

PHOEBUS RAIF V.C.I.C. PLC

Registered under the Laws of Cyprus with Registration Number

HE 454636

PROSPECTUS

Registered with the Cyprus Securities and Exchange Commission with Registration Number

RAIF173

Addressed to Professional and/or Well-Informed Investors

THIS REGISTERED ALTERNATIVE INVESTMENT FUND IS ESTABLISHED IN THE REPUBLIC OF CYPRUS AND IS REGISTERED WITH THE CYPRUS SECURITIES AND EXCHANGE COMMISSION SINCE 7TH FEBRUARY 2024. IT IS EXCLUSIVELY ADDRESSED TO PROFESSIONAL AND/OR WELL-INFORMED INVESTORS. THE PROTECTION MEASURES FOR RETAIL INVESTORS DO NOT APPLY. IT IS NOTED THAT THIS REGISTERED ALTERNATIVE INVESTMENT FUND ENTAILS SIGNIFICANT RISKS AS IT IS NOT SUBJECT TO DIVERSIFICATION RULES AND INVESTMENT LIMITS. THIS REGISTERED ALTERNATIVE INVESTMENT FUND ACCEPTS AN UNLIMITED NUMBER OF SHAREHOLDERS.

THIS REGISTERED ALTERNATIVE INVESTMENT FUND HAS NOT RECEIVED AUTHORISATION BY THE CYPRUS SECURITIES AND EXCHANGE COMMISSION. THE REGISTRATION OF THIS REGISTERED ALTERNATIVE INVESTMENT FUND WITH THE CYPRUS SECURITIES AND EXCHANGE COMMISSION AND ITS ADMISSION TO THE CYPRUS SECURITIES AND EXCHANGE COMMISSION'S REGISTER OF REGISTERED ALTERNATIVE INVESTMENT FUNDS IS NOT EQUIVALENT TO A DECISION FOR AUTHORISATION TAKEN BY THE CYPRUS SECURITIES AND EXCHANGE COMMISSION.

EUROBANK CYPRUS LTD HAS BEEN APPOINTED TO ACT AS THE DEPOSITARY OF THE REGISTERED ALTERNATIVE INVESTMENT FUND ACCORDING TO ARTICLE 135(5) OF THE ALTERNATIVE INVESTMENT FUNDS LAW 124(I)/2018, AS MAY BE AMENDED FROM TIME TO TIME.

Date 07/02/2024

VERSION CONTROL

Version No:	Date:	Comments:
1	07/02/2024	Initial Prospectus and two (2) accompanying Offering Supplements.

This Prospectus contains important information about **PHOEBUS RAIF V.C.I.C. PLC** and should be read carefully before investing. If you are in any doubt about the contents of this Prospectus, you should consult your bank manager, solicitor, accountant, or an independent financial advisor.

WEALTH FUND SERVICES LIMITED being the appointed External Manager of **PHOEBUS RAIF V.C.I.C. PLC**, accepts responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Directors of **WEALTH FUND SERVICES LIMITED** (who have taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is, to the best of their knowledge and belief, in accordance with the facts available to them as of the time of issue of this Prospectus.

IMPORTANT INFORMATION

THE COMPANY

PHOEBUS RAIF V.C.I.C. PLC (THE “COMPANY”) WAS INCORPORATED UNDER THE COMPANIES LAW, CAP. 113, AS AMENDED, ON 18 DECEMBER 2023 WITH REGISTRATION NUMBER HE454636 AND IS REGISTERED WITH THE CYPRUS SECURITIES AND EXCHANGE COMMISSION (THE “CYSEC”) AS A REGISTERED ALTERNATIVE INVESTMENT FUND (THE “RAIF”) IN THE FORM OF A PUBLIC COMPANY LIMITED BY SHARES AS AN OPEN-ENDED INVESTMENT COMPANY OF VARIABLE CAPITAL AS PROVIDED FOR IN PART VIII OF THE ALTERNATIVE INVESTMENT FUNDS LAW 124(I)/2018 AS AMENDED FROM TIME TO TIME (THE “AIF LAW”).

THE COMPANY IS EXTERNALLY MANAGED BY **WEALTH FUND SERVICES LIMITED** (THE “EXTERNAL MANAGER”). THE EXTERNAL MANAGER IS RESPONSIBLE FOR MANAGING THE COMPANY’S PORTFOLIO AND CARRYING OUT ALL RELATED TRANSACTIONS FOR THE BENEFIT OF INVESTORS. THE EXTERNAL MANAGER IS AUTHORISED BY CYSEC AS A MANAGEMENT COMPANY UNDER THE PROVISIONS OF THE UNDERTAKINGS FOR COLLECTIVE INVESTMENTS LAW 78(I)/2012 AND THE ALTERNATIVE INVESTMENT FUND MANAGERS LAW 56(I)/2013 (THE “AIFM LAW”), AND IT IS REGULATED TO THIS END BY CYSEC UNDER LICENSE NUMBER MC UCITS 6/78/2012.

THE COMPANY IS STRUCTURED AS AN UMBRELLA SCHEME AND CAN CREATE AND OPERATE WITH MORE THAN ONE INVESTMENT COMPARTMENTS (EACH THE “COMPARTMENT”, TOGETHER THE “COMPARTMENTS”), SUBJECT TO THE PRIOR NOTIFICATION MADE BY THE EXTERNAL MANAGER TO CYSEC. COMPARTMENTS MAY BE ESTABLISHED AS OPEN-ENDED WITH OR WITHOUT LIMITED LIQUIDITY ARRANGEMENTS, AS SPECIFIED IN THE RELEVANT OFFERING SUPPLEMENTS. A COMPARTMENT MAY ISSUE MORE THAN ONE CLASS OF INVESTMENT SHARES ALLOCATED TO IT. EACH CLASS OF INVESTMENT SHARES MAY HAVE DIFFERENT RIGHTS.

THE COMPANY ACCEPTS AN UNLIMITED NUMBER OF SHAREHOLDERS.

PROSPECTIVE INVESTORS MUST ALSO BE AWARE OF THE FACT THAT EVEN THOUGH THE AIF LAW REFERS TO SEGREGATION BETWEEN COMPARTMENTS, THE AIF LAW IS STILL SUBJECT TO INTERPRETATION BY THE JUDICIAL AUTHORITIES AND NO ASSURANCE CAN BE MADE THAT COMPARTMENT SEGREGATION CAN BE ACHIEVED IN CASE OF LIQUIDATION OF ANY COMPARTMENT, OR DISTRIBUTION OF PROFITS WITH RESPECT TO EACH COMPARTMENT OR OTHERWISE.

THERE IS NO PUBLIC MARKET FOR THE INVESTMENT SHARES, AND NO GUARANTEE THAT SUCH MARKET MAY DEVELOP IN THE FUTURE. THE COMPANY DOES NOT HAVE THE POWER TO ISSUE BEARER SHARES.

THE MEMORANDUM OF ASSOCIATION AND THE ARTICLES OF ASSOCIATION (TOGETHER THE “MEMORANDUM AND ARTICLES”), THE LATEST ANNUAL REPORT, IF PUBLISHED, THE LATEST HALF-YEARLY REPORT, IF PUBLISHED AFTER THE LATEST ANNUAL REPORT, THE LATEST KEY INFORMATION DOCUMENT (REQUIRED ONLY FOR WELL-INFORMED INVESTORS), THE INFORMATION ON THE LATEST NAV PER SHARE AND THE HISTORIC PERFORMANCE (IF ANY) OF A COMPARTMENT MAY BE OBTAINED BY PROSPECTIVE INVESTORS OR EXISTING INVESTMENT SHAREHOLDERS EITHER THROUGH A DURABLE MEDIUM OR FROM THE OFFICE OF THE EXTERNAL MANAGER, **WEALTH FUND SERVICES LIMITED**, AT 12-14 KENNEDY AVE., OFFICE 305, CY-1087, NICOSIA, CYPRUS UPON REQUEST FROM THE DIRECTORS OF THE EXTERNAL MANAGER, OR FROM ANY OTHER PERSONS AUTHORISED TO REPRESENT THE EXTERNAL MANAGER AND/OR THE COMPANY AND SHALL BE DEEMED TO FORM PART OF THIS PROSPECTUS.

THIS PROSPECTUS

THIS PROSPECTUS HAS BEEN PREPARED IN ACCORDANCE WITH THE PROVISIONS OF THE AIF LAW, THE AIFM LAW AND THE RELEVANT DIRECTIVES ISSUED BY CYSEC. THIS PROSPECTUS CONTAINS INFORMATION RELATING TO THE COMPANY FOR THE PURPOSE OF GIVING INFORMATION TO SELECTED PROSPECTIVE INVESTORS QUALIFYING AS PROFESSIONAL AND/OR WELL-INFORMED INVESTORS TO WHOM IT IS ADDRESSED.

A SEPARATE OFFERING SUPPLEMENT (EACH THE "OFFERING SUPPLEMENT", TOGETHER THE "OFFERING SUPPLEMENTS") TO THIS PROSPECTUS WILL BE ISSUED IN RESPECT TO EACH COMPARTMENT AND THE TERMS AND CONDITIONS APPLICABLE TO EACH COMPARTMENT WILL BE THOSE SET OUT IN THIS PROSPECTUS AND THE RELEVANT OFFERING SUPPLEMENT. TO THE EXTENT THAT THE TERMS AND CONDITIONS SET OUT IN ANY OFFERING SUPPLEMENT DIFFER FROM THOSE SET OUT IN THE PROSPECTUS, THE TERMS AND CONDITIONS SET OUT IN THE OFFERING SUPPLEMENT WILL PREVAIL FOR THAT PARTICULAR COMPARTMENT. THIS PROSPECTUS AND THE RELEVANT OFFERING SUPPLEMENTS SHOULD BE READ AND CONSTRUED AS ONE DOCUMENT.

THIS PROSPECTUS AND OFFERING SUPPLEMENTS CONTAIN FORWARD LOOKING STATEMENTS THAT RELATE TO THE COMPANY'S FINANCIAL CONDITION, OPERATIONS, BUSINESS PLAN, STRATEGIES, COMPETITIVE POSITION AND GROWTH OPPORTUNITIES AND THE FINANCIAL AND REGULATORY ENVIRONMENTS IN WHICH THE COMPANY'S COMPARTMENTS 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 FOUND THROUGHOUT THIS PROSPECTUS AND OFFERING SUPPLEMENTS. PROSPECTIVE INVESTORS SHOULD BE AWARE THAT THESE STATEMENTS ARE ESTIMATES, REFLECTING ONLY AN ANTICIPATION AND 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 THE SECTION TITLED "RISK FACTORS" AND ELSEWHERE IN THIS PROSPECTUS AND OFFERING SUPPLEMENTS. NEITHER THE EXTERNAL MANAGER NOR THE COMPANY UNDERTAKE ANY OBLIGATION TO UPDATE OR REVISE THE FORWARD LOOKING STATEMENTS CONTAINED IN THIS PROSPECTUS AND OFFERING SUPPLEMENTS TO REFLECT EVENTS OR CIRCUMSTANCES OCCURRING AFTER THE DATE OF THIS PROSPECTUS OR TO REFLECT THE OCCURRENCE OF UNANTICIPATED EVENTS.

THIS PROSPECTUS AND OFFERING SUPPLEMENTS DO NOT PURPORT TO BE ALL INCLUSIVE OR TO CONTAIN ALL THE INFORMATION THAT A PROSPECTIVE INVESTOR MAY DESIRE IN EVALUATING A COMPARTMENT. 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, INVESTIGATION OR EVALUATION OF THE COMPANY OR OF ONE OF ITS COMPARTMENTS. ANY PERSON INTERESTED IN SUBSCRIBING TO INVESTMENT SHARES IS RECOMMENDED TO SEEK HIS/HER OWN LEGAL, REGULATORY, TAX, ACCOUNTING AND FINANCIAL ADVICE BEFORE INVESTING IN THE COMPANY.

NO ASSURANCES CAN BE GIVEN THAT EXISTING LAWS WILL NOT BE CHANGED OR INTERPRETED ADVERSELY. PROSPECTIVE INVESTORS MUST NOT CONSTRUE THIS PROSPECTUS OR ACCOMPANYING OFFERING SUPPLEMENTS AS LEGAL, TAX OR INVESTMENT ADVICE.

THE DIRECTORS OF THE EXTERNAL MANAGER HAVE TAKEN ALL REASONABLE CARE TO ENSURE THAT THE INFORMATION CONTAINED IN THIS PROSPECTUS AND OFFERING SUPPLEMENTS IS, TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, IN ACCORDANCE WITH THE FACTS AVAILABLE TO THEM AS OF THE TIME OF ISSUE OF THIS PROSPECTUS.

THIS PROSPECTUS AND OFFERING SUPPLEMENTS MAY ALSO BE TRANSLATED INTO OTHER LANGUAGES. ANY SUCH TRANSLATION SHALL ONLY CONTAIN THE SAME INFORMATION AND HAVE THE SAME MEANING AS THE ENGLISH LANGUAGE PROSPECTUS AND OFFERING SUPPLEMENTS. TO THE EXTENT THAT THERE IS ANY INCONSISTENCY BETWEEN THE ENGLISH LANGUAGE VERSION OF THE PROSPECTUS AND/OR ANY OF ITS OFFERING SUPPLEMENTS AND THE VERSION IN ANOTHER LANGUAGE, THE ENGLISH LANGUAGE VERSION WILL PREVAIL.

THIS PROSPECTUS AND ACCOMPANYING OFFERING SUPPLEMENTS, DO NOT CONSTITUTE A PROSPECTUS IN ACCORDANCE WITH THE PROVISIONS OF THE LAW 114 (I)/2005 PROVIDING FOR THE CONDITIONS FOR MAKING AN OFFER TO THE PUBLIC OF SECURITIES, ON THE PROSPECTUS TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC, AS AMENDED.

MARKET INFORMATION AND INDUSTRY STATISTICS

MARKET INFORMATION AND INDUSTRY STATISTICS USED THROUGHOUT THIS PROSPECTUS HAVE BEEN OBTAINED FROM INTERNAL SURVEYS, REPORTS AND STUDIES, AS WELL AS MARKET RESEARCH, PUBLICLY AVAILABLE INFORMATION AND INDUSTRY PUBLICATIONS.

IT IS BELIEVED THAT THE INFORMATION AND DATA IS ACCURATE IN ALL MATERIAL RESPECTS AND THE DIRECTORS OF THE EXTERNAL MANAGER HAVE RELIED UPON SUCH INFORMATION FOR THE PURPOSES OF THIS PROSPECTUS. INDUSTRY PUBLICATIONS GENERALLY STATE THAT THE INFORMATION THEY CONTAIN HAS BEEN OBTAINED FROM SOURCES BELIEVED TO BE RELIABLE, BUT THAT THE ACCURACY AND COMPLETENESS OF SUCH INFORMATION IS NOT GUARANTEED. SIMILARLY, WHILE THE DIRECTORS OF THE EXTERNAL MANAGER BELIEVE THEIR INTERNAL SURVEYS, ESTIMATES AND MARKET RESEARCH TO BE RELIABLE, THEY HAVE NOT INDEPENDENTLY VERIFIED THIS INFORMATION.

THE EXTERNAL MANAGER, THE COMPANY AND THE DIRECTORS OF THE EXTERNAL MANAGER AND OF THE COMPANY CANNOT ACCEPT LIABILITY FOR ANY LOSS SUFFERED IN CONSEQUENCE OF RELIANCE ON SUCH INFORMATION OR IN ANY OTHER MANNER, AND THE PROVISION OF SUCH INFORMATION DOES NOT OBIVATE ANY NEED TO MAKE APPROPRIATE FURTHER ENQUIRIES.

THE CYSEC

INVESTMENT SHAREHOLDERS ARE NOT PROTECTED BY ANY STATUTORY COMPENSATION ARRANGEMENTS IN THE EVENT OF THE COMPANY'S OR ANY OF ITS COMPARTMENTS' DEFAULT. REGISTRATION OF THE RAIF IN THE CYSEC RAIF REGISTER DOES NOT CONSTITUTE A WARRANTY BY CYSEC AS TO THE CREDITWORTHINESS OR THE FINANCIAL STANDING OF THE VARIOUS FINANCIAL PARTIES OF THE RAIF. GIVEN THAT THE COMPANY IS ADDRESSED TO PROFESSIONAL AND/OR WELL-INFORMED INVESTORS, THE PROTECTION MEASURES PROVIDED FOR IN THE RELEVANT LEGISLATION TO RETAIL INVESTORS DO NOT APPLY.

ELIGIBLE PERSONS

IN ACCORDANCE WITH THE REQUIREMENTS OF THE AIF LAW, THE DISTRIBUTION AND SUBSCRIPTION (OR TRANSFER) OF INVESTMENT SHARES IS RESTRICTED SOLELY TO PERSONS WHO QUALIFY AS ELIGIBLE PERSONS. ELIGIBLE PERSONS INCLUDE **PROFESSIONAL INVESTORS** AND/OR **WELL-INFORMED INVESTORS** AS THESE TERMS ARE DEFINED UNDER THE SECTION TITLED "DEFINITIONS".

NO PERSONS SHALL BE ACCEPTED AS INVESTMENT SHAREHOLDERS IN THE COMPANY UNLESS THOSE PERSONS HAVE PROVIDED A WRITTEN CONFIRMATION THAT THEY ARE PROFESSIONAL OR WELL-INFORMED INVESTORS WITHIN THE MEANING OF THE AIF LAW, THAT THEY COMPREHEND AND ACCEPT THE PROVISIONS OF THE PROSPECTUS AND MEMORANDUM AND ARTICLES, AND THAT THEY HAVE RECEIVED, UNDERSTOOD, AND ACCEPTED THE RISKS

ASSOCIATED WITH AN INVESTMENT IN THE COMPARTMENT(S) OF THE COMPANY TO WHICH THEY INTEND TO INVEST IN.

PROSPECTIVE INVESTORS SHOULD NOTE THAT SOME COMPARTMENTS OR CLASSES OF INVESTMENT SHARES MAY NOT BE AVAILABLE TO ALL INVESTORS AND THAT ACQUISITION OF INVESTMENT SHARES IN THE COMPANY MAY NOT BE AVAILABLE TO ALL INTERESTED ELIGIBLE PERSONS. THE EXTERNAL MANAGER RETAINS THE RIGHT TO DENY OFFERING OF INVESTMENT SHARES TO INVESTORS IN ANY PARTICULAR JURISDICTION IN ORDER TO CONFORM TO THE LOCAL LAW, CUSTOMS, OR BUSINESS PRACTICE OR FOR ANTI-MONEY LAUNDERING, FISCAL, OR ANY OTHER REASONS. THE EXTERNAL MANAGER MAY FURTHER RESERVE ONE OR MORE CLASSES OF INVESTMENT SHARES FOR PROFESSIONAL INVESTORS ONLY AS SUCH TERM IS INTERPRETED BY THE CYSEC AND ANY APPLICABLE LAWS AND REGULATIONS FROM TIME TO TIME IN CYPRUS.

U.S. PERSONS

NONE OF THE INVESTMENT SHARES HAVE BEEN OR WILL BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"), OR UNDER THE SECURITIES LAWS OF ANY STATE OR POLITICAL SUBDIVISION OF THE UNITED STATES OF AMERICA OR ANY OF ITS TERRITORIES, POSSESSIONS OR OTHER AREAS SUBJECT TO ITS JURISDICTION INCLUDING THE COMMONWEALTH OF PUERTO RICO (THE "UNITED STATES"). THE COMPANY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED, NOR UNDER ANY OTHER US FEDERAL LAWS.

INVESTMENT SHARES MAY NOT BE OFFERED, SOLD OR PLEDGED OR OTHERWISE TRANSFERRED DIRECTLY OR INDIRECTLY IN THE UNITED STATES 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 PROSPECTUS, THE TERM "UNITED STATES" MEANS THE UNITED STATES OF AMERICA, INCLUDING THE STATES THEREOF, BUT DOES NOT INCLUDE THE U.S. TERRITORIES. ANY REFERENCE TO A "STATE" OF THE UNITED STATES INCLUDES THE DISTRICT OF COLUMBIA.

A "U.S. PERSON" SHALL INCLUDE: 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.

IF YOU ARE IN ANY DOUBT AS TO YOUR STATUS, YOU SHOULD CONSULT YOUR BANK MANAGER, SOLICITOR, ACCOUNTANT OR AN INDEPENDENT FINANCIAL ADVISOR.

RISK WARNING

INVESTMENT IN A COMPARTMENT OF THE COMPANY INVOLVES SPECIFIC RISKS, AND SUBSCRIPTION TO INVESTMENT SHARES SHOULD BE CONSIDERED ONLY BY PERSONS WHO CAN BEAR THE ECONOMIC RISK OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD AND WHO CAN AFFORD A COMPLETE LOSS OF THEIR INVESTMENT.

THE VALUE OF INVESTMENT SHARES MAY EITHER INCREASE OR DECREASE, AND INVESTORS MAY NOT RECOVER THE AMOUNT INVESTED. CONSEQUENTLY, THERE IS A POTENTIAL RISK OF THE LOSS OF THE ENTIRE AMOUNT OF THE VALUE OF AN INVESTOR'S INVESTMENT IN THE COMPANY.

DATA PROTECTION

CERTAIN PERSONAL DATA OF INVESTORS (INCLUDING, BUT NOT LIMITED TO, THE NAME, ADDRESS AND SUBSCRIPTION AMOUNT) MAY BE COLLECTED, RECORDED, STORED, ADAPTED, TRANSFERRED OR OTHERWISE PROCESSED AND USED BY THE EXTERNAL MANAGER, THE COMPANY AND CERTAIN SERVICE PROVIDERS. IN PARTICULAR, SUCH DATA MAY BE PROCESSED FOR THE PURPOSES OF MANAGEMENT AND ADMINISTRATION OF INVESTORS' PERSONAL INFORMATION AND DOCUMENTATION, ANTI-MONEY LAUNDERING AND TERRORISM FINANCING IDENTIFICATION, MAINTAINING THE REGISTER, PROCESSING SUBSCRIPTION APPLICATIONS, REDEMPTION AND TRANSFER REQUESTS, PLEDGES AND PAYMENTS OF DISTRIBUTIONS, COMPLYING WITH LEGAL AND REGULATORY OBLIGATIONS AND FOR THE PROVISION OF OTHER INVESTOR-RELATED SERVICES. SUCH INFORMATION SHALL NOT BE PASSED ON TO ANY UNAUTHORISED THIRD PERSONS.

