet its obligations as they fall due;
- (b) is carrying on or is attempting to carry on business or is winding up its business voluntarily in a manner that is prejudicial to its investors or creditors;
- (c) is not being managed in a fit and proper manner; or
- (d) has persons appointed as Director, manager or officer that is not a fit and proper person to hold the respective position.

The powers of CIMA include, *inter alia*, the power to require the substitution of Directors, to appoint a person to advise the Fund on the proper conduct of its affairs or to appoint a person to assume control of the affairs of the Fund. There are other remedies available to CIMA including the ability to cancel the registration of the Fund and to apply to the court for approval of other actions.

Cayman Islands Data Protection

On 18 May 2017, the Cayman Islands Government enacted the DPL which came into force on 30 September 2019. The DPL introduced legal requirements for the Fund based on internationally accepted principles of data privacy.

The Fund has prepared a document outlining the Fund's data protection obligations and the data protection rights of investors (and individuals connected with investors) under the DPL

(the “**Fund Privacy Notice**”). The Fund Privacy Notice is contained within the subscription agreement.

Prospective investors should note that, by virtue of making investments in a Segregated Portfolio and the associated interactions with the Fund and its affiliates and/or delegates (including completing the subscription agreement, and including the recording of electronic communications or phone calls where applicable), or by virtue of providing the Fund with personal information on individuals connected with the investor (for example directors, trustees, employees, representatives, shareholders, investors, clients, beneficial owners or agents) such individuals will be providing the Fund and its affiliates and/or delegates (including, without limitation, the administrator) with certain personal information which constitutes personal data within the meaning of the DPL. The Fund, on behalf of all its segregated portfolios, shall act as a data controller in respect of this personal data and its affiliates and/or delegates, such as the Administrator, the Managers and others, may act as data processors (or data controllers in their own right in some circumstances).

By investing in a Segregated Portfolio and/or continuing to invest in a Segregated Portfolio, investors shall be deemed to acknowledge that they have read in detail and understood the Fund Privacy Notice and that the Fund Privacy Notice provides an outline of their data protection rights and obligations as they relate to the investment in a Segregated Portfolio. The subscription agreement contains relevant acknowledgements, representations and warranties.

Oversight of the DPL is the responsibility of the Cayman Islands Office of the Ombudsman. Breach of the DPL by the Fund could lead to enforcement action by the Ombudsman, including the imposition of remediation orders, monetary penalties or referral for criminal prosecution.

Other Regulatory Matters

The Fund is not registered under the United States Investment Company Act of 1940. Neither Manager is registered in China or in any other jurisdiction. Accordingly, neither Manager is subject to regulatory requirements with respect to the Fund that are applicable to persons that are so registered.

Save as aforesaid, it is not anticipated that any regulatory filings will be made in any country or that the Fund will be qualified for sale in any country.

Privacy Policy of the Managers

Any confidential information provided to the Managers by the Participating Shareholders will be kept confidential by the Managers and will not be disclosed to any third party other than as permitted under this memorandum, the subscription documents, the Articles and as permitted by applicable law and regulation, or where such disclosure may be reasonably required by the Managers for any purposes it deems necessary, including but not limited to, for the purpose of operation of the Fund (and its Segregated Portfolios), or as required by law or by any court of law or by any regulatory authority or by any mandatory stock exchange requirements or with the prior consent of the relevant Participating Shareholder (such consent not to be unreasonably withheld or delayed). The Managers may disclose non-public personal information about you to its delegate, the Administrator (or sub-administrator), Auditor, professional adviser, non-affiliated companies and as such other person that the Managers deem appropriate (in accordance with the subscription agreement, Articles and this memorandum) for the purpose of providing services or processing transactions that you have requested. The Managers may disclose non-public personal information about you to parties representing you, such as your investment representative, your accountant, your tax adviser, or to other third parties at your direction/consent.

Anti-Money Laundering Requirements - Cayman Islands

In order to comply with regulations aimed at the prevention of money laundering, the Fund and/or the Administrator will require verification of identity from all prospective investors (unless in any case the Fund and/or the Administrator is satisfied that an exemption under the Money Laundering Regulations (as amended) of the Cayman Islands and the Guidance Notes issued pursuant thereto (the "**Money Laundering Regulations**") applies). The Fund and the Administrator each reserve the right to request such information as is necessary to verify the identity of a prospective investor. The Fund and the Administrator also each reserve the right to request such identification evidence in respect of a transferee of Participating Shares. In the event of delay or failure by the prospective investor or transferee to produce any information required for verification purposes, the Fund or Administrator may refuse to accept the subscription or (as the case may be) to register the relevant transfer and (in the case of a subscription of Participating Shares) any funds received will be returned without interest to the account from which the monies were originally debited at the expense of the subscriber. Depending on the circumstances of each application, a detailed verification might not be required where:

