# V.I.L VENUS ISLAND AIFLNP V.C.I.C. LIMITED

Registered and incorporated under the Laws of Cyprus with Registration Number
**HE 353672**

## OFFERING MEMORANDUM

**Dated:** 22nd November 2016
Revised Version as at September 3, 2026

Competent Authority
Cyprus Securities and Exchange Commission

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THIS ALTERNATIVE INVESTMENT FUND WITH LIMITED NUMBER OF PERSONS WAS ESTABLISHED IN THE REPUBLIC OF CYPRUS, PURSUANT TO THE DECISION TAKEN BY THE CYPRUS SECURITIES AND EXCHANGE COMMISSION ON 21ST DECEMBER 2015 BASED ON THE ALTERNATIVE INVESTMENT FUNDS LAW N.131(I) OF 2014 WHICH HAS BEEN REPLACED BY THE ALTERNATIVE INVESTMENT FUNDS LAW N.124(I)/2018 WHICH ENTERED INTO FORCE ON THE 31 JULY 2018. IT IS EXCLUSIVELY ADDRESSED TO PROFESSIONAL AND WELL-INFORMED INVESTORS. IT IS NOTED THAT THE ALTERNATIVE INVESTMENT FUND WITH LIMITED NUMBER OF PERSONS ENTAILS SGNIFICANT RISK THE PROTECTION MEASURES FOR RETAIL INVESTORS DO NOT APPLY AS IT IS NOT SUBJECT TO INVESTMENT RESTRICTIONS AND INVESTMENT LIMITS AND IS SUBJECT TO A LIGHTER LEGAL FRAMEWORK. THE TOTAL NUMBER OF ITS UNIT-HOLDERS SHALL NOT EXCEED THE 25 INVESTORS.

THIS ALTERNATIVE INVESTMENT FUND WITH LIMITED NUMBER OF PERSONS OPERATES WITHOUT A DEPOSITARY IN ACCORDANCE WITH SECTION 116(5)(C) OF THE ALTERNATIVE INVESTMENT FUNDS LAW N.131(I) OF 2014 WHICH HAS BEEN REPLACED BY SECTION 128(4)(c) OF THE ALTERNATIVE INVESTMENT FUNDS LAW N.124(I)/2018.

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*Copy Number:*

*Signature:*

*Delivered To:*

*Date:*

# DISCLAIMER

## SUMMARY INFORMATION ON THE COMPANY

V.I.L VENUS ISLAND AIFLNP V.C.I.C LIMITED (THE "COMPANY" OR "FUND") IS AUTHORISED BY THE CYPRUS SECURITIES AND EXCHANGE COMMISSION (THE "CYSEC") TO OPERATE AS AN ALTERNATIVE INVESTMENT FUND WITH LIMITED NUMBER OF PERSONS AND ACCORDINGLY THE PROTECTION MEASURES PROVIDED FOR IN THE RELEVANT LEGISLATION TO PRIVATE INVESTORS DO NOT APPLY TO THIS FUND.

THE FUND IS RESERVED FOR PROFESSIONAL AND WELL-INFORMED INVESTORS AS DEFINED BY THE ALTERNATIVE INVESTMENT FUNDS LAW N.124(I)/2018 (THE "AIF LAW") WHO, ON THE BASIS OF THIS OFFERING MEMORANDUM, HAVE MADE THEIR OWN ASSESSMENT OF THE CONDITIONS OF THEIR PARTICIPATION IN THE FUND. IT IS THE RESPONSIBILITY OF PARTICIPATING INVESTORS, TO DETERMINE WHETHER THE FUND DESCRIBED IN THIS OFFERING MEMORANDUM IS SUITABLE TO THEIR EXPECTATIONS OF PERFORMANCE AND RISK.

NO PERSON SHALL BE ACCEPTED AS AN INVESTOR IN THE FUND UNLESS THAT PERSON HAS PROVIDED A WRITTEN CONFIRMATION THAT HE IS A PROFESSIONAL OR WELL-INFORMED INVESTOR WITHIN THE MEANING OF THE AIF LAW, THAT HE ACCEPTS THE MORANDUMD ARTICLES OF ASSOCIATION (THE "ARTICLES") OF THE FUND AND THAT HE HAS RECEIVED, UNDERSTOOD AND ACCEPTED THIS INVESTMENT WARNING.

THE COMPANY INCORPORATED UNDER THE COMPANIES LAW, CAP. 113 ON 21ST MARCH 2016, WITH REGISTRATION NUMBER HE 353672 AND AUTHORIZED BY THE CYSEC TO OPERATE AS AN ALTERNATIVE INVESTMENT FUND WITH LIMITED NUMBER OF PERSONS IN THE FORM OF A LIMITED LIABILITY COMPANY BY SHARES AS AN OPEN-ENDED INVESTMENT COMPANY OF VARIABLE CAPITAL AS PROVIDED FOR IN PART VII OF THE ALTERNATIVE INVESTMENT FUNDS LAW OF 2018 OR IN ANY OTHER LAW WHICH REPLACES OR AMENDS IT, UNDER OPERATION LICENSE NUMBER LPAIF24/2014. THIS TYPE OF FUND ACCEPTS A MAXIMUM NUMBER OF 25 INVESTORS. THE FUND SHALL NOT HAVE THE POWER TO ISSUE BEARER SHARES.

THE FUND HAS NOT APPOINTED A DEPOSITARY SINCE IT MEETS THE REQUIREMENT OF SECTION 128 (4)(C) OF THE LAW ACCORDING TO WHICH A FUND WHOSE ASSETS ARE NOT SUBJECT TO CUSTODY COULD BE EXEMPTED FROM APPOINTING A DEPOSITARY.

THE ARTICLES AND THE LATEST ANNUAL REPORT ARE AVAILABLE FROM THE REGISTERED OFFICE OF THE COMPANY, 26B AGION OMOLOGITON , 1080 NICOSIA, CYPRUS AND FROM THE COMPANY'S AGENTS AND SHALL BE DEEMED TO FORM PART OF THIS OFFERING MEMORANDUM.

ONLY THOSE PARTICULAR REPRESENTATIONS AND WARRANTIES, IF ANY, WHICH ARE MADE IN THIS OFFERING MEMORANDUM, THE ARTICLES AND ANY SUBSCRIPTION AGREEMENT BETWEEN THE FUND AND A PROSPECTIVE INVESTOR, SUBJECT TO SUCH LIMITATIONS AND RESTRICTIONS AS MAY BE AGREED, SHALL HAVE ANY LEGAL EFFECT AND SUBSCRIPTIONS FOR SHARES IN THE FUND ARE ONLY EFFECTED ON THE BASIS OF THIS OFFERING MEMORANDUM AS APPROVED BY THE CYPRUS SUPERVISORY AND REGULATORY AUTHORITY, THE CYPRUS SECURITIES AND EXCHANGE COMMISSION. THIS OFFERING MEMORANDUM AND SUCH SUBSCRIPTION AGREEMENT WILL SUPERSEDE AND EXTINGUISH ALL REPRESENTATIONS AND WARRANTIES MADE AT ANY TIME PRIOR TO THE DATE OF SUCH AGREEMENT.

THIS OFFERING MEMORANDUM DOES NOT PURPORT TO BE ALL INCLUSIVE OR TO CONTAIN ALL THE INFORMATION THAT A PROSPECTIVE INVESTOR MAY DESIRE IN EVALUATING THE FUND. PROSPECTIVE INVESTORS SHOULD CONDUCT THEIR OWN INVESTIGATION AND ANALYSIS OF THE BUSINESS, DATA AND PROPERTY DESCRIBED HEREIN, AND SHOULD ALSO INFORM THEMSELVES ABOUT AND OBSERVE ANY LEGAL AND/OR REGULATORY REQUIREMENTS WHICH MAY BE APPLICABLE TO THEIR PROPOSED INVESTMENT IN, INVESTIGATION OR EVALUATION OF THE FUND. ANY PERSON INTERESTED IN SUBSCRIBING SHARES IN THE FUND IS RECOMMENDED TO SEEK ITS OWN LEGAL, REGULATORY, TAX, ACCOUNTING AND FINANCIAL ADVICE.

THE CONTENTS OF THIS OFFERING MEMORANDUM SHOULD NOT BE CONSIDERED AS INVESTMENT, LEGAL OR TAX ADVICE. IN MAKING AN INVESTMENT DECISION THE ADDRESSEES MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISK INVOLVED.

AN INVESTOR IN THE FUND IS SOLELY RESPONSIBLE FOR DETERMING WHETHER THE FUND IS SUITABLE FOR HIS INVESTMENT PROFILE AND NEEDS. BEFORE MAKING A DECISION FOR INVESTING, INVESTORS ARE ENCOURAGED TO SEEK ADVICE FROM THEIR FINANCIAL ADVISER AND/OR ANY OTHER PROFESSIONAL ADVISER THEY MAY WISH.

NO PERSON, OTHER THAN THE OFFICERS AND DIRECTORS OF THE COMPANY AND THE MANAGER, HAS BEEN AUTHORISED TO GIVE ANY INFORMATION OTHER THAN THAT CONTAINED IN THIS OFFERING MEMORANDUM, OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THE SHARES DESCRIBED HEREIN, AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE FUND.

THE MANAGER AND DIRECTORS OF THE COMPANY HAVE TAKEN ALL REASONABLE CARE TO ENSURE THAT THE INFORMATION CONTAINED IN THIS OFFERING MEMORANDUM IS, TO ITS BEST OF THEIR KNOWLEDGE AND BELIEF, IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING MATERIAL TO SUCH.

INVESTORS ARE NOT PROTECTED BY ANY STATUTORY COMPENSATION ARRANGEMENTS IN THE EVENT OF THE FUND'S FAILURE. THE CYPRUS SECURITIES AND EXCHANGE COMMISSION SHALL NOT BE LIABLE BY VIRTUE OF ITS RECOGNITION OF THE ALTERNATIVE INVESTMENT FUND WITH LIMITED NUMBER OF PERSONS OR BY REASON OF ITS EXERCISE OF THE FUNCTIONS CONFERRED ON IT BY THE AIF LAW. RECOGNITION OF THE ALTERNATIVE INVESTMENT FUND WITH LIMITED NUMBER OF PERSONS DOES NOT CONSTITUTE A WARRANTY BY THE CYPRUS SECURITIES AND EXCHANGE COMMISSION AS TO THE CREDITWORTHINESS OF THE FINANCIAL PARTIES TO THE ALTERNATIVE INVESTMENT FUND WITH LIMITED NUMBER OF PERSONS.

NO ASSURANCES CAN BE GIVEN THAT EXISTING LAWS WILL NOT BE CHANGED OR INTERPRETED ADVERSELY. PROSPECTIVE INVESTORS MUST NOT CONSTRUE THIS OFFERING MEMORANDUM OR ANY **SUPPLEMENT(S)** AS LEGAL, TAX OR INVESTMENT ADVICE.

THE AUTHORISATION OF THE COMPANY AND APPROVAL OF ITS INVESTMENT COMPARTMENTS BY THE CYPRUS SECURITIES AND EXCHANGE COMMISSION SHALL NOT CONSTITUTE A WARRANTY AS TO THE PERFORMANCE OF THE COMPANY OR ANY OF ITS INVESTMENT COMPARTMENTS AND THE CYPRUS SECURITIES AND EXCHANGE COMMISSION SHALL NOT BE LIABLE FOR THE PERFORMANCE OR DEFAULT OF THE COMPANY OR ITS INVESTMENT COMPARTMENTS. AUTHORISATION OF THE COMPANY AND APPROVAL OF ITS INVESTMENT COMPARTMENTS BY THE CYPRUS SECURITIES AND EXCHANGE COMMISSION IS NOT AN

ENDORSEMENT OR GUARANTEE OF THE COMPANY OR ITS INVESTMENT COMPARTMENTS BY THE CYPRUS SECURITIES AND EXCHANGE COMMISSION NOR IS THE CYPRUS SECURITIES AND EXCHANGE COMMISSION RESPONSIBLE FOR THE CONTENTS OF THE OFFERING MEMORANDUM.

## RESTRICTIONS ON SOLICITATIONS AND RESALE

SUBSCRIPTION FOR SHARES MAY ONLY BE EFFECTED ON THE BASIS OF THIS OFFERING MEMORANDUM.

THIS OFFERING MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL TO, OR A SOLICITATION OF AN OFFER TO SUBSCRIBE FROM, ANYONE IN ANY COUNTRY OR JURISDICTION (I) IN WHICH SUCH AN OFFER OR SOLICITATION IS NOT AUTHORISED, (II) IN WHICH ANY PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO OR (III) IN WHICH ANY SUCH OFFER OR SOLICITATION WOULD OTHERWISE BE UNLAWFUL. NO ACTION HAS BEEN TAKEN THAT WOULD, OR IS INTENDED TO, PERMIT A PUBLIC OFFER OF SHARES IN THE FUND IN ANY COUNTRY OR JURISDICTION WHERE ANY SUCH ACTION FOR THAT PURPOSE IS REQUIRED. ACCORDINGLY, SHARES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS OFFERING MEMORANDUM NOR ANY OTHER INFORMATION, FORM OF APPLICATION, ADVERTISEMENT OR OTHER DOCUMENT MAY BE DISTRIBUTED OR PUBLISHED IN ANY COUNTRY OR JURISDICTION EXCEPT UNDER CIRCUMSTANCES THAT WILL RESULT IN COMPLIANCE WITH ANY APPLICABLE LAWS AND REGULATIONS. PERSONS INTO WHOSE POSSESSION THIS OFFERING MEMORANDUM COMES MUST INFORM THEMSELVES ABOUT AND OBSERVE ANY LEGAL RESTRICTIONS AFFECTING ANY SUBSCRIPTION OF SHARES IN THE FUND. THE FUND IS NOT MAKING ANY REPRESENTATION OR WARRANTY TO ANY PROSPECTIVE INVESTOR REGARDING THE LEGALITY OF AN INVESTMENT IN THE FUND BY SUCH PERSON UNDER APPROPRIATE SECURITIES OR SIMILAR LAWS.

THE CYPRUS SECURITIES AND EXCHANGE COMMISSION HAS APPROVED THE CONTENT OF THIS OFFERING MEMORANDUM ONLY AS REGARDS TO MEETING THE INFORMATION REQUIREMENTS TOWARDS THE INVESTORS AS DEFINED IN THE AIF LAW. THE APPROVAL OF THIS OFFERING MEMORANDUM DOES NOT IMPLY RECOMMENDATION TO INVESTROS FOR INVESTMENT IN THE FUND.

## THE OFFERING MEMORANDUM

THE DIRECTORS OF THE COMPANY AND MANAGER ACCEPT RESPONSIBILITY FOR THE INFORMATION CONTAINED IN THIS OFFERING MEMORANDUM. TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE DIRECTORS, WHO HAVE TAKEN ALL REASONABLE CARE TO ENSURE THAT SUCH IS THE CASE, THE INFORMATION CONTAINED IN THIS OFFERING MEMORANDUM IS IN ACCORDANCE WITH THE FACTS AND THE PROVISIONS OF THE AIF LAW, THE RELEVANT CYSEC DIRECTIVES, THE COMPANIES LAW AND THE ARTICLES AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. THE DIRECTORS ACCEPT RESPONSIBILITY ACCORDINGLY.

THE OFFERING MEMORANDUM IS NOT A PROSPECTUS IN ACCORDANCE WITH THE PROVISIONS OF THE LAW 114 (I) OF 2005 (“LAW PROVIDING FOR THE CONDITIONS FOR MAKING AN OFFER TO THE PUBLIC OF SECURITIES, ON THE PROSPECTUS TO BE PUBLISHED 2005”) AS TO THE REQUIREMENTS OF THE CONTENT OF A PROSPECTUS.
THIS OFFERING MEMORANDUM CONTAINS FORWARD LOOKING STATEMENTS THAT RELATE TO THE FUND'S FINANCIAL CONDITION, RESULTS OF OPERATIONS, BUSINESS PLAN, STRATEGIES, COMPETITIVE POSITION AND GROWTH OPPORTUNITIES AND THE FINANCIAL AND REGULATORY

ENVIRONMENTS IN WHICH THE FUND WILL OPERATE. THESE FORWARD LOOKING STATEMENTS ARE IDENTIFIABLE BY WORDS SUCH AS "ANTICIPATE", "ESTIMATE", "PROJECT", "PLAN", "INTEND", "EXPECT", "BELIEVE", "FORECAST" AND SIMILAR EXPRESSIONS, AND ARE LOCATED THROUGHOUT THIS OFFERING MEMORANDUM. PROSPECTIVE INVESTORS SHOULD BE AWARE THAT THESE STATEMENTS ARE ESTIMATES, REFLECTING ONLY THE JUDGMENT OF THE MANAGER AND PROSPECTIVE INVESTORS SHOULD NOT PLACE RELIANCE ON ANY FORWARD LOOKING STATEMENTS. ACTUAL RESULTS AND EVENTS COULD DIFFER MATERIALLY FROM THOSE CONTEMPLATED BY THESE FORWARD LOOKING STATEMENTS AS A RESULT OF FACTORS SUCH AS THOSE DESCRIBED IN "RISK FACTORS" AND ELSEWHERE IN THIS OFFERING MEMORANDUM. THE FUND, DOES NOT UNDERTAKE ANY OBLIGATION PUBLICLY TO UPDATE OR REVISE THE FORWARD LOOKING STATEMENTS CONTAINED IN THIS OFFERING MEMORANDUM TO REFLECT EVENTS OR CIRCUMSTANCES OCCURRING AFTER THE DATE OF THIS OFFERING MEMORANDUM OR TO REFLECT THE OCCURRENCE OF UNANTICIPATED EVENTS.

THIS OFFERING MEMORANDUM SHALL BE HANDED OUT TO PROSPECTIVE INVESTORS FREE OF CHARGE UPON REQUEST.

THE SHARES REFERRED TO IN THIS OFFERING MEMORANDUM ARE OFFERED SOLELY ON THE BASIS OF THE INFORMATION CONTAINED THEREIN. RECIPIENTS OF THE OFFERING MEMORANDUM SHOULD NOTE THAT THERE MAY HAVE BEEN CHANGES IN THE AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF.

A SEPARATE **SUPPLEMENT** (EACH THE "**SUPPLEMENT**") TO THIS OFFERING MEMORANDUM WILL BE ISSUED IN RESPECT OF EACH INVESTMENT COMPARTMENT AND THE TERMS AND CONDITIONS APPLICABLE TO EACH INVESTMENT COMPARTMENT WILL BE THOSE SET OUT IN THIS OFFERING MEMORANDUM AND THE RELEVANT **SUPPLEMENT**. TO THE EXTENT THAT THE TERMS AND CONDITIONS SET OUT IN ANY **SUPPLEMENT** DIFFER FROM THOSE SET OUT IN THE OFFERING MEMORANDUM, THE TERMS AND CONDITIONS SET OUT IN THE **SUPPLEMENT** WILL PREVAIL FOR THAT PARTICULAR INVESTMENT COMPARTMENT.

THIS OFFERING MEMORANDUM AND THE RELEVANT **SUPPLEMENTS** SHOULD BE READ AND CONSTRUED AS ONE DOCUMENT. ALL THESE DOCUMENTS ARE AVAILABLE UPON REQUEST FROM THE REGISTERED OFFICE OF THE COMPANY, 26B AGION OMOLOGITON , 1080 NICOSIA, CYPRUS, AND FROM THE COMPANY'S AGENTS AND SHALL BE DEEMED TO FORM PART OF THIS OFFERING MEMORANDUM.

## INVESTOR RESPONSIBILITY

ANY INVESTMENT ACCORDING TO THE INVESTMENT STRATEGY OF THE FUND IN THE SHARES DESCRIBED IN THIS OFFERING MEMORANDUM INVOLVES A HIGH DEGREE OF RISK. EACH PROSPECTIVE INVESTOR SHOULD PROCEED ON THE ASSUMPTION THAT IT MUST BEAR THE ECONOMIC RISK OF INVESTMENT IN THE FUND AND BE ABLE TO WITHSTAND A TOTAL LOSS OF ITS INVESTMENT.

PROSPECTIVE INVESTORS SHOULD REVIEW THIS OFFERING MEMORANDUM CAREFULLY AND IN ITS ENTIRETY AND CONSULT WITH THEIR OWN LEGAL, TAX AND FINANCIAL OR OTHER ADVISERS AUTHORISED TO PROVIDE INDEPENDENT ADVICE IN RELATION TO (I) THE LEGAL REQUIREMENTS WITHIN THEIR OWN COUNTRIES FOR THE PURCHASE, HOLDING, EXCHANGE, REDEMPTION OR DISPOSAL OF SHARES; (II) ANY FOREIGN EXCHANGE RESTRICTIONS TO WHICH THEY ARE SUBJECT IN THEIR OWN COUNTRIES IN RELATION TO THE PURCHASE, HOLDING, EXCHANGE, REDEMPTION OR DISPOSAL OF SHARES; AND (III) THE LEGAL, TAX, FINANCIAL OR OTHER CONSEQUENCES OF SUBSCRIBING FOR, PURCHASING, HOLDING, EXCHANGING, REDEEMING OR

DISPOSING OF SHARES. THE CONTENTS OF THIS OFFERING MEMORANDUM ARE NOT INTENDED TO CONTAIN AND SHOULD NOT BE REGARDED AS CONTAINING ANY SORT OF LEGAL, TAX, INVESTMENT OR OTHER ADVICE. PROSPECTIVE INVESTORS SHOULD SEEK THE ADVICE OF THEIR LEGAL, TAX AND FINANCIAL ADVISERS FOR ANY ADVICE IN RELATION TO THE SHARES OR IF THEY HAVE ANY DOUBTS REGARDING THE CONTENTS OF THIS OFFERING MEMORANDUM.

ANY INVESTMENT IN THE SHARES IS ONLY SUITABLE FOR INVESTORS WHO HAVING CAREFULLY CONSIDERED THEIR PERSONAL CIRCUMSTANCES AND ALL OF THE INFORMATION CONTAINED IN THIS OFFERING MEMORANDUM, EITHER ON THEIR OWN OR IN CONJUNCTION WITH THE APPROPRIATE ADVISER, ARE CAPABLE OF UNDERSTANDING AND EVALUATING THE MERITS AND RISKS OF AN INVESTMENT IN THE SHARES OF THE COMPANY AND HAVE SUFFICIENT RESOURCES TO BE ABLE TO BEAR ANY LOSSES THAT MAY RESULT THEREFROM. PROSPECTIVE INVESTORS SHALL HAVE REGARD TO, AMONG OTHER MATTERS, THE CONSIDERATIONS CONTAINED UNDER THE HEADING "RISK FACTORS" IN THIS OFFERING MEMORANDUM AND THE STATEMENTS SET-OUT UNDER THE HEADING "RISK FACTORS" IN THE RELEVANT **SUPPLEMENTS**, IN WHICH THE RISK PROFILE OF INVESTORS IN A PARTICULAR INVESTMENT COMPARTMENT WILL BE SPECIFIED.

PROSPECTIVE INVESTORS MUST ALSO REFER TO THE RELEVANT **SUPPLEMENTS** ATTACHED TO THE OFFERING MEMORANDUM. EACH **SUPPLEMENT** SETS OUT THE INVESTMENT OBJECTIVES, POLICY, RISK PROFILE AND RISK FACTORS AND OTHER FEATURES OF THE INVESTMENT COMPARTMENT CONCERNED.

ALL INVESTORS ARE ENTITLED TO THE BENEFIT OF, ARE BOUND BY AND ARE DEEMED TO HAVE NOTICE OF THE OFFERING MEMORANDUM, THE **SUPPLEMENTS** AND THE ARTICLES.

## THE SHARES ARE NOT AVAILABLE FOR INVESTMENT BY ANY U.S. PERSON.

THE SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE "**1933 ACT**"), AS AMENDED, OR THE SECURITIES LAWS OF ANY OF THE STATES OF THE UNITED STATES AND THE COMPANY HAS NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED, OR THE LAWS OF ANY OF THE STATES OF THE UNITED STATES. ACCORDINGLY, NO SECURITIES REGULATORY AUTHORITY OR COMMISSION IN THE UNITED STATES, INCLUDING THE US SECURITIES AND EXCHANGE COMMISSION, HAS PASSED UPON THE VALUE OF THE SHARES, MADE ANY RECOMMENDATIONS AS TO THEIR PURCHASE, APPROVED OR DISAPPROVED OF THE OFFERING OF SHARES FOR SALE, OR PASSED UPON THE ADEQUACY OF THIS OFFERING MEMORANDUM OR ANY **SUPPLEMENT**. ANY CONTRARY REPRESENTATION IS CRIMINAL OFFENCE. THE SHARES MAY NOT BE OFFERED, SOLD OR PLEDGED OR OTHERWISE TRANSFERRED DIRECTLY OR INDIRECTLY IN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF ANY U.S. PERSON, AS DEFINED IN REGULATIONS OF THE 1933 ACT, EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT. FOR THE PURPOSE OF THIS PARAGRAPH, THE "UNITED STATES" INCLUDES ITS POSSESSIONS, ITS TERRITORIES AND ALL AREAS SUBJECT TO ITS JURISDICTION AND A "U.S. PERSON" IS A NATIONAL, CITIZEN OR RESIDENT OF THE UNITED STATES OF AMERICA OR A CORPORATION OR PARTNERSHIP ORGANISED UNDER THE LAWS OF THE UNITED STATES OF AMERICA.

## STOCK EXCHANGE LISTING

THERE IS NO PUBLIC MARKET FOR THE SHARES, AND NO GUARANTEE THAT SUCH MARKET MAY DEVELOP IN THE FUTURE.

## RISKS

INVESTMENT IN THE COMPANY CARRIES WITH IT A DEGREE OF RISK. THE VALUE OF SHARES AND THE INCOME FROM THEM IS NOT GUARANTEED AND IT MAY GO DOWN AS WELL AS UP, AND INVESTORS MAY NOT GET BACK THE AMOUNT INVESTED. CONSEQUENTLY, THERE IS A SIGNIFICANT RISK OF THE LOSS OF THE ENTIRE AMOUNT OF THE VALUE OF AN INVESTOR'S INVESTMENT. AN INVESTMENT IN THE COMPANY SHOULD BE VIEWED AS MEDIUM TO LONG TERM. HOWEVER, SHARES MAY BE REDEEMED ON EACH VALUATION DAY, UNLESS A LAWFUL SUSPENSION OF REDEMPTIONS APPLIES, ON THE BASIS OF THE NET ASSET VALUE PER SHARE AS DETERMINED ON THAT VALUATION DAY.

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# DEFINITIONS

In this Offering Memorandum the following capitalised terms shall have the meaning given hereunder:

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| **"Accumulating Class of Shares" or "Accumulating Classes of Shares"** | : | means a Class or Classes of accumulating Shares available in certain Investment Compartments of the Company which generally do not pay a dividend or other distribution as more particularly detailed in the relevant **Supplement** |
| **"Administrator"** | : | means Treppides Fund Services Limited or any successor company as may be appointed to act as the Administrator of the Company |
| **"Administration Agreement"** | : | means any agreement for the time being subsisting between the Company and the Administrator and relating to the appointment and duties of the Administrator |
| **"AIF or Alternative Investment Fund"** | : | means any collective investment undertaking, including Investment Compartments thereof, which, collectively (a) raises capital from a number of investors, with a view to investing it in accordance with a defined investment policy for the benefit of those investors; and (b) does not require authorisation pursuant to section 9 of the Open-ended Undertakings for Collective Investments Law of 2012 or pursuant to the legislation of another Member State which harmonises the article 5 of the Directive 2009/65/EC |
| **"AIF of the Republic" or "Alternative Investment Fund of the Republic"** | : | means a) an AIF established in the form of a common fund and is authorised in accordance with Chapter 2 of Part II of the AIF Law by the Securities and Exchange Commission; or b) an AIF established in the form of an investment company, is authorised by the Cyprus Securities and Exchange Commission in accordance with Chapter 2 of Part II or in accordance with section 115 of the AIF Law and the addresses of its registered office and of its central offices are located in the Republic; or c)an AIF established in the form of partnership, is authorised by the Securities and Exchange Commission in accordance with Chapter 2 of Part II or in accordance with section124 of the AIF Law and the address of the main place of conduct of its activities is located in the Republic; |
| **"AIFLNP"** | : | means an "AIF with limited number of Persons" or "Alternative Investment Fund with Limited Number of Persons" authorized by the Securities and Exchange Commission in accordance with Part VIII or has been recognized to operate as AIFLNP in accordance with the article 120 (1) (a) of the AIF Law N.124(I)2018. |

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| **"AIF Law 2014"** | | means the Alternative Investment Funds Law N. 131(I) of 2014 which has been replaced by the Alternative Investment Funds Law 124(I) of 2018 |
| **"AIF Law"** | : | means Alternative Investment Funds Law 124(I) of 2018 or any Law substituting or amending the same |
| **"AIFM Law"** | : | means the Alternative Investment Fund Managers Law of 2013 or any Law substituting or amending the same |
| **"Alternative Investment Asset"** | | Means any non-traditional asset with potential economic value that would not be found in a standard investment portfolio. Due to the unconventional nature of alternative assets, valuation of some of these assets can be difficult. Examples of alternative assets would include art and antiques, precious metals, fine wines, rare stamps and coins, and sports cards and other collectibles. However, there are also more traditional alternative assets including hedge funds, venture capital-related projects and infrastructure, real estate properties and equity of private companies. In either case, alternative assets tend to be less liquid than traditional investments. Thus, investors who favor alternative assets may have to consider a longer investment horizon. |
| **"Anti-Money Laundering Law"** | : | means the Prevention and Suppression of Money Laundering and Terrorist Financing Law 188(I) of 2007 or any Law substituting or amending the same |
| **"Articles"** | : | means, in the case of an investment company, the Memorandum and Articles of Association as defined in the Companies Law |
| **"Assets not subject to Custody"** | | means the assets that belong to an AIF with limited number of persons or to the manager acting on its behalf, which cannot be included in the custody duties of the depositary, taking into consideration that the assets subject to custody include financial instruments that are capable of being registered in a financial instruments account maintained with the depositary or are able to be physically delivered to the depositary |
| **"Auditor"** | : | means any successor company as may be appointed by the Company to act as the Auditor of the Company |
| **"Banker"** | : | means Eurobank Limited or or any successor bank as may be appointed by the Company from time to time and which is entrusted with the safekeeping of cash of the Company and each Investment Compartment and with any such functions as may be agreed upon pursuant to the applicable law |

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| **“Brokers”** | : | means any company as may be appointed to act as the Broker of the Company |
| **“Business Day”** | : | means a day which is a business day for banks in Cyprus or such day or days as may be specified in the relevant **Supplement** with respect to an Investment Compartment |
| **“Class”** | : | means a particular division of Investor Shares in an Investment Compartment as determined by the Directors |
| **“Clear Days”** | : | means in relation to the period of a notice, that period excluding the day on which notice is given or deemed to be given and the day for which it is given or on which it is to take effect |
| **"the Companies Law"** | : | means the Companies Law, Cap. 113 or any Law substituting or amending the same |
| **“Company or Fund”** | : | means the Company, V.I.L Venus Island AIFLNP V.C.I.C Limited, incorporated under the Companies Law, Cap. 113 on (date), with registration number HE 353672 and authorized by the CySEC to operate as an Alternative Investment Fund with limited number of persons in the form of a limited liability company by shares as an open-ended investment company of variable capital as provided for in Part VIII of the AIF Law or or has been recognized to operate as AIFLNP in accordance with the article 120 (1) (a) of the AIF Law N.124(I)2018 |
| **“Cut-Off Date for Subscriptions”** | : | means the applicable Business Days prior to a Valuation Day or such other time as the Directors, or as otherwise may be delegated to the Manager may determine for an individual Investment Compartment or Class as further specified in the relevant **Supplement** |
| **“Cut-Off Date for Redemptions”** | : | means the applicable Business Days prior to a Valuation Day or such other time as the Directors, or as otherwise may be delegated to the Manager may determine for an individual Investment Compartment or Class as further specified in the relevant **Supplement** |
| **"Cyprus"** | : | means the Republic of Cyprus |
| **“CySEC”** | : | means the Cyprus Securities and Exchange Commission, the legal entity of public law which is established and which operates in pursuance of the Cyprus Securities and Exchange Commission Law, as amended being the competent regulatory authority for Alternative Investment Funds in Cyprus |
| **“CySEC Directives”** | : | means the directives issued by CySEC in exercise of its powers under the provisions of the AIF Law, as published in the official gazette of the Republic of Cyprus |