THE EXTERNAL MANAGER, THE COMPANY AND/OR CERTAIN SERVICE PROVIDERS MAY BE REGARDED AS DATA PROCESSORS AND/OR CONTROLLERS AND THE TRANSMISSION OF CERTAIN INFORMATION TO THE EXTERNAL MANAGER, THE COMPANY AND/OR THE SERVICE PROVIDERS BY PROSPECTIVE INVESTORS AND EXISTING INVESTMENT SHAREHOLDERS (AS DATA SUBJECTS, TO THE EXTENT APPLICABLE) MAY BE CONSIDERED AS PERSONAL DATA IN ACCORDANCE WITH THE APPLICABLE LEGISLATION (INCLUDING (I) REGULATION (EU) 2016/679 ON THE PROTECTION OF NATURAL PERSONS WITH REGARD TO THE PROCESSING OF PERSONAL DATA AND ON THE FREE MOVEMENT OF SUCH DATA; (II) THE PROTECTION OF NATURAL PERSONS REGARDING THE PROCESSING OF THEIR PERSONAL DATA AND THE FREE MOVEMENT OF SUCH DATA LAW 125(I)/2018, TO THE EXTENT AMENDED; AND (III) ANY CySEC DIRECTIVES AND CIRCULARS ISSUED FROM TIME TO TIME), RESPECTIVELY.

DATA SUBJECTS HAVE VARIOUS RIGHTS IN RESPECT OF PERSONAL DATA HELD BY THE EXTERNAL MANAGER, THE COMPANY AND CERTAIN SERVICE PROVIDERS, IN ACCORDANCE WITH THE APPLICABLE LEGISLATION. SUCH RIGHTS INCLUDE THE RIGHT TO BE INFORMED ABOUT THEIR PERSONAL DATA, THE RIGHT TO ACCESS THEIR PERSONAL DATA, THE RIGHT TO RECTIFY ANY INACCURATE PERSONAL DATA AND THE RIGHT TO REQUEST THE ERASURE OF SUCH PERSONAL DATA.

BY SUBSCRIBING TO INVESTMENT SHARES, INVESTORS CONSENT TO SUCH PROCESSING OF THEIR PERSONAL DATA. SUCH CONSENT IS FORMALISED IN WRITING IN THE SECTION TITLED "REPRESENTATION AND WARRANTIES" OF THE SUBSCRIPTION APPLICATION PACKAGE.

EU'S SUSTAINABLE FINANCE DISCLOSURE REGULATION

IT IS NOTED THAT, AT THIS STAGE, NO SUSTAINABILITY RISKS HAVE BEEN INCORPORATED IN INVESTMENT DECISIONS, NOR HAVE ANY NEGATIVE IMPACTS ON SUSTAINABILITY BEEN TAKEN INTO ACCOUNT AND/OR ENVIRONMENTAL AND SOCIAL INFORMATION, AS WELL AS INFORMATION RELATED TO THE EXTERNAL MANAGER'S GOVERNANCE BEEN DISCLOSED, AS DESCRIBED IN THE REGULATION (EU) 2019/2088 ON SUSTAINABILITY-RELATED DISCLOSURES IN THE FINANCIAL SERVICES SECTOR ("SFDR"). IN REGARDS TO THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") OBJECTIVES, THE EXTERNAL MANAGER AND THE FUNDS UNDER ITS MANAGEMENT INVESTING IN EQUITY SECURITIES, FIXED-INCOME SECURITIES AND EXCHANGE TRADED FUNDS, LACKS SUFFICIENT DATA TO ASSESS AGAINST THE PRODUCTS' CHARACTERISTICS. THE EXTERNAL MANAGER, IS NOT, THEREFORE, AS THINGS STAND, IN A POSITION TO RELIABLY ASSESS WHETHER THESE FINANCIAL PRODUCTS PROMOTE SUSTAINABILITY CHARACTERISTICS OR WHETHER THE UNDERLYING INVESTMENTS FOLLOW GOOD GOVERNANCE POLICIES. AS MORE DATA BECOMES AVAILABLE BY THE UNDERLYING INSTITUTIONS IN THE FUTURE, AND ESPECIALLY AFTER THE ADOPTION OF THE REGULATORY TECHNICAL STANDARDS UNDER THE DISCLOSURE REGULATION ("SFDR RTS") ARE ADOPTED BY THE EUROPEAN COMMISSION, WHICH HAS BEEN DELAYED UNTIL JANUARY 2023, THE EXTERNAL MANAGER SHALL REASSESS THIS POSITION. IN ADDITION, INVESTMENTS MADE BY THE EXTERNAL MANAGER DO NOT TAKE INTO ACCOUNT THE EU CLASSIFICATION CRITERIA UNDER THE TAXONOMY REGULATION (EU) 2020/852 ON ESTABLISHMENT OF A FRAMEWORK

TO FACILITATE SUSTAINABLE INVESTMENTS. IF, IN THE FUTURE, IT IS DECIDED THAT SUSTAINABILITY ASSESSMENTS WILL BE INTEGRATED INTO THE INVESTMENT ANALYSIS AND DECISION-MAKING PROCESS, IN ACCORDANCE WITH THE SFDR, THIS NOTIFICATION WILL BE UPDATED ACCORDNGLY.

RESTRICTIONS ON SOLICITATIONS

THIS PROSPECTUS AND ACCOMPANYING OFFERING SUPPLEMENTS ARE ISSUED ON A CONFIDENTIAL BASIS FOR THE SOLE PURPOSE OF PROVIDING INFORMATION ABOUT AN INVESTMENT IN THE COMPARTMENTS OF THE COMPANY.

THIS PROSPECTUS AND OFFERING SUPPLEMENTS DO 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.

THE DISTRIBUTION OF THIS PROSPECTUS AND ACCOMPANYING OFFERING SUPPLEMENTS AND THE OFFERING OF INVESTMENT SHARES MAY BE RESTRICTED IN CERTAIN JURISDICTIONS. PERSONS INTO WHOSE POSSESSION THIS PROSPECTUS COMES ARE REQUIRED TO INFORM THEMSELVES ABOUT AND TO OBSERVE ANY SUCH RESTRICTIONS. THIS PROSPECTUS AND OFFERING SUPPLEMENTS DO NOT CONSTITUTE AN OFFER TO ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER IS NOT LAWFUL OR AUTHORISED, OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER.

THIS PROSPECTUS AND ANY OF ITS OFFERING SUPPLEMENTS SHOULD NOT BE DISTRIBUTED, PUBLISHED OR REPRODUCED, IN WHOLE OR IN PART, NOR SHOULD THEIR CONTENTS BE DISCLOSED TO ANY OTHER PERSON.

INVESTOR RESPONSIBILITY

PROSPECTIVE INVESTORS SHOULD REVIEW THIS PROSPECTUS AND ACCOMPANYING OFFERING SUPPLEMENTS CAREFULLY AND IN ITS ENTIRETY AND CONSULT WITH THEIR LEGAL, TAX AND FINANCIAL ADVISERS IN RELATION TO (I) THE LEGAL AND REGULATORY REQUIREMENTS WITHIN THEIR OWN COUNTRIES FOR THE SUBSCRIPTION, TRANSFER OR REDEMPTION OF INVESTMENT SHARES; (II) ANY FOREIGN EXCHANGE RESTRICTIONS TO WHICH THEY ARE SUBJECT IN THEIR OWN COUNTRIES IN RELATION TO THE SUBSCRIPTION, TRANSFER OR REDEMPTION OF INVESTMENT SHARES; (III) THE LEGAL, TAX, FINANCIAL OR OTHER CONSEQUENCES OF SUBSCRIBING FOR, TRANSFERRING, CONVERTING OR REDEEMING INVESTMENT SHARES; AND (IV) ANY OTHER CONSEQUENCES OF SUCH ACTIVITIES.

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DEFINITIONS

In this Prospectus and accompanying Offering Supplements the following words and expressions shall have the following meanings attributed to them below:

- “Accumulating Investment Shares”** : Investment Shares in the Company which do not pay a Distribution to their holders.
- “Affiliate”** : In relation to any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (with or without separate legal personality), a Subsidiary of such an entity or a holding company of such an entity or any other Subsidiary of that holding company.
- “AIF” or “Alternative Investment Fund”** : Any collective investment undertaking, including 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 78(I)/2012, as amended, or pursuant to the legislation of another EU Member State which harmonises article 5 of the Directive 2009/65/EU into domestic legislation.
- “AIF Law”** : The Alternative Investment Funds Law 124(I)/2018 and any law substituting or amending the same, from time to time.
- “AIFM”** : Any legal person whose regular business is managing one or more AIFs in accordance with the authorisation provided to it under the provisions of the AIFM Law.
- “AIFM Law”** : The Alternative Investment Fund Managers Law 56(I)/2013 and any law substituting or amending the same, from time to time.
- “AIFMD”** : The Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EU and 2009/65/EC and Regulations (EC) No 1060/2009 (EU) No 2010.
- “Anti-Money Laundering [AML]”** : Anti-money laundering and counter financing of terrorism.
- “Articles”** : The Company’s Articles of Association which are submitted with the Registrar of Companies in the English language only.
- “Auditor”** : A Legal Person or any other entity, regardless of its legal form, that:

- a) holds a professional license in accordance with the provisions of the Law 53(I)/2017, as amended; or
- b) holds a license by the competent authority of a Member State, other than Cyprus, permitting such person to carry out statutory audits.

“Base Currency”

- : In relation to the Company: the currency that will be determined by the application of IFRS and applicable on every reporting date. The functional and presentation currency will be determined based on the applicable criteria of the reporting framework. For example, when the aggregated financial statements contain Compartments with different functional currencies, the results and financial position of the Company (aggregation) are expressed in a common currency so that financial statements may be presented;

In relation to a Compartment: the currency in which the Compartment is denominated, and is the currency on the basis of which the Net Asset Value of the Compartment is calculated and follows the applicable at the reporting date IFRS;

In relation to a Class: the currency in which a Class of Investment Shares of a particular Compartment is denominated and is the currency on the basis of which the Subscription and Redemption Price Per Investment Share of a Class is calculated. If such currency denomination is different than the Base Currency of the Compartment, then it shall be converted at the Prevailing Exchange Rate for reporting purposes as per the provisions of the applicable at the reporting date IFRS.

“Business Day”

- : A day on which banks in Cyprus are open for business to the public.

“Class of Investment Shares or Classes of Investment Shares or Class or Classes:”

- : Such Class or Classes of Investment Shares in a Compartment of the Company with different rights or features attached to them, as these are specified in this Prospectus and/or relevant Offering Supplement and the Articles.

“Closing Day”

- : The last Business Day of the Initial Offering Period in respect of a particular Compartment.

“Companies Law”

- : The Companies Law, Cap. 113 and any law substituting or amending the same, from time to time.

“Company”

- : The Investment Company **PHOEBUS RAIF V.C.I.C. PLC**, incorporated under the Companies Law on 18 December 2023 with registration number HE454636 and registered with CySEC as a RAIF with registration number RAIF173 in the form of a public company limited by shares as an Open-Ended

Investment Company of Variable Capital as provided for in Part VIII of the AIF Law.

- “Compartment”** : An independent Compartment (or as defined by the AIF Law, the “Investment Compartment”) comprising of one or more Classes of Investment Shares to which assets and liabilities are allocated, which are distinct from other assets and liabilities allocated to other Compartments of the Company, and which may pursue investment objectives and adhere to investment policies different from those of the other Compartments of the Company, and which is established from time to time with the prior notification to CySEC. A separate Offering Supplement (each the “Offering Supplement”) to this Prospectus will be issued in respect of each Compartment.
- “Cyprus” or “Republic” or “Republic of Cyprus”** : The Republic of Cyprus.
- “CySEC”** : The Cyprus Securities and Exchange Commission, the legal entity of public law which is established and which operates pursuant to the Cyprus Securities and Exchange Commission Law 73(I)/2009, as amended, being the competent regulatory authority for including, but not limited, to AIFMs in Cyprus and the competent authority responsible for holding the CySEC RAIF Register.
- “CySEC Directives”** : The directives issued by CySEC in exercise of its powers under the provisions of the AIF Law and any other law conferring such powers, as published in the official gazette of the Republic of Cyprus.
- “CySEC RAIF Register”** : The special register maintained and monitored by CySEC in which the names and particulars of RAIFs are inserted for the purposes of registration of the RAIFs established in the Republic pursuant to section 138 of the AIF Law.
- “Dealing Day”** : In relation to a Compartment, the day on which the Directors of the Company have resolved to proceed with the issuance of Investment Shares in relation to an application for Subscription and/or have resolved the Redemption of Investment Shares following a request for Redemption of Investment Shares.
- “Depositary”** : Any Legal Person as may be appointed to act as the Depositary of the Company in accordance with section 135(5) of the AIF Law, which is entrusted with the envisaged duties of the depositary in section 24 of the AIFM Law.
- “Depositary Agreement”** : Any agreement for the time being subsisting between the Company, the External Manager and the Depositary which relates to the appointment and duties of the Depositary.

- “Depository Fee”** : The fee payable to the Depository by the Company on behalf of a Compartment for the provision of services to that Compartment, as these are described in the Depository Agreement.
- “Director of the Company”** : A person appointed to hold the office of a director of the Company. The Directors of the Company shall hereafter be referred to collectively as the “Directors of the Company” and / or as the “Board of Directors of the Company”.
- “Director of the External Manager”** : A person appointed to hold the office of a director of the External Manager and who is assigned to perform a management or supervisory function. The Directors of the External Manager shall hereafter be referred to collectively as the “Directors of the External Manager” and/or as the “Board of Directors of the External Manager”.
- “Distributing Investment Shares”** : Investment Shares in the Company which pay Distributions at a specific period of time and subject to the terms of the Distribution policy specified for each Compartment and each Class of Investment Share in the relevant Offering Supplement.
- “Distributions”** : The payments by the Company to the holders of Distributing Investment Shares, excluding the payments which relate to the Redemption of Investment Shares and including, without limitation, distributions paid out of profits and distributions paid out of proceeds.
- “Durable Medium”** : A letter or a fax or an email or any other way of making information available.
- “Duties and Charges”** : All stamp duties, taxes, governmental charges, levies, exchange costs and commissions, transfer fees and expenses, fees and expenses that relate to the Liquidation of a Compartment or of the Company, agents’ 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, Subscription, exchange, purchase, holding, Redemption, sale or Transfer of Investment Shares or purchase, acquisition, sale or disposal of investments by or on behalf of the Company’s Compartments 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 Fee and Subscription Fee (if any) payable on the Redemption and Subscription of Investment Shares, respectively.
- “ECB”** : The European Central Bank.
- “Eligible Person”** : Any Natural or Legal Person or any other legal entity, regardless of its legal form that is not a U.S. Person and

qualifies as a Professional or Well-Informed Investor within the meaning of the AIF Law and is a resident in a jurisdiction where the offering of Investment Shares is not restricted.

- “Entry Cut-Off”** : The applicable time and/or Business Day prior to a Valuation Day or such other time as the External Manager may determine for an individual Compartment or Class by which Investors shall be able to submit an application for Subscription of Investment Shares as may be specified in the relevant Offering Supplement with respect to a Compartment.
- “Exchange-Traded Fund” or “ETF”** : A marketable security that tracks an index, a commodity, bonds, or a basket of assets like an index fund. Unlike mutual funds, an ETF trades like a common stock on a stock exchange. ETFs experience price changes throughout the day as they are bought and sold. ETFs typically have higher daily liquidity and lower fees than mutual fund shares, making them an attractive alternative for investors.
- “ESMA Remuneration Guidelines”** : The Guidelines on sound remuneration policies under the AIFMD (ESMA/2016/579).
- “EU”** : The European Union, a political and economic union of countries located primarily in Europe.
- “EUR”** : The currency used by the institutions of the European Union and the official currency of the Eurozone.
- “Exit Cut-Off”** : The applicable time and/or Business Day prior to a Valuation Day or such other time as the External Manager may determine for an individual Compartment or Class by which Investment Shareholders shall be able to submit an application for Redemption of Investment Shares as may be specified in the relevant Offering Supplement with respect to a Compartment.
- “External Manager”** : Any Legal Person as may be appointed to act as the External Manager of the Company in accordance with section 135(1) of the AIF Law and subject to the terms and conditions of the Management Agreement and the provisions of the Articles.
- “Financial Year”** : The accounting period of the Company ending on 31st December of each year.
- “Force Majeure”** : Any cause preventing a party from performing any or all of its obligations, which arises from or is attributable to acts, events, omissions or accidents beyond the reasonable control of the party so prevented including without limitation an act of God, war, global pandemic, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, fire, flood or storm.

- “Gross Asset Value [GAV]”** : The value of the assets of a Compartment less liabilities allocated to it, before the calculation or provision for any Management Fee and before the calculation of any Performance Fee and/or any other fee calculated as a percentage, if applicable, and as calculated in accordance with the provisions of this Prospectus and/or relevant Offering Supplement and the provisions of the Articles.
- “Gross Asset Value After Variable Fees”** : The value of the assets of a Compartment less liabilities allocated to it, after the calculation or provision for any Management Fee and/or any other fee calculated as a percentage, if applicable, and as calculated in accordance with the provisions of this Prospectus and/or relevant Offering Supplement and the provisions of the Articles and before the calculation of any Performance Fee.
- “GAV per Investment Share”** : The Gross Asset Value After Variable Fees for each Investment Share at a specific Valuation Day.
- “Gross Redemption Price Per Investment Share”** : The price at which each of the Investment Shares shall be redeemed by the Company, calculated in accordance with the provisions of this Prospectus and/or relevant Offering Supplement and the Articles, before the deduction of the Redemption Fee and/or any Duties and Charges.
- “Gross Subscription Price Per Investment Share”** : The price at which Investment Shares shall be offered, outside the Initial Offering Period, calculated in accordance with the provisions of this Prospectus and/or relevant Offering Supplement and the Articles, before the addition of the Subscription Fee and/or any Duties and Charges.
- “High Watermark” or “HWM”** : The highest of:
 (a) the Issue Price; and
 (b) the highest value of GAV per Investment Share for which a Performance Fee has been calculated and accrued for the External Manager.
- “Hurdle Rate”** : A predetermined minimum rate of return for each Investment Share, as expressed in the relevant Offering Supplement, over which a Performance Fee may accrue and become payable to the External Manager.
- “Identified Staff”** : The External Manager’s staff, including Senior Management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as Senior Management and risk takers, whose professional activities have a material impact on the External Manager’s risk profile or the risk profiles of the Compartments of the Company and categories of staff of the entity(ies) to which portfolio management or risk management services have been delegated by the External Manager, whose

professional activities have a material impact on the risk profiles of the Compartments of the Company.

- “IFRS”** : The International Financial Reporting Standards, for the time being in force as well as the relevant texts issued under the general supervision of the International Accounting Standards Board (IASB) and as these are adopted by the European Union in accordance with the provisions of Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards, as from time to time amended or substituted.
- “Income Tax Law”** : The Cyprus Income Tax Law 118(I) of 2002, and any law substituting or amending the same, from time to time.
- “Ineligible Person”** : Any Natural or Legal Person or any other person regardless of its legal form applying for Subscription of Investment Shares or an Investment Shareholder who is ineligible to hold Investment Shares (i) for legal, tax, regulatory or any other reason, or (ii) due to not meeting the requirements of a Professional or Well-Informed Investor, or (iii) is a U.S Person, or (iv) is determined by the External Manager, at its sole discretion, to be ineligible to be an Investment Shareholder.
- “Initial Offering Period” or “IOP”** : The period during which Investment Shares of any Compartment may be offered for Subscription at the Initial Subscription Price as set out in this Prospectus and/or relevant Offering Supplement.
- “Initial Subscription Price”** : The initial fixed price determined by the External Manager and ratified by the Directors of the Company at which any Investment Shares of any Compartment may be offered for Subscription during the Initial Offering Period and adding thereto such sums as the External Manager may determine as an appropriate provision for Duties and Charges.
- “Investment Committee”** : The committee established by persons with noteworthy experience in the sector whose role is to provide non-binding recommendations to the External Manager in relation to potential investments and matters concerning asset valuations.
- “Investment Company”** : A variable or fixed capital investment company established in accordance with the provisions of the Companies Law and of the AIF Law.
- “Investment Shareholder(s)”** : The Natural or Legal Person(s) or any other legal entity regardless of its legal form who directly hold Investment Shares in any of the Compartments or Classes, where

applicable, of the Company and whose names and number of Investment Shares recorded in the Register.

- “Investment Shares”** : The shares in the capital of the Company which may be issued with reference to a Compartment or Class with specific rights and characteristics. All references to Investment Shares shall be deemed to be Investment Shares (either designated as Accumulating Investment Shares or Distributing Investment Shares) of any or all Compartments or Classes as the context may require.
- “Investor”** : A Natural or Legal Person investing in a Compartment of the Company either directly or indirectly.
- “Issue Price”** : The Initial Subscription Price or Subscription Price Per Investment Share, where applicable, at which an Investor subscribes for Investment Shares in a Compartment of the Company.
- “Issued Investment Shares”** : The number of Investment Shares that are owned by a specific Investor on each Valuation Day.
- “Key Information Document [KID]”** : The informational document on a Compartment which is required to be provided to prospective Investors (other than Professional Investors, but including Well-Informed Investors) throughout Europe wishing to acquire Investment Shares in that Compartment pursuant to the provisions of Regulation (EU) No 1286/2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs) as amended, in good time before those Investors are bound by any contract or offer relating to Investment Shares in the Compartment.
- “Know Your Client [KYC]”** : The prescribed list of reliable and independent documentation required from prospective Investors and existing Investment Shareholders for identification and verification purposes.
- “Last Offering Day”** : The Business Day upon which one (1) calendar year from the date of a Compartment’s registration in the CySEC RAIF Register has come to pass.
- “Launch Day”** : The day on which a Compartment will commence its operations.
- “Legal Person”** : An entity, other than a Natural Person, created by law and recognized as a legal entity, having distinct identity, legal personality, duties and rights.
- “Leverage”** : Any method by which the External Manager/Company increases a Compartment’s financial exposure, whether

through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means.

- “Limited Liquidity Arrangements”** : Liquidity arrangements or mechanisms applied to an Open-Ended Compartment, including but not limited to any applicable Lock-Up Periods, Minimum Holding Periods, Gate Provisions etc., with the aim to limit the Redemption rights of its Investment Shareholders.
- “Liquidation”** : The process during which the Company is wound up in accordance with the AIF Law, Part V of the Companies Law and the Articles.
- “Liquidation of a Compartment”** : The process during which a Compartment(s) is/are wound up and liquidated and its/their remaining assets are distributed in accordance with the Articles, the AIF Law and any relevant CySEC Directives.
- “Lock-Up Period”** : The period starting from the Launch Day of a Compartment or Class and ending at a specific date disclosed in the relevant Offering Supplement, if applicable, during which Investment Shareholders of a Compartment or Class are not entitled to a Redemption of Investment Shares.
- “Management Agreement”** : The contractual agreement between the Company and the External Manager by which the former appoints, pursuant to the provisions of the AIF Law and the AIFM Law, the latter to act as the External Manager of the Company and by which any powers or authority vested to the Board of Directors of the Company is delegated to the External Manager, so as for the latter to legally manage the Company’s activities.
- “Management Fee”** : The fee payable to the External Manager for the overall management services to be rendered to a Compartment, based on the terms described in the relevant Offering Supplement.
- “Management Shareholder(s)”** : The Natural Person(s) or Legal Person(s) or any other legal entity, regardless of its legal form, who directly hold the Management Shares of the Company and whose names and number of Management Shares are recorded in the Register.
- “Management Shares”** : The shares of the Company that are not entitled to participate in any Distributions and carry voting and other rights as set forth in the subsection entitled “Management Shares” of the section entitled “STRUCTURE” of this Prospectus.
- “Managing Body”** : The body which has the power to take internal decisions within the External Manager and is responsible for the performance of supervisory and or management functions and consists of the Board of Directors of the External Manager.