- (1) the applicant is a relevant financial business required to comply with anti-money laundering regulations of the Cayman Islands or is a majority-owned subsidiary of such a business; or
- (2) the applicant is acting in the course of a business in relation to which a regulatory authority exercises regulatory functions and which is in a country listed by the Cayman Islands Anti-Money Laundering Steering Committee ("**Equivalent Country**") or is a majority-owned subsidiary of such an applicant; or
- (3) the applicant is a central or local government organisation, statutory body or agency of government in the Cayman Islands or an Equivalent Country; or
- (4) the applicant is a company that is listed on a recognised stock exchange and subject to disclosure requirements which impose requirements to ensure adequate transparency of beneficial ownership, or is a majority-owned subsidiary of such a company; or
- (5) the applicant is a pension fund for a professional association, trade union or is acting on behalf of employees of an entity referred to in sub-paragraphs (1) to (4); or
- (6) the application is made through an intermediary which falls within one of sub-paragraphs (1) to (5). In this situation the Fund may rely on a written assurance from the intermediary which confirms (i) that the requisite identification and verification procedures on the applicant for business and its beneficial owners have been carried out; (ii) the nature and intended purpose of the business relationship; (iii) that the intermediary has identified the source of funds of the applicant for business; and (iv) that the intermediary shall make available copies of any identification and verification data or information and relevant documents.

The Fund and the Administrator also each reserve the right to refuse to make any redemption payment to a Participating Shareholder if any of the Directors or the Administrator suspects or is advised that the payment of any redemption moneys to such Participating Shareholder might result in a breach or violation of any applicable anti-money laundering or other laws or regulations by any person in any relevant jurisdiction, or such refusal is considered necessary or appropriate to ensure the compliance by the Fund, its Directors or the Administrator with any such laws or regulations in any relevant jurisdiction.

If, as a result of any information or other matter which comes to his attention, any person resident in the Cayman Islands (including the Fund, its Directors and the Administrator) knows or suspects that another person is engaged in money laundering, such person is required to report such information or other matter pursuant to the Proceeds of Crime Act (as amended) of the Cayman Islands and such report shall not be treated as a breach of any restriction upon the disclosure of information imposed by law or otherwise.

Each subscriber will be required to make such representations as may be required by the Fund in connection with its anti-money laundering programmes. Such representations will include representations that the subscriber is not a prohibited country, territory, individual or entity listed on the OFAC website and that it is not directly or indirectly affiliated with any country, territory, individual or entity named on an OFAC list or prohibited by any OFAC sanctions programmes. Each subscriber will also be required to represent that subscription monies are not directly or indirectly derived from activities that may contravene relevant laws and regulations, including anti-money laundering laws and regulations.

By subscribing for the Participating Shares, the applicants consent to the disclosure by the Fund and the Administrator of any information about them to the regulators and others upon request in connection with money laundering and similar matters both in the Cayman Islands and in other jurisdictions.

Anti-Money Laundering Compliance Officer and Money Laundering Reporting Officer

The Fund has appointed an Anti-Money Laundering Compliance Officer, Money Laundering Reporting Officer and Deputy Money Laundering Reporting Officer in accordance with the requirements of the anti-money laundering regulations of the Cayman Islands. Further information relating to the appointments is available from the Managers on request.

Amendments to this memorandum

This memorandum may be amended, supplemented or otherwise modified at any time as determined by the Directors in their discretion for the purpose of:

- clarifying any inaccuracy or ambiguity or reconciling any inconsistency in its provisions, or as between the provisions of this memorandum and the provisions of the Articles, or with respect to matters or questions arising under this memorandum which are inconsistent with the provisions of the Articles or this memorandum;
- complying with any law, rule or regulation applicable to the Fund or any of its service providers;
- reflecting a change of location of the principal place of business of the Fund;
- reflecting and describing an amendment or supplement to, or other modification of, the terms of any agreement entered into by the Fund and described herein, or reflecting and describing the terms of any agreement entered into by the Fund following the date of this memorandum;
- changing this memorandum in any manner that does not, in the opinion of the Directors, adversely affect the Participating Shareholders in any material respect or that is required or contemplated by the provisions of the Articles or by any provisions of this memorandum; or
- making any other amendment, supplement or other modification similar to the foregoing that the Directors determine to be in the best interests of the Fund provided always that

such amendment, supplement or other modification does not conflict with the terms of the Articles.

By subscribing for Participating Shares, Participating Shareholders accept that:

- the terms of this memorandum may be amended, supplemented or otherwise modified by the Directors in accordance with the foregoing criteria without any advance notification to, or consent of, the Participating Shareholders; and
- any amendments or supplements to, or other modifications of, this memorandum effected by the Directors in accordance with the foregoing criteria shall be announced to the Participating Shareholders following the adoption thereof.

11. CONFLICTS OF INTEREST

The Directors, the Managers, the Custodian, the Administrator, the prime broker (if any), the registrar, their holding companies, their holding companies' shareholders, any subsidiaries of their holding companies and any of their officers, employees, agents and affiliates ("**Interested Parties**") may be involved in other financial, investment or other professional activities which may on occasion conflict with the interest of the Fund or a Segregated Portfolio. These include management of other funds, purchases and sales of securities, investment and management counselling, brokerage services, and serving as directors, officers, advisers, or agents of other funds or other companies, including companies in which a Segregated Portfolio may invest. In particular, the Managers may co-invest with the Fund or invest in companies where it serves as advisors. Each of the Interested Parties will respectively endeavour to ensure that the performance of their respective duties will not be impaired by any such involvement that they may have and that any conflicts which may arise will be resolved fairly. The Directors will seek to ensure that any conflict of interest is resolved fairly and in the interests of the Fund or the relevant Segregated Portfolio. In relation to the allocation of investment opportunities to different clients, the Fund and/or the Managers may be faced with conflicts of interest with regard to such duties. In such cases it will seek to ensure that investment opportunities are allocated fairly.

