

# **ZDR INVESTMENTS SG VCC**

(a variable capital company incorporated on 10 May 2023 with limited liability under the laws of the Republic of Singapore with company registration number: T23VC0121E)

Fund Manager

**EURO ASIA ASSET MANAGEMENT PTE. LTD.**

## **INFORMATION MEMORANDUM**

**DATED ON 29 AUGUST 2023**

**AMENDED AND RESTATED ON 8 NOVEMBER 2023 AND 19 MARCH 2024**

## IMPORTANT NOTICE

Neither the Fund (as defined below), the Sub-Fund (as defined below) nor the Participating Shares (as defined below) described in this confidential Information Memorandum, as it may be supplemented, amended or restated from time to time (the "**Memoranda**"), has been approved or disapproved by any securities regulatory authority anywhere in the world nor has any such securities regulatory authority passed upon or endorsed the merits of the offering of the Participating Shares or the accuracy or adequacy of the Memoranda. Any representation to the contrary is a criminal offence. This Information Memorandum may only be issued with one (1) or more Supplemental Memorandum (as defined below).

Prospective investors should also note that the Memoranda do not purport to identify, and do not necessarily identify, all of the risk factors associated with the proposed investment. Accordingly, each prospective investor, prior to making any investment decision, must conduct and rely upon its own investigation of risk factors associated with the proposed investment, including, among others (a) risks the Sub-Funds face by virtue of the market in which they operate, (b) risks that are specific to the Sub-Funds, and (c) risks that are specifically associated with the nature of the proposed investment. The value of the investments may fall as well as rise. An investment in the Sub-Funds should therefore be regarded as long-term and should form only one part of an otherwise diversified investment portfolio. An investment in the Sub-Funds is suitable only for institutional and/or accredited investors and requires the financial ability and willingness to accept the risk inherent in the Sub-Funds.

An investment in the Sub-Funds involves a substantial level of risk; prospective investors should pay particular attention to the risk factors set out in Section 8 of this Information Memorandum and the specific risk factors set out in the relevant Supplemental Memorandum. There is always a risk of a complete loss of investors' investments in the Fund or any Sub-Fund, for which there is no recourse being afforded to the investors. An investment in the Fund or any Sub-Fund by an investor shall be predicated on the assumption of such risks by that investor, and only capital that the investor can afford to lose should be invested in the Fund or any Sub-Fund.

Each prospective investor should carefully review the tax matters discussed under Section 7 of this Information Memorandum and is advised to consult its own tax advisor as to the tax consequences of an investment in the Fund and the Sub-Funds.

The invitation contemplated in the Memoranda is not, and shall not under any circumstances be construed as, a public offering of Participating Shares. It should be noted that the Participating Shares are not and will not be listed on any stock exchange nor traded in any other securities market.

If you are in any doubt about the contents of the Memoranda, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

The Memoranda are distributed on a confidential basis to a limited number of selected institutional and/or accredited investors in connection with the offering of Participating Shares and may therefore not be for use by or reproduced for any person other than the person to whom it is distributed. The recipient, by its acceptance of the Memoranda, agrees to keep permanently confidential all information contained herein not already in the public domain, agrees not to reproduce or distribute the Memoranda to others without the prior written consent of the Fund and/or the Fund Manager and agrees not to disclose the information contained herein. Each person receiving the Memoranda agrees to return it promptly to the Fund and/or the Fund Manager upon request.

The Memoranda contain material provided to the Fund Manager or the Fund by various sources. No representation or warranty is made or should be implied as to the accuracy or completeness of the material contained herein and no responsibility or liability will be accepted by the Fund Manager or the Fund for any loss or damage, howsoever arising, which results from an action or reliance in whole or in part on such material. The information in the Memoranda is not complete and may be changed. Prospective investors should independently verify the material contained in the Memoranda. No person has been authorised to give any information or to make any representations other than as contained in the Memoranda and any representation or information not contained herein must not be relied upon as having been authorised by the Fund Manager or the Fund.

The Memoranda are issued by the Fund Manager and these have not been issued by any other person. Prospective investors should obtain a copy of the Fund Documentation (as defined below) before making any binding commitment. Information in the Memoranda is qualified in its entirety by reference to the detailed information in the Fund Documentation. Subscription for Participating Shares will be on the basis of the Fund Documentation. Only the particular representations and warranties contained in such Fund Documentation will have any legal effect. To the extent that statements made in the Memoranda summarise provisions of any agreement, they are qualified in their entirety by such provisions. Although every effort has been taken to ensure the accuracy of the facts and matters stated in the Memoranda, in the event of any inconsistency between the information contained herein and any of the Constitution, Subscription Application Form or Investment Management Agreement, the relevant agreement shall prevail. Prospective investors and their advisers should carefully review and evaluate the Fund Documentation.

The Memoranda contain targeted returns, estimates, beliefs and similar information which can be identified by the use of terminology such as "may", "will", "should", "expect", "anticipate", "project", "estimate", "intend", "continue", "believe", "target" or the negatives thereof or other variations or comparable terminology ("**Forward-Looking Information**"). Forward-Looking Information is subject to inherent uncertainties and qualifications and is based on numerous assumptions, in each case whether or not identified herein. Forward-Looking Information is provided for illustrative purposes only and is not intended to serve as and must not be relied on by any prospective investor as a guarantee, an assurance, a prediction or a definitive statement of fact or probability. The value of the investments of the Fund and Sub-Funds may fluctuate and past performance provides no guarantee for the future. Actual events and circumstances are beyond the control of the Fund and the Fund Manager. Some important factors that could cause actual results to differ materially from those in any Forward-Looking Information include changes in interest rates, or domestic and foreign business, market, financial, political and legal conditions. There can be no assurance that any particular Forward-Looking Information will be realised and the performance of the investment may be materially different from the Forward-Looking Information.

Any Forward-Looking Information is qualified in its entirety by, and is subject to, the preceding paragraph. There is no guarantee of the performance of the Sub-Funds, the repayment of the investment or the payment of any particular return from the Sub-Funds. Investment in the Sub-Funds requires the financial ability and willingness to accept the high risks and lack of liquidity inherent in an investment in the Sub-Funds. Prospective investors must be prepared to bear such risks.

Except where otherwise indicated, the information contained in this Information Memorandum has been compiled as of the date of this Information Memorandum and the Fund Manager has no obligation to update this Information Memorandum. This Information Memorandum shall remain the property of the Fund and the Fund Manager. The Fund and the Fund Manager reserve the right to require the return of the Memoranda (together with any copies or extracts thereof) at any time.

Prospective investors should not treat the contents of the Memoranda 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 interests.

### **Singapore**

THE FUND IS NOT AUTHORISED UNDER SECTION 286 OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE (THE "SFA") OR RECOGNISED UNDER SECTION 287 OF THE SFA BY THE MONETARY AUTHORITY OF SINGAPORE (THE "MAS") AND PARTICIPATING SHARES IN THE FUND ARE NOT ALLOWED TO BE OFFERED TO THE RETAIL PUBLIC.

THE OFFER OF UNITS IN THIS FUND (AND SUB-FUNDS) HAS BEEN NOTIFIED WITH THE MAS ONLY AS A RESTRICTED COLLECTIVE INVESTMENT SCHEME PURSUANT TO SECTION 305 OF THE SFA AND THIS INFORMATION MEMORANDUM AND ANY OTHER DOCUMENT OR MATERIAL ISSUED IN CONNECTION WITH THE OFFER OF PARTICIPATING SHARES IN THE FUND IS NOT A PROSPECTUS AS DEFINED IN THE SFA AND, ACCORDINGLY, STATUTORY LIABILITY UNDER THE SFA IN RELATION TO THE CONTENT OF PROSPECTUSES DOES NOT

APPLY. YOU SHOULD CONSIDER CAREFULLY WHETHER AN INVESTMENT IN THE FUND IS SUITABLE FOR YOU.

THIS INFORMATION MEMORANDUM AND ANY OTHER DOCUMENT OR MATERIAL ISSUED IN CONNECTION WITH THE OFFER OF PARTICIPATING SHARES IN THE FUND HAVE NOT BEEN REGISTERED AS A PROSPECTUS WITH THE MAS. THIS INFORMATION MEMORANDUM AND ANY OTHER DOCUMENT OR MATERIAL ISSUED IN CONNECTION WITH THE OFFER OF PARTICIPATING SHARES IN THE FUND MAY NOT BE CIRCULATED OR DISTRIBUTED, NOR MAY PARTICIPATING SHARES BE OFFERED OR SOLD, OR BE MADE THE SUBJECT OF AN INVITATION FOR SUBSCRIPTION OR PURCHASE, WHETHER DIRECTLY OR INDIRECTLY, TO THE PUBLIC OR ANY MEMBER OF THE PUBLIC IN SINGAPORE OTHER THAN (A) TO AN ACCREDITED INVESTOR, AND IN ACCORDANCE WITH THE CONDITIONS SPECIFIED IN SECTION 305 OF THE SFA, (B) TO AN INSTITUTIONAL INVESTOR PURSUANT TO SECTION 304 OF THE SFA, OR (C) IN ACCORDANCE WITH THE CONDITIONS OF ANY OTHER APPLICABLE PROVISIONS OF THE SFA, AS THE SAME MAY BE AMENDED FROM TIME TO TIME. PARTICIPATING SHARES SUBSCRIBED OR PURCHASED PURSUANT TO SECTIONS 304 OR 305 OF THE SFA MAY ONLY BE TRANSFERRED IN ACCORDANCE WITH PROVISIONS OF SECTIONS 304A AND 305A OF THE SFA RESPECTIVELY.

WHERE THE PARTICIPATING SHARES ARE ACQUIRED UNDER SECTION 305 OF THE SFA BY A RELEVANT PERSON WHICH IS A CORPORATION (WHICH IS NOT AN ACCREDITED INVESTOR (AS DEFINED IN SECTION 4A OF THE SFA)) THE SOLE BUSINESS OF WHICH IS TO HOLD INVESTMENTS AND THE ENTIRE SHARE CAPITAL OF WHICH IS OWNED BY ONE OR MORE INDIVIDUALS, EACH OF WHOM IS AN ACCREDITED INVESTOR, THE SECURITIES OF THAT CORPORATION SHALL NOT BE TRANSFERABLE FOR SIX MONTHS AFTER THAT CORPORATION HAS ACQUIRED THE PARTICIPATING SHARES UNDER SECTION 305 OF THE SFA EXCEPT:

- (A) TO AN INSTITUTIONAL INVESTOR OR TO A RELEVANT PERSON AS DEFINED IN SECTION 305(5) OF THE SFA OR ARISING FROM AN OFFER UNDER SECTION 275(1A) OF THE SFA;
- (B) WHERE NO CONSIDERATION IS GIVEN FOR THE TRANSFER; OR
- (C) WHERE THE TRANSFER IS BY OPERATION OF LAW.

WHERE THE PARTICIPATING SHARES ARE ACQUIRED UNDER SECTION 305 OF THE SFA BY A RELEVANT PERSON WHICH IS A TRUST (WHERE THE TRUSTEE IS NOT AN ACCREDITED INVESTOR) WHOSE SOLE PURPOSE IS TO HOLD INVESTMENTS AND EACH BENEFICIARY IS AN INDIVIDUAL WHO IS AN ACCREDITED INVESTOR, THE BENEFICIARIES' RIGHTS AND INTEREST IN THAT TRUST SHALL NOT BE TRANSFERABLE FOR SIX MONTHS AFTER THAT TRUST HAS ACQUIRED THE PARTICIPATING SHARES UNDER SECTION 305 EXCEPT:

- (A) TO AN INSTITUTIONAL INVESTOR OR TO A RELEVANT PERSON AS DEFINED IN SECTION 305(5) OF THE SFA OR ARISING FROM AN OFFER THAT IS MADE ON TERMS THAT SUCH RIGHTS OR INTEREST ARE ACQUIRED AT A CONSIDERATION OF NOT LESS THAN S\$200,000 (OR ITS EQUIVALENT IN A FOREIGN CURRENCY) (OR SUCH OTHER AMOUNT AS MAY BE PRESCRIBED UNDER THE SFA) FOR EACH TRANSACTION, WHETHER SUCH AMOUNT IS TO BE PAID FOR IN CASH OR BY EXCHANGE OF SECURITIES OR OTHER ASSETS;
- (B) WHERE NO CONSIDERATION IS GIVEN FOR THE TRANSFER; OR
- (C) WHERE THE TRANSFER IS BY OPERATION OF LAW.

BY ACCEPTING RECEIPT OF THIS INFORMATION MEMORANDUM AND ANY OTHER DOCUMENT OR MATERIAL ISSUED IN CONNECTION WITH THE OFFER OF PARTICIPATING SHARES IN THE FUND, A PERSON IN SINGAPORE REPRESENTS AND WARRANTS THAT HE IS ENTITLED TO RECEIVE THIS INFORMATION MEMORANDUM AND ANY OTHER DOCUMENT

OR MATERIAL ISSUED IN CONNECTION WITH THE OFFER OF PARTICIPATING SHARES IN THE FUND IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH ABOVE AND AGREES TO BE BOUND BY THE LIMITATIONS CONTAINED HEREIN AND ANY OTHER DOCUMENT OR MATERIAL ISSUED IN CONNECTION WITH THE OFFER OF PARTICIPATING SHARES IN THE FUND.

**GENERAL WARNING IN RELATION TO ACCREDITED INVESTORS:**

ACCREDITED INVESTORS ARE ASSUMED TO BE BETTER INFORMED, AND BETTER ABLE TO ACCESS RESOURCES TO PROTECT THEIR OWN INTERESTS, AND THEREFORE REQUIRE LESS REGULATORY PROTECTION. INVESTORS WHO AGREE TO BE TREATED AS ACCREDITED INVESTORS THEREFORE FORGO THE BENEFIT OF CERTAIN REGULATORY SAFEGUARDS. FOR EXAMPLE, ISSUERS OF SECURITIES ARE EXEMPTED FROM ISSUING A FULL PROSPECTUS REGISTERED WITH THE MAS IN RESPECT OF OFFERS THAT ARE MADE ONLY TO ACCREDITED INVESTORS, AND INTERMEDIARIES ARE EXEMPTED FROM A NUMBER OF BUSINESS CONDUCT REQUIREMENTS WHEN DEALING WITH ACCREDITED INVESTORS. INVESTORS SHOULD CONSULT A PROFESSIONAL ADVISER IF THEY DO NOT UNDERSTAND ANY CONSEQUENCE OF BEING TREATED AS AN ACCREDITED INVESTOR.

**Other Jurisdictions**

The Memoranda do not constitute and may not be used for the purposes of an offer or invitation to subscribe for or purchase any of the Participating Shares by any person in any jurisdiction in which such offer or invitation is not authorised or in which the person endeavouring to make such offer or invitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or invitation. The Memoranda will not be registered as a prospectus under any applicable securities legislation in any jurisdiction. The distribution of the Memoranda in certain jurisdictions may be restricted and accordingly, persons into whose possession the Memoranda come are required to inform themselves about and observe such restrictions including obtaining any requisite governmental or other consent and observing any other formality prescribed in such territory. No action has been taken or will be taken in any jurisdiction that would permit a public offering of the interests or possession or distribution of this information in any jurisdiction where action for that purpose is required.

Prospective investors should seek legal advice if unsure about the contents of this Memoranda prior to subscribing for or purchasing any of the Participating Shares.

**All Jurisdictions**

The Board (as defined below) has the right, without any prior notice, to redeem compulsorily or require the compulsory transfer of any Participating Shares which is held by (a) any person in breach of any law or requirement of any country or governmental authority, (b) any person or persons in circumstances which, in the opinion of the Board, might result in the Fund or the Associates (as defined below) or agents of the Fund or any member of the Fund incurring any liability to taxation or suffering any other pecuniary disadvantage which the Fund might not otherwise have incurred or suffered, (c) any person which may result in the Fund being required to comply with any registration or filing requirement in any jurisdiction to which it would not otherwise be required to comply, or (d) any person such as to be harmful or injurious to the business or reputation of the Fund or any of its service providers.

The Memoranda do not purport to be complete and does not necessarily contain all information which a prospective investor would consider material. Accordingly, this document should not form the basis of any investment decision. In making an investment decision, prospective investors should inform themselves as to (a) any possible tax consequences, (b) any legal requirements, (c) any financial and other consequences of an investment and the terms of the offering including the merits and risks involved; and (d) any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence, incorporation or domicile and which might be relevant to the subscription, holding, or disposal of Participating Shares. No representation or warranty is made or implied as to the availability of taxation deductions or any

other taxation implications in relation to the Fund and Sub-Funds or in respect of the investment in or distributions from the Sub-Funds.

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## SECTION 1 – CORPORATE INFORMATION

<b>The Fund</b>	ZDR Investments SG VCC 1 Paya Lebar Link, #04-01 Paya Lebar Quarter Singapore 408533
<b>Director(s) of The Fund</b>	Karol Piovarcsy Ondrej Sychrovsky
<b>Fund Manager</b>	Euro Asia Asset Management Pte. Ltd. 1 Paya Lebar Link #04-01 Paya Lebar Quarter Singapore 408533
<b>Fund Administrator</b>	JTC Fund and Corporate Services (Singapore) Pte. Limited 14 Robinson Road #12-01/02 Far East Finance Building Singapore 048545
<b>Legal Counsel to the Fund and the Fund Manager as to matters of Singapore law</b>	Bayfront Law LLC 79 Robinson Road #14-01 CapitaSky Singapore 066897
<b>Corporate Secretary Agent</b>	Aurtus (Singapore) Pte. Ltd. 6 Battery Road #38-04 Six Battery Road Singapore 049909
<b>Auditor</b>	Everest Assurance PAC 7500A Beach Road #14-302 The Plaza Singapore 199591
<b>Tax Advisor</b>	Aurtus (Singapore) Pte. Ltd. 6 Battery Road #38-04 Six Battery Road Singapore 049909
<b>Custodian</b>	Oversea-Chinese Banking Corporation Limited 63 Chulia Street #10-00 Singapore 049514
<b>Management Shareholders</b>	Prazdny Zdenek Hladky Radek Latuske Roman
<b>Investment Advisor</b>	Advisory 4 Funds s.r.o. Jungmannova 750/34 Nové Město (Praha 1) 110 00 Praha



**Financial Supervisory Authority  
Regulating the Fund Manager**

Regulated under the SFA by:  
Monetary Authority of Singapore  
10 Shenton Way  
MAS Building  
Singapore 079117

## SECTION 2 – DEFINITIONS

The following terms when used in this Information Memorandum shall bear the same meanings as set forth below unless otherwise defined herein or the context otherwise requires:

- “%”** : means per centum;
- “Administration Agreement”** : means the administration agreement between the Fund and the Fund Administrator for the provision of administration services by the Fund Administrator to the Fund in respect of the Sub-Funds, as amended, modified, varied or novated from time to time;
- “Associate”** : in relation to a person, means:
- (a) any entity controlled, directly or indirectly, by that person;
  - (b) any entity that controls, directly or indirectly, that person; or
  - (c) any entity directly or indirectly under common control with that person,
- and "**Associates**" means all such entities;
- In this Information Memorandum, the term "**control**" (including the terms "**control**", "**controlled by**" and "**under common control with**") means, when used in the context of control of a person, the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such person, whether through the ownership of voting interests, by contract or otherwise;
- “Auditors”** : means the auditors of the Fund from time to time;
- “Base Currency”** : unless otherwise specified in the relevant supplement of a Sub-Fund, the Base Currency of the Fund and the Sub-Funds shall be in EUR or as determined at the Fund Manager’s discretion from time to time;
- “Board”** : means the board of directors of the Fund;
- “Business Day”** : means any day (other than a Saturday and Sunday) when banks in Singapore are open for the transaction of normal business or such other day as the Directors may from time to time determine;
- “Cause”** : means gross negligence, fraud, wilful default or reckless disregard by the Fund Manager in the performance or non-performance of its obligations or duties under the Investment Management Agreement or a material breach by the Fund Manager of the Investment Management Agreement resulting in a material adverse effect on the Fund;