- “Memorandum”** : The Company’s Memorandum of Association which is submitted with the Registrar of Companies in the English language only.
- “Minimum Capital Raising”** : The minimum capital required to be raised by a Compartment in order to be able to commence its investment activities, as specified in the relevant Offering Supplement.
- “Minimum Initial Subscription Amount”** : The minimum Subscription amount or value that must be subscribed for by prospective Investors for an initial Subscription of Investment Shares to a Compartment or Class as specified in the relevant Offering Supplement.
- “Minimum Subsequent Subscription Amount”** : The minimum Subscription amount or value that must be subscribed for by any existing Investment Shareholders for a Subscription of additional Investment Shares to a Compartment or Class as specified in the relevant Offering Supplement.
- “Minimum Holding Period”** : The period during which an Investment Shareholder of a Compartment or Class is not entitled to a Redemption of Investment Shares, that applies from the Investment Shareholder’s acquisition of such Investment Shares, either through an initial or subsequent Subscription, Transfer of Investment Shares and ends at a date specified in the relevant Offering Supplement, if applicable.
- “MOKAS”** : The Unit for Combating Money Laundering is the Financial Intelligence Unit (FIU) of Cyprus established as the national center for receiving, requesting, analyzing and disseminating disclosures of suspicious transactions reports and other relevant information concerning suspected money laundering and terrorist financing.
- “Natural Person”** : A physical person, other than a Legal Person.
- “Net Asset Value [NAV]”** : The value of the assets attributable to a Compartment less liabilities allocated to it, including the accrual or payable amount for Management Fee, Performance Fee and any other fee calculated as a percentage, if applicable, and as calculated in accordance with the provisions of this Prospectus and/or relevant Offering Supplement and the provisions of the Articles.
- “NAV per Share”** : The Net Asset Value of a Compartment divided by the number of Investment Shares in issue of that Compartment, calculated on the applicable Valuation Day.
- “Offering Supplement”** : Any Offering Supplement to the Prospectus of the Company that may be issued from time to time, forming an integral part

hereto and which is to be read in conjunction hereto, outlining information in respect of a Compartment and its Class(es).

- “Open-Ended”** : A RAIF which allows for Redemptions of Investment Shares prior to the commencement of the process of Liquidation of a Compartment, directly or indirectly from its own assets and in accordance with the rules and frequency defined in its Articles, this Prospectus and any relevant Offering Supplement, subject to a relevant request from any of its Investment Shareholders and to any Limited Liquidity Arrangements in place, if applicable.
- “Over the Counter” or “OTC”** : Any transaction, the negotiation and execution of which does not take place on a regulated market.
- “Performance Fee”** : The fee payable to the External Manager based on the appreciation of an Investment Share’s GAV, based on the terms described in the relevant Offering Supplement.
- “Performance Period”** : The period over which the performance of a Compartment is assessed so as to be determined whether a Performance Fee should be paid. The first Performance Period will start at the launch date of each Class of Investment Shares of each Compartment and will end on 31 December of the same year. For each subsequent Performance Period following the first Performance Period, the Performance Period will start on the first day of the relevant twelve-month period (1 January) and will end on the last day of the same twelve-month period (31 December).
- “Portfolio”** : The portfolio of assets held by the Company on behalf of a Compartment, which is segregated from the portfolios of assets of any other Compartments of the Company.
- “Portfolio Management Delegation Agreement”** : A contractual agreement between the External Manager and an eligible third-party investment manager pursuant to which the former appoints the latter to perform the portfolio management service in respect of which the External Manager was originally appointed by the Company.
- “Prevailing Exchange Rate”** : The foreign exchange currency rate prevailing over the relevant Valuation Day and/or reporting period as quoted by ECB or any successor thereto or any other body, agency or service selected by the External Manager as an authorized information supplier for the purpose of displaying such rates.
- “Prime Broker”** : A credit institution, a regulated investment firm or another entity:
- (a) subject to prudential regulation and on-going supervision; and;

(b) offering services to professional investors primarily to finance or execute transactions in financial instruments as counterparty; and

(c) which may also provide other services such as clearing and settlement of trades, custodial services, securities lending, customised technology and operational support facilities.

“Professional Investor” : An Investor who is considered to be a professional client or may, on request, be treated as a professional client within the meaning of Second Appendix of the Investment Services and Activities and Regulated Markets Law 87(I)/2017 as amended. In general terms, a Professional Investor:

(a) is considered to be the entity which is authorized or regulated to operate in the financial markets, including but not limited to entities authorized by an EU member state under the applicable European legislation. In addition, Professional Investors include but are not limited to large undertakings with prescribed net turnover and balance sheet totals, national and regional governments, public bodies that manage public debt, central banks, international and supranational institutions.

(b) is upon request treated to be so if certain identification criteria are fulfilled and the prescribed procedure is followed as per the aforesaid Second Appendix.

“Prospectus” : The present Prospectus of the Company prepared in connection with the offering of Investment Shares and including, where the context so admits or requires, any Offering Supplement to the Prospectus produced in relation to any Compartment or otherwise, and as same may be modified or supplemented from time to time subject to the prior notification by CySEC. This Prospectus is not governed by the provisions of the Law 114(I)/2005 providing for the conditions for making an offer to the public of securities, on the prospectus to be published when securities are offered to the public, as amended.

“RAIF” or “Registered Alternative Investment Fund” : Any collective investment undertaking, including 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; (b) does not require authorisation pursuant to section 9 of the Open-ended Undertakings for Collective Investments Law 78(I)/2012, as amended, or pursuant to the legislation of any other EU Member State which harmonises article 5 of the Directive 2009/65/EU into domestic legislation or pursuant to section 12 of the AIF Law; and (c) is registered in the CySEC RAIF Register and is permitted to

operate as a RAIF pursuant to the provisions of Part VIII of the AIF Law.

- “Redemption”** : The process by which, either at the request of the Investment Shareholder or by means of compulsory Redemption by the External Manager, part or whole of the amount of the Investment Shares held by a specific Investment Shareholder in a Compartment are acquired back and consequently cancelled from the Register and such Investment Shareholder acquires cash or in-specie Redemption proceeds as consideration, as further outlined in this Prospectus and/or relevant Offering Supplement and the Articles.
- “Redemption Fee”** : Such amount or amounts payable on the Redemption of Investment Shares.
- “Redemption Price Per Investment Share”** : The price at which each Investment Share shall be redeemed by the Company calculated in accordance with the provisions of this Prospectus and/or relevant Offering Supplement and the Articles.
- “Register”** : The register kept by the External Manager, into which, amongst others, the names and the number of and the Class of Investment Shares and Management Shares held are entered.
- “Registered Office”** : The Company’s registered office, provided in Article 102 of the Companies Law.
- “Secretary”** : Any Legal or Natural Person appointed to perform the duties of the secretary.
- “Senior Management”** : Any natural person who effectively exercises one of the business activities of the External Manager, including the members of the executive Managing Body.
- “Shareholder(s)”** : The holder(s) of Management and/or Investment Shares in the Company.
- “Share(s)”** : The Investment Shares and the Management Shares of the Company issued from time to time.
- “Special Defence Contribution Law”** : The Special Contribution for the Defence of the Republic Law 117(I)/2002 and any law substituting or amending the same, from time to time.
- “Special Purpose Vehicle” or “SPV”** : A legal entity which is established as a Subsidiary of the Company to perform specific functions limited in scope or time and used for a number of purposes including, inter alia, the acquisition and/or financing of an investment.
- “Subscription”** : The process by which a prospective Investor acquires Investment Shares and consequently becomes an Investment Shareholder in the Company, or an existing Investment

Shareholder acquires additional Investment Shares in the Company, as further elaborated in the Prospectus and/or relevant Offering Supplement and the Articles.

- “Subscription Fee”** : Any such amount or amounts payable by a prospective Investor or an existing Investment Shareholder to the Company for the issue of Investment Shares.
- “Subscription Price Per Investment Share”** : The price at which an Investment Share shall be offered, outside the Initial Offering Period, calculated in accordance with the provisions of this Prospectus and/or relevant Offering Supplement and the Articles.
- “Subsidiary”** : 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”** : The Target Markets of a Compartment as further detailed in this Prospectus and/or relevant Offering Supplement.
- “Transfer”** : The process by which an Investment Shareholder (the “Transferor”) can transfer part or all of the Investment Shares registered in his/her/its name to either an existing Investment Shareholder other than the Transferor or to a prospective Investor, subject to the approval of the External Manager as further elaborated in the Prospectus and/or relevant Offering Supplement and the Articles.
- “UCITS”** : An undertaking the sole object of which is the collective investment in transferable securities and/or other liquid financial instruments as referred to in section 40 (1) of the Open-ended Undertakings for Collective Investments Law 78(I)/2012, as amended, of capital raised from the public, which operates on the principle of risk-spreading, and the units of which are, at the request of investors, redeemed or repurchased, directly or indirectly, out of this undertaking’s assets.
- “UCI Law”** : Open-ended Undertakings for Collective Investments (UCI) Law 78(I)/2012, consolidated with Law 88(I)/2015 and Law 52(I)/2016 as amended, extended or re-enacted from time to time, and shall include all subordinate legislation made from time to time.
- “Unclassified Shares”** : The authorized share capital of the Company, not directly linked to a specific Compartment, and which may be subsequently issued as either unclassified Management Shares or classified Investment Shares allocated to any of the Compartments or to any other Classes of Investment Shares which may be created from time to time.
- “U.S. Person”** : 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”** : A Business Day on which the NAV of a Compartment is determined and specified in this Prospectus and/or relevant Offering Supplement or any other day as shall be determined by the External Manager from time to time.
- “Valuer”** : Any recognized qualified valuers hired from time to time by the External Manager as required for the independent valuation of investments and other owned assets.
- “Variable Capital Investment Company” or “V.C.I.C.”** : A company established in accordance with the Companies Law and operates as a Variable Capital Investment Company in accordance with section 2 of chapter 8 of Part II of the AIF Law.
- “VAT”** : Value Added Tax.
- “Well–Informed Investor”** : Every Investor which is not a Professional Investor and fulfils the following conditions:
- (a) confirms in writing that
- (i) he possesses sufficient knowledge and experience in financial and business matters in order to be able to evaluate the benefits and risks associated with the planned investment in the Company’s Compartments and he is aware of the risks associated with the planned investments of the Company’s Compartments; or
- (ii) his business activities are related with the management, acquisition or disposal of assets, either on his own account or on behalf of third parties, which are of the same type as the investments of the Compartment(s) he wishes to invest in; and
- (b)
- (i) his investment in a Compartment of the Company is at least equal to the minimum of EUR 125,000 (one hundred twenty five thousand euro) (or currency equivalent); or
- (ii) he has been assessed as a well-informed investor by a credit institution, or by an AIFM or by a UCITS management company or by an investment firm or by a manager which is licensed in the Republic of Cyprus or in another EU member

state for the management of AIFs whose assets under management do not exceed the thresholds laid down in article 4(2) of the AIFM Law or the corresponding article 3 paragraph (2) of Directive 2011/61/EU, and the above mentioned assessment indicates that he possess sufficient knowledge and experience in financial and business issues to be able to evaluate the benefits and risks associated with the planned investments of the Company's Compartment(s) based on its (their) investment policy(ies); or

(iii) he is employed by any of the entities mentioned in subparagraph (ii) of paragraph (b) above and receive total remuneration that takes him into the same remuneration bracket as Natural Persons who effectively conduct one of the business activities of the entities mentioned in subparagraph (ii) of paragraph (b) or as the executive members of their government body who effectively conduct one of their business activities; whereas

(c) without prejudice to paragraphs (a) and (b), persons who direct the External Manager or they are assigned with portfolio management duties related with the Company.

Unless the context otherwise requires:

- a. words importing the singular number shall include the plural number and vice versa; and
- b. words importing any gender shall be construed as importing any other gender; and
- c. words importing persons only shall include companies or associations or bodies of persons, whether corporate or not; and
- d. the word “may” shall be construed as permissive and the word “shall” shall be construed as imperative; and
- e. words and expressions defined in the Articles and not otherwise defined herein shall have the meaning ascribed to them in the Articles.

COMPANY DIRECTORY

COMPANY

PHOEBUS RAIF V.C.I.C. PLC

12-14 Kennedy Ave., Office 305, CY-1087, Nicosia, Cyprus

DIRECTORS OF THE COMPANY

- 1. Angelos Spyropoulos ~ Non-Executive Director**
- 2. Georgios Dimitriou ~ Non-Executive Director**
- 3. Nikolaos Kefallinaios ~ Non-Executive Director**
- 4. Grigorios Karagiannopoulos ~ Non-Executive Director**
- 5. Evangelos Grivas ~ Independent Non-Executive Director**

EXTERNAL MANAGER

WEALTH FUND SERVICES LIMITED

12-14 Kennedy Ave., Office 305, CY-1087, Nicosia, Cyprus

DEPOSITARY

EUROBANK (CYPRUS) LTD

41 Archbishop Makarios Avenue, CY- 1065 Nicosia, Cyprus

AUDITORS

DELOITTE LIMITED

24 Spyrou Kyprianou Avenue, CY-1075, Nicosia, Cyprus

LEGAL ADVISERS

S.A. EVANGELOU & CO LLC

43 Demostheni Severi Avenue, PwC Central, 4th floor, 1080, Nicosia, Cyprus

SECRETARY

CYPCOSECRETARIAL LIMITED

Pindou 4, Egkomi 2409, Nicosia, Cyprus

BANKERS

EUROBANK (CYPRUS) LTD

41 Archbishop Makarios Avenue, CY- 1065 Nicosia, Cyprus

THE COMPANY

COMPANY OVERVIEW

NAME OF THE COMPANY	PHOEBUS RAIF V.C.I.C. PLC
REGISTERED OFFICE	12-14 Kennedy, 3rd floor, Office 305, CY-1087, Nicosia, Cyprus
DATE OF INCORPORATION	18 December 2023
REGISTRATION NUMBER	HE 454636
CySEC REGISTRATION NUMBER	RAIF173
FUND STRUCTURE	OPEN-ENDED
LEGAL STRUCTURE	VARIABLE CAPITAL INVESTMENT COMPANY
TYPE OF AIF	RAIF
PREDOMINANT INVESTMENT STRATEGY	<p>1ST COMPARTMENT: NOVELTY MULTI-ASSET BALANCED FUND</p> <p>NO PREDOMINANT INVESTMENT STRATEGY – THE COMPARTMENT WILL INVEST IN FIXED INCOME FUND STRATEGIES AND EQUITY INVESTMENT STRATEGIES.</p> <p>2ND COMPARTMENT: SWORD MULTI-ASSET FUND</p> <p>NO PREDOMINANT INVESTMENT STRATEGY – THE COMPARTMENT WILL INVEST IN FIXED INCOME FUND STRATEGIES AND EQUITY INVESTMENT STRATEGIES.</p>
TYPES OF INVESTORS	PROFESSIONAL AND/OR WELL-INFORMED
TYPE OF MANAGEMENT	EXTERNALLY MANAGED
SCHEME STRUCTURE	UMBRELLA SCHEME
NUMBER OF SHAREHOLDERS	UNLIMITED
LISTING STATUS	NOT LISTED
LIFE DURATION	UNLIMITED
FINANCIAL REPORTING	ANNUAL REPORT AS OF 31 ST OF DECEMBER

INCORPORATION AND REGISTRATION

PHOEBUS RAIF V.C.I.C. PLC was incorporated under the Companies Law on 18 December 2023 with registration number HE 454636 and is registered with CySEC in the CySEC RAIF Register as a RAIF in the form of a public company limited by shares as an Open-Ended Investment Company of Variable Capital with more than one Compartments as provided for in Part VIII of the AIF Law.

The Company is structured as an umbrella scheme, meaning that it can issue different Classes of Investment Shares with one or more Classes representing a separate Compartment of the Company, the assets of which are segregated from the assets of other Compartments of the Company.

The Company is externally managed by **WEALTH FUND SERVICES LIMITED**, pursuant to the provisions of section 135(1)(a) of the AIF Law. The External Manager provides collective management services to the Company under the terms of the Management Agreement. The External Manager enjoys discretionary powers over investment decisions, which are in line with each Compartment's investment policy, investment strategy and any restrictions in place.

EUROBANK (CYPRUS) LTD has been appointed to act as the Depositary of the Company.

The Company is incorporated for an indefinite term. Notwithstanding this, any Compartment of the Company may be created for an indefinite or a definite term as may be specified in the relevant Offering Supplement. Compartments are established as Open-Ended with or without Limited Liquidity Arrangements, as this will be specified in the relevant Offering Supplement.

The Company accepts an unlimited number of Shareholders.

The Registered Office of the Company is at 12-14 Kennedy, 3rd floor, Office 305, CY-1087, Nicosia, Cyprus.

BOARD OF DIRECTORS OF THE COMPANY

The Board of Directors of the Company is responsible for the appointment of the External Manager. Moreover, in addition to the statutory duties, the Board of Directors jointly with the External Manager appoint other service providers as may be required from time to time.

The Board of Directors of the Company has assigned the investment management of the Company to the External Manager, **WEALTH FUND SERVICES LIMITED**, through a Management Agreement.

The Board of Directors of the Company has the power and authority to take any action from time to time as it may deem to be necessary, appropriate, or convenient in connection with the management and conduct of the business and affairs of the Company.

MEMBERS OF THE BOARD

The Board of Directors of the Company is composed of five (5) Independent Non-Executive Directors, all of whom are independent from the External Manager. One (1) of the Non-Executive Directors of the Board of Directors is also independent from the Company. The appointment of an independent Non-Executive Director within the corporate structure aims to assist in ensuring that the interests of all internal and external stakeholders, including the Investors, are considered.

The members of the Board of Directors of the Company, as at the date of this Prospectus, are listed below:

Mr. Angelos Spyropoulos ~ Non - Executive Director

Mr. Spyropoulos has over twenty (20) years of experience in the financial and asset management sector. He is also a certified financial analyst by the Hellenic Capital Market Commission. Mr. Spyropoulos is also a holder of a Bachelor's Degree in Economics and Financial Forecasting from the London Guildhall University.

Mr. Georgios Dimitriou ~ Non- Executive Director

Mr. Dimitriou has almost thirty (30) years of experience in the financial markets having an in-depth experience in fund management and portfolio management. He is also a holder of a C Level licence from the Hellenic Capital Market Committee.

Mr. Nikolaos Kefallinaios ~ Non - Executive Director

Mr. Kefallinaios has an extensive experience in the financial services and the asset management sectors. He is also a holder of certificate of financial services level C. Mr. Kefallinaios is also a holder of MBA with a focus in the financial sector awarded from the University of Wales.

Mr. Grigorios Karagiannopoulos ~ Non-Executive Director

Mr. Karagiannopoulos has over twenty (20) years of experience in the financial services and banking sector. He has also extensive experience in the wealth management and portfolio management. Mr. Karagiannopoulos is a certified analyst by the Hellenic Capital Market Commission. He holds also a Bachelor's Degree in Economics awarded by the University of Athens and a holder of a Master's Degree in International and Corporate Finance by the University of Durham.

Mr. Evangelos Grivas ~ Independent Non - Executive Director

Mr. Grivas has an extensive experience in the financial services and banking sectors. He has also long-standing experience in the insurance industry. He is a holder of the certificate of financial services level B. Mr. Grivas is also a holder of MBA in Business Administration awarded from the University of Cyprus.

As at the date of this Prospectus, no Director has:

- (i) Any unspent convictions in relation to indictable offences;
- (ii) Been bankrupt or the subject of an involuntary arrangement, or has had a receiver appointed to any asset of such Director;

- (iii) Been a partner of any partnership, which while he was a partner or within twelve months after he ceased to be partner, went into compulsory liquidation, administration or partnership voluntary arrangement, or had a receiver appointed to any partnership asset;
- (iv) Had any official public incrimination or sanctions issued against them by statutory or regulatory authorities (including recognised professional bodies);
- (v) Been disqualified by a court from acting as a director or from acting in the management or conduct of affairs of any company.

Changes in the composition of the Board of Directors of the Company shall be notified by the External Manager to CySEC. Procedures as to the appointment and removal of Directors of the Company are set out in the Articles. Upon replacement or dismissal or resignation of a Director of the Company, this Prospectus shall be updated accordingly.

THE SECRETARY

The Company Secretary is **CYPCOSECRETARIAL LIMITED**. The Secretary, amongst its other duties, prepares and distributes Board meeting notices to the Directors of the Company, unless such requirement is waived. The Secretary prepares the agenda of each meeting and records all documents presented during the meeting. Minutes of meetings and resolutions are also prepared by the Secretary.

THE EXTERNAL MANAGER

EXTERNAL MANAGER OVERVIEW

NAME OF THE EXTERNAL MANAGER	WEALTH FUND SERVICES LIMITED
LEGAL FORM	LIMITED LIABILITY COMPANY
REGISTERED OFFICE	12-14 Kennedy, 3rd floor, Office 305, CY-1087, Nicosia, Cyprus
BUSINESS OFFICE	12-14 Kennedy, 3rd floor, Office 305, CY-1087, Nicosia, Cyprus
DATE OF INCORPORATION	16 June 2016
REGISTRATION NUMBER	HE 356898
TYPE OF AUTHORIZATION	AUTHORISED MANAGEMENT COMPANY
LICENSE NUMBER	MC UCITS 6/78/2012
AUTHORISED SERVICES	<ul style="list-style-type: none"> • INVESTMENT MANAGEMENT FUNCTIONS AS PRESCRIBED IN SECTIONS 109(3), 109(4)(a), 109(4)(b)(i) AND 109(4)(b)(ii) OF UCI LAW;

	<ul style="list-style-type: none"> • INVESTMENT MANAGEMENT FUNCTIONS AS PRESCRIBED IN SECTION 6(5) OF THE AIFM LAW; AND • SERVICES PRESCRIBED IN SECTIONS 6(6)(b)(i) AND 6(6)(b)(ii) OF THE AIFM LAW.
REGULATORY AUTHORITY	CySEC

REGISTRATION AND REGULATION

WEALTH FUND SERVICES LIMITED is registered in Cyprus since the 16th of June 2016 as a limited liability company under the Companies Law and is authorised by CySEC since 1st of June 2017 to operate as a management company under license number MC UCITS 6/78/2012, authorised to provide the following services:

- Investment management functions as prescribed in sections 109(3), 109(4)(a), 109(4)(b)(i) and 109(4)(b)(ii) of the UCI Law;
- Investment management functions as prescribed in section 6(5) of the AIFM Law; and
- Services prescribed in section 6(6)(b)(iii) of the AIFM law.