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| **"Dealing Day"** | **:** | means in relation to an Investment Compartment or Class, one (1) Business Day after the Valuation Day on which the Directors have determined to give effect to an application for subscription and/or requests for redemption of Shares as set out in this Offering Memorandum and the relevant **Supplement** |
| **"Depositary"** | : | means any legal person which undertakes at least one of the duties of the Depositary provided in the article 24 of the AIFM LAW |
| **"Directors"** | **:** | means the members of the Board of Directors of the Company for the time being and any successors to such members that effectively directs the activities of the Company or represents the Company |
| **"Distributing Class of Shares" or "Distributing Classes of Shares"** | **:** | means a Class or Classes of Shares available in an Investment Compartment of the Company which may distribute the net income attributable to such Shares as more particularly described in the relevant **Supplement** |
| **"Duties and Charges"** | **:** | means all stamp duties, taxes, governmental charges, levies, exchange costs and commissions, transfer fees and expenses, agents' fees, brokerage fees, commissions, bank charges, registration fees and other duties and charges, whether payable in respect of the constitution, increase or reduction of all of the cash and other assets of the Company or the creation, acquisition, issue, conversion, exchange, purchase, holding, redemption, sale or transfer of Shares or Investments by or on behalf of the Company or in respect of the issue or cancellation of Share certificates or otherwise which may have become or will become payable in respect of or prior to or upon the occasion of any transaction, dealing or valuation including Redemption Fees and Subscription Fees (if any) payable on the redemption and issue of Investor Shares respectively |
| **"Eligible Investor"** | **:** | means Professional and Well-Informed Investors within the meaning of the AIF Law |
| **"ESMA"** | **:** | means European Securities and Markets Authority |
| **"EURO"** | **:** | means the currency used by the Institutions of the European Union and the official currency of the Eurozone |
| **"Financial Instruments"** | **:** | Means all the assets defined as financial instruments in the article 2 (1) of The Law which provides for the provision of Investment Services, the exercise of investment activities, the operation of regulated markets and other related matters of 2017 (Law 87 (I)/2017) |

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| **"Financial Year"** | : | means the accounting period of the Company ending on 31st December of each year, unless otherwise determined by the Directors |
| **"High Watermark"** | : | means the highest peak in value of the relevant Investment Compartment over and above which the Manager is entitled to receive the performance fee as set out in the Offering Memorandum and/or relevant **Supplement** |
| **"Hurdle Rate"** | : | means the minimum pre-set threshold rate of return (if any) of the relevant Investment Compartment over and above which the Manager is entitled to receive the Performance Fee as set out in the Offering Memorandum and/or relevant **Supplement** |
| **"Income Tax Law"** | : | means the Cyprus Income Tax Law N118(I)/2002 or any Law substituting or amending the same |
| **"Ineligible Person"** | : | means any person, firm or corporation applying for subscription of Investor Shares or a holder of Investor Shares (i) that for legal, tax, regulatory or any other reason, or (ii) which is a U.S. Person or (iii) does not meet the requirements of a Professional or Well Informed Investor and which from time to time, is determined by the Directors, in their sole discretion, to be ineligible to be a holder of Investor Shares |
| **"Initial Offering Period" ("IOP")** | : | means the period during which Investor Shares of any Investment Compartment or Class (as applicable) may be offered by the Company for subscription at the Initial Subscription Price as set out in this Offering Memorandum and/or relevant **Supplement** |
| **"Initial Subscription Day"** | : | means the first Business Day of the IOP in respect of particular Investor Shares of an Investment Compartment or a Class, or in case there is no IOP the first Dealing Day or such other day or days as the Directors may determine |
| **"Initial Subscription Price"** | : | means the initial fixed price determined by the Directors at which any Investor Shares of any Investment Compartment or Class may be offered for subscription during an Initial Offering Period, or in case there is no IOP, on the first Dealing Day, as determined in the relevant **Supplement** and adding thereto such sums as the Directors may determine as an appropriate provision for Duties and Charges |
| **"Investment Company"** | : | means a variable capital investment company or/and a fixed capital investment company; |
| **"Investment Compartment"** | : | Means the investment compartment of an AIF, which has been established and operates as an AIF with the power to create |

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| | | multiple investment compartments, which constitute a segregated pool of assets, and to which its allocated assets and liabilities distinct from other assets and liabilities allocated to other Investment Compartments of the Company in accordance to Alternative Investment Fund Law124(I) of 2018 |
| **"Investor"** | **:** | means a person wishing to invest in the Company by way of management or redeemable participating shares acquisition or any registered holder for the time being of Investor Shares, where applicable |
| **"Investment Management Delegation Agreement"** | **:** | means any agreement for the time being subsisting between the Manager and a third party in relation to the delegation of obligation and duties of the Manager |
| **"Investments"** | **:** | means any investment or other asset of any description which the Company is entitled to acquire, purchase, trade or invest in accordance with the Offering Memorandum and/or relevant **Supplement** and the provisions of the Articles |
| **"Investor Shares"** | **:** | means a redeemable participating share in the capital of the Company which may be designated in one or more Classes with reference to one or more Investment Compartments, issued in accordance with the Offering Memorandum and the provisions of the Articles |
| **"Investment Management Agreement"** | **:** | means any agreement for the time being subsisting between the Company and the Manager in relation to the appointment and duties of the Manager |
| **"IRR [internal rate of return]"** | **:** | means the IRR for an investment is the discount rate for which the total present value of future cash flows equals the cost of the investment |
| **"Launch Date"** | **:** | means the date on which the Company began its operations |
| **"Leverage"** | : | means the method by which:<br>(a) The External Manager increases the risk exposure of an AIF under its management; or<br>(b) The Internally Managed AIF increases the risk exposure to which it is exposed,<br><br>through the borrowing of money or transferable securities or via leverage embedded in derivatives or by any other means. |
| **"KYC (Know Your Client)"** | **:** | means the process of obtaining relevant information from prospective and existing Investors for identification and verification purposes. The process of KYC entails identifying the Investor and verifying his identity by using reliable and independent documents or information. KYC process ensures that the Fund knows detailed information about its Investor's |

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| | | risk tolerance, investment knowledge and financial position. The Fund ensures that the investor identification records remain completely updated with all relevant identification data information throughout the business relationship. The Fund examines and checks, on a regular basis, the validity and adequacy of the investor identification data and information it maintains, especially those concerning high risk investors. KYC policies are becoming increasingly important globally to prevent identity theft, financial fraud, money laundering and terrorist financing |
| **"Last Subscription Date"** | : | means the last Business Day of the IOP in respect of particular Investor Shares of an Investment Compartment or a Class |
| **"Liquidation Date"** | : | means the day in which an Investment Compartment is dissolved and its remaining assets are liquidated |
| **"Lock up period"** | : | means the period of time in which investors of an Investment Compartment or Class, where applicable, or are not allowed to redeem or sell Shares |
| **"Management Fee"** | : | means a fee payable to the Manager as further detailed in the Offering Memorandum and /or in the relevant **Supplement** |
| **"Management Shares"** | : | means the non-redeemable voting Shares in the capital of the Company, which shall not participate in the Company's profits |
| **"Management Shareholder"** | : | means GMM Global Money Managers Ltd holder of the Management Shares of the Fund |
| **"Manager"** | : | means GMM Global Money Managers Ltd or any successor company as may be appointed by the Company from time to time to act as the External Manager of the Company in accordance with section 125(1)(b)(v) of the AIF Law and subject to the terms and conditions of the Investment Management Agreement |
| **"Minimum Subscription"** | : | means the minimum amount or value of Investor Shares that must be subscribed for an Investment Compartment, or Class if any, as may be specified from time to time in the Offering Memorandum and/or relevant **Supplement** |
| **"Minimum Additional Subscription"** | : | means the minimum amount or value of additional Investor Shares that must be subscribed for by any Investor in respect of any Investment Compartment, or Class, as may be specified from time to time in the Offering Memorandum and/or relevant **Supplement** |
| **"Net Asset Value" ("NAV")** | : | means the net asset value of a relevant Investment Compartment at any particular Valuation Day |

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| **"Net Asset Value of the Investment Compartment"** | : | means the value of the assets of the relevant Investment Compartment less the liabilities of the relevant Investment Compartment as calculated in accordance with the provisions of the Offering Memorandum and the provisions of the Articles |
| **"Net Asset Value per Share"** | : | means the Net Asset Value of the relevant Investment Compartment divided by the number of Investor Shares of that Investment Compartment in issue |
| **"Offering Memorandum"** | : | means the Offering Memorandum of the Company prepared in connection with the offering of Investor Shares and including, where the context so admits or requires, any **Supplement** to the Offering Memorandum produced in relation to any Investment Compartment or otherwise, and as same may be modified or supplemented from time to time subject to the prior notification and approval by CySEC. The Offering Memorandum is not governed by the provisions of the Public Offer and Prospectus Law, L114(I) of 2005. |
| **"Performance Fee"** | : | means a fee payable to the Manager as further detailed in this Offering Memorandum and/or relevant **Supplement** |
| **"Portfolio"** | : | means the Portfolio of assets held by an Investment Compartment |
| **"Prevailing Exchange Rate"** | : | means the prices at the Cut-Off Date |
| **"Professional Investor"** | : | means an Investor who is considered to be a professional client or may, on request, be treated as a professional client within the meaning of Annex II of the Law which provides for the provision of Investment Services, the exercise of investment activities, the operation of regulated markets and other related matters of 2017 (Law 87 (I)/2017) |
| **"Project/s"** | : | means any project (including acquisition, development and management of residential properties, commercial properties and private companies) that an Investment Company may invest |
| **"Project Companies"** | : | means all special purpose vehicles ('SPVs') and intermediary holding companies that an Investment Compartment may invest through, depending on the requirements of local law and tax considerations |
| **"Redemption Fee"** | : | means such amount or amounts payable on the redemption of Investor Shares which may be deducted and retained from the redemption proceeds, as further detailed in this Offering Memorandum and/or relevant **Supplement** |
| **"Redemption Price"** | : | means the price at which Investor Shares shall be redeemed by the Company at the request of an Investor calculated in |

accordance with the provisions of this Offering Memorandum and the Articles less any such sum as the Directors may determine as an appropriate provision for Duties and Charges

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| **"Reference Currency"** | : | means the currency in which the Company is denominated being the EURO, and is the currency (i) on the grounds of which the Net Asset Value of the Company is calculated, (ii) in which the unitary financial statements for the aggregate of the Investment Compartments are drawn, and (iii) in which the Share capital of the Company is expressed |
| **"Reference Currency of the Investment Compartment"** | : | means the currency in which an Investment Compartment is denominated, which currency will be set forth in the relevant **Supplement**, and is the currency on the grounds of which the Net Asset Value of the Investment Compartment is calculated and on the grounds of which the issue and redemption price of the Shares of an Investment Compartment are calculated. If such currency denomination is different than the Reference Currency, then it shall be converted at the Prevailing Exchange Rate for reporting purposes |
| **"Reference Currency of the Class"** | : | means the currency in which a Class of Shares of a particular Investment Compartment is denominated, which currency will be set forth in the relevant **Supplement**, and is the currency on the grounds of which the issue and redemption price of a Class is calculated. If such currency denomination is different than the Reference Currency of the Investment Compartment and/or the Reference Currency, then it shall be converted at the Prevailing Exchange Rate for reporting purposes |
| **"Register"** | : | means the register kept by the Administrator of the Company into which the names and addresses of, and the number of and Class of Shares held by Investors are entered |
| **"Secretary"** | : | means any person, firm or corporation appointed to perform the duties of the secretary of the Company |
| **"Set Up Fees"** | : | means the preliminary expenses incurred in connection with the incorporation of the Company, the obtaining by the Company of authorisation from the Regulator and the launch of the Company including the costs and expenses of preparing, publishing and distributing the Offering Memorandum and all professional and legal fees and costs incurred in connection therewith; it is to be clarified that such professional fees include, among others, the cost of the set-up of the ledger with the Administrator |
| **"Share"** | : | means both the Investor Share of no par value in the Share capital of the Company designated as Investor Share in one or more Investment Compartments and/or Classes and "Shares" shall be construed accordingly and Management Shares which |

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| | | are non-redeemable voting Shares in the capital of the Company, which shall not participate in the Company's profits |
| **"Shareholder"** | : | means the holders of both Management shares and Investor shares |
| **"Subscription Agreement"** | : | means the agreement between the Company and each Investor subscribing for Shares in an Investment Compartment or a Class (where applicable) |
| **"Subscription Fee"** | : | means any such amount or amounts payable by the Investor on the issue of Investor Shares in the Company as further detailed in this Offering Memorandum and/or relevant **Supplement** |
| **"Subscription Price"** | : | means the price at which Investor Shares shall be offered, outside the Initial Offering Period, calculated in accordance with the provisions of this Offering Memorandum and the Articles and adding thereto such sum as the Directors may determine as an appropriate provision for Duties and Charges |
| **"Supplement"** | : | means any **Supplement** to the Offering Memorandum of the Company that may be issued from time to time and approved by CySEC, forming an integral part thereto and which is to be read in conjunction thereto, outlining information in respect of an Investment Compartment and its Class(es) |
| **"Subsidiary Company"** | : | has the meaning attributed to this term in section 148 of the Companies Law, or a corresponding law of another country as applicable |
| **"Target Market/s"** | : | means the Target Markets of the Company and Investment Compartments as further detailed in this Offering Memorandum and/or relevant **Supplement** |
| **"UCI"** | : | means Undertakings for Collective Investment |
| **"Unit"** | : | means the Shares of the Variable Capital Investment Company, V.I.L Venus Island AIFLNP V.C.I.C Limited |
| **"Unit-holder"** | : | means both the holder of Investor Shares and Management Shares in the Fund |
| **"U.S. Person"** | . : | means a U.S. citizen or resident individual, a partnership or corporation organized in the United States or under the laws of the United States or any State thereof, a trust if (i) a court within the United States would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of the trust, and (ii) one or more U.S. persons have the authority to control |

all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the United States

**"Valuation Day"** : means a Business Day on which the Net Asset Value of an Investment Compartment is determined or any other day as shall be determined by the Directors from time to time and specified in the Offering Memorandum and/or in the relevant **Supplement**

**"Valuer"** : means any Internationally recognized qualified property valuers, independent auditors or valuators or financial instruments hired by the Company from time to time as required

**"Variable Capital Investment Company"** : means a company incorporated subject to the Companies Law as a company limited by shares and which is authorised to operate as an AIF subject to the provisions of Chapter 2 of Part II of the AIF Law or as an AIFLNP subject to the provisions of Part VII of the AIF Law or which may operate as a RAIF subject to the provisions of Part VIII of the AIF Law, as a variable capital investment company in accordance with the relevant provisions of the AIF Law.

**"Well–Informed Investor"** : means a client that is not a professional client and meets the following requirements:

(a) Confirms in writing that:

(I) That he has sufficient knowledge and experience in financial and business matters to evaluate the merits and risks associated with the prospective investment and that he is aware of the risks associated with the prospective investment; or

(II) That his business activity is related to the management, acquisition or sale of assets, either on the investor's own account or on behalf of third parties, and are of the same type as the investments of the AIF.

And

(b) (i) invests at least €125.000 in the AIF; or

(ii) has been assessed by a credit institution, an AIFM, a UCITS Management Company, an IF or an external manager of AIFs authorised in the Republic or another Member State for the management of AIFs whose assets do not exceed the limits provided for in article 4(2) of the Alternative Investment Fund Managers Law or the corresponding article 3(2) of Directive 2011/61/EU, and the above assessment shows that he has the necessary knowledge and experience in financial and business matters, to evaluate the merits and risks associated with the AIF's prospective investment based on the AIF's investment policy; or

(iii) is employed by one of the persons referred to in subparagraph (ii) of paragraph (b), receiving total remuneration that takes him into the same remuneration

bracket as the natural persons who effectively conduct the business of the person referred to in subparagraph (ii) of paragraph (b) or the executive members of their governing body, who effectively conduct their business.

(c) by way of derogation from paragraphs (a) and (b), the investor is a person who effectively directs the business of the AIF or its external manager or is a person engaged in the AIF's investment management functions.

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| **"Wholly Owned Subsidiary"** | **:** | means a subsidiary company whose Share capital is entirely owned by the holding company |

Unless the context otherwise requires:

i) words importing the singular number shall include the plural number and vice versa;
ii) words importing any gender shall be construed as importing any other gender;
iii) words importing persons only shall include companies or associations or bodies of persons, whether corporate or not; and
iv) the word "may" shall be construed as permissive and the word "shall" shall be construed as imperative; and
v) words and expressions defined in the Articles and not otherwise defined herein shall have the meaning ascribed to them therein.

# 1. COMPANY AND ISSUE OVERVIEW

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| **Name of the Fund** | **V.I.L VENUS ISLAND AIFLNP V.C.I.C LIMITED** |
| **Place of the establishment** | Cyprus |
| **Registered Office of the Fund** | 26B Agion Omologiton, 1080 Nicosia, Cyprus |
| **Fund Structure** | Open-Ended Fund |
| **Legal Structure** | Variable Capital Investment Company |
| **Incorporation Date** | 21st March 2016 |
| Incorporation Number | 353672 |
| **Geographical Region of Operations** | The Fund will not make any investments directly, only through its Investment Compartments. Hence details of the Target Markets of each Investment Compartment will be further explained in the relevant **Supplement.** |
| **Fund Life** | Unlimited Duration |
| **Fund Type** | Umbrella Fund |
| **Listing Status** | Not Listed |
| **Reference Currency** | EURO |
| **Investment Objective** | The Fund's objective is to provide investors with an opportunity for investment in a variety of professionally managed Investment Compartments which will adopt specific investment strategies suitable for the needs of every Investor. Through this structure, the Fund aims to attract Investors with different objectives, risk tolerance and return expectations under its Umbrella. Each Investment Compartment will adopt a unique Investment Strategy as further specified in the relevant **Supplement** of each Investment Compartment. |
| **Investment Strategy** | The Fund will invest through its Investment Compartments in a wide range of Financial Instruments, Real Estate projects including land development and infrastructure projects and |

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| | other Alternative Investment Assets as these will be further specified in the relevant **Supplement** of each Investment Compartment in order to achieve an optimum return from capital invested, while reducing investment risk through diversification. The Manager will engage investment advisors at its own cost to assist in the performance of investment strategies that require the involvement of a specialist. In such case, the identity and background of the investment advisors will be disclosed in the relevant Supplement for each Investment Compartment.<br>The investment objective and policy of each Investment Compartment will be described in the relevant Supplement.<br>The Investment Compartments may also seek to add value and achieve their target equity returns through investing in deposits with banks that will produce steady fixed income payments. |
| **Investment Procedure** | The Fund will create Investment Compartments under its Umbrella that will pool funds from participation of Investors and invest either directly or by committing to Project Companies (SPV's) the minimum level of capital required to formulate its investment strategy. |
| **Use of Leverage** | The Fund will have a maximum total leverage of 30% in terms of total indebtedness of the Fund (on a consolidated basis) to-gross asset value throughout the life of the Fund. |
| **Target Capital Raising** | EUR 90.000.000 |
| **Minimum Capital Raising** | This will be specified in the **Supplement** of each Investment Compartment. |
| **Reports and Financial Statements** | 31st December of each calendar year, starting from 31st December 2016 |

# 2. INVESTOR INFORMATION

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| Types of Investors | **Professional and Well-Informed Investors** |
| US Investors | No |
| Anticipated Number of Investors | Up to 25 natural persons on an aggregate basis of all Investments Compartments |
| Initial Subscription Date | Upon License of the Fund |
| Frequency of Investor Subscriptions | This will be specified in the Supplement of each Investment Compartment. |
| Frequency of Investor Redemptions | This will be specified in the Supplement of each Investment Compartment. |
| Dividend Payments | Dividend payments upon the discretion of the Directors, or otherwise as may be delegated to the Manager. The distribution policy of each Investment Compartment will be specified in the relevant **Supplement**. |

# 3. DIRECTORY

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| Board of Directors | **Mrs. Vasiliki Tarasi –-Non-Executive Director**<br>**Mr.Epaminondas Metaxas– Non-Executive Director** |
| Secretary | **Mrs. Vasiliki Tarasi** |
| Manager | **GMM Global Money Managers Ltd**<br>26B Agion Omologiton ,<br>1080 Nicosia,<br>Cyprus |
| Bankers | **Eurobank Limited**<br>27 Pindarou Street, 6th floor<br>Alpha Business Centre, Block A<br>1060 Nicosia, P.O.Box 27236, 1643<br>Nicosia, Cyprus |
| Administrator | **TREPPIDES FUND SERVICES LIMITED**<br>Treppides Tower, 2nd Floor<br>9 Kafkasou Street<br>Aglantzia<br>2112 Nicosia, Cyprus |
| Auditors | **K. TREPPIDES & CO LTD**<br>Treppides Tower<br>9 Kafkasou Street<br>Aglantzia<br>2112 Nicosia, Cyprus |

| Legal Consultants | **GEORGE ZAVOLEAS**<br>25 Mavromichali Street<br>10680 Athens<br>Greece |
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# 4. FUND STRUCTURE AND SUMMARY OF THE OFFERING

### AUTHORISATION AND REGISTRATION

The Company incorporated under the Companies Law, Cap. 113 on 21st March 2016, with registration number HE 353672 and authorized by the CySEC to operate as an Alternative Investment Fund with limited number of persons in the form of a limited liability company by shares as an open-ended investment company of variable capital as this was provided for in Part VI of the Alternative Investment Funds Law of 2014 which has been replaced by Part VII of the Alternative Investment Funds Law of 2018 or in any other law which replaces or amends it. The Company is authorized to create multiple Investment Compartments under its Umbrella in accordance with Section 114 (5) of the AIF Law 2014 which has been replaced by section 9 of the AIF Law.

### LIMITATION ON THE NUMBER OF INVESTORS

The Board of Directors of the Company shall ensure at all times that the maximum number of Investors holding Shares in all Investment Compartments through the Company (including co-owners) shall not exceed the maximum limit of 25 natural persons on an aggregate basis of all investments compartments as per the limitation stated in section 128 (4)(c)(I) of the AIF Law.

### INITIAL CAPITAL

The registered capital of the Company is EUR 1.000 divided into 1.000 Management Shares of EUR 1.00 each and investor shares of nopar value which are further described in the relevant **Supplement** for each Investment Compartment. This Share capital is designed to meet the statutory requirement of the Companies Law, section 4(4)(a). The investment Share Capital of the Company is variable and it is divided into redeemable Shares of variable nominal (par) value. Each issued redeemable Share of variable nominal (par) value is liable to be repurchased or redeemed, by the Company at such price, in such manner and subject to such terms, as provided in the Articles of the Company. The investment Share capital of the Company represents the Net Asset Value (NAV) of the Company determined in accordance with the provisions in the Articles of the Company.

### MANAGEMENT SHARES

The Management Shares shall be held by GMM Global Money Managers Ltd. No Management Shareholders shall be permitted to be admitted to the Company and no new issue of Management Shares shall be made prior to notification and approval from CySEC.

The Management Shares shall:

- carry voting rights in respect of all matters to be resolved in a general meeting of the Company;
- not be entitled to participate in any dividends of the Company and/or other distributions to be made out of the profits of the Company;
- not be redeemable, and
- on a return of capital, on a winding up or otherwise:
  - have the right to repayment of capital after the return of capital paid up on the Investor Shares; and
  - after the return of capital, not be entitled to the surplus of assets of the Company.

## THE STRUCTURE

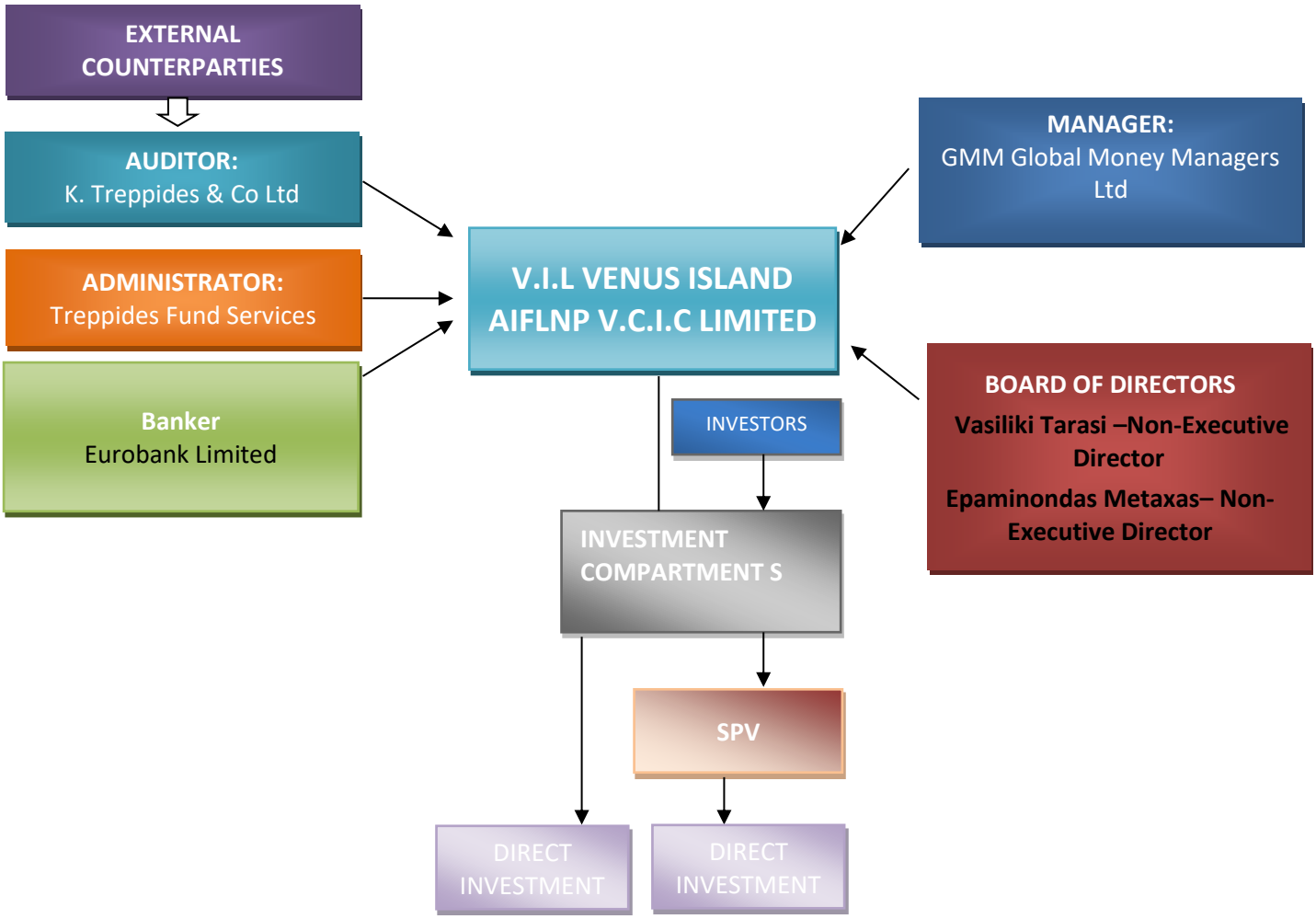
The Company is an Alternative Investment Fund with Limited Number of Persons authorized to create multiple Investment Compartments under its Umbrella. The Company will invest through its Investment Compartments which shall invest through Project Companies (SPV's) or direct investments as per the investment strategy defined in the relevant Supplement for each Investment Compartment. The Fund is established with six Investment Compartments under its Umbrella as shown in the chart below but it intends to get authorization to create more Investment Compartments under its umbrella in accordance with article 114 (5) of the AIF law 2014 which has been replaced by section 9 of the AIF Law.

As of the date of this Offering Memorandum, the Investment Compartments under the Umbrella of the Fund are the following:

- Poseidon Maritime Investment Fund
- Troodos Fund
- Ultima Thule Investment Fund
- Go Investment Fund

For tax purposes, some of the Investment Compartments may hold their investments in projects through wholly-owned intermediate entities or joint ventures, which in turn will own wholly-owned local subsidiaries or joint ventures incorporated under the applicable legislation of the Target Markets.

## CHART OF THE ORGANIZATIONAL STRUCTURE




## SUBSIDIARIES

Under Cyprus regulation, the use of subsidiaries by a specific Investment Compartment is subject to the following conditions:

- The sole purpose of the subsidiaries shall be to directly or indirectly own investments acquired in accordance with the investment policy of the specific Investment Compartment;
- The shares of the subsidiaries are issued in registered form only;
- The management of the subsidiaries is the responsibility of the Manager;

## JOINT VENTURES

If any of the Investment Compartments intends to enter into any joint venture entity, the participation of the specific Investment Compartment, in such joint venture entity will be either through Wholly Owned Subsidiaries, Subsidiaries or through local entities wholly owned by such Wholly Owned Subsidiaries and/or Subsidiaries. Further details will be specified in the relevant **Supplement** of each Investment Compartment.

## INVESTMENT COMPARTMENTS & CLASSES OF SHARES

The Fund is authorised to operate as an AIFLNP with the power to create Investment Compartments; however, it constitutes a single legal entity in accordance with section 114(5) of the AIF Law 2014 which has been replaced by section 9 of the AIF Law.

Each Investment Compartment is subject to the provisions of the Part VIII of the AIF Law as a standalone Alternative Investment Fund with Limited Number of Persons. A separate pool of assets and liabilities is maintained for each Investment Compartment and is invested in accordance with the investment objectives, investment policy, risk profile and the investment techniques applicable to the relevant Investment Compartment.

Each Investment Compartment issues Shares corresponding to the assets and liabilities of the specific Investment Compartment. The value of the Shares of each Investment Compartment may differ.

The rights of Investors and of creditors created by the constitution, operation or dissolution of a particular Investment Compartment are limited to the assets of this Investment Compartment. The dissolution of an Investment Compartment as well as the withdrawal of an operational license from CySEC of an Investment Compartment is without prejudice to the remaining Investment Compartments. Each Investment Compartment may issue more than one Class of Shares as will be further detailed in the relevant **Supplement**. Upon creation of new Investment Compartments or Classes, the Offering Memorandum will be updated, if necessary, and/or supplemented by a new **Supplement** relating to the new Investment Compartment.

Each investment compartment of the Fund may be dissolved and liquidated, without its dissolution and liquidation entails the dissolution and liquidation of other Investment Compartments of the Fund. The Cyprus Securities and Exchange Commission may revoke the authorisation of one or more Investment Compartments of the Fund in accordance with the relevant provisions of the AIF Law for each case, without revoking the authorisation of the rest of its compartments.

The net proceeds from the subscription to each Investment Compartment are invested in the specific portfolio of assets constituting that Investment Compartment. Investors may choose between one or more investment objectives, investment policies and risk profiles by investing in one or more Investment Compartments of the Company. Investors may further choose which Investment Compartment or Investment Compartments may be most appropriate for their specific risk and return expectations as well as for their diversification needs. Each Investment Compartment may further differ in respect of its fee structures, distributions, marketing targets, denominations in currency (other than the relevant Reference Currency) or any other aspects.

V.I.L Venus Island AIFLNP V.C.I.C Limited, as an Alternative Investment Fund with Limited Number of Persons authorised to create multiple Investment Compartments, is subject to the following rules in accordance with section 114(5) of the AIF Law 2014 which has been replaced by section 9 of the AIF Law:

a. For the calculation of the maximum limit of number of Investors in accordance with sub-section (1) of section 114(5) of the AIF Law 2014 which has been replaced by section 128(4)(C)(I) of the AIF Law, the total number of Investors of all the Investment Compartments of the AIF with Limited Number of Persons is taken into consideration;

b. Each Investment Compartment of the AIF with Limited Number of Persons shall issue Shares which correspond to the assets of the particular compartment, whereas the value of the Shares may be different for each Investment Compartment;

c. The Investors have rights derived from the assets of the Investment Compartment that correspond to the Shares they have acquired, whereas every Investment Compartment shall be liable for the obligations created by its establishment, operation or its dissolution;

d. It is provided that the Articles of an AIF with Limited Number of Persons may define any derogation from this paragraph;

e. The Articles of an AIF with Limited Number of Persons shall include a reference to the fact that it operates with more than one Investment Compartments;

In accordance with the AIF Law, an Investment Compartment (the 'investor-compartment') of an AIF with Limited Number of Persons may invest in another Investment Compartment of the same Fund (the 'target-compartment') under the following conditions:

i. The investor-compartment shall totally invest up to 35% of its assets in the target-compartment;

ii. The target-compartment shall not acquire Shares of the investor-compartment;

iii. The voting rights of the Shares which correspond to the participation of the investor-compartment in the target-compartment shall be suspended for as long as the mutual participation exists;

iv. The value of the Shares that correspond to the investments in accordance with sub-paragraph (i) shall not be calculated twice in the calculation of the Net Asset Value of the AIFLNP;

v. Any fees or management, marketing and redemption or repurchase commissions or any expenses regarding the marketing and the redemption or repurchase regarding the investments of the investor-compartment into a target-compartment shall not be accounted;

## REPORTING OBLIGATIONS

V.I.L Venus Island AIFLNP V.C.I.C Limited as an AIF with Limited Number of Persons, in accordance with section 116(2) of the AIF law 2014 which has been replaced by section 78 (1) (b) of the AIF Law, shall prepare and submit an annual report, which is audited by an independent auditor and which ensures that during the period covered by the report, the Fund fulfilled the conditions of section 114 of the AIF law 2014 which has been replaced by section 125 of the AIF Law. The conditions are as follows:

a) The Fund is only addressed to Professional and Well-Informed investors;

b) The Fund Limits the number of its Investors, including the co-holders, to the maximum limit of 25 natural persons; and

c) The Fund does not allow the issue of bearer Shares.

The Company it shall submit that report to the CySEC within the timeframe stipulated in the AIF Law.