- “Class”** : in respect of any Sub-Fund, means a class of Participating Shares of such Sub-Fund as may be issued to Shareholders from time to time;
- “Compulsory Redemption”** : means the compulsory redemption of the Participating Shares of a Sub-Fund in accordance with Section 3.7.5 at any time;
- “Constitution”** : means the constitution of the Fund, as may be amended, supplemented and modified from time to time;
- “Custodian Agreement”** : means, where applicable, the custodial agreement between the Fund for and on behalf of a particular Sub-Fund and the relevant Custodian for the provision of custodial services by the Custodian to the Fund in respect of the Sub-Funds, as amended, modified, varied or novated from time to time;
- “Custodian”** : means, where applicable, such custodian as may be appointed by the Fund for and on behalf of a particular Sub-Fund;
- “Directors”** : means the members of the Board for the time being and any duly constituted committee thereof and any successors to such members as they may be appointed from time to time, and "Director" means any one member of the Board for the time being;
- “Eligible Investors”** : means an investor who satisfies the criteria for holding Participating Shares as set out in Section 3.3.7;
- “Establishment Expenses”** : means all fees and expenses relating to the establishment and organisation of the Fund and Sub-Funds (as the case may be), including the fees and expenses of the professional advisers and consultants in relation to organising the structure of the Fund and Sub-Funds;
- “EUR”** : means the lawful currency of the European Union;
- “Financial Year”** : means the financial year of the Fund comprising the 12-month period ending on 31 December of each calendar year;
- “Fund Administration Agreement”** : means the administration agreement(s) between the Fund and the relevant Fund Administrator for the provision of administration services by the Fund Administrator to the Fund in respect of the Sub-Funds, as amended, modified, varied or novated from time to time;
- “Fund Administrator”** : means, where applicable, such administrator(s) as may be appointed by the Fund for and on behalf of a particular Sub-Fund to provide fund administration services;
- “Fund Documentation”** : means, where applicable, (a) the Information Memorandum; (b) the Supplemental Memorandum of the relevant Sub-Fund; (c) the Constitution; (d) the Investment Management Agreement; (e) Fund Administration Agreement, (f) Custodian Agreement of the relevant Sub-Fund, and (g) the Subscription

- Application Form, each as may be amended, supplemented or modified from time to time;
- “Fund Manager”** : means Euro Asia Asset Management Pte. Ltd., in its capacity as the manager of the Fund or such other manager as may be appointed by the Fund from time to time;
- “Fund”** : means ZDR Investments SG VCC;
- “Gross Negligence”** : means 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;
- “IFRS”** : means International Financial Reporting Standards as issued by the International Accounting Standards Board;
- “Indemnified Party”** : means each of the Fund Manager, the Fund Administrator, the investment advisor (if any), their shareholders, officers, directors, employees and agents, the members of the Board, the members of the Investment Committee and the agents of the Fund;
- “Information Memorandum”** : means this Information Memorandum, as may be amended, supplemented and modified from time to time;
- “Initial Offer Period”** : means, in relation to a Sub-Fund or a Class or Classes of Participating Shares, such period as the Directors may determine for the purpose of making an initial placement of Participating Shares of such Sub-Fund or such Class or Classes and as specified in the relevant Supplemental Memorandum (if applicable);
- “Initial Offer Price”** : means the price per Participating Share during the Initial Offer Period as determined by the Directors and as specified in the relevant Supplemental Memorandum (if applicable);
- “Investment Committee”** : means, in respect of any Sub-Fund, a committee of representatives having oversight over the Investments of such Sub-Fund as described in Section 6.2;
- “Investment Management Agreement”** : means the agreement between the Fund acting for and on behalf of the relevant Sub-Fund(s) and the Fund Manager for the provision of fund management services by the Fund Manager to the Fund in respect of the relevant Sub-Fund(s), as amended, modified, varied or novated from time to time;
- “Investment”** : means investments held by the Fund in respect of the relevant Sub-Fund (either directly or indirectly) including, but not limited to, stocks, shares, bonds, notes, securities, funds, trusts, foreign exchange and currencies, structured products, cryptocurrencies, commodities, derivatives and other instruments globally;
- “Investment-Related Expenses”** : means the costs and expenses incurred in relation to proposed or actual undertaking of Investments or disposal of

Investments, as the case may be, including, but not limited to, due diligence costs, taxes, brokerage, legal, accounting, tax consultancy, auditing and other professional fees;

- “Issue Price”** : means the issue price of a Participating Share of a particular Sub-Fund or Class of a Sub-Fund after the expiry of the Initial Offer Period;
- “IT Regulations”** : means the Income Tax (Exemption of Income of Approved Companies Arising from Funds Managed by Fund Manager in Singapore) Regulations 2010, as amended, modified or supplemented from time to time;
- “ITA”** : means the Income Tax Act 1947 of Singapore, as amended, modified or supplemented from time to time;
- “Lock-Up Period”** : means the period during which no redemption in respect of Participating Shares may be made as specified in the respective Supplemental Memorandum;
- “Management Fee”** : means the management fee payable by the Fund from the assets of the relevant Sub-Fund to the Fund Manager pursuant to the Investment Management Agreement and as indicated in the respective Supplemental Memorandum of the relevant Sub-Fund;
- “Management Share”** : means the one (1) voting share in the Fund and having the rights and subject to the restrictions attached to them as prescribed by regulation 8 of the Constitution;
- “MAS”** : means the Monetary Authority of Singapore;
- “Minimum Holding Amount”** : means the minimum number or value of Participating Shares of any Sub-Fund or class of Participating Shares which must be held by any Shareholder and as specified in the relevant Sub-Fund’s Supplemental Memorandum;
- “Minimum Initial Subscription Amount”** : means the minimum initial subscription amount per investor for Participating Shares of any Sub-Fund or class of Participating Shares and as indicated in the relevant Sub-Fund’s Supplemental Memorandum;
- “Minimum Redemption Amount”** : means the minimum number or value of Participating Shares of any Sub-Fund or class of Participating Shares to be redeemed by any Shareholder in respect of a particular redemption of Participating Shares and as indicated in the relevant Sub-Fund’s Supplemental Memorandum;
- “Minimum Subsequent Subscription Amount”** : means the minimum additional subscriptions per investor for Participating Shares of any Sub-Fund or class of Participating Shares and as indicated in the relevant Sub-Fund’s Supplemental Memorandum;
- “NAV per Participating Share”** : means, in relation to a Participating Share of a particular Sub-Fund and/or Class within a Sub-Fund, that proportion of the

Net Asset Value of the Fund or any Sub-Fund, as the case may be, represented by such Participating Share, as determined in accordance with the Constitution and the relevant Supplemental Memorandum;

- “Net Asset Value”** : means the net asset value of a particular Sub-Fund which shall be equal to the total value of all of the assets of the relevant Sub-Fund minus all outstanding debts, liabilities and obligations of the relevant Sub-Fund as calculated in the Base Currency in accordance with IFRS;
- “Participating Shares”** : means a non-voting participating redeemable shares issued in respect of any Sub-Fund in accordance with the Constitution and having the rights and subject to the restrictions attached to them as prescribed by regulation 9 of the Constitution and as set out in Section 3.4.2;
- “Participating Shareholder”** : means a holder of Participating Shares;
- “Performance Fee”** : means the performance fee payable by the Fund, for and on behalf of the relevant Sub-Fund(s), to the Fund Manager pursuant to the Investment Management Agreement and as indicated in the Supplemental Memorandum of the relevant Sub-Fund(s);
- “Performance Period”** : means the period commencing on the initial date a series of a Class of Participating Shares is issued and ending on the date Performance Fee is payable in respect of the Class of Participating Shares;
- “Redemption Day”** : means, in relation to a Sub-Fund or, as the context may require, of a particular Class relating to a Sub-Fund, the day the Directors may from time to time determine, either generally or in respect of a particular Class or Classes of Participating Shares, for effecting any requests for redemption of Participating Shares in the relevant Sub-Fund or the relevant Class or Classes and as specified in the relevant Supplemental Memorandum;
- “Redemption Deadline”** : unless otherwise specified in the relevant Supplemental Memorandum means, in relation to a Redemption Day, 5.00pm (Singapore time) on a day at least certain 30 Business Days prior to the Redemption Day by which a redemption request in respect of a Sub-Fund or a Class must be received or such other Business Day or day as the Directors may from time to time determine generally;
- “Redemption Fee”** : means the redemption fee payable by the Shareholders to the Sub-Funds as indicated in the respective Supplemental Memorandum of the relevant Sub-Fund;
- “Redemption Form”** : means the prescribed redemption form for the redemption of Participating Shares;

- “Redemption Gate”** : means, limits on the number or value of Participating Shares in issue (or any Class thereof) in respect of a Sub-Fund, whichever is lower, that is available for redemption as of any one Redemption Day as specified in the relevant Supplemental Memorandum;
- The Directors may reduce such redemption requests received (but not some of such requests pro rata) on a Redemption Deadline in respect of a Sub-Fund so that (a) they cover no more than such limits of the net asset value of Participating Shares in issue (or any Class thereof) of such Sub-Fund (as applicable); or (b) as may be required to satisfy the redemptions pursuant to the Sub-Fund's right of Compulsory Redemption in circumstances as stated in this Information Memorandum and in the Constitution;
- Any part of a redemption request to which effect is not given by reason of the exercise of this power by the Sub-Fund to postpone redemption requests will be treated as if the request had been made (without priority) in respect of the next Redemption Deadline and all following Redemption Deadlines of the Sub-Fund (in relation to which the Directors have the same power) until the original request has been satisfied in full. Any unsatisfied portion of any redemption request will continue to be at risk in the Sub-Fund's business;
- “Redemption Price”** : means the price per Participating Share for the redemption of Participating Shares calculated in accordance with section 3.7.2;
- “Refund Period”** : 30 Business Days from the relevant Subscription Day or close of the relevant Initial Offer Period (as the case may be) or such other period as specified in the relevant Supplemental Memorandum within which subscription monies in respect of a subscription application which was rejected or a Sub-Fund or a Class which was not launched will be returned to the relevant applicant;
- “Register”** : means the register of members of the Fund and Sub-Fund as required to be maintained by the Fund pursuant to section 81 of the VCC Act;
- “Sales Fee”** : shall have the meaning ascribed to it in paragraph 5.4(f);
- “Securities Market”** : any stock exchange, over-the-counter market or other organised securities market that is open to the international public and on which such securities are regularly traded;
- “Series”** : a series within a Class as may be designated from time to time by the Directors;
- “Shareholder”** : means a person who is registered on the Register as the holder of Participating Shares;

- “Sub-Fund”** : means a sub-fund of the Fund registered under section 27 of the VCC Act from time to time;
- “Subscription Application Form”** : means the prescribed application form issued by the relevant Sub-Fund on which potential investors may make applications for the subscription of Participating Shares;
- “Subscription Day”** : means, in relation to a Sub-Fund or, as the context may require, of a particular Class, the days as the Fund Manager may from time to time determine, either generally or in respect of a particular Class, for effecting any requests for subscription of Participating Shares in the relevant Sub-Fund or the relevant Class and unless otherwise specified in the relevant Supplemental Memorandum, shall be the first Business Day of each January, April, July and October;
- “Subscription Deadline for Subscription Application Form”** : means, in relation to a Subscription Day, such time and date by which a duly completed Subscription Application Form together with the applicable Verification Documents for subscription in respect of a Sub-Fund or Class must be received as specified in the relevant Supplemental Memorandum;
- “Subscription Deadline for Subscription Monies”** : means, in relation to a Subscription Day, such time and date by which subscription monies for subscription in respect of a Sub-Fund or Class must be received as specified in the relevant Supplemental Memorandum;
- “Subscription Fee”** : means the subscription fee payable by each Shareholder to the Fund Manager in connection with a subscription for Participating Shares of a Sub-Fund as specified in the relevant Supplemental Memorandum;
- “Supplemental Memorandum”** : means the relevant supplemental memorandum to this Information Memorandum issued in respect of each Sub-Fund;
- “U.S.”** : means the United States of America;
- “US Dollar”, “USD” or “US\$”** : means the lawful currency of the U.S.;
- “Valuation Day”** : means the last Business Day of each calendar month or on such day or days as the Directors may designate from time to time or in any particular case, on which the net asset value of the relevant Sub-Fund and/or the net asset value of a Participating Share or class of Participating Shares falls to be calculated and in relation to each Subscription Day or Redemption Day (as the case may be) of any Class or Classes as specified in the Supplemental Memorandum;
- “Valuation Point”** : means the close of business of the last relevant market to the Sub-Fund on the Business Day preceding each Subscription Day and Redemption Day or such other day as the Directors may determine from time to time either generally or in relation to a particular Sub-Fund or Class;



- “Valuation Policy”** : means the valuation policy, where applicable, in respect of the calculation of the net asset value of a Participating Share or class of Participating Share based on the underlying assets invested by the Sub-Fund to be agreed from time to time between the Fund Manager and the Administrator and as specified in the relevant Supplemental Memorandum;
- “VCC Act”** : means the Variable Capital Companies Act 2018 of Singapore; and
- “Verification Documents”** : means such documents to accompany a Subscription Application Form as may be necessary for the verification of the identity and source of payment of subscription monies and compliance with any law or regulation of any jurisdiction as the Directors, Fund Manager and/or Fund Administrator may require at any time.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*.

In the event of conflict or inconsistency between the terms and conditions contained in any of the Fund Documentation, the Directors (in consultation with the Fund Manager) shall have the right to determine which term or condition takes precedence and such determination shall be binding on any investor or Shareholder.

## SECTION 3 – FUND DETAILS

### 3.1 Overview of the Fund

#### 3.1.1 Variable Capital Company

The Fund is incorporated as a variable capital company with limited liability in the Republic of Singapore on 10 May 2023 under the VCC Act.

As a variable capital company established under the VCC Act, the Fund may create and operate any number of Sub-Funds. The Sub-Funds have the benefit of statutory segregation under the VCC Act so that the assets and liabilities of each Sub-Fund are entirely segregated from the assets and liabilities of any other Sub-Fund. The principal advantage of this is that the assets of one Sub-Fund are protected from the liabilities of the others. Where a liability of the Fund to a person arises from a matter, or is otherwise imposed, in respect of or attributable to a particular Sub-Fund such liability shall extend only to, and that person shall, in respect of that liability, be entitled to have recourse only to the assets of the Fund attributable to that Sub-Fund. Each Class of Participating Shares corresponds to a particular Sub-Fund created and designated by the Directors from time to time.

The Fund may create additional Sub-Funds and classes of Participating Shares (and more than one class of Participating Shares may be created in relation to each Sub-Fund) in the sole discretion of the Directors and as circumstances dictate. Shares of a class linked to a Sub-Fund may be subject to terms and conditions that differ from the terms and conditions applicable to the shares of other classes linked to that Sub-Fund or to such other Sub-Funds.

Details in relation to each Sub-Fund such as the additional investment objectives and strategies, the Initial Offer Period, the subscription date, subscription procedure and the Management Fee, will be indicated in the relevant Sub-Fund's Supplemental Memorandum.

The relevant Supplemental Memorandum must be read in conjunction with this Information Memorandum. In the event that the descriptions or terms in this Information Memorandum conflict with the terms and descriptions in a Supplemental Memorandum, the terms in the Supplemental Memorandum will prevail in relation to the relevant Sub-Fund.

As a matter of Singapore law, assets attributable to each Sub-Fund shall only be available to creditors in respect of that Sub-Fund and the assets of that Sub-Fund shall be protected from creditors of the Fund who are not creditors in respect of that Sub-Fund. The Fund will establish a separate account for each Sub-Fund. Each Sub-Fund is a separate individually managed pool of assets constituting, in effect, a separate fund with its own investment objective and strategy and overseen by the Fund Manager. In addition to the information set out herein, further details of the investment objective and strategy of each Sub-Fund will be set out in the relevant Supplemental Memorandum. Please also refer to Section 8 on "**Risk Factors – Segregation of Assets in a Variable Capital Company Structure**" for further details.

The VCC Act requires that every agreement, business letter, statement of account, invoice, official notice, publication, bill of exchange, promissory note, indorsement, cheque, order, receipt or letter of credit in which a Sub-Fund is mentioned to set out the (a) name of the Sub-Fund, (b) registration number of the Sub-Fund, and (c) fact that the assets and liabilities of the Sub-Fund are segregated in accordance with Section 29 of the VCC Act. The Fund must also disclose such information to a party before entering into an oral agreement with such party for and on behalf of the Sub-Fund.

Under the VCC Act, an officer of the Fund who fails to meet these requirements in the case of a bill of exchange, promissory note, indorsement, cheque or order will incur personal liability

for the liabilities of the Fund and the relevant Sub-Fund(s) under such bill of exchange, promissory note, indorsement, cheque or order. Notwithstanding the foregoing, the Singapore courts may relieve an officer of all or part of his personal liability if satisfied that (a) he has acted honestly and reasonably, and (b) having regard to all the circumstances of the case, including those connected with his appointment, he ought fairly to be excused for his failure to comply with the requirements of the VCC Act.

### **3.2 General Investment Objective and Strategy**

The Fund, through each Sub-Fund, invests in accordance with the general investment policy described herein.

#### **3.2.1 Objective**

The overarching investment objective of the Fund is to enhance the return on investments for investors of each Sub-Fund, including but not limited to capital growth and/or income generating instruments, based on the investment strategies set out in the relevant supplemental memorandum.

Each Sub-Fund may invest in one or more asset classes to achieve this investment objective.

The cash held by a Sub-Fund may be placed with banks or be deployed by the Fund Manager to make short-term investments in money market instruments.

#### **3.2.2 Strategy**

The Fund intends to invest in but not limited to other funds and/or entities which are focused on real estate projects in the European Union. These investments are usually backed by long term leases within the real estate projects, generating stable long-term returns for the Fund. Each Sub-Fund will have its own investment strategy and policy as stipulated in the relevant Supplemental Memorandum. All investment decisions for the Sub-Fund will be made by the Fund Manager in its sole discretion.

#### **3.2.3 Investment Restrictions**

Each Sub-Fund may be subject to certain investment restrictions and prohibitions, as indicated in its Supplemental Memorandum.

#### **3.2.4 Process**

The Fund Manager will deploy a systematic investment process and supported by rigorous risk management for each investment, to support the investment strategy of the Fund.

Investment processes which are specific to each Sub-Fund will be indicated in their respective Supplemental Memorandum.

### **3.3 The Offering**

#### **3.3.1 Initial Offer**

Participating Shares of a Sub-Fund or a Class or Classes will be offered for the first time at the Initial Offer Price during the Initial Offer Period of such Sub-Fund or such Class or Classes as specified in the relevant Supplemental Memorandum.

### 3.3.2 Minimum Subscription Level

Details of any Minimum Initial Subscription Amount, Minimum Subsequent Subscription Amount and Minimum Holding Amount applicable to a Sub-Fund or a Class are set out in the relevant Supplemental Memorandum.

The Directors have the discretion to waive, change or accept an amount lower than the Minimum Initial Subscription Amount, Minimum Subsequent Subscription Amount or Minimum Holding Amount from time to time, whether generally or in a particular case.

### 3.3.3 Subsequent Subscription

Participating Shares will be available for subscription on each Subscription Day after the expiry of the Initial Offer Period.

### 3.3.4 Issue Price

After the close of the Initial Offer Period, the Issue Price will be calculated by reference to the NAV per Participating Share as at the Valuation Point on the Valuation Day in respect of that Subscription Day (see the sub-section titled "**Calculation of Net Asset Value**" for further details).

The Issue Price shall be rounded down to the four (4) decimal places (or such other decimal places as the Fund Manager determines). Any amount corresponding to such rounding will accrue to the relevant Sub-Fund.

### 3.3.5 Application Procedures

The Initial Offer Price payable in respect of the relevant Sub-Fund is set out in the relevant Supplemental Memorandum of that Sub-Fund.