A Segregated Portfolio may acquire investments from or dispose of investments to any Interested Party or any investment fund or account advised or managed by any such person, but only with the prior approval of the Directors and on an arm's length commercial basis. Any Interested Party may hold Participating Shares and deal with the same as it thinks fit. An Interested Party may buy, hold and deal in any investments for its own account notwithstanding that similar investments may be held by the Fund. Any Interested Party may contract or enter into any financial or other transaction with any Shareholder or with any entity any of whose investment securities are held by or for the account of the Fund or a Segregated Portfolio, or be interested in any such contract or transaction. Furthermore, any Interested Party may receive commissions which it may negotiate in relation to any sale or purchase of any investments of a Segregated Portfolio effected by it for the account of a Segregated Portfolio. Such commissions must be disclosed to the Directors. In any event, the Directors will endeavour to ensure that all conflicts are resolved fairly.

The Fund may appoint third parties (including any Interested Party) in relation to the origination and execution (including due diligence) of acquisitions of investments and may be required to pay the fees of such third party on an arm's length commercial basis. Such fees will, in any event, be approved by the Directors (excluding, in the case of an Interested Party, any Director connected therewith).

The Fund may invest for the account of a Segregated Portfolio in other investment funds or collective investment schemes managed, operated or advised by either Manager, or other Interested Parties with the prior approval of the Directors.

Wang Fengyu, a director of the Fund, is also a director of each Manager. Certain inherent conflicts of interest may arise from Wang Fengyu acting in his capacity as a director of the Fund (in respect of his obligation to act in the interest of the Fund) and his capacity as a director of the HK Manager and his capacity as a director of the Cayman Manager. At all times, so far as practicable, Wang Fengyu will have regard to his obligations to act in the best interests of the Fund and will seek to ensure that any conflict of interest is resolved fairly.

A Director who is interested in a contract or proposed contract with the Fund, provided that such interest is declared at a meeting of the Directors, may vote and be counted in the quorum regardless of his interest in such contract or proposed contract. A Director may also hold any

office under the Fund in conjunction with his office as Director. Further, Directors and other officers are not liable for, among other things, acts, receipts, neglects, defaults or omissions of any other Director, or any loss, damage or misfortune that may arise from the execution of his powers and duties. Every Director is indemnified against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred by him and shall be secured harmless out of the Fund's assets.

The Managers will discuss the above conflicts of interest with any prospective or existing investor upon request. These activities and conflicts of interest are explicitly acknowledged and consented to by each Participating Shareholder in the subscription agreement as a necessary condition to the Participating Shareholder's admission to the Fund in any Segregated Portfolio.

12. MATERIAL CONTRACTS

- 1 The Co-Management Agreement between the Fund, on behalf of the relevant Segregated Portfolio, and the Managers pursuant to which the Managers will provide certain management services to the Fund and the relevant Segregated Portfolio.
- 2 The Administration Agreement between the Fund, on behalf of the relevant Segregated Portfolios, and Apex Fund Services Ltd., pursuant to which Apex Fund Services Ltd. will provide certain administration services to the Fund and its Segregated Portfolios.
- 3 The Custodian Agreement between the Fund, on behalf of the relevant Segregated Portfolios, and the Custodian pursuant to which the Custodian will provide certain custodian services to the Fund and its Segregated Portfolios.

In the event of any inconsistency between the material contracts listed above and this memorandum, the terms of the material contracts (as the case may be) shall prevail.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Subject to any applicable confidentiality provisions, the following documents are available for inspection during normal business hours, on any day (except Saturdays, Sundays and public holidays) at the registered office of the Fund:

- (a) the Articles;
- (b) the Companies Act and the Mutual Funds Act;
- (c) the material contracts described above; and
- (d) the most recent financial statements of the Fund.

Copies of these documents may be obtained free of charge from the HK Manager.

14. DISTRIBUTION AND SELLING RESTRICTIONS

The following legends apply to the extent Participating Shares in a Segregated Portfolio are offered to persons in the jurisdictions indicated:

CAYMAN ISLANDS

No invitation may be made to the public in the Cayman Islands to subscribe for the Participating Shares. THIS IS NOT AN OFFER OR INVITATION TO THE PUBLIC IN THE CAYMAN ISLANDS TO SUBSCRIBE FOR INTERESTS.

HONG KONG

Warning: The contents of this memorandum have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this memorandum, you should obtain independent professional advice.

No action has been taken to permit an offering of interests in the Fund to the public in Hong Kong. As this memorandum issued by or on behalf of the Fund has not been approved by the SFC or any other authority in Hong Kong:

- (a) a Participating Shareholder must be a “professional investor” (as such term is defined in Part I of Schedule 1 to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and the regulations thereunder;
- (b) the Participating Shares in a Segregated Portfolio have been offered to him/her in the manner contemplated in the subscription documents and this memorandum and in circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous) Ordinance (Chapter 32 of the Laws of Hong Kong) (“**Companies Winding Up Ordinance**”) and do not constitute an offer or an invitation to the public for the purposes of the Companies Winding Up Ordinance; and
- (c) the Participating Shareholder has not been issued and does not possess for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Participating Shares in a Segregated Portfolio which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Participating Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors.