Pursuant to a Management Agreement, **WEALTH FUND SERVICES LIMITED** has the responsibility of the investment management of the Company and will purchase and sell the investment assets and otherwise manage the Portfolio of the Company's Compartments.

MANAGING BODY AND SENIOR MANAGEMENT

The External Manager brings together a team of highly skilled financial professionals from various backgrounds, with vast experience. As at the date of this Prospectus, the following individuals are responsible for carrying out the investment activities of the External Manager:

Mr. Ioannis Iliopoulos ~ Executive Director/Chief Investment Officer A/Assigned Portfolio Manager responsible for liquid strategies

Mr. Ioannis Iliopoulos was born in Athens in 1982. He holds a BSc in Business Administration and Finance from Athens University of Economics & Business, and he is a certified investment advisor from the Bank of Greece.

He has over 10 years' experience in wealth management, and his career was focused on serving the needs of successful individuals and families. Mr. Iliopoulos provides support and advice to its clients on how to manage their wealth responsibly, grow it and maintain it for years to come so that it fulfils the lifestyle they want to lead. He is one of the founding members of Wealth Fund Services Limited in Greece which provides Wealth Management services.

Mr. George W. Sams ~ Executive Director / Chief Executive Officer / Chief Investment Officer B ~ Portfolio Manager responsible for illiquid strategies / Senior Management Staff

Mr. George W. Sams is a senior executive with experience for more than twenty-five (25) years in the entire range of fund services, and accounting management in Collective Investments Funds (UCITS & AIF). He served as the head of fund services in Eurobank Ergasias S.A. Greece, where he was in charge for promoting services in Greece, Cyprus and Luxembourg.

Previously he held roles of responsibility as CFO at EFG Eurobank Asset Management and CEO at Intertrust Mutual Fund Management Company S.A. (Interamerican Funds). He started his career in 1994 from Société Générale Asset Management Greece S.A. as head of the accounting department and internal auditor.

Mr. Sams has worked in institutions with assets under management ranging from 350 million to 10 billion euros. He was also a member of the Greek Institutional Investors Committee, Tax and Accounting affairs from 1997 – 2017. Mr. Sams is also a holder of the CySEC's Advanced Certificate with certification number 7570.

Mr. Anastasios Kanellopoulos ~ Executive Director/Head of Financial and Operational Services

Mr. Anastasios Kanellopoulos was born in Athens in 1975. Mr. Kanellopoulos possesses more than twenty-three (23) years of experience in the Fund Services sector. In his recent role as the Head of Middle office he was responsible for the supervision and monitoring of the day-to-day business for the Discretionary and Advisory Asset Management Services to institutional clients, private banking clients, and Asset Management Companies. AuM under his supervision were approximately €4.5 billion. Mr. Kanellopoulos also holds the CySEC advanced certificate (CN5301).

Mr. Anastasios Kontonikas ~ Executive Director/Head of Discretionary Portfolio Management / Chief Investment Officer C

Mr. Kontonikas has more than twenty (20) years of experience in the financial and asset management sectors with extensive knowledge and experience in the funds industry. Further, he was also one of the partners of Wealth Financial Services (affiliate associate of Euroxx Securities SA). During his career Mr. Kontonikas successfully provided asset management services to institutional clients, private banking clients, and Asset Management Companies.

Mr. Kontonikas is a Certified Investment Advisor (Bank of Greece certificate) and a holder of the CySEC Advanced Professional Certificate (CN7413).

Mr. George Spais ~ Executive Director / Head of Risk Management

Mr. Spais has over twenty-five (25) years of successfully leading investment consultation and business innovation for high-growth organisations. Mr. Spais has long-term experience in investment securities analysis, portfolio and risk management, institutional and professional investor and family office advisory throughout his career to date. He is a holder of an international certificate in advanced wealth management (level-4) from the Chartered Institute Of Securities And Investments, certifying key professional and practical knowledge for the fund and wealth management sector and holds the necessary professional licences from two EU country regulators, the advanced certificate from CySEC in Cyprus (CN:4974) and a financial analyst licence from the Hellenic Capital Markets Commission (Greece).

COLLECTIVE MANAGEMENT SERVICES TO THE COMPANY

The External Manager is granted full power and authority and all rights necessary to enable it to manage the investments of the Company's Compartments and provide other management services to assist the Company to achieve its investment objectives and policies.

Due to the special status of the RAIF undertaken by the Company, the External Manager is in charge of ensuring that all information required to be disclosed by means of the provisions of the AIF Law are in place in the Company's Prospectus and Memorandum and Articles. The External Manager is therefore responsible to ensure that the contents of the Company's Prospectus and Memorandum and Articles are always in line with the provisions of the AIF Law.

The External Manager, by virtue of being an authorised AIFM by CySEC is vested with the responsibility to notify CySEC of any changes in relation to the Company pursuant to section 138(5) of the AIF Law.

The authority of the External Manager is subject always to the AIF Law, the AIFM Law, the relevant CySEC Directives, the European regulatory framework governing its activities, this Prospectus, the Articles and the terms of the Management Agreement. Under the Management Agreement, the External Manager is responsible for carrying out the investment management, administration and marketing functions in relation to the Compartments and the Company:

Investment Management Function: The External Manager is responsible for investment, management and reinvestment of the assets of the Compartments with a view to achieving the investment objectives and policies of the Compartments. The External Manager enjoys discretionary powers over investment decisions, which are in line with the Company's investment policy, investment strategy and any restrictions in place, if applicable. The External Manager is responsible for, among other matters, identifying and acquiring the investments of each Compartment. In particular, the External Manager is authorized to purchase or otherwise acquire, sell or otherwise dispose of, convert and invest in investments, monies and other assets for the account of a Compartment's Portfolio. The External Manager also ensures that the risk profile of each Compartment corresponds to its size, Portfolio structure, investment strategy and objectives as laid down in its Offering Supplement. The External Manager is also responsible to arrange for the deposit of cash of each Compartment's Portfolio with the Company's banker/s, or for their disposition and payment of investments or acquisitions.

Fund Administration Function: The External Manager is responsible for the performance of all the administration duties and tasks in relation to the Company in accordance with section 6(5)(b)(i) of the AIFM Law. The administration function includes, among others, the following:

- (i) Legal and fund management accounting services;
- (ii) Customer inquiries;
- (iii) Valuation and pricing, including tax returns;
- (iv) Regulatory compliance monitoring;
- (v) Maintenance of the Register;
- (vi) Distribution of income;
- (vii) Issues (Subscriptions) and Redemptions of Investment Shares;
- (viii) Contract settlements, including certificate dispatch; and
- (ix) Record keeping.

For the purpose of calculating the NAV per Share of each Compartment, the External Manager follows the valuation policies and procedures as specified in this Prospectus and the Articles. The

fund administration department of the External Manager acts as the primary and central point of contact with prospective Investors and existing Investment Shareholders of the Company:

- Central point of receiving enquiries from prospective Investors and existing Investment Shareholders;
- Sending Subscription Application Forms, Redemption Request Forms and any other forms requested to prospective Investors and existing Investment Shareholders;
- Subscription Confirmations and allocation of Investment Shares upon Subscription;
- Statement of Periodic NAV;
- Redemption Confirmations and allocation of Redemption Money;
- Transfer Confirmations; and
- All other types of communication to prospective Investors and existing Investment Shareholders.

The External Manager may outsource from time to time some of its administrative responsibilities to third-party service providers on an ad-hoc basis.

Marketing Function: The External Manager is authorised to promote the Investment Shares of the Company and assign any third-party distributors it deems necessary for recommending prospective Investors to the Company.

Other Operational Activities: The External Manager may perform or oversee other activities related to the assets of the Compartments, namely services necessary to meet the fiduciary duties of the External Manager, including facilities management, real estate administration activities, advice to undertakings on capital structure, industrial strategy and related matters advice and services relating to mergers and the purchase of undertakings and other services connected to the management of the Compartments and its Subsidiaries and invested assets.

INVESTMENT COMMITTEE

The External Manager brings together a team of highly skilled and experienced finance professionals of various backgrounds.

The External Manager, in order to take investment decisions and manage the Portfolio of each Compartment or to provide other services as required, may choose to appoint or use, subject to the requirements of the AIF Law, investment advisors, investment committees or other experts, upon such terms and conditions as the External Manager thinks fit, including the right to determine their remuneration.

The External Manager maintains two (2) Investment Committees, one (1) Investment Committee is appointed to each Compartment, with the purpose of providing to the External Manager advisory services due diligence, valuations and research for each Compartment.

The composition of each Investment Committee is depicted in each Offering Supplement of the Company.

The establishment of the Investment Committees aims to contribute towards the formation of each Compartment's investment policies by examining investment opportunities, analysing their potential and providing non-binding strategic advice to the External Manager. In particular, the Investment Committee has, amongst others, the following responsibilities:

- a. To provide updates on any industry trends with regards to the Company's Target Markets;
- b. To propose investment objectives and strategies for each of the Compartment's targeted underlying assets, including asset allocation etc.;
- c. To review any Research Reports in Companies, that their shares, Debt securities or derivatives are included to the Compartment's Portfolio;
- d. To review the accuracy and appropriateness of pricing methodologies used by intended Valuers in arriving at the fair value of assets and recommend changes, if any;
- e. To recommend the External Manager on procedures to prevent incorrect valuation;
- f. To recommend to the independent Valuer a suitable valuation method during exceptional events;
- g. To report any deviations or incorrect valuations to the External Manager; and
- h. To provide updates on any trends in the commodities markets based on the Company's Target Markets and investment exposure.

It is noted that the duties assigned to the members of each Investment Committee are of a purely advisory nature and each Investment Committee shall not have the authority to make investment decisions pertaining to the Company's Compartments.

PROFESSIONAL LIABILITY RISKS

The External Manager should always act in the best interests of the Company and the Investment Shareholders and shall be liable to the Investment Shareholders of the Company where negligence regarding the management of the Company is proven. The External Manager is not permitted to contractually discharge/outsource/delegate its liability.

In order to cover potential professional liability risks resulting from the activities which it may carry out, the External Manager holds additional own funds to cover the respective liability risks.

RESIGNATION AND REPLACEMENT OF THE EXTERNAL MANAGER

The External Manager may resign from the management of the Company only where an eligible substitute has been appointed. The Company shall not, at any point in time during its life duration, operate without an eligible External Manager as per section 135(1) of the AIF Law. The replacement of the External Manager of the Company is subject to the relevant notification to CySEC.

Prior to the new External Manager's appointment, it must be ensured that the new External Manager is permitted to manage the Company on the basis of its scope of authorisation and authorised investment objectives and strategy.

REMUNERATION

As per the provisions of the AIFM Law and the remuneration principles set out in Annex II of the AIFMD, with which the External Manager is obliged to comply with, at least of 50% of any variable remuneration of its Identified Staff relating to the provision of collective management services should be paid in instruments (e.g. Investment Shares, share-linked instruments or equivalent non-cash instruments).

In view of the above, the Company may issue Investment Shares to the Identified Staff of the External Manager in exchange of a part of its variable remuneration. The issue of Investment Shares in exchange of Identified Staff's variable remuneration amount may deviate from the rules applying to Subscriptions, including but not limited to, Minimum Initial Subscription Amount etc.

Although the remuneration principles set out in Annex II of the AIFMD are applicable to all AIFMs, such as the External Manager, the AIFMD provides that AIFMs shall comply with the remuneration principles in a way and to the extent appropriate to:

- their size;
- organisation and nature;
- scope and complexity of their activities.

Hence, the External Manager may, on the above-stated proportionality grounds, deviate from the 50% threshold and apply a lower or nil threshold where this is reconcilable with the risk profile, risk appetite and its implemented strategy. Any decision, by the External Manager to adjust the remuneration of its Identified Staff related to the Company will always be taken in accordance and in complete compliance with the ESMA Remuneration Guidelines, while the External Manager shall be prepared to justify such adjustment decision to CySEC upon request.

OUTSOURCING

The functions of the External Manager outsourced to third parties as at the time of this Prospectus are the following:

Internal Audit: The External Manager has outsourced the internal audit function to **G. MEERKAT SERVICES LTD.**

Accounting and Payroll: The External Manager has outsourced the accounting and finance function to **C & N CONSTANTINOU LIMITED.**

IT Support: The External Manager has outsourced the IT function to **EFFECT S.A. / IDSS.**

The External Manager supervises the outsourced functions, services or activities effectively and manages the risks associated with the outsourcing and supervises those functions and manages those risks.

The External Manager may not without prior consent of the Board of Directors of the Company and prior approval of CySEC, expressly delegate to a third party the discretion to purchase and sell the investment assets subject to the signing of a Portfolio Management Delegation Agreement. In such case, the overall control and ultimate responsibility shall remain with the External Manager.

The External Manager's liability towards the Company and its Investment Shareholders shall not be affected by the fact that the External Manager has delegated functions to a third party, or by any further sub-delegation.

In case the Board of Directors of the External Manager may decide to appoint any third-party service provider to provide ongoing services to a Compartment, the relevant Offering Supplement will be updated accordingly. The External Manager also reserves the right to use the knowledge and expertise of any third-party service providers on an ad-hoc basis at the discretion of the Directors of the External Manager without any prior approval from CySEC or amendment of this Prospectus or relevant Offering Supplement(s).

STRUCTURE

SHARE STRUCTURE

The share structure of the Company is divided in two types of shares, the Management Shares owned by the Management Shareholders and the Investment Shares owned by the Investment Shareholders.

The Company is authorized to issue 1,500,000 (one million five hundred thousand) shares of no nominal value divided into:

- (1) 1,000 (one thousand) Management Shares of no nominal value, issued at initial price of EUR 1.00 and not directly attributable to a Compartment;
- (2) 500,000 (five hundred thousand) Investment Shares of no nominal value and attributable to Compartment No. 1 (Novelty Multi-Asset Balanced Fund);
- (3) 500,000 (five hundred thousand) Investment Shares of no nominal value and attributable to Compartment No. 2 (SWORD MULTI-ASSET FUND); and
- (4) 499,000 (four hundred and ninety-nine thousand) Unclassified Shares of no nominal value.

MANAGEMENT SHARES

Management Shareholders

The Management Shares are held equally by four (4) individuals, as listed below:

- Angelos Spyropoulos is a holder of two hundred fifty (250) Management Shares in the Company;
- Georgios Dimitriou is a holder of two hundred fifty (250) Management Shares in the Company;
- Grigorios Karagiannopoulos is a holder of two hundred fifty (250) Management Shares in the Company; and
- Nikolaos Kefallinaios is a holder of two hundred fifty (250) Management Shares in the Company.

Rights of Management Shares

Subject to the provisions of the Articles, the Companies Law and the AIF Law, the Management Shares shall give their holder the following rights:

- **as to voting:** to receive notice of, attend and vote at any general meeting of the Company, in particular but not limited to the following matters:
 - (i) the appointment or removal of any Director of the Company;
 - (ii) the winding up of the Company;
 - (iii) any amendment to the Memorandum and Articles; and
 - (iv) any change in the name of the Company.
- **as to Redemption rights:** to be entitled for Redemption of Management Shares, which correspond to the relevant amount paid by the holders of the Management Shares and/or any gain or loss generated by the activities associated with the concerned amount and provided that at any given time, there is at least one Management Shareholder in the Company.

- **as to Transferring rights:** subject to the provisions of the Articles, to be entitled to transfer the ownership of the Management Shares upon CySEC’s prior notification and approval, if needed.
- **as to Distributions:** not to be entitled to participate in any Distributions to be made by the Company.

INVESTMENT SHARES

General Features

Investment Shares are issued by the Company and are directly linked to a specific Compartment, based on the Class of Investment Shares they represent. During the Initial Offering Period, Investment Shares are issued at a fixed initial price depending on the Compartment or Class they are allocated to. The share capital constituting the Investment Shares of the Company is variable and it is divided into redeemable Investment Shares of variable value allocated to the Compartments of the Company. The share capital constituting the Investment Shares issued for each Compartment represents the Net Asset Value (“NAV”) of that Compartment and shall be invested in accordance with the objectives set out in the Offering Supplement of that Compartment. The value of the issued Investment Shares in the share capital of the Company shall at all times be equal to the NAV of the Compartment they are allotted to.

Rights of Investment Shares

Subject to the provisions of the Articles, the Companies Law and the AIF Law, the Investment Shares shall give their holders the following rights:

- **as to voting:** not to be entitled to receive notice of, attend, or vote at any such general meeting of the Company, except in the event of any such general meeting which explicitly requires their attendance and vote, whether in respect to the Company or a particular Compartment, under the provisions of the AIF Law and the Companies Law, or any other applicable law or in the event that the Company specifically requests their attendance and vote at specific general meetings.
- **as to Redemption rights:** to be entitled for Redemption by the Company, directly or indirectly from the assets attributable to them.
- **as to Transferring rights:** to be permitted transferring of ownership as long as the transferee qualifies as an Eligible Person and the procedures outlined in the Company’s Articles are followed.
- **as to Distributions:**
 - (i) Accumulating Investment Shares, shall not be entitled to participate in any Distributions; and
 - (ii) Distributing Investment Shares, shall be entitled to participate in Distributions, subject to the Distribution policy of their specific Class as specified in the Prospectus and/or the relevant Offering Supplement and subject to the discretion of the Board of Directors of the Company and/or of the External Manager and the provisions of the Articles and of this Prospectus.

WINDING-UP RIGHTS

Subject to the AIF Law and the Companies Law, the Company may be wound up:

- a. When a special resolution of the Shareholders is passed for the winding up of the Company in accordance with the Companies Law, subject to the prior approval of the External Manager (where applicable);

- b. In case all Investment Shares issued have been redeemed;
- c. When the External Manager or the Depository is dissolved, has resigned, put into liquidation or its authorization has been revoked and has not been or there is no replacement thereof in accordance with the AIF Law;
- d. On the occurrence of any event, which according to the Articles or the AIF Law or any other applicable legislation, constitutes a reason for the winding up or the Liquidation of the Company;
- e. Following a decision taken at its general meeting in case the below events occur in accordance with section 62 of the AIF Law:
 - i. the assets under management of the Company have been reduced to less than two thirds of the threshold for the minimum assets under management as provided under section 14(1) of the AIF Law; and the Shareholders, at a general meeting convened by the Board of Directors within forty (40) days from the said reduction, have decided by simple majority thereof being present in person or by proxy, to wind up the Company;
 - ii. the assets under management of the Company have been reduced to less than one fourth of the threshold for the minimum assets under management as provided under section 14(1) of the AIF Law and the Shareholders, at a general meeting convened by the Board of Directors within forty days from the said reduction, have decided by the vote of one fourth of the votes of the Shareholders being present in person or by proxy to wind up the Company.

On a winding up, the assets available for distribution amongst Management and Investment Shareholders, after the deduction of any expenses and/or liabilities that may precede in priority under any applicable law, shall be applied in the following priority:

1. Firstly, in the payment to the Investment Shareholders sum in the currency in which that Class of Investment Shares is designated or in any other currency selected by the liquidator as nearly as possible equal (at a rate of exchange determined by the liquidator) to the NAV of the Investment Shares held by such Investment Shareholders as at the date of commencement to wind up provided that there are sufficient assets available to enable such payment to be made;
2. Secondly, in the payment to the Management Shareholders' sum in the currency in which Management Shares are designated or in any other currency selected by the liquidator as nearly as possible equal (at a rate of exchange determined by the liquidator) to the total value of the Management Shares held by the Management Shareholders as at the date of commencement to wind up provided that there are sufficient assets available to enable such payment to be made. In the event that there are insufficient assets aforesaid to enable such payment to be made, no recourse shall be held to Investment Shares; and
3. Thirdly, in the payment to the Investment Shareholders of any asset remaining in the Company and allocated to the Compartment in which they have invested of any balance being made in proportion to the number of Investment Shares held.

Distribution on Winding Up of the Company

If the Company is to be wound up, the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Companies Law, divide amongst the Investment Shareholders in specie or in kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes

of Shareholders. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no Shareholder shall be compelled to accept any shares or other securities whereon there is any liability.

SEVERAL COMPARTMENTS AND CLASSES OF INVESTMENT SHARES

Key Features of Compartments

The Company is established as an umbrella scheme with separate Compartments, as detailed in the relevant Offering Supplements. Each Compartment corresponds to a separate Portfolio of assets and liabilities of the Company. Compartments are distinguished by their specific investment objectives, policy, risk profile, investment techniques or any other specific features. Prospective Investors may choose which Compartment or Compartments may be most appropriate for their specific risk and return expectations, as well as for their diversification needs.

Investment Shares issued in respect to a Compartment correspond to the assets constituting its respective pool of assets. The Company is also permitted to issue Investment Shares of different Classes, allocated to the Compartments of the Company. A Compartment may have more than one Class of Investment Shares allocated to it.

Each Class of Investment Shares may have different features in terms of Base Currency, Distribution policy, Lock-Up and/or Minimum Holding Period(s) etc. In addition, when issuing a Class of Investment Shares allocated to a Compartment, the External Manager may apply Subscription/Redemption Fees and other Duties and Charges on a basis which is different from that which applies to the Investment Shares in other Classes in the Compartment. Similarly, each Compartment may further differ in respect of its fee structure, targeted investments, Target Markets, Base Currency and other aspects.

Each Compartment is subject to the provisions of Part VIII of the AIF Law as a standalone RAIF. The rights of Investment Shareholders' and creditors' claims or the obligations of a particular Compartment created by its constitution, operation or dissolution are at all times limited to the assets of that Compartment. Despite this, the Company and its Compartments constitute a single legal entity.

In any proceedings brought by any Investment Shareholder or creditor, any liability of the Company to such Investment Shareholder or creditor in respect of such proceedings shall only be settled or any proved liability paid out of the assets of the Compartment in which the Investment Shares in question are in issue without recourse in respect of such settlement or liability or any allocation thereof of any other Compartment.

A Compartment (the 'investor-compartment') of the Company may invest in another Compartment of the Company (the 'target-compartment'), if only such investments are permitted by such investor-compartment's relevant Offering Supplement and the following conditions are met in a cumulative manner:

- a. The investor-compartment shall totally invest up to 35% of its assets in the target-compartment;
- b. The target-compartment shall not acquire Investment Shares of the investor-compartment;
- c. The value of the Investment Shares that correspond to the investments in accordance with point (a) shall not be calculated twice in the calculation of the capital of the Company;

- d. The voting rights, if any, attached to the Investment Shares which correspond to the investment of the Investor-Compartment in the target compartment shall be suspended for as long as they are held by the Investor Compartment; and
- e. Any Management Fees or related remuneration, marketing and Redemption or Redemption Fee or any expenses regarding the marketing and the Redemption regarding the investments of the investor-compartment into a target compartment shall not be accounted.