Subscribers may make subscriptions either in cash, or, at the absolute discretion of the Directors in consultation with the Fund Manager, and provided that the subscriber has made prior arrangements with the Directors or the Fund Manager (on behalf of the Directors), by other non-cash consideration, whether in-specie (or by a combination), subject always to the Fund Manager's prior approval and acceptance. Any costs and expenses payable in connection with any such transfer of assets shall be discharged by or on account of the applicant out of the price payable for such Participating Shares. The Directors have the discretion to determine the value of assets transferred to the relevant Sub-Fund in lieu of cash. The subscription monies should be remitted by telegraphic transfer to the relevant Sub-Fund's account in accordance with the transfer instructions set out in the Subscription Application Form. Applicants are advised whenever possible to apply by electronic means and to make payment by telegraphic transfer to avoid any delay in the allotment of their Participating Shares. All subscription monies must originate from an account held in the name of the applicant. No third party payments will be accepted.

Applications for subscription of Participating Shares may be made to the Fund Manager (with a copy to the Fund Administrator) by providing a completed Subscription Application Form and Verification Documents (including supporting anti-money laundering and know-your-client documents and/or information) and such other additional documents and information required by the Fund Manager and/or Fund Administrator before the acceptance of the Subscription Application Form and sent by electronic means (provided that the original follows promptly by post to the Fund Manager) to the business address on the Subscription Application Form.

The Subscription Application Form is available from the Fund Manager and/or the Fund Administrator. None of the Fund Administrator, the Fund Manager or any of their respective agents or delegates accepts any responsibility for any loss caused as a result of non-receipt or illegibility of any application sent by post or by electronic means or for any loss caused in respect of any action taken as a consequence of such postal or electronic instructions believed in good faith to have originated from properly authorised persons. The applicant shall notify the Fund Administrator and the Fund Manager as soon as practicable if there is any change in the information provided by the investor in the Subscription Application Form.

A confirmation notice will be sent via email as soon as practicable to successful applicants on acceptance of their application and receipt in cleared funds of their application monies.

### 3.3.6 Application for Subscription Irrevocable

Each Subscription Application Form will provide that the subscription is irrevocable and shall not be affected by the subsequent dissolution, bankruptcy or insolvency of the prospective investor, whether or not notification of acceptance of the Subscription Application Form by the Fund for and on behalf of the relevant Sub-Fund has been delivered to the prospective investor, provided however, that the investor shall have no obligation under the Subscription Application Form if its subscription is for any reason wholly rejected by the Fund for and on behalf of the relevant Sub-Fund or this offering is for any reason cancelled or terminated by the Fund for and on behalf of the relevant Sub-Fund.

### 3.3.7 Restrictions of Subscription

The Participating Shares have not been, nor will they be, registered or qualified for sale to the public in any jurisdiction, and the offer and sale of Participating Shares will be made only to prospective investors to the extent permitted under applicable law. The Fund for and on behalf of the Sub-Funds reserves the right in its sole discretion to reject any and all subscriptions for Participating Shares. Only persons who satisfy the requirements of this Information Memorandum including this section ("**Eligible Investors**") may subscribe for or hold Participating Shares. The Directors have the right to request the compulsory redemption of all Participating Shares held by a Shareholder who is not an Eligible Investor (see the section titled "**Fund Details – Compulsory Redemption**" for further details).

For these purposes, an Eligible Investor is a person to whom the issue, holding or transfer of Participating Shares would not constitute a breach of the laws of any jurisdiction or contrary to the regulations of any government authority or would not give rise to circumstances (whether taken alone or in conjunction with other persons or any other circumstances appearing to the Directors to be relevant) which, in the opinion of the Directors, might result in the Fund and/or its Shareholders as a whole incurring any liability to taxation or suffering any other regulatory, pecuniary, legal or material administrative disadvantage that the Fund might not otherwise have suffered or incurred.

The Eligible Investor is and will at all times continue to be an "**institutional investor**" or an "**accredited investor**" within the meaning of the SFA.

Under section 4A of the SFA and the Securities and Futures (Classes of Investors) Regulations 2018, an "**institutional investor**" refers to:

- (a) the Government of Singapore;
- (b) a statutory body as may be prescribed by regulations made under Section 341 of the SFA;

- (c) an entity that is wholly and beneficially owned, whether directly or indirectly, by a central government of a country and whose principal activity is –
  - (i) to manage its own funds;
  - (ii) to manage the funds of the central government of that country (which may include the reserves of that central government and any pension or provident fund of that country); or
  - (iii) to manage the funds (which may include the reserves of that central government and any pension or provident fund of that country) of another entity that is wholly and beneficially owned, whether directly or indirectly, by the central government of that country;
- (d) any entity:
  - (i) that is wholly and beneficially owned, whether directly or indirectly, by the central government of a country; and
  - (ii) whose funds are managed by an entity mentioned in sub-paragraph (c);
- (e) a central bank in a jurisdiction other than Singapore;
- (f) a central government in a country other than Singapore;
- (g) an agency (of a central government in a country other than Singapore) that is incorporated or established in a country other than Singapore;
- (h) a multilateral agency, international organisation or supranational agency as may be prescribed by regulations made under Section 341 of the SFA;
- (i) a bank that is licensed under the Banking Act 1970 of Singapore;
- (j) a merchant bank that is licensed under the Banking Act 1970 of Singapore;
- (k) a finance company that is licensed under the Finance Companies Act 1967 of Singapore;
- (l) a company or co-operative society that is licensed under the Insurance Act 1966 of Singapore, to carry on insurance business in Singapore;
- (m) a company licensed under the Trust Companies Act 2005 of Singapore;
- (n) a holder of a capital markets services licence;
- (o) an approved exchange;
- (p) a recognised market operator;
- (q) an approved clearing house;
- (r) a recognised clearing house;
- (s) a licensed trade repository;

- (t) a licensed foreign trade depository;
- (u) an approved holding company;
- (v) a Depository as defined in section 81SF of the SFA;
- (w) an entity or a trust formed or incorporated in a jurisdiction other than Singapore, which is regulated for the carrying on of any financial activity in that jurisdiction by a public authority of that jurisdiction that exercises a function that corresponds to a regulatory function of the Authority under this Act, the Banking Act 1970, the Finance Companies Act 1967, the Monetary Authority of Singapore Act 1970, the Insurance Act 1966, the Trust Companies Act 2005 or such other Act as may be prescribed by regulations made under section 341 of the SFA;
- (x) a pension fund, or collective investment scheme, whether constituted in Singapore or elsewhere;
- (y) a person (other than an individual) who carries on the business of dealing in bonds with accredited investors or expert investors;
- (z) the trustee of such trust as the MAS may prescribe, when acting in that capacity;
- (aa) a "designated market-maker" (as defined in paragraph 1 of the Second Schedule to the Securities and Futures (Licensing and Conduct of Business) Regulations);
- (bb) a headquarters company or Finance or Treasury Centre which carries on a class of business involving fund management, where such business has been approved as a qualifying service in relation to that "headquarters company" (as defined in paragraph 1 of the Second Schedule to the Securities and Futures (Licensing and Conduct of Business) Regulations) or "finance and treasury centre" (as defined in paragraph 1 of the Second Schedule to the Securities and Futures (Licensing and Conduct of Business) Regulations) under section 43D(2)(a) or 43E(2)(a) of the Income Tax Act 1947;
- (cc) a person who undertakes fund management activity (whether in Singapore or elsewhere) on behalf of not more than 30 qualified investors (as defined in paragraph 5(3) of the Second Schedule to the Securities and Futures (Licensing and Conduct of Business) Regulations);
- (dd) a "service company" (as defined in regulation 2 of the Insurance (Lloyd's Asia Scheme) Regulations) which carries on business as an agent of a member of Lloyd's;
- (ee) a corporation the entire share capital of which is owned by an institutional investor or by persons all of which are institutional investors;
- (ff) a partnership (other than a limited liability partnership within the meaning of the Limited Liability Partnerships Act 2005 of Singapore) in which each partner is an institutional investor; or
- (gg) such other person as the MAS may prescribe.

Under present regulations, a "**relevant person**" includes, among other things, the following:

- (a) an "**accredited investor**", meaning;

- (i) an individual: (A) whose net personal assets exceed in value S\$2.0 million (or its equivalent in a foreign currency) or such other amount as the MAS may prescribe in place of the first amount; or (B) whose financial assets (net of any related liabilities) exceed in value S\$1.0 million (or its equivalent in a foreign currency) or such other amount as the MAS may prescribe in place of the first amount (where “financial asset” means – (BA) a deposit as defined in section 4B of the Banking Act 1970; (BB) an investment product as defined in section 2(1) of the Financial Advisers Act 2001; or (BC) any other asset as may be prescribed by regulations made under section 341 of the SFA); or (C) whose income in the preceding 12 months is not less than S\$300,000 (or its equivalent in a foreign currency) or such other amount as the MAS may prescribe in place of the first amount;
- (ii) a corporation with net assets exceeding S\$10.0 million in value (or its equivalent in a foreign currency) or such other amount as the MAS may prescribe, in place of the first amount, as determined by: (A) the most recent audited balance-sheet of the corporation; or (B) where the corporation is not required to prepare audited accounts regularly, a balance-sheet of the corporation certified by the corporation as giving a true and fair view of the state of affairs of the corporation as of the date of the balance-sheet, which date shall be within the preceding 12 months;
- (iii) an entity (other than a corporation) with net assets exceeding S\$10.0 million (or its equivalent in a foreign currency) in value;
- (iv) a partnership (other than a limited liability partnership) in which every partner is an accredited investor;
- (v) a corporation the entire share capital of which is owned by one or more persons, all of whom are accredited investors;
- (vi) a person who holds a joint account with an accredited investor, in respect of dealings through that joint account; or
- (vii) such other person as the MAS may prescribe,

who has opted to be treated by the Fund as an accredited investor in accordance with the SFA.

Pursuant to the terms of the Subscription Application Form, any investor in the Fund will be required to provide undertakings to inform the Fund Manager immediately if there is any change in their eligibility status, and to provide documentary evidence and assurance of such status, including financial statements and income statements, as the Fund Manager may from time to time request.

Subject to the booking of an application made by any investor by the Fund Administrator in respect of a Subscription Day, If an application is rejected (either in whole or in part) or the Fund Manager determines that the relevant Class or the relevant Sub-Fund and the Class(es) related to it will not be launched, subscription monies (or the balance thereof) will be returned within the Refund Period without interest and after deducting any of out-of-pocket fees and charges incurred by the Fund Manager and the Fund Administrator and/or their respective delegates or agents by telegraphic transfer to the bank account from which the moneys originated at the risk and expense of the applicant or in such other manner as the Fund Manager and the Fund Administrator may from time to time determine. Save for any liability imposed under the laws of Singapore or for breach of trust through fraud or negligence of the Fund



Manager or the Fund Administrator, none of the Fund Manager, the Fund Administrator or their respective delegates or agents will be liable to the applicant for any loss the applicant suffers as a result of the rejection or delay of any application.

No Participating Shares of a Sub-Fund or a Class or Classes will be issued where the determination of the net asset value of that Sub-Fund or Class or Classes and/or the allotment or issuance of Participating Shares of that Sub-Fund or Class or Classes is suspended or when the Fund Manager determines, with prior notification to the Fund Administrator, that subscriptions for Participating Shares of such Sub-Fund or Class or Classes are closed.

### 3.3.8 Disclosure of Personal Information

Information in relation to a prospective investor will be processed for the purposes of carrying out the services of the Fund Manager and/or the Fund Administrator and to comply with any applicable legal obligations including legal obligations under company law and anti-money laundering legislation. By investing in the Fund, prospective investors acknowledge and expressly consent that in relation to any data or personal data of the prospective investors or the Fund (as applicable) collected from the prospective investors or the Fund by the Fund Manager, Fund Administrator or their subsidiaries, affiliates or agents, or provided by the Fund to the Fund Manager, Fund Administrator or their subsidiaries, affiliates or agents, their personal information may be handled by the Fund Manager, Fund, Fund Administrator and their respective service providers without limitation in the manner set out below:

- (a) collecting, storing, processing, using and disclosing such data or personal data for the following purposes:
  - (i) managing all aspects of the services provided by the Fund Manager, including due diligence, advisory, generating reports and general administrative processes;
  - (ii) purpose of developing and processing the business relationship with the Shareholders;
  - (iii) providing and maintaining references; and
  - (iv) complying with applicable laws, regulations, rules and orders, and the applicable code of conduct, policies and procedures, or any other regulations applicable to the Fund Manager or of the Fund Manager as may be prevailing from time to time; and
- (b) making such information available or disclosing such data or personal data (including where the data or personal data are transferred from Singapore to any other country) to those who provide products or services to the Fund Manager (such as advisers, financial institutions, service providers and administrators), regulatory authorities, governmental or quasi-governmental organisations and potential purchasers of the Fund Manager or any part of its business.

Prospective investors further expressly agree that, subject to the transfer limitation obligation contained in the Personal Data Protection Act 2012 and the relevant regulations and guidelines issued by the Personal Data Protection Commission, the data or personal data of the prospective investors may be transferred outside Singapore to enable the Fund Manager, the Fund Administrator and the Fund to perform the functions stated above efficiently.

Prospective investors must be aware that telephone conversations with the Fund, the Fund Manager and the Fund Administrator may be recorded. Recordings will be conducted in

compliance with the applicable laws and regulations. Recordings may be produced in court or other legal proceedings with the same value in evidence as a written document.

The Fund, the Fund Administrator and the Fund Manager will treat information received from subscribers as confidential and generally will not disclose such information other than (i) to their professional advisors or other service providers or agents where the Fund, the Fund Administrator or the Fund Manager (as the case may be) considers such disclosure necessary or advisable to enable them to conduct their respective affairs or for any purpose connected with the performance of their duties; and (ii) where such disclosure is required by any law or order of any court or pursuant to any other direction, request or requirement of any central bank or governmental or other regulatory entity. By subscribing for the Participating Shares, prospective investors are deemed to unconditionally and irrevocably consent to any such disclosure.

### **3.4 Share Capital**

#### **3.4.1 Management Share**

As at the date of this Information Memorandum, the Fund's issued and paid-up share capital was SGD1,002 comprising 1,002 Management Shares.

Management Shares carry the following rights:

(a) *Notice, attendance and voting rights*

The holder of a Management Share shall (in respect of such share) have the right to receive notice of, attend at and vote as a Shareholder at, any general meeting of the Fund (including the right to vote on a scheme of arrangement, merger, reconstruction or amalgamation);

(b) *Right to financial statements*

The holder of a Management Share shall have the right, in accordance with the VCC Act, to receive a copy of the financial statements (or consolidated financial statements and balance sheet, as the case may be) of the Fund in its capacity as a person entitled to receive notice of general meetings;

(c) *Redemption and repurchase rights*

Management Shares are redeemable and repurchasable at the option of the Fund in accordance with the Constitution and are not redeemable at the option of the holders of such Management Shares in accordance with the Constitution and as set out in the Offering Documents, save that no Management Shares may be redeemed or repurchased if there shall be less than one (1) Management Share in issuance after such redemption and repurchase;

(d) *Economic participation*

Management Shares shall not be entitled to any share of the profits of the Fund or any proceeds of realisation of the assets of the Fund and may not be redeemed or repurchased for an amount greater than the paid up on the Management Shares. A holder of Management Shares will only be entitled to the return of capital paid up on the Management Shares on the liquidation of the Fund in accordance with the following order of priority: first, in paying to the holders of the Management Shares, the amount of capital paid up on the Management Shares and finally, in paying to the holders of

Participating Shares, an aggregate amount proportionate to the sum of the Redemption Price of each of their Participating Shares.

### 3.4.2 Participating Shares

The Fund in respect of each relevant Sub-Fund will issue Participating Shares to prospective investors upon successful subscriptions. A subscription made by a prospective investor will be satisfied by the subscription by such prospective investor for Participating Shares of the relevant Sub-Fund at the Issue Price indicated in the relevant Supplemental Memorandum. Upon full payment for the subscription at the Issue Price, the relevant prospective investor will be issued such number of Participating Shares fully paid up at the Issue Price as is represented by such amount.

No redemption of Participating Shares may be made during a Lock-Up Period in respect of a relevant Sub-Fund as set out in the relevant Supplemental Memorandum. Such a Lock-Up Period may be waived, shortened or lengthened as determined by the Directors (or the Fund Manager acting on behalf of the Directors), either generally or in a specific case for one or more Shareholders.

The rights attaching to the Participating Shares for each Sub-Fund shall be as follows:

(a) *Notice, attendance and voting rights*

The holder of a Participating Share shall (in respect of such share) not have the right to (i) vote as a Shareholder at any general meeting of the Fund (including any vote on a scheme of arrangement, merger, reconstruction or amalgamation), except on a resolution to vary the rights attached to the relevant Participating Shares or (ii) receive notice of, attend and speak at any general meeting of the Fund.

At a meeting where Shareholders are entitled to attend and vote (whether on a show of hands or on a poll), each Shareholder present in person or by proxy or by attorney or other duly authorised representative shall have one (1) vote for every Participating Share. Without prejudice to the foregoing, a Shareholder is not entitled to vote on matters in respect of an investment which he has recommended, introduced or proposed to the relevant Sub-Fund.

(b) *Dividends*

The Participating Shares or Classes carry the rights to participate in or receive profits, income or other payments or returns arising from the acquisition, holding, management or disposal of the assets or part of the assets of the relevant Sub-Fund or the exercise, redemption or expiry of any right, interest, title or benefit in the property or part of the property of the relevant Sub-Fund, or to receive sums paid out of such profits, income or other payments or returns, subject to the following:

- (i) The Board may, in their absolute discretion, from time to time declare any such dividends to the Shareholders. The assets of a particular Sub-Fund (or the income derived from such assets) may only be used to pay a dividend on Participating Shares in respect of such Sub-Fund and shall not be used to pay a dividend on Participating Shares in the Fund or in respect of another Sub-Fund, as the case may be.
- (ii) Dividends may be paid out of the capital or the profits of the Fund and no dividend or other monies payable by the Fund for and on behalf of the Sub-

Fund or in respect of any Participating Share shall bear interest against the Fund in respect of the relevant Sub-Fund.

- (iii) A Shareholder shall not have legal recourse to an action against the Fund or a Sub-Fund for payment of a dividend unless the dividend has been unconditionally declared by the Board.
- (iv) When paying dividends or distributions to Shareholders, the Directors may make payment either in cash or in specie and where any difficulty arises with regard to a payment in specie, the Directors may do all or any of the following:
  - (1) settle the distribution as they think expedient;
  - (2) fix the value for distribution of the specific assets or any part of the specific assets;
  - (3) determine that cash payments be made to any Shareholder on the basis of the value fixed by the Directors, in order to adjust the rights of all parties; and/or
  - (4) vest any specific assets in trustees as may seem expedient to the Directors.
- (v) Any dividend or other money payable in cash in respect of Participating Shares may be paid in any manner as the Directors may determine and if paid by cheque or warrant (payable to the order of the person to whom it is sent) may be sent through the post directed:
  - (1) in the case of joint holders, to the registered address of the joint holder who is first named on the register of members of the Fund or to a person or to an address as the joint holders may in writing direct; or
  - (2) in any other case, to the registered address of the holder or to a person or to an address as the holder may in writing direct.

(c) *Winding Up*

If a Sub-Fund is wound up, the liquidator may, with the sanction of holders of management shares in the Fund holding at least 75.0% of the total voting rights of the Fund and subject to the Constitution and the VCC Act:

- (i) divide amongst the Shareholders in kind the surplus assets of the relevant Sub-Fund, whether they consist of asset of the same kind or not;
- (ii) set a value as the liquidator considers fair upon the asset referred to in (i) above;
- (iii) determine how the division of asset is to be carried out as between the Shareholders or Shareholders of different Classes; and
- (iv) vest the whole or any part of the assets of the relevant Sub-Fund in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit.

(d) *Variation of Rights*

The rights attaching to any class of Participating Shares attributable to the relevant Sub-Fund may be varied by a resolution for such variation passed at a general meeting of the holders such class of Participating Shares by a majority of 75.0% of the votes cast at such a general meeting. The necessary quorum is at least one person holding or representing by proxy one-third of the issued class of Participating Shares and any holder of such class of Participating Shares present in person or by proxy may demand a poll.