The subscription documents, this memorandum, the supplement(s) and all other materials issued by or on behalf of the Fund and the Segregated Portfolio are for the use of intended recipients only who receive these documents directly from the Fund or either Manager and these documents may not be reproduced, distributed or published in whole or in part in any way whatsoever for any purpose without prior written consent of the Fund. Recipients, by their acceptance and retention of this memorandum, the supplement(s), the subscription documents and the accompanying documents, acknowledge and agree to preserve the confidentiality of the contents of this memorandum, supplement(s), the subscription documents and such accompanying documents and to return this memorandum, the supplement(s), the subscription documents and all such documents to the Fund or either Manager if the recipients do not participate in the investment in a Segregated Portfolio.

THESE SECURITIES ARE SUITABLE FOR PROFESSIONAL INVESTORS, WHO DO NOT REQUIRE IMMEDIATE LIQUIDITY FOR THEIR INVESTMENTS, FOR WHOM AN INVESTMENT IN THE FUND DOES NOT CONSTITUTE A COMPLETE INVESTMENT PROGRAM, AND WHO FULLY UNDERSTAND AND ARE WILLING TO ASSUME THE RISKS INVOLVED IN AN INVESTMENT IN THE FUND. SUBSCRIBERS FOR THE PARTICIPATING SHARES MUST REPRESENT THAT THEY ARE ACQUIRING THE PARTICIPATING SHARES FOR INVESTMENT. NO OFFER TO SELL OR SOLICITATION OF AN OFFER TO BUY IS BEING MADE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION WOULD BE UNLAWFUL.

THE OFFERING OF SECURITIES HAS NOT BEEN FILED WITH OR APPROVED OR DISAPPROVED BY ANY REGULATORY AUTHORITY OF ANY COUNTRY OR JURISDICTION, NOR HAS ANY SUCH REGULATORY AUTHORITY PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS CONFIDENTIAL OFFERING MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. THE PARTICIPATING SHARES ARE NOT REGISTERED FOR SALE, AND THERE WILL BE NO PUBLIC OFFERING OF THE PARTICIPATING SHARES.

15. INTERNAL POLICIES

The HK Manager is currently implementing certain internal policies, the summary of which are set forth below:

15.1 RISK MANAGEMENT POLICY

The HK Manager adopts certain risk management policy (“**Risk Management Policy**”) which aims at, among other things, ensuring compliance with the relevant regulatory requirements including but not limited to the Fund Manager Code of Conduct and the Management, Supervision and Internal Control Guidelines for Persons Licensed by or Registered with the SFC issued on 1 April 2003.

The Risk Management Policy will be reviewed on semi-annual basis and upon any material regulatory changes.

The risk management process adopted by the HK Manager is the systematic application of management policies, procedures and practices to the activities of communicating, consulting, establishing the context, and identifying, analysing, evaluating, treating, monitoring and reviewing risk which takes into account of the Fund’s external context, internal context and risk appetite where risk management continually senses and responds to change through regular monitoring and review of risks.

A Risk Management Committee will be formed pursuant to the Risk Management Policy. The Risk Management Committee will meet regularly as governance framework of the overall risk management framework of the HK Manager.

The responsible officer is responsible for designing and implementing risk management systems (including risk measurements and reporting methodologies) and internal control systems which identify material risks for the Fund. The day-to-day oversight and management of the Fund’s risk management program has been conferred by the responsible officer to the risk management function, who may refer particular risk management issues to the Responsible Officers for final consideration and decision. The Risk Management Committee Meeting will be arranged at least quarterly. The HK Manager will also arrange a meeting as soon as possible if there are any urgent issues on the HK Manager’s risk management.

The risk management procedure established under the Risk Management Policy involves applying a disciplined process to risk communication, risk identification, risk assessment and analysis and risk treatment.

15.2 SECURITIES LENDING/REPO AND REVERSE REPO POLICY

The HK Manager shall disclose the Fund’s securities lending, repo and reverse repo transactions (where applicable) to investors according to its policy on securities lending, repurchase agreement and reverse repo transactions (“**Securities Lending Policy**”) and the Fund Manager Code of Conduct. The Securities Lending Policy will be reviewed on a semi-annual basis and upon any material regulatory changes.

The overall governance of securities lending, repo and reverse repo transactions (where applicable) is carried out by the Risk Management Committee who will select and enter into contract with the lending agent(s) that will perform the securities-lending function. The Risk Management Committee will also monitor and review at least in

semi-annual basis of the creditworthiness of any lending agent(s), borrower(s) and/or counterparties involved in these transactions whereas the HK Manager is responsible for day-to-day monitoring of these transactions.

The Securities Lending Policy covers collateral valuation and management, including evaluating securities to be pledged as collateral, marking on market on a daily basis for collaterals received and lent securities whenever practicable, collecting variation margin daily where amounts are lower than minimum acceptable threshold of the initial margin. The Securities Lending Policy also sets out limit on the total value of collateral held by the Fund to the Fund's gross total counterparty risk exposure and value of collateral pledged by each borrower to the Fund's exposure to that particular borrower, in each case as agreed by the Risk Management Committee and subject to regular review and monitoring by the Risk Management Committee.