All consideration received by the Company for the allotment or issue of Investment Shares of each Compartment, together with all investments in which such consideration is invested or reinvested, all income, earnings, profits and proceeds thereof shall be segregated and kept separate from all other moneys of the Company and such assets and moneys shall be referred to as “Portfolio”, there being one such Portfolio in respect of each Compartment.

Liquidation of a Compartment

A Compartment may be dissolved and liquidated in accordance with the AIF Law and in such event the provisions of the Articles and the AIF Law will apply mutatis mutandis in respect of that Compartment. A Compartment of the Company may be dissolved and liquidated separately, without its dissolution and liquidation entailing the dissolution and liquidation of other Compartments and/or of the Company.

To commence the process the Liquidation of a Compartment, the Board of Directors of the Company shall pass a unanimous written resolution approving the following: (a) proposing the dissolution and liquidation of the respective Compartment while stipulating the reasons for its proposed dissolution and liquidation subject to the AIF Law and the Articles, and (b) appointing the External Manager of the Company as liquidator to handle the process of the liquidation pursuant to the provisions of the Articles and of the AIF Law (“Liquidator”).

Distribution on Liquidation of a Compartment

The Liquidator shall be required to distribute the assets of the under-liquidation Compartment amongst the Investment Shareholders of that Compartment depending on the amount of their participation. The respective Distribution can be made in specie or in kind the whole or any part of the assets of the respective Compartment. Following completion of the Liquidation of a Compartment, the total of the Compartment’s liabilities shall be discharged.

Liquidator’s Duties

The Liquidator’s duties in respect of the Liquidation of a Compartment are as follows:

- a. To Distribute the assets of the under-liquidation Compartment pursuant to the Articles;
- b. To exercise such duties as required until the Distributions in respect of the compulsory Redemption of Investment Shares of the under-liquidation Compartment, is completed;
- c. To exercise such duties as required until the Investment Shareholders (of the respective under-liquidation Compartment) are satisfied and have no further claims in respect of the liquidation proceeds and/or Distributions of that Compartment;
- d. To appoint an independent auditor in order to prepare a special report in respect of the results of the Liquidator’s Distribution of the under-liquidation Compartment’s assets (“Special Report”); and
- e. To promptly communicate the Special Report to: (i) CySEC, (ii) the competent authorities of the countries where the under-liquidation Compartment and the Investment Shares were marketed and (iii) to the relevant Investment Shareholders.

Following completion of the Liquidation of a Compartment and subject to the AIF Law, the Liquidator shall be responsible, without undue delay, to notify: (i) the Investment Shareholders of the under-liquidation Compartment, (ii) the Depositary, and (iii) CySEC, of the dissolution and liquidation of that Compartment and the reasons for the liquidation. A copy of such notification made to the Depositary and the Investment Shareholders shall also be sent to CySEC.

ESTABLISHED COMPARTMENTS AND CLASSES OF INVESTMENT SHARES

As at the time of this Prospectus the Company operates with two (2) Classes of Investment Shares which correspond to the assets of the following Compartments:

Name of Compartment (Base Currency)	Class of Investment Shares (Base Currency) – Classification
Novelty Multi-Asset Balanced Fund (EUR)	Novelty Investment Shares (EUR) – Distributing
SWORD MULTI-ASSET FUND (EUR)	Sword Investment Shares (EUR) – Accumulating

None of the Classes of Investment Shares of the Company are listed, quoted or traded on any stock exchange, or other market nor have any application been made to any stock exchange or other market for a listing or for a quotation or for a permission to trade in any Class of Investment Shares proposed to be issued.

INVESTMENT OBJECTIVES AND POLICY

INVESTMENT OBJECTIVE

The main objective of the Company is to provide Investors with an opportunity for investment in professionally managed Compartments aiming to provide to Investors attractive returns from the capital invested. The Company will seek to achieve its objective, in accordance with the policies and guidelines set by the External Manager.

Specifically, the External Manager’s main objective is to identify attractive investment opportunities and to execute the appropriate investment strategy for each Compartment’s Portfolio.

The External Manager aims to achieve each Compartment’s investment objective, as elaborated in the respective Offering Supplements. The investments of each Compartment shall at any time comply with any restrictions set out in its relevant Offering Supplement, and prospective Investors should, prior to any investment being made, take into account of the risks of investments set out in the section titled “**RISK FACTORS**”.

INVESTMENT STRATEGY

In order for the Compartments to achieve their respective investment objectives, the External Manager has established structured and efficient investment strategies. The Compartments of the Company do not have a predominant investment strategy. To this end, the investment strategies

of the Compartments of the Company are best described as fixed income strategies and equity investment strategies.

More precisely, the External Manager will invest in a diversified portfolio of various asset classes, including but not limited to deposits, stocks, bonds, transferable equity and fixed income securities and alternative assets (including, but not limited to commodities and equities, including private equity) based on fundamental analyses to be performed by the External Manager. The External Manager may gain exposure to these asset classes directly or indirectly through investing in funds and in other collective investment schemes. The External Manager has the discretion to amend the composition of each Compartment's Portfolio.

Moreover, the External Manager, on behalf of the Company, may also invest in financial derivative products for speculative positions or hedging positions.

The External Manager may use derivative instruments for hedging (reducing risks) as an efficient portfolio management technique in accordance with the investment strategies of each Compartment as depicted in the relevant Offering Supplements.

In order to enhance capital gain, the External manager from time to time will use leverage subject to limits described in each Offering Supplement. Each Compartment may gain exposure to a diverse global allocation of asset classes and may invest directly or indirectly in sovereign and corporate bonds, equities and commodities, property, direct credit, private equity, hedge funds, derivative instruments. The External Manager may use a Prime Broker with regards to the Portfolio of each Compartment of the Company, if deemed necessary.

The directions and concentrations of each Compartment are formulated and disclosed in its respective Offering Supplement. The contents of each Offering Supplement are also disclosed to CySEC prior to the strategy implementation of each Compartment's Portfolio. Such disclosure to CySEC forms part of the process pertaining to the Company's registration with the CySEC RAIF Register pursuant to section 138 of the AIF Law. The strategy of each Compartment is implemented in order to fit the attractiveness of the investment, the know-how and synergies spotting, the outlook for the specific investments and the matching of the investment in the Compartment's Portfolio.

CHANGES IN OBJECTIVES OR STRATEGIES

The Compartments may deviate from their objectives and strategies, including any investment restrictions and carry out any investments which the External Manager may deem useful for the accomplishment and development of the Company's purpose.

In the event that the External Manager contemplates in amending or reformulating the existing objectives or strategies pursued by a Compartment, Investment Shareholders will be duly notified prior such amendments or reformulations take effect. Depending on the circumstances, materiality and extent of such amendments, or if so required by the AIF Law, Investment Shareholders may be provided, along with such notifications, the option to redeem part or in whole of their Investment Shares in the Compartment in which such amendments may take effect.

The External Manager shall notify CySEC, on behalf of the Company, of its intention to alter the Company's investment objective and/or strategy at least one (1) month prior to the implementation of the amended investment objective and/or strategy, pursuant to section 138(6) of the AIF Law. Further, the External Manager shall ensure that the proposed changes to the

Company's investment objective and/or strategy are still in line with and are fully covered by its investment objective and strategy.

LIQUIDITY MANAGEMENT

The External Manager has established a liquidity management policy framework to ensure that liquidity risk is appropriately measured, monitored and managed at each Compartments' level. The framework comprises of policies and procedures to:

- Ensure the continuous availability of sufficient liquidity to meet financial obligations and adequately manage excess liquidity in the best interest of the Investment Shareholders;
- Assess the risk of insufficient liquidity by regularly conducting tests under normal and exceptional (stress test) liquidity conditions;
- Ensure coherence of the Compartments' investment strategy, liquidity profile and Redemption policy;
- Ensure that the liquidity profile of each Compartment's investments enable the Company to meet Redemption requests in respect of that Compartment in varied market conditions.

The liquidity management mechanisms employed by the External Manager in order to mitigate the liquidity risk of the Compartments and ensure that the liquidity profile of the investments of the Compartments complies with their underlying obligations are set out in their relevant Offering Supplements.

LEVERAGE AND OTHER BORROWINGS

Where provided for in the relevant Offering Supplement, the External Manager may leverage the position of a Compartment by borrowing in order to enhance that Compartment's return, subject to any restrictions set out in the relevant Offering Supplement.

The External Manager may leverage the position of a Compartment in order to increase investment positions or to make additional investments. Risk of loss and the magnitude of possible gains are both increased by the Compartment's use of Leverage for these purposes. Fluctuations in the fair value of such investment Portfolio will have a greater effect relative to the capital than would be the case in the absence of Leverage.

In addition, the Company may borrow funds on behalf of a Compartment for the purpose of settling expenses or meeting Redemption requests that would otherwise result in cash management charges or the premature liquidation of investments.

CySEC has not imposed any limits or other restrictions on the degree to which the Portfolio of a Compartment may be leveraged. The ratio of total indebtedness is always subject to any future restrictions imposed by CySEC and restrictions imposed in the relevant Offering Supplement.

The amount of Leverage which a Compartment may have outstanding at any time may be large in relation to its capital. While such Leverage presents opportunities for increasing the Compartment's total return, it has the effect of potentially increasing losses as well. For more information, the Investor's attention is drawn to the section headed "**RISK FACTORS**" herein.

DIVERSIFICATION RULES AND INVESTMENT LIMITS

No regulatory diversification rules or investment limits have been imposed to the Company. However, the External Manager may have to comply with any provisions set by CySEC Directives issued from time to time. In addition, the Compartments of the Company may be subject to

internal restrictions set for the purpose of risk spreading. Such investment restrictions, if any, are disclosed in the relevant Offering Supplements.

RISK FACTORS

In general, the External Manager takes the risks that it deems reasonable to achieve the objectives of the Compartments, each of which may have different investment strategies and therefore risk profiles. The External Manager cannot, however, guarantee that it will achieve their respective investment objectives, given market fluctuations and other risks to which the investments are exposed. Therefore, Investors must realize that the value of their investment may fall as well as rise and that past performance is not a guide for future performance. Investors should have the financial ability and the willingness to accept the risk characteristics of the type of investments that the External Manager will undertake to conclude as per each Compartment's investment strategy and policy.

General risk factors concerning the Company irrespective of a Compartment's strategy or focus are set out below. Before investing in any Compartment, Investors should be aware of these risks, which could materially impact the performance of the Investment Shares. These, however, are not the only risks faced by Investors. Other risks not considered to be material or have not been foreseen at this time could also materially impact the Investment Shares' performance. In case that any of the foreseen or unforeseen risks materialize, the value of the Investment Shares may decline or lose all of their value and Investors may not recover part of all the entire amount invested.

GENERAL RISKS

Non-Voting Rights

The Investment Shares that are issued to Investors do not carry voting rights. Consequently, Investors will not have any control over the management of the Company or the appointment and removal of the Directors of the Company.

Political and Economic Risks

Investors may be subject to a number of political and economic risks, including but not limited to the following:

- Economic and/or political instability (including civil conflicts and war) which could lead to legal, fiscal and regulatory changes or the reversal of legal / fiscal / regulatory / market reforms.
- Unexpected government action may result to the imposition of restrictions on the free movement of capital.
- Negative sovereign debt sustainability dynamics could lead to unexpected imposition of taxes and exchange controls.
- High interest rates may result in difficulties to obtain debt financing for working capital.
- Policies of expropriation and nationalization, sanctions or other measures including those imposed by international bodies may result in adverse social and political circumstances.

Legal Environment

Inconsistencies and discrepancies among the vast number of local, regional and national laws, the lack of judicial or legislative guidance on unclear or conflicting laws, and discretion on the part of

judicial authorities implementing the laws may produce additional legal uncertainties. Also, reliance on oral administrative guidance from regulators and procedural inefficiencies hinder legal remedies.

Investors may find themselves in an adverse position by virtue of possible legal uncertainty and unexpected legal complications, and there is no certainty that they will be compensated in full or at all for any damage incurred due to, inter alia, the below:

- Contradictory, unpredictable and/or disputed interpretation and application of decrees, legislative acts (particularly in respect to tax-related matters) or contractual provisions.
- Counterparty default risk (e.g. initiation of bankruptcy procedures) resulting to the unenforceability of contractual agreements relating to the investments and/or service providers.
- Enactment of a future legislative act affecting a contractual agreement whatsoever which existed before the passage of such legislative act, having to this end a retrospective effect and a consequent unexpected adverse effect on Investors.

Accounting Practices

Certain expenses incurred may be subject to amortization, over a specific period, if such treatment is considered to be in the best interests of the Investors. Such treatment, in the event that it is contrary to the IFRS, may result in showing a different NAV per Share. Nevertheless, in the event that such amortization occurs resulting to a discrepancy between the calculation method indicated in the Prospectus and the one as per the IFRS, then such information (i.e. 'modification' or 'qualification') may be included in the Auditor's report.

Change of Regulatory Framework

Unexpected changes in the current legislative and regulatory framework (either in Cyprus or abroad) affecting the Company and/or the External Manager and/or any other service providers, such as the issue of any legislation and/or guidance and/or any practice followed by CySEC or any other competent authority (either in Cyprus or abroad), subsequent to the date of this Prospectus, may result in increased (direct or indirect) operating costs for the Company. To this end, Investors may be adversely affected and may receive lower returns.

Currency Risk

The value of an Investor's investment may be affected favorably or unfavorably by fluctuations in the rates of the different currencies in the event that any investments pursued are denominated in a currency other than the designated Base Currency. Such investments may be pursued for the purposes of hedging the currency exposure arising from investments denominated in a currency other than the designated Base Currency.

Whilst these hedging strategies are designed to reduce possibility of a loss suffered by an Investor in the event that the value of the currency of the investments denominated in a currency other than the designated Base Currency falls against that of the Base Currency, entering into such investments may result to a loss of profit for Investors should the value of such currency rises against that of the Base Currency.

Leverage Risk

Leveraged investments may result in reduced or negative returns to Investors. The use of Leverage may create an opportunity for increased returns to Investors, but may also result in exposure to

additional levels of risk including (i) greater losses from investments than would otherwise have been the case had no such leveraging occurred and (ii) reduced returns where the investment fails to earn a return that equals or exceeds the cost of Leverage related to such investments. In the event of a sudden, precipitous drop in value of the assets under management, the liquidation of such assets may not occur in a quickly enough manner to repay such borrowings, further magnifying the losses incurred.

Moreover, Investors need to acknowledge that Leverage involves risks which might have a direct impact on their eventual returns and/or the value of their investment, due to the likelihood of a greater volatility in interest rates on borrowings, cost of short-term debt, market prices, dividend rates and overall operating costs compared to a Portfolio without Leverage.

Consequently, if the market value of a leveraged Portfolio declines, Leverage will result in a greater decrease in the NAV and in the NAV per Share. While there is likelihood for a reassessment of the volume of Leverage engaged as a response to actual or anticipated changes in interest rates and hence in an effort to mitigate the increased volatility of current income and NAV associated with Leverage, there can be no assurance that a reduction of the volume of Leverage will actually occur or that any reduction, if undertaken, will benefit the Investors.

Changes in the future direction of interest rates are very difficult to predict in an accurate manner. If a reduction of the volume of the outstanding Leverage occurs based on a prediction about future changes to interest rates, and that prediction turns out to be incorrect, such reduction in any outstanding Leverage may consequently result to a reduction of income and/or total returns to Investors. Furthermore, future borrowings from credit or financial institutions or from other sources may result in the necessity of entering into strict and burdensome contractual arrangements relating to asset coverage and portfolio composition requirements, hence increasing operating costs and possibly affecting the eventual returns to Investors in an adverse manner.

Cyber Security Risk

The use of internet, technology and information systems by the Company, the External Manager and by their contracting parties, may result to exposure to potential risks linked to cyber security breaches of those technological or information systems. Cyber security breaches, amongst other things, could allow an unauthorized party to gain access to proprietary information such as Investors' personal data or cause data corruption or loss of operational functionality.

Pandemic Risks

A local, regional, national or international outbreak of a contagious disease, including, but not limited to, COVID-19, or any other similar pandemic, or a fear of any of the foregoing, could cause operating delays and disruptions, labor shortages, travel disruption and shutdowns (including as a result of government regulation and preventive measures). Such pandemic outbreaks could result in the inability of fulfilling obligations to Investors, increase of costs and/or operational inefficiencies and decrease of revenue and profit margins. In addition, a pandemic outbreak may result in a quickly increasing, significant shortage of workforce. A widespread health crisis could adversely affect the global economy and financial markets, resulting in an economic downturn that could impact the investment results.

It is noted that a pandemic outbreak poses serious risk of disruption to the global supply chains that can result in significant loss of revenue and adversely impact global economies. What is more, given the volatility of the stock markets, predominant investment strategies may deviate, and

more defensive strategies may be pursued. While some regulators might impose restrictions or mandatory measures to their regulated entities, some others may request additional liquidity reporting on a recurrent basis as a consequence of an increase in redemption requests, challenges with calculating net asset value in the current climate, and restrictions on short selling in certain jurisdictions.

Any negative effect on the economy may decrease incomes of the Investors. Such effects may also result in the insolvency of the Company or of any one of its service providers and business partners, which could affect the activities of the Company, as well as its financial standing.

Eurozone Risk

It is possible that an existing Eurozone country may leave the Eurozone and return to a national currency, and as a result may leave the EU and/or that the Euro, the European single currency, will cease to exist in its current form and/or lose its legal status in one or more countries in which it currently has such status. The effect of such potential events on the investments which are denominated in Euro or which invest in instruments predominantly tied to Europe is impossible to predict.

Liquidity Risk

Liquidity risk stems from the Company's potential inability to meet its financial obligations, due to the inability or difficulty to convert its assets into cash when required.

Lack of liquidity may be related to availability of supply and/or demand of a specific instrument or to the intrinsic characteristics of the financial instrument or to market practices. Lack of liquidity in supply and demand occurs when the supply of or demand for a given financial instrument at a certain price is very low or non-existent.

The Portfolio of each Compartment may include assets that are not listed on an exchange or traded on some other organised market and are not traded or traded only infrequently (illiquid investments). Acquiring such assets carries the particular risk that difficulties may be met in selling the assets on to third parties. In such circumstances, buy and sell orders cannot be executed immediately, may only be partially executed or may only be executed at a disadvantageous price thereby exerting a potentially heavy negative influence on the value of each Compartment's Portfolio.

Such asset sales at discounted values associated with meeting redemptions, also erode the future Company's Portfolio value and generate run incentives.

Preference Securities Risk

Special risks associated with investments in preference securities in intermediary companies, include, but not limited to:

I. Deferral: Preference securities may include provisions that permit the issuer intermediary company, at its discretion, to defer distributions for a stated period without any adverse consequences to the issuer.

II. Subordination: Preference securities are subordinated to bonds and other debt instruments in an intermediary company's capital structure in terms of having priority to corporate income and liquidation payments, and therefore will be subject to greater credit risk than debt instruments.

III. Limited Voting Rights: Generally, preference security holders (such as a Compartment of the Company) have no voting rights with respect to the issuing intermediary company unless dividends have been in arrears for a specified number of periods, at which time the preference security holders may elect a number of directors to the issuer's board. Generally, once all the arrangements have been paid, the preference security holders no longer have voting rights.

Environmental, Social and Governance ("ESG") Risks

The Investors shall take into account any relevant environmental, social, or governance event, or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of their investment arising from an adverse sustainability impact. Responsible investment practices are constantly evolving, new risks may arise, and new market standards may be introduced. To this end, the Company and/or the External Manager may be required to comply or adopt such practices in relation to ESG which may result in increased (direct or indirect) costs for the Company. Consequently, the Investors may be adversely affected and may receive lower returns should such action need to be taken by the Company.

OVERALL MANAGEMENT

Resignation of any of the members of the Managing Body and Senior Management (collectively, the "Management") and/or service providers

Returns of Investors may be reduced significantly should the individuals involved in the Management die, become ill or disabled, or otherwise cease to be involved in the active management of the assets under management or should they get involved in other business, including in similar projects or investment structures, and as a result thereof, would not be able to devote sufficient working time to this end.

If any of the scenarios listed above occurs at any point in time, there is significant risk of not finding a suitable replacement within a reasonable period of time, and even if such a suitable replacement is found within a reasonable period of time, engaging in investments may be postponed up and until approval is received by the CySEC for the new appointment of such member of the Management. Consequently, any delays and/or suspension of any activity relating to investments may have a direct and/or indirect effect on the returns of Investors.

Similarly, Investors should be aware that they may also face similar risks as stated above in the event that any changes are effected or reorganization or default occurs in relation to the key functions (e.g. portfolio manager, AML compliance officer etc.) and/or in relation to the associated service providers (e.g. Depositary, Auditor). For the appointment of certain service providers the approval of CySEC may be required prior to their appointment which may take time, which may result to delays and/or suspension of investments.

Historical Performance

The past performance of any other investment vehicle(s) and/or entities in which members of the Management were previously managing and/or otherwise servicing is not meant to be an indication of their future performance. The nature of and risks associated with the Compartments may differ substantially from those investments and strategies undertaken historically by members of the Management. In addition, market conditions and investment opportunities may not be the same for the Compartments as they had been in the past and may be less favorable. Therefore, there can be no assurance that the Compartments' assets will perform as well as the past investments managed by certain members of the Management. It is possible that significant disruptions in, or historically unprecedented effects on, the financial markets and/or the

businesses in which the Compartments invest could diminish any relevance the historical performance data of the Compartments may have to the future performance of the Portfolios of those Compartments.

Availability of Investment Opportunities

Total returns performance is dependent on the expertise and critical thinking of the members of the Management over the employment of successful investment strategies in respect to the anticipated investments to be pursued and on the technical support and non-binding strategic advice offered by the Investment Committee of each Compartment. However, uncertainty over the eventual success of such investment strategies is unavoidable and no assurance can be given that the investments to be pursued will result in the benefit of Investors.

PRIVATE EQUITY INVESTMENTS

Balance Sheet Risk

Balance sheet risk refers, inter alia, to risk of accounting loss that does not directly affect income statements (profit and loss accounts) and cash flow statements of a target firm in relation to which investments are pursued. An example is the risk of loss caused by the devaluation of a foreign currency asset (or from revaluation of foreign currency liabilities) shown on the firm's balance sheet. Investors should be aware that such loss may have an indirect impact on the returns they are entitled by virtue of their investment, since such loss will directly impact the valuation of such target firms.