(e) *Restrictions on Transfer of Participating Shares*

Pursuant to the Constitution, any Shareholder may transfer all or any of such Shareholder's Participating Shares or Class by instrument in writing in any form which the Directors may approve. The Directors may decline to register the transfer of Participating Shares or Class if:

- (i) the Participating Shares or Class are not fully paid Participating Shares or Class, as the case may be;
- (ii) the holder of the Participating Shares or Class has no right to request for the transfer of such Participating Shares or Class, as the case may be;
- (iii) the Directors acting in their absolute discretion do not approve of the transfer of Participating Shares or Class and in so acting, the Directors need not assign any specific reason to decline the registration of the transfer;
- (iv) such transfer would result in the transferee or the transferor holding Participating Shares or Class having:
  - (1) a lesser aggregate net asset value of Participating Shares or Class, as the case may be, than the applicable Minimum Holding Amount (if any); or
  - (2) a lesser aggregate number of Participating Shares or Class, as the case may be, than any applicable minimum holding number of Participating Shares or Class, as the case may be, as may be provided in the relevant Supplemental Memorandum;
- (v) such transfer shall be declined in accordance with the relevant Supplemental Memorandum.

(f) *Right to financial statements*

The holder of a Participating Share shall (in respect of such share) not have the right to receive a copy of the financial statements (or consolidated financial statements and balance sheet, as the case may be) of the Fund.

### **3.5 Sub-Funds**

The Fund is a single legal entity and each Sub-Fund does not constitute a legal entity separate from the Fund. Any agreement or obligation to be entered into by a Sub-Fund shall be entered into by the Fund acting for and on behalf of that Sub-Fund. Assets of a Sub-Fund will only be available to meet liabilities to creditors of that Sub-Fund and to holders of Participating Shares

issued in respect of that Sub-Fund. Each Sub-Fund will be administered and maintained separately from the other Sub-Funds.

The Board shall have the discretion to create additional Sub-Funds, Series and Classes attributable to such Sub-Funds from time to time. Each Sub-Fund and/or Class may be denominated in a different currency or may have a different charging structure with the result that the net asset value attributable to each Sub-Fund and/or Class may differ. In addition, each Sub-Fund and/or Class may be subject to a different Minimum Initial Subscription Amount, Minimum Subsequent Subscription Amount, Minimum Holding Amount and/or Minimum Redemption Amount. Such information will be set out in the respective Supplemental Memorandum of each Sub-Fund.

The assets of each Sub-Fund will be invested separately in accordance with the investment objective, policies and guidelines for such Sub-Fund as specified in this Information Memorandum and the Supplemental Memorandum in respect of a relevant Sub-Fund.

Each Sub-Fund shall be separately designated and shall have one or more Classes and Series to which the following provisions shall apply:

- (a) the proceeds from the allotment and issue of each such Class and Series shall be applied in the books of the Fund to the relevant Sub-Fund and the assets, profits, gains, income and liabilities, losses and expenses attributable thereto shall be applied in the books of the Fund to such Sub-Fund and assets required to satisfy any redemption of Participating Shares of any such Class or paid as dividends, shall be accounted for out of the relevant Sub-Fund;
- (b) where any asset is derived from another asset (whether cash or otherwise) attributable to one particular Sub-Fund, such derivative asset shall be applied in the books of the Fund to the same Sub-Fund as the asset from which it was derived. On each revaluation of an asset, the increase or decrease in value shall be applied to the relevant Sub-Fund;
- (c) the assets of each Sub-Fund shall be kept separate and separately identifiable from assets attributable to other Sub-Funds and from the Fund's general assets; and
- (d) where any costs or expenses or any liabilities incurred by the Fund are specifically attributable to a particular Sub-Fund, they shall be borne only by such Sub-Fund, and where they are not specifically attributable to a Sub-Fund, such costs, expenses, or liabilities shall be allocated among the Sub-Funds on an equitable basis as determined by the Board in its discretion.

### **3.6 Duration and Winding-up of the Fund and Each Sub-Fund**

The Fund is a company of unlimited duration. The duration of each Sub-Fund will be indicated in the relevant Sub-Fund's Supplemental Memorandum.

The Fund or a Sub-Fund, as the case may be, may be wound up if upon the occurrence of the following events or as indicated, as the case may be, in the relevant Sub-Fund's Supplemental Memorandum:

- (a) an order for the winding-up of the Fund or the relevant Sub-Fund, as the case may be, is made by a Singapore court on any of the grounds provided in the VCC Act; or
- (b) a resolution for the winding-up of the Fund or the relevant Sub-Fund, as the case may be, is passed at a general meeting of management shareholders of the Fund, by such

holders of management shares in the Fund holding at least 75.0% of the total voting rights of the Fund and subject to the Constitution and the VCC Act.

### **3.7 Redemptions**

#### **3.7.1 Redemption of Participating Shares**

Any Shareholder may redeem his Participating Shares on any Redemption Day in whole or in part, subject to the Minimum Redemption Amount and Minimum Holding Amount as set out in the relevant Supplemental Memorandum, subject to any Lock-Up Period set out therein and the provisions of the Constitution (if applicable). The Directors may waive or modify such minimum limit(s) in their discretion. Where a Shareholder is given an option to redeem such portion of Participating Shares having an aggregate net asset value of an amount specified by the Shareholder (as opposed to a specified number of Participating Shares), fractions of Participating Shares to be redeemed shall be rounded up to four (4) decimal places or such other number as the Directors may determine from time to time. The benefit or burden of any rounding adjustment shall be retained or borne (as the case may be) by the relevant Sub-Fund.

Where applicable, Participating Shares will be redeemed on a "first in, first out" ("**FIFO**") basis unless otherwise determined by the Directors, subject to the Minimum Holding Amount as set out in the relevant Supplemental Memorandum. Save where there is a suspension of the determination of the net asset value of the Sub-Fund and/or the redemption of Participating Shares, a redemption request once given cannot be revoked without the consent of the Directors.

#### **3.7.2 Redemption Price**

Participating Shares redeemed on a Redemption Day will be redeemed at the Redemption Price calculated by reference to the NAV per Participating Share as at the Valuation Point on the Valuation Day in respect of that Redemption Day (see the sub-section titled "**Calculation of Net Asset Value**" for further details).

#### **3.7.3 Restrictions on Redemption**

No Participating Shares of the Sub-Fund may be redeemed where the determination of the net asset value of the Fund and/or the redemption of Participating Shares of the Fund is suspended (see the sub-section titled "**Suspension**" for further details).

#### **3.7.4 Redemption Gate**

The Directors may reduce such redemption requests received (but not some of such requests pro rata) on a Redemption Deadline in respect of a Sub-Fund so that (a) they constitute no more than a percentage of the net asset value of Participating Shares (or any Series or Class thereof, if applicable) of such Sub-Fund as specified in the relevant Supplemental Memorandum; or (b) as may be required to satisfy the redemptions pursuant to the Sub-Fund's right of compulsory redemption in circumstances as stated in this Information Memorandum and in the Constitution.

Any part of a redemption request to which effect is not given by reason of the exercise of this power by a relevant Sub-Fund to postpone redemption requests will be treated as if the request had been made (without priority) in respect of the next Redemption Deadline and all following Redemption Deadlines of that Sub-Fund (in relation to which the Directors have the same power) until the original request has been satisfied in full. Any unsatisfied portion of any redemption request will continue to be at risk in the Sub-Fund's business.

### 3.7.5 Compulsory Redemption

The Directors may compulsorily redeem all of the Participating Shares of each Sub-Fund at any time (including during any period when the redemption of the Participating Shares of each Sub-Fund upon request by Shareholders is suspended, any Lock Up Period, and regardless of any applicable Minimum Redemption Amount or Minimum Holding Amount) and for any or no reason whatsoever upon not less than five (5) days' prior written notice, PROVIDED THAT if the Directors in their sole and absolute discretion determine that such compulsory redemption is necessary if the Participating Shares of each Sub-Fund are acquired or held by a person in the circumstances set out below, they may compulsorily redeem the relevant Participating Shares without prior written notice:

- (a) any person in breach of the laws, regulations or requirements of any country or governmental or regulatory authority; or
- (b) any person or persons in circumstances (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other persons, connected or not, or any other circumstances appearing to the Directors to be relevant) which in the opinion of the Directors might result in the Fund (or the associates or agents of the Fund) or the Shareholders to adverse pecuniary, legal, fiscal, tax, regulatory or material administrative consequences that the Fund (or the associates or agents of the Fund) or the Shareholders might not otherwise have been exposed to; or
- (c) any person which may result in the Fund or a service provider being required to comply with any registration or filing requirement in any jurisdiction with which it would not otherwise be required to comply or the Fund or the service provider being in breach of the laws, regulations or requirements of any country or governmental authority; or
- (d) any person which might be harmful or injurious to the business or reputation of the Fund or any of its service providers; or
- (e) any person the holding of which is less in value (other than as a result of depreciation in the value of his holding) or lower in number than the minimum value or number determined by the Directors from time to time; or
- (f) any person who is not or who ceases to be an Eligible Investor; or
- (g) any person(s) who fail(s) to provide, within a reasonable time, the information and documentation requested by the Fund, the Directors, the Fund Manager and/or the Fund Administrator for the purpose of or in connection with compliance with the legal, government or regulatory requirements of any relevant jurisdiction, any disclosure or notification requirements under any applicable laws, regulations and best practices.

The Redemption Day will be the compulsory redemption date determined by the Directors, and the net redemption proceeds to be received will be calculated and paid in the same manner as that for voluntary redemption by a Shareholder, and be subject to the same qualifications as are applicable.

### 3.7.6 Payment of Redemption Proceeds

Redemption proceeds will normally be paid by direct transfer or telegraphic transfer in the Base Currency of the relevant Class to the pre-designated bank account of the Redeeming Shareholder (or in the case of joint Shareholders, the account designated in relation to the Shareholder who is named first in the relevant Register) at the Redeeming Shareholders own risk and expense. No redemption proceeds will be paid until the Fund Manager has received



the signed Redemption Form and the Fund Administrator is satisfied that any outstanding due diligence, calculation of Redemption Price or documentation requests have been received, upon which the payment of the redemption proceeds shall be completed within 30 Business Days. No third-party payments will be permitted. If at any time during the period from the time at which the Redemption Price is calculated and the time at which redemption proceeds are converted out of any currency into the applicable Base Currency, there is a devaluation of that currency, the amount payable to any relevant redeeming Shareholder may be reduced as the Directors considers appropriate to take account of the effect of such devaluation.

Any bank charges associated with the payment of such redemption proceeds will be borne by the Redeeming Shareholder. All costs of effecting any telegraphic transfer, any handling, administration or processing fees charged by the Fund Administrator (or their delegates) or any other professional party in relation to a redemption, any applicable Management Fee, Performance Fee and other incidental costs and expenses relating to the redemption will be deducted from the redemption proceeds payable to the Redeeming Shareholder. If the Fund Manager or the Fund Administrator is required or entitled by any applicable laws, regulations, direction or guidance, or by any agreement with any tax or fiscal authority to make withholdings from any redemption moneys payable to the Shareholder, the Fund authorises the Fund Manager and/or the Fund Administrator to carry out such withholdings which shall be deducted from the redemption proceeds otherwise payable to such person, provided that the Fund Manager or the Fund Administrator is acting in good faith and on reasonable grounds.

On any redemption of Participating Shares, the Board shall have the power to divide in specie the whole or any part of the assets of the Sub-Fund and appropriate such assets in satisfaction or part satisfaction of the Redemption Price and any other sums payable on redemption or purchase as is herein provided, as it may determine. Such assets may include, without limitation, both Investments as well as interests in special purpose entities or liquidating trusts (each, a "**Liquidating Entity**") that have been formed for the purposes of liquidating Investments or otherwise. All costs and expenses which would otherwise have been payable by the Sub-Fund in respect of any such transfer of assets to a redeeming Shareholder shall be discharged by or on account of the redeeming Shareholder. The costs and expenses of operating a Liquidating Entity and selling or otherwise realising the assets will be allocated to the Shareholders pro rata to their interests in such assets and be deducted from the proceeds to be paid to the Shareholder. Shareholders are deemed to have authorised any Director or person appointed by the Directors to execute (under hand or as a deed) any documents on each Shareholder's behalf to give effect to the redemption in specie. For the avoidance of doubt, the Management Fee shall be payable in respect of Liquidating Entities. The Fund Manager, in its sole discretion, may reduce or waive the Management Fee. Redemption proceeds will not be paid to any party other than the redeeming Shareholder.

The Fund Manager or the Fund Administrator, as the case may be, may, refuse to make a redemption payment to a Shareholder if either the Fund Administrator or the Fund Manager suspects or is advised that (a) such payment may result in a breach or violation of any anti-money laundering law or other laws or regulations by any person in any relevant jurisdiction; or (b) such refusal is necessary or appropriate to ensure compliance by the Fund, the Sub-Fund, the Fund Manager, the Fund Administrator or other service providers with any such laws or regulations in any relevant jurisdiction.

Subject to a declaration by the Directors of a suspension or limitation on redemptions and the availability of funds, payment of redemption proceeds will be on an unaudited basis and as soon as practicable but in any event not exceeding one calendar month after the later of the relevant Redemption Day or within such time as the Directors may determine on a case by case basis or generally, provided that the net asset value of the relevant Class or Series applicable to the relevant Redemption Day has been approved by the Fund Manager, and the Fund has received the duly completed Redemption Form and any other applicable redemption

documents, in form and substance satisfactory to the Fund (or its agent), unless the market(s) in which a substantial portion of investments is made is subject to legal or regulatory requirements (such as foreign currency controls) thus rendering the payment of the redemption money within the aforesaid time period not practicable. In such case, payment of redemption proceeds may be deferred, but the extended time frame for payment should reflect the additional time needed in light of the specific circumstances in the relevant market(s). In certain cases however, there will be a delay in payment on redemptions as further discussed below under the sub-section titled “**Delay in Payment on Redemption**” and the sub-section titled “**Calculation of Net Asset Value of the Fund**”.

### 3.7.7 Delay in Payment on Redemption

The Fund Manager or the Fund Administrator, as the case may be, may, in its absolute discretion, delay payment to the Shareholder until (a) if required by the Fund Administrator and/or the Fund Manager, the original of the Redemption Form duly signed by the Shareholder has been received, (b) where redemption proceeds are to be paid by telegraphic transfer, the signature of the Shareholder (or each joint Shareholder) has been verified to the satisfaction of the Fund Administrator, and (c) the Shareholder has produced all documents or information required by the Fund Administrator and/or the Fund Manager for the purpose of verification of identity. Save for any liability imposed under the laws of Singapore or for breach of trust through fraud or Gross Negligence of the Fund Administrator or the Fund Manager, neither the Fund Manager nor the Fund Administrator nor their respective agents and delegates shall be liable for any loss caused by any refusal or delay in making payment as a result of delay in receipt of proceeds of realisation of the investments of the Sub-Funds.

### 3.7.8 Liquidity Risk Management

The Fund Manager regularly identifies, monitors and manages the liquidity risks of the Sub-Funds and to ensure that the liquidity profile of the investments of the Sub-Funds will facilitate compliance with the Fund’s obligation to meet redemption requests. Such policy, combined with the liquidity management tools that may be employed by the Fund Manager, also seeks to achieve fair treatment of Shareholders and safeguard the interests of remaining Shareholders in case of sizeable redemptions.

## 3.8 **Distributions**

The distribution by the Sub-Funds will be made by way of distributions of cash and/or distributions of assets in specie, whether pursuant to declaration of dividends or otherwise, in accordance with the number of Participating Shares held by them on the record date as determined by the Directors in respect of the corresponding distribution.

If a dividend is declared, it will be paid in accordance with the Constitution, the VCC Act and any other applicable laws. The Directors may in their absolute discretion declare and pay dividends on any Class(es) of Participating Shares without declaring and paying dividends on any other Class of Participating Shares at that time. If no dividends are declared for a Class of Participating Shares, income earned will be reinvested and reflected in the value of that Class of Participating Shares. The Board shall establish and maintain an account in the books of the Fund in relation to each Class of Participating Shares and dividends as and when declared by the Board (if any) shall be paid to the holders of Participating Shares of a Class out of the relevant account.

Distributions will generally be made in cash or, at the discretion of the Board upon recommendation from the Fund Manager or otherwise in its sole discretion, in securities which will be paid out in the same proportion as would cash for their fair market value. The Sub-Funds

may distribute any other property in-kind, including securities, upon liquidation, redemption or upon the withdrawal of a Shareholder.

The ability of the Sub-Funds to make any distributions shall be subject to the application of any applicable laws, government approvals or any other requirements beyond the control of the Sub-Funds that might affect the timing or ability to make distributions to the Shareholders.

### **3.9 Guarantees and Borrowings**

The relevant Sub-Fund may borrow up to a percentage of its latest available net asset value to acquire investments, to meet redemption requests or to pay expenses relating to any Sub-Fund as specified in the respective Supplemental Memorandum. For this purpose, back-to-back loans do not count as borrowing. The assets of a Sub-Fund may be charged or pledged as security for any such borrowings.

In acting for and/or on behalf of the Sub-Funds, the Fund may not provide or guarantee loans and for the avoidance of doubt, assets of any of the Sub-Funds may not be used as a pledge of collateral for another Sub-Fund.

### **3.10 Cash Management and Hedging Policy**

The cash held by a Sub-Fund may be placed with banks or be deployed by the Fund Manager to make short-term investments in money market instruments.

A portfolio-level hedging policy may be implemented using liquid hedging instruments to reduce market and factors level exposures, and the Board may (but is not obliged to) direct the Fund Manager to materially protect the economic value of each Sub-Fund's investments through certain hedging strategies. There is no restriction on a Sub-Fund's ability to engage in any derivative transactions, including, without limitation, swaps, forward contracts or options. To the extent that derivatives are not part of Sub-Fund's investment strategy, derivative transactions will not be used for speculative purposes, and will only be used in an effort to protect the value of the relevant Sub-Fund's investments and when there are significant tail risks that the Board and/or Fund Manager has identified.

### **3.11 Expenses**

- 3.11.1 Except otherwise provided, the relevant Sub-Fund will be responsible for the Establishment Expenses of the Sub-Fund and its pro rata share of the Establishment Expenses of the Fund, the necessary expenses of the Fund's operations including, without limitation, the cost of maintaining the Fund's registered office in Singapore, the Fund's annual registration fees, brokerage commissions, research expenses, tax (including tax claims), legal and auditing expenses, accounting, fund administration, investment-related consultants and other service provider expenses, investment-related travel costs, expenses incurred with respect to the preparation, duplication and distribution to the Shareholders and prospective Shareholders of offering documents, annual reports and other financial information and similar ongoing operational expenses.

Each Sub-Fund will also bear the following expenses:

- (a) all reasonable Investment-Related Expenses incurred by the Fund for and on behalf of the relevant Sub-Fund; and
- (b) each Sub-Fund will bear all expenses relating to its day-to-day operations, including, without limitation, expenses relating to the services of all third parties service providers and the following:

- (i) all financing and related expenditure;
- (ii) all audit fees;
- (iii) government fees and charges;
- (iv) board meeting expenditure;
- (v) accounting, corporate secretarial and legal fees;
- (vi) all direct marketing expenses, including, but not limited to, costs incurred by market studies as well as advertising and promotions;
- (vii) out of pocket expenses;
- (viii) consultancy fees;
- (ix) directors' fees; and
- (x) indemnity insurance for directors and officers of the Sub-Fund.

3.11.2 Notwithstanding any other provision in the SM, the maximum aggregate amount of fees payable by the Fund and the applicable Sub-Fund (net of all applicable deductions) for each applicable period in respect of the Sub-Fund shall be capped at an amount equivalent to 0.75% per annum of the invested capital represented by the Participating Shares in consideration for managing the Sub-Fund, subject to any applicable deductions (i.e. the maximum Management Fee payable) ("**Expenses Cap**"). Any excess amounts payable by the Fund (e.g. costs relevant to the operation of the Fund and Sub-Fund, and third party costs) shall be borne by the Fund Manager. For the avoidance of doubt, the Fund shall be entitled to be reimbursed by the Fund Manager for such expenses paid by the Fund for the relevant period to the extent of the amount above the Expenses Cap.