The annual report of the Company shall include, at least, the following information:

a) The financial condition of the AIF with Limited Number of Persons, that is, its total assets, liabilities and its net assets;
b) The number of the Shares issued and the number of the Investors of the AIF with Limited Number of Persons at the end of the reporting period
c) The Net Asset Value per Share;
d) An overview of the investment activities of the AIF with Limited Number of Persons during the reporting period and an overview of its portfolio as at the end of the reporting period;
e) Any changes to the prospectus during the period covered by the report;
f) The current risk profile of the AIF with Limited Number of Persons and the risk management systems adopted and applied by the manager of the AIF with Limited Number of Persons to monitor those risks;
g) Any changes to the maximum level of leverage, which the manager may employ on behalf of the AIF with Limited Number of Persons, and any right of reuse of additional collateral or any guarantee provided in accordance with the leverage settlement and the total leverage used by the AIF with Limited Number of Persons during the reporting period; and
h) An income and expense account for the reference period.

The Company is also obliged to submit annually its audited financial statements to the Cyprus Securities and Exchange Commission within the timeframe stipulated in the AIF Law. The financial statements shall be prepared in accordance to the International Financial Reporting Standards (IFRSs).

# 5. INVESTMENT STRATEGY AND GUIDELINES OF THE FUND

## INVESTMENT OBJECTIVE

The Fund's objective is to provide investors with an opportunity for investment in a variety of professionally managed Investment Compartments which will adopt specific investment strategies suitable for the needs of every Investor. The Fund aims to attract Investors with different requirements, needs and return expectations under its Umbrella. Each Investment Compartment will adopt a unique Investment Strategy as further specified in the relevant **Supplement** of each Investment Compartment.

The investment policy and approach for each Investment Compartment is set out in the respective **Supplement** and will be formulated and implemented by GMM Global Money Managers Ltd.

## TARGET MARKETS

The fund will not make any investments directly, only through its Investment Compartments. The geographical investment focus for each Investment Compartment will be further specified in the relevant **Supplement** of each Investment Compartment. Each Investment Compartment may further differ in respect of its marketing targets.

## INVESTMENT STRATEGY

The Fund will invest through its Investment Compartments in a wide range of Financial Instruments, Real Estate projects including land development and infrastructure projects and other Alternative Investment Assets as these will be further specified in the relevant **Supplement** of each Investment Compartment in order to achieve an optimum return from capital invested, while reducing investment risk through diversification. The Manager will engage investment advisors at its own cost to assist in the performance of investment strategies that require the involvement of a specialist. In such case, the identity and background of the investment advisors will be disclosed in the relevant **Supplement** for each Investment Compartment.

The investment objective and policy of each Investment Compartment will be described in the relevant **Supplement**. The Fund as stated above is allowed to invest in Alternative Investment Assets if this is considered in the best Interest of the investors. Alternative Investment Asset is any non-traditional asset with potential economic value that would not be found in a standard investment portfolio. Due to the unconventional nature of alternative assets, valuation of some of these assets can be difficult.

Therefore the Fund will not be restricted only to the traditional alternative assets which include hedge funds, venture capital-related projects and infrastructure but will be evaluating any other alternative investments that would be considered beneficial for the Investors.

In either case, alternative assets tend to be less liquid than traditional investments. Thus, investors who favor alternative assets may have to consider a longer investment horizon.

The Investment Compartments may also seek to add value and achieve their target equity returns through investing in deposits with banks that will produce steady fixed income payments.

The ratio of total indebtedness of the Fund (determined on a consolidated basis) to gross asset value shall not exceed 30% throughout the life of the Fund. Loans made to the Fund or one of its Investment Compartments will be on a non-recourse basis to the Investors.

There is no restriction in relation to the types of leverage permitted. The Company may seek leverage through borrowing of cash or securities, or through derivative positions or by any other means.

## INVESTMENT PROCESS

The Fund will invest through its Investment Compartments either directly or by committing to Project Companies (SPVs) the minimum level of capital required to formulate its investment strategy.

The Manager will carefully select potential Projects/Investments by adhering to a thorough investment process that includes extensive due diligence and market research. The Manager may delegate the technical due diligence to some of the Target Market's leading project managers and technical advisers.

## INVESTMENT RESTRICTIONS

There are no investment restrictions related to the investment strategy of the Fund, other than those set by the directives issued, from time to time, by the CySEC. In addition, the investment strategy of the Fund will be subject to subsequent restrictions that may be imposed by either the Board of Directors or by the CySEC.

## ASSOCIATED RISKS

The investment strategy of the Fund entails various risks related with the Real Estate Sector, Foreign Exchange Market, private equities etc. The risks associated with the investments of the Investment Compartments are described in more detail in Section 17 "Risk Factors".

## CHANGE OF THE INVESTMENT POLICY/STRATEGY

In the event the Company intends to change its investment strategy/policy a decision by the Board of Directors through a special resolution is required. The relevant change shall also be depicted to the Articles of the Company. Any change in the investment strategy/policy of the Company requires the prior written approval of CySEC. Should any of the Unit-holders object the change of the Company's investment strategy/policy he will be given the option to redeem his Units prior to the effective date of the change in investment strategy/ policy as per the redemption conditions specified in Section 20 "Redemption of Shares" of the Offering Memorandum and/or relevant **Supplements**.

### TAX EFFICIENT STRUCTURING

The Fund will seek to structure its investments in a manner that is tax efficient for the Fund with respect to generated income. Prospective Investors should consult with their own tax advisors as to the consequences of making an investment in the Fund.

# 6. THE ISSUE

The Company intends to raise Capital of EURO 90.000.000 from the Investors participating in the Investment Compartments to be created, with a view to investing it in accordance with the defined investment policy for the benefit of those investors. Each Investment Compartment will issue shares in accordance with its target capital and reference currency.

Shares of the Fund shall be issued to Investors in registered form. Shares shall carry no voting rights and no pre-emptive subscription rights. In the event of the liquidation of the Company, each Share is entitled to its proportionate share of the Company's assets after payment of the Company's debts and expenses, taking into account the Company's rules for the allocation of assets and liabilities as set out in the Articles. The Company, qualifying as a Variable Capital Investment Company, has its share capital being always equal to its Net Asset Value. The Company's share capital is automatically adjusted when additional Shares are issued or outstanding Shares are redeemed and no special announcements or publicity or other publicity formalities under the Companies Law are required in relation thereto.

### SUMMARY OF THE ISSUE

The issue consists for a subscription of Shares in the Company, each Share being linked to one of the Classes attributable to an Investment Compartment of the Company. Shares in the Company are issued at an Initial Subscription Price during an Initial Offering Period as specified for each Investment Compartment in the relevant **Supplement**. Following the Last Subscription Day, Shares may be subscribed for on any Dealing Day at prices based on Net Asset Value per Share.

The **Reference Currency of the Investment Compartment** is the currency in which the Net Asset Value of each Investment Compartment is denominated, as specified for each Investment Compartment in the relevant **Supplement**. The Directors may however decide to issue one or more Classes of Shares where the **Reference Currency of the Class** shall be different than the Reference Currency of the Investment Compartment, as further detailed for the respective Classes of Shares of each Investment Compartment in the relevant **Supplement**.

The launch of an Investment Compartment, or a Class, takes place on the Initial Subscription Day as specified for each Investment Compartment in the relevant **Supplement** (the "**Launch Date**"). If no subscriptions are accepted on this date, the Launch Date will be the next following Valuation Day on which the first subscriptions for the relevant Investment Compartment will have been accepted at the Initial Subscription Price.

Pursuant to the Subscription Agreement the issue is conditional upon a minimum capital raising, as this will be specified in the **Supplement** for each Investment Compartment, before expenses, being raised no later than the end of the initial Subscription period, otherwise becoming unconditional. The amount collected will be deposited by the Company to the Company's bank account. In the event of not completing the minimum capital raising by the end of the Initial

Subscription Period, the Fund will return the amount collected to the Investors plus accrued interest.

### SHARE CHARACTERISTICS

Below is a summary of the rights and characteristics of the Investor Shares, subject to the provisions of the Articles.

The Investor Shares:

- may not confer upon the holders thereof the right to receive notices of or to attend and vote at any general meeting of the Company unless as otherwise stipulated in the Articles;
- shall be redeemable;
- shall be entitled to participate in dividends of the Company and/or other distributions to be made out of the profits of the Company;
- shall at the request of any of the holders thereof, but subject to restrictions contained in these Regulations, be redeemed by the Company directly or indirectly out of the Company's assets.

Investor Shares constituting an Investment Compartment or a Class thereof may be denominated in any currency and different Classes of Investor Shares within an Investment Compartment may be denominated in different currencies.

Investor Shares of each Investment Compartment or Class participate in the profits of the respective Investment Compartment or Class and upon liquidation, in any distributions of the Company relating to the respective Investment Compartment or Class in accordance with the provisions of the Articles.

# 7. SUBSCRIPTION OF SHARES

### ELIGIBLE INVESTORS

Due to the risk involved, investment in any Investment Compartments may only be suitable for Professional and Well-Informed Investors who (i) are able to lose a substantial portion or even all the money they invest in the Company; (ii) understand the high degree of risk involved, (iii) believe that the investment is suitable based upon their investment objectives and financial needs; (iv) have no need for liquidity of investment and (v) before investing, will seek independent professional advice on the implications investing in the Company. Therefore the Investment Compartments are available for investment by Investors that are considered to be Professionals or Well-Informed and are willing to be treated as such.

## SUBSCRIPTION PROCEDURE

### Initial Offering of Shares

Shares of each Investment Compartment or Class may be purchased during the Initial Offering Period, if any, at the Initial Subscription Price in respect of Investor Shares as set out in the relevant **Supplement**. Shares shall be issued on the Last Subscription Date of each Investment Compartment.

### Further Subscriptions of Shares

Following the Initial Offering Period, if any, in respect of Investor Shares of an Investment Compartment or Class, applications may be made to purchase Investor Shares of the Investment Compartment or Class on each Valuation Day at the Subscription Price calculated with reference to the Net Asset Value per Share of the relevant Investment Compartment, as the case may be, calculated for that Valuation Day.

Unless otherwise determined by the Directors of the Company, Shares will be issued one (1) Business Day after the Valuation Day, being the Dealing Day, at the Subscription Price of the relevant Investment Compartment or Class in the Reference Currency of the Investment Compartment or Class.

No Shares of any Class of Shares shall be issued by the Company during any period in which the determination of the Net Asset Value per Share of that Investment Compartment is suspended.

### Minimum Subscription and Minimum Additional Subscription

The Minimum Subscription and Minimum Additional Subscription amount for all Classes in each Investment Compartment are as set out in the relevant **Supplement**. The Directors may, in their discretion, or as otherwise may be delegated to the Manager, waive or modify such minimum limits.

### Subscription Fee

On Subscription, a Subscription Fee may be calculated and payable as described in the relevant **Supplement** for each Investment Compartment.

The Directors, or as otherwise may be delegated to the Manager, reserve the right to reduce or waive any Subscription Fee. Any taxes, commissions and other fees incurred in the respective countries or jurisdictions in which Shares are sold will also be charged if any to the Investors.

### Subscription Agreement

The Subscription Agreement is the agreement that will be signed between the Company and each Investor subscribing for Shares, individually. The Subscription Agreement lays down the terms which the Investors should have knowledge of and accept, in order to subscribe for Shares of the Company, or as otherwise may be delegated to the Manager.

The Investor will have to fill out the Subscription Agreement created by the Board of Directors evaluating the Investor's suitability for the investment in the Company. The Subscription Agreement contains all the information required in order for the Investor to be subscribed in the Fund. Information include among others personal information of the investor, commitment

amount, additional holders if any, details of the beneficial owners, Bank details etc. In addition, the Subscription Agreement includes all the required information that need to be submitted from the potential Investor in order for the Board of Directors to be able to evaluate whether he/she is proper and fit in accordance with the requirements of the Law and this Offering Memorandum and/or relevant **Supplement**.

The documentation requested to be obtained is also needed for the KYC (Know your Client) and AML (Anti-Money Laundering) procedures to be followed by the Investment Compartments subject to the requirements of the Law. The Subscription Agreement also includes the representation and warrantees that each party will make to each other as part of the Agreement. These "reps and warranties" are statements that one party gives certain assurances to the other, and on which the other party can rely.

**Contribution in Kind**

An Investor is allowed to subscribe to Shares by contributing consideration in kind related to the investment, relevant strategy of the Investment Compartment. The respective Capital Contribution of the Investor will be assessed on the basis of at least one independent Valuer report as confirmed and approved by the Board of Directors.

**Application Procedure**

Shares may be subscribed directly through the Administrator (between 09:00 – 17:00 Cyprus time, GMT +2). Completed Subscription Agreements must be provided to the Administrator in writing by electronic mail or facsimile or by such other means as may be prescribed by the Directors. Original Completed Subscription Agreement must follow promptly by post along with any supporting documentation required to prevent money laundering and in any occasion no later than the time and date the Subscription will close.

Any application for subscription following the Initial Offering Period shall be irrevocable. Subscription requests received by the Administrator prior to the Cut-Off Date shall be effected on the basis of the Net Asset Value per Share determined on the applicable Valuation Day. Any subscription request received by the Administrator after the Cut-Off Date will be processed on the next Valuation Day on the basis of the Net Asset Value per Share determined on that Valuation Day. Shares will be issued one (1) Business Day after the Valuation Day, being the Dealing Day.

The Directors are authorised to close or restrict the Fund or Investment Compartment(s) to new subscriptions, either for a specified period or until they otherwise determine and either in respect of all Investors or new Investors only.

**Payment Procedure**

Payment for all the Shares must be received by the Banker in the Reference Currency of the Investment Compartment or the Class as applicable no later than one (1) Business Day prior to the applicable Valuation Day. The normal currency of payment for Shares will be the Reference Currency of the Investment Compartment or the Class concerned. If any issue or sales taxes become payable to the relevant tax administration, the Initial Subscription Price or Subscription Price (as applicable) will increase by that amount.

**Notification of Transaction**

Provided the subscription proceeds in clear funds and all documentation required have been received, a confirmation letter will be sent by the Administrator to the Investor (or its nominated agent if so requested by the Investor) by ordinary post, electronic mail or facsimile as soon as reasonably practicable after the relevant Dealing Day, providing full details of the transaction.

**Rejection of Subscriptions**

The Directors may reject any Subscription in whole or in part, and it may, at any time and from time to time and in their absolute discretion without liability and without notice, discontinue the issue and sale of Shares in any Class of Shares in any one or more Investment Compartments.

If any Subscription is not accepted in whole or in part, the subscription monies or the balance outstanding will be returned without delay to the subscriber by post or bank transfer at the subscriber's risk without any interest.

**Subscription Through Nominees**

Any Investor will only be able to fully exercise his rights directly against the Company, if the investor is registered himself and in his own name in the Register of the Company. In cases where an investor invests in the Company through an intermediary investing into the Company in his own name but on behalf of the investor (a "Nominee"), it may not always be possible for the investor to exercise certain rights directly against the Company.

For the avoidance of doubt, in cases where a Nominee invests into the Company in his own name but on behalf of several investors, any applicable minimum Subscription and/or holding amounts will be assessed at the level of the Nominee, without applying any look-through to the level of the individual, underlying investors.

**Money Laundering Prevention**

Investors should note that the Manager may refuse to accept a subscription request if it is not accompanied by such additional information as they may reasonably require, including without limitation information required for money laundering verification purposes.

Pursuant to applicable Cyprus laws and regulations comprising but not limited to the **Prevention and Suppression of Money Laundering Activities Law of 2007 (Law 188(I)/2007) as amended from time to time** and **the Directive DI144-2007-08 of 2012 for the Prevention of Money Laundering and Terrorist Financing** and any other **CySEC Directives and circulars** issued from time to time, the Company must comply with anti-money laundering and financing of terrorism procedures.

As a result, the Administrator must principally ascertain the identity of the subscriber and beneficial owners in accordance with Cyprus laws and regulations. The Administrator may require subscribers to provide any document it deems necessary to effect such identification. In any case of delay or failure by an applicant to provide the documents required, the application for subscription will not be accepted.

Neither the Administrator nor the Company or the Manager shall have any liability for delays or failure to process deals as a result of the applicant providing no or only incomplete documentation.

Investors may be requested to provide additional or updated identification documents from time to time pursuant to ongoing client due diligence requirements under relevant laws and regulations as well as internal requirements.

The Anti - Money Laundering Law makes it an offence for any person to provide assistance to another person to obtain, conceal, retain or invest funds if the person knows or suspects, or should have known or suspected, that the funds are the proceeds of criminal conduct. Criminal conduct is defined to include homicide, drug and arms trafficking, appropriation of money by illegal means, dealing in stolen goods, and corruption by public officials, etc. The offence of assisting in money laundering carries a penalty of 14 years' imprisonment or a fine or both. It is a defence that the person concerned reported his knowledge or suspicion to the police or to his employer at the first available opportunity.

In addition, the Anti- Money Laundering Law contains specific provisions intended to prevent money laundering in the financial sector. It is therefore a criminal offence punishable by up to 14 years of imprisonment or a penalty of up to €500.000,00 or both, for the Company to enter into any contract or relationship with a client , unless the Manager:

- applies acceptable procedures in relation to client identification and record keeping;
- maintains appropriate internal control and communication procedures and
- ensures that the Manager's employees and affiliates are educated and trained in applying these procedures in the exercise of their duties.

The purpose behind such procedures is to ensure that money laundering by the Company's clients is detected and prevented.

# 8. FINANCIAL YEAR

The Company's financial year ends on 31st December of each year and the first financial year of the Company shall begin on the incorporation of the Company.

The consolidated accounts of the Company shall be presented in EURO, being the Reference Currency.

# 9. FUND'S LIFE

In accordance with the provisions of the Subscription Agreement and the Articles of the Company, the existence of the Company shall have unlimited duration.

# 10. CONFLICTS OF INTEREST

The Directors, the Manager, the Banker , the Administrator, and the Auditors in the course of their respective businesses, may have potential conflicts of interest with the Company and/or the investors. Each of the Directors, the Manager, the Banker and the Administrator and their affiliates currently manage or may manage in the future the trading or may provide other services for investment funds or accounts in addition to those of the Company. In the event that any of the abovenamed persons elect to undertake such activities and other business activities in the future, such persons and or their respective principals or affiliates may be subject to conflicting demands in respect of allocating management time, services and other functions.

The Directors, the Manager, the Banker or the Administrator and their affiliates may engage in such business activities provided that their performance in relation to the Company is not impaired. The Directors, the Manager, the Banker or the Administrator and their respective principals and affiliates will endeavor to treat each investment pool and managed account fairly and not to favor one account or pool over another. Any such person will not be prevented from dealing with the Company, as principal or as agent, provided that any such dealings are on terms no less favorable to the Company than could reasonably have been obtained had the dealing been effected with an independent third party. Any such person may charge and retain a commission or fee in respect of any such dealing provided such fee or commission is not in excess of rates commonly payable in respect of such dealings.

In the event that the Directors, the Manager, the Banker or the Administrator and their principals or affiliates consider that a particular situation may result in any relevant person having a conflict between its obligations to the Company and other interest must disclose any such interest financial, fiduciary or otherwise in any proposal, contract or other matter in respect of which the Company will make a decision. The Directors, the Manager, the Banker and the Administrator are expected to execute their duties in good faith and with a view to the best interests of the Company and its Investors.

In evaluating these potential conflicts of interest, an Investor should be aware that the Directors have a responsibility to the Investors to exercise good faith and fairness in all dealings affecting the Company.

By acquiring Shares in the Company hereby offered, an Investor will be deemed to have acknowledged the existence of such actual and potential conflicts of interest and to have waived, to the fullest extent permitted by applicable law, any claim with respect to the existence of any such conflicts.

# 11. THE DIRECTORS

The Directors shall be responsible for reviewing the general investment objectives and investment policies of the Company in compliance with the applicable laws and the Articles. The operations of the Company are to be reviewed at regularly scheduled meetings of the Board of Directors.

The Directors of the Company as at the date of this Offering Memorandum are the following:

***Mrs. Vasiliki Tarasi –Non-Executive Director***

*Mrs. Vasiliki Tarasi has a large experience in the financial services industry and especially in the Funds sector, where she has been working for the last 5 years, as clients' administration officer, in GMM Global Money Managers Ltd.*
*Her tasks include client management and administration and she has been exposed and familiarized herself with the operations of Alternative Investment Funds.*
*Her past experience includes works in the banking sector (among them Bank of Cyprus) where she has accumulated significant expertise.*
*She has graduated from the Athens University of Economics (Business Administration Department) and she is fluent in English.*

***Mr. Epaminondas Metaxas– Non Executive Director***

*Mr. Nondas Metaxas was born in Larnaca, Cyprus in 1952. He studied at the American University of Beirut where he acquired his Bachelor's and Master's degree in the field of Business Administration in 1976 and 1978 respectively. His academic qualifications allowed him to become a Graduate Assistant at the same University and a Lecturer at the Haigazian College in Beirut in 1978 and between 1990-1996, a Lecturer at the Mediterranean Institute of Management. On top of that he taught Finance at the University of Cyprus as an Academic Associate in 2002. In the meantime, he also received a Diploma in 1982 in Public Relations from the CAM Foundation in the UK.*
*His professional experience is very rich and extensive, with positions as Senior Officer, Head of Export Promotion Department, and later as a Head of the Over-the counter Stock Exchange at the Cyprus Chamber of Commerce and Industry where he served from 1979 until 1995. The pick of his professional career of course, is when he acquired the position of Director General-CEO, at the Cyprus Stock Exchange where he served successfully and with zeal for 22 consecutive years, from 1995-2017.*
*Having all those qualifications and experience, it goes without saying that Mr. Metaxas has served for many years as a Board Member in various local and international Associations such as the ECSDA, the WFE, and the FESE where he served as a Board Chairman as well, and many more.*

As at the date of this Offering Memorandum, no Directors have any of the:

(i) Any unspent convictions in relation to indictable offences; or
(ii) Been bankrupt or the subject of an involuntary arrangement, or has had a receiver appointed to any asset of such Director; or
(iii) Been a director of any company which, while he was a director with an executive function or within 12 months after he ceased to be a director with an executive function, had a receiver appointed or went into compulsory liquidation, creditors voluntary liquidation, administration, or company voluntary arrangements or made any

composition or arrangements with its creditors generally or with any class of its creditors; or

(iv) Been a partner of any partnership which while he was a partner or within 12 months after he ceased to be a partner, went into compulsory liquidation, administration or partnerships voluntary arrangement, or had a receiver appointed to any partnership asset;

(v) Had any public criticism by statutory or regulatory authorities (including recognised professional bodies); or

(vi) Been disqualified by a court from acting as a director or from acting management or conduct of affairs of any company.

The Directors of the Fund shall not change without the prior approval of CySEC.

# 12. MANAGER

Pursuant to an Investment Management Agreement, GMM Global Money Managers Ltd will have the responsibility of the investment management of the Company and will purchase and sell the investment assets and otherwise manage the portfolio of assets of the Investment Compartments which subject to the relevant agreement are assigned to it. The Manager shall exercise its investment management function and more specifically shall identify opportunities and operate within the parameters outlined by the Investment Strategy and policies set forth by its Investment Committee. The Manager is responsible for monitoring the performance of the assets on a daily basis and for identifying the most opportune moment in which to dispose an asset.

## KEY INFORMATION OF THE MANAGER

| NAME | GMM GLOBAL MONEY MANAGERS LTD |
|---|---|
| Legal Form | Limited Liability Company |
| Registered Office | 26B Agion Omologiton , 1080 Nicosia, Cyprus |
| Central Administration | 26B Agion Omologiton , 1080 Nicosia, Cyprus |
| Date of Incorporation | February 6, 2013 |
| Life Duration | Unlimited |
| Other AIFs/UCITS under its management | GMM Funds (UCITS)<br>Hellas - Cyprus Recovery Mutual Fund (UCITS)<br>GMM Minst Global Bond Fund (UCITS)<br>Global Balanced Fund of Funds Salamis VCIC PLC<br>GMM AIF VCIC PLC |
| Subscribed and paid up capital | EURO 360.000,00 paid in full |

GMM Global Money Managers Ltd is a fund manager in compliance with the Law 78/2012, holding UCITS Manager License No. 2/13. It operates in the financial sector, setting up, running and managing mutual funds in line with the most recent UCITS IV Directive, fully implemented

by the Cypriot legislation. Its specialized knowledge and the right kind of inspiration needed to monitor market developments, are always aiming at safeguarding the invested capital and generating optimal yields.

GMM Global Money Managers Ltd is firmly focused on achieving wide diversification of investment risk in international money and capital markets via the mutual funds and other related products it offers (such as ETFs, SIFs, etc.). It offers an extensive range of potential investment options (money market, fixed income, balanced, equities and special purpose funds, among others) for the small, medium and large portfolios of both private individuals and institutional investors.

GMM's management team and associates, who are well reputed and have many years of experience, specialized knowledge and the right kind of inspiration needed to monitor market developments, are always aiming at safeguarding the invested capital and generating optimal yields.

Unless otherwise stated in the relevant **Supplement**, the Manager is responsible for, among other matters, identifying and acquiring the investments of the respective Investment Compartment. The Manager is granted full power and authority and all rights necessary to enable it to manage the investments of the respective Investment Compartment and provide other investment management services to assist the Company to achieve the investment objectives and policy and any specific investment objective and policy set out in the relevant **Supplement**. The authority of the Manager is subject always to the AIF Law and AIFM Law, and the relevant CySEC Directives issued in their implementation, this Offering Memorandum, the Articles and the overall policies, direction, control and responsibility of the Manager.

The aforementioned Investment Management Agreement gives the Manager the discretion to employ and/or appoint, at its own cost, specialist asset management experts, in order to benefit from their expertise and experience in particular markets.

The Manager may expressly delegate to a third party the discretion to purchase and sell the investment assets and otherwise to manage one or more Investment Compartments which subject to the relevant agreement are assigned to it ("Delegated Investment Compartments"), subject to the signing of an Investment Management Delegation Agreement. In such case, the overall control and ultimate responsibility shall remain with the Manager. The identity of any appointed Investment Manager will be specified in the relevant **Supplement** relating to the Delegated Investment Compartments.

# 13. ADMINISTRATOR

The Administrative functions of the Fund have been assigned to Treppides Fund Services Limited pursuant to an Administration Agreement. The Administrator is a private limited liability company incorporated in the Republic of Cyprus and regulated by the Institute of Certified Public Accountants of Cyprus (ICPAC). The company is specialised in the provision of professional services to a wide range of fund related structures, including formation, licensing, accounting, administration and director services. Treppides Fund Services has the ability to support complex investment structures which are spread across many jurisdictions and meet the complex operational and reporting needs associated with Investment Funds.

Since its inception, Treppides Fund Services Ltd has made significant investments in technology and has joined in partnerships with global players of the financial services industry. The

Company is using Prospero Fund Management system, a superior software solution that can support various fund structures and offer complete fund administration. Prospero has introduced full transaction automation in the firms' operations, so as to enable the professionals to fully address all risks and checks pertaining to each Fund.

The company also uses the services of Bloomberg Terminal and Bloomberg Data License, two integrated platforms that stream together, among others, price data, financials, news, and trading data.

The Administrator caries out all the administration duties and tasks in relation to the Company in accordance with section 6(1)(b) of the AIF Law. The administration services include the following services:

a. legal and accounting management services;
b. disclosure of information services and services to the Unit-holders;
c. valuation and pricing, including tax returns;
d. regulatory compliance monitoring;
e. maintenance of unit/shareholder register;
f. distribution of profits
g. issues and redemptions of Shares;
h. contract settlements, including certificate dispatch; and
i. record keeping.

The Administration Agreement provides that the Administrator will not be liable for actions taken in good faith and in the absence of fraud, wilful default or gross negligence while performing its duties hereunder. The Company reserves the right to change the administration arrangements and/or, in its discretion to appoint additional or alternative administrator (s). The Administrator has no decision-making discretion relating to the Fund's investments.

# 14. DEPOSITARY

The fund has not appointed a depositary since it meets the requirement of section 128(4)(c) of the AIF Law according to which

- The portfolio of the AIFLNP includes assets which are subject to custody and which do not exceed the 10% of the total portfolio; and
- the number of investors is restricted by the Memorandum and Articles of Association to 25 investors aggregated from all the investments compartments; and
- each Investor should invest to the AIFLNP at least the amount of EUR 500,000.00.

# 15. BANKER

Eurobank Limited has been appointed responsible for monitoring and safekeeping of the Company's cash which are held either directly by the Banker or through other agents as appointed from time to time.

Eurobank Limited is a Banking institution incorporated in Cyprus in 2007. The Bank offers a great range of products and services in the Custody business, Corporate and Investment Banking, Private Banking and International Business Banking. It has strong capital adequacy and it is a wholly owned subsidiary of Eurobank Ergasias S.A., a leading banking and financial

services company with presence in over 10 countries across the South Eastern Europe. The parent company is an award-winning custody service provider and the number one custodian for Mutual Funds in Greece.

The Banker will ensure that all transactions involving the payments of the Company are settled within the customary settlement dates and will be responsible for the distribution of income and investor redemption payments of the Company in accordance with its Articles.

The Banker has no decision-making discretion relating to the Company's or any Investment Compartment's investments and shall not act as a broker for the Company or any of the Investment Compartments. Safekeeping of assets will not be performed by the Banker.

# 16. FEES AND OTHER EXPENSES

Set up fees for the establishment of the Company as well as operating expenses of the Company, including costs associated with the acquisition and disposal of investments by the Company, fees and expenses payable to the Administrator, Auditor, Banker and the Company's Directors and employees, if any, marketing and advertising expenses as well as extraordinary and unexpected expenses incurred from time to time, such as e.g. any expenses in connection with litigation will be covered by the Company.

### SET UP FEES

The costs of establishing the Company and the costs and expenses of the initial offering of the Shares, the preparation and printing of this Offering Memorandum and any relevant document(s) and the marketing costs and fees of all professionals relating to the same will be burden by the Company and amortised in such period as may be determined by the Directors at their discretion and may be charged to the Portfolio within such amortisation period and on such terms and in such manner as the Directors see fit.

Such expenses shall be apportioned among the Investment Compartments based on their NAV. Thereafter, Investment Compartments will only bear the Set-up fees relating to their own launching or in case the Set up fees relate to the Company as a whole, the fees shall be apportioned among the Investment Compartments based on their NAV.

### MANAGEMENT FEES

The Manager shall be entitled to receive from each Investment Compartment a Management Fee in relation to each Investment Compartment as further detailed in the relevant **Supplement**, up to a maximum of 2% per annum of the Net Asset Value of the relevant Investment Compartment.

### PERFORMANCE FEES

If so provided in a particular **Supplement** relating to an Investment Compartment the Manager shall, if determined by the Directors and in addition to the Management Fee, be entitled to receive a Performance Fee relating to the performance of the Net Asset Value of the Investment Compartment as may be set out in the relevant **Supplement**.

## DIRECTOR'S REMUNERATION

The remuneration of the Directors shall from time to time be determined by the Company in general meeting. Such remuneration shall be deemed to accrue from day to day. The Directors may also be paid all traveling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or in connection with the business of the Company.

## ADMINISTRATION FEE

Pursuant to the Administration Agreement between the Fund and the Administrator, the Fund is obliged to pay an annual fee for the administration services provided. The Administration fee will be accrued and calculated on each valuation date. The administration fee will be based on a progressive scale on NAV. Further details in regards to the fee and any additional charges are further specified in the Administration Agreement. The administration agreement laid down the terms under which administration services will be provided to the Fund.

## EXTERNAL AUDIT FEE

The Fund shall also be obliged to pay an annual fee to the entity acting as the external auditor of the Fund, for the provision of auditing services. The fee payable to the auditor will be specified to the agreement to be concluded between the two parties in accordance to the services to be provided.

## REGULATORY FEE

Fees payable to the relevant regulatory authorities and any fees, costs and expenses incurred in connection with making any filings with any government body or regulatory authority as well as statutory or regulatory fees, if any, levied against or in respect of the Fund together with the costs incurred in preparing any submission required by any tax, statutory or regulatory authority;

The Fund is obliged to pay an annual contribution of EUR 1,300 for the Fund including the First Investment Compartment and EUR 300 for each additional Investment Compartment to CySEC.

## ANNUAL CORPORATE FEE

The Fund since is registered as a Variable Investment Company under the Companies Law Cap.113, shall also pay an Annual Levy to the Registrar of Cyprus of EUR 350.

## OTHER EXPENSES

The Investment Compartments will also bear all other expenses incurred in relation with the operation of the Company. Any expenses which are not readily attributable to any Investment Compartment shall be payable out of the assets of the Company. Other expenses may be:

- any costs and expenses relating to Investor relation activity, including the drafting, printing and mailing of reports and information to Investors
- all costs incurred with the organisation of meetings of the Board of Directors, or Shareholders;

- all third party costs and expenses incurred in connection with the performance of all due diligence investigations in relation to the acquisition, ownership or realisation of any Investment (whether or not completed or realised), unless reimbursed by another person
- any other third party costs and expenses disbursed in connection with the day-to-day management of the Fund and the operations of any Investment Compartment and its Investments
- any costs and expenses relating to Investor relation activity, including the drafting, printing and mailing of reports and information to Investors;
- Usual banking fees due on transactions involving securities held in the Fund; as well as any other banking and transaction fees

# 17. RISK FACTORS

### RISK MANAGEMENT

The Manager will use a risk-management process that enables monitoring and measuring at any time the value of the Investment Compartments' portfolio positions and their contribution to the overall risk profile of the Fund. The risk-management process is performed by the Manager with a frequency and methodology appropriate to the risk profile of each Investment Compartment.