The Risk Management Committee shall also set out certain restrictions on cash collateral reinvestment including but not limited to minimum percentage of such collateral kept in short-term deposits, highly liquid short-term assets or short tenor transactions, the maximum percentage of a single investment in such collateral to the total cash collateral reinvestment portfolio, and limit on weighted average maturity and weighted average life (where applicable) of such collateral.

Collaterals will be held by the Custodian and will be returned or replaced with other acceptable collaterals if the collateral does not meet eligibility criteria in accordance with the Securities Lending Policy.

In dealing with counterparties who fail to satisfy the criteria set out in the Securities Lending Policy or where a borrower defaults, procedures are put in place whereby the HK Manager may request additional information, recall loans to reduce exposure (as applicable), force liquidate the collaterals received or pledged (as applicable) and promptly notify the Risk Management Committee.

The Securities Lending Policy also sets out asset classes that are acceptable as collateral and corresponding haircut for valuation for each class. In addition, collateral must meet certain criteria before accepted as collaterals for the Fund such as liquidity of collateral, credit quality of collateral or the issuer, price volatility, diversification and other criteria imposed by the Risk Management Committee.

Similarly, policies are also established on acceptable investments held in cash collateral reinvestment portfolio and the respective limits to each class of cash collateral. Additional criteria in relation to cash collateral reinvestment are also in place such as assets held with respect thereto shall be liquid with transparent pricing and low risk to meet foreseeable recalls of such collateral.

The HK Manager will provide information on the Fund's securities lending, repo and reverse repo transactions to investors at least on an annual basis, such information may include the global data, concentration data, aggregate securities lending, repo and reverse repo transaction data, re-use and re-hypothecation data, return data, number of custodians and amount of collateral assets received or held etc.

Issues discovered in relation to matters contemplated by the Securities Lending Policy will be reported to the Risk Management Committee as soon as practicable.

15.3 LIQUIDITY MANAGEMENT POLICY AND PROCEDURES

The HK Manager has established liquidity management policy and procedures (“**Liquidity Management Policy**”) which applies to the HK Manager for the purpose of ensuring compliance with the liquidity obligations and relevant requirements under the Fund Manager Code of Conduct and other relevant rules. The Liquidity Management Policy will be reviewed on semi-annual basis and upon any material regulatory changes to ensure compliance with relevant rules.

Under the Liquidity Management Policy, a liquidity management committee (“**Liquidity Management Committee**”) will be formed as an overall governance framework to ensure compliance with liquidity obligations of the HK Manager. The Liquidity Management Committee will conduct monthly liquidity management meeting to ensure any liquidity issues to be addressed and reviewed promptly and properly.

Pursuant to the Liquidity Management Policy, the HK Manager will regularly assess the liquidity of assets, the liquidity of liability profile of assets and liabilities of Fund. The Liquidity Management Committee will also set relevant liquidity limit based on indicators such as the days to trade, cost to trade, obligations to creditors, counterparties and third parties, financial settlement lag time and other factors that the HK Manager find relevant and material. A record of liquidity obligation exposed to by the Fund will be kept by the HK Manager and the Liquidity Management Committee will regularly review these liquidity obligations and update and amend the liquidity obligations as and when necessary.

Liquidity stress testing will be performed by the HK Manager by assessing the impact of various “scenarios” set towards the cash level available for meeting redemption request, etc. on the Fund and such liquidity stress testing reports will be submitted to the Liquidity Management Committee for their information and discussion if needed. Where the stress testing results show liquidity issues, such issues should be escalated to the Liquidity Management Committee.

The Liquidity Management Committee also adopts liquidity limits to avoid over-concentration on certain investment positions. The HK Manager will establish appropriate arrears and default procedures, monitor changes in net cash flow, market situation and impact to liquidity indicators, and to monitor any breaches of liquidity limits. In addition, the HK Manager will maintain a liquidity action plan for managing liquidity crisis.

Other liquidity risk tools adopted by the HK Manager include, but not limited to, swing pricing, notice period, redemption gate, redemption in-kind, side pockets (aligning with the Fund Manager Code of Conduct) and suspension of dealings and redemption.

The Liquidity Management Committee, where needed, may convene special meeting to discuss any urgent and/or ad hoc liquidity issues and if required, engage other external parties such as administrator and/or auditor of funds, clients, regulators, external compliance consultants.

15.4 Valuation Policy

The HK Manager adopts a set of valuation policies (“**Valuation Policy**”) for determining the Net Asset Value of the Fund (acting on behalf of the Segregated Portfolios) managed by the HK Manager. The Valuation policy will be reviewed on a semi-annual basis and upon any material regulatory changes. Any changes will be updated to the HK Manager to ensure compliance with relevant rules and regulations, in particular the Fund Manager Code of Conduct.

The HK Manager may outsource fund administration services of Fund to the Administrator.

All assets of the Fund managed by the HK Manager will be valued on a regular basis. The Net Asset Value of the Funds' assets is determined primarily on the basis of their market value, where not possible, Net Asset Value of a Fund will be determined on the basis of an alternative method for calculating fair value according to the Valuation Policy. Assets and liabilities not covered in the Valuation Policy are recognized at their fair value or if not possible or appropriate, other commonly accepted methods may be used.