### **3.12 Indemnity by the Fund for and on behalf of the Sub-Fund**

An Indemnified Party shall not be liable to the Fund and the Sub-Funds or any of the Shareholders for any actions taken or omitted to be taken by it and will be indemnified, on after-tax basis, and held harmless by the Fund for and on behalf of the Sub-Funds for all costs (including tax costs), expenses or damages incurred by it by reason of any actions or threatened actions against such Indemnified Party arising in connection with management of the Fund in respect of the Sub-Fund or in the good faith belief that such action was not adverse to the best interests of the Fund in respect of the Sub-Funds, save for acts or omissions constituting Gross Negligence, wilful misconduct, fraud on the part of such Indemnified Party.

### **3.13 Banks and Custodians outside Singapore**

The Fund may utilise the services of appropriately licensed banks and/or custodians for the monies and/or assets of the Fund and/or Sub-Funds notwithstanding that such banks and/or custodians may be located outside Singapore. By investing in the Participating Shares, prospective investors consent to such banks and/or custodians being located outside Singapore.

## SECTION 4 – VALUATION

### 4.1 Determination of Net Asset Value

The Fund Administrator will calculate the Net Asset Value of each Sub-Fund, each Class thereof, and the NAV per Participating Share at each Valuation Point on each Valuation Day (as set out in the supplement in respect of the relevant Sub-Fund) or at any other time the Directors determine. The Net Asset Value calculated shall be rounded down to the nearest four (4) decimal places.

The Directors may delegate to one or more professional administrators the determination of the Net Asset Value of a Sub-Fund, and the NAV per Participating Share of each Class, subject to the overall supervision and direction of the Directors. Unless the relevant supplemental memorandum of a Sub-Fund provides otherwise, in determining the Net Asset Value of a Sub-Fund and the NAV per Participating Share of a Sub-Fund, the Fund Administrator or sub-administrator of the relevant Sub-Fund (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 Sub-Fund:

- (a) The assets of a Sub-Fund 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 Sub-Fund;
  - (iv) the Sub-Fund's interest in any funds;
  - (v) all dividends and distributions payable in stock, cash or other property receivable by the Sub-Fund, 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 Sub-Fund, 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 Sub-Fund will be deemed to have no value).
- (b) The liabilities of a Sub-Fund are deemed to include, without limitation:
  - (i) all loans, bills and accounts payable;
  - (ii) all accrued or payable expenses and fees chargeable to the Sub-Fund (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 Fund Manager (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 Sub-Fund (apportioned in accordance with the relevant Supplemental Memorandum) and any reserves the Directors reasonably deem advisable. If any liability is not payable until some future time after the Sub-Fund's Valuation Day, the Directors may make any allowance considered appropriate to reflect the true current value thereof.

## 4.2 Valuation of Investments

The Net Asset Value of a Sub-Fund will be calculated at such time as set out in the supplement of the relevant Sub-Fund or at such other times as the Directors consider appropriate. The investors will receive monthly statements from the Fund Manager showing the Net Asset Value of their Participating Shares in the relevant Sub-Fund. The Net Asset Value of a Sub-Fund will be calculated, in base currency, by the Fund 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 Sub-Fund 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 Fund Manager 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 Fund Manager 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 Fund Manager 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 Fund Manager, 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 Fund Manager any of its discretions under the valuation guidelines.

The financial statements of the Fund or the Sub-Funds 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 Sub-Fund, 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 Fund Administrator or sub-administrator or the Fund Manager 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 Sub-Fund and/or the Fund, or the Net Asset Value of the Participating Shares or of the Sub-Fund, as the case may be.



## SECTION 5 – MANAGEMENT OF THE FUND

### 5.1 Directors

As at the date of this Information Memorandum, the directors of the Fund are:

- (a) Karol Piovarcsy; and
- (b) Ondrej Sychrovsky.

### 5.2 The Fund Manager

The investment portfolio of each Sub-Fund will be managed by Euro Asia Asset Management Pte. Ltd. (Company Registration Number: 202036387D), a company incorporated in Singapore. The Fund Manager is registered under paragraph 5(1)(i) of the Second Schedule to the Securities and Futures (Licensing and Conduct of Business) Regulations and is only permitted to serve up to 30 qualified investors, and manage assets of not more than SGD250 million. The Fund Manager has been appointed to make all investment decisions for its Sub-Funds in accordance with the strategies, guidelines and restrictions that may be adopted from time to time and in accordance with the terms of the Investment Management Agreement.

### 5.3 Appointment of the Fund Manager

Pursuant to the Investment Management Agreement, the Fund Manager will be appointed as the fund manager of the Fund for and on behalf of the relevant Sub-Funds for as long as the Fund is in existence, unless such appointment is terminated in accordance with the Investment Management Agreement, such as for Cause.

Under the Investment Management Agreement, the Fund Manager is permitted to delegate any or all of its duties under the Investment Management Agreement to advisors, including affiliated entities, at no additional cost to the Fund.

### 5.4 Remuneration of the Fund Manager

(a) Management Fee

The Management Fee for each Sub-Fund will be set out in the relevant Sub-Fund's Supplemental Memorandum.

(b) Performance Fee

The Performance Fee for each Sub-Fund will be set out in the relevant Sub-Fund's Supplemental Memorandum (where applicable).

(c) Subscription Fee

The Subscription Fee for each Sub-Fund is set out in the relevant Sub-Fund's Supplemental Memorandum (where applicable).

(d) Redemption Fee

Shareholders shall, in connection with a redemption of Participating Shares of a Sub-Fund, pay to the relevant Sub-Fund a Redemption Fee as indicated in the relevant Sub-Fund's Supplemental Memorandum (where applicable).

(e) Platform Fee

The fund platform fee for each Sub-Fund is set out in the relevant Sub-Fund's Supplemental Memorandum (where applicable).

(f) Sales Fee

For the purposes of fund raising, the Fund may retain agents, brokers or placement agents for the purposes of soliciting investors to commit to each Sub-Fund. The fees and/or commissions payable to such persons for such introduction ("**Sales Fees**"), if any, shall be set out in the relevant Sub-Fund's Supplemental Memorandum (as applicable). Such arrangements will be based upon accepted market terms and the Sales Fees payable may be paid in one (1) or more tranches at the discretion of the Fund Manager.

Notwithstanding any other provision in the Fund Documentation, the Sales Fees shall be payable by the Participating Shareholders. For the avoidance of doubt, the Sales Fees shall be calculated upon, and be payable in addition to, the Participating Shareholder's Investment to the Fund and/or the relevant Sub-Fund (as applicable). As a numerical example (on the basis of a three per cent (3%) Sales Fee), for a SGD100,000 Investment, the Participating Shareholder shall further pay an additional Sales Fee of SGD3,000 in accordance with the relevant Sub-Fund's Supplemental Memorandum.

(g) Other Remuneration

Any other remuneration payable to the Fund Manager will be indicated in the relevant Sub-Fund's Supplemental Memorandum (where applicable).

## 5.5 **Service Providers**

The Directors may change any of the Fund's service providers, including the Fund Manager, or appoint additional service providers, without the consent of the Shareholders. Any service provider may be appointed to provide services to the Fund in respect of a Sub-Fund if indicated in the relevant Sub-Fund's Supplemental Memorandum.

## SECTION 6 – CORPORATE GOVERNANCE

### 6.1 Board of the Fund

The Board will be responsible for and has overall authority over, the corporate governance, operations and management of the Fund. The Fund has delegated the investment management of the Fund and Sub-Funds and its investments to the Fund Manager and the administration of the Fund and Sub-Funds to the Fund Administrator on the terms of the Investment Management Agreement and Administration Agreement, respectively.

Pursuant to the Investment Management Agreement, the Fund Manager shall, at its sole discretion, be responsible for the strategic planning, fund raising, dividend distribution, redemption mechanisms, making capital calls on the Shareholders and making of decisions regarding Investments in accordance with the Investment Objective and Investment Strategy of the relevant Sub-Fund.

The Board shall, at the Fund Manager's request, convene a board meeting which shall be held in Singapore, provided that no less than five (5) Business Days' notice of such meeting shall be given to the Board. The notice of meeting shall contain an outline of the matters to be discussed at the meeting and all documents relevant to a discussion of the matters therein. Notwithstanding the foregoing, such notice of meeting may be waived by the Board before the meeting is held. The lawful quorum of the board meetings will be two (2) Directors.

Questions arising at any meeting of Directors must be decided by a majority of votes and a determination by a majority of Directors is for all purposes treated as a determination of the Directors and in case of an equality of votes the chairman of the meeting shall not have a second or casting vote.

### 6.2 Annual General Meetings

Pursuant to Section 78 of the VCC Act, the Fund will not be convening an annual general meeting of Shareholders for the Financial Year, provided that the requirements under the VCC Act are fulfilled:

The Fund need not hold an annual general meeting for a financial year if:

- (a) the Directors of the Fund give written notice to the Fund's Shareholders, at least 60 days before the last date on which the Fund must hold an annual general meeting that an annual general meeting for the financial year will not be held; or
- (b) the Fund has sent to all persons entitled to receive notice of general meetings of the Fund a copy of the consolidated financial statements and balance sheet (including such documents as required by law to be attached to them) which has been duly audited and which is to be laid before the Fund in a general meeting accompanied by a copy of the auditor's report on the aforementioned documents no later than 180 days after the end of the relevant financial year.

### 6.3 Side Letters

The Fund may from time to time enter for and on behalf of the relevant Sub-Fund into letter agreements or other similar agreements (collectively, "**Side Letters**") with one or more Shareholders which provide such Shareholders with additional and/or different rights (including, without limitation, with respect to access to information, management fees, fee rebates, minimum investment amounts, and liquidity terms) than such Shareholders have pursuant to the Fund Documentation. As a result of such Side Letters, new Classes of Participating Shares

may be established by the Directors without the approval of the existing Shareholders and certain Shareholders may receive additional benefits (including, but not limited to, reduced fee obligations, the ability to redeem Participating Shares on shorter notice and/or expanded informational rights) which other Shareholders will not receive. The Directors will not be required to notify any or all of the other Shareholders of any such Side Letters or any of the rights and/or terms or provisions thereof, nor will the Directors be required to offer such additional and/or different rights and/or terms to any or all of the other Shareholders. The Directors may enter into such Side Letters with any party as the Directors may determine in their sole and absolute discretion at any time. The other Shareholders shall have no recourse against the Fund, the Fund Manager and/or any of their affiliates in the event that certain Shareholders receive additional and/or different rights and/or terms as a result of such Side Letters.

## **SECTION 7 – TAXATION**

The following is a summary of certain tax consequences in relation to the Fund. This summary is of a general nature only and is based on the existing provisions of the Income Tax Act 1947 (“ITA”) and the regulations thereunder, the circulars issued by the MAS and the Inland Revenue Authority of Singapore (“IRAS”), as well as the practices in effect as at the date of this Information Memorandum, all of which are subject to change at any time and to differing interpretations, either on a prospective or retroactive basis.

This summary does not purport to be comprehensive and does not constitute legal or tax advice. It does not deal with the non-Singapore tax implications (including withholding taxes and other taxes) that may be applicable to the income and gains derived by the Fund and its Sub-Fund(s) in respect of their overseas investments.

The summary is not intended to constitute a complete analysis of all the tax considerations relating to the structure and to the purchase, ownership, sale, transfer or redemption of investment in the Fund or its Sub-Fund(s) nor does it purport to be a complete description of all potential tax costs, incidence and risks inherent in purchasing, owning, selling, transferring, holding or redeeming the investment in the Fund or its Sub-Fund(s). To the fullest extent permissible by law, none of the Fund, the Sub-Fund(s), the Fund Manager, the Tax Advisor or any other persons involved in the preparation of this Information Memorandum accepts responsibility for any tax effects and disclaims liability for any losses occasioned to you or to any third parties as a result of this Information Memorandum, in whole or in part, or resulting from the purchase, ownership, sale, transfer or redemption of investment in the Fund or its Sub-Fund(s).

Prospective investors are advised to inform themselves as to any income or other tax consequences arising in the jurisdictions in which they are resident or domiciled for tax purposes, as well as any foreign exchange or other fiscal or legal restrictions which are relevant to their particular circumstances in connection with the structure and to the purchase, ownership, sale, transfer or redemption of investment in the Fund or its Sub-Fund(s). The Fund or Sub-Fund(s) does not plan to apply for any certifications or registrations, make any representations or take any other action under the laws of any jurisdiction which would afford relief to the prospective investors therein from the tax regime otherwise applicable to an investment in the Fund or Sub-Fund(s). In view of the particularised nature of tax consequences, each prospective investor is advised to consult its own professional advisers with respect to the specific tax and legal consequences under the laws of any jurisdictions in which they are or may be liable to taxation.

The information contained herein is based on an interpretation of prevailing tax legislation, including tax treaties, and prospective investors should note that tax law and interpretation are subject to changes, retroactively and/ or prospectively and that, in particular, the levels and basis of, and reliefs from, taxation may change and it may alter the benefits of their investment in the Fund or its Sub-Fund(s) and/ or affect the validity of the Information Memorandum. The Fund, the Sub-Fund(s), the Fund Manager, the Tax Advisor or any other persons involved in the preparation of this Information Memorandum will not be responsible to carry out any review or update this Information Memorandum for subsequent changes or modifications to the law and regulations, or to the judicial and administrative interpretations thereof. In addition, the comments herein are not binding on the tax authorities in any jurisdiction and there can be no assurance that these authorities will not take a position contrary to any of the comments herein.

### **Singapore**

#### **Taxation of the Fund**

The Fund is a company incorporated in Singapore under the VCC Act. The Fund is an umbrella VCC which may have multiple Sub-Funds. The Fund has entered into an Investment Management Agreement with the Fund Manager in Singapore.

## Income tax

Singapore income tax is imposed on income accruing in or derived from Singapore and on foreign-sourced income received or construed to have been received in Singapore, subject to certain exceptions. Currently, the corporate income tax rate in Singapore is 17.0%. An umbrella VCC with multiple Sub-Funds shall be considered as a single entity for income-tax purposes, unless stated otherwise.

## Gains on disposal of investments

Singapore does not impose tax on capital gains; however, gains from the disposal of investments may be construed to be of an income nature and subject to Singapore income tax. Generally, gains on the disposal of investments are considered income in nature and sourced in Singapore if they arise from or are otherwise connected with the activities of a trade or business carried on in Singapore.

For substantial holdings in ordinary shares, companies may rely upon the safe harbour exemption under section 13W<sup>1</sup> of the Income Tax Act 1947 of Singapore ("**ITA**") for the non-taxability of gains on such disposals. Exemption under section 13W of the ITA is available where a divesting company has held at least 20.0% ordinary shares in the investee company for a continuous period of 24 months prior to the date of divestment subject to certain prescribed conditions. This is provided that the investee company, if unlisted, is not in the business of trading or holding Singapore immovable properties (other than the business of property development); this exclusion is extended to overseas properties as well as business of property development for any disposal after 31 May 2022. This exemption is currently applicable to disposals on or before 31 December 2027. For shares disposed on or after 1 June 2022, the above exemption will not apply to disposals of unlisted shares in an investee company that is in the business of trading, holding or developing immovable properties in Singapore or abroad. The tax treatment of share disposals not falling under the exemption provisions of section 13W of the ITA will be based on the facts and circumstances of the case.

As the investment and divestment of assets of the Fund will be managed by the Fund Manager in Singapore, the income derived by the Fund may be considered to be sourced in Singapore and therefore liable to Singapore tax at the prevailing corporate tax rate (17.0% as of the date of this Information Memorandum), unless the income is specifically exempted from tax pursuant to section 13O<sup>2</sup> of the ITA and the Income Tax (Exemption of Income of Approved Companies Arising from Funds Managed by Fund Manager in Singapore) Regulations 2010 (the "**Section 13O Regulations**") (collectively referred to as the "**Section 13O Tax Exemption Scheme**") or section 13U<sup>3</sup> of the ITA and the Income Tax (Exemption of Income Arising from Funds Managed in Singapore by Fund Manager) Regulations 2010 (the "**Section 13U Regulations**") (collectively referred to as the "**Section 13U Tax Exemption Scheme**") or above mentioned safe harbour exemption applicable for disposal of ordinary shares. It should be noted that the changes announced during the Singapore Budget 2019 on 18 February 2019, further details of which were released in the MAS Circular No.: FDD Cir 09/2019 dated 7 June 2019 ("**MAS Circular**"), have yet to be legislated.

## The Section 13O Tax Exemption Scheme

Under the Section 13O Tax Exemption Scheme, specified income ("**Specified Income**") from designated investments ("**Designated Investments**") derived by an approved company ("**Approved Company**") from funds managed by a fund manager in Singapore will be exempt from tax if the funds of the Approved Company are managed directly by a fund manager in Singapore and the prescribed conditions under the Section 13O Tax Exemption Scheme are met.

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<sup>1</sup> Section 13W of the ITA was previously numbered as section 13Z of the ITA.

<sup>2</sup> Section 13O of the ITA was previously numbered as section 13R of the ITA.

<sup>3</sup> Section 13U of the ITA was previously numbered as section 13X of the ITA.

An Approved Company is a company incorporated and tax resident<sup>4</sup> in Singapore that is approved under section 13O of the ITA by the MAS. Section 107 of the ITA provides that exemption under the Section 13O Tax Exemption Scheme can be available for the income of a Sub-Fund if and only if the umbrella VCC of the Sub-Fund is approved under section 13O of the ITA by the MAS. The Fund has obtained incentive under the Section 13O Tax Exemption Scheme.

For the purpose of the Section 13O Tax Exemption Scheme, the following conditions are to be met at all times during the basis period relating to any year of assessment:

- (a) it incurs at least SGD 200,000 in expenses in each basis period relating to any year of assessment;
- (b) it uses a Singapore-based fund administrator;
- (c) it did not derive income from investments which have been transferred (other than by way of a sale on market terms and conditions) from a person carrying on a business in Singapore where the income derived by that person from those investments was not, or would not have been if not for their transfer, exempt from tax;
- (d) it is not used to serve other investments purposes apart from what it is approved for under the Section 13O Tax Exemption Scheme; and
- (e) it is a company (which includes a variable capital company) incorporated in Singapore;
- (f) it is a tax resident of Singapore where the control and management of its business is exercised in Singapore;
- (g) it is managed or advised directly by a Singapore fund manager, and
- (h) it satisfies any other conditions as specified in the letter of approval issued by the MAS on approving a company as an Approved Company under section 13O of ITA.

As per the MAS Circular dated 7 June 2019, the list of "designated investments" on or after 19 February 2019 (further refined in its circular number FDD Cir 05/2022 dated 19 September 2022)<sup>5</sup> is defined to mean:

- (a) stocks and shares of any company, other than an unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development);
- (b) debt securities (i.e., bonds, notes, commercial papers, treasury bills and certificates of deposits), other than non-qualifying debt securities<sup>6</sup> issued by an unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development);
- (c) units in real estate investment trusts and exchange traded funds constituted in the form of trusts and other securities (not already covered in other sub-paragraphs of this "designated investments" list) but excludes any securities issued by any unlisted company that is in the

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<sup>4</sup> Resident in Singapore in relation to a company or body of persons, means a company or body of persons the control and management of whose business is exercised in Singapore.

<sup>5</sup> This list of designated investment is provided for ease of reference. Funds should refer to the relevant subsidiary legislation for the prescribed list of designated investments.

<sup>6</sup> "Non-qualifying debt securities" will refer to debt securities that do not enjoy the "Qualifying Debt Securities" tax status as defined under section 13(16) of the ITA.