Concentration Risk

Depending on the mandates of its individual investment objective and strategy, a Compartment of the Company may concentrate its Portfolio in one single asset. Concentration in a single asset results to full dependency on the performance of that asset and does not allow for diversification of each Compartment's Portfolio. In case the single investment does not perform well, the NAV of the Investors will be reduced accordingly.

Dividend Paying Equity Securities Risk

Dividends on investments in the form of common equity securities are not fixed but are declared at the discretion of an issuer's board of directors. Companies that have historically paid dividends on their securities are not required to continue to pay dividends on such securities. There is no guarantee that the issuers of such common equity securities will declare dividends in the future or that, if declared, they will remain at current levels or increase over time. Therefore, there is the possibility that such companies could reduce or eliminate the payment of dividends in the future. Investments in dividend producing equity securities may also limit the potential for appreciation during a broad market advance. The prices of dividend producing equity securities can be highly volatile. Investors should not assume that investments in this form of securities will possibly reduce the volatility of the NAV or provide protection, compared to other types of equity securities, when markets perform poorly.

Smaller Capitalization Company Risk

Smaller capitalization companies may be less financially secure than larger, more established companies. They may depend on a small number of key personnel. If a product fails or there are other adverse developments, or if management changes, an investment in a smaller capitalization company may lose substantial value in the future. In addition, it is more difficult to get

information on smaller companies, which tend to be less well known, have shorter operating histories or do not have significant ownership by large investors.

In addition, smaller capitalization securities may be particularly sensitive to changes in interest rates, borrowing costs and earnings. Investing in smaller capitalization securities requires a longer-term view.

Investments in Unseasoned Companies Risk

Investments may be pursued in the securities of smaller, less seasoned companies, which may present greater opportunities for growth but also involve greater risks than customarily are associated with investments in securities of more established companies. Some of the targeted companies may be start-up companies, which may have insubstantial operational or earnings history or may have limited products, markets, financial resources or management depth. Some may also be emerging companies at the research and development stage with no products or technologies to market or approved for marketing. In addition, it is more difficult to get information on smaller companies, which tend to be less well known, have shorter operating histories or do not have significant ownership by large investors.

Securities of Smaller and Emerging Growth Companies

Investment in smaller or emerging growth companies involves greater risk than is customarily associated with investments in more established companies. The securities of smaller or emerging growth companies may be subject to more abrupt or erratic market movements than larger, more established companies or the market average in general. These companies may have limited product lines, markets or financial resources, or they may be dependent on a limited management group.

While smaller or emerging growth company issuers may offer greater opportunities for capital appreciation than large cap issuers, investments in smaller or emerging growth companies may involve greater risks and thus may be considered speculative.

Small capitalization and emerging growth securities will often be traded only in the OTC market or on a regional securities exchange and may not be traded every day or in the volume typical of trading on a national securities exchange. As a result, the disposition of such securities may require for periodic disposal through many small sales over a lengthy period of time, or to the sale of such securities at a discount from market prices or during periods when it is deemed that disposition is not desirable.

The process of selection and continuous supervision does not guarantee successful investment results; however, it does provide access to an asset class not available to the average individual due to the time and cost involved. Careful initial selection is particularly important in this area as many new enterprises have promise but lack certain of the fundamental factors necessary to prosper. Investing in small capitalization and emerging growth companies requires specialized research and analysis. In addition, many investors cannot invest sufficient assets in such companies to provide wide diversification.

Small companies are generally little known to most individual investors although some may be dominant in their respective industries. Equity securities of specific small capitalization issuers may present different opportunities for long-term capital appreciation during varying portions of economic or securities market cycles, as well as during varying stages of their business development. The market valuation of small capitalization issuers tends to fluctuate during

economic or market cycles, presenting attractive investment opportunities at various points during these cycles.

Non-Regulated Company Investments

Safe for the regulated companies, private companies are generally not subject to CySEC or other equivalent supervisory authorities' reporting requirements and as such, they are not required to maintain their accounting records in accordance with generally accepted accounting principles, nor are they required to maintain effective internal controls over financial reporting. As a result, investments in such companies may not entail timely or accurate information about the business, financial condition and results of operations of such companies. To this end, the likelihood of proceeding to such sort of investments despite the availability of incomplete or inaccurate information may adversely and indirectly or directly affect the value of an Investor's investment value.

Private companies in which investments are pursued may have limited financial resources, shorter operating histories, more asset concentration risk, narrower product lines and smaller market shares than larger businesses, which tend to render such private companies more vulnerable to competitors' actions and market conditions, as well as general economic downturns. These companies generally have less predictable operating results, may from time to time be parties to litigation, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence, and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position. These companies may have difficulty accessing the capital markets to meet future capital needs, which may limit their ability to grow or to repay their outstanding indebtedness upon maturity. In addition, an investment made may also be structured as pay-in-kind securities with minimal or no cash interest or dividends until the company meets certain growth and liquidity objectives.

Private Company Liquidity Risk

Securities issued by private companies are typically illiquid. If there is no available stock exchange or trading facility for the shares of a private company to be offered on a public listing, then such investment may not be able to be readily disposed at prices that approximate those at which they could be sold should such securities were widely traded on a recognized stock exchange.

Private Company Valuation Risk

There is typically not a readily available market value for private investments. To this end, the utilization of one or more independent valuation firms or other professionals to aid in determining the fair value of these investments may be required on an ad-hoc basis. Valuation of private company investments may involve application of one or more of the following factors: (i) analysis of valuations of publicly traded companies in a similar line of business; (ii) analysis of valuations for comparable merger or acquisition transactions; (iii) yield analysis; and (iv) discounted cash flow analysis. Due to the inherent uncertainty and subjectivity of determining the fair value of investments that do not have a readily available market value, the fair value of such investments may differ significantly from the values that would have been used had a readily available market value existed for such investments.

Co-Investment Risk

Co-investments may be pursued together with unaffiliated third party investors, such as private equity firms. The ability to realize a profit on such investments will be particularly reliant on the expertise of the lead investor in the transaction. To the extent that the third party lead investor in

such a co-investment opportunity assumes control of the management of the private company, then the dependence not only upon the lead investor's ability to research, analyze, negotiate and monitor such investments, but also upon the lead investor's ability to successfully oversee the operation of the company's business is unavoidable. Additionally, the ability to dispose of such investments is typically severely limited, both by the fact that the securities are unregistered and illiquid and by contractual restrictions that may preclude the possibility of selling such investment. Exiting from such investments may only occur in a transaction, such as an initial public offering or sale on terms determined and/or arranged by the lead investor. Such investments may be subject to additional valuation risk, as the fair value of such investment may depend upon the receipt of information from the lead investor. The valuation assigned to such an investment through application of the designated valuation procedures as elaborated in the Prospectus may differ from the valuation assigned to that investment by other co-investors.

VENTURE CAPITAL INVESTMENTS

In addition to other analytical tools, financial models may be required for the valuation of prospective investments. The accuracy and effectiveness of such models cannot be guaranteed. In all cases, projections are only estimates of future results which are based upon assumptions made at the time that the projections are developed. Projections are inherently uncertain and impossible to be predicted with surety as, inter alia, are determined by the investee company in question. The inaccuracy of certain assumptions, the failure to satisfy certain financial requirements and the occurrence of unforeseen events could impair the ability to realise projected values and/or cash flow in respect of an investment. Therefore, there can be no assurance that the projected results will be obtained, and actual results may vary significantly from the projections.

Investment Risks

Some startup companies may be successful and generate significant returns, but others may not be successful and will only generate small returns, if any at all. Any returns received may be variable in amount, frequency, and timing. Most startups take a considerable number of years to generate any investment return, if any at all, and may even take many years before indications as to the possible generation of returns reveal. General economic and industry-specific conditions, which are not predictable, can have also an adverse impact on the reliability of projection.

Security Risks

Startup companies may need to raise additional capital in the future, and the consequent issuing of new securities may dilute the percentage ownership held in the said companies, having a direct impact on the amount of returns. A minority stake in startup companies may result in less voting rights, resulting to a preferential treatment than larger security holders. In addition, unlike publicly traded companies that are valued publicly through market-driven stock prices, the valuation of private companies, especially startups, is difficult to assess.

Difficulty in Valuating Start-Ups

Start-up companies do not yet have a working product, customer base, or revenue stream, therefore, there could be difficulties in valuing them, especially those in their early stages. They are just starting out, so such a company's value cannot be based on its assets, book value, or historical results of operations. The first step in conducting due diligence for a start-up company is to critically evaluate the business plan and the model for generating profits and growth in the future. Instead, the valuation of such start-ups is mainly dependent on the judgment, knowledge

and expertise over the industry that such a start-up belongs to in order to decide the worth of the shares to be bought therein.

Private Stock with No Public Market

Start-up stocks mainly constitute of securities with no public market for resale and are usually not traded on a public stock exchange. The investments being private and illiquid may result to their conversion to cash not feasible and to this end, such investments may unavoidably be held more than a preferred period. The possibility of holding such investments for a longer period than the preferred period may adversely affect the end returns to Investors.

Business Risks

Startup companies run a considerable failure risk. Investments in startups are speculative and these companies may eventually fail, compared to an investment in a mature business where there is a track record of revenue and income.

There can be no assurance for a startup company which is still in an early phase (beginning to implement its business plan) that it will ever operate profitably. The likelihood of achieving profitability is assessed in light of the problems, expenses, difficulties, complications and delays usually encountered by companies in their early stages of development.

A startup being at an early stage may only be able to provide limited information about its business plan and operations because it does not have fully developed operations or a long trading history, resulting to a difficult financial assessment of the same in light of the limited information regarding such companies' business and financial affairs.

In addition, there can be no assurance that a start-up will achieve the expected expansion, since such expansion may place a significant strain on the company's management, operational and financial resources. To manage growth, the start-up will be required to implement operational and financial systems, procedures and controls. It also will be required to expand its finance, administrative and operations staff. There can be no assurance that the company's current and planned personnel, systems, procedures and controls will be adequate to support its future operations.

The startup may face competition from other companies, some of which might have received more funding than the start-up has if the startup is not able to charge the prices it anticipates charging for its services, there may be a material adverse effect on the company's results of operations and financial condition.

Moreover, while the startup believes that there will be customer demand for its products, there is no assurance that there will be broad market acceptance of the company's offerings. In such event, there may be a material adverse effect on the company's results of operations and financial condition, and the company may not be able to achieve its goals.

LISTED SECURITIES

Price Fluctuations

The price of equity securities may rise or fall because of changes in the broader markets or changes in the company's financial condition, sometimes rapidly or unpredictably. These price movements may result from factors affecting individual companies, sectors or industries selected or changes

in economic or political conditions. Equity securities tend to be more volatile in terms of price fluctuations than fixed income securities.

Preferred Securities

There are special risks associated with investing in preferred securities. Distributions to holders of preferred securities are typically paid before any distributions are paid to holders of common stock. However, preferred securities may include provisions that permit the issuer, at its discretion, to defer paying distributions. Preferred securities may be substantially less liquid than many other securities, such as common stocks or U.S. government securities. Preferred securities generally have no voting rights with respect to the issuing company unless preferred dividends have been in arrears for a specified number of periods. Preferred securities, in certain instances, may be redeemed by the issuer prior to a specified date, which may negatively impact returns. Preferred securities may be highly sensitive to changes in long-term interest rates and/or changes in underlying issuer credit since preferred securities generally do not have a maturity date. In addition, investments constituting such preferred securities may be rated below investment grade, which could increase their risks.

Reverse Repurchase Agreements and sale with right of repurchase transactions (Purchaser capacity)

In the event of the failure of the counterparty with which cash has been placed, there is the risk that the value of the collateral received may be less than the cash placed out which may be due to factors including inaccurate pricing of the collateral, adverse market movements in the value of the collateral, a deterioration in the credit rating of the issuer of the collateral, or the illiquidity of the market in which the collateral is traded. Locking cash in transactions of significant size or duration, delays in recovering cash placed out, or difficulty in realizing collateral may restrict the ability to meet Redemption requests or security purchases. Taking into consideration of the possibility of reinvesting any cash collateral received from sellers, there is a risk that the value on return of the reinvested cash collateral may decline below the amount owed to those sellers.

Repurchase Agreements and Sale with right of repurchase transactions (Seller capacity)

In the event of the failure of the counterparty with which collateral has been placed, there is the risk that the value of the collateral placed with the counterparty is higher than the cash originally received, which may be due to factors including that the value of the collateral placed usually exceeds the cash received, market appreciation of the value of the collateral, or an improvement in the credit rating of the issuer of the collateral. Locking investment positions in transactions of excessive size or duration, or delays in recovering collateral placed out, may restrict the ability to meet delivery obligations under security sales or payment obligations. Taking into consideration of the possibility of reinvesting any cash collateral received from purchasers, there is a risk that the value on return of the reinvested cash may decline below the amount owed to those purchasers.

Securities Lending

Securities lending involves counterparty risk, including the risk that the loaned securities may not be returned or returned in a timely manner if the borrower defaults, and that the rights to the collateral are lost if the lending agent defaults. Should the borrower of securities fail to return the lent securities, there is a risk that the collateral received may be realized at a value lower than the value of the securities lent out, whether due to inaccurate pricing of the collateral, adverse market movements in the value of the collateral, a deterioration in the credit rating of the issuer of the

collateral, or the illiquidity of the market in which the collateral is traded. Taking into consideration of the possibility of reinvesting any cash collateral received from borrowers, there is a risk that the value on return of the reinvested cash collateral may decline below the amount owed to those borrowers. Delays in the return of securities on loan may restrict the ability to meet delivery obligations under security sales or payment obligations.

When-Issued, Delayed Delivery and Forward Commitment Transactions

Investments may be pursued in respect to securities which are eligible to purchase on a when-issued basis, which can in turn be purchased and sold for delayed delivery subject to contracts relating to the purchase of such securities for a fixed price at a future date beyond normal settlement time (forward commitments). When such purchases are outstanding, it is necessary to set aside and maintain until the settlement date, assets determined to be liquid up to a sufficient amount to meet the concerned purchase price. When-issued transactions, delayed delivery purchases and forward commitments involve a risk of loss if the value of the securities decline prior to the settlement date, in addition to the risk that the rest of the assets under management may decline in value. Typically, no income accrues on securities which are deemed to be purchased prior to the time of delivery of such securities.

Investment in debt securities, small and mid-capitalization stocks and emerging market issuers will be especially subject to the risk that during certain periods, the liquidity of particular issuers or industries, or all securities within a particular investment category, will shrink or disappear suddenly and without warning as a result of adverse economic, market or political events, or adverse investor perceptions whether or not accurate. The downgrading of debt securities may affect the liquidity of investments in debt securities. Attempts by other market participants to sell debt securities at their disposal in simultaneous manner may cause downward pricing pressure and unavoidably affect illiquidity. The ability and willingness of bond dealers to “make a market” in debt securities may be impacted by both regulatory changes as well as the growth of bond markets. This could potentially lead to decreased liquidity and increased volatility in the debt markets.

DERIVATIVE INSTRUMENTS

General

The use of derivatives may result in greater returns but may entail greater risk. Derivatives may be used as a means of gaining indirect exposure to a specific asset, rate or index and/or as part of a strategy designed to reduce exposure to other risks, such as interest rate or currency risk. Use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other assets. They also involve the risk of mispricing or improper valuation and the risk that changes in the value of the derivative may not correlate perfectly with the underlying asset, rate or index.

Investing in a derivative instrument could result to a loss more than the principal amount invested. Also, suitable derivative transactions may not be available in all circumstances and there can be no assurance that the engaging in these transactions will indeed reduce exposure to other risks when that would be beneficial. The prices of derivative instruments are highly volatile. Price movements of derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programmes and policies of governments, national and international political and economic events, changes in local laws and policies.

In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly markets in currencies and interest rate related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. The use of derivatives also involves certain special risks, including (1) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates; (2) imperfect correlation between the hedging instruments and the securities or market sectors being hedged; (3) the fact that skills needed to use these instruments are different from investments in other type of financial instruments; and (4) the possible absence of a liquid market for any particular instrument at any particular time.

Absence of Regulation and Counterparty Risk

In general, there is less government regulation and supervision of transactions in the OTC markets (in which currencies, spot and option contracts, certain options on currencies and swaps are generally traded) than of transactions entered into on recognised exchanges. OTC derivatives lack transparency as they are privately negotiated contracts and any information concerning them is usually only available to the contracting parties. While measures are introduced under Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories ("EMIR") that aim to mitigate risks involved in investing in OTC derivatives and improve transparency, these types of investments continue to present challenges in clearly understanding the nature and level of risks involved. In addition, many of the protections afforded to participants on some recognized exchanges, such as the performance guarantee of an exchange clearing house, might not be available in connection with OTC transactions.

In addition, many of the protections afforded to participants on some recognised exchanges, such as the performance guarantee of an exchange clearing house, might not be available in connection with OTC transactions. The counterparty for an OTC derivative will be the specific firm involved in the transaction rather than a recognised exchange and accordingly the bankruptcy or default of a counterparty could result in substantial losses and consequent adverse effects on the Investors. In addition, a counterparty may refrain from settling a transaction in accordance with its terms and conditions because the contract is not legally enforceable or because it does not accurately reflect the intention of the parties or because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus indirectly causing adverse effects on the returns of the Investors. To this end, there can be no assurance that a counterparty will not default or that the no losses on the transactions will occur as a result.

Correlation Risk

The prices of derivative instruments may be imperfectly correlated to the prices of the underlying securities, for example, because of transaction costs and interest rate movements.

Risks Specific to Certain Derivatives

Swaps — Swap agreements are two-party contracts entered into for periods ranging from a few weeks to more than one year. In a standard “swap” transaction, two parties agree to exchange the returns (or differentials in rates of return) earned or realized on particular predetermined investments or instruments, which can be adjusted for an interest factor. Swap agreements involve the risk that one of the two parties will default on its obligation to pay.

Credit Default Swaps — Credit default swaps may have as reference obligations one or more securities that are not currently owned or held. The protection “buyer” may be obligated to pay

the protection “seller” an up-front payment or a periodic stream of payments over the term of the contract, provided generally that no credit event on a reference obligation has occurred. Credit default swaps involve special risks in addition to those mentioned above because they are difficult to value, are highly susceptible to liquidity and credit risk, and generally pay a return to the party that has paid the premium only in the event of an actual default by the issuer of the underlying obligation (as opposed to a credit downgrade or other indication of financial difficulty).

Forward Foreign Currency Exchange Contracts — Forward foreign currency exchange transactions are OTC contracts to purchase or sell a specified amount of a specified currency or multinational currency unit at a price and future date set at the time of the contract. Forward foreign currency exchange contracts do not eliminate fluctuations in the value of securities but rather allow for the establishment of a fixed rate of exchange for a future point in time. This strategy can have the effect of reducing returns and minimizing opportunities for gain.

Futures — Futures are standardized, mostly exchange-traded contracts that obligate a purchaser to take delivery, and a seller to make delivery, of a specific amount of an asset at a specified future date at a specified price. The primary risks associated with the use of futures contracts are: (a) imperfect correlation between the change in market value of the instruments currently held or owned and the price of the futures contract; (b) lack of a liquid secondary market for a futures contract and the resulting inability to close a futures contract when desired; (c) losses caused by unanticipated market movements, which are potentially unlimited; and (d) inability to predict correctly the direction of securities prices, interest rates, currency exchange rates and other economic factors.

Indexed and Inverse Instruments — Indexed and inverse instruments provide a potential return based on a particular index of value or interest rates. Return on these instruments is subject to risk with respect to the value of the particular index. These instruments are subject to Leverage risk and correlation risk. Certain indexed and inverse instruments have increased sensitivity to changes in interest rates or index levels and the investment in such instruments may decline significantly in value if interest rates or index levels move in a way that may not easily or realistically be anticipated.

Options — An option is an agreement that, for a premium payment or fee, gives the option holder (the purchaser) the right but not the obligation to buy (a “call option”) or sell (a “put option”) the underlying asset (or settle for cash in an amount based on an underlying asset, rate, or index) at a specified price (the “exercise price”) during a period of time or on a specified date. Investments in options are considered speculative. With the purchase of an option, the total premium paid for it may be lost if the price of the underlying security or other assets decreased, remained the same or failed to increase to a level at or beyond the exercise price (in the case of a call option) or increased, remained the same or failed to decrease to a level at or below the exercise price (in the case of a put option). If a put or call option purchased were permitted to expire without being sold or exercised, its premium would represent a loss. If the decline or increase in the underlying asset is significantly below or above the exercise price of the option, this may result to an adverse performance impact.

Speculation, Volatility and Leverage risk

Substantial risks are involved in trading futures, forward and option contracts and similar instruments. Such contracts are sensitive to interest rates and foreign exchange rates, which means that their value and, consequently, the NAV, will fluctuate as interest and/or foreign exchange rates fluctuate. Performance depends in part on the ability to anticipate and respond to such fluctuations in market interest rates and foreign exchange rates and to utilize appropriate

strategies to maximise returns to the Investors, while attempting to minimise the associated risks to the investment capital.

To this end, such volatility may produce significant losses to the Investors. The low initial margin deposits normally required to establish a futures position permit a high degree of Leverage. As a result, a relatively small movement in the price of a futures contract may result in a profit or a loss which is high in proportion to the amount of capital actually placed as initial margin and may result in unquantifiable further loss exceeding any margin deposited. Further, when used for hedging purposes there may be an imperfect correlation between these instruments and the investments or market sectors being hedged. Transactions in OTC derivatives may involve additional risk as there is no exchange or market on which to close out an open position. It may be impossible to liquidate an existing position, to assess or value a position or to assess the exposure to risk.

Warrants

Warrants give the right to subscribe to or purchase securities in relation to the investments made. The underlying security may be subject to market volatility thus rendering an investment in a warrant a higher risk than an investment in an equity security. Also, when investing in warrants, their value is likely to fluctuate more than the prices of the underlying securities because of the greater volatility of warrant prices.

Legal Risk

The use of OTC derivatives, such as forward contracts, credit derivatives, swap agreements and contracts for difference, will result to exposure to the risk that the legal documentation of the relevant OTC contract may not accurately reflect the intention of the parties.

Margin Risk

An obligation may arise to pay margin deposits and option premiums to brokers in relation to futures and option contracts entered into. While exchange traded contracts are generally guaranteed by the relevant exchange, exposure to the fraud or insolvency of the broker through which the transaction is undertaken should still be taken into consideration.

Liquidity and Exchange Regulations Risks

Liquidity risk exists when a particular derivative instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives), it may not be possible to initiate a transaction or liquidate a position at an advantageous time or price. For example, futures positions may be illiquid because certain exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits". Under such daily limits, during a single trading day trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit.