Where fair value may not be determined pursuant to the Valuation Policy, the HK Manager may in exceptional cases, for example when trading of securities on a regulated market is suspended, and if it is in the best interests of investors and based on the best knowledge and skills of the HK Manager, determine the fair value of assets differently from the provisions of the Valuation Policy, in which cases, fair value of assets is determined by following the valuation methods of International Financial Reporting Standards.

The general methodologies adopted by the HK Manager in valuing exchange traded assets is to value at a price representative of either the closing price or last known market price for that security at the stock exchange or market on which that security is listed or traded as indicated by an automatic price feed or other independent pricing source. For listed securities which are not actively traded or have been suspended from trading, the HK Manager will have procedures for actively seeking independent confirmation of the appropriate price from suitable brokers/market makers, identifying when a security will be written down/off in the valuation of a fund account or transferring the security to its own account where appropriate. The general methodologies adopted by the HK Manager in valuing non-exchange traded assets is to value by reference to the latest quoted price of such assets.

16. GLOSSARY

Administration Agreement	an administration agreement between the Fund and the Administrator, as amended from time to time
Administrator	Apex Fund Services Ltd or any entity or person or any of its successor or replacement appointed as administrator of the Fund from time to time as disclosed in the relevant supplement of a Segregated Portfolio
AEOI	one or more of the following, as the context requires: <ul style="list-style-type: none">• sections 1471 to 1474 of the US Internal Revenue Code of 1986 and any associated legislation, regulations or guidance, commonly referred to as the US Foreign Account Tax Compliance Act, the CRS issued by the Organisation for Economic Cooperation and Development OECD, or similar legislation, regulations or guidance enacted in any other jurisdiction which seeks to implement equivalent tax reporting and/or withholding tax regimes;• any intergovernmental agreement, treaty or any other arrangement between the Cayman Islands and any of the U.S. or any other jurisdiction (including between any government bodies in each relevant jurisdiction), entered into to facilitate, implement, comply with or supplement the legislation, regulations or guidance described in the preceding paragraph; and• any legislation, regulations or guidance implemented in the Cayman Islands to give effect to the matters outlined in the preceding paragraphs
AEOI Legislation	the regulations that give effect to the AEOI regime as issued in the Cayman Islands, including US IGA, multi-lateral competent authority agreement that will be adopted by all jurisdictions committing to the CRS and the relevant domestic legislation
Articles	the Memorandum and Articles of Association of the Fund, as amended from time to time
Auditor	Ernst & Young Ltd., or any entity or person or any of its successor or replacement appointed as auditor of the Fund from time to time
Business Day	any day on which banks in Hong Kong are open for general business, excluding Saturdays and Sundays or a gazette public holiday, and days on which banks in Hong Kong are open for a shorter time as a result of a typhoon signal 8 or above or a black rainstorm signal or similar event, unless the Directors determines otherwise

Cayman Manager	Oakwise Asset Management Limited, or any of its successor or replacement, or such other entities as disclosed in the relevant supplement of a Segregated Portfolio
Cayman TIA	the Cayman Islands Tax Information Authority
CIMA	the Cayman Islands Monetary Authority
Class	in relation to a Segregated Portfolio, a class of Shares in that Segregated Portfolio issued at the discretion of the Directors from time to time without consent of, or notification to existing Shareholders
Class Currency	in relation to a Class of Shares in a Segregated Portfolio, the base currency of such Segregated Portfolio or, if different, such other currency of account of the relevant Class as disclosed in the relevant supplement
Co-Management Agreement	the co-management agreement among the Fund and the Managers, as amended from time to time
Companies Act	the Companies Act (as amended) of the Cayman Islands as amended from time to time
CRS	the Common Reporting Standard
Custodian	Such person(s) or entity(ies) that may be appointed as custodian(s) in respect of any Segregated Portfolio(s) from time to time as specified in the relevant supplement
Custodian Agreement	A custodian agreement between the Fund and the Custodian, as amended from time to time
Directors	the directors of the Fund, as may be appointed from time to time
DPL	the Data Protection Act (as amended) of the Cayman Islands as amended from time to time
Eligible Investor	any person: <ul style="list-style-type: none"> (a) whose acquisition or holding of the Participating Shares would not cause a breach of the law or requirements of any country or governmental authority including anti-money laundering regulations; and (b) whose acquisition or holding of the Participating Shares would not cause the Fund, the Managers or the Shareholders of the Fund as a whole, to suffer any tax, fiscal, legal, regulatory, pecuniary or material administrative disadvantage which it or they would not otherwise have suffered, and (c) who warrants at the time of subscription that:

- (i) its ordinary business or professional activity includes the buying and selling of investments whether as principal or agent; or
 - (ii) if such person is a natural person, whose individual net worth, or joint net worth with spouse, exceeds US\$1 million, or
 - (iii) if such person is an institution, whose assets under discretionary management exceed US\$5 million; and
- (d) who warrants expressly that it:
- (i) has the knowledge, expertise and experience in financial matters to evaluate the risks of investing in a Segregated Portfolio;
 - (ii) is aware of the risks inherent in investing in the assets in which a Segregated Portfolio invests and the method by which the assets of a Segregated Portfolio are held and/or traded; and
 - (iii) can bear the risk of loss of its entire investment; and
- (e) who warrants that it is not a U.S. Person; and
- (f) whose warrants under the sub-sections (b) and (c) above remain valid and true at any time; and
- (g) who warrants that it is not acting directly or indirectly for a terrorist organisation including those persons or entities that are included on the List of Specially Designated Nationals and Blocked Persons maintained by the U.S. Treasury Department's Office of Foreign Asset Control, as such list may be amended from time to time; and
- (h) who warrants that it is not acting directly or indirectly for a senior foreign political figure's immediate family or any close associate of a senior foreign political figure unless the Fund, after being specifically notified by the subscriber in writing that it is such a person or may be acting directly or indirectly on behalf of such a person, conducts further due diligence, and determines that such investment shall be permitted; and
- (i) who warrants that it is not acting as trustee, agent, representative or nominee for a foreign shell bank; and
- (j) who holds the Participating Shares to the value of at least the Minimum Holding Amount at any time; and
- (k) who satisfies such other conditions as may be specified by the Directors from time to time

Equivalent Country	has the meaning as set forth in section 10 (General Information – Anti-money laundering Regulations – Cayman Islands) of this memorandum
ERISA	US Employee Retirement Income Securities Act of 1974, as amended
FATCA	one or more of the following, as the context requires: <ul style="list-style-type: none"> • sections 1471 to 1474 of the US Internal Revenue Code of 1986 and any associated legislation, regulations or guidance, commonly referred to as the US Foreign Account Tax Compliance Act; • any intergovernmental agreement, treaty or any other arrangement between the Cayman Islands and the U.S., entered into to facilitate, implement, comply with or supplement the legislation, regulations or guidance described in the preceding paragraph; and • any legislation, regulations or guidance implemented in the Cayman Islands to give effect to the matters outlined in the preceding paragraphs
FFI	a foreign financial institution
Fund	Oakwise Value Fund SPC, a Cayman Islands exempted company registered as a segregated portfolio company
Fund Manager Code of Conduct	means the Fund Manager Code of Conduct implemented by the SFC in November 2018, as amended, supplemented or otherwise modified from time to time
Fund Privacy Notice	has the meaning as set forth in section 10 (General Information) of this memorandum
General Assets	the assets of the Fund which are not Segregated Portfolio assets
Gross Negligence	means, in relation to a person, a standard of conduct beyond negligence whereby that person acts with reckless disregard for the consequences of a breach of a duty of care owed to another
HMRC	the HM Revenue and Customs of the United Kingdom
Hong Kong or HK	means Hong Kong Special Administrative Region of the PRC
HK Manager	Oakwise Capital Management Limited (瑞橡資本管理有限公司), or any of its successor or replacement, or such other entities as disclosed in the relevant supplement of a Segregated Portfolio
IFRS	the International Financial Reporting Standards

IGA	the Intergovernmental Agreement to improve international tax compliance and to implement FATCA
Indemnified Person	has the meaning as set forth in section 10 (General Information) of this memorandum
Interested Parties	has the meaning as set forth in section 11 (Conflicts of Interest) of this memorandum
Initial Class	has the meaning as set forth in section 6 (Subscription and Redemption of Participating Shares) of this memorandum
IRO	means the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
IRS	the Internal Revenue Service of the U.S.
Liquidity Management Committee	has the meaning as set forth in section 15.3 (Liquidity Management Policy and Procedures) of this memorandum
Liquidity Management Policy	has the meaning as set forth in section 15.3 (Liquidity Management Policy and Procedures) of this memorandum
Lockup Period	such period of time as set out in the relevant supplement of a Segregated Portfolio
Management Fee	the management fee payable by the Fund to each Manager in accordance with the Co-Management Agreement, as disclosed in the relevant supplement of a Segregated Portfolio
Management Share	non-redeemable, voting share of the Fund with rights and obligations attaching thereto in accordance with the Articles
Managers	the HK Manager and the Cayman Manager, and each “a Manager”
Minimum Holding Amount	as set out in the supplement of the relevant Segregated Portfolio
Minimum Initial Subscription Amount	where applicable, the minimum initial investment for Participating Shares in a Segregated Portfolio or a Class or Classes of Participating Shares in relation thereto per Participating Shareholder as set out in the relevant supplement which may be waived or reduced by the Directors either generally or in any particular case; however, for so long as the Fund is registered under section 4(3) of the Mutual Funds Act, the minimum initial investment cannot be less than US\$100,000 (or its equivalent in the relevant dealing currency) (exclusive of any subscription fee)
Minimum Subsequent Subscription Amount	where applicable, the minimum subsequent subscriptions for Participating Shares to be made in increments equal to or greater than such number of Participating Shares or value as set out in the relevant supplement or such other number or value as the