- business of trading or holding of Singapore immovable properties (other than one that is in the business of property development);
- (d) futures contracts held in any futures exchanges;
  - (e) immovable property situated outside Singapore;
  - (f) deposits held with any financial institution;
  - (g) foreign exchange transactions;
  - (h) interest rate or currency contracts on a forward basis, interest rate or currency options, interest rate or currency swaps, and financial derivatives<sup>7</sup> relating to any designated investment specified in this list or financial index;
  - (i) units in any unit trust, except:
    - (i) a unit trust that invests in Singapore immovable properties;
    - (ii) a unit trust that holds stock, shares, debt or any other securities, that are issued by any unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development); and
    - (iii) a unit trust that grant loans that are excluded under (j);
  - (j) loans<sup>8</sup>, except:
    - (i) loans granted to any unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development);
    - (ii) loans to finance/re-finance the acquisition of Singapore immovable properties; or
    - (iii) loans that are used to acquire stocks, shares, debt or any other securities, that are issued by an unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development);
  - (k) commodity derivatives<sup>9</sup>;
  - (l) physical commodities other than physical investment precious metals ("**IPMs**") mentioned in (z), if:
    - (i) the trading of those physical commodities by the prescribed person, Approved Company or approved person in the basis period for any year of assessment is done in connection with and is incidental to its trading of commodity derivatives (referred to in this sub-paragraph as related commodity derivatives) in that basis period; and
    - (ii) the trade volume of those physical commodities traded by the prescribed person, Approved Company or approved person in that basis period does not exceed 15% of

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<sup>7</sup> In Annex 2 of FDD Cir 09/2019, the list of designated investments only mentions "financial derivatives". To clarify, "financial derivatives" within the list of designated investments should only refer to "financial derivatives relating to any designated investment or financial index".

<sup>8</sup> This includes secondary loans, credit facilities and advances.

<sup>9</sup> Commodity derivatives means derivatives the payoffs of which are wholly linked to the payoffs or performance of the underlying commodity.



the total trade volume of those physical commodities and related commodity derivatives traded in that basis period;

- (m) units in a registered business trust;
- (n) emission derivatives<sup>10</sup> and emission allowances;
- (o) liquidation claims;
- (p) structured products<sup>11</sup>;
- (q) Islamic financial products<sup>12</sup> and investments in prescribed Islamic financing arrangements under section 34B of the ITA that are commercial equivalents of any of the other "designated investments" specified in this list<sup>13</sup>;
- (r) private trusts that invest wholly in designated investments specified in this list;
- (s) freight derivatives<sup>14</sup>;
- (t) publicly-traded partnerships that do not carry on a trade, business, profession or vocation in the Republic of Singapore;
- (u) interests in limited liability companies that do not carry on any trade, business, profession or vocation in Singapore;
- (v) bankers' acceptances issued by financial institutions;
- (w) accounts receivables and letters of credits;
- (x) interests in Tokumei Kumiai ("**TK**")<sup>15</sup> and Tokutei Mokuteki Kaisha ("**TMK**")<sup>16</sup>;
- (y) Non-publicly-traded partnerships that:
  - (i) Do not carry on a trade, business, profession or vocation in Singapore; and
  - (ii) Invest wholly in designated investments specified in this list; and

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<sup>10</sup> Emission derivatives means derivatives, the payoffs of which are wholly linked to the payoffs or performance of the underlying emission allowances.

<sup>11</sup> As per the definition of "structured product" under section 13(16) of the ITA.

<sup>12</sup> Recognised by a Shariah council, whether in Singapore or overseas.

<sup>13</sup> The former is included as a designated investment with effect from 19 February 2019.

<sup>14</sup> Freight derivatives means derivatives, the payoffs of which are wholly linked to the payoffs or performance of the underlying freight rates.

<sup>15</sup> A TK is a contractual arrangement under which one or more silent investors (the TK investor) makes a contribution to a Japanese operating company (the TK operator) in return for a share in the profit/loss of a specified business conducted by the TK operator (the TK business).

<sup>16</sup> A TMK is generally a type of corporation formed under Japanese law. It is a structure/ entity used for securitisation purposes in Japan. TMK was not mentioned in Annex 2 of FDD Cir 09/2019 and is now included herein for the avoidance of doubt.

- (z) Physical investment precious metals, if the investment in those physical investment precious metals does not exceed 5.0% of the total investment portfolio, calculated in accordance with the formula  $A \leq 5.0\% \text{ of } B$ , where –
- (i) A is the average month-end value of the total investment portfolio in physical IPMs over the basis period; and
  - (ii) B is the value of the total investment portfolio as at the last day of the basis period.

As per the MAS Circular, any income or gains derived on or after 19 February 2019 (further refined in its circular number FDD Cir 05/2022 dated 19 September 2022) from Designated Investments listed above will be regarded as Specified Income except for the following:

- (a) distributions made by a trustee of a real estate investment trust<sup>17</sup> that is listed on Singapore Exchange Securities Trading Limited;
- (b) distributions made by a trustee of a trust who is a resident of Singapore or a permanent establishment in Singapore, other than a trust that enjoys tax exemption under sections 13D, 13F, 13L or 13U of the ITA;
- (c) income or gain derived or deemed to be derived from Singapore from a publicly-traded partnership and/or non-publicly traded partnership, where tax is paid or payable in Singapore on such income of the partnership by deduction or otherwise; and
- (d) income or gain derived or deemed to be derived from Singapore from a limited liability company, where tax is paid or payable in Singapore on such income of the limited liability company by deduction or otherwise.

A "fund manager" for the purpose of the Section 130 Tax Exemption Scheme means a company holding a capital markets services licence under the SFA for fund management or one that is exempt under the SFA from holding such a licence. The Fund Manager is a registered fund management company and therefore, qualifies as a "fund manager" for the purpose of the Section 130 Tax Exemption Scheme.

The sunset clause for the Section 130 Tax Exemption Scheme is 31 December 2024. All funds that are on the Section 130 Tax Exemption Scheme on 31 December 2024 will continue to enjoy the tax exemption after 31 December 2024 for the life of the Fund, subject to them meeting all the conditions under the Section 130 Tax Exemption Scheme. Any income or fees (such as subscription fees, redemption fees and switching fee) earned by the Fund or a Sub-Fund that does not qualify for the Section 130 Tax Exemption Scheme may be subject to Singapore tax at prevailing corporate tax rate (17.0% as of the date of this Information Memorandum).

The Fund Manager will endeavour to conduct the affairs of the Fund in such a way that it will qualify for the Section 130 Tax Exemption Scheme, to the extent possible. There is, however, no assurance that the Fund Manager will be able, on an ongoing basis, to ensure that the Fund will always meet all the qualifying conditions for the Section 130 Tax Exemption Scheme. Upon disqualification, the Fund may be exposed to Singapore tax on its income and gains, wholly or partially as the case may be, at the prevailing corporate tax rate (17% as of the date of this Information Memorandum). The Fund has not earned any income prior to making an application for exemption under Section 130 Tax Exemption Scheme.

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<sup>17</sup> As defined in section 43(10) of the ITA, which is a trust constituted as a collective investment scheme authorised under section 286 of the SFA and listed on Singapore Exchange Securities Trading Limited, and that invests or proposes to invest in immovable property and immovable property-related assets.

## Taxation of Shareholders

Shareholders in an Approved Company (in this case, the Fund) should note that under certain circumstances, they may be obliged to pay a penalty to the IRAS if they do not meet certain conditions (i.e., they are considered to be a "**Non-Qualifying Investor**"). These conditions are discussed below; however, this discussion should not be regarded as tax advice and prospective Investors should seek their own tax advice on the matter.

A shareholder in an Approved Company will be a Non-Qualifying Investor if the shareholder:

- (a) either alone or together with his associates<sup>18</sup>, beneficially owns on the last day of the financial year of the Fund relating to the year of assessment (the "**Relevant Day**"), issued securities of the Fund the value of which is more than the prescribed percentage of the total value of all issued securities of the Fund on the Relevant Day. The "prescribed percentage" is 30.0% if the Fund has fewer than 10 Investors; and 50.0% if the Fund has at least 10 Investors; and
- (b) does not fall within one of the following categories:
  - (i) an individual;
  - (ii) a bona fide entity not resident in Singapore which does not have a permanent establishment in Singapore (other than a fund manager) and does not carry on a business in Singapore;
  - (iii) a bona fide entity not resident in Singapore (excluding a permanent establishment in Singapore) who carries on an operation in Singapore through a permanent establishment in Singapore where the funds used by the entity to invest directly or indirectly in the Approved Company are not obtained from its Singapore operations;
  - (iv) a designated person, which means:
    - (A) GIC Private Limited, as renamed from time to time;
    - (B) any of the following companies as renamed from time to time, but only if the Fund is wholly owned (directly or indirectly) by the Minister in the Minister's capacity as a corporation established under the Minister for Finance (Incorporation) Act 1959 of Singapore:
      - (1) GIC (Ventures) Pte. Ltd.;
      - (2) GIC (Realty) Private Limited; and/or
      - (3) Eurovest Pte. Ltd.;
    - (C) a company that is wholly owned (directly or indirectly) by any company that is a "designated person" by reason of paragraph (B);

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<sup>18</sup> Two persons (P1 and P2) will be regarded as being "associates" of each other (where each person is neither a designated person nor an individual) if:

- (a) at least 25.0% of the total value of the issued securities of one person is beneficially owned, directly or indirectly, by the other; or
- (b) at least 25.0% of the total value of the issued securities in each of P1 and P2 is beneficially owned, directly or indirectly, by a third person\*.

\* Does not apply where an investor is an independent listed entity and does not have 25.0% or more shareholding in any other investor.

- (D) any other company that is wholly owned (directly or indirectly) by the Minister in the Minister's capacity as a corporation established under the Minister for Finance (Incorporation) Act 1959 of Singapore, and is approved by the Minister or such person as the Minister may appoint; or
- (E) any statutory board;
- (F) another Approved Company under section 13O of the ITA which, at all times during the basis period for the year of assessment for which the income of the Fund is exempt from tax under section 13O of the ITA; and
- (G) an approved person under section 13U of the ITA which, at all times during the basis period for the year of assessment for which the income of the Fund is exempt from tax under section 13O of the ITA satisfies the conditions under Regulation 3(2) of the Regulations.

For the purposes of Section 13O Tax Exemption Scheme, "issued securities", in relation to a company, means —

- (A) issued debentures of, or issued stocks or shares in, the company;
- (B) any right, option or derivative in respect of any such debentures, stocks or shares; or
- (C) such other securities of the company as may be prescribed.

The issued securities include:

any right under a contract for differences, or under any other contract the purpose or pretended purpose of which is to secure a profit or avoid a loss by reference to fluctuations, in —

- (i) the value or price of issued debentures, stocks or shares;
- (ii) the value or price of any group of any such debentures, stocks or shares; or
- (iii) an index of any such debentures, stocks or shares; and

derivatives of a buy-sell nature for funding purpose,

but does not include —

- (i) futures contracts which are traded on a futures market;
- (ii) bills of exchange;
- (iii) promissory notes; or
- (iv) certificates of deposit issued by a bank or finance company.

For the purposes of the above, the "value" in relation to issued securities of a company means the net asset value of those securities as at the relevant day.

Relevant day refers to the last day of the Fund's financial year or in the case where the Fund ceases to be an approved section 13O Fund within the financial year, the last day on which the Fund enjoys the section 13O Tax Exemption Scheme.

In respect of umbrella VCCs, given that the tax incentive is granted to the VCC (and not its sub-funds), the VCC (and not its sub-funds) should ascertain whether the above has been met at the VCC level.

Shareholders should take note of the aggregation rule above and should also note that for purposes of determining whether other shareholders of an Approved Company who are connected with them are associates under this aggregation rule, shareholding of non-resident non-individual shareholders connected to them may be aggregated (notwithstanding that these persons are themselves Qualifying Investors) in assessing whether the relevant thresholds have been exceeded.

The Fund and the Fund Manager reserve the right to request such information as any of them in their absolute discretion may deem necessary to ascertain the status of the shareholders for the purpose of the Section 13O Tax Exemption Scheme.

A Non-Qualifying Investor will have to pay a penalty to the IRAS. If applicable, the penalty is calculated based on (a) the percentage of the value of the issued securities of the Approved Company beneficially owned by the Non-Qualifying Investor as at the Relevant Day of the Approved Company, multiplied by (b) the income of the Approved Company as reflected in the audited accounts for that financial year ("Non-Qualifying Investor Income") and multiplied by (c) the applicable corporate tax rate (currently, 17.0%).

Non-Qualifying Investors are obliged to declare and pay their penalty in their own Singapore income tax returns for the relevant year of assessment. Any losses attributed to Non-Qualifying Investors will not be allowed to be set-off against other taxable income of such Non-Qualifying Investor.

Whether a shareholder is a Non-Qualifying Investor will be determined on the Relevant Day. If a "non-qualifying investor" can prove to the CIT that the applicable investment limit is exceeded for reasons beyond his reasonable control, the CIT may allow him a three-month grace period from the relevant day to reduce its percentage of ownership in the "approved company" to meet the allowable investment limit.

If it appears that, following the notice of redemptions received on, or immediately prior to the financial year end of the Approved Company, any shareholder may be potentially characterised as a Non-Qualifying Investor, the Fund or the Fund Manager may, but has no obligation to, compulsorily redeem such number of Participating Shares in accordance with the Shareholders Agreement as is necessary to ensure that the shareholder will not be treated as a Non-Qualifying Investor.

### **Reporting obligations**

Under the Section 13O Tax Exemption Scheme, the Fund Manager also has certain reporting obligations.

To enable the shareholders to determine the value of issued securities they own in the Fund in respect of any financial year of the Fund, the Fund Manager is required to issue an annual statement to each shareholder. It is prescribed in the Section 13O Tax Exemption Scheme that the annual statement should show:

- (a) the profit of the Fund for that financial year as per the audited financial statement;
- (b) the total value of issued securities of the Fund as at the Relevant Day;
- (c) the total value of issued securities of the Fund held by the Shareholder concerned as at the Relevant Day; and
- (d) whether the Fund has fewer than 10 shareholders as at the Relevant Day.

The Fund Manager is also required to submit a declaration to the IRAS within one month after the date of issue of the audited accounts of the Fund relating to any financial year in which the Relevant Day falls if, for a particular financial year of the Fund, there are any Non-Qualifying Investor, and to furnish IRAS with their details.

The Fund will also be required to submit an annual tax return to the IRAS as well as an annual declaration to the MAS. The annual declaration should be submitted within four (4) months of the end of the Fund's financial year end.

Shareholders should note that they are each responsible for the computation of the aggregate value of the Fund held by them and their associates in the Fund and may be required to disclose this status and computation to the Fund Manager from time to time.

The taxation of distributions by the Fund and gains on redemption of Participating Shares derived by the shareholders will depend on their particular situations. This is notwithstanding that certain shareholders may have paid a penalty to the Comptroller.

### **Singapore Stamp Duty**

Sub-Funds of an umbrella VCC are treated as separate persons for stamp duty purposes and accordingly, stamp duty is levied at the Sub-Fund level, e.g., for share transfer instruments executed for shares in an umbrella VCC attributable to its Sub-Funds. The current applicable stamp duty rate in Singapore is 0.2% on the higher of the amount of consideration or the net asset value of the shares transferred.

Any fresh issuance of shares in an umbrella VCC attributable to its Sub-Funds generally does not attract any stamp duty. Similarly, stamp duty is not chargeable generally on the cancellation of shares, unless it is to effect a disposal of shares by a transferor to a transferee.

### **Countering Tax Evasion**

#### FATCA

Singapore has signed a Model 1 Intergovernmental Agreement ("**IGA**") with the US which gives effect to the automatic tax information exchange requirements of the US Foreign Account Tax Compliance Act ("**FATCA**"). The Income Tax (International Tax Compliance Agreements) (United States of America) Regulations 2015 and subsequently amended as Income Tax (International Tax Compliance Agreements) (United States of America) Regulations 2020 (collectively "**FATCA Regulations**") were issued to give effect to the IGA.

Pursuant to the FATCA Regulations, the Income Revenue Authority of Singapore ("**IRAS**") has published a tax guide on the application of the IGA. The IGA and the FATCA Regulations provides that Reporting Singapore Financial Institutions ("**SGFIs**") are required to report account information of US persons to IRAS, and SGFIs which comply with the FATCA Regulations will avoid FATCA-related withholding tax on relevant payments that they receive from the US. Failure to comply with the FATCA Regulations by Reporting SGFI is an offence and such entity is liable upon conviction to a fine and in certain cases the operators of such entity may be subject to a term of imprisonment.

#### CRS

The Standard for Automatic Exchange of Financial Account Information in Tax Matters ("**AEOI**"), also known as the Common Reporting Standard ("**CRS**"), is a regime developed by the Organisation for Economic Co-operation and Development ("**OECD**") to facilitate and standardise exchange of information on residents' assets and income, primarily for taxation purposes between numerous jurisdictions around the world.

On December 8 2016, Singapore enacted the Income Tax (International Tax Compliance Agreement) (Common Reporting Standard) Regulations 2016 ("**CRS Regulations**") which incorporate the requirements of CRS into Singapore's domestic legislative framework. The CRS Regulations require financial institutions to conduct due diligence (including the collection, review and retention of financial account information) and report financial account information relating to reportable persons, as defined in the CRS Regulations, to IRAS annually. Such information may subsequently be exchanged with jurisdictions with which Singapore has a competent authority agreement (including any multilateral competent authority agreement) ("**CAA**"). Singapore may enter into further CAAs, or the relevant authorities may enact further legislation or impose further requirements, which will form part of the CRS.

#### Some consequences of FATCA and CRS

Prospective investors should note that by investing (or continuing to invest) in the Fund or any Sub-Funds, they shall be deemed to acknowledge that:

- (a) the investors will provide, in a timely manner, such information regarding the Investors and their beneficial owners (where applicable) and such forms or documentation as may be requested from time to time by the Fund and/or the Fund Manager, its delegates or agents, to enable the Fund and/or the Fund Manager to comply with the requirements and obligations imposed pursuant to the FATCA and CRS. The Fund, the Fund Manager and any other service provider to the Fund may be required to disclose to IRAS (or equivalent authority) certain confidential information in relation to Shareholders of the Fund, including but not limited to the Shareholder's name, address, tax identification number (if any), social security number (if any) and certain information relating to the Shareholder's investment;
- (b) the Fund and/or the Fund Manager may require the Shareholder to provide additional information and/or documentation which the Fund and/or Fund Manager may be required to disclose to the IRAS or relevant authorities;
- (c) IRAS may automatically exchange information as outlined above with the IRS or Singapore's CAA partners;
- (d) the Fund and/or the Fund Manager may be required to disclose to the IRS certain confidential information when registering with such authorities and if such authorities contact them with further enquiries;
- (e) the Fund's and/or the Fund Manager's compliance with the FATCA Regulations and CRS Regulations may result in the disclosure of Shareholder's information and such Shareholder's information may be exchanged with overseas fiscal authorities;
- (f) if the Fund is not able to comply with such reporting and disclosure requirements (whether due to a failure of one or more Shareholders to provide adequate information to the Fund or otherwise), any withholding tax could apply to the Fund;
- (g) in the event a Shareholder does not provide the requested information and/or documentation, or provides information and documentation that is any way misleading, whether or not that actually leads to compliance failures by the Fund Manager and/or the Fund, or a risk of being subject to withholding tax under the relevant legislative or inter-governmental regime, the Fund Manager and the Fund each reserve the right to take any action and/or pursue all remedies at its disposal (including, without limitation, compulsory redemption or withdrawal of the Shareholder concerned) and may take such action as the Fund and/or the Fund Manager considers necessary in accordance with applicable law in relation to such Shareholder's shareholding, distributions, payments and/or redemption proceeds to ensure that any withholding tax borne by the Fund, and any related costs, interest, penalties and other losses and liabilities suffered by the Fund, the Fund Manager or any other service provider to the Fund or any other Subscriber, or any agent, delegate, employee, director, officer or affiliate of any of

the foregoing persons, arising from such Shareholder's failure to provide information to the Fund, is economically borne by such Shareholder; and

- (h) no Shareholder affected by any such action or remedy shall have any claim against the Directors, the Fund, the Fund Manager or any other service provider to the Fund for any form of damages or liability as a result of actions taken or remedies pursued by or for and on behalf of the Fund in order to comply with the Tax Reporting Laws.