Short Selling Risk

Short positions may be engaged on a security through the use of financial derivative instruments in the expectation that their value will fall in the open market. The possible loss from taking a short position on a security differs from the loss that could be incurred from a cash investment in

the security; the former may be unlimited as there is no restriction on the price to which a security may rise, whereas the latter cannot exceed the total amount of the cash investment. The short selling of investments may also be subject to changes in regulations, which could impose restrictions that could adversely impact returns to Investors.

DEBT SECURITIES

Interest Rates Risk

Investments in debt securities such as bonds may be affected by credit quality considerations and changes to prevailing interest rates. The issuer of a bond or other debt security (including, but not limited to, governments and their agencies, state and provincial governmental entities, supranational entities and companies) may default on its obligations by failing to make payments due or repay principal and interest in a timely manner which will affect the value of debt securities forming such potential investments. Debt securities are particularly susceptible to interest rate changes and may experience significant price volatility. If interest rates increase, the value of investments in debt securities generally declines. In a historically low interest environment, risks associated with rising interest rates are heightened. On the other hand, if interest rates fall, the value of the investments generally increases. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields but are subject to greater fluctuations in value.

Ratings

Debt securities can be rated investment grade or below investment grade. Such ratings are assigned by independent rating agencies (e.g. Fitch, Moody's, Standard & Poor's) on the basis of the creditworthiness or risk of default of the issuer or of a bond issue. Rating agencies review, from time to time, such assigned ratings and debt securities may therefore be downgraded in rating if economic circumstances impact the relevant bond issues.

Investment grade debt securities are assigned ratings within the top rating categories by independent ratings agencies (rated Baa3/BBB- or higher using the highest rating available from one of the independent ratings agencies e.g. Moody's, Standard & Poor's, Fitch). Below investment grade debt securities have a lower credit rating (rated Ba1/BB+ or below using the highest rating available from one of the independent ratings agencies (e.g. Moody's, Standard & Poor's, Fitch)) than investment grade debt securities and therefore will typically have a higher credit risk (i.e. risk of default, interest rate risk) and may also be subject to higher volatility and lower liquidity than investment grade debt securities.

Government Debt Securities

Investments may be pursued in debt securities issued or guaranteed by governments or their agencies, quasi-government entities and state sponsored enterprises ("governmental entities"). This would include any bank, financial institution or corporate entity whose capital is guaranteed to maturity by a government, its agencies or government sponsored enterprises. Government securities (including sovereign debt and municipal securities) are subject to market risk, interest rate risk and credit risk. Governmental entities may default on their sovereign debt. To this end, holders of sovereign debt may be requested to participate in the rescheduling of such debt and to extend further loans to governmental entities. The price of certain government securities may be affected by changing interest rates. Government securities may include zero coupon securities, which tend to be subject to greater market risk than interest-paying securities of similar maturities. In periods of low inflation, the positive growth of a government bond may be limited.

Risks related to the Sovereign Debt crisis

Investments may be pursued on a substantial manner in sovereign debt, despite increasing concerns regarding the ability of certain sovereign states to continue to meet their debt obligations. Global economies are highly dependent on each other and the consequences of the default of any sovereign state may be severe and far-reaching and could result indirectly in substantial losses to the Investors.

Debt Securities of Financial Institutions

Certain financial institutions may be adversely affected by market events and could be forced into restructurings, mergers with other financial institutions, nationalized (whether in part or in full), be subject to government intervention or become bankrupt or insolvent. All of these events may have an adverse effect on the value of such investments and may result in the disruption or complete cancellation of payments and other obligations inherent to such investments.

Prospective Investors should note that prospective investments may include bonds and other debt securities that constitute subordinated obligations of such institutions. Upon the occurrence of any of the events outlined above the claims of any holder of such subordinated securities shall rank behind in priority to the claims of senior creditors of such institution. To this end, investments relating to such holdings of such subordinated bonds or debt securities may not benefit from any corresponding payments which would have otherwise been made until the claims of the senior creditors have been satisfied or provided for in full.

Asset-Backed Securities (ABS) and Mortgage-Backed Securities (MBS)

Significant exposure may transpire by virtue of investments to a wide range of asset-backed securities (including so-called “sub-prime” securities) (including asset pools in credit card loans, auto loans, residential and commercial mortgage loans, collateralised mortgage obligations, collateralised debt obligations and collateralized loan obligations), agency mortgage pass-through securities and covered bonds. The obligations associated with these securities may be subject to greater credit, liquidity and interest rate risk compared to other debt securities such as government issued bonds.

Convertible Securities

A convertible security generally entitles the holder to receive interest paid or accrued on debt securities or the dividend paid on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Before conversion, convertible securities generally have characteristics similar to both debt and equity securities. The value of convertible securities tends to decline as interest rates rise and, because of the conversion feature, tends to vary with fluctuations in the market value of the underlying securities. Convertible securities are usually subordinated to comparable nonconvertible securities. Convertible securities generally do not participate directly in any dividend increases or decreases of the underlying securities, although the market prices of convertible securities may be affected by any dividend changes or other changes in the underlying securities.

Contingent Convertible Securities

A contingent convertible security is subject to certain predetermined conditions which, if triggered (commonly known as “trigger events”), will likely cause the principal amount invested to be lost on a permanent or temporary basis, or the contingent convertible security may be converted to equity, potentially at a discounted price. Coupon payments on contingent convertible

securities are discretionary and may also be cancelled by the issuer. Trigger events can vary but these could include the capital ratio of the issuing company falling below a certain level or the share price of the issuer falling to a particular level for a certain period of time. Holders of contingent convertible securities may suffer a loss of capital when comparable equity holders do not. In addition the risk of capital loss may increase in times of adverse market conditions. This may be unrelated to the performance of the issuing companies.

High Yield Bonds

Investment in debt securities is subject to interest rate, sector, security and credit risk. Compared to investment grade bonds, high yield bonds are normally lower-rated securities and will usually offer higher yields to compensate for the reduced creditworthiness or increased risk of default that these securities carry.

Unrated Bonds

Certain investments may be pursued in respect to debt securities which do not have a rating issued by an independent rating agency. Investment in an unrated debt security will be subject to those risks of a rated debt security of comparable quality. For example, an unrated debt security of comparable quality to a debt security rated below investment grade will be subject to the same risks as a below investment grade rated security.

Inflation-Linked Securities

Inflation-linked debt securities are subject to the effects of changes in market interest rates caused by factors other than inflation (real interest rates). In general, the price of an inflation-linked security tends to decrease when real interest rates increase and can increase when real interest rates decrease. Interest payments on inflation-linked securities are unpredictable and will fluctuate as the principal and interest are adjusted for inflation. Any increase in the principal amount of an inflation-linked debt security may be considered taxable ordinary income, even though the principal may not be received until maturity.

In the case of inflation-indexed bonds, their principal value is periodically adjusted according to the rate of inflation. If the index measuring inflation falls, the principal value of inflation-indexed bonds will be adjusted downward, and consequently the interest payable on these securities (calculated with respect to a smaller principal amount) will be reduced.

There can also be no assurance that the inflation index used will accurately measure the real rate of inflation in the prices of goods and services. Investments in inflation-linked securities may lose value in the event that the actual rate of inflation is different than the rate of the inflation index.

STRUCTURED PRODUCTS

General Risks

Investments in structured products may involve additional risks than those resulting from direct investments in underlying assets. Investments pursued in structured products are exposed not only to movements in the value of the underlying asset including but not limited to currency (or basket of currencies), equity, bond, commodity index or any other eligible index, but also to the risk that the issuer of the structured product defaults or becomes bankrupt. Such investments bear the risk of the loss of the principal investment and periodic payments expected to be received for the duration of such investment in the structured products. In addition, a liquid secondary market may not exist for the structured products, and there can be no assurance that one will

develop. The lack of a liquid secondary market may make it difficult such investments to be further disposed for the benefit of other market participants. Structured products may also embed Leverage which can cause their prices to be more volatile and their value to fall below the value of the underlying asset.

Participation Notes

Participation notes are a type of equity-linked structured product involving an OTC transaction with a third party. Investments in participation notes are exposed not only to movements in the value of the underlying equity, but also to the risk of counterparty default, which may result in the loss of the full market value of the equity.

INVESTED FUNDS AND ETFs

Certain investments may be pursued in other collective investment schemes such as UCITS and AIFs, (the "Invested Funds"). Investment decisions in respect of the Invested Funds will be made independently of the Management and it is possible that certain Invested Funds may invest in the same security or in issues of the same asset class, industry, currency, country or commodity at the same time. Accordingly, there can be no assurance that effective diversification of the assets under management will always be achieved.

Invested Funds will be subject to certain fees and other expenses, which will be reflected in the corresponding NAV.

Certain Invested Funds traded on exchanges may be thinly traded and experience large spreads between the "ask" price quoted by a seller and the "bid" price offered by a buyer. Investments pursued in certain types of Invested Funds may not have the same rights normally associated with ownership of other types of shares, including the right to elect directors, receive dividends or take other actions normally associated with the ownership of shares of a corporation.

Investments may also be pursued in Exchange-Traded Funds ("ETFs"). The price and movement of an ETF designed to track an index may not track the underlying index and may result in a loss. In addition, ETFs traded on an exchange may trade at a price below their net asset value (also known as a discount).

Investments pursued in ETFs may invest in leveraged, inverse or inverse-leveraged ETFs. ETFs that seek to provide investment results that are the inverse (or inverse-leveraged, meaning the ETF attempts to provide multiple of the inverse) of the performance of an underlying index are subject to the risk that the performance of such ETF will fall as the performance of the ETF's benchmark rises – a result that is the opposite for traditional investment funds. In addition, investments in ETFs may be pursued by utilizing leverage (i.e. borrowing) for the acquisition of their underlying portfolio investments. The use of leverage involves special risks and an ETF that utilizes leverage may be more volatile than an ETF that does not because leverage tends to exaggerate any effect on the value of the portfolio securities. Because leveraged, inverse or inverse-leveraged ETFs typically seek to obtain their objective on a daily basis, holding such ETFs for longer than a day will produce the result of the ETF's return for each day compounded over the period, which usually will differ from the actual multiple (or inverse) of the return of the ETF's index for the period (particularly when the benchmark index experiences large ups and downs).

TAX IMPLICATIONS

Investors should note in particular that (i) the proceeds from the sale of securities or titles in some markets or the receipt of any dividends or other income may be or may become subject to tax, levies, duties or other fees or charges imposed by the authorities in that market including taxation levied by withholding at source and/or (ii) the investments may be subject to specific taxes or charges imposed by authorities in some markets. Tax law and practice in certain countries in relation to which investments are pursued is not clearly established. It is possible therefore that the current interpretation of the law or understanding of practice might change, or that the law might be changed with retrospective effect.

Relevant tax framework and other matters for both the Company and the Investors should be noted by reference to the 'Tax Considerations' sections of this Prospectus.

It is the responsibility of any prospective Investor interested in investing in the Company to secure information / advice on the tax consequences of any such investment, the specific operations of the Company and any foreign exchange or other fiscal restrictions which might be relevant to their specific circumstances. Prospective Investors are advised to consult with professional advisers as regards any taxation aspects applicable to the Subscription, Redemption, Transfer or sale of the Investment Shares under the laws of their jurisdiction of citizenship, residence, domicile or incorporation.

CASH AND CASH EQUIVALENT POSITIONS

For liquidity and to respond to unusual market conditions, part of the assets of a Compartment may be invested in cash and cash equivalent positions. Investments in cash and cash equivalents may result in a lower yield than other investments and may prevent a Compartment from meeting its investment objective. Cash equivalents are highly liquid, high-quality instruments with maturities of one year or less on the date they are purchased. They include, but are not limited to, securities issued by sovereign governments, their agencies and instrumentalities, repurchase agreements (other than equity repurchase agreements), certificates of deposit, bankers' acceptances, commercial paper (rated in one of the two highest rating categories), and bank deposit accounts.

TRANSACTIONS OF INVESTMENT SHARES

ELIGIBLE PERSONS

Investment in any Compartment may only be permitted for Natural or Legal Persons for other legal entities regardless of their legal form that are not U.S. Persons and qualify as Professional or Well-Informed Investors, as such terms are defined in the AIF Law and in the "DEFINITIONS" section. It is the responsibility of each prospective Investor to seek advice on the meaning of these terms and decide for themselves if they qualify or are willing to be treated as such. Prospective Investors should ensure, before investing, that they understand the risks involved and are satisfied that an investment is suitable with their profile and risk tolerance.

SUBSCRIPTIONS

Summary of the Offering

The Offering: The offering consists of a Subscription of Investment Shares in the Company, each Investment Share being linked to one of the Classes attributable to a Compartment of the

Company. Investment Shares are offered only to Professional and/or Well-Informed Investors and any invitation to the public is prohibited.

Register and Registration of Investment Shares: Investment Shares are issued only in registered form. The Company is not allowed to issue bearer shares. Title to registered Investment Shares subscribed by an Investment Shareholder is evidenced by having the account name, address and the number of Investment Shares held, entered in the Register. The Register is always kept in such manner as to show at all times the Investment Shareholders subscribed in each Compartment and the Investment Shares in issue allocated to each Compartment. The Register is kept in the form of electronic records, provided that legible evidence is produced therefrom to satisfy the requirements of applicable law and the provisions of the Articles.

Fractions: No fractions of Investment Shares are allowed under the provisions of the AIF Law. Where any Subscription monies for Investment Shares do not amount to an exact multiple of the Initial Subscription Price or Subscription Price Per Investment Share for the Compartment applied for, a fraction of an Investment Share will not be issued and the number of Investment Shares to be allotted will be rounded upwards or downwards to the nearest whole number.

Initial Offer

The External Manager will seek, through an initial offer, to raise proceeds for each Compartment, upon its registration in the CySEC RAIF Register, consisting of a Minimum Capital Raising, prior expenses. The External Manager intends to make use of the net proceeds of the Minimum Capital Raising as consideration for the investments of the Compartments and implementation of their strategies.

Investment Shares are offered during the Initial Offering Period at an Initial Subscription Price as specified in the relevant Offering Supplement of each Compartment.

The Initial Offering Period may last until the Minimum Capital Raising is achieved or within twelve (12) months from the date of the Compartment's establishment (the "Last Offering Day"). If the Minimum Capital Raising is not achieved prior to the Last Offering Day, any Subscription amount collected will be returned to the Investors.

The External Manager, up to its absolute discretion, may decide to extend the Initial Offering Period even if the Minimum Capital Raising is achieved but in any case, the extension will not transcend the Last Offering Day. The Closing Day of the Initial Offering Period will be decided by a board resolution signed by the Board of Directors of the External Manager and passed on to the Company.

Investment Shares received during the Initial Offering Period are issued and allotted one (1) Business Day after the Closing Day, during which, the Register of the Company is updated, and Subscription Confirmations are sent to the Investment Shareholders.

Further Subscriptions

Following the Initial Offering Period, Investment Shares will be available for Subscription on each Dealing Day, being one (1) Business Day after the Valuation Day of a Compartment. Investment Shares will be offered at the Subscription Price Per Investment Share calculated based on the NAV per Share of the Compartment they are allocated.

The Gross Subscription Price Per Investment Share applicable to any Class of a Compartment is ascertained by:

- (i) Determining the NAV of the relevant Compartment calculated in respect of the relevant Valuation Day; and
- (ii) Dividing the amount calculated under (i) above by the number of Investment Shares in issue allocated to that Compartment; and
- (iii) Deducting therefrom such amount as may be necessary to round the resulting amount to seven (7) decimal places; and
- (iv) If the Base Currency of the Class is different from the Base Currency of the Compartment, convert the resulting amount to the Compartment's Base Currency equivalent using the Prevailing Exchange Rate as of the relevant Valuation Day.

The Subscription Price Per Investment Share applicable to any Class of a Compartment is ascertained by:

- (i) Determining such sum as the External Manager may consider represents an appropriate provision for Duties and Charges; and
- (ii) Dividing the amount calculated under (i) above by the number of the Investment Shares for which an application for Subscription has been received by the External Manager; and
- (iii) Adding to the Gross Subscription Price Per Investment Share the amount resulting from (ii) above.

Investment Shares are issued and allotted on the Dealing Day. No Investment Shares will be issued or allotted in respect to a Compartment during any period in which the determination of the NAV per Share of that Compartment is suspended.

Minimum Initial and Subsequent Subscription Amounts

The External Manager may set Minimum Initial and Subsequent Subscription Amounts for each Compartment or Class of Investment Shares as set out in the relevant Offering Supplement. Any prospective Investor or existing Investment Shareholder, whatever the case may be, wishing to invest in a particular Class of Investment Shares must comply with these restrictions. The External Manager has the discretion, from time to time, to waive or reduce any applicable minimum Subscription amounts.

Subscription Application Documents

- Subscription Application Package

All applicants applying for Investment Shares must complete a set of documents, all of which together comprise the Subscription Application Package. All applicants are obliged to complete the following Subscription documents:

Subscription Application Form: The Investor will have to fill out the *Subscription Application Form* which contains all the information required in order for the Investor to subscribe for Investment Shares in the Company. Such information includes, among others, personal information of the Investor, Subscription amount, co-owners if any, details of the Investor's beneficial owners, Bank details etc.

Mandatory Documents for Submission: This document includes all documentation required for submission, evidencing the Investor's identity and residency status. The receipt, examination and record keeping of the requested documentation is obligatory as part of internal KYC (Know your Client) identification and AML (Anti-Money Laundering) procedures.

Financial Situation and Background Form: Along with the *Subscription Application Form*, prospective Investors are required to complete the accompanying *Financial Situation and Background Form*. The purpose of the *Financial Situation and Background Form* is to identify the source of the invested money into the Company. Investors are requested to provide information relating to their occupational status and information such as annual earnings, total wealth and professional background.

Representations and Warranties: The section titled *Representations and Warranties* includes the representation and warranties provided by the Investor towards the Company. These “representations and warranties” constitute assertions and acknowledgments provided by the Investor as to the accuracy of certain facts or circumstances at the time or prior or subsequent to the execution of the Subscription Application Package, and on which the Company and the External Manager can rely on.

- **CRS & FATCA Self-Certification Forms:**

In addition to the Subscription Application Package, and in the context of the Company’s compliance with the relevant reporting obligation under CRS and FATCA, potential Investors are obliged to complete the relevant CRS & FATCA self-certification forms. Pursuant to the information collected through the self-certification forms, an identification is performed on whether Investment Shareholders are classified as reportable persons under CRS and FATCA. The information requested and the relevant forms to be completed depend on the type of Investor i.e. Natural or Legal Person. In particular:

Natural Persons: Where the prospective Investor is a Natural Person, the individual CRS & FATCA self-certification form must be completed.

Legal Persons: Where the prospective Investor is a Legal Person, (i) the entity CRS self-certification form; and (ii) the entity FATCA self-certification form must be completed accordingly.

Representations and requests for information regarding the satisfaction of Investor suitability standards are included in the documents mentioned above. Provided, however, that the Company and the External Manager are entitled to rely on the truthfulness and accuracy of any representation made by a prospective Investor or an existing Investment Shareholder, each of whom is presumed to have better access than the Company and the External Manager with respect to any relevant information therein requested. In the event that the External Manager deems it necessary to obtain additional evidence to substantiate information or representations contained in any Subscription Application Package and CRS & FATCA self-certification form(s), prospective Investors and/or existing Investment Shareholders will also be required to provide the same.

Application Procedure

The Directors of the External Manager or other authorized representatives shall give to the applicant, free of charge, the Prospectus, the Memorandum and Articles, the latest annual report, if published, and the half-yearly report, if published after the annual report, and shall disclose to the applicant the latest Key Information Document (required only for Well-Informed Investors), the information on the latest NAV per Share and the historic performance (if any) of the Compartment(s) in which the prospective Investor is interested to subscribe for, before signing the Subscription Application Package and CRS & FATCA self-certification form(s).

For the Subscription to be facilitated, the following are necessary:

- (a) An application for Subscription in Investment Shares submitted to the offices of the External Manager in writing;
- (b) Acceptance of the Prospectus and Memorandum and Articles of the Company; and
- (c) Full payment of the amount due for the acquisition of the Investment Shares, either in cash deposited at the bank account of the Company or provided that the External Manager's approval has been obtained, as a contribution in kind, subject to the specific provisions of a Compartment and as long as the contributed assets correspond to the investment strategy and permitted investments of the relevant Compartment, are free from any kind of charge and are valued by an independent Valuer, or if market quotations are readily available are valued using the last closing bid price supplied by a specific relevant pricing source.

Applications for Subscription of Investment Shares must be submitted to the External Manager between usual business hours (09:00 – 15:00 Cyprus time, GMT +2). It is required for all applicants for Investment Shares to submit the original completed Subscription Application Package and CRS & FATCA self-certification form(s) at the offices of the External Manager either by hand or post. Prior to the submission of the original, a completed and signed Application Package may be sent via electronic mail or other way of electronic communication, for confirmation of good order, provided the original is also received at the offices of the External Manager in a timely manner. Applications via fax will not be accepted.

Applications for Subscriptions submitted after the Initial Offering Period must be received prior to the Entry Cut-off set out in the relevant Offering Supplement of each Compartment. Completed applications for Subscription received prior to the Entry Cut-Off shall be effected on the forthcoming Dealing Day based on the Subscription Price Per Investment Share determined on the applicable Valuation Day. Any completed applications received after the Entry Cut-Off will normally be held over until a subsequent Dealing Day but may be accepted for dealing on the forthcoming Dealing Day, at the discretion of the External Manager, subject to the requirements of the applicable law and internal rules.

The External Manager is authorized to close or restrict a Compartment to new Subscriptions, either for a specified period and either in respect of all Investment Shareholders or prospective Investors only.

Payment of Subscription Monies

Subscription payments net of all bank charges should be paid by electronic transfer to the bank account specified at the time of application. Other methods of payment are subject to the prior approval of the External Manager. No interest will be paid in respect of payments received in circumstances where the application is held until a subsequent Dealing Day.

Subscription monies are normally paid out in the Base Currency of the relevant Compartment or Class of Investment Shares allocated to that Compartment. If any issue or sales taxes become payable to the relevant tax authorities, the initial Subscription amount will be increased by that amount or be deducted by the total Subscription amount.

Investors and/or existing Investment Shareholders should settle payment of the Subscription monies at least one (1) Business Day prior to the relevant Valuation Day, otherwise the External Manager may cancel the allotment.

Non-Cash Contributions

If such provision is included in the relevant Offering Supplement(s), the External Manager may at its absolute discretion and from time to time accept the issue of Investment Shares for a non-cash contribution, provided that the contributed asset corresponds to the investment strategy and permitted investments of the relevant Compartment, is free from any kind of charge and is either valued by an independent Valuer, or if market quotations are readily available is valued using the last closing bid price supplied by a specific relevant pricing source. In such event, the applicant will complete an *In-Specie Form* provided to him/her by the External Manager in which the various features of the contributed asset will need to be specified.

The procedures and rules established for performing a non-cash contribution are specified in the Offering Supplement of the relevant Compartment, if applicable.