The risk-management process shall include the calculation of the global exposure of the Company and each Investment Compartment. Such calculation may be performed using advanced risk measurement methodologies as may be appropriate and which shall be applied in accordance with the most recent applicable guidelines of the European Securities and Markets Authority ("**ESMA**"). The methodology to be used shall be detailed in the relevant **Supplement**. The Manager shall ensure that the method selected to measure the global exposure is appropriate, taking into account the investment strategy pursued by the Investment Compartment, the types and complexities of the financial derivative instruments used, and the proportion of the Investment Compartment's portfolio which comprises financial derivative instruments.

### RISK FACTORS

Before making an investment decision with respect to Shares of any Class in any Investment Compartment, prospective Investors should carefully consider all of the information set out in this Prospectus and the **Supplement** relating to the relevant Investment Compartment, as well as their own personal circumstances. The risk factors referred to therein, and in this document, alone or collectively, may reduce the return on the Shares of any Investment Compartment and could result in the loss of all or a proportion of an Investor's investment in the Shares of any Investment Compartment. The price of the Shares of any Investment Compartment can go down as well as up and their value is not guaranteed. Investors may not receive, at redemption or liquidation, the amount that they originally invested in any Class of Shares or any amount at all.

The risks may include or relate to equity markets, bond markets, foreign exchange rates, interest rates, credit risk, use of derivatives, counterparty risk, market volatility and political risks. The risk factors set out in this Prospectus and the relevant **Supplement** are not exhaustive.

The Company is intended to be a medium to long-term investment vehicle (depending on the investment policy of the relevant Investment Compartments). Shares may however be

redeemed on each Valuation Day. Substantial redemptions of Shares by Investors within a limited period of time could cause the Company to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of both the Shares being redeemed and the outstanding Shares. In addition, regardless of the period of time in which redemptions occur, the resulting reduction in the Net Asset Value per Share could make it more difficult for the Company to generate trading profits or recover losses.

***HISTORICAL PERFORMANCE***

The past performance of the Investment Compartments or any other investment vehicle managed by the Manager is not meant to be an indication of their potential future performance. The nature of and risks associated with the Investment Compartments may differ substantially from those investments and strategies undertaken historically by the Manager or the Investment Compartments themselves. In addition, market conditions and investment opportunities may not be the same for the Investment Compartments as they had been in the past, and may be less favorable. Therefore, there can be no assurance that the Investment Compartments' assets will perform as well as the past investments managed by the Manager. It is possible that significant disruptions in, or historically unprecedented effects on, the financial markets and/or the businesses in which the Investment Compartments invest could diminish any relevance the historical performance data of the Investment Compartments may have to the future performance of those Investment Compartments.

***BUSINESS RISK***

There can be no assurance that the Investment Compartments will achieve their investment objectives in respect of any of the strategies employed. The investment results of the Investment Compartments managed by the Manager are reliant upon the success of the strategies implemented by the Manager in the managed Investment Compartments.

***CONCENTRATION OF INVESTMENTS RISK***

Although an Investment Compartment's policy is to diversify its investment portfolio, an Investment Compartment may at certain times hold relatively few investments. An Investment Compartment could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including default of the issuer.

***DECLINING PERFORMANCE AND GROWING SIZE RISK***

Trading large positions may adversely affect prices and performance. In addition, there can be no assurance that appropriate investment opportunities will be available to accommodate future increases in assets under management which may require the Manager and affiliates to modify their investment decisions for the Investment Compartments because they cannot deploy all the assets in the manner they desire. There can be no assurance whatsoever as to the effect of an increase in assets under management may have on the Investment Compartment's future performance.

***EFFECT OF SUBSTANTIAL REDEMPTIONS AND REDUCED SIZE RISK***

Substantial redemptions by Investors within a short period of time could require an Investment Compartment to liquidate securities positions more rapidly than would otherwise be desirable, possibly reducing the value of the Investment Compartment's assets and/or disrupting the Manager's investment strategy. Reduction in the size of an Investment Compartment could

make it more difficult to generate a positive return or to recoup losses due to, among other things, reductions in the Investment Compartment's ability to take advantage of particular investment opportunities or decrease in its ratio of income to expenses.

***RELIANCE ON THE MANAGER AND DEPENDENCE ON KEY PERSONNEL***

The Manager will have the responsibility for the Investment Compartment's investment activities. Investors must rely on the judgment of the Manager in exercising this responsibility. The principals of the Manager are not required to, and will not devote substantially all of their business time to the investment activities of the Investment Compartments managed by the Manager. In addition, since the performance of the Investment Compartment is wholly dependent on the skills of the principals of the Manager were to become unavailable; such unavailability might have a detrimental effect on the Investment Compartments and their performance. The principals of the Manager are also engaged in other similar business activities to which they devote substantial time.

***FEE INCENTIVE RISK***

In addition to receiving a Management Fee, the Manager may also receive a Performance Fee based on the appreciation in the value of the Investment Compartment's assets. Accordingly, the Performance Fee will increase with regard to unrealized appreciation as well as realized gains. A Performance Fee may be paid on unrealized gains which may subsequently never be realized. The Performance Fee may create an incentive for the Manager to make investments for an Investment Compartment which are riskier than would be the case in the absence of such a fee.

***ACCOUNTING TREATMENT RISK***

The Manager may amortize certain expenses over a period, as it considers such treatment to be more equitable to the investor. This treatment, in case it is deemed to be not in accordance with International Financial Reporting Standards, may result in showing a different Net Asset Value per Share. If the difference between the Net Asset Value per Prospectus and the Net Asset Value per International Financial Reporting Standards is considered material, a modification may be included in the Auditor's Report.

***MODEL RISK***

Certain strategies require the use of quantitative valuation models as developed by third parties. As market dynamics shift over time (for example, due to changing market conditions and participants), a previously highly successful model often becomes outdated or inaccurate. As a result, the Manager may not recognize this and substantial losses may be incurred. There can be no assurance that the Manager or any of its affiliates will be successful in continuing to develop and maintaining effective quantitative models.

***TRADING EXECUTION RISK***

Many of the trading techniques used by the Investment Compartments require rapid and efficient execution of transactions. Inefficient executions can eliminate the small pricing differentials that Managers may seek to exploit, and thus may materially impact the profitability of an Investment Compartment's position.

***RISK OF PROPRIETARY TRADING AND OTHER ACTIVITIES OF THE MANAGER***

The Directors, officers, partners, members, Investors, the Manager, employees and affiliates of the Manager trade or may trade for their own accounts, and certain of such persons have sponsored or may in the future sponsor or establish other public and private investment funds. The Manager may trade for accounts other than the Investment Compartments' accounts and will remain free to trade for such other accounts. In this regard, they will also remain free to utilize trading strategies and formulae in trading for such accounts which are the same as or different from the ones that the Manager will utilize in making trading decisions on behalf of the Investment Compartments managed by the Manager. In addition, and if and when applicable, the offices and principals of the Manager or their affiliates may in their respective proprietary trading take positions the same as or different than those taken on behalf of the Investment Compartments in accordance with the internal policies of the Manager. The records of any such trading will not be available for inspection by Investors except to the extent required by law. Because of price volatility, occasional variations in liquidity, and differences in order execution, it might not be possible for the Manager to obtain identical trade execution for all respective clients. When block orders are filled at different prices, the Manager will assign the executed trades on a systematic basis among all client accounts.

***BROKERS AND DEALERS FEE RISK***

The policy of the Manager regarding purchases and sales of portfolio assets is that primary consideration will be given to obtaining the most favorable execution of the transactions in seeking to implement the investment strategy of the Investment Compartments managed by the Manager. The Manager will effect transactions with those brokers, dealers, futures commission merchants, banks and other counterparties (collectively, "brokers and dealers") which the Manager believes provide the most favorable net prices and who are capable of providing efficient executions, among other considerations. Such additional considerations may include: the ability of brokers and dealers to provide internal and external research services; special execution capabilities; clearance; settlement; other services including communications and data processing and other similar equipment and services; and the furnishing of stock quotation and other similar information. The Manager may also cause a broker or dealer who provides such services to be paid a commission or, in the case of a dealer, a dealer spread for executing a portfolio transaction, which is in excess of the amount of commission or spread another broker or dealer would have charged for effecting that transaction. On some occasions the Manager may "step out" a commission or send part of a commission to a broker who did not execute the order. However, prior to making such an allocation to a broker or dealer, the Manager will make a determination of good faith that such commission or spread was reasonable in relation to the value of the brokerage, research or other services provided. This will be viewed in terms of that particular transaction or in terms of all the transactions over which the Manager exercises trading discretion and will ensure that the relevant Investment Compartment derives a direct or indirect economic interest from such an allocation.

***ORDER ALLOCATION RISK***

When officers and principals of the Manager and their affiliates deem the purchase or sale of securities to be in the best interest of the Investment Compartment and of other clients of theirs as applicable, they may aggregate the securities to be purchased or sold in order to obtain superior execution and/or lower brokerage expenses. In such event, allocation of the securities purchased or sold, as well as expenses incurred in the transaction, shall be made in a manner in which officers and principals of the Manager and affiliates consider in their sole and absolute discretion to be the most fair. When there is limited supply of an investment opportunity, the Manager shall allocate investment opportunities among the Investment Compartment managed

by the Manager and other accounts managed by the Manager and its affiliates in a manner which they determine in their sole and absolute discretion to be fair and reasonable.

## MARKET RISKS

### Factors impacting the value of the Investment Compartments' Assets

Existing or prospective Investors should be aware that an investment in the Shares involves assessing the risk of an investment linked to the Investment Compartment's assets. The value of the Investment Compartment's assets may vary over time and may increase or decrease by reference to a variety of factors. The value of the assets owned by an Investment Compartment may go up or down, sometimes rapidly and/or unpredictably. Securities may decline in value due to factors affecting securities markets generally or in particular industries represented in the securities markets. The value of a security may decline due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, corporate actions, offer and demand, speculation or adverse investor sentiment generally. The value of a security may also decline due to factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. During a general downturn in the securities markets, multiple asset classes may decline in value simultaneously.

### Exchange Rates

The Reference Currency of the Company is the EURO, while each Investment Compartment or Class may have a different reference currency as detailed in the relevant **Supplement**.

An investment in the Investment Compartment or Class may involve exchange rate risks. For example (i) the Investment Compartment's assets may be denominated in a currency other than the Reference Currency of the Investment Compartment; (ii) the Shares may be denominated in a currency other than the currency of the Investor's home jurisdiction; (iii) the Investor has invested in a Class of Shares denominated in a currency other than the Reference Currency of the Investment Compartment concerned and/or (iv) the Shares may be denominated in a currency other than the currency in which an investor wishes to receive his monies. Exchange rates between currencies are determined by factors of supply and demand factors in the international currency markets which are influenced by macro-economic factors, speculation and central bank and government intervention (including the imposition of currency controls and restrictions). Investors should be aware that exchange rate fluctuations could cause the value of their investment to diminish or increase.

### Interest Rates

Interest rates are determined by factors of supply and demand in the international money markets which are influenced by macro-economic factors, speculation and central bank and government intervention. Fluctuations in short term and/or long term interest rates may affect the value of the Shares. Fluctuations in interest rates of the currency in which the Shares are denominated and/or fluctuations in interest rates of the currency or currencies in which the Investment Compartment's Assets are denominated may affect the value of the Shares.

### Market Volatility

Market volatility reflects the degree of instability and expected instability of the performance of the Investment Compartment's assets. The level of market volatility is not purely a measurement of the actual volatility, but is largely determined by the prices of instruments which offer protection against such market volatility. The prices of these instruments are generally determined by forces of supply and demand in the options and derivatives markets. These forces are themselves, affected by factors such as actual market volatility, expected volatility, macro-economic factors and speculation.

**Liquidity and Market Characteristics**

In some circumstances, investments may become relatively illiquid making it difficult to dispose of them at the prices quoted on the various exchanges. Accordingly, an Investment Compartment's ability to respond to market movements may be impaired and the Investment Compartment may experience adverse price movements upon liquidation of its investments. Settlement of transactions may be subject to delay and administrative uncertainties.

**Credit Risk**

An investment in bonds or other debt securities involves counterparty risk of the issuer of such bonds or debt securities which may be evidenced by the issuer's credit rating. An investment in bonds or other debt securities issued by issuers with a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than that of more highly rated issuers. In the event that any issuer of bonds or other debt securities experiences financial or economic difficulties this may affect the value of the bonds or other debt securities (which may be zero) and any amounts paid on such bonds or other debt securities (which may be zero). This may in turn affect the Net Asset Value per Share of the investing Investment Compartments.

**Underlying Funds**

A Funds of Funds investment renders the investing Investment Compartment dependent on the investment results and liquidity conditions of the underlying investment funds. Existing or prospective Investors should be aware that the investing Investment Compartment is subject to the liquidity management measures applied and the investment results, positive or negative, achieved by the underlying investment funds.

**Volatility Trading and Stagnant Markets**

Market volatility is a derivative of directional market movements and is itself often materially more volatile than underlying reference asset prices. Price movements are influenced by many unpredictable factors, such as market sentiment, inflation rates, interest rate movements and general economic and political conditions. At any given time, different market participants will have different views on the level of market volatility; if the Manager incorrectly estimates market volatility, then it will misprice the options which it trades. Volatility strategies depend on mispricing and changes in volatility. In periods of trendless, stagnant markets and/or deflation, alternative investment strategies have materially diminished prospects for profitability.

**Relative Value Strategies**

The success of relative value trading is dependent on the ability to exploit relative mis-pricings among interrelated instruments. Although relative value positions are considered to have a lower risk profile than directional trades – as the former attempt to exploit price differentials

not overall price movements – relative value strategies are by no means without risk. Mis-pricings, even if correctly identified, may not converge within the time frame in which an Investment Compartment maintains its positions. Even pure "riskless" arbitrage — which is rare — can result in significant losses if the arbitrage cannot be sustained (for example due to margin calls) until expiration. An Investment Compartment's relative value strategies are subject to the risks of disruptions in historical price relationships, the restricted availability of credit and the obsolescence or inaccuracy of its own or third-party valuation models. Market disruptions may also force an Investment Compartment to close out one or more positions. Such disruptions have in the past resulted in substantial losses for relative value strategies.

**Directional Trading**

Certain positions taken by an Investment Compartment may be designed to profit from forecasting absolute price movements in a particular instrument. Predicting future prices is inherently uncertain and the losses incurred, if the market moves against a position, will often not be hedged. The speculative aspect of attempting to predict absolute price movements is generally perceived to exceed that involved in attempting to predict relative price fluctuations.

**Event Driven Strategy**

The success of event driven trading depends on the successful prediction of whether various corporate events will occur or be consummated. The consummation of mergers, exchange offers, tender offers and other similar transactions can be prevented or delayed, or the terms changed, by a variety of factors. If a proposed transaction appears likely not to be consummated or is not consummated at all or is delayed, the market price of the securities purchased by an Investment Compartment may decline sharply and result in losses to such Investment Compartment.

**Commodity and Energy Trading**

An Investment Compartment may from time to time have a significant commitment to commodity and energy index trading (i.e. trading in indices on electricity, natural gas, oil, crops and meats and related derivative instruments, including swaps, options and futures). Commodity index and energy index trading involves certain financial risks that are qualitatively different from those incurred in trading securities and other financial instruments.

**Distressed Strategies**

The Manager may invest in securities of issuers in weak financial condition, experiencing poor operating results, having substantial financial needs or negative net worth, facing special competitive or product obsolescence problems, or issuers that are involved in bankruptcy or reorganization proceedings. Investments of this type involve substantial financial business risks that can result in substantial or total losses. Among the problems involved in investments in troubled issuers is the fact that information as to the conditions of such issuers may be limited, thereby reducing the Manager's ability to monitor the performance and to evaluate the advisability of continued investments in specific situations. The market prices of such securities are also subject to abrupt and erratic market movements and above-average price volatility, and the spread between the bid and ask prices of such securities may be greater than normally expected. It may take a number of years for the market price of such securities to reflect their intrinsic value.

**Below Investment Grade Debt Securities**

The Investment Compartments may invest in fixed-income instruments which are or are deemed to be the equivalent in terms of quality to securities rated below investment grade by rating agencies and accordingly involve greater risk. Such securities are regarded as predominantly speculative with respect to the issuer's capacity to pay interest and repay principal in accordance with the terms of the obligations and involve major risk to adverse conditions. These securities offer higher returns than bonds with higher ratings as compensation for holding an obligation of an issuer perceived to be less creditworthy. While all security investments have some degree of risk, these types of securities may be subject to greater market fluctuations and risk of loss of income and principal than are investments in lower yielding fixed-income securities with higher ratings.

**Conflicts Relating to Equity and Debt Ownership by the Investment Compartment and Other Clients of the Manager**

The Manager to which the management of an Investment Compartment's portfolio has been assigned may at the same time also manage other clients' accounts. The Investment Compartment's portfolio managed by the Manager and the other clients' accounts maintained by the Manager may at various times hold both debt and equity interests in issuers that are financially distressed or might become bankrupt. During negotiations among creditors or bankruptcy proceedings of such issuers, the Investment Compartment and such other clients may have competing claims for the remaining assets of such issuers.

**Trading in Securities of Emerging Market Issuers**

The Investment Compartments may trade in securities of issuers located in emerging markets subject to the regulations governing trades of this nature detailed in this Prospectus and the relevant **Supplement**. The economies of certain emerging market countries may be vulnerable to changes in international trading patterns, trade barriers and other protectionist or retaliatory measures. Investments in emerging markets may also be adversely affected by governmental actions such as the imposition of capital controls, nationalization of companies or industries, expropriation of assets or the imposition of punitive taxes. In addition, certain governments may prohibit or impose substantial restrictions on foreign investing in capital markets or in certain industries. Any such action could severely affect security prices, impair the Investment Compartments' ability to purchase or sell emerging market securities or otherwise adversely affect the Investment Compartments. Other emerging market risks may include, without limitation, difficulties in pricing securities and difficulties in enforcing favorable legal judgments in courts.

**Regulated Markets in Emerging Market Countries**

Trading on Regulated Markets in emerging market countries may be conducted in such a manner that all participants are not offered an equal opportunity to execute certain trades and may also be subject to a variety of political influences and the possibility of direct government intervention. If settlement procedures are unable to keep pace with the volume of transactions it will be difficult to conduct such transactions. Any difficulty with clearance or settlement procedures on such Regulated Markets may expose the relevant Investment Compartments to losses. Any trading in emerging markets will be subject to the regulations governing trades of this nature as may be detailed in this Prospectus and the relevant **Supplement**.

**Access to Non-Public Information**

The Investment Compartments may from time to time have access to non-public information, through the principals and/or employees or agents of the Manager, as applicable, following execution of a non-disclosure agreement or under any other circumstances. Such access to non-public information may have the effect of impairing the Manager's ability to sell or buy the related investments when, and upon the terms, it might otherwise had desired, including as a result of applicable securities laws.

**Hedging**

From time to time, the Manager may employ various hedging techniques in an attempt to reduce the risk of highly speculative investments in securities. Not all positions will be hedged. There is a substantial risk, however, that hedging techniques may not always be effective in limiting losses. Hedging transactions also limit the opportunity for gains in case the value of a hedged portfolio position increases.

**Forward Foreign Exchange Contracts**

The Manager may enter into forward foreign currency contracts as a means of managing the risks associated with changes in exchange rates. A forward foreign currency contract is a contractually binding agreement to exchange one currency for foreign currencies at a specified future date and specified amount which is set by the parties at the time of entering into the contract. Forward foreign exchange contracts are not uniform as to the quantity or time at which a currency is to be delivered and are not traded on exchanges. Rather, they are individually negotiated transactions. The Manager will generally use such currency contracts to fix a definite price for securities they have agreed to buy or sell and may also use such contracts to hedge the Investment Compartment's investments against adverse exchange rate changes. Alternatively, the Manager and on behalf of the Investment Compartments may enter into a forward contract to sell a different foreign currency for a fixed EURO amount, for example, where the Manager believes that the EURO value of the currency to be sold will fall whenever there is a decline in the EURO value of the currency in which securities of the relevant Investment Compartments are denominated ("cross-hedge"). The profitability of forward foreign currency transactions depends upon correctly predicting future changes in exchange rates between two foreign currencies. As a result, the Investment Compartments may incur either a gain or loss on such transactions. While forward foreign currency transactions may help reduce losses on securities denominated in a foreign currency, they may also reduce gains on such securities depending on the actual changes in the currency's exchange value relative to that of the offsetting currency involved in the transaction.

Forward foreign exchange contracts are generally effected through a trading system known as the interbank market. It is not a market with a specific location but rather a network of participants electronically linked. There is no limitation as to daily price movements on this market and in exceptional circumstances there have been periods during which certain banks have refused to quote prices for forward foreign exchange contracts or have quoted prices with an unusually wide spread between the price at which the bank is prepared to buy and that at which it is prepared to sell. Transactions in forward foreign exchange contracts are not regulated by any regulatory authority nor are they guaranteed by an exchange or clearing house. An Investment Compartment is subject to the risk of the inability or refusal of its counterparties to perform according to such contracts. Any such default would eliminate any profit potential and compel an Investment Compartment to cover its commitments for resale or repurchase, if any, at the market price at the time. These events could result in significant losses.

**Risks of Stock Index Options**

The Investment Compartments may purchase and sell call and put options on both securities and stock indices. A stock index measures the movement of a certain group of stocks by assigning relative values to the common stocks included in the index. The effectiveness of purchasing or selling stock index options as a hedging technique will depend upon the extent to which price movements in assets that are hedged correlate with price movements of the stock index selected.

**Equity Funds Risk**

As the Investment Compartments will invest a substantial amount of the their assets in equity securities, the main risk is that the value of the equity securities they hold may decrease in response to the activities of an individual company or in response to general market, business and economic conditions. If this occurs, an Investment Compartment's Share price may also decrease.

**Small Cap Stock Risk**

Stocks of small cap companies involve greater risk than those of larger, more established companies. This is because small cap companies may be in earlier stages of development, be dependent on a small number of products or services, lack substantial capital reserves and/or do not have proven track records. In addition, small cap companies may be more adversely affected by poor economic or market conditions, and be traded in low volumes, which may increase volatility and liquidity risks. From time to time, each of the Investment Compartments that invest in small cap stocks may invest in the equity securities of very small cap companies, often referred to as "micro-cap" companies. For purposes of such Investment Compartments, "micro-cap" companies are those with market capitalizations of Euro 300 million or less at the time of an Investment Compartment's investment.

The considerations noted above are generally intensified for these investments. Any convertible debentures issued by small cap companies are likely to be lower-rated or non-rated securities, which generally involve more credit risk than debentures in the higher rating categories and include some speculative characteristics, including uncertainties or exposure to adverse business, financial or economic conditions that could lead to inadequate capacity to meet timely interest and principal payments**.**

**Private Placement Risk**

An Investment Compartment may invest in private placements. Investments in private placements may be difficult to sell at the time and at the price desired by an Investment Compartment; companies making private placements may make less information available than publicly offered companies; and privately placed securities are more difficult to value than publicly traded securities. These factors may have a negative effect on the performance of an Investment Compartment.

Securities acquired through private placements are not registered for resale in the general securities market and may be classified as illiquid.

**Risks Related to Investments in Warrants**

Warrants carry the risk, but also the opportunity, of leverage. This leverage is produced, for example, with call warrants through the lower capital investment when the warrants are purchased compared with a direct purchase of the underlying assets. The same applies for put warrants. The greater the leverage is, the greater the change of price of the warrant in the event of a change in the prices of the underlying assets. The gearing effect of investments in warrants and the volatility of warrant prices make the risk attached to the investments in warrants higher than in the case with investment in equities.

**Risk of Use of Leverage**

The Investment Compartments may achieve some leverage through the use of financial derivatives instruments for the purpose of making investments/hedging purposes. The use of leverage creates special risks and may significantly increase the Investment Compartments' investment risk. Leverage creates an opportunity for greater yield and total return but, at the same time, will increase the exposure of an Investment Compartment to capital risk.

**Risks Associated with the Use of or Trading in Derivatives**

The Manager shall ensure that each Investment Compartment's global exposure relating to financial derivative instruments does not exceed the total net value of its portfolio. The risk exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, the future market movements and the time available to liquidate the positions.

While the use of derivatives will take place prudently under the limits and conditions prescribed by the AIF Law and the CySEC Directives, it nevertheless involves risks different from and in certain cases greater than the risks presented by more traditional investments. The following is a non-exhaustive list of related risks associated with the use of or trading in derivatives by an Investment Compartment.

**Control and Monitoring of the Use of Derivative Products**

Derivative products are highly specialized instruments that require investment techniques and risk analysis different from those associated with equity and fixed income securities. The use of derivative techniques requires an understanding not only of the underlying assets of the derivative but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to an Investment Compartment and the ability to forecast the relative price, interest rate or currency rate movements correctly.

**Debt Securities**

An Investment Compartment may invest in derivatives of debt securities which will expose the Investment Compartment to credit, liquidity and interest rate risks. Evaluating credit risk for debt securities involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult.

**Market Liquidity and Leverage**

Changes in overall market leverage, deleveraging as a consequence of a decision by the counterparties with which an Investment Compartment enters into repurchase/reverse repurchase agreements or derivative transactions in an effort to reduce the level of leverage available, or the liquidation by other market participants of the same or similar positions, may adversely affect the Investment Compartment's portfolio.

**Credit Default Swaps**

An Investment Compartment may purchase and sell credit derivatives contracts — primarily credit default swaps — both for hedging and other purposes. Credit default swaps generally trade on the basis of theoretical pricing and valuation models, which may not accurately value such swap positions when established or when subsequently traded or unwound under actual market conditions.

**Liquidity Risk**

Liquidity risk exists when a particular instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid, it may not be possible to initiate a transaction or liquidate a position at an advantageous price. The Company will only enter into OTC Derivatives if it is allowed to liquidate such transactions at any time at fair value.

**Counterparty Risk**

The Investment Compartments may enter into transactions in OTC markets, which will expose the Investment Compartments to the credit of their counterparties and their ability to satisfy the terms of such contracts. The Investment Compartments are subject to the risk of the insolvency of their counterparties such as broker-dealers, futures commission merchants, banks or other financial institutions, exchanges or clearinghouses. For example, the Investment Compartments may enter into swap arrangements or other derivative techniques as specified in the relevant **Supplements**, each of which exposes the Investment Compartments to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Investment Compartments could experience delays in liquidating the position and significant losses, including declines in the value of their investment during the period in which the Company seeks to enforce its rights, as well as inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that the above agreements and derivative techniques are terminated due to, for instance, bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. In the event of failure of the counterparty the Investment Compartment may only rank as an unsecured creditor in respect of sums due from the issuer in question, meaning that the Investment Compartment may be unable to recover part or all of the assets exposed to that counterparty and any such recovery may be significantly delayed.

**Absence of Regulation in OTC Transactions**

Transactions in OTC Derivatives carry higher risk as in general there is less governmental regulation and supervision in the OTC markets than in transactions entered into on Regulated Exchanges.

**Additional Risks Associated with an Underlying of OTC Derivatives Linked to Specific Types of Securities or Assets**

There are special risk considerations associated with an underlying of OTC Derivatives of which the performance is linked directly or indirectly to the following types of securities or assets. The degree of exposure to such factors will depend on the precise way in which an underlying of OTC Derivatives is linked to such assets.

**Futures and Options**

There is special risk considerations associated with an underlying of OTC Derivatives of which the performance is linked to futures, options or other derivative contracts. Depending on the nature of the underlying assets, reference rates or other derivatives to which they relate and on the liquidity in the relevant contract, the prices of such instruments may be highly volatile and hence risky in nature.

**Securities of Companies principally engaged in the Real Estate industry**

There is special risk considerations associated with an underlying of OTC Derivatives of which the performance is linked to securities of companies principally engaged in the real estate industry. These include: risks related to general and local economic conditions, overbuilding and increased competition, increases in property taxes and operating expenses, demographic trends and variations in rental income, changes in zoning laws, casualty or condemnation losses, environmental risks, regulatory limitations on rents, changes in neighborhood values, related party risks, changes in the appeal of properties to tenants, increases in interest rates and other real estate capital market influences. Generally, increases in interest rates will increase the costs of obtaining financing, which could directly and indirectly decrease the value of an underlying of OTC Derivatives and thus the Investment Compartments' investments.

**Commodities and Energies**

Prices of commodity indices and energy indices are influenced by, among other things, various macro-economic factors such as changing supply and demand relationships, weather conditions and other natural phenomena, agricultural, trade, fiscal, monetary, and exchange control programs and policies of governments (including government intervention in certain markets) and other unforeseeable events.

**Indexes**

Where an underlying of OTC Derivatives consists of an index it will not be actively managed and the selection of the component indices, assets or securities will be made in accordance with the relevant index composition rules and eligibility criteria and not by reference to any performance criteria or performance outlook. Accordingly, the composition of the index is not designed to follow recommendations or research reports issued by the index sponsor, its affiliates or any other person. No index sponsor has any obligation to take the needs of the Company or the Investors into consideration in determining, composing or calculating any underlying of OTC Derivatives.

**Derivatives**

Other risks in using derivatives include the risk of differing valuations of derivatives arising out of different permitted valuation methods and the inability of derivatives to correlate perfectly with underlying securities, rates and indices. Many derivatives, in particular OTC Derivatives, are complex and often valued subjectively and the valuation can only be provided by a number of

market professionals which often are acting as counterparties to the transaction to be valued. Inaccurate valuations can result in increased cash payment requirements to counterparties or a loss of value to an Investment Compartment. However, this risk is limited as the valuation method used to value OTC Derivatives must be verifiable by an independent auditor.

Derivatives do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, an Investment Compartment's use of derivative techniques may not always be an effective means of, and sometimes could be counterproductive to, following an Investment Compartment's investment objective.

## REAL ESTATE INVESTING

### Reduction in real estate market prices

Some Investment Compartments are expected to realize a substantial part of their profits by subsequent sale of the real estate acquired by them. Therefore, the market prices of real estate could have a considerable impact on their profitability. It is possible that a reduction in real estate prices would reduce the profits of an Investment Compartment and negatively affect the cash payout paid out to the Investors.

### Competition

The Investment Compartments may face competition for real estate investments from multiple sources, including individuals, corporations as well as real estate limited partnerships, real estate investment funds, commercial developers and other entities engaged in real estate investment activities. Some of these competitors may have similar financial and other resources as the Investment Compartments, and/or they may have investment strategies that allow them to compete more aggressively for real estate investment opportunities, which could result in the Investment Compartments paying higher prices for investments, experiencing delays in acquiring investments or failing to consummate such purchases. Any resulting delays in the acquisition of investments, or the failure to consummate acquisitions the Investment Compartments deem desirable, may increase the Investment Compartments costs or otherwise adversely affect their investment results.

### Tenants' risk

The Investment Compartments will be dependent on the tenants of their properties for a significant part of their income. Hence the Investment Compartments will be depended on the financial stability of their tenants. In case the tenants have difficulties in paying their rent, this will reduce the Investment Compartments cash flow. If this persist for a considerable period of time, it is possible that the Investment Compartments might not be able to cover the payments on bank loans. In such a case the Investment Compartments will be forced to sell real estate most likely at a discount to their market price which could negatively reflect on their profitability. However the Investment Compartments will target well established companies with sound financial standing so as to limit any risk related to tenants default.

### Vacancy risk

There is a risk that tenants may not renew leases at expiry and the Investment Compartments may acquire properties in the future which are not fully leased. Vacancy levels will have an adverse effect on the Investment Compartments distributable income and on the carrying value

of the properties, particularly if the vacancy levels for any property are significant at the time of any sale of that property.

**Rental Prices Risk**

There is the risk that the Investment Compartments revenue decreases because rent levels decrease or because tenants default on their obligations leading to a loss of income and increased costs as a result of enforcement action. An Investment Compartment will aim to reduce the risk of a potential decrease in rental prices by entering into long- term lease agreements.

**Increase in Insurance Premiums**

All the properties held by an Investment Compartment will be insured and therefore, a significant increase in real estate insurance premiums will have a negative impact on the Investment Compartment's financial results. The Investment Compartment's profitability is not expected to be greatly impacted by this due to the small level of these expenses.

**Liquidity of property assets**

Properties such as those in which an Investment Compartment intends to invest are relatively illiquid. Such illiquidity may affect the Investment Compartment's ability to vary its Portfolio or dispose of or liquidate parts of its Portfolio in a timely fashion and at satisfactory prices in response to changes in economic, property market or other conditions or the exercise by tenants of their contractual rights such as those which enable them to vacate properties occupied by them prior to, or at, the expiry of the originally agreed term. This could have an adverse effect on the Investment Compartment's financial position and results of operations, with a consequential adverse effect on the market value of the Shares or on the Investment Compartment's ability to make expected distributions to its Investors.