Prospective investors should consult their professional advisors to determine their own obligation under the relevant FATCA Regulations and CRS Regulations as well as possible tax and other related consequences.



## SECTION 8 – RISK FACTORS

Prospective investors should carefully consider the risks involved in an investment in subscribing for Participating Shares in the relevant Sub-Fund by carefully considering their objectives, financial situation, needs and level of experience, including, but not limited to, all the information contained in this Information Memorandum, the Constitution and the relevant Supplemental Memorandum. Prospective investors should consult their own legal, tax and financial advisors as to all of these risks and an investment in the relevant Sub-Fund generally.

### 8.1 Risks related to the Fund's Business

#### *Uncertainty of Projections and Outside Reports*

The relevant Sub-Fund will establish the capital structure, the terms and target returns of the Investments on the basis of financial and other projections for the Investments. Projected operating results will normally be based primarily on management judgments or third-party reports. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the projections are developed. There can be no assurance that the projected results will be achieved, and actual results may vary significantly from the projections. General economic, natural and other conditions, which are not predictable, can have a material adverse impact on the reliability of such projections. This can include disruptions to commerce, reduced economic activity and continued volatility in financial markets, as exemplified by the outbreak of communicable diseases such as COVID-19. The investment performance or liquidity of a Sub-Fund may be adversely affected by such volatility. The Fund Manager's operations may also be disrupted, which could lead to negative effects on the investment performance or liquidity of a Sub-Fund. Assumptions or projections about asset lives, the stability, growth or predictability of costs, demand or revenues generated by the Investments or other factors associated therewith may, due to various risks and uncertainties including those described herein, differ materially from actual results. The investee companies, as well as the Fund, will from time to time rely on the reports of technical consultants when evaluating the condition of assets. The actual condition of the assets may be worse than anticipated, requiring additional capital or maintenance expenditures which may not be recoverable, allocable to end users or economic from a stand-alone perspective. More generally, there is a risk that due diligence conducted on properties and buildings may not identify all material defects, breaches of laws and regulations or other deficiencies.

#### *Anecdotal Evidence*

Statements contained in this Information Memorandum which are based on anecdotal evidence involve known and unknown risks, uncertainties and other factors, are inherently difficult to substantiate, and undue reliance should not be placed thereon. Actual events may differ materially from those reflected or contemplated in statements based on anecdotal evidence. Anecdotal evidence is not necessarily an indication of future events.

#### *Inflation*

Depending on the inflation assumptions relating to anticipated cash flows from assets, returns from the Investments may vary from those projected as a result of changes in the rate of inflation. Unanticipated inflation in the cost of labour, resources and other inputs can also adversely affect the returns associated with the Investments. Movements in interest rates may also affect the appropriate discount rate to be used to value the Investments resulting in fluctuations in valuations. While inflation risk can generally be reduced through hedging, there is a risk of

residual exposure. There is no certainty that any hedging techniques employed will successfully mitigate against the risk of inflation (or that hedging will be available on acceptable terms).

### ***Valuation Risk and Acquisitions***

The Fund will rely on the Fund Manager to manage the overall business of the Fund and the relevant Sub-Fund, to undertake or to procure valuations of its assets and determination of its net asset value or fair value thereof. The Fund Manager may engage qualified valuation professionals to assist in this determination, where the Fund Manager deems it necessary to do so or where such appraisals are required by applicable law for the time being.

Generally, there will be no readily available market for the relevant Sub-Fund's Investments and hence, most of the relevant Sub-Fund's investments will be difficult to value. Notwithstanding the Fund Manager's efforts to acquire sufficient information to monitor Investments and make well-informed valuation and pricing determinations, the Fund Manager may only be able to obtain limited information at certain times. It is possible that the Fund Manager may not be aware on a timely basis of material adverse changes that have occurred with respect to certain Investments. The Fund Manager may have to make valuation determinations without the benefit of an adequate amount of relevant information. In the absence of market price information, the Fund Manager may use other pricing methodologies which may not prove to be accurate and this may result in adverse consequences for the relevant Sub-Fund's. Shareholders should be aware that as a result of these valuation difficulties (and other uncertainties), any valuation made by the Fund Manager may not represent the fair market value of the Investments of the relevant Sub-Fund.

### ***Disputes and Defaults***

In the ordinary course of its operations, the relevant Sub-Fund or the Investments may be involved in disputes and possible litigation. The extent of those disputes and litigation cannot be ascertained at this time but there exists a risk that a material or costly dispute or litigation could affect the value of the assets or expected income of the relevant Sub-Fund. In addition, there is the possibility that other groups may default on their obligations to the relevant Sub-Fund or the Investments, which may lead to loss of income and increased costs as a result of enforcement action being required.

### ***Operating Deficits***

The costs of operating the relevant Sub-Fund (including fees payable to the Fund Manager and organisational costs and expenses) could exceed the relevant Sub-Fund's income. If the relevant Sub-Fund's costs exceed its income, the difference will reduce the relevant Sub-Fund's capital and thus adversely affect its potential for profitability.

### ***Historical Performance Data Not Indicative of Future Results***

The prior performance of the Fund Manager's investments may be incomplete and in any event cannot be relied upon as an indicator of the relevant Sub-Fund's future performance or success. It should not be assumed that the relevant Sub-Fund's investments will be profitable or equal to the performance of the Fund Manager's past investments.

### ***No Independent Verification of Third Party Sources***

This Information Memorandum contains certain information which has been obtained from or is based upon third party sources or materials. Whilst the Fund Manager believes that such information should be reliable for the purposes used herein, it has not independently verified such information, and neither the Fund, the Fund Manager nor any of their respective directors, officers, employees, partners, members, Shareholders, agents or Associates, or any other person, assumes any responsibility for the accuracy or completeness of such information.

### ***Long-term Nature of Investments***

Prospective investors should be aware of the long-term nature of their investment in the Sub-Funds. Presently, there is no public market for the shares of the Sub-Funds (nor will there be one in future). The Participating Shares may not be assigned, transferred or encumbered without the prior written approval of the Board, which may grant or withhold such approval in its absolute discretion. No significant distributions to the Shareholders of cash or securities are anticipated during at least the first few years of the Fund's operations. Accordingly, an investment in the Sub-Fund is not appropriate for prospective investors seeking liquidity or short-term cash returns.

### ***Exchange Control and Currency Risk***

The relevant Sub-Fund's assets may be invested in securities denominated in currencies other than USD and any income received by the relevant Sub-Fund from those investments will be received in those currencies, some of which may fall in value against the USD. The relevant Sub-Fund will compute its net asset value in USD and there is therefore a currency exchange risk which may affect the value of the relevant Sub-Fund's assets to the extent that the relevant Sub-Fund makes such Investments. The relevant Sub-Fund may from time to time invest its assets in countries which have exchange control or repatriation restrictions and relevant Sub-Fund may encounter difficulties or delay in relation to the receipt of its divestments due to such controls existing in various countries.

### ***Ability to Exit Investment at a Satisfactory Price within a Satisfactory Timeframe***

The performance of the relevant Sub-Fund is dependent on the relevant Sub-Fund being able to divest of its Investments in investee companies at satisfactory prices and/or within satisfactory timeframes. There may not be any satisfactory price or timeframe available with respect to available exit mechanisms. This will depend on a number of different variables including market sentiments, the timing of the transaction, economic conditions, interest rates, exchange rates and the size of shareholding which may attract a premium or a discount. In particular, an otherwise successful investee company may yield poor returns if the Fund Manager is unable to divest such investee company due to poor prevailing market conditions.

Furthermore, where investee companies become publicly traded, they may not be well-known to the investing public, may not have significant institutional ownership and may not be followed by significant numbers of analysts, and there thus may be less information available compared to what would be available for larger public companies. The securities of investee companies may have fewer market makers, wider spreads between their quoted bid and asked prices and lower trading volumes, resulting in comparatively greater price volatility and less liquidity.

In light of the forgoing, the ability to exit from and liquidate Investments may be constrained at any particular time. The current market for divestments is highly stressed, and it is unclear what avenues of exit, if any, will be available during the term of the relevant Sub-Fund.

Although the Fund Manager expects that Investments will either be disposed of prior to dissolution of the relevant Sub-Fund, or be suitable for in-kind distribution at dissolution of the relevant Sub-Fund, the Fund Manager may have to sell, distribute or otherwise dispose of Investments at a disadvantageous price or time as a result of dissolution.

### ***Liabilities Upon Disposition of Investments***

In connection with the disposition of an Investment, the relevant Sub-Fund may be required to make representations about the business and financial affairs of the Investment typical of those made in connection with the sale of a business. They may also be required to indemnify the purchasers of such Investments to the extent that any such representations turn out to be inaccurate. These arrangements may result in contingent liabilities, which might ultimately have to be paid out of other assets of the relevant Sub-Fund or funded by the Shareholders of the relevant Sub-Fund.

## **8.2 Investment Portfolio Risks**

### ***Potential loss of Investments***

An investment in the relevant Sub-Fund is speculative and involves a high degree of risk, and there can be no assurance that the relevant Sub-Fund will achieve its investment objectives.

### ***Early Termination***

There is also a risk of early termination of a relevant Sub-Fund in which case the Sub-Fund would have to distribute to Shareholders their pro rata interest in the assets of the Sub-Fund. Certain assets associated with the Participating Shares held by the relevant Sub-Fund may be highly illiquid or might have little or no marketable value at certain times. It is possible that at the time of such sale or distribution, certain distributions held by the relevant Sub-Fund would be worth less than the initial cost of the Investments, resulting in a loss to the relevant Sub-Fund.

### ***Concentration of Investments***

A heavier concentration of the relevant Sub-Fund's Investments in one or two sectors may lead to greater opportunities and potential for capital appreciation, but may also pose higher risks for the relevant Sub-Fund than investing in multiple, diversified sectors. Shareholders should understand that there may be insufficient diversification in the investment objectives of the relevant Sub-Fund and should not rely on any benefits from diversification. Hence, the relevant Sub-Fund could be subject to significant losses if the Investments decline in value or are otherwise adversely affected by changing market conditions or circumstances.

### ***Political Factors in Targeted Investment Regions***

The relevant Sub-Fund may be exposed to the direct and indirect consequences of potential political, economic, social, or diplomatic conflicts in the regions in which the relevant Sub-Fund intends to invest. Government policies, including changes in laws and regulations (or their interpretation) or the method of taxation, and the imposition of additional restrictions on

currency conversion and overseas remittances may also adversely affect the operation and performance of the relevant Sub-Fund.

### ***Lack of Liquidity***

The Fund Manager may invest in assets that are subject to legal or other restrictions on transfer and which are generally illiquid due to any number of factors. Accordingly, it may be difficult from time to time for the Fund Manager to realise, sell or dispose of an investment at an attractive price or at the appropriate time or in response to changing market conditions, or the Fund Manager may otherwise be unable to complete a favourable exit strategy. Owing to the absence of any readily available trading market, the Fund Manager may take longer to liquidate positions than would be the case for publicly traded shares. Disposition of such investments may require a lengthy time period or may result in distributions in kind to Shareholders. Further, the Fund Manager may not be able to realize what they perceive to be fair value in the event of a sale and may be less than the original cost. Prospective investors should therefore be aware that they may be required to bear the financial risk of their investment for an indefinite period of time.

### ***Foreign and Emerging Markets Investments***

Investing into foreign securities and emerging markets involve certain factors not generally associated with investing in local shares / developed markets. These include, among other things, currency risks and related exchange issues, volatility in economic, political, social and capital market conditions, risks of frequent changes to tax legislation, confiscatory taxation, the imposition of foreign taxes on items of income and gain allocable to Shareholders, sudden introduction of government regulations and restrictions on foreign ownership, tax return filing requirements imposed on Shareholders, lack of uniform accounting and auditing standards, difficulties in enforcing contractual obligations, and the possibility of expropriation of assets.

In the event of any adverse changes in such economic, regulatory or political conditions which materially and adversely affect the performance and/or profitability of the investee companies, the relevant Sub-Fund may not be able to divest of its investments in such investee companies at satisfactory prices and/or within satisfactory timeframes. In addition, the Fund Manager may not have the requisite expertise, experience and knowledge to adequately assess the risks associated with such foreign investments.

Dividend and interest income from emerging market securities may be subject to withholding tax and may not be recoverable by the relevant Sub-Fund. Emerging markets may have a variety of clearance and settlement procedures, and, in certain markets, there have been occasions where settlements have been unable to keep pace with the volume of securities transactions, making it difficult to conduct such transactions. Delays in settlement could result in temporary periods where the relevant Sub-Fund is not able to invest, resulting in opportunity costs. Inability to dispose of portfolio securities could also result in losses to the relevant Sub-Fund due to subsequent declines in value of the portfolio security. Transaction costs with respect to investments in emerging markets are generally higher than that in developed markets, and there is generally less governmental supervision and regulation of emerging market securities exchanges, brokers and issuers than in developed markets. Moreover, it may be more difficult or expensive for the relevant Sub-Fund to take appropriate legal action in the courts of such countries.

### ***Investment Restrictions***

Some countries have laws and regulations that preclude or restrict direct foreign investment in the securities of resident companies, or limit the types of securities that foreigners may buy, or limit foreign investors to special investment structures. In some countries, prior governmental approval for foreign investments may be required and the extent of foreign investment in domestic companies may be subject to limitation.

### ***Inadequate Intellectual Property Rights Protection***

There might be certain cases when the intellectual property rights of the investee companies might not fully protect the development of its products and therefore result in competitors developing similar products.

### ***Product and Services Obsolescence***

There is a possibility that the products and services of investee companies will eventually become obsolete in the future. Technological advances may shorten the development time for alternative and competing targets.

### ***Product Liability or Litigation***

Some of the products and services developed and sold by Investee Companies may be subject to patent infringement action or product liability suits. While these may not have legal basis, they can potentially divert management resources and impact the investee companies and their markets.

### ***Minority Equity Risks***

The relevant Sub-Fund may acquire controlling or minority equity stakes, convertible instruments and/or loans in privately held companies. The success of the relevant Sub-Fund's investments will depend in part on the Fund Manager's ability to develop plans and strategies to exploit new business opportunities for such companies as well as the Fund Manager's ability to restructure and effect improvements in the operations of such companies. There can be no assurance that the Fund Manager will be able to successfully identify and implement such plans, strategies or improvements.

The success of the relevant Sub-Fund's investments in minority equity stakes, convertible instruments and/or loans of privately held companies will depend in part on the performance and abilities of such companies' controlling shareholders. Because the Fund Manager will not control such companies, the Fund Manager's ability to exit from such investments may be limited. Also, the relevant Sub-Fund is highly likely to hold minority equity stakes if an investment is taken public, thus the relevant Sub-Fund is likely to have a reduced ability to influence management of such companies. The Fund Manager may also have disagreements with controlling shareholders over the strategy and operations of such companies and the relevant Sub-Fund's equity investments in such companies may perform poorly.

## **8.3 Risks related to Management and Administration of the Fund**

### ***Financial Reporting***

The methodology employed for valuing the assets of the Sub-Funds may not reflect IFRS. Further, IFRS does not permit the amortisation of organisational costs of the Fund and its Sub-

Funds. Notwithstanding this, the Fund and its Sub-Funds will amortise organisational costs chargeable to the Shareholders over a period of five (5) years and the Auditors' report may be qualified in this regard.

### ***Lack of Operating History***

The Fund is a newly formed entity with no operating history of its own for prospective Shareholders to evaluate before making an investment in the relevant Sub-Fund. Although key personnel of the Manager have relevant experience in investment analysis and investment management, the past performance of any investment or investment funds managed by the Manager or its key personnel cannot be construed as any indication of the future results of an investment in the relevant Sub-Fund. The relevant Sub-Fund's investment program should be evaluated on the basis that there can be no assurance that such Sub-Fund will achieve its investment objective.

### ***Fees, Costs and Expenses***

The Fund and its Sub-Funds may be subject to the Management Fee, Performance fee, Fund Administrator's fees, Custodian's fees, broker's fees, start-up and organisational expenses including regulatory expenses, ongoing administrative and operating expenses and certain other fixed and contingent costs payable irrespective of profitability. Such fees, costs and expenses will adversely affect the NAV per Participating Share. Prospective investors should therefore familiarise themselves with the fees in respect of the relevant Sub-Fund.

### ***System Risk***

The Fund may rely to a significant extent on computer systems and software used by the Fund Manager and other service providers to develop and execute investment strategies, analyse investment opportunities, price the relevant Sub-Fund's assets, execute and settle trades, and conducting risk and operational controls. Such systems and software may be subject to errors, defects, interruptions or failure. In the event of such malfunction, the relevant Sub-Fund may incur significant losses to the extent its or its service providers' ability to evaluate, make, hold, monitor, or dispose of investments, or to monitor risks and operations is affected. The Fund Manager may not be in a position to verify the accuracy of the operation or results of the systems used by it or other service providers and may rely on erroneous computations or data, causing losses to the relevant Sub-Fund. The Fund Manager is generally not liable to the Fund and Sub-Funds for such system malfunction unless caused by their own gross negligence, wilful default or fraud. Third party service providers are generally not liable to the Fund and Sub-Funds for such system malfunction even where they are caused by their own gross negligence, wilful default or fraud.

### ***Misconduct of Service Providers***

Misconduct of the employees of the Fund Manager and other service providers could cause significant losses to the Fund and Sub-Funds, including the unauthorised entering into transactions, the failure to comply with operational and risk procedures, the use of sensitive information for personal trading activities, the non-compliance with applicable law or regulations, and the concealing of the foregoing, and may result in reputational damage, litigation, business disruption and/or financial losses to the Fund and Sub-Funds, for which the Fund Manager and the relevant service provider may not be liable at all or only to a limited extent.

### ***Reliance on the Fund Manager***

The Fund Manager will have overall responsibility for the relevant Sub-Fund's activities, and Shareholders have no authority to make investment decisions or to participate in the management of, or the exercise of business discretion with respect to the relevant Sub-Fund. Shareholders will be relying on the ability of and involvement from the Fund Manager in selection, negotiation, execution and monitoring of the Investments to be made using the capital available to the relevant Sub-Fund. The success of the relevant Sub-Fund will depend in large upon the skill and expertise of professionals performing services on behalf of, or for, the Fund, including professionals referred to in this Information Memorandum. There can be no assurance that such professionals will continue to be associated with the Fund throughout the life of the Fund. The Fund Manager and other personnel referred to in this Information Memorandum, are not all dedicated resources of the Fund and have other responsibilities within the Fund Manager.

### ***Performance Fee Arrangement***

Prospective investors should note that the fact that the Fund Manager's entitlement to receive Performance Fees may create an incentive for the Fund Manager to make or recommend investments that are riskier or more speculative than would be the case if it were compensated solely based on Management Fees.

### ***Return of Distributions***

Shareholders will be obligated to return amounts distributed to them to fund the relevant Sub-Fund's indemnity obligations, as well as other expenses, subject to certain limitations contained in the Constitution and this Information Memorandum. The Fund Manager may cause the relevant Sub-Fund to purchase insurance to insure Indemnified Persons against liability for any breach or alleged breach of their responsibilities in connection with the relevant Sub-Fund. To the fullest extent permitted by law, each Shareholder hereby agrees to indemnify and hold harmless the relevant Sub-Fund and the other Shareholders from and against any liability (including any liability for taxes, penalties, additions to tax or interest) with respect to income attributable to or distributions or other payments to such Shareholder, subject to the aforesaid limitations.

### ***Public Disclosure Obligations***

The relevant Sub-Fund may be required to disclose confidential information relating to the Investments and its financial results to third parties that may request such information if and to the extent required by federal, state or local law or regulation applicable to the relevant Sub-Fund or any of its Shareholders or the Investments. Such disclosure obligations may adversely affect certain Shareholders, particularly those who are not otherwise subject to public disclosure of information relating to the private holdings of funds in which they invest.