	Directors may in their discretion agree from time to time, whether generally or in a particular case
Money Laundering Regulations	the anti-money laundering regulations of the Cayman Islands as amended from time to time and any supplementary regulations and/or guidance notes issued pursuant thereto
Net Asset Value	in relation to any Segregated Portfolio, the net asset value of that Segregated Portfolio or, as the context may require, in relation to any Shares or class or series of Shares, the net asset value of a Share or Share of a particular class or series
Non-US Person	refers to: <ul style="list-style-type: none"> (a) a natural person who is not a resident of the United States, or (b) a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a non-US jurisdiction and which has its principal place of business in a non-US jurisdiction, or (c) an estate or trust, the income of which is not subject to United States income tax regardless of source, or (d) an entity organised principally for passive investment such as a pool, investment company or other similar entity, but only if units of participation in the entity held by persons who do not qualify as Non-US Persons or otherwise as qualified eligible persons represent in the aggregate less than 10% of the beneficial interest in the entity and that such entity was not formed principally for the purpose of facilitating investment by persons that do not qualify as Non-US Persons in a commodity pool with respect to which the commodity pool operator is exempt from certain requirements of Part 4 of the US Commodity Futures Trading Commission (“CFTC”) regulations by virtue of its participants being Non-US Persons, or (e) a pension plan for employees, officers or principals of an entity organised and with its principal place of business outside the United States.
OECD	the Organisation for Economic Cooperation and Development
OFAC	the United States Department of Treasury’s Office of Foreign Assets Control
Overhead Expenses	the overhead costs of the Managers, namely, facilities’ expenses, compensation of all employees of the Managers, or any of their respective affiliates, rent, office furniture, fixtures, computer equipment and the like

Participating Share	a non-voting, redeemable share in a Segregated Portfolio of the Fund with rights and obligations attaching thereto in accordance with the Articles
Participating Shareholder(s)	a Shareholder of the Participating Share(s)
Performance Fee	the performance fee payable by the Fund to each Manager in accordance with the Co-Management Agreement, as disclosed in the relevant supplement of a Segregated Portfolio
PRC or China	the People's Republic of China (excluding Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan)
Prime Broker(s)	such person(s) or entity(ies) that may be appointed as Prime Broker(s) in respect of any Segregated Portfolio(s) from time to time as specified in the relevant supplement.
Redemption Day	subject to the restrictions as set out in this memorandum and in the Articles, such day as prescribed in the supplement of a relevant Segregated Portfolio or such other day or days as the Directors may determine in their absolute discretion from time to time on a case by case basis or generally as of which Participating Shares may be redeemed in accordance with this memorandum and the Articles
Redemption Deadline	has the meaning as set forth in section 6 (Subscription and Redemption of Participating Shares) of this memorandum
Reinvestment Notice	has the meaning as set forth in section 6 (Subscription and Redemption of Participating Shares) of this memorandum
Reinvestment Subsequent Class	has the meaning as set forth in section 6 (Subscription and Redemption of Participating Shares) of this memorandum
Risk Management Committee	means the risk management committee formed by the HK Manager pursuant to the risk management policy of the HK Manager dated February 2019 (as amended from time to time)
Securities Lending Policy	has the meaning as set forth in section 15.2 (Securities Lending/Repo and Reverse Repo Policy) of this memorandum
Segregated Portfolio	each segregated portfolio (within the meaning of the Companies Act) of assets of the Fund as may from time to time be created by the Fund in accordance with the Articles
Segregated Portfolio Company or SPC	an exempted company registered under section 213(1) of the Companies Act
SFC	the Hong Kong Securities and Futures Commission

SFO	means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
Shares	the Management Share and/or the Participating Shares
Shareholders	a registered holder of the Shares
Side Pocket Investment	investments which are considered to be illiquid and/or lacking a readily available market value, as designated by the Fund or the HK Manager as a “side pocket investment”
Subscription Day	in respect of the Participating Shares, such day as prescribed in the supplement of a relevant Segregated Portfolio or such other day or days as the Directors may determine in their absolute discretion from time to time on a case by case basis or generally as of which Participating Shares may be issued in accordance with the Articles
Subsequent Class	has the meaning as set forth in section 6 (Subscription and Redemption of Participating Shares) of this memorandum
Switching Notice	has the meaning as set forth in section 6 (Subscription and Redemption of Participating Shares) of this memorandum
Switching Subsequent Class	has the meaning as set forth in section 6 (Subscription and Redemption of Participating Shares) of this memorandum
U.S. or United States	the United States of America
USD or US\$ or US dollar	the lawful currency for the time being and from time to time of the United States of American
US IGA	an IGA (a FATCA Model 1B (non-reciprocal) IGA) signed between the Cayman Islands and the U.S.
U.S. Person	<p>For purposes of the United States Securities Act of 1933 (as amended), it has the meaning given to that term in Regulation S.</p> <p>For purposes of U.S. Internal Revenue Code Section 7701(a)(30),</p> <ul style="list-style-type: none"> (a) an individual who is a U.S citizen or U.S. resident alien (e.g. green card holder or meets substantial presence test); (b) a partnership, corporation, or association created or organized in the U.S. or under the laws of the U.S; (c) a foreign estate; or (d) a trust where a court within the U.S. is able to exercise primary supervision over the administration of the trust

and one or more U.S. persons have the authority to control all substantial decisions of the trust

Valuation Day such day as prescribed in the supplement of a Segregated Portfolio and/or such other Business Day as determined by the Directors on which the Net Asset Value of a Segregated Portfolio is calculated

Valuation Point the close of business in the last relevant market to close on a Valuation Day or a Redemption Day (as the case may be), or such other date and time as determined by the Directors from time to time