**Delay in Real Estate acquisition**

Some Investment Compartments will invest the capital raised (and subsequently the Investment Compartments gained by the sale of the possessed property) in real estate. It is possible to have a considerable time lag between obtaining the funds and their investment in real estate property because of lack of supply of attractive real estate or properties satisfying the Investment Compartment's requirements, and due to legal and factual complications related to property transfer. During such periods the available funds will be invested in bank deposits and other cash equivalents. Most probably, the income from these investments will be lower compared to investments in real estate, which consequently will reduce the total return on investments. In order to control this risk the Investment Compartments will plan their cash flows looking for flexibility in their financial leverage, in order to avoid keeping larger than required monetary positions for a long period of time.

**Development Risks**

The Investment Compartments may acquire interests in real estate projects and/or in businesses that engage in real estate development. To the extent that the Investment Compartments invests in such development activities, it will be subject to the risks normally associated with such activities such as cost overruns. The risks of development include, but are not limited to (i) delays in timely completion of the project; (ii) cost overruns; (iii) poor quality workmanship; and (iv) inability to lease or rent at a sufficient rental level to generate profit.

**Environmental Risks**

The Investment Compartments' may be liable for damage to the environment or injury to individuals caused by hazardous substances used or found on their properties. Under various environmental regulations, the Investment Compartments may also be liable, for the cost of removing or cleaning up hazardous substances found on a property, even if it didn't know of and wasn't responsible for the hazardous substances. If any hazardous substances are present or the Investment Compartments do not properly clean up any hazardous substances, or if the Investment Compartments fails to comply with regulations requiring it to actively monitor the business activities on their premises, the Investment Compartments may have difficulty selling or renting a property or be liable for monetary penalties. Further, environmental laws may impose restrictions on the manner in which a property may be used, the tenants which may be allowed, or the manner in which businesses may be operated, which may require the Investment Compartments to expend Investment Compartments, and such laws may also cause the most ideal use of the property to differ from that originally contemplated and as a result could impair the Investment Compartment's returns. The cost of any required cleanup relating to a single real estate investment and the Investment Compartment's potential liability for environmental damage, including paying personal injury claims and performing under indemnification obligations to third parties, could exceed the value of the Investment Compartment's investment in a property, the property's value, or in an extreme case, a significant portion of the Investment Compartment's assets.

**Losses not covered by insurance**

In compliance with the requirements of the law, the Investment Compartments will insure all their real estate assets against fire and natural disasters according to the usual reasonable practice in the country. However, there are risks for which no insurance coverage is offered, or at least not at reasonable financial terms (e.g. insurance against terrorist acts). If there are any damages from an insurance event beyond the insurance amount, the Investment Compartments would suffer a loss up to the extent of the capital invested in the respective property and the Investments Compartments will continue to have an obligation to service any loans, obtained for the acquisition and operation of the property.

## RISKS RELATING TO PRIVATE EQUITY INVESTING OF THE INVESTMENT COMPARTMENTS

The Investment Compartment is subject to the risks inherent in acquiring private equity and owning private companies, including in particular the following:

**Unfavorable changes in asset prices**

The main part of the assets of the Investment Compartment will be invested in private and distressed equity. Because of this, the dynamics of the market prices to certain extent will have a decisive impact on the Investment Compartment's profits and its capital structure.

**Reduction in market prices**

The Investment Compartment is expected to realize a substantial part of its profits by subsequent sale of the equity acquired by it. Therefore, changes in market price could have a considerable impact on the profitability of the Investment Compartment. It is possible that a

reduction in equity prices would reduce the profits of the Investment Compartment and negatively affect the cash payout paid out to the Investors.

**Declining Performance and Growing Size Risk**

Trading large positions may adversely affect prices and performance. In addition, there can be no assurance that appropriate investment opportunities will be available to accommodate future increases in assets under management which may require the Manager to modify investment decisions for the Investment Compartment because all the assets cannot be deployed in the desirable manner. There can be no assurance whatsoever as to the effect of an increase in assets under management may have on the Investment Compartment's future performance.

**Competition**

The Investment Compartment may face competition for private equity acquisition from multiple sources, including individuals, corporations as well as private equity limited partnerships, private equity investment Funds and other entities engaged in private equity investment activities. Some of these competitors may have similar financial and other resources as the Investment Compartment, and/or they may have investment strategies that allow them to compete more aggressively for private equity investment opportunities, which could result in the Investment Compartment paying higher prices for investments, experiencing delays in acquiring investments or failing to consummate such purchases. Any resulting delays in the acquisition of investments, or the failure to consummate acquisitions the Investment Compartment deems desirable, may increase the Investment Compartment costs.

## MARKET DISRUPTION EVENTS AND SETTLEMENT DISRUPTION EVENTS

A determination of a market disruption event or a settlement disruption event in connection with any of the Investment Compartment's assets may have an effect on the value of the Shares and may delay settlement in respect of the Investment Compartment's assets and/or the Shares.

**Political Factors**

The performance of the Shares or the possibility to purchase, sell, or redeem may be affected by changes in general economic conditions and uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and changes in regulatory requirements.

**Risks of Volatile Economic Conditions**

The economic conditions in the markets where the Fund properties are located may be adversely impacted by factors which include:

- general global economic conditions;
- a weak market in generally and/or in specific locations;
- availability of financing;
- an oversupply of, or a reduced demand for, certain types of assets;
- business closings, industry slowdowns, employment losses and related factors
- natural disasters, terrorist attacks and/or other man-made events; and
- decline in population or shifting demographics.

### OTHER RISKS

**Investment Through Nominees**

Investors wishing to invest in an Investment Compartment through a nominee that invests in an Investment Compartment in its name but on behalf of the Investors should ensure to have an accurate understanding of their rights and of the means available to exercise these rights against the Investment Compartment, when using the services of such nominee or in the case of registration through such nominee. To this end, investors should seek external advice if necessary.

**Specific Restrictions in Connection with the Shares**

There may be restrictions in connection with the subscription, holding and trading in the Shares as specified, as the case may be, in the relevant **Supplement**. Such restrictions may have the effect of preventing the Investor from freely subscribing, holding or transferring the Shares. In addition to the features described below, such restrictions may also be caused by specific requirements such as a Minimum Subscription amount or due to the fact that certain Investment Compartments may be closed to additional subscriptions after the Initial Offering Period.

**Maximum Redemption Amount**

The Company will have the option to limit the number of Shares redeemable on any date (other than at the maturity date, where applicable) to the maximum number so specified and, in conjunction with such limitation, to limit the number of Shares redeemable by any person or group of persons (whether or not acting in concert) on such date. In the event that the total number of Shares being redeemed on any date (other than the maturity date, where applicable) exceeds such maximum number and the Company has elected to limit the number of Shares redeemable on such date, an Investor may not be able to redeem on such date all the Shares that it desires to redeem. Investors should review this Prospectus and the relevant **Supplement** to ascertain whether and how such provisions apply.

# 18. NET ASSET VALUE

The Administrator, to which the External manager has delegated the Administration function of the Fund, shall on or with respect to each Valuation Day determine the Net Asset Value (NAV) of each Investment Compartment and the NAV per Share in accordance with the following provisions.

The NAV will be expressed respectively in the Reference Currency of the Investment Compartment and the Reference Currency of the Company. The NAV per Share in the Reference Currency of the Class, if a different currency denomination of the Reference currency of the Investment Compartment is the equivalent of the NAV per Share in the Reference Currency of the Investment Compartment converted at the Prevailing Exchange Rate. The same shall apply in the case of the Reference Currency of the Investment Compartment and the Reference Currency of the Company. The Valuation Day for each Investment Compartment is specified in the relevant **Supplement**.

## VALUATION SPECIFICS

**NAV per Investment Compartment**

The NAV of an Investment Compartment shall be calculated by ascertaining the value of the relevant assets of the Investment Compartment pursuant to the Valuation Procedures detailed below and deducting thereto the total liabilities of the Investment Compartment.

**NAV per Share**

The NAV per Share shall be determined by dividing the NAV of the relevant Investment Compartment by the total number of Shares in issue in the Investment Compartment the relevant Valuation Day and rounding the resulting total to the nearest cent (0.01) or otherwise will be determined by the Directors of the Company, or as otherwise may be delegated to the Manager.

## VALUATION DATES

The Net Asset value of the Fund will be calculated on a frequency specified by the Board of directors for each Investment Compartment, or as otherwise may be delegated to the Manager. Each Investment Compartment may have different Valuation date as this will be specified in the relevant **Supplement** to be created.

## VALUATION PROCEDURES

The assets of the Company, in relation to each Investment Compartment, shall be deemed to include:

i) All cash in hand or on deposit, including any interest accrued thereon;

ii) All bills and demand notes receivable and accounts receivable (including proceeds of transferable securities and money market instruments sold but not delivered);

iii) All bonds, time notes, certificates of deposit, Shares, stock, debentures, debenture stocks, subscription rights, warrants, options and other transferable securities and money market instruments, financial instruments and similar assets owned by the Company or contracted for by the Manager on behalf of the Company, provided that the Manager may make adjustments in a manner not inconsistent with paragraph (a) below with regards to fluctuations in the market value of transferable securities and money market instruments caused by trading ex-dividends, ex-rights, or by similar practices;

iv) All stock, cash dividends and cash distributions receivable by the Company to the extent information thereon is reasonably available to the Company;

v) All interest accrued on any interest bearing assets owned by the Company except to the extent that the same is included or reflected in the principal amount of such asset;

vi) The set up expenses of the Company, including the cost of issuing and distributing Shares of the Company, insofar as the same have not been written off;

vii) All other assets of any kind and nature including expenses paid in advance.

The value of such assets shall be determined as follows:

a) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends, interest declared or accrued and not yet received, all of which are deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof;

b) Transferable securities and money market instruments listed on a recognised stock exchange or dealt on any other regulated market will be valued at their closing prices. In the event that there should be several such markets, transferable securities and money market instruments will be valued based on the market with the highest frequency, regularity and volume of transactions. If no stock exchange transaction was made on the Valuation Date, account shall be taken of the price of the previous day when the regulated market was in session and, if no stock exchange transaction was made on that day either, account shall be taken of the last bid or ask price;

c) The value of non-Euro transferable securities is generally determined based upon the last transaction price on the foreign exchange or market on which it is primarily traded and in the currency of that market as of the close of the appropriate exchange or, if there have been no transactions during that day, at the closing price. The Manager has determined that when the period of time between when the foreign exchanges or markets close and when the Investment Compartments compute their respective NAV's could cause the value of foreign transferable securities to no longer be representative or accurate, and as a result, may necessitate that such transferable securities be valued on the grounds of fair value. Accordingly, for foreign transferable securities, the Investment Compartments may use an independent pricing service, which shall be monitored and reviewed on regular intervals, to fair value price the transferable security as of the close of regular trading on the relevant Stock Exchange;

d) Exceptionally, in the event that the latest available price does not, in the opinion of the Manager, truly reflect the fair value of the relevant transferable securities and money market instruments, the value of such transferable securities and money market instruments will be defined by the Manager based on the reasonably foreseeable sales proceeds determined prudently and in good faith by the Manager;

e) Transferable securities and money market instruments which are listed and traded on a regulated stock exchange but for which no stock exchange transactions have been made in a period exceeding fifteen (15) Business Days from the Valuation Day, will be deemed not listed in a regulated market and will be valued in accordance with (f) below;

f) Transferable securities and money market instruments not listed or traded on a stock exchange or not dealt on another regulated market will be valued on the first Business Day of every half month using all relevant information about the issuer, the prevailing market conditions at the Valuation Day and the possible price realizable for the assets. The Manager will adopt and apply criteria which are based on the issuers' call offers, or, if this is not feasible, the mid-value of the put and call offers of the issuer published by specialized and independent from the Manager entities. In case the application of the previous sentence is not possible, the Manager may use widely recognised and accepted methods of valuation used in international capital markets and ensure that the criteria

used are in accordance with market values. This valuation may be undertaken by the Manager's counterparty as long as it is provided for in the Company's constitutional documents and the Manager periodically determines, reviews and evaluates the valuation methodologies used. Furthermore, the method and criteria of valuation shall be consistently applied and may be amended only if necessary by the current circumstances and after approval from CySEC, and it shall be justified in the following annual report;

g) Transferable securities and money market instruments which are in the process of being listed in a regulated stock exchange will be valued based on criteria used for similar assets traded on a regulated market and issued by the same legal entity, taking into consideration the characteristics of exchangeability and liquidity of the issues of each of these two assets. All other transferable securities and money market instruments and other assets will be valued at fair value as determined in good faith pursuant to procedures established by the Manager; and

h) All real estate assets will be valued by at least one independent Valuer hired by the Company. The Valuer will value the properties according to a fair market value principle (deemed to be "the amount at which the asset could be exchanged in an open and unrestricted market between informed, knowledgeable, willing parties, acting at arm's length and under no compulsion to act, expressed in terms of money or money's worth"). In the event of two valuers, the average of the two valuations will be used as the value of the asset. If the two valuations provided differ by more than 15% of the value of the lowest valuation then the Directors at their sole discretion can request a third valuation by a third independent Valuer. The Directors will then select the two valuations that are closest together (in the case that all three valuations are equidistant from each other, then the lowest two will be used) and take the average to be used as the value of the asset. The Directors may, at their discretion, adjust the value of an asset downwards (but not upwards) if they feel that the valuation of the asset is overly optimistic. In case an asset is sold, then its value will be the sale price achieved in the sale regardless of any valuations for that asset.

The liabilities of the Company shall be deemed to include:

a) All temporarily contract loans in a proportion not exceeding 10% of the assets of the Investment Compartment concerned, bills and accounts payable;

b) All accrued interest on loans of the Company (including accrued fees for commitment for such loans);

c) All accrued or payable expenses including the Management Fees, Banker Fees and any other third party service provider fees, that have been appointed pursuant to a written agreement;

d) All known liabilities, present and future, including all matured contractual obligations for payment of money or property;

e) An appropriate provision for future taxes based on income to the relevant Valuation Day, as determined from time to time by the Manager, and other reserves, if any, authorised and approved by the Manager; and

f) All other liabilities of the Company of whatsoever kind and nature except liabilities represented by Shares. In determining the amount of such liabilities, all expenses payable and all costs incurred by the Company will be taken into account. Such fees and expenses

shall comprise among other the fees payable to the Directors (including all reasonable out-of-pocket expenses), investment advisors (if any), Investment or Sub-investment managers, accountants, Banker, Manager, permanent representatives in places of registration, fees for legal and auditing services, costs of any proposed listings and of maintaining such listings, promotion, printing, reporting and publishing expenses including reasonable marketing and advertising expenses and costs of preparing, translating and printing in different languages of Offering Memorandums, addenda, explanatory memoranda, registration statements, Annual Reports, all taxes levied on the assets and the income of the Company and any stamp duties payable, registration fees and other expenses payable to governmental and supervisory authorities in any relevant jurisdictions, insurance costs, costs of extraordinary measures carried out in the interests of Investors in particular, but not limited to, arranging expert opinions and dealing with legal proceedings (for the avoidance of doubt this does not include costs of legal proceedings brought against the Manager and/or Banker) and all other operating expenses, including the cost of buying and selling assets, customary transaction fees, and fees charged by custodian banks or their agents (including free payments and receipts and any reasonable out-of-pocket expenses, i.e. stamp taxes, registration costs, scrip fees, special transportation costs, etc), customary brokerage fees and commissions charged by banks and brokers for transferable securities and money market instrument transactions and similar transactions, interest and postage, telephone, and facsimile charges. The Manager may calculate administrative and other expenses of a regular or recurring nature on an estimated figure for yearly or other periods in advance, and may accrue the same in equal proportions over any such period. However, as far as costs for publications and production of documents are concerned, only such costs for publications and production of documents are incumbent on the Company.

If after the calculation of the NAV, there has been a material change in the quotations on the markets on which a substantial portion of the investments attributable to an Investment Compartment are dealt or quoted, the Manager may, in order to safeguard the interests of Investors and the Company, cancel the first valuation and carry out a second valuation, for all the Classes concerned, prudently and in good faith.

## TEMPORARY SUSPENSION OF THE DETERMINATION OF THE NET ASSET VALUE

The Board of Directors of the Company, or as otherwise may be delegated to the Manager, may declare a temporary suspension of the determination on any Valuation Date of the Net Asset Value (and hence the Net Asset Value per Share) during:

i) any period when any of the principal stock exchanges or other markets on which a substantial portion of the investments of the Company attributable to such Investment Compartment from time to time is quoted or dealt in is closed otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended, provided that such restriction or suspension affects the valuation of the investments of the Company attributable to such Investment Compartment quoted thereon;

ii) the existence of any state of affairs which constitutes an emergency in the opinion of the Directors as a result of which disposal or valuation of assets of the Company attributable to the Investment Compartment concerned would be impracticable;

iii) any breakdown in the means of communication or computation normally employed in determining the price or value of any of the investments of an Investment Compartment or the current price or value on any stock exchange or other market in respect of the assets attributable to such Investment Compartment;

iv) any period when the Company is unable to repatriate funds for the purpose of making payments on the Redemption of Shares of such Investment Compartment or during which any transfer of funds involved in the realization or acquisition of investments or payments due on redemption of Shares cannot, in the opinion of the Directors, be effected at normal rates of exchange;

v) when for any other reason the prices of any investments of the Company attributable to such Investment Compartment cannot promptly or accurately be ascertained; or

vi) when such suspension is required by the CySEC as being in the best interest of the Investors.

# 19. DISTRIBUTION POLICY

For each Investment Compartment or Class, and as shall be indicated in the relevant **Supplement**, there may be issued Accumulating Classes of Shares or Distributing Classes of Shares.

Unless otherwise provided in the relevant **Supplement** with regard to any particular Investment Compartment or Class, the Company may declare annual or other interim distributions out of the net investment income and net realized capital gains and, if considered necessary to maintain a reasonable level of dividends, out of any other funds available for distribution.

The part of the year's net income that has been decided to be distributed will be distributed to the holders of the Distributing Classes of Shares.

The part of the year's net income corresponding to re-investing categories will be capitalised in the relevant Investment Compartment for the benefit of the Accumulating Classes of Shares.

Dividends will be declared in the Reference Currency of each Investment Compartment but, for the convenience of Investors, payment may be made in a currency chosen by the investor.

The exchange rates used to calculate payments will be determined by the Administrator by reference to normal banking rates. Such currency transaction will be effected with the Banker at the relevant Investor's cost. In the absence of written instructions, dividends will be paid in the Reference Currency of the Investment Compartment.

Dividends remaining unclaimed for five years after their declaration will be forfeited and revert to the relevant Investment Compartment/ relevant Class.

# 20. REDEMPTION OF SHARES

## PROCEDURE FOR REDEMPTION

Shares may be redeemed either in whole or in part on any Valuation Day at a Redemption Price calculated on the basis of the Net Asset Value per Share as determined on that Valuation Day. Redeemable Shares will be cancelled one (1) Business Day after the Valuation Day, being the Dealing Day.

On payment of the Redemption Price, the corresponding Shares will be cancelled immediately in the Company's Register. Any taxes, commissions and other fees incurred in the respective countries in which the Shares are redeemed will be charged. The Investment Compartments shall at all times maintain sufficient liquidity to satisfy any redemption requests for Shares, unless a lawful temporary suspension of redemption applies.

## APPLICATION PROCEDURE

Investors wishing to have all or some of their Shares redeemed by the Company may apply to do so by completing and sending a Redemption Request Form to the Administrator by electronic mail or facsimile. The original Completed Redemption Request Form must follow promptly by post. The application for redemption of any Shares must include the number of Shares the Investor wishes to redeem. In addition, the application for redemption must include the Investor's personal details. Failure to provide any of the aforementioned information may result in delay of such application for redemption. No redemption payment may be made to an Investor until the Redemption Request Form and all documentation required by the Administrator has been received, including the original Redemption Request Form and any documents in connection with anti-money laundering, and the anti-money laundering procedures have been completed.

Any application for redemption received by the Administrator prior to the Cut-Off Date shall be effected on the basis of the Net Asset Value per Share determined on the applicable Valuation Day. Any application for redemption received by the Administrator after the Cut-Off Date will be processed on the next Valuation Day on the basis of the Net Asset Value per Share as determined on such Valuation Day. Redeemable Shares will be cancelled one (1) Business Day after the Valuation Day, being the Dealing Day.

Any application for redemption shall be irrevocable except in the case of a suspension and must be duly signed by all registered Investors whose name appears on the Register of the Company, except for the case where an acceptable power of attorney has been provided to the Manager or Directors.

## NOTIFICATION OF TRANSACTION

A confirmation statement will be sent by the Administrator to the relevant Investor (or its nominated agent if so requested by the Investor) by ordinary post, electronic mail or facsimile as soon as reasonably practicable after the relevant Dealing Day, detailing the redemption proceeds due.

In calculating the redemption proceeds, the amount will be rounded to the nearest cent (0.01), with the Company being entitled to receive the adjustment.

The Redemption Price per Share in each Investment Compartment may be higher or lower than the Subscription Price paid by the Investor, depending on the Net Asset Value per Share of the relevant Investment Compartment at the time of redemption. The Redemption Price will be published as detailed in the relevant **Supplement**.

Payment for Shares redeemed will be paid in cash in the Reference Currency of the Investment Compartment or Class concerned not later than fifteen (15) Business Days after the relevant Valuation Day, unless legal constraints, such as foreign exchange controls or restrictions on capital movements, or other circumstances beyond the reasonable control of the Banker, make it impossible or impracticable to transfer the redemption amount to the country in which the application for redemption was submitted.

## REDEMPTION FEE

On Redemption, a Redemption Fee may be calculated and payable as described in the relevant **Supplement** for each Investment Compartment.

The Directors, or as otherwise may be delegated to the Manager, reserve the right to reduce or waive any Redemption Fee.

Pursuant to Directive (EU) 2024/927, the Manager has adopted the temporary increase of the redemption fee, up to a maximum of ten per cent (10%) of the redemption amount, as a liquidity management tool.

This measure may be activated in exceptional circumstances where the liquidity of the assets in which the Fund is invested is insufficient to ensure the orderly and timely execution of redemption requests at a fair valuation, or where such redemptions could otherwise materially prejudice the interests of existing shareholders. The application of the increased redemption fee is intended to protect any Investment Compartment of the Fund and its investors by mitigating liquidity risk and ensuring equitable treatment among shareholders.

The decision to activate, determine the level (up to the 10% cap), and subsequently withdraw this measure shall be taken by the Manager in accordance with each Investment Compartment of the Fund's liquidity management procedures and governance framework, taking into account prevailing market conditions, the Fund's liquidity profile, and the best interests of investors.

The Manager shall promptly notify the Cyprus Securities and Exchange Commission (CySEC) and inform shareholders of the activation, the applicable rate, the rationale for its application, and any subsequent withdrawal of the measure, in accordance with applicable regulatory requirements.

## LIMITATION ON REDEMPTIONS

For the purpose of protecting the interests of the shareholders (Pursuant to Directive (EU) 2024/927) and the capital market, the Management Company may:

Activate the limitation of redemptions execution mechanism (redemption gate) in cases deemed necessary due to exceptional circumstances. Such circumstances arise particularly when:

i) regardless of the normal conduct of the investment strategy, the level of redemption requests is so high that, taking into account the liquidity level of the Fund's assets, redemption orders cannot be executed under terms that protect investors' interests or ensure equal treatment of shareholders;

ii) redemption requests are submitted under conditions that may negatively affect the functioning of the market due to limited liquidity.

The daily limit on redemptions as a percentage of the previous day's Net Asset Value (NAV), beyond which partial execution of redemption orders for a given date may be decided, is set at 10%. This limit is derived from historical data and detailed liquidity measurements, taking into account adverse market condition scenarios and reasonably acceptable costs.

The percentage of redemptions to be executed shall be determined by the prevailing market conditions and the total volume of redemption requests. For the implementation of the mechanism, all shareholder requests are aggregated, the number of shares corresponding to redemption requests is calculated at the end of the submission date, the number of shares corresponding to subscription requests submitted on the same day is deducted, and the value of the net redemptions (net balance) is calculated based on the latest published NAV per share.

The total value of net redemptions is then compared to the Fund's total Net Asset Value. When net redemptions exceed the activation threshold of the mechanism, the Management Company may satisfy redemptions beyond the established limit and may execute, partially or in full, orders that might otherwise not have been executed.

The portion of redemption orders that remains unexecuted must be determined at the end of the submission date. Shareholders whose redemption requests have not been fully executed shall be informed without delay, individually, by durable medium.

The portion of redemption orders that remains unexecuted shall be resubmitted for execution on subsequent dates and shall not have priority over new redemption orders submitted by shareholders on those subsequent dates.

The maximum duration of application of this measure may not exceed 20 business days within a three-month period. Where multiple share classes exist, the redemption gate limit shall be the same for all share classes.

All shareholders submitting redemption requests on the same date shall be treated equally.
The Management Company shall promptly inform the Cyprus Securities and Exchange Commission and the investing public of the activation of the redemption gate mechanism.

## COMPULSORY REDEMPTION

The Directors in their sole and absolute discretion may, after giving notice of at least thirty (30) days, compulsorily redeem under certain circumstances, including but not limited to the following:

(i) the Investor Shares are held by or for the benefit (directly or indirectly) of any Ineligible Person;

(ii) a holder of Investor Shares has become an Ineligible Person;

(iii) such Investor Shares have been acquired in breach of any laws of any country or the decision, order or determination of any governmental agency;

(iv) such redemption would eliminate or reduce the exposure of the Company or its holders of Investor Shares to adverse tax or regulatory consequences;

(v) any of the representations given by the holder of Investor Shares in its subscription agreement were not true or have ceased to be true;

(vi) upon liquidation of all underlying assets of an Investment Compartment or a Class; or

(vii) when the Company is being liquidated.

The Directors may charge any legal, accounting or administrative costs associated with such compulsory redemption.

Distributions in respect of a compulsory redemption shall be made in the same manner and under the same terms as a regular redemption.

# 21. CONVERSION OF SHARES

### CONVERSION PROCEDURE

Investors may convert all or part of their Shares into the corresponding amount of Shares in another Class or other Classes of Shares within the same or other Investment Compartment or Compartments. This may include a conversion (i) within the same Investment Compartment or (ii) within the same and one or more other Investment Compartments or (iii) within one or more other Investment Compartments, assuming they comply with all the requirements with respect to the Class or Classes of Shares into which the existing Shares are to be converted. Conversions will be effected at the relevant Subscription Price and Redemption Price determined on the basis of the Net Asset Value per Share on that Valuation Day.

### APPLICATION PROCEDURE

Investors may apply for a conversion in writing by electronic mail or facsimile to the Administrator (with original document to follow promptly by post) stating (i) which existing Shares in a Class of Shares to be converted and (ii) the Class or Classes of Shares and Investment Compartment or Investment Compartments to which they are to be converted. The application for conversion must include either (i) the monetary amount the Investor wishes to convert or (ii) the number of Shares the Investor wishes to convert. In addition, the application for conversion must include the Investor's personal details together with its Personal Account Number(s). Failure to provide any of this information may result in delay of the application for conversion.

Any application for conversion received by the Administrator prior to the Cut-Off Date on any Dealing Day shall be effected on the basis of the Net Asset Value per Share determined on that Dealing Day. Any application for conversion received by the Administrator after the Cut-Off Date

on any Dealing Day, or any day that is not a Dealing Day, will be processed on the next following Dealing Day on the basis of the Net Asset Value per Share as determined on that Dealing Day.

Any application for conversion shall be considered as irrevocable and must be duly signed by all registered Investors whose name appears in the Register of the Company, except for the case where an acceptable power of attorney has been provided to the Directors or the Manager.

### LIMITATION ON CONVERSIONS

The Manager shall ensure that the Investment Compartments have at all times enough liquidity to satisfy any conversion request. If the redemption and conversion requests in aggregate exceed 10% of the Net Asset Value of the relevant Investment Compartment at any time, the Manager may decide to delay, without any unnecessary delay, the execution of such applications until the corresponding amount of assets of the Investment Compartment have been realized.

### NOTIFICATION OF TRANSACTION

Following such conversion of Shares, a confirmation statement will be sent by the Administrator to the relevant Investor (or its nominated agent if so requested by the Investor) by ordinary post, electronic mail or facsimile as soon as reasonably practicable after the relevant Dealing Day, detailing the number of Shares of the new Investment Compartment and/or Class obtained by conversion and the price thereof.

# 22. TAX CONSIDERATIONS

The following section is a short summary of certain important taxation principles that may be or become relevant with respect to the Company in Cyprus, though it does not purport to be a complete summary of tax law and practice currently applicable in Cyprus and does not contain any statement with respect to the tax treatment of an investment in any Investment Compartment in any other jurisdiction. Furthermore, this Section does not address the taxation of the Company in any other jurisdiction or the taxation of any subsidiaries or intermediary companies (SPVs) of the Company in any jurisdiction. Therefore, prospective Investors are advised to consult their own professional tax advisers in respect of the possible tax consequences of subscribing for, buying, holding, redeeming, converting or selling Shares under the laws of their country of citizenship, residence, domicile or incorporation.

The following summary is based on laws, regulations and practice currently applicable in the Cyprus at the date of this Offering Memorandum and is subject to changes therein.

### TAX RESIDENCY

In accordance with the Income Tax Law, a company is tax resident in Cyprus if the management and control is exercised in Cyprus. There is no definition in the Cyprus Income Tax law as to what constitutes management and control. However, as a minimum, management and control may be taken to mean the place where the majority of Directors reside, where the board meetings of the Company are held and where the general policy of the Company is formulated.

### TAXATION OF THE COMPANY

***Corporate Income Tax***

Corporate tax for resident companies is imposed at the rate of twelve and a half percent (12.5%) for each year of assessment upon the taxable income derived from sources both within and outside Cyprus. The year of assessment starts on the 1st of January and ends on the 31st of December. In arriving at the taxable income, deductions on such income and exemptions must be taken into account. All relevant expenses for the production of the taxable income are deductible expenses whereas dividends, capital gains or profit from the sale of securities (including Shares and units) constitute income which is exempt from Income Tax. Expenses that directly or indirectly relate to tax exempt income are not tax deductible.

- ***Profits arising for the Fund from the sale of "Securities"***

Profits from the sale of securities are completely exempt from taxation, irrespective of the trading nature of the gain, the number of Shares held or the holding period. The sale of securities falls also outside the scope of capital gains tax as well.

- ***Definition of "Securities"***

The Cyprus tax authorities have issued circular 2008/13 of 17 December 2008 interpreting the definition of the term "securities", as currently defined under Article 2 of the Income Tax Law N118(I)/2002. Under Article 2 of the Income Tax Law N118(I)/2002, the term "securities" includes Shares, bonds (both government and corporate bonds), debentures, founder's Shares and other securities of companies or other legal persons, incorporated under the laws of Cyprus or abroad and options thereon.

Under the circular, the following are now defined as securities:

i) ordinary Shares;
ii) founder's Shares;
iii) preference Shares;
iv) options on titles;
v) debentures;
vi) bonds;
vii) short positions on titles;
viii) futures/forwards on titles;
ix) swaps on titles;
x) depositary receipts on titles such as American Depositary Receipts and Global Depositary Receipts;
xi) rights of claim on bonds and debentures without including the rights on the interest of those products;
xii) index participations (only if they result in titles);
xiii) repurchase agreements or repurchase agreements on titles;
xiv) participations in companies such as the Russian OOO and ZAO, US LLC (provided that they are subject to taxation on their profits), Romania SA and SRL and Bulgarian AD and OOD; and
xv) units in open-ended or closed-ended collective investment schemes (provided that they are registered and operate in accordance with the provisions of the laws in the country of their registration). Examples of units in open-ended and closed-ended collective schemes include the following:
    a. investment and mutual funds (investment trusts, investment funds, mutual funds, unit trusts, and real estate investment trusts)

b. International Collective Investment Schemes;
c. UCITS; and
d. other similar investment schemes (i.e., SICAVs, SICAFs, Luxemburg FCPs, etc.).

***Dividend income***

Cyprus tax resident companies apply a seventeen percent (17%) withholding tax on dividend distributions to Cyprus tax resident individuals. Distributions to Cyprus tax resident companies are exempt from any withholding taxes in Cyprus.

Any dividend income received by a Cyprus Company should be exempt from corporate income tax in Cyprus.

Dividend income from abroad may also be exempt from the levy of the Special Defence Contribution tax if the dividend paying company derives 50% or more of its income directly or indirectly from activities which lead to active trading income ("active versus passive test") or the foreign tax burden on the profits to be distributed as a dividend is not substantially lower than the Cypriot corporate income tax rate (i.e. a rate of at least 6.25%) on the level of the dividend paying company ("effective tax test").

Dividends from abroad received in Cyprus which do not qualify for the exemption are taxed at 17%.

Any tax withheld in respect of dividends received from abroad will be credited against the tax chargeable in respect of the same income in Cyprus. The amount of the credit shall not exceed the amount which would be ascertained if the amount of the income were computed in accordance with the provisions of the Cyprus Income Tax and Special Defence contribution Laws.

***Interest Income***

To the extent that interest is received by or credited to a Cyprus tax resident company, which is considered to arise in the ordinary course of the business or closely connected thereto, is considered as business income and will be subject to corporation tax in Cyprus at the rate of 12.5%. Interest income of companies which act as vehicles for the purpose of financing group companies is considered to be connected with the ordinary carrying on of a business. Interest received and considered as passive income will be subject to a 30% Special Defence Contribution tax.

***Cyprus withholding taxes***

No Cyprus withholding taxes will apply in respect to the distribution of dividends or interest to investors that are non-tax residents of Cyprus (companies or individuals) and Cyprus tax resident companies.