### ***Legal, Tax and Regulatory Changes Affecting the relevant Sub-Fund***

During the term of the Fund, legal, tax and regulatory changes could occur that may adversely affect the relevant Sub-Fund. For example, from time to time, the market for private equity transactions has been adversely affected by a decrease in the availability of senior and subordinated financing for transactions, partly in response to regulatory pressures on providers of financing to reduce or eliminate their exposure to such transactions. Changes to tax laws, interpretation and practice and tax treaties may affect the post-tax investment return of the relevant Sub-Fund from Investments. In particular, there can be no assurance that relevant



government authorities will not legislate, impose regulations or change applicable laws or planning and land zoning regulations in a way that would adversely affect the relevant Sub-Fund's business.

The regulation of the international currencies, securities and derivatives markets has undergone substantial change in recent years, and such change is expected to continue for the foreseeable future. The effect of regulatory change on the Fund and Sub-Funds, while impossible to predict, could be substantial and adverse. The financial services industry generally, and the activities of hedge funds and their managers, in particular, has been subject to increasing legislation, regulation and oversight. As one of the consequences of the international financial crisis, a number of initiatives, both on a national and supranational level, have been announced, among them by the United States, several European governments as well as the European Union, the International Organization of Securities Commissions (IOSCO), and the Group of Twenty (G-20). It is not currently possible to predict the extent of such increasing legislation, regulation and oversight, which would potentially limit the Fund and Sub-Funds' investment opportunities and returns or fund raising ability and increase the Fund and Sub-Funds' and the Fund Manager's exposure to potential liabilities and to legal, compliance and other costs. Increased regulatory oversight can also impose administrative burdens on the Fund Manager, including, without limitation, responding to investigations and implementing new policies and procedures. Such burdens may divert the Fund Manager's time, attention and resources from its asset management activities. Investors should be aware that increased legislation of the Fund and Sub-Funds could have substantial and adverse consequences.

#### **8.4 Taxation Risks**

There are a number of tax considerations with respect to an investment in the relevant Sub-Fund. The regulatory and legal environment is constantly changing. The tax rules or their interpretation in relation to an investment in the relevant Sub-Fund may change during the life of the relevant Sub-Fund; in particular both the level and basis of taxation may change. No assurance can be given that the terms of any applicable double taxation treaty will be able to be relied upon for the purposes of obtaining treaty tax benefits. Shareholders may find that any changes occurring to the taxation legislation, tax treaties and other relevant laws and regulations in the markets in which the relevant Sub-Fund operates its business could impact on returns and may ultimately affect a Shareholder's investment in the relevant Sub-Fund. The taxation circumstances of each Shareholder may be different.

The Directors may take positions on certain tax issues which depend on legal conclusions not yet addressed by the courts. Additionally, no assurance can be given that legislative, administrative or judicial changes will not occur which will alter, either prospectively or retroactively, the tax considerations or risk factors discussed in this Information Memorandum.

Interest, dividend and other income realised by the relevant Sub-Fund and capital gains realised on the sale of securities may be subject to withholding and other taxes levied by the jurisdiction in which the income is sourced. It is impossible to predict the rate of foreign tax the relevant Sub-Fund will pay since the amount of the assets to be invested in various countries and the ability of the Fund to reduce such taxes are not known.

#### **8.5 Other Risks**

##### ***Back Office Operations***

Any one or more of the service providers to the Fund, including the Fund Manager, the Custodian(s), the bankers to the Fund or any other service providers may, to the extent

permitted by applicable law, outsource some or all of their back-office operations relating to the Fund to third-party service providers. This can potentially expose the relevant Sub-Fund and its Shareholders to the risk of sensitive information being inadvertently provided to unauthorised persons. The Fund Manager shall exercise due diligence while outsourcing to reasonably ascertain that proper procedures exist.

### ***Cyber Security Risk***

As part of their business, the Fund Manager and the Fund process, store and transmit large amounts of electronic information, including information relating to the transactions of the Fund and personally identifiable information of the Shareholders. Similarly, service providers of the Fund Manager, and the Fund, especially the administrator, may process, store and transmit such information. With the increased use of technologies such as the Internet and the dependence on computer systems to perform necessary business functions, investment vehicles, such as and the Fund, and their service providers may be prone to operational and information security risks resulting from cyber-attacks. In general, cyber-attacks result from deliberate attacks, but unintentional events may have effects similar to those caused by cyber-attacks. Cyber-attacks include, among other behaviours, stealing or corrupting data maintained online or digitally, denial-of-service attacks on websites, the unauthorized release of confidential information and causing operational disruption.

The Fund Manager, and the Fund have procedures and systems in place that they believe are reasonably designed to protect such information and prevent data loss and security breaches. However, such procedures cannot provide absolute security. The techniques used to obtain unauthorised access to data, disable or degrade service, or sabotage systems change frequently and may be difficult to detect for long periods of time. Hardware or software acquired from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Network connected services provided by third parties to the Fund Manager, and the Fund may be susceptible to compromise, leading to a breach of the Fund Manager's, and the Fund's systems. The Fund Manager's, and the Fund's systems or facilities may be susceptible to employee error or malfeasance, surveillance or other security threats. Online services provided by the Fund Manager, and the Fund, or any of their service providers, to the Shareholders may also be susceptible to compromise. Breach of the Fund Manager's, and the Fund's information systems may cause information relating to the transactions of the Fund and personally identifiable information of the Shareholders to be lost or improperly accessed, used or disclosed.

The service providers of the Fund Manager, and the Fund are subject to the same electronic information security threats as are the Fund Manager, and the Fund. If a service provider fails to adopt or adhere to adequate data security policies, or in the event of a breach of its networks, information relating to the transactions of the Fund and personally identifiable information of the Shareholders may be lost or improperly accessed, used or disclosed.

Cyber-attacks may interfere with the processing of the Sub-Fund and its Shareholders' transactions, impact the Fund's ability to value its assets, cause the release of personally identifiable information of the Shareholders or confidential information of the Fund or impede or interrupt transactions made by the Fund and the relevant Sub-Fund. Further, the loss of, improper access to, or improper disclosure of, the Fund Manager's, and the Fund's proprietary information may cause the Fund Manager, the relevant Sub-Fund and the Fund to suffer, among other things, financial loss, the disruption of their businesses, liability to third parties, regulatory intervention, fines, penalties, financial losses, reimbursement or other compensation costs, additional compliance costs or reputational damage. The Fund and the relevant Sub-

Fund could also incur substantial costs for cybersecurity risk management in order to prevent any cyber-attacks in the future. Any of the foregoing events could have a material adverse effect on the relevant Sub-Fund and the Shareholder's investments therein.

### **Conflicts of Interest May Arise**

The Fund Manager is subject to a variety of conflicts of interests. See section titled "**Conflicts of Interest**".

### **Risks Arising from Other Classes of Shares**

The relevant Sub-Fund may from time to time issue Participating Shares of one or more classes or create further classes of shares which may invest in the same or a different pool of assets. As among the Shareholders, net capital appreciation and net capital depreciation attributable to the assets of a class of Participating Shares is separately allocated only to such class of Participating Shares. Similarly, expenses with respect to a particular class of Participating Shares are separately allocated solely to that class of Participating Shares. However, separate classes of Participating Shares within a Sub-Fund are not separate legal entities and the assets attributable to any one class of shares within a Sub-Fund will not be isolated from the liabilities attributable to other classes within such Fund under Singapore law. To the extent that the assets of one particular class are insufficient to satisfy the liabilities attributable to such class, then the assets of other classes within the Fund may be charged with such liabilities.

### **Segregation of Assets in a Variable Capital Company Structure**

As a matter of Singapore law, the assets of one sub-fund under a variable capital company structure will not be available to meet the liabilities of another sub-fund. Although not judicially tested, the principal advantage of a variable capital company is that it protects the assets of one sub-fund from the liabilities of the other sub-fund under the VCC Act. However, the Fund is a single legal entity that may operate or have assets held on its 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 outside of Singapore will respect the limitations of liability associated with variable capital companies and if such a situation should arise, it may be the case that the assets of one sub-fund may be exposed to the liabilities of another sub-fund. However, the Directors are not aware of any circumstances in other jurisdictions where similar structures exist in which such segregation has been upset or not recognised.

Without limiting any of the foregoing, there is also a risk that section 29 of the VCC Act, which provides that the assets of a sub-fund cannot be used to discharge the liabilities of any other sub-fund or the umbrella VCC itself and that any liability of a sub-fund must be discharged solely out of the assets of the sub-fund including in its winding up, may not be applied in any legal or other proceedings before a court or other tribunal of a foreign country.

### **Soft Wind-Down**

Should the Directors, in consultation with the Fund Manager determine that the investment programme is no longer viable or for other reasons, the Directors may determine to close subscriptions and wind down the existing investments of the relevant Sub-Fund in order to return cash. Whilst redemptions may be suspended during such period to enable existing investments to be realised in an orderly manner, the realisation process should be considered an integral part of the Sub-Fund's business and continued management of the Fund's investments.

### **Suitability Standards**

Because of the risks involved, investment in the relevant Sub-Fund is only suitable for institutional and/or accredited investors who are able to bear the loss of a substantial portion or even all of the money they invest in the relevant Sub-Fund, who understand the degree of risk involved, believe that the investment is suitable based upon their investment objectives and financial needs and have no need for liquidity of investment. Prospective investors are therefore advised to seek independent professional advice on the implications of investing in the relevant Sub-Fund. In addition, as the relevant Sub-Fund's investment programme develops and changes over time, an investment in the relevant Sub-Fund may be subject to additional and different risk factors.

### **Lack of Insurance**

A Sub-Fund may find it difficult to obtain, on reasonable terms and at reasonable cost, if at all, the requisite insurance policies for professional indemnity cover as well as for insurance against all the operating risks to which an investment is exposed. The cost of insurance may increase in future, which would have a negative impact on the returns from the relevant Sub-Fund.

The Fund Manager has put in place professional indemnity insurance coverage although there is no assurance that the relevant Sub-Fund or the Fund Manager will be able to continue to hold such insurance cover.

As market conditions change or develop over time, an investment in the Sub-Fund may be subject to risk factors not currently contemplated or described herein.

**The foregoing list of risk factors does not purport to be a complete or exhaustive enumeration or explanation of the risks involved in an investment in the relevant Sub-Fund. Prospective investors are urged to consult their advisors before deciding to invest in the Fund.**

## SECTION 9 – CONFLICTS OF INTEREST

The Directors, Fund Manager, Fund Administrator, Custodian(s), and other service providers or their agents or associated parties may from time to time be involved in or with other funds and clients which have similar investment objectives to those of the Fund and the relevant Sub-Fund, or be interested in parties involved in transactions with the Fund the relevant Sub-Fund, or be interested in or providing services to the investment funds or other investments of the Fund the relevant Sub-Fund, or parties providing other services to the Fund the relevant Sub-Fund. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interest with the Fund the relevant Sub-Fund. Each will, at all times, have regard in such event to its obligations to the Fund the relevant Sub-Fund and will endeavour to ensure that such conflicts are resolved fairly and subject to applicable law. Moreover, the Fund Manager will devote to the Fund the relevant Sub-Fund only so much of its time as it deems necessary or appropriate in connection with the activities of the Fund the relevant Sub-Fund.

The Fund Manager generally intends to allocate all investment opportunities that may be appropriate for the Fund the relevant Sub-Fund and other clients in a manner that is fair and equitable to all clients over time considering the different investment mandates and investment strategies applicable to such clients, current investment positions of a client, the relative capitalisation and cash availability of a client, investment time horizon and other considerations. In particular, allocations of certain investments may not be made on a *pro rata* basis, as determined by the Fund Manager in its good faith discretion and based on the foregoing considerations. Circumstances may occur, however, where an allocation could have an adverse effect on the Fund the relevant Sub-Fund.

The Fund Manager or its affiliates may, in certain circumstances, take positions in accounts of other clients opposite to those taken in relation to the Fund and/or take positions in accounts of other clients which involve conflicts or potential conflicts with positions of the Fund. These positions could adversely affect the performance of Investments held by the relevant Sub-Fund. The Fund Manager may also decline to make an investment for the relevant Sub-Fund out of concern that such investment might harm another client of the Fund Manager or an affiliate of the Fund Manager.

In addition, one or more Directors of the relevant Sub-Fund are or may be employees and executives of the Fund Manager and may have conflicts of interest in this regard. The duties of the Directors of the relevant Sub-Fund to the relevant Sub-Fund may compete with or be different from the interests of the Fund's service providers. Only the Directors may terminate the services of any service provider. Furthermore, the Directors may also serve as directors of other investment vehicles and, to the extent that the interests of the relevant Sub-Fund and such other investment vehicles are inconsistent, such Directors may have a conflict of interest.

The Fund Manager, its shareholders, directors, employees and affiliates may have interests (direct and indirect) in, and carry on, a variety of other investment business and fund management activities, and may continue to make investments (including investments in companies or other funds or companies in which the relevant Sub-Fund is concurrently or may subsequently be investing in) or organise, advise and manage other funds which may have similar investment objectives as those of the relevant Sub-Fund. The Fund Manager is of the view that it is not in a position of conflict in managing the Fund, the relevant Sub-Fund and its other funds as each of the funds has its own independent manager, investment universe, investment objectives and investments restrictions, separate and distinct from each of the other funds. In the event that the various funds place the same orders for securities as the relevant Sub-Fund, the Fund Manager shall endeavour as far as possible to allocate such investments among the funds in a fair manner on a pro-rata basis. The Fund Manager or its shareholders, directors, employees or their respective affiliates are or may be involved in other financial, investment and professional activities which may on occasion give rise to possible conflict of interest with the management of the Fund and the relevant Sub-Fund. Each of the Fund Manager or its shareholders, directors, employees or their respective affiliates will ensure that the performance of their respective duties will not be impaired by any such involvement. In the event a conflict of interest does arise, the Fund Manager will endeavour to ensure that it is resolved fairly and in the interest of the Shareholders.

When executing securities trading transactions for the account of the relevant Sub-Fund, the Fund Manager will select independent counterparties. Any dealings with counterparties will be conducted on an arm's length basis.

The Fund Manager will discuss the above conflicts of interest with any prospective investors or Shareholders upon request. These activities and conflicts of interest are explicitly acknowledged and consented to by each Shareholder in the Subscription Application Form as a necessary condition to the Shareholder's admission to the Fund.

## SECTION 10 – ANTI-MONEY LAUNDERING REGULATIONS

As part of the Fund, the Fund Manager's responsibilities and the Fund Administrator's obligations relating to the prevention of money laundering, the Fund Manager, Fund Administrator or their subsidiaries, affiliates or agents, or provided by the Fund to the Fund Manager, Fund Administrator or their subsidiaries, affiliates or agents, may require a detailed verification of the prospective investor's identity, tax status, the source of payment for the Participating Shares and the identity and tax status of any beneficial owner or controlling party of the prospective investor. Depending on the circumstances of each application, a detailed verification might not be required when:

- (a) payment is made from an account held in your name at a recognised financial institution; or
- (b) the application is made through a recognised intermediary.

These exceptions will only apply if the financial institution or intermediary referred to above is within a country recognised by the Fund, the Fund Manager and the Fund Administrator as having sufficient anti-money laundering regulations.

The Fund Manager is a registered fund manager and is subject to anti-money laundering and counter-terrorism financing practices for capital markets intermediaries.

The Fund, the Fund Manager and the Fund Administrator reserve the right to request such information as they consider to be necessary to verify the identity, tax status and source of payment of the applicant and/or the source of payment for the Participating Shares and/or comply with any applicable law or regulation of any jurisdiction. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Fund, the Fund Manager and the Fund Administrator may refuse to accept the subscription. If a subscription is not accepted, any funds received by or for and on behalf of the Fund for and on behalf of the relevant Sub-Fund in connection with that subscription will be returned to the applicant, without interest and at the applicant's own risk, to the account from which such funds were originally debited. The Fund, the Fund Manager and the Fund Administrator shall not be liable to the applicant for any loss suffered by the applicant as a result of the delay in the acceptance or rejection of such application.

If the Fund or the Fund Manager or the Fund Administrator has a suspicion that any payment to the Fund contains the proceeds of criminal conduct or that any transaction is connected in any way with money laundering or terrorist financing, the Fund or the Fund Manager or the Fund Administrator (as the case may be) is required by law to report such suspicious payments and transactions and such reports shall not be treated as a breach of any restriction upon the disclosure of information imposed by any enactment or otherwise.

The Fund, the Fund Manager and the Fund Administrator, or any person acting on its behalf, also reserves the right to refuse to make any redemption payment or other distribution to a Shareholder if any of the Directors of the Fund, the Fund Manager and the Fund Administrator, or any person acting on its behalf, suspects or is advised that the payment of any redemption monies or other distribution to such 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, the Fund Manager and the Fund Administrator, its directors or any person acting on its behalf with any such laws or regulations in any relevant jurisdiction.

## SECTION 11 – MISCELLANEOUS INFORMATION

### 11.1 Documents Available for Inspection

Copies of the following documents will be available during normal business hours on any Business Day at the offices of the Fund Manager without charge:

**Fund Manager:**  
**EURO ASIA ASSET MANAGEMENT PTE. LTD.**  
1 Paya Lebar Link, #04-01 Paya Lebar Quarter, Singapore 408533

and may be delivered to all prospective investors upon request to the Fund Manager:

- (a) Subscription Application Form;
- (b) Constitution;
- (c) This Information Memorandum, Supplemental Memorandum and any updates thereof; and
- (d) Circulars to holders of Participating Shares issued by the Fund and its service providers.

The financial statements of the Fund and Sub-Funds are available for inspection during normal business hours on any Business Day at the aforementioned offices of the Fund Manager.

### 11.2 General Information

- 11.2.1 No commissions, discounts, brokerages or other special terms have been granted by the Fund in connection with the issue or sale of any Participating Shares.
- 11.2.2 Save as disclosed in this Information Memorandum, no Director has any interest in the shares of the Fund.
- 11.2.3 Notices convening each general meeting are to be sent to shareholders not later than five Business Days before the date fixed for the meeting.
- 11.2.4 As at the date hereof, neither the Fund nor the Fund Manager is not engaged in any litigation or arbitration proceedings and is not aware of any litigation or claim pending or threatened by or against it.
- 11.2.5 As at the date hereof, no person has, or is entitled to be given, an option to subscribe for any share or loan capital of the Fund.
- 11.2.6 The Directors of the Fund confirm that as of the date of this Information Memorandum (a) the Directors have not approved any financial statements to be presented at a general meeting of the Fund, (b) the Auditors have not audited any financial statements of the Fund, (c) the Fund has not paid any dividends, and (d) the Fund has no subsidiaries.
- 11.2.7 Save as may be disclosed in this Information Memorandum, no amount or benefit has been paid or is intended to be paid to any promoter of the Fund.



### 11.3 Contact Information

A Shareholder may contact the Fund Manager at:

**Fund Manager:**  
**EURO ASIA ASSET MANAGEMENT PTE. LTD.**  
1 Paya Lebar Link, #04-01 Paya Lebar Quarter, Singapore 408533

### 11.4 Amendments to Information Memorandum

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

- (a) clarifying any inaccuracy or ambiguity or reconciling any inconsistency in its provisions, or as between the provisions of this Information Memorandum and the provisions of the Constitution, or with respect to matters or questions arising under this Information Memorandum which are not inconsistent with the provisions of the Constitution or this Information Memorandum;
- (b) complying with any law, rule or regulation applicable to the Fund or any of its service providers;
- (c) reflecting a change of location of the principal place of business of the Fund;
- (d) 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 Information Memorandum;
- (e) changing this Information Memorandum in any manner that does not, in the opinion of the Directors, adversely affect the Shareholders in any material respect or that is required or contemplated by the provisions of the Constitution or by any provisions of this Information Memorandum; or
- (f) 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 Constitution.

By subscribing for Participating Shares, Shareholders accept that:

- (i) the terms of this Information 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 Shareholders; and
- (ii) any amendments or supplements to, or other modifications of, this Information Memorandum effected by the Directors in accordance with the foregoing criteria shall be announced to the Shareholders following the adoption thereof.