***Deemed dividend distribution rules***

In relation to dividend distributions from Cypriot companies to Cypriot tax resident Investors, it should be noted that any profits attributable to Investors (companies or individuals) who are Cyprus tax residents are subject to the deemed dividend distribution rules. These rules provide that if a company, which does not distribute at least 70 per cent of its accounting profits after tax, as defined by the relevant law, within two years after the end of the tax year to which the profits relate, will be deemed to have distributed as a dividend 70 per cent of such profits.

Special Defence Contribution tax at a rate of seventeen (17) per cent will be imposed at the end of the two years on the amount deemed to be distributed to tax residents of Cyprus.
Further, the redemption of a unit holding in a collective investment scheme does not constitute a reduction of capital under the deemed dividend distribution provisions of the legislation and therefore, there will be no tax implications on the distribution arising from the redemption.

The deemed dividend distribution provisions do not apply to profits attributable to non-Cyprus tax resident Shareholders (companies or individuals).

***Stamp Duty***

The establishment of the Fund and the subscription, redemption or transfer of its Investor Shares are exempt from stamp duty.

***Losses***

Any trading tax losses that may arise in a Cyprus company can be set off against taxable profits incurred in the year and any excess can be carried forward over the next 5 (five) years from the end of the tax year in which they were incurred, to be offset against taxable income.

***Exit through liquidation***

In the instance the Company is liquidated, the profits that have not been distributed prior to the liquidation will be considered as dividends "distributed" to the investors and will be subject to tax at 3% only for the proportion attributable to Cyprus tax resident investors (individuals). The proportion of the profits attributable to the non-tax resident investors will be exempt from any tax in Cyprus.

### TAXATION OF INVESTORS

Potential Investors are advised to consult their own professional tax advisors concerning possible taxation or other consequences of purchasing, holding, selling or otherwise disposing of the units/certificates under the Laws of their country of incorporation, citizenship, residence or domicile.

***Dividend income***

Dividends received from a Cyprus company by Investors who are (i) non tax residents of Cyprus (both corporate and individual) or (ii) Cyprus tax resident companies will not be subject to any taxation in Cyprus.

Dividends received from the Company by individual investors who are tax residents of Cyprus will be subject to Special Defence Contribution at a rate of 17%, which will be withheld at source by the Company. Dividend income is exempt from personal income tax.

***Sale or redemption of investor Shares***

The sale or redemption of Shares in the Company will be exempt from any taxation in Cyprus.

# 23. DISSOLUTION OF THE FUND

The investment company is dissolved:

- In case its authorization is revoked by the Securities and Exchange Commission, according to the article 133 of the Law
- After the end of its duration, where its instruments of incorporation provide for a definite period, unless these are amended to prolong of the duration of the investment company or to become of indefinite period or
- In case specific circumstances defined in its instruments of incorporation occur which lead to its liquidation; or
- In case its total assets are redeemed
- After a decision of the general meeting of its shareholders
- Subject to the case of internally managed AIFLNP investment company, in case of dissolution, resignation, liquidation, or the authorization of the external manager of the Investment Company has been revoked and has not been replaced. In case of dissolution, resignation, liquidation, or in case that the authorization of the depositary has been revoked and has not been replaced

# SUPPLEMENT 1 – POSEIDON MARITIME INVESTMENT FUND

This **Supplement** dated 21st March 2016 refers to **POSEIDON MARITIME INVESTMENT FUND**, an Investment Compartment of **V.I.L VENUS ISLAND AIFLNP V.C.I.C LIMITED,** a Company incorporated under the Companies Law, Cap. 113 on 21st March 2016, with registration number HE 353672 and authorized by the CySEC to operate as an Alternative Investment Fund with limited number of persons in the form of a limited liability company by shares as an open-ended investment company of variable capital as provided for in Part VI of the Alternative Investment Funds Law of 2014 which has been replaced by Part VII of the Alternative Investment Funds Law of 2018 or in any other law which replaces or amends it and create multiple Investment Compartments under operation license number LPAIF24/2014.

This **Supplement** should be read in the context of and in conjunction with the Offering Memorandum of **V.I.L VENUS ISLAND AIFLNP V.C.I.C LIMITED** dated 22nd November 2016. All capitalized terms shall have the same definition as in the Offering Memorandum. To the extent of any inconsistency between the terms of this **Supplement** and the Offering Memorandum, this **Supplement** shall prevail with respect to the Investment Compartment.

The Directors of the Company, whose names appear in Section 11 of the Offering Memorandum, accept responsibility for the information contained in this **Supplement**. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this **Supplement** is in accordance with the facts and does not omit anything likely to affect the import of such information.

This **Supplement** contains specific information in relation to the Investment Compartment and Investor Shares of the Investment Compartment being offered as of the date noted above.

## SUMMARY OF TERMS AND CHARACTERISTICS

| Name | POSEIDON MARITIME INVESTMENT FUND |
|---|---|
| Type | Private Equity |
| Geographical Region of Operations | The Investment Compartment will mainly invest in Europe and the US. However this will not prevent the Investment Compartment to make investments in other markets. |
| Valuation Frequency | NAV calculated on a Semiannual Basis except if the BOD or the Manager decide to change the valuation frequency. |
| Denomination | EURO |
| Target Capital Raising | EUR 5,000,000 |
| Minimum Capital Raising | EUR 500,000 |

| | |
|---|---|
| Management Fee | 0.50% (with minimum Fee of EUR 12,000) per Annum |
| Performance Fee | 0 – 20% of the positive return generated by the Investment Compartment per annum |
| Risk Factors | Investors' attention is drawn to the risks outlined in this **Supplement** and in Section 17 of the Offering Memorandum |

## DIRECTORY

| | |
|---|---|
| Manager | GMM Global Money Managers Ltd |
| Board of Directors | Mrs. Vasiliki Tarasi –-Non-Executive Director<br>Mr. Epaminondas Metaxas– Non-Executive Director |
| Banker | Eurobank Limited |
| Administrator | Treppides Fund Services Limited |

## SHARE OFFERING

| **Type of Investors** | **Professional & Well Informed** |
|---|---|
| Anticipated number of Investors | Up to 25 persons<br>On an aggregate basis of all investment compartments |
| Reference Currency | EURO |
| Investors Country of Domicile | Greece, Cyprus, Russia, Europe |
| Initial Subscription Price | EUR 10 |
| Minimum subscription amount | EUR 500,000 |
| Minimum subsequence subscription amount | EUR 1,000 |
| Initial Subscription Date | Upon licensing of the fund |
| Frequency of Investor Subscriptions | Semiannual Basis on any other date the Manager or the Directors may determine at its own discretion. |
| Cut-Off Date for Subscriptions | 10 Business Days |
| Cut-Off Date for Redemptions | 10 Business Days |
| Lock Up Period | None |
| Frequency of Investor Redemptions | Semiannual Basis on any other date the Manager or the Directors may determine at its own discretion. |
| Subscription Fee | 0 - 5% |
| Redemption Fee | 0 - 5% |
| Distribution Policy | Dividends payable to the investors derived from the net profits of the Investment Compartment, upon the |

| | |
|---|---|
| | discretion of the Directors, or as otherwise may be delegated to the Manager. |

## INVESTMENT OBJECTIVE

The Investment Compartment's primary investment objective is to follow a private markets investment strategy designed to provide its investors with superior, long-term capital growth with attractive returns by investing in equity of private companies that the Manager of the Fund believes have special investment value.

## INVESTMENT STRATEGY

The Investment Compartment will invest in non-listed Company shares and equity of distressed Companies with the intention of acquiring the control of private institutional organizations. The Investment Compartment may invest in equity of companies with any market capitalization, but will generally focus on large cap equity. The Investment Compartment

may also invest in convertible equity and non-convertible preferred stock. Equity includes common stock, preferred stock, equity convertible into common stock, or equity or other instruments whose price is linked to the value of common stock. The investment objective of the Investment Compartment is to improve the financial results and prospects of the acquired companies with the purpose of reselling them to another buyer or cashing out via an IPO. The Investment Compartment will also seek to invest in equities of Companies that are in or near bankruptcy.

Since the Fund is externally managed, the Investment strategy of the Investment Compartment shall be formulated and implemented by GMM Global Money Managers Ltd. The External Manager shall exercise its investment management function and more specifically shall identify opportunities and operate within the parameters outlined in accordance with the determined Investment Strategy and policies. The Manager will engage, if necessary, investment advisors at its own cost to assist in the performance of investment strategies that require the involvement of a specialist.

Research will be conducted to support investment decisions, which covers analysis on macroeconomics and public information, and the latest developments of the targeted investments that are part of the Company s investment portfolio.

## USE OF LEVERAGE

The Fund, on behalf of the Investment Compartment, may make use of leverage on the Fund's assets in cases where the Manager will determine that it is in the best interest of the investors and the performance of their units.

The ratio of total indebtedness of the Investment Compartment (determined on an individual basis) to net asset value shall not exceed 2% throughout the life of the Investment Compartment.

The Investment Compartment may seek leverage through borrowing of cash loans.

Some of the Investment Compartment's assets may also be held on an ancillary basis in cash or cash equivalents, pending reinvestment. Any such assets will not be held for speculative purposes, but will be ancillary to the primary investment strategy of the Company.

## TARGET MARKETS

The investment compartment will mainly invest in Europe and the US. However, this will not prevent the investment compartment to make investments in another market.

## INVESTMENT PROCEDURE

The investment compartment Poseidon Maritime Investment Fund will have a stock picking approach regarding the investments in non-listed entities – companies either in the form of equity and/or debt, targeting in hidden values and upside potential of their business. After considering macroeconomic and microeconomic data and analyzing all the available information about the specific sectors, each targeted investment is approved and implemented. The fund has a medium-term investment horizon (2-3 years) without excluding longer withholdings or early exits depending on each investment case. Spinoffs, private placements, M&A's (Mergers and Acquisitions) will be part of the implemented strategies depending on each specific investment requirements.

The Investment Compartment's investments will be made directly or through Special Purpose Vehicles (SPVs).
The Investment Compartment will furthermore invest in intermediary holding companies, depending on the requirements of Local Law, tax considerations and commercial requirements.

## INVESTMENT PROCESS

The Manager will follow a thorough investment process that may include extensive due diligence and/or market research.

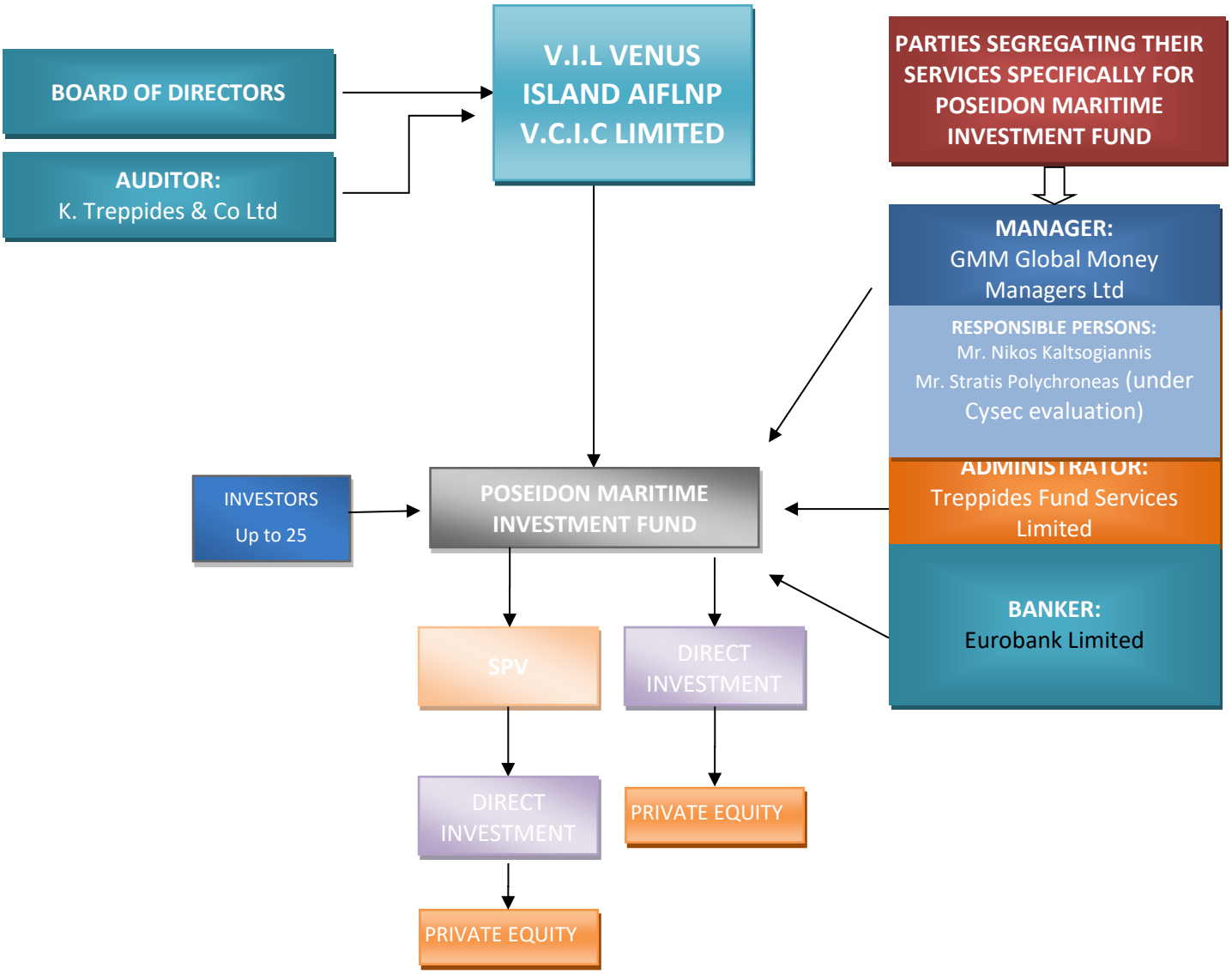
The Manager will take a hands-on management approach towards all investments in order to create maximum value throughout the realization process by utilizing their financial skills and access to an extended network of providers.

The Manager will aim to engage leading local law firms to perform the legal due diligence and draft all the investment documents, as well as leading accounting firms to undertake the requisite accounting and financial due diligence. Subject to completion of satisfactory due diligence, the investment opportunities will be approved.

## ORGANISATIONAL STRUCTURE

**POSEIDON MARITIME INVESTMENT FUND** is an Investment Compartment created under the Umbrella of **V.I.L VENUS ISLAND AIFLNP V.C.I.C LIMITED** pursuant to the AIF Law.

The Investment Compartment will invest through SPV's and direct investments as further specified in the below chart:



## PAST PERFORMANCE

The Investment Compartment has no past performance as of the date of this **Supplement**.

## NET ASSET VALUE AND VALUATION DAY

The Investment Compartment's assets will, together with any cash or cash equivalents and any fees and expenses, be valued on the last business day of each half of the fiscal year. The Valuation Day is also set out in Section 18 of the Offering Memorandum.

The Net Asset Value will be calculated at the close of business on each Valuation Date and on any other date the Manager may determine at its own discretion.

## INITIAL OFFERING PERIOD

The initiation of investment operations is conditional upon a minimum capital raise of EUR 500.000 before expenses, being raised no later than the Last Subscription Date, otherwise becoming unconditional. The Investment Compartment intends to use the net raised capital as consideration for its future investments. In the event of not completing the minimum capital raise by the Last Subscription Date, the amount collected will be returned to the Investors plus accrued interest.

## SUBSCRIPTION

### *Eligible Investors*

An investment in the Investment Compartment is designated to be a medium- to long-term investment. Investors should not expect to obtain short-term gains from such investment. The Investment Compartment is suitable for Professional and Well-Informed investors who can afford to set aside the capital for the medium- to long-term and who seek an investment with a medium to high risk profile. The Investment Compartment may not be appropriate for investors who plan to withdraw their money within a short period of time.

### *Subscription Dates*

Subscriptions in the Investment Compartment are effective on the last business day of each half of the fiscal year.

### *Subscription Procedure*

Shares in the Investment Compartment may be subscribed for during the Initial Offering Period at the Initial Subscription Price of EURO 10.00 each as determined above and thereafter, on each Valuation Day at the Subscription Price calculated with reference to the Net Asset Value per Share on the applicable Valuation Day.

The subscription procedure is set out in the Offering Memorandum in Section 7.

Completed and Signed Subscription Agreements should be received by the Administrator at least ten (10) Business Days prior to the Valuation Date. Investors should settle payment of the subscription monies one (1) Business Day prior to the Valuation Day. Payment of subscription monies should be made to the bank account whose details are provided in the Subscription Agreement. During the IOP, Shares will be issued on the Last Subscription Date and thereafter one (1) Business Day after the Valuation Day, being the Dealing Day.

### *Contribution in Kind*

An Investor is allowed to subscribe to Shares in the Investment Compartment by contributing consideration in kind related to the investments and relevant strategy of Poseidon Maritime Investment Fund. The respective Capital Contribution of the Investor will be assessed on the basis of at least one independent Valuer report as confirmed and approved by the Board of Directors.

### *Subscription Fee*

Upon subscription of shares the Board of Directors, or otherwise may be delegated to the Manager reserve the right to charge a Subscription Fee of 0%-5% of the subscription monies, payable by the Investors. The Board of Directors, or otherwise may be delegated to the Manager reserve the right to reduce or waive any Subscription Fee.

## REDEMPTION

Shares in the Investment Compartment may be redeemed on the Redemption Dates stated below at a Redemption Price calculated on the basis of the Net Asset Value per Share as determined on the applicable Valuation Day.

The redemption procedure is set out in the Offering Memorandum in Section 20.

Completed and Signed Redemption Request Forms should be received by the Administrator at least ten (10) Business Days prior to the Valuation Date. Payment for Shares redeemed will be paid in cash in the Reference Currency of the Class concerned not later than fifteen (15) Business Days following the relevant Valuation Day. Redeemable Shares will be cancelled one (1) Business Day after the Valuation Day, being the Dealing Day.

### *Redemption Dates*

Applications for redemption shall be effected upon authorization and activation of the Investment Compartment. Upon activation, Investors will be able to redeem their shares on the last business day of each half of the fiscal year.

### *Redemption Fee*

Upon redemption of shares the Board of Directors, or otherwise may be delegated to the Manager reserve the right to charge a Redemption Fee of 0%-5% of the redeemable monies, payable by the Investors. The Board of Directors, or otherwise may be delegated to the Manager reserve the right to reduce or waive any Redemption Fee.

## MANAGER

GMM Global Money Managers Ltd will act as the Manager of the Investment Compartment and shall be responsible for the performance of the investment strategy as further specified in section “Investment Strategy” of this **Supplement**. The background of the Manager is set out in the Offering Memorandum in Section 12.

The Manager has set all the relevant procedures in place in order to segregate the assets and liabilities of Poseidon Maritime Investment Fund from other future Investment Compartments that may be established in the Umbrella structure and from those of the main Fund as a standalone or on consolidated basis. Mr. Nikos Kaltsogiannis and Mr. Stratis Polychroneas will

be responsible for the management and the monitoring of the activities of the Investment Compartment as well as for marketing of the Investor Shares.

***Mr. Nikos Kaltsogiannis***

Mr. Nikos Kaltsogiannis is a portfolio manager and equities analyst certified by the Hellenic Capital Market Commission. He holds a degree in Business Administration from the University of Piraeus and a Masters in International Securities, Investment & Banking from the ICMA Centre of Education - Henley Business School –University of Reading. Between January 2007 and the present-day he has held the post of Executive Director and member of the Board of Directors of Solidus Securities Investment Firm. In the past, he was an executive at leading companies in the financial sector such as the Omega Bank Group, the Alpha Bank Group, Inter invest Portfolio Management and others. He is a member of the Economic Chamber of Greece, the ICMA Educational Committee, the Asset Management & Investment Council of ICMA and Chairman of the Regional Committee of ICMA for Greece, Cyprus, Turkey and the Balkans. At GMM he is the Chief Investment Officer of the Company, and member of the Investment Committee as well as Executive Director on the Company's Board of Directors.

***Mr. Stratis Polychroneas***

Mr. ***Stratis Polychroneas*** received a Bachelor in Mathematics from Baylor University and an MS in Mathematics, as well as an MBA in Finance. From 2001 onwards he has worked in a number of brokerage firms in Greece, including Hellenic Seecurities, Fortius Finance, Artion Securities, Solidus Securities, MIDAS Securities and some others. He was engaged with market research, trading, etc.
He has also worked as Risk Manager. At GMM he is a member of the Portfolio Management team and his appointment is evaluated by Cysec.

## ADMINISTRATOR

The administration duties of the Investment Compartment will be assigned to the Company's Administrator. Treppides Fund Services Limited has been appointed as the Administrator of the Investment Compartment and shall be responsible for the performance of the administration services as these are described in section 6(1)(b) of the AIF Law. The background of the Administrator is set out in the Offering Memorandum in Section 13.

The Administrator has set all the relevant procedures in place, in order to segregate the assets and liabilities of Poseidon Maritime Investment Fund from other future Investment Compartments that may be established in the Umbrella structure and from those of the main Fund as a standalone or on consolidated basis. More specific, the Administrator will:

- hold a separate Register for the Investors investing in the Investment Compartment
- record the investments of the Investment Compartment in separate statements for its own valuations
- hold separate accounting records for the Investment Compartment
- proceed to NAV calculation solely for the Investment Compartment

## DEPOSITARY

The Fund has not appointed a Depositary as it has been exempted subject to the provisions of the AIF Law. Further details pertaining to the Depositary are set out in Section 14 "Depositary"

of the Offering memorandum.

The Investment Compartment shall invest in Private equity and will buy non-listed Company shares which need not be under custody, since they will not be listed assets and shall not fall under the definition of "financial instruments" within the meaning of the Investment Services and Activities and Regulated Markets Law of 2007. The applicable Registrar shall keep records of the ownership of these shares instead of Depositary.

## BANKER

Eurobank Limited have been appointed responsible for safekeeping of the Investment Compartment's cash which are held either directly by the Banker or through other agents as appointed from time to time.

The banker has no decision-making discretion relating to the investment compartment's and shall not act as a broker for the company as a whole or for any of the investment compartments. Safekeeping of assets will not be performed by the banker.

## SHARES

The Investment Compartment will issue shares in un-certificated registered form. Title to registered shares is evidenced by entries in the Company's Register.

## RISKS RELATING TO THE INVESTMENT COMPARTMENT

**Lack of operating history - No Assurance of Achieving Investment Objectives**

The Investment Compartment is newly incorporated and has not yet commenced operations. Therefore there is no history against which to evaluate the Investment Compartment's future prospects and the performance of the Investor Shares. There can be no guarantee that the Investment Compartment will meet its investment objectives or that an investment in Investor Shares will earn a positive return. Moreover the past performance of key executives of the Investment Manager may not be construed as an indication of a participation in the Investment Compartment.

**Illiquidity**

An investment in Shares provides limited liquidity since redemptions are permitted only on a semi-annual basis. In addition, due to the nature of the Investment Compartment's investments it may be relatively difficult for the Investment Compartment to dispose of investments rapidly at favourable prices in connection with redemption requests, adverse market developments or other factors.

**Management Risk**

The Investment Compartment relies on the abilities of the Manager and any affiliates to actively manage the assets of the Investment Compartment and make the actual trading and investment decisions upon which the success of the Investment Compartment will significantly depend. No assurance can be given that the trading and investment approaches they utilize will be successful. There can be no assurance that satisfactory replacements for the Manager will be available if the Investment Management Agreement is terminated and this may expose investors to the risks involved in whatever new investment management arrangements the Manager is able to negotiate.

The Investment Compartment has an obligation to indemnify the Manager for any liabilities incurred under certain conditions and there is no insurance for such losses for which the Investment Compartment has agreed to indemnify the Manager. Any indemnification paid by the Investment Compartment would reduce the Investment Compartment's asset value and therefore the value of the Shares.

**Risk of Leverage**

The Investment Compartment may incur external borrowings in connection with the investments of the Investment Compartment. Although the use of leverage may enhance returns and increase the number of investments that can be made, it may also substantially increase the risk of loss. The use of leverage will subject the Investment Compartment to risks normally associated with debt financing, including the risk that the Investment Compartment's cash flow may be insufficient to meet required payments of principal and interest, the risk that indebtedness on the properties may not be able to be refinanced and the risk that the terms of such refinancing may not be as favourable as the terms of the existing indebtedness. In addition, the Investment Compartment may incur indebtedness that may bear interest at variable rates. Variable rate debt creates higher debt service requirements if market interest rates increase, which would adversely affect the Investment Compartment.

**Credit Risk**

The economic outlook of a particular market might worsen which might result in downgrading by major rating agencies which in turn might cause the cost of borrowing in a particular country to rise and.

**Non-diversification risk**

The Investment Compartment may at certain times hold relatively few investments. The Investment Compartment could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected.

**Political risk**

The political risks are related to the possible rise of internal political disturbances and unfavourable changes in the economic legislation. This risk relates to the possibility that the government of a certain country may adversely change its policy and business environment, in which companies work.

**Tax Considerations**

The intention of the Investment Compartment is to structure its investments in a manner that is intended to achieve the Investment Objectives and intended to mitigate tax charges and duties in the country of investment, taking into account the tax laws, administrative practices, applicable double tax treaties and other rules which should be relevant in that country. However, there can be no guarantee that the structure of the Investment Compartment or any investment will be tax efficient for a particular Participating Shareholder or that any particular tax status will be achieved. Tax laws are complex and quite often not completely clear, and the tax consequences of a particular structure chosen might be questioned or might be subject to challenge by the relevant tax authority in the country concerned. Furthermore, tax laws may change, so that the tax consequences of a particular investment may adversely change after it has been made. The Investment Compartment's intermediate Subsidiary companies or the Investors may be subject to income taxes or other taxes in multiple jurisdictions outside of their

country. In addition, withholding tax or other taxes may be imposed on earnings of the Investment Compartment from investments in such jurisdictions. Local tax incurred in various jurisdictions by the Investment Compartment or entities through which it invests may not be creditable to or deductible by the Participating Shareholders. In the case of the non-accession of one or more of the Target Markets in the EU, such a no accession might impact the tax efficiency of the Investment Compartment structure as contemplated.

## FEES AND OTHER EXPENSES

The Investment Compartment shall bear its attributable portion of the operating expenses, and service provider fees of the Company. A summary of such fees and expenses is set out in Section 16 of the Offering Memorandum.

***Set-up costs***

The Investment Compartment shall bear its attributable portion of the set-up costs of the Company.
The Investment Compartment shall also bear any set up costs relating to its own launching.

***Management Fee***

The Manager shall be entitled to receive a Management Fee up to a maximum of 0.50% per annum of the Net Asset Value of the Investment Compartment with a minimum fee of EUR 12,000.

***Performance Fee***

The Manager shall be entitled to receive a Performance Fee of 0 - 20% of the positive return generated by the Investment Compartment per annum.

***Other Expenses***

The Board of Directors, or otherwise may be delegated to the Manager are entitled to be reimbursed any expenses properly incurred by it on behalf of the Investment Compartment. Such expenses shall include but shall not be limited to: expenses for legal, auditing and consulting services incurred; expenses in the supply of information to shareholders; and expenses properly incurred by the Board of Directors, or otherwise may be delegated to the Manager in carrying out any duties.

***Administration fee***

The Administrator, the Fund is obliged to pay an annual fee for the administration services provided. The Administration fee will be accrued and calculated on each valuation date. Further details in regards to the fee and any additional charges are further specified in the Administration Agreement.

***Regulatory fee***

The Fund is obliged to pay an annual contribution of EUR 300 to CySEC.

# SUPPLEMENT 2 – TROODOS FUND

This **Supplement** dated 12th September 2016 refers to **TROODOS FUND**, an Investment Compartment of **V.I.L VENUS ISLAND AIFLNP V.C.I.C LIMITED,** a Company incorporated under the Companies Law, Cap. 113 on 21st March 2016, with registration number HE 353672 and authorized by the CySEC to operate as an Alternative Investment Fund with limited number of persons in the form of a limited liability company by shares as an open-ended investment company of variable capital as provided for in Part VI of the Alternative Investment Funds Law of 2014 which has been replaced by Part VII of the Alternative Investment Funds Law of 2018 or in any other law which replaces or amends it and create multiple Investment Compartments under operation license number LPAIF24/2014.

This **Supplement** should be read in the context of and in conjunction with the Offering Memorandum of **V.I.L VENUS ISLAND AIFLNP V.C.I.C LIMITED** dated 22nd November 2016. All capitalized terms shall have the same definition as in the Offering Memorandum. To the extent of any inconsistency between the terms of this **Supplement** and the Offering Memorandum, this **Supplement** shall prevail with respect to the Investment Compartment.

The Directors of the Company, whose names appear in Section 11 of the Offering Memorandum, accept responsibility for the information contained in this **Supplement**. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this **Supplement** is in accordance with the facts and does not omit anything likely to affect the import of such information.

This **Supplement** contains specific information in relation to the Investment Compartment and Investor Shares of the Investment Compartment being offered as of the date noted above.

## SUMMARY OF TERMS AND CHARACTERISTICS

| Name | TROODOS FUND |
|---|---|
| Type | Multi-strategy focusing on Alternative Investments and Real Estate |
| Geographical Region of Operations | Worldwide |
| Valuation Frequency | NAV calculated on a Semi-Annual Basis and on any other date the Manager may determine at its own discretion |
| Denomination | EURO |
| Target Capital Raising | EUR 15,000,000 |
| Minimum Capital Raising | EUR500,000 |
| Management Fee | Up to a maximum of 1,5% (with minimum Fee of EUR 25,000) per Annum |
| Performance Fee | 0-20% of the positive return generated by the Investment Compartment per annum |
| Risk Factors | Investors' attention is drawn to the risks outlined in this **Supplement** and in Section 17 of the Offering Memorandum |

## DIRECTORY

| | |
|---|---|
| Manager | GMM Global Money Managers Ltd |
| Board of Directors | Mrs. Vasiliki Tarasi - Non-Executive Director<br>Mr. Epaminondas Metaxas– Non-Executive Director |
| Banker | Eurobank Limited, |
| Administrator | Treppides Fund Services Limited |

## SHARE OFFERING

| Type of Investors | Professional & Well Informed |
|---|---|
| Anticipated number of Investors | Up to 25 persons on an aggregate basis of all investments compartments |
| Reference Currency | EURO |
| Investors Country of Domicile | European Countries |
| US Investors | No |
| Initial Subscription Price | EUR 1,000 |
| Minimum subscription amount | EUR 500,000 |
| Minimum subsequence subscription amount | EUR 1,000 |
| Initial Subscription Date | Upon licensing of the fund |
| Cut-Off Date for Subscriptions | 10 Business Days |
| Cut-Off Date for Redemptions | 10 Business Days |
| Frequency of Investor Subscriptions | Semi-Annual and on any other date the Board of Directors may determine at its own discretion, performing also valuation of NAV |
| Lock Up Period | None |
| Frequency of Investor Redemptions | Semi-Annual and on any other date the Board of Directors may determine at its own discretion, performing also valuation of NAV |
| Subscription Fee | 0-5% |
| Redemption Fee | N/A |
| Distribution Policy | Interim or Annual Dividends payable to the investors derived from the net profits of the Investment Compartment, upon the discretion of the Directors, or as otherwise may be delegated to the Manager. |

## INVESTMENT OBJECTIVE

The Investment Compartment's primary investment objective is to follow an alternative investment strategy focusing in the private equity sector and the real estate market designed to

provide its investors with superior, long-term capital growth with attractive returns by investing in equity of private companies and commercial and residential real estate projects that the Manager of the Fund believes have special investment value.

## INVESTMENT STRATEGY

The Investment Compartment intents to invest in private companies, organizations active in real estate projects including land development and infrastructure projects worldwide and in financial instruments not requiring depositary. The Investment Compartment may also seek to add value through investing the extra liquidity in deposits with Banks that will produce steady fixed income payments.

Since the Fund is externally managed, the Investment strategy of the Investment Compartment shall be formulated and implemented by GMM Global Money Managers Ltd. The External Manager shall exercise its investment management function and more specifically shall identify opportunities and operate within the parameters outlined in accordance with the determined Investment Strategy and policies. The Manager will engage, if necessary, investment advisors at its own cost to assist in the performance of investment strategies that require the involvement of a specialist.

Research will be conducted to support investment decisions, which covers analysis on macroeconomics and public information, and the latest developments of the targeted investments that are part of the Company's investment portfolio.

## USE OF LEVERAGE

The Fund, on behalf of the Investment Compartment, will not make use of leverage.

## TARGET MARKETS

The investment compartment will invest worldwide.

## INVESTMENT PROCEDURE

The investment compartment Troodos Fund will have a stock picking approach regarding the investments in non-listed entities – companies either in the form of equity and/or debt, targeting in hidden values and upside potential of their business. After considering macroeconomic and microeconomic data and analyzing all the available information about the specific sectors, each targeted investment is approved and implemented. Spinoffs, private placements, M&A's (Mergers and Acquisitions) will be part of the implemented strategies depending on each specific investment requirements.
In relation to real estate investments that produce a steady annual yield return , the Manager will proceed to a market analysis of the interest rates, the real estate market and take into consideration the macroeconomic available data.

The Investment Compartment's investments will be made directly as well as through Special Purpose Vehicles (SPVs).

## INVESTMENT PROCESS

The Manager will follow a thorough investment process that includes extensive due diligence and market research.

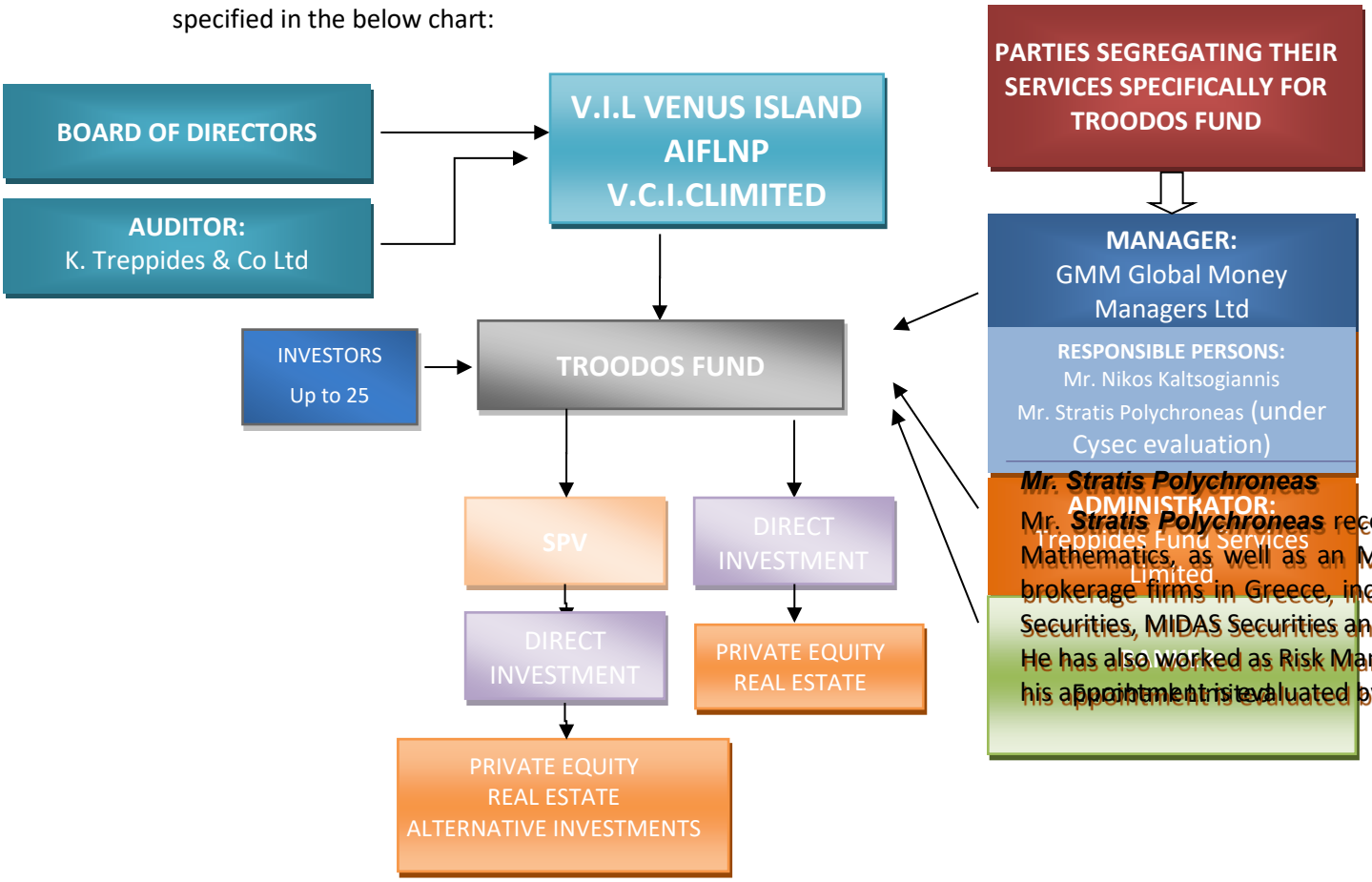
The Manager will take a hands-on management approach towards all investments in order to create maximum value throughout the realization process by utilizing their financial skills and access to an extended network of providers.

The Manager will aim to engage leading local law firms to perform the legal due diligence and draft all the investment documents, as well as leading accounting firms to undertake the requisite accounting and financial due diligence. Subject to completion of satisfactory due diligence, the investment opportunities will be approved.

## ORGANISATIONAL STRUCTURE

Troodos Fund is an Investment Compartment created under the Umbrella of V.I.L Venus Island AIFLNP V.C.I.C Limited pursuant to the AIF Law.

The Investment Compartment will invest through SPV's and direct investments as further specified in the below chart:




Mr. ***Stratis Polychroneas*** received a B
Mathematics, as well as an MBA in F
brokerage firms in Greece, including H
Securities, MIDAS Securities and some o
He has also worked as Risk Manager. At
his appointment is evaluated by Cysec.

## PAST PERFORMANCE

The Investment Compartment has no past performance as of the date of this **Supplement**.

## NET ASSET VALUE AND VALUATION DAY

The Investment Compartment's assets will, together with any cash or cash equivalents and any fees and expenses, be valued on the last business day of each valuation period of the fiscal year. The Valuation Day is also set out in Section 18 of the Offering Memorandum.

The Net Asset Value will be calculated at the close of business on each Valuation Date and on any other date the Manager may determine at its own discretion.

## INITIAL OFFERING PERIOD

The initiation of investment operations is conditional upon a minimum capital raise of EUR1.000.000 before expenses, being raised no later than the Last Subscription Date, otherwise becoming unconditional. The Investment Compartment intends to use the net raised capital as consideration for its future investments. In the event of not completing the minimum capital raise by the Last Subscription Date, the amount collected will be returned to the Investors plus accrued interest.

## SUBSCRIPTION

### *Eligible Investors*

An investment in the Investment Compartment is designated to be a medium- to long-term investment. Investors should not expect to obtain short-term gains from such investment. The Investment Compartment is suitable for Professional and Well-Informed investors who can afford to set aside the capital for the medium- to long-term and who seek an investment with a medium to high risk profile. The Investment Compartment may not be appropriate for investors who plan to withdraw their money within a short period of time.

### *Subscription Dates*

Subscriptions in the Investment Compartment are effective on the last business day of each valuation period of the fiscal year.

### *Subscription Procedure*

Shares in the Investment Compartment may be subscribed for during the Initial Offering Period at the Initial Subscription Price of EURO 1,000 each as determined above and thereafter, on each Valuation Day at the Subscription Price calculated with reference to the Net Asset Value per Share on the applicable Valuation Day.

The subscription procedure is set out in the Offering Memorandum in Section 7.

Completed and Signed Subscription Agreements should be received by the Administrator at least ten (10) Business Days prior to the Valuation Date. Investors should settle payment of the subscription monies one (1) Business Day prior to the Valuation Day. Payment of subscription monies should be made to the bank account whose details are provided in the Subscription Agreement. During the IOP, Shares will be issued on the Last Subscription Date and thereafter one (1) Business Day after the Valuation Day, being the Dealing Day.

### *Contribution in Kind*

An Investor is allowed to subscribe to Shares in the Investment Compartment by contributing consideration in kind related to the investments and relevant strategy of Troodos Fund. The respective Capital Contribution of the Investor will be assessed on the basis of at least one independent Valuer report as confirmed and approved by the Board of Directors.

### *Subscription Fee*

Upon subscription of shares the Board of Directors, or otherwise may be delegated to the Manager reserve the right to charge a Subscription Fee of 0-5% of the subscription monies, payable by the Investors. The Board of Directors, or otherwise may be delegated to the Manager reserve the right to reduce or waive any Subscription Fee.

## REDEMPTION

Shares in the Investment Compartment may be redeemed on the Redemption Dates stated below at a Redemption Price calculated on the basis of the Net Asset Value per Share as determined on the applicable Valuation Day.

The redemption procedure is set out in the Offering Memorandum in Section 20.

Completed and Signed Redemption Request Forms should be received by the Administrator at least ten (10) Business Days prior to the Valuation Date. Payment for Shares redeemed will be paid in cash in the Reference Currency of the Class concerned not later than fifteen (15) Business Days following the relevant Valuation Day. Redeemable Shares will be cancelled one (1) Business Day after the Valuation Day, being the Dealing Day.

### *Redemption Dates*

Investors will be able to redeem their shares on the last business day of each valuation period of the fiscal year.

### *Limitation on Redemptions*

Investors shall be entitled, on a semi-annual basis, to submit a request for the redemption of up to 25% of each Investor Share contribution (initial and subsequent). However any such redemption percentage may be increased or decreased up to the discretion of the Board of Directors.

### *Redemption Fee*

No Redemption fee.

## MANAGER

GMM Global Money Managers Ltd will act as the Manager of the Investment Compartment and shall be responsible for the performance of the investment strategy as further specified in section “Investment Strategy” of this **Supplement**. The background of the Manager is set out in the Offering Memorandum in Section 12.

The Manager has set all the relevant procedures in place in order to segregate the assets and liabilities of Troodos Fund from other future Investment Compartments that may be established in the Umbrella structure and from those of the main Fund as a standalone or on consolidated basis. Mr. Nikos Kaltsogiannis and Mr. Stratis Polychroneas will be responsible for the management and the monitoring of the activities of the Investment Compartment as well as for marketing of the Investor Shares.

***Mr. Nikos Kaltsogiannis***

Mr. Nikos Kaltsogiannis is a portfolio manager and equities analyst certified by the Hellenic Capital Market Commission. He holds a degree in Business Administration from the University of Piraeus and a Masters in International Securities, Investment & Banking from the ICMA Centre of Education - Henley Business School –University of Reading. Between January 2007 and the present-day he has held the post of Executive Director and member of the Board of Directors of Solidus Securities Investment Firm. In the past, he was an executive at leading companies in the financial sector such as the Omega Bank Group, the Alpha Bank Group, Inter invest Portfolio Management and others. He is a member of the Economic Chamber of Greece, the ICMA Educational Committee, the Asset Management & Investment Council of ICMA and Chairman of the Regional Committee of ICMA for Greece, Cyprus, Turkey and the Balkans. At GMM he is the Chief Investment Officer of the Company, and member of the Investment Committee as well as Executive Director on the Company's Board of Directors.

***Mr. Stratis Polychroneas***

Mr. ***Stratis Polychroneas*** received a Bachelor in Mathematics from Baylor University and an Mathematics, as well as an MBA in Finance. From 2001 onwards he has worked in a num brokerage firms in Greece, including Hellenic Seecurities, Fortius Finance, Artion Securities, S Securities, MIDAS Securities and some others. He was engaged with market research, trading, e He has also worked as Risk Manager. At GMM he is a member of the Portfolio Management tea his appointment is evaluated by Cysec.

## ADMINISTRATOR

The administration duties of the Investment Compartment will be assigned to the Company's Administrator. Treppides Fund Services Limited has been appointed as the Administrator of the Investment Compartment and shall be responsible for the performance of the administration services as these are described in section 6(1)(b) of the AIF Law. The background of the Administrator is set out in the Offering Memorandum in Section 13.

The Administrator has set all the relevant procedures in place, in order to segregate the assets and liabilities of Troodos Fund from other future Investment Compartments that may be established in the Umbrella structure and from those of the main Fund as a standalone or on consolidated basis. More specific, the Administrator will:

- hold a separate Register for the Investors investing in the Investment Compartment
- record the investments of the Investment Compartment in separate statements for its own valuations
- hold separate accounting records for the Investment Compartment
- proceed to NAV calculation solely for the Investment Compartment

## DEPOSITARY

The Fund has not appointed a Depositary as it has been exempted subject to the provisions of the AIF Law. Further details pertaining to the Depositary are set out in Section 14 "Depositary" of the Offering memorandum.

The Investment Compartment shall primarily invest in the Private equity and Real Estate sectors and will also invest in fixed deposits which pay interest. The investment strategy of the Investment Compartment do not include listed assets and do not fall under the definition of "financial instruments" within the meaning of the Investment Services and Activities and Regulated Markets Law of 2007. The applicable Registrar shall keep records of the ownership of private equity shares and the Secretary of the Fund will hold the titles of other assets not subject to custody e.g. real estate titles and bond contracts.

## BANKER

Eurobank Limited has been appointed responsible for safekeeping of the Investment Compartment's cash which are held either directly by the Banker or through other agents as appointed from time to time.

The banker has no decision-making discretion relating to the investment compartment's and shall not act as a broker for the company as a whole or for any of the investment compartments. Safekeeping of assets will not be performed by the banker shares

The Investment Compartment will issue shares in un-certificated registered form. Title to registered shares is evidenced by entries in the Company's Register.

## RISKS RELATING TO THE INVESTMENT COMPARTMENT

**Lack of operating history - No Assurance of Achieving Investment Objectives**

The Investment Compartment is newly incorporated and has not yet commenced operations. Therefore there is no history against which to evaluate the Investment Compartment's future prospects and the performance of the Investor Shares. There can be no guarantee that the Investment Compartment will meet its investment objectives or that an investment in Investor Shares will earn a positive return. Moreover the past performance of key executives of the Investment Manager may not be construed as an indication of a participation in the Investment Compartment.

**Illiquidity**

An investment in Shares provides limited liquidity since redemptions are permitted only on a semi-annual basis. In addition, due to the nature of the Investment Compartment's investments it may be relatively difficult for the Investment Compartment to dispose of investments rapidly at favourable prices in connection with redemption requests, adverse market developments or other factors.

**Management Risk**

The Investment Compartment relies on the abilities of the Manager and any affiliates to actively manage the assets of the Investment Compartment and make the actual trading and investment decisions upon which the success of the Investment Compartment will significantly depend. No assurance can be given that the trading and investment approaches they utilize will be successful. There can be no assurance that satisfactory replacements for the Manager will be available if the Investment Management Agreement is terminated and this may expose investors to the risks involved in whatever new investment management arrangements the Manager is able to negotiate.

The Investment Compartment has an obligation to indemnify the Manager for any liabilities incurred under certain conditions and there is no insurance for such losses for which the

Investment Compartment has agreed to indemnify the Manager. Any indemnification paid by the Investment Compartment would reduce the Investment Compartment's asset value and therefore the value of the Shares.

**Risk of Leverage**

The Investment Compartment may incur external borrowings in connection with the investments of the Investment Compartment. Although the use of leverage may enhance returns and increase the number of investments that can be made, it may also substantially increase the risk of loss. The use of leverage will subject the Investment Compartment to risks normally associated with debt financing, including the risk that the Investment Compartment's cash flow may be insufficient to meet required payments of principal and interest, the risk that indebtedness on the properties may not be able to be refinanced and the risk that the terms of such refinancing may not be as favourable as the terms of the existing indebtedness. In addition, the Investment Compartment may incur indebtedness that may bear interest at variable rates. Variable rate debt creates higher debt service requirements if market interest rates increase, which would adversely affect the Investment Compartment.

**Credit Risk**

The economic outlook of a particular market might worsen which might result in downgrading by major rating agencies which in turn might cause the cost of borrowing in a particular country to rise and.

**Non-diversification risk**

The Investment Compartment may at certain times hold relatively few investments. The Investment Compartment could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected.

**Political risk**

The political risks are related to the possible rise of internal political disturbances and unfavourable changes in the economic legislation. This risk relates to the possibility that the government of a certain country may adversely change its policy and business environment, in which companies work.

**Tax Considerations**

The intention of the Investment Compartment is to structure its investments in a manner that is intended to achieve the Investment Objectives and intended to mitigate tax charges and duties in the country of investment, taking into account the tax laws, administrative practices, applicable double tax treaties and other rules which should be relevant in that country. However, there can be no guarantee that the structure of the Investment Compartment or any investment will be tax efficient for a particular Participating Shareholder or that any particular tax status will be achieved. Tax laws are complex and quite often not completely clear, and the tax consequences of a particular structure chosen might be questioned or might be subject to challenge by the relevant tax authority in the country concerned. Furthermore, tax laws may change, so that the tax consequences of a particular investment may adversely change after it has been made. The Investment Compartment's intermediate Subsidiary companies or the Investors may be subject to income taxes or other taxes in multiple jurisdictions outside of their

country. In addition, withholding tax or other taxes may be imposed on earnings of the Investment Compartment from investments in such jurisdictions. Local tax incurred in various jurisdictions by the Investment Compartment or entities through which it invests may not be creditable to or deductible by the Participating Shareholders. In the case of the non-accession of one or more of the Target Markets in the EU, such a no accession might impact the tax efficiency of the Investment Compartment structure as contemplated.

## FEES AND OTHER EXPENSES

The Investment Compartment shall bear its attributable portion of the operating expenses, and service provider fees of the Company. A summary of such fees and expenses is set out in Section 16 of the Offering Memorandum.

### *Set-up costs*

The Investment Compartment shall bear its attributable portion of the set-up costs of the Company.
The Investment Compartment shall also bear any set up costs relating to its own launching.

### *Management Fee*

The Manager shall be entitled to receive a Management Fee up to a maximum of 1,5% per annum of the Net Asset Value of the Investment Compartment with a minimum fee of EUR 25,000.

### *Performance Fee*

The Manager shall be entitled to receive a Performance Fee of 0 - 20% of the positive return generated by the Investment Compartment per annum.

### *Other Expenses*

The Board of Directors, or otherwise may be delegated to the Manager are entitled to be reimbursed any expenses properly incurred by it on behalf of the Investment Compartment. Such expenses shall include but shall not be limited to: expenses for legal, auditing and consulting services incurred; expenses in the supply of information to shareholders; and expenses properly incurred by the Board of Directors, or otherwise may be delegated to the Manager in carrying out any duties.

### *Administration fee*

The Administrator, the Fund is obliged to pay an annual fee for the administration services provided. The Administration fee will be accrued and calculated on each valuation date. Further details in regard to the fee and any additional charges are further specified in the Administration Agreement.

### *Regulatory fee*

The Fund is obliged to pay an annual contribution of EUR 300 to CySEC.

# SUPPLEMENT 3 – ULTIMA THULE INVESTMENT FUND

This **Supplement** dated 27th May 2019 refers to **ULTIMA THULE INVESTMENT FUND**, an Investment Compartment of **V.I.L VENUS ISLAND AIFLNP V.C.I.C LIMITED, a** Company incorporated under the Companies Law, Cap. 113 on 21st March 2016, with registration number HE 353672 and authorized by the CySEC to operate as an Alternative Investment Fund with limited number of persons in the form of a limited liability company by shares as an open-ended investment company of variable capital as provided for in Part VII of the Alternative Investment Funds Law of 2018 or in any other law which replaces or amends it and create multiple Investment Compartments under operation license number LPAIF24/2014.

This **Supplement** should be read in the context of and in conjunction with the Offering Memorandum of **V.I.L VENUS ISLAND AIFLNP V.C.I.C LIMITED** dated 22nd November 2016. All capitalized terms shall have the same definition as in the Offering Memorandum. To the extent of any inconsistency between the terms of this **Supplement** and the Offering Memorandum, this **Supplement** shall prevail with respect to the Investment Compartment.

The Directors of the Company, whose names appear in Section 11 of the Offering Memorandum, accept responsibility for the information contained in this **Supplement**. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this **Supplement** is in accordance with the facts and does not omit anything likely to affect the import of such information.

This **Supplement** contains specific information in relation to the Investment Compartment and Investor Shares of the Investment Compartment being offered as of the date noted above.

## SUMMARY OF TERMS AND CHARACTERISTICS

| Name | ULTIMA THULE INVESTMENT FUND |
|---|---|
| Type | Multi-strategy focusing on Alternative Investments, private equity and Real Estate |
| Geographical Region of Operations | Worldwide |
| Valuation Frequency | NAV calculated on an annually Basis and on any other date the Board of Directors may determine at its own discretion |
| Denomination | EURO |
| Target Capital Raising | EUR 40,000,000 |
| Minimum Capital Raising | EUR 500,000 |
| Management Fee | ➢ Flat fee € 25.000 for NAV up to € 20.000.000 per Annum (or)<br>➢ Flat fee € 50.000 for NAV up to € 40.000.000 per Annum |
| Performance Fee | n/a |

| | |
|---|---|
| Risk Factors | Investors' attention is drawn to the risks outlined in this **Supplement** and in Section 17 of the Offering Memorandum |

## DIRECTORY

| | |
|---|---|
| Manager | GMM Global Money Managers Ltd |
| Board of Directors | Mrs. Vasiliki Tarasi –Non-Executive Director<br>Mr. Epaminondas Metaxas– Non-Executive Director |
| Banker | Eurobank Limited |
| Administrator | Treppides Fund Services Limited |

## SHARE OFFERING

| **Type of Investors** | **Professional & Well Informed** |
|---|---|
| Anticipated number of Investors | Up to 25 persons on an aggregate basis of all investments compartments |
| Reference Currency | EURO |
| Investors Country of Domicile | European Countries |
| US Investors | No |
| Initial Subscription Price | EUR 1,000 |
| Minimum subscription amount | EUR 500,000 |
| Minimum subsequence subscription amount | EUR 1,000 |
| Initial Subscription Date | Upon licensing of the Investment Compartment |
| Cut-Off Date for Subscriptions | 15 Business Days |
| Cut-Off Date for Redemptions | 15 Business Days |
| Frequency of Investor Subscriptions | Annually and on any other date the Board of Directors may determine at its own discretion, performing also valuation of NAV |
| Lock Up Period | None |
| Frequency of Investor Redemptions | Annually and on any other date the Board of Directors may determine at its own discretion, performing also valuation of NAV |
| Subscription Fee | 0-3% |
| Redemption Fee | N/A |
| Distribution Policy | Interim or Annual Dividends payable to the investors derived from the net profits of the Investment Compartment, upon the discretion of the Directors, or as otherwise may be delegated to the Manager. |

## INVESTMENT OBJECTIVE

The Investment Compartment's primary investment objective is to follow an alternative investment strategy focusing in the private equity sector and the real estate market designed to provide its investors with superior, long-term capital growth with attractive returns by investing in equity of private companies (with any nature of business activities) and commercial and residential real estate projects that the Manager of the Fund believes have special investment value.

## INVESTMENT STRATEGY

The Investment Compartment intents to invest in private companies (with any nature of business activities) organizations active in real estate projects including land development and infrastructure projects worldwide and in financial instruments not requiring depositary. The Investment Compartment may also seek to add value through investing the extra liquidity in deposits with Banks that will produce steady fixed income payments.

Since the Fund is externally managed, the Investment strategy of the Investment Compartment shall be formulated and implemented by GMM Global Money Managers Ltd. The External Manager shall exercise its investment management function and more specifically shall identify opportunities and operate within the parameters outlined in accordance with the determined Investment Strategy and policies. The Manager will engage, if necessary, investment advisors at its own cost to assist in the performance of investment strategies that require the involvement of a specialist.

Research will be conducted to support investment decisions, which covers analysis on macroeconomics and public information, and the latest developments of the targeted investments that are part of the Company's investment portfolio.

## USE OF LEVERAGE

The Fund, on behalf of the Investment Compartment, may make use of leverage on the Fund's assets in cases where the Manager will determine that it is in the best interest of the investors and the performance of their units.

The ratio of total indebtedness of the Investment Compartment (determined on an individual basis) to net asset value shall not exceed 200% throughout the life of the Investment Compartment.

The Investment Compartment may seek leverage through borrowing of cash loans and through derivatives products. Some of the Investment Compartment's assets may also be held on an ancillary basis in cash or cash equivalents, pending reinvestment. Any such assets will not be held for speculative purposes but will be ancillary to the primary investment strategy of the Company.

## TARGET MARKETS

The investment compartment will invest worldwide.

## INVESTMENT PROCEDURE

The investment compartment **Ultima Thule Investment Fund** will have a stock picking approach regarding the investments in non-listed entities – companies either in the form of equity and/or debt, targeting in hidden values and upside potential of their business. After considering macroeconomic and microeconomic data and analyzing all the available information about the specific sectors, each targeted investment is approved and implemented. Spinoffs, private placements, M&A's (Mergers and Acquisitions) will be part of the implemented strategies depending on each specific investment requirements.
In relation to real estate investments that produce a steady annual yield return, the Manager will proceed to a market analysis of the interest rates, the real estate market and take into consideration the macroeconomic available data.

The Investment Compartment's investments will be made directly as well as through Special Purpose Vehicles (SPVs).

## INVESTMENT PROCESS

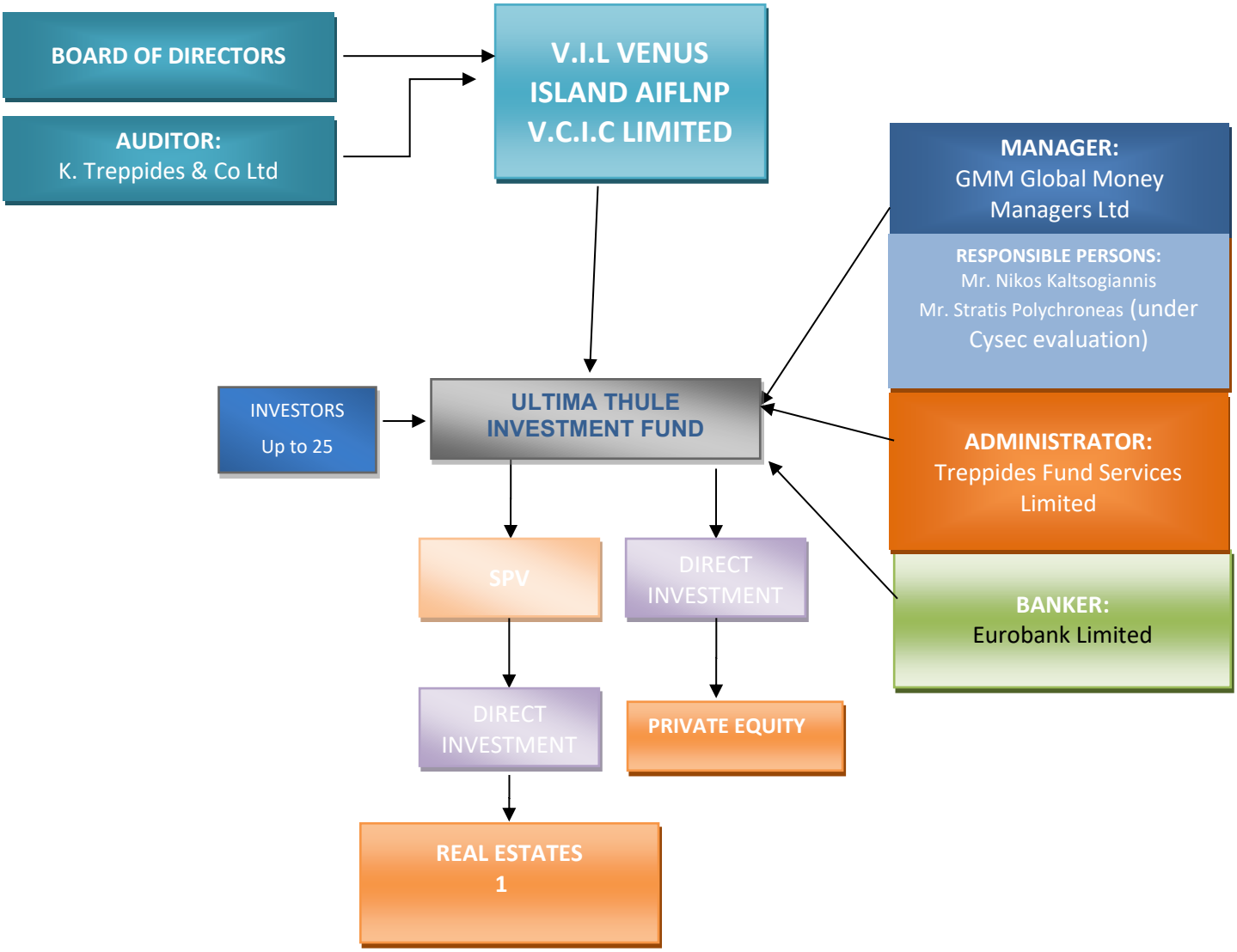
The Manager will follow a thorough investment process that may include extensive due diligence and market research.

The Manager will take a hands-on management approach towards all investments in order to create maximum value throughout the realization process by utilizing their financial skills and access to an extended network of providers.

The Manager will aim to engage leading local law firms to perform the legal due diligence and draft all the investment documents, as well as leading accounting firms to undertake the requisite accounting and financial due diligence. Subject to completion of satisfactory due diligence, the investment opportunities will be approved.

## ORGANISATIONAL STRUCTURE

**Ultima Thule Investment Fund** is an Investment Compartment created under the Umbrella of V.I.L Venus Island Limited pursuant to the AIF Law.




## PAST PERFORMANCE

The Investment Compartment has no past performance as of the date of this **Supplement**.

## NET ASSET VALUE AND VALUATION DAY

The Investment Compartment's assets will, together with any cash or cash equivalents and any fees and expenses, be valued on the last business day of each valuation period of the fiscal year. The Valuation Day is also set out in Section 18 of the Offering Memorandum.

The Net Asset Value will be calculated at the close of business on each Valuation Date and on any other date the Manager may determine at its own discretion.

## INITIAL OFFERING PERIOD

The initiation of investment operations is conditional upon a minimum capital raise of EUR 500.000 before expenses, being raised no later than the Last Subscription Date, otherwise becoming unconditional. The Investment Compartment intends to use the net raised capital as consideration for its future investments. In the event of not completing the minimum capital raise by the Last Subscription Date, the amount collected will be returned to the Investors plus accrued interest.

## SUBSCRIPTION

### *Eligible Investors*

An investment in the Investment Compartment is designated to be a medium- to long-term investment. Investors should not expect to obtain short-term gains from such investment. The Investment Compartment is suitable for Professional and Well-Informed investors who can afford to set aside the capital for the medium- to long-term and who seek an investment with a medium to high risk profile. The Investment Compartment may not be appropriate for investors who plan to withdraw their money within a short period of time.

### *Subscription Dates*

Subscriptions in the Investment Compartment are effective on the last business day of each valuation period of the fiscal year.

### *Subscription Procedure*

Shares in the Investment Compartment may be subscribed for during the Initial Offering Period at the Initial Subscription Price of EURO 1,000 each as determined above and thereafter, on each Valuation Day at the Subscription Price calculated with reference to the Net Asset Value per Share on the applicable Valuation Day.

The subscription procedure is set out in the Offering Memorandum in Section 7.

Completed and Signed Subscription Agreements should be received by the Administrator at least fifteen (15) Business Days prior to the Valuation Date. Investors should settle payment of the subscription monies one (1) Business Day prior to the Valuation Day. Payment of subscription monies should be made to the bank account whose details are provided in the Subscription Agreement. During the IOP, Shares will be issued on the Last Subscription Date and thereafter one (1) Business Day after the Valuation Day, being the Dealing Day.

### *Contribution in Kind*

An Investor is allowed to subscribe to Shares in the Investment Compartment by contributing consideration in kind related to the investments and relevant strategy of Ultima Thule Investment Fund. The respective Capital Contribution of the Investor will be assessed on the basis of at least one independent Valuer report as confirmed and approved by the Board of Directors.

### *Subscription Fee*

Upon subscription of shares the Board of Directors, or otherwise may be delegated to the Manager reserve the right to charge a Subscription Fee of 0-3% of the subscription monies, payable by the Investors. The Board of Directors, or otherwise may be delegated to the Manager reserve the right to reduce or waive any Subscription Fee.

## REDEMPTION

Shares in the Investment Compartment may be redeemed on the Redemption Dates stated below at a Redemption Price calculated on the basis of the Net Asset Value per Share as determined on the applicable Valuation Day.

The redemption procedure is set out in the Offering Memorandum in Section 20.

Completed and Signed Redemption Request Forms should be received by the Administrator at least fifteen (15) Business Days prior to the Valuation Date. Payment for Shares redeemed will be paid in cash in the Reference Currency of the Class concerned not later than fifteen (15) Business Days following the relevant Valuation Day. Redeemable Shares will be cancelled one (1) Business Day after the Valuation Day, being the Dealing Day.

### *Redemption Dates*

Investors will be able to redeem their shares on the last business day of each valuation period of the fiscal year.

### *Limitation on Redemptions*

Investors shall be entitled, to submit a request for the redemption of up to 25% of each Investor Share contribution (initial and subsequent). However, any such redemption percentage may be increased or decreased up to the discretion of the Board of Directors.

### *Redemption Fee*

No Redemption fee.

## MANAGER

GMM Global Money Managers Ltd will act as the Manager of the Investment Compartment and shall be responsible for the performance of the investment strategy as further specified in section “Investment Strategy” of this **Supplement**. The background of the Manager is set out in the Offering Memorandum in Section 12.

The Manager has set all the relevant procedures in place in order to segregate the assets and liabilities of FIVA Investment Fund from other future Investment Compartments that may be established in the Umbrella structure and from those of the main Fund as a standalone or on consolidated basis. Mr. Nikos Kaltsogiannis and Mr. Stratis Polychroneas will be responsible for the management and the monitoring of the activities of the Investment Compartment as well as for marketing of the Investor Shares.

| ***Mr. Nikos Kaltsogiannis*** |
|---|
| Mr. Nikos Kaltsogiannis is a portfolio manager and equities analyst certified by the Hellenic Capital Market Commission. Also, he has passed the Advanced Examination on Financial Services Legal Framework from the Cyprus Securities & Exchange Commission. He holds a degree in Business Administration from the University of Piraeus and a Masters in International Securities, Investment & Banking from the ICMA Centre of Education - Henley Business School –University of Reading. In the past, he was an executive at leading companies in the financial sector such as the Omega Bank Group, the Alpha Bank Group, Interinvest Portfolio Management, Solidus Securities Investment Firm and others. He is a member of the Economic Chamber of Greece, the ICMA Educational Committee, the Asset Management & Investment Council of ICMA and Chairman of the Regional Committee of ICMA for Greece, Cyprus, Turkey and the Balkans. At GMM he is the Chief Investment Officer, and member of the Investment Committee as well as Executive Director on the Company's Board of Directors. |
| ***Mr. Stratis Polychroneas*** |
| Mr. ***Stratis Polychroneas*** received a Bachelor in Mathematics from Baylor University and an MS in Mathematics, as well as an MBA in Finance. From 2001 onwards he has worked in a number of brokerage firms in Greece, including Hellenic Seecurities, Fortius Finance, Artion Securities, Solidus Securities, MIDAS Securities and some others. He was engaged with market research, trading, etc.<br>He has also worked as Risk Manager. At GMM he is a member of the Portfolio Management team and his appointment is evaluated by Cysec. |

## ADMINISTRATOR

The administration duties of the Investment Compartment will be assigned to the Company's Administrator. Treppides Fund Services Limited has been appointed as the Administrator of the Investment Compartment and shall be responsible for the performance of the administration services as these are described in section 6(1)(b) of the AIF Law. The background of the Administrator is set out in the Offering Memorandum in Section 13.

The Administrator has set all the relevant procedures in place, in order to segregate the assets and liabilities of Troodos Fund from other future Investment Compartments that may be established in the Umbrella structure and from those of the main Fund as a standalone or on consolidated basis. More specific, the Administrator will:

- hold a separate Register for the Investors investing in the Investment Compartment
- record the investments of the Investment Compartment in separate statements for its own valuations
- hold separate accounting records for the Investment Compartment
- proceed to NAV calculation solely for the Investment Compartment

## DEPOSITARY

The Fund has not appointed a Depositary as it has been exempted subject to the provisions of the AIF Law. Further details pertaining to the Depositary are set out in Section 14 "Depositary" of the Offering memorandum.

The Investment Compartment shall primarily invest in the Private equity and Real Estate sectors and will also invest in fixed deposits which pay interest. The investment strategy of the Investment Compartment do not include listed assets and do not fall under the definition of "financial instruments" within the meaning of the Investment Services and Activities and

Regulated Markets Law of 2007. The applicable Registrar shall keep records of the ownership of private equity shares and the Secretary of the Fund will hold the titles of other assets not subject to custody e.g. real estate titles and bond contracts.

## BANKER

Eurobank Limited has been appointed responsible for safekeeping of the Investment Compartment's cash which are held either directly by the Banker or through other agents as appointed from time to time.

The banker has no decision-making discretion relating to the investment compartment's and shall not act as a broker for the company as a whole or for any of the investment compartments. Safekeeping of assets will not be performed by the banker shares

The Investment Compartment will issue shares in un-certificated registered form. Title to registered shares is evidenced by entries in the Company's Register.

## RISKS RELATING TO THE INVESTMENT COMPARTMENT

**Lack of operating history - No Assurance of Achieving Investment Objectives**

The Investment Compartment is newly incorporated and has not yet commenced operations. Therefore, there is no history against which to evaluate the Investment Compartment's future prospects and the performance of the Investor Shares. There can be no guarantee that the Investment Compartment will meet its investment objectives or that an investment in Investor Shares will earn a positive return. Moreover, the past performance of key executives of the Investment Manager may not be construed as an indication of a participation in the Investment Compartment.

**Illiquidity**

An investment in Shares provides limited liquidity since redemptions are permitted only on an annual basis. In addition, due to the nature of the Investment Compartment's investments it may be relatively difficult for the Investment Compartment to dispose of investments rapidly at favourable prices in connection with redemption requests, adverse market developments or other factors.

**Management Risk**

The Investment Compartment relies on the abilities of the Manager and any affiliates to actively manage the assets of the Investment Compartment and make the actual trading and investment decisions upon which the success of the Investment Compartment will significantly depend. No assurance can be given that the trading and investment approaches they utilize will be successful. There can be no assurance that satisfactory replacements for the Manager will be available if the Investment Management Agreement is terminated and this may expose investors to the risks involved in whatever new investment management arrangements the Manager is able to negotiate.

The Investment Compartment has an obligation to indemnify the Manager for any liabilities incurred under certain conditions and there is no insurance for such losses for which the Investment Compartment has agreed to indemnify the Manager. Any indemnification paid by

the Investment Compartment would reduce the Investment Compartment's asset value and therefore the value of the Shares.

**Risk of Leverage**

The Investment Compartment may incur external borrowings in connection with the investments of the Investment Compartment. Although the use of leverage may enhance returns and increase the number of investments that can be made, it may also substantially increase the risk of loss. The use of leverage will subject the Investment Compartment to risks normally associated with debt financing, including the risk that the Investment Compartment's cash flow may be insufficient to meet required payments of principal and interest, the risk that indebtedness on the properties may not be able to be refinanced and the risk that the terms of such refinancing may not be as favourable as the terms of the existing indebtedness. In addition, the Investment Compartment may incur indebtedness that may bear interest at variable rates. Variable rate debt creates higher debt service requirements if market interest rates increase, which would adversely affect the Investment Compartment.

**Credit Risk**

The economic outlook of a particular market might worsen which might result in downgrading by major rating agencies which in turn might cause the cost of borrowing in a particular country to rise and.

**Non-diversification risk**

The Investment Compartment may at certain times hold relatively few investments. The Investment Compartment could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected.

**Political risk**

The political risks are related to the possible rise of internal political disturbances and unfavourable changes in the economic legislation. This risk relates to the possibility that the government of a certain country may adversely change its policy and business environment, in which companies work.

**Tax Considerations**

The intention of the Investment Compartment is to structure its investments in a manner that is intended to achieve the Investment Objectives and intended to mitigate tax charges and duties in the country of investment, taking into account the tax laws, administrative practices, applicable double tax treaties and other rules which should be relevant in that country. However, there can be no guarantee that the structure of the Investment Compartment or any investment will be tax efficient for a particular Participating Shareholder or that any particular tax status will be achieved. Tax laws are complex and quite often not completely clear, and the tax consequences of a particular structure chosen might be questioned or might be subject to challenge by the relevant tax authority in the country concerned. Furthermore, tax laws may change, so that the tax consequences of a particular investment may adversely change after it has been made. The Investment Compartment's intermediate Subsidiary companies or the

Investors may be subject to income taxes or other taxes in multiple jurisdictions outside of their country. In addition, withholding tax or other taxes may be imposed on earnings of the Investment Compartment from investments in such jurisdictions. Local tax incurred in various jurisdictions by the Investment Compartment or entities through which it invests may not be creditable to or deductible by the Participating Shareholders. In the case of the non-accession of one or more of the Target Markets in the EU, such a no accession might impact the tax efficiency of the Investment Compartment structure as contemplated.

## FEES AND OTHER EXPENSES

The Investment Compartment shall bear its attributable portion of the operating expenses, and service provider fees of the Company. A summary of such fees and expenses is set out in Section 16 of the Offering Memorandum.

### *Set-up costs*

The Investment Compartment shall bear its attributable portion of the set-up costs of the Company.
The Investment Compartment shall also bear any set up costs relating to its own launching.

### *Management Fee*

The Manager shall be entitled to receive a Management Fee of € 25.000 when the NAV is up to € 20.000.000 per annum (or) a fee of € 50.000 when the NAV is up to € 40.000.000 per annum.

### *Performance Fee*

No performance fee.

### *Other Expenses*

The Board of Directors, or otherwise may be delegated to the Manager are entitled to be reimbursed any expenses properly incurred by it on behalf of the Investment Compartment. Such expenses shall include but shall not be limited to: expenses for legal, auditing and consulting services incurred; expenses in the supply of information to shareholders; and expenses properly incurred by the Board of Directors, or otherwise may be delegated to the Manager in carrying out any duties.

### *Administration fee*

The Fund is obliged to pay an annual fee for the administration services provided. The Administration fee will be accrued and calculated on each valuation date. Further details in regard to the fee and any additional charges are further specified in the Administration Agreement.

### *External Audit Fee*

The Fund shall also be obliged to pay an annual fee to the entity acting as the External Auditor of the Fund, for the provision of auditing services. The fee payable to the auditor will be specified to the agreement to be concluded between the two parties in accordance to the services to be provided.

### *Regulatory fee*

The Fund is obliged to pay an annual contribution of EUR 300 to CySEC.

# SUPPLEMENT 4 – GO INVESTMENT FUND

This **Supplement** dated 23rd January 2023 refers to **GO INVESTMENT FUND**, an Investment Compartment of **V.I.L VENUS ISLAND AIFLNP V.C.I.C LIMITED, a** Company incorporated under the Companies Law, Cap. 113 on 21st March 2016, with registration number HE 353672 and authorized by the CySEC to operate as an Alternative Investment Fund with limited number of persons in the form of a limited liability company by shares as an open-ended investment

company of variable capital as provided for in Part VII of the Alternative Investment Funds Law of 2018 or in any other law which replaces or amends it and create multiple Investment Compartments under operation license number LPAIF24/2014.

This **Supplement** should be read in the context of and in conjunction with the Offering Memorandum of **V.I.L VENUS ISLAND AIFLNP V.C.I.C LIMITED** dated 22nd November 2016. All capitalized terms shall have the same definition as in the Offering Memorandum. To the extent of any inconsistency between the terms of this **Supplement** and the Offering Memorandum, this **Supplement** shall prevail with respect to the Investment Compartment.

The Directors of the Company, whose names appear in Section 11 of the Offering Memorandum, accept responsibility for the information contained in this **Supplement**. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this **Supplement** is in accordance with the facts and does not omit anything likely to affect the import of such information.

This **Supplement** contains specific information in relation to the Investment Compartment and Investor Shares of the Investment Compartment being offered as of the date noted above.

## SUMMARY OF TERMS AND CHARACTERISTICS

| **Name** | **GO INVESTMENT FUND** |
|---|---|
| Type | Multi-strategy focusing on Alternative Investments, private equity |
| Geographical Region of Operations | Worldwide |
| Valuation Frequency | NAV calculated on an annually Basis and on any other date the Board of Directors may determine at its own discretion |
| Denomination | EURO |
| Target Capital Raising | EUR 15,000,000 |
| Minimum Capital Raising | EUR 500,000 |
| Management Fee | ➢ Up to 0,50% on NAV per Annum when the assets of the Compartment are up to EUR 15.000.000<br>➢ Up to 0,40% on NAV per Annum when the assets of the Compartment are above EUR 15.000.000<br><br>The Management fee bears a minimum fee charge of EUR 49.000 per Annum |
| Performance Fee | The Compartment will bear a Performance fee charge on the positive return generated on the NAV per annum as follows:<br>➢ Up to 3% of a positive return up to EUR 3.000.000,<br>➢ Up to 2% of a positive return between EUR 3.000.000 and EUR 10.000.000, and<br>➢ Up to 1% of a positive return above EUR 10.000.000. |
| Risk Factors | Investors' attention is drawn to the risks outlined in this **Supplement** and in Section 17 of the Offering Memorandum |

## DIRECTORY

| | |
|---|---|
| Manager | GMM Global Money Managers Ltd |
| Board of Directors | Mrs. Vasiliki Tarasi – Non-Executive Director<br>Mr. Epaminondas Metaxas– Non-Executive Director |
| Banker | Eurobank Limited |
| Administrator | Treppides Fund Services Limited |

## SHARE OFFERING

| Type of Investors | Professional & Well Informed |
|---|---|
| Anticipated number of Investors | Up to 25 persons on an aggregate basis of all investments compartments |
| Reference Currency | EURO |
| Investors Country of Domicile | European Countries |
| US Investors | No |
| Initial Subscription Price | EUR 1,000 |
| Minimum subscription amount | EUR 500,000 |
| Minimum subsequence subscription amount | EUR 1,000 |
| Initial Subscription Date | Upon licensing of the Investment Compartment |
| Cut-Off Date for Subscriptions | 15 Business Days |
| Cut-Off Date for Redemptions | 15 Business Days |
| Frequency of Investor Subscriptions | Annually and on any other date the Board of Directors may determine at its own discretion, performing also valuation of NAV |
| Lock Up Period | None |
| Frequency of Investor Redemptions | Annually and on any other date the Board of Directors may determine at its own discretion, performing also valuation of NAV |
| Subscription Fee | 0-3% |
| Redemption Fee | N/A |
| Distribution Policy | Interim or Annual Dividends payable to the investors derived from the net profits of the Investment Compartment, upon the discretion of the Directors, or as otherwise may be delegated to the Manager. |

## INVESTMENT OBJECTIVE

The Investment Compartment's primary investment objective is to follow an alternative investment strategy focusing in the private equity sector designed to provide its investors with superior, long-term capital growth with attractive returns by investing in equity of private

companies (with any nature of business activities) that the Manager of the Fund believes have special investment value.

## INVESTMENT STRATEGY

The Investment Compartment intents to invest in private companies (with any nature of business activities) and in financial instruments not requiring depositary. The Investment Compartment may also seek to add value through investing the extra liquidity in deposits with Banks that will produce steady fixed income payments.
Since the Fund is externally managed, the Investment strategy of the Investment Compartment shall be formulated and implemented by GMM Global Money Managers Ltd. The External Manager shall exercise its investment management function and more specifically shall identify opportunities and operate within the parameters outlined in accordance with the determined Investment Strategy and policies. The Manager will engage, if necessary, investment advisors at its own cost to assist in the performance of investment strategies that require the involvement of a specialist.

Research will be conducted to support investment decisions, which covers analysis on macroeconomics and public information, and the latest developments of the targeted investments that are part of the Company's investment portfolio.

## USE OF LEVERAGE

The Fund, on behalf of the Investment Compartment, may make use of leverage on the Fund's assets in cases where the Manager will determine that it is in the best interest of the investors and the performance of their units.

The ratio of total indebtedness of the Investment Compartment (determined on an individual basis) to net asset value shall not exceed 200% throughout the life of the Investment Compartment.

The Investment Compartment may seek leverage through borrowing of cash loans and through derivatives products. Some of the Investment Compartment's assets may also be held on an ancillary basis in cash or cash equivalents, pending reinvestment. Any such assets will not be held for speculative purposes but will be ancillary to the primary investment strategy of the Company.

## TARGET MARKETS

The investment compartment will invest worldwide.

## INVESTMENT PROCEDURE

The investment compartment Go Investment Fund will have a stock picking approach regarding the investments in non-listed entities – companies either in the form of equity and/or debt, targeting in hidden values and upside potential of their business. After considering macroeconomic and microeconomic data and analyzing all the available information about the specific sectors, each targeted investment is approved and implemented. Spinoffs, private

placements, M&A's (Mergers and Acquisitions) will be part of the implemented strategies depending on each specific investment requirements.

The Investment Compartment's investments will be made directly as well as through Special Purpose Vehicles (SPVs).

## INVESTMENT PROCESS

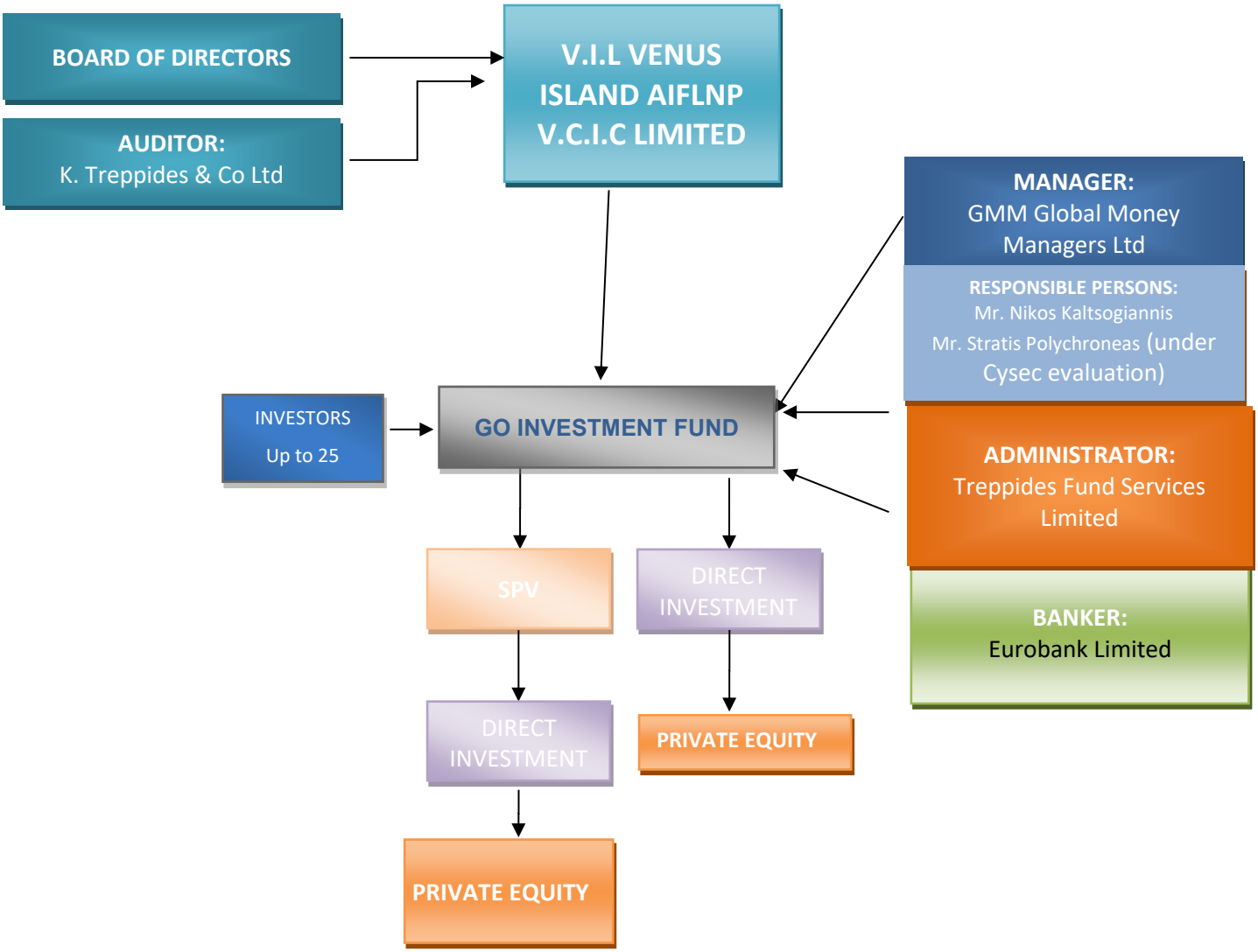
The Manager will follow a thorough investment process that may include extensive due diligence and market research.

The Manager will take a hands-on management approach towards all investments in order to create maximum value throughout the realization process by utilizing their financial skills and access to an extended network of providers.

The Manager will aim to engage leading local law firms to perform the legal due diligence and draft all the investment documents, as well as leading accounting firms to undertake the requisite accounting and financial due diligence. Subject to completion of satisfactory due diligence, the investment opportunities will be approved.

## ORGANISATIONAL STRUCTURE

**Go Investment Fund** is an Investment Compartment created under the Umbrella of V.I.L Venus Island Limited pursuant to the AIF Law.




## PAST PERFORMANCE

The Investment Compartment has no past performance as of the date of this **Supplement**.

## NET ASSET VALUE AND VALUATION DAY

The Investment Compartment's assets will, together with any cash or cash equivalents and any fees and expenses, be valued on the last business day of each valuation period of the fiscal year. The Valuation Day is also set out in Section 18 of the Offering Memorandum.

The Net Asset Value will be calculated at the close of business on each Valuation Date and on any other date the Manager may determine at its own discretion.

## INITIAL OFFERING PERIOD

The initiation of investment operations is conditional upon a minimum capital raise of EUR 500.000 before expenses, being raised no later than the Last Subscription Date, otherwise becoming unconditional. The Investment Compartment intends to use the net raised capital as consideration for its future investments. In the event of not completing the minimum capital raise by the Last Subscription Date, the amount collected will be returned to the Investors plus accrued interest.

## SUBSCRIPTION

### *Eligible Investors*

An investment in the Investment Compartment is designated to be a medium- to long-term investment. Investors should not expect to obtain short-term gains from such investment. The Investment Compartment is suitable for Professional and Well-Informed investors who can afford to set aside the capital for the medium- to long-term and who seek an investment with a medium to high risk profile. The Investment Compartment may not be appropriate for investors who plan to withdraw their money within a short period of time.

### *Subscription Dates*

Subscriptions in the Investment Compartment are effective on the last business day of each valuation period of the fiscal year.

### *Subscription Procedure*

Shares in the Investment Compartment may be subscribed for during the Initial Offering Period at the Initial Subscription Price of EURO 1,000 each as determined above and thereafter, on each Valuation Day at the Subscription Price calculated with reference to the Net Asset Value per Share on the applicable Valuation Day.

The subscription procedure is set out in the Offering Memorandum in Section 7.

Completed and Signed Subscription Agreements should be received by the Administrator at least fifteen (15) Business Days prior to the Valuation Date. Investors should settle payment of the subscription monies one (1) Business Day prior to the Valuation Day. Payment of subscription monies should be made to the bank account whose details are provided in the Subscription Agreement. During the IOP, Shares will be issued on the Last Subscription Date and thereafter one (1) Business Day after the Valuation Day, being the Dealing Day.

### *Contribution in Kind*

An Investor is allowed to subscribe to Shares in the Investment Compartment by contributing consideration in kind related to the investments and relevant strategy of **Go Investment Fund**. The respective Capital Contribution of the Investor will be assessed on the basis of at least one independent Valuer report as confirmed and approved by the Board of Directors.

### *Subscription Fee*

Upon subscription of shares the Board of Directors, or otherwise may be delegated to the Manager reserve the right to charge a Subscription Fee of 0-3% of the subscription monies, payable by the Investors. The Board of Directors, or otherwise may be delegated to the Manager reserve the right to reduce or waive any Subscription Fee.

## REDEMPTION

Shares in the Investment Compartment may be redeemed on the Redemption Dates stated below at a Redemption Price calculated on the basis of the Net Asset Value per Share as determined on the applicable Valuation Day.

The redemption procedure is set out in the Offering Memorandum in Section 20.

Completed and Signed Redemption Request Forms should be received by the Administrator at least fifteen (15) Business Days prior to the Valuation Date. Payment for Shares redeemed will be paid in cash or in kind in the Reference Currency of the Class concerned not later than fifteen (15) Business Days following the relevant Valuation Day. Redeemable Shares will be cancelled one (1) Business Day after the Valuation Day, being the Dealing Day.

### *Redemption Dates*

Investors will be able to redeem their shares on the last business day of each valuation period of the fiscal year.

### *Limitation on Redemptions*

Investors shall be entitled, to submit a request for the redemption of up to 25% of each Investor Share contribution (initial and subsequent). However, any such redemption percentage may be increased or decreased up to the discretion of the Board of Directors.

### *Redemption Fee*

No Redemption fee.

## MANAGER

GMM Global Money Managers Ltd will act as the Manager of the Investment Compartment and shall be responsible for the performance of the investment strategy as further specified in section "Investment Strategy" of this **Supplement**. The background of the Manager is set out in the Offering Memorandum in Section 12.

The Manager has set all the relevant procedures in place in order to segregate the assets and liabilities of **GO INVESTMENT FUND** from other future Investment Compartments that may be established in the Umbrella structure and from those of the main Fund as a standalone or on consolidated basis. Mr. Nikos Kaltsogiannis and Mr. Stratis Polychroneas will be responsible for the management and the monitoring of the activities of the Investment Compartment as well as for marketing of the Investor Shares.

| ***Mr. Nikos Kaltsogiannis*** |
| --- |
| Mr. Nikos Kaltsogiannis is a portfolio manager and equities analyst certified by the Hellenic Capital Market Commission. He holds a degree in Business Administration from the University of Piraeus and a Masters in International Securities, Investment & Banking from the ICMA Centre of Education - Henley Business School –University of Reading. Between January 2007 and the present-day he has held the post of Executive Director and member of the Board of Directors of Solidus Securities Investment Firm. In the past, he was an executive at leading companies in the financial sector such as the Omega Bank Group, the Alpha Bank Group, Inter invest Portfolio Management and others. He is a member of the Economic Chamber of Greece, the ICMA Educational Committee, the Asset Management & Investment Council of ICMA and Chairman of the Regional Committee of ICMA for Greece, Cyprus, Turkey and the |

Balkans. At GMM he is the Chief Investment Officer of the Company, and member of the Investment Committee as well as Executive Director on the Company's Board of Directors.

***Mr. Stratis Polychroneas***

Mr. ***Stratis Polychroneas*** received a Bachelor in Mathematics from Baylor University and an MS in Mathematics, as well as an MBA in Finance. From 2001 onwards he has worked in a number of brokerage firms in Greece, including Hellenic Seecurities, Fortius Finance, Artion Securities, Solidus Securities, MIDAS Securities and some others. He was engaged with market research, trading, etc.
He has also worked as Risk Manager. At GMM he is a member of the Portfolio Management team and his appointment is evaluated by Cysec.

## ADMINISTRATOR

The administration duties of the Investment Compartment will be assigned to the Company's Administrator. Treppides Fund Services Limited has been appointed as the Administrator of the Investment Compartment and shall be responsible for the performance of the administration services as these are described in section 6(1)(b) of the AIF Law. The background of the Administrator is set out in the Offering Memorandum in Section 13.

The Administrator has set all the relevant procedures in place, in order to segregate the assets and liabilities of Troodos Fund from other future Investment Compartments that may be established in the Umbrella structure and from those of the main Fund as a standalone or on consolidated basis. More specific, the Administrator will:

- hold a separate Register for the Investors investing in the Investment Compartment
- record the investments of the Investment Compartment in separate statements for its own valuations
- hold separate accounting records for the Investment Compartment
- proceed to NAV calculation solely for the Investment Compartment

## DEPOSITARY

The Fund has not appointed a Depositary as it has been exempted subject to the provisions of the AIF Law. Further details pertaining to the Depositary are set out in Section 14 "Depositary" of the Offering memorandum.

The Investment Compartment shall primarily invest in the Private equity sector and will also invest in fixed deposits which pay interest. The investment strategy of the Investment Compartment do not include listed assets and do not fall under the definition of "financial instruments" within the meaning of the Investment Services and Activities and Regulated Markets Law of 2007. The applicable Registrar shall keep records of the ownership of private equity shares and the Secretary of the Fund will hold the titles of other assets not subject to custody e.g. bond contracts.

## BANKER

Eurobank Limited has been appointed responsible for safekeeping of the Investment Compartment's cash which are held either directly by the Banker or through other agents as appointed from time to time.

The banker has no decision-making discretion relating to the investment compartment's and shall not act as a broker for the company as a whole or for any of the investment compartments. Safekeeping of assets will not be performed by the banker.

The Investment Compartment will issue shares in un-certificated registered form. Title to registered shares is evidenced by entries in the Company's Register.

## RISKS RELATING TO THE INVESTMENT COMPARTMENT

**Lack of operating history - No Assurance of Achieving Investment Objectives**

The Investment Compartment is newly incorporated and has not yet commenced operations. Therefore, there is no history against which to evaluate the Investment Compartment's future prospects and the performance of the Investor Shares. There can be no guarantee that the Investment Compartment will meet its investment objectives or that an investment in Investor Shares will earn a positive return. Moreover, the past performance of key executives of the Investment Manager may not be construed as an indication of a participation in the Investment Compartment.

**Illiquidity**

An investment in Shares provides limited liquidity since redemptions are permitted only on an annual basis. In addition, due to the nature of the Investment Compartment's investments it may be relatively difficult for the Investment Compartment to dispose of investments rapidly at favourable prices in connection with redemption requests, adverse market developments or other factors.

**Management Risk**

The Investment Compartment relies on the abilities of the Manager and any affiliates to actively manage the assets of the Investment Compartment and make the actual trading and investment decisions upon which the success of the Investment Compartment will significantly depend. No assurance can be given that the trading and investment approaches they utilize will be successful. There can be no assurance that satisfactory replacements for the Manager will be available if the Investment Management Agreement is terminated and this may expose investors to the risks involved in whatever new investment management arrangements the Manager is able to negotiate.

The Investment Compartment has an obligation to indemnify the Manager for any liabilities incurred under certain conditions and there is no insurance for such losses for which the Investment Compartment has agreed to indemnify the Manager. Any indemnification paid by the Investment Compartment would reduce the Investment Compartment's asset value and therefore the value of the Shares.

**Risk of Leverage**

The Investment Compartment may incur external borrowings in connection with the investments of the Investment Compartment. Although the use of leverage may enhance returns and increase the number of investments that can be made, it may also substantially increase the risk of loss. The use of leverage will subject the Investment Compartment to risks normally associated with debt financing, including the risk that the Investment Compartment's cash flow may be insufficient to meet required payments of principal and interest, the risk that indebtedness on the properties may not be able to be refinanced and the risk that the terms of such refinancing may not be as favourable as the terms of the existing indebtedness. In addition,

the Investment Compartment may incur indebtedness that may bear interest at variable rates. Variable rate debt creates higher debt service requirements if market interest rates increase, which would adversely affect the Investment Compartment.

**Credit Risk**

The economic outlook of a particular market might worsen which might result in downgrading by major rating agencies which in turn might cause the cost of borrowing in a particular country to rise and.

**Non-diversification risk**

The Investment Compartment may at certain times hold relatively few investments. The Investment Compartment could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected.

**Political risk**

The political risks are related to the possible rise of internal political disturbances and unfavourable changes in the economic legislation. This risk relates to the possibility that the government of a certain country may adversely change its policy and business environment, in which companies work.

**Tax Considerations**

The intention of the Investment Compartment is to structure its investments in a manner that is intended to achieve the Investment Objectives and intended to mitigate tax charges and duties in the country of investment, taking into account the tax laws, administrative practices, applicable double tax treaties and other rules which should be relevant in that country. However, there can be no guarantee that the structure of the Investment Compartment or any investment will be tax efficient for a particular Participating Shareholder or that any particular tax status will be achieved. Tax laws are complex and quite often not completely clear, and the tax consequences of a particular structure chosen might be questioned or might be subject to challenge by the relevant tax authority in the country concerned. Furthermore, tax laws may change, so that the tax consequences of a particular investment may adversely change after it has been made. The Investment Compartment's intermediate Subsidiary companies or the Investors may be subject to income taxes or other taxes in multiple jurisdictions outside of their country. In addition, withholding tax or other taxes may be imposed on earnings of the Investment Compartment from investments in such jurisdictions. Local tax incurred in various jurisdictions by the Investment Compartment or entities through which it invests may not be creditable to or deductible by the Participating Shareholders. In the case of the non-accession of one or more of the Target Markets in the EU, such a no accession might impact the tax efficiency of the Investment Compartment structure as contemplated.

## FEES AND OTHER EXPENSES

The Investment Compartment shall bear its attributable portion of the operating expenses, and service provider fees of the Company. A summary of such fees and expenses is set out in Section 16 of the Offering Memorandum.

### *Set-up costs*

The Investment Compartment shall bear its attributable portion of the set-up costs of the Company.

The Investment Compartment shall also bear any set up costs relating to its own launching.

***Management Fee***

The Manager shall be entitled to receive:

- Up to 0,50% on NAV per Annum when the assets of the Compartment are up to EUR 15.000.000
- Up to 0,40% on NAV per Annum when the assets of the Compartment are above EUR 15.000.000

The Management fee bears a minimum fee charge of EUR 49.000 per Annum

***Performance Fee***

The Manager shall be entitled to receive a Performance fee on the positive return generated on the NAV per annum as follows:

- Up to 3% of a positive return up to EUR 3.000.000,
- Up to 2% of a positive return between EUR 3.000.000 and EUR 10.000.000, and
  Up to 1% of a positive return above EUR 10.000.000.

The Performance fee will be accrued and calculated on each valuation date.

***Other Expenses***

The Board of Directors, or otherwise may be delegated to the Manager are entitled to be reimbursed any expenses properly incurred by it on behalf of the Investment Compartment. Such expenses shall include but shall not be limited to: expenses for legal, auditing and consulting services incurred; expenses in the supply of information to shareholders; Valuation fees and expenses properly incurred by the Board of Directors, or otherwise may be delegated to the Manager in carrying out any duties.

***Administration fee***

The Fund is obliged to pay an annual fee for the administration services provided. The Administration fee will be accrued and calculated on each valuation date. Further details in regard to the fee and any additional charges are further specified in the Administration Agreement.

***External Audit Fee***

The Fund shall also be obliged to pay an annual fee to the entity acting as the External Auditor of the Fund, for the provision of auditing services. The fee payable to the auditor will be specified to the agreement to be concluded between the two parties in accordance to the services to be provided.

***Regulatory fee***

The Fund is obliged to pay an annual contribution of EUR 300 to CySEC.