Subscription Fee

During a Subscription for Investment Shares, a Subscription Fee may be charged to prospective Investors and/or existing Investment Shareholders, as this is specified in the relevant Offering Supplement.

Subscription Confirmation Notifications

Provided that (i) the Subscription proceeds in clear funds and/or contributed assets have been received at least one (1) Business Day prior to the relevant Valuation Day; and (ii) the original and signed Subscription Application Package and CRS & FATCA self-certification form(s), accompanied by sufficient KYC documentation required have been received prior to the Entry Cut-Off, a Subscription confirmation (which may take the form of regular contract notes) will be issued and sent by the External Manager to the new or already existing Investment Shareholder, where applicable, via electronic mail as soon as reasonably practicable after the relevant Dealing Day, providing full details of the transaction.

Title to registered Investment Shares is evidenced by entries in the Register kept by the External Manager. Share certificates will not be issued unless so requested by an Investment Shareholder. In such case the share certificate shall be in the form approved by the Board of Directors of the External Manager and any charges incurred for its issuance shall be burden by the Investment Shareholder.

In case of a discrepancy between the Subscription confirmation and/or the share certificate and the Register, the Register shall prevail.

Rejection of Subscription Applications

The Company, subject to the External Manager's authorisation, has the authority to effect the issue of Investment Shares and the External Manager has the absolute discretion to accept or reject in whole or in part any application for Subscription of Investment Shares without assigning any reason thereof, regardless of whether a prospective Investor meets the eligibility standards. The External Manager has the power to impose such restrictions, as it is deemed necessary, to ensure that no Investment Shares are acquired by any person which might result in the legal or beneficial ownership of Investment Shares to be held by persons who do not qualify as Eligible Persons or expose the Company to adverse tax or regulatory consequences. If an application is rejected, any monies received will be returned to the applicant as soon as possible by electronic transfer without any interest or compensation for charges.

It is the responsibility of each prospective Investor to ensure that the Subscription for Investment Shares does not violate any applicable laws in the Investor's jurisdiction of residence.

Subscription through Intermediaries

An Investor will only be able to fully exercise any rights directly against the Company, if the Investor is registered himself and in his own name in the Register as an Investment Shareholder. 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 (an "Intermediary"), it may not always be possible for the Investment Shareholder to exercise certain rights directly against the Company.

REDEMPTIONS

An Investment Shareholder may, either directly or indirectly, proceed to a Redemption of Investment Shares held in a Compartment, subject to Limited Liquidity Arrangements.

Processing of Redemptions

Unless otherwise set forth in the relevant Offering Supplement, Redemptions of Investment Shares shall be allowed on any Dealing Day. Subject to any Limited Liquidity Arrangements in place, each Investment Shareholder has the right to redeem part or all Investment Shares held one (1) Business Day after the applicable Valuation Day, being the Dealing Day.

The Gross Redemption Price Per Investment Share applicable to any Class of a Compartment is ascertained by:

- (i) Determining the NAV of the relevant Compartment calculated in respect of the relevant Valuation Day; and
- (ii) Dividing the amount calculated under (i) above by the number of the Investment Shares in issue allocated to that Compartment at the relevant Valuation Day; and
- (iii) Deducting therefrom such amount as may be necessary to round the resulting sum to seven (7) decimal places; and
- (iv) If the Base Currency of the Class is different from the Base Currency of the Compartment, convert the resulting amount to the Compartment's Base Currency equivalent using the Prevailing Exchange Rate as of the relevant Valuation Day.

The Redemption Price Per Investment Share applicable to any Class of a Compartment is ascertained by:

- (i) Determining such sum as the External Manager may consider represents an appropriate provision for Duties and Charges; and
- (ii) Dividing the amount calculated under (i) above by the number of the Investment Shares for which an application for Redemption has been received by the External Manager, or which the External Manager wishes to redeem in accordance with the provisions of this Prospectus and the Company's Articles; and
- (iii) Deducting from the Gross Redemption Price Per Investment Share the amount resulting from (ii) above.

The Redemption Price applicable to any Class of a Compartment is ascertained by multiplying the Redemption Price Per Investment Share applicable to that Compartment, by the number of Investment Shares being redeemed.

Any taxes, commissions and other fees incurred in the respective countries in which the Investment Shares are redeemed will be charged. During any period when the calculation of the NAV of a Compartment is suspended, no Redemption requests will be processed.

Redeemable Shares will be cancelled on the Dealing Day.

Lock-Up Period

A Lock-Up Period may be imposed by the External Manager as may be further determined in the relevant Offering Supplement to be created for a Compartment, if applicable. The Lock-Up Period starts from the Launch Day of a Compartment or Class and ends at a specific date disclosed in the relevant Offering Supplement and is a period during which Investment Shareholders of a Compartment or Class are not entitled to a Redemption of Investment Shares.

Minimum Holding Period

A Minimum Holding Period may also be imposed by the External Manager as may be further determined in the relevant Offering Supplement to be created for a Compartment, if applicable. The Minimum Holding Period is the period during which an Investment Shareholder of a Compartment or Class is not entitled to a Redemption of Investment Shares, that applies from the Investment Shareholder's acquisition of such Investment Shares, either through an initial or subsequent Subscription or Transfer of Investment Shares and ends at a date specified in the relevant Offering Supplement.

Gate Provision

The External Manager may, with respect to a Compartment, apply a maximum limit on the value of Redemption requests that may be satisfied on any date of Redemption, and it shall not be bound to redeem more than a maximum percentage of the NAV of such Compartment in respect of the Investment Shares then in issue. Such limits, if applicable, shall be further detailed in the relevant Offering Supplement.

Redemption Request Form

Applicants for Redemptions of Investment Shares must complete the *Redemption Request Form*. The *Redemption Request Form* includes the number of Investment Shares the Investment Shareholder wishes to redeem. In addition, the *Redemption Request Form* includes the Investment Shareholder's updated personal information, including confirmation of the bank account details previously provided by the Investment Shareholder or the provision of a new bank account's details. Failure to provide any of the aforementioned information will result in delay of such application for Redemption.

Application Procedure

All Investment Shareholders seeking to redeem Investment Shares may apply to do so by completing and sending a Redemption Request Form to the External Manager between usual business hours (09:00 – 15:00 Cyprus time, GMT +2). The submission of the original Redemption Request Form at the offices of the External Manager by hand or by post is mandatory. Prior submission of the original, a completed and signed Redemption Request Form may be sent via electronic mail, for confirmation of good order, provided the original is also received at the offices of the External Manager in a timely manner. Applications via fax will not be accepted.

Redemption Request Forms must be received by the External Manager prior to the Exit Cut-Off set out in the relevant Offering Supplement of each Compartment. Redemption requests received prior to the Exit Cut-Off shall be effected on the forthcoming Dealing Day based of the Redemption Price Per Investment Share determined on the Valuation Day they are applying for. If the Redemption Request Form is received after the Exit Cut-Off, normally, it shall be treated as a request for Redemption on a subsequent Dealing Day, however the External Manager may accept it for processing on the forthcoming Dealing Day, subject to the requirements of the applicable law and internal rules.

If the determination of the NAV is suspended beyond the day on which it would normally occur, the right of an Investment Shareholder to redeem Investment Shares held shall also be suspended.

Redemption Fee

Upon Redemption of Investment Shares, a Redemption Fee may be charged in order to discourage Investment Shareholders from pursuing early Redemptions. If applied, the Redemption Fee will scale down depending on the time of Redemption as will be further indicated in the relevant Offering Supplement.

Suspension of Redemptions

The suspension of Redemptions of Investment Shares is only allowed in exceptional cases where this is demanded by the circumstances, so required and where such suspension is justified as being due to a Force Majeure event and in the best interests of the Investment Shareholders. A suspension of Redemptions may be made at any time prior to the payment of Redemption proceeds or the removal of the Investment Shareholder's name from the Register.

The relevant suspension of Redemptions requires the previous decision of the External Manager and the relevant approval by CySEC and shall be notified to the Investment Shareholders and to the competent authorities of other countries where the Investment Shares of the Company are marketed, specifying the duration of the suspension period. Where the circumstances under which the suspension of Redemption of the Investment Shares of the Company has been decided to cease to exist before the end of the suspension period, the External Manager shall revoke the suspension and notify the CySEC.

Redemptions will also be suspended in those circumstances in which the NAV of a Compartment cannot be determined. In case of suspension of the determination of the NAV of a Compartment, an Investment Shareholder whose right to redeem Investment Shares is similarly suspended may, during the period of suspension, withdraw the request for Redemption of Investment Shares. Any withdrawal of a Redemption request will be made in writing and shall only be effective if actually received before termination of such suspension.

If the request is not withdrawn, the Redemption of the Investment Shares shall be made on the Dealing Day next following the end of the suspension or on such other Business Day following the end of the suspension as the External Manager at the request of such Investment Shareholder may agree.

Redemption Proceeds

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. Redemption monies, representing less than the nearest rounder number of an Investment Share will not be returned to the applicant but will be retained by the Company.

Payment of Redemption Monies

Redemption Proceeds are paid in the Base Currency of the concerned Compartment or Class of Investment Shares or, at the discretion of the External Manager, in a freely transferable currency as requested by the Investment Shareholder to the account designated by the Investment Shareholder in the Redemption Request Form or in any other form requested to them for completion. No interest will accrue on the Redemption Proceeds pending the payment date. Any bank transfer charges or exchange costs will be deducted from the total Redemption proceeds. In case of inability to remit Redemption Proceeds to an Investment Shareholder for reasons not attributable to the Company and/or the External Manager, neither the External Manager nor the Company shall bear any liability and the responsibility lies with the Investment Shareholder to proceed to necessary actions so as to enable the remittance.

Redemption Proceeds will only be paid to the Investment Shareholder(s). If the Redemption Proceeds are to be paid to a bank account other than the one specified in the original Subscription Application Form, then a reasonable and sufficient explanation must be provided from the Investment Shareholder's side as to the reasons of the change of bank accounts. In the case of co-holders, all must sign the revised payment instructions. Failure to provide any of the aforementioned information will result in delay of payments.

Payment of Redemption Proceeds in Specie

If such provision is included in the relevant Offering Supplement(s), Redemption Proceeds may be performed in whole or in part by a distribution in kind, in lieu of cash. The External Manager will proceed to such settlement, upon mutual agreement with the redeeming Investment Shareholder, if no cash is available to accommodate an Investment Shareholder's request for Redemption and only if it is determined that such Redemption in specie would not be detrimental to the best interests of the remaining Investment Shareholders of the relevant Class or Compartment. The procedures and rules established for performing a Redemption in Specie are specified in the Offering Supplement of the relevant Compartment.

Redemption Confirmation Notifications

A Redemption Confirmation will be sent by the External Manager to redeeming Investment Shareholders via electronic mail as soon as reasonably practicable after the relevant Dealing Day, providing full details of the transaction. The Redemption Confirmation should not be construed by Investment Shareholders as confirmation of settlement of Redemption monies as the External Manager is not in a position to confirm this information.

The Redemption Price Per Investment Share may be higher or lower than the Subscription Price Per Investment Share paid by the Investment Shareholder, depending on the NAV per Share of the Valuation Day immediately preceding the date of Redemption.

Rights following the Dealing Day

The Register shall be amended on the Dealing Day upon determination of the Redemption Proceeds in respect of the Investment Shares being redeemed, to reflect the new number of Investment Shares held by the redeeming Investment Shareholder (in cases of partial redemption) or to remove the name of the redeeming Investment Shareholder (in cases of full redemption). Investment Shareholders requesting the Redemption of all or any part of their Investment Shares on any particular Dealing Day will, with effect from that Dealing Day (i) be treated as creditors of the Company and will rank accordingly in the event of a winding up of the Company; (ii) have no rights as holders of Investment Shares in relation to the Investment Shares

being redeemed; and (iii) are entitled to receive the Redemption proceeds and any Distribution which has been declared in respect of their Investment Shares but not paid prior to the relevant Dealing Day.

Compulsory Redemption

The External Manager has the right upon at least 15 (fifteen) Business Days' notice to compulsorily redeem on a Dealing Day in whole or in part any Investment Shares of a Compartment or Class of Investment Shares held by an Investment Shareholder under such circumstances as are described below:

- i. The Investment Shares are held by or for the benefit (directly or indirectly) of any Ineligible Person;
- ii. An Investment Shareholder has become an Ineligible Person, or has ceased to be an Eligible Person;
- iii. Any successor of a deceased Investment Shareholder does not qualify as an Eligible Person;
- iv. Such Investment Shares have been acquired (or since their acquisition are now held) in breach of any laws of any country or the decision, order or determination of any governmental agency;
- v. Such Redemption would in any way best serve the interests of the Company, or Compartment or Class or of its Investment Shareholders as a whole;
- vi. Such Redemption would eliminate or reduce the exposure of the Company or its Investment Shareholders to adverse tax or regulatory consequences under the laws of any country;
- vii. Any of the representations and information given by the Investment Shareholder in the Subscription Application Form and/or Economic Situation and Background Form and/or CRS & FATCA self-certification form(s) were not true from the outset or have become inaccurate over time;
- viii. The Investment Shareholder is considered at any stage as non-cooperative as elaborated in section "NON-COOPERATION AND/OR CHANGE OF STATUS TO U.S. PERSON" of this Prospectus;
- ix. The Company or a Compartment is being liquidated;
- x. Upon the existence of a court order or judgment demanding the compulsory Redemption of Investment Shares held by an Investment Shareholder; or
- xi. On any other grounds whether or not at the External Manager's discretion, as such ground may be expressly provided for under the Articles and/or the Prospectus and/or relevant Offering Supplement.

The External Manager may charge any legal, accounting or administrative costs associated with such compulsory Redemption to the redeeming Investment Shareholder.

Distributions in respect of a compulsory Redemption of Investment Shares shall be made in the same manner and under the same terms as a Redemption of Investment Shares which is not compulsory.

Redemption rights in case of Amendments to the Company's Memorandum & Articles

Amendments to the Company's Memorandum and Articles must always be notified to CySEC by the External Manager pursuant to section 138(5) of the AIF Law. Such amendments shall be communicated immediately to the Investment Shareholders who have the right to ask for the Redemption of their Investment Shares in accordance with the provisions of the Memorandum and Articles, as these were in force prior to their valid amendment, within the deadlines specified in section 60(2) of the AIF Law as per the Redemption conditions specified in this Prospectus and accompanied Offering Supplement(s).

TRANSFERS

Rules for Transfers

Transfer of Investment Shares from an Investment Shareholder wishing to transfer the Investment Shares registered in his/her name (the "Transferor") to a person (existing or new Investment Shareholder) wishing to receive those Investment Shares (the "Transferee") is always subject to the approval of the External Manager.

The External Manager may also decline to register any Transfer of Investment Shares where it appears that such transfer would result in the legal or beneficial ownership of such Investment Shares by a person who does not qualify as an Eligible Person or could expose the Company to adverse tax or regulatory consequences.

The successful Transfer of Investment Share(s) from the Transferor to the Transferee constitutes an absolute transfer of all the rights and obligations connected to the relevant Investment Share(s). Reference to rights attached to Investment Shares include but are not limited to Redemption rights, transferring rights and rights as to Distributions. In contrast, references to obligations connected to Investment Shares relate to such liabilities and/or obligations (inter alia, Minimum Holding Period, Minimum Initial and/or Subsequent Subscription Amount) expressly provided for in the Company's Articles, Prospectus and relevant Offering Supplement presented to the Transferee prior the commencement of the Transfer procedure. To this end and for the avoidance of any doubt, the Transfer of Investment Shares to the Transferee constitutes a 'continuity' of the rights afforded to and the liabilities/obligations imposed on the Transferee onto the Transferee as if no Transfer has occurred.

Investment Shareholders are not obliged to transfer their Investment Shares based on their NAV at the time of the Transfer. If an ad-hoc calculation of the NAV of transferred Investment Shares is requested by the Transferor or Transferee, the External Manager may decide to accept or reject such a request at its absolute discretion and reserves the right to charge any legal, accounting or administrative costs associated with the determination of the NAV to the requesting party.

During any period when the determination of the NAV of the relevant Compartment has been temporarily suspended, the External Manager shall have the discretion not to permit the registration of a Transfer of Investment Shares.

Transfer Request Form

Investment Shareholders wishing to transfer some or all of the Investment Shares registered in their names shall submit to the External Manager a Transfer Request Form signed by both the Transferor and the Transferee. The Transfer Request Form must include the number of Investment Shares the Transferor wishes to transfer to the Transferee. In addition, the Transferor's and Transferee's personal details are requested for completion.

In case the Transferee is not an existing Investment Shareholder, he should also complete and submit the Subscription Application Package and CRS & FATCA self-certification form(s) at the offices of the External Manager.

Time of Execution

Requests for Transfers are processed immediately, upon submission of the original completed and signed Transfer Request Form as well as of the relevant Subscription Application Package and CRS & FATCA self-certification form(s), in case the Transferee is a new Investor.

Application Procedure

Investment Shareholders may apply for a Transfer of Investment Shares in writing by electronic mail to the External Manager (with original Transfer Request Form to follow promptly by hand or by post). No Transfer of Investment Shares will be performed prior to the submission of the original completed and signed Transfer Request Form as well as of the Subscription Application Package and CRS & FATCA self-certification form(s) by the Transferee, in case of a new Investment Shareholder.

The External Manager shall carry out an assessment of the Transfer Request Form and the Transferee. If the External Manager declines to register the Transfer of any Investment Shares it shall, within one month after the date on which the Transfer was lodged, send to the transferee notice of the refusal.

The External Manager shall update the Register by removing the transferred Investment Shares from the Transferor's account and recording them in the Transferee's account. The Transfer shall only be effective upon registration of the Transferee in the Register. The External Manager shall prepare and issue Transfer Confirmations and distribute them via electronic mail accordingly to the Transferor and Transferee.

PLEDGES

The Investment Shares of the Company may be used as collateral to secure a claim towards a lender as long as the lender qualifies as an Eligible Person and provides all the information and documentation requested in the Subscription Application Package and CRS & FATCA self-certification form(s). Any lender participating in the Company as an Investment Shareholder shall always comply with the Company's internal rules and the provisions of the Articles. No special treatments will be upheld for the benefit of any Investment Shareholder participating in the Company as a result of a pledge.

Any collateral shall be disclosed in writing to the External Manager, shall be recorded in the Register and shall be effective subject to the provisions of the AIF Law. The External Manager, at its absolute discretion, may accept or reject any pledge of Investment Shares without assigning any reason thereof, regardless of whether the lender meets the suitability requirements.

The satisfaction of the lender is effected by the Redemption of the pledged Investment Shares and the payment of the Redemption proceeds to the lender, until the Redemption of all the pledged

Investment Shares. Where the pledged Investment Shares are not redeemed in total, the lender shall maintain its right on the collateral as to the remaining pledged Investment Shares, without having to conclude and disclose a new collateral agreement.

VALUATIONS

RULES OF VALUATION

The calculation of the NAV of each Compartment and the NAV attributable to Investment Shares in each Compartment thereof will be performed by the External Manager in respect of the relevant Valuation Day by reference to the valuation guidelines below and in accordance with the Articles. A separate NAV will be calculated for each Compartment on the Valuation Days specified in the Offering Supplement of each Compartment.

Each NAV will be expressed respectively in the Base Currency of the Compartment whose nets assets are valued. The Base Currency of each Compartment is the currency in which the NAV is denominated. The External Manager may however decide to issue one or more Classes of Investment Shares where the Base Currency of the Class may be different than the Base Currency of the Compartment. In such cases, the NAV per Share in the Base Currency of the Class is the equivalent of the NAV per Share in the Base Currency of the Compartment allocated to that Class converted at the Prevailing Exchange Rate.

Any rounding differences between the NAV calculated from the accounting records of a Compartment and the NAV derived from the Register based on the holdings of Investment Shareholders in that Compartment shall be retained for the benefit of that Compartment.

DETERMINATION OF THE NET ASSET VALUE

The NAV of each Compartment is defined as an aggregate value of the assets allocated to that Compartment minus liabilities.

The assets allocated to each Compartment, shall be deemed to include: (i) all investment holdings held in the Portfolio of each Compartment (ii) all cash in hand or on deposit, including any interest accrued thereon; (iii) the set up expenses of the Company allocated to it based on NAV proportionality and the set-up expenses occurring for its own launch, including the cost of asset issuing and distributing Investment Shares, insofar as the same have not been written off; (iv) all accounts receivable; (v) any cash dividends and cash distributions receivable to the extent information thereon is reasonably available to the Company; (vi) all interest accrued on any interest bearing assets except to the extent that the same is included or reflected in the principal amount of such asset; (vii) and all other assets of any kind and nature including expenses paid in advance.

The liabilities allocated to a Compartment include: (i) all contract loans, bills and accounts payable; (ii) all accrued interest on loans provided to the Company on behalf of a Compartment (including accrued fees for commitment for such loans); (iii) all accrued or payable expenses including the Management Fee, Performance Fee, Depositary Fee, Directors and employees remuneration and any other third party service provider fees, that have been appointed pursuant to a written agreement or engagement letter; (iv) all known liabilities, present and future, including all matured contractual obligations for payment of money or property; (v) an appropriate provision for future taxes based on income or reserves to the relevant Valuation Day; (vi) any Duties and Charges; and (vii) all other liabilities of the Company of whatsoever kind and nature except liabilities represented by Investment Shares.

VALUATION OF ASSETS

In calculating the NAV, all the investment holdings held in the Portfolio of each Compartment and any rights or liabilities derived from their ownership shall be calculated as follows:

- a. Assets listed or traded on an exchange or regulated market or OTC markets for which market quotations are readily available shall be valued using the last closing bid price supplied by a specific relevant pricing source or, if for specific assets the last closing bid price is unavailable or is considered to be unrepresentative of fair market value, the value shall be calculated with care and in good faith by a Valuer appointed by the External Manager on the basis of the probable realization value for such assets as at the close of business as of the Valuation Day on the relevant market. Investments are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Compartment has transferred substantially all risks and rewards of ownership. If the assets are listed or traded on several exchanges or regulated markets the last closing bid price as of the Valuation Day which constitutes the principal market for such assets will be used.
- b. All fixed-income securities (including, but not limited to, bonds, debentures and structured notes) shall be valued at the last closing bid price for such securities as supplied by a specific relevant pricing source. If a reliable closing bid price is not available, a Valuer following approval from the External Manager will calculate the most appropriate and reliable price for the security provided that such price is the probable realization value of the securities.
- c. Units or shares in collective investment schemes, (other than those valued pursuant to point (a) above) including Invested Funds, shall be valued at the latest available net asset value per share/unit relevant to the collective investment scheme.
- d. Options listed or traded on an exchange or regulated market or OTC markets for which market quotations are readily available shall be valued at the closing bid price for such derivative instruments as supplied by a specific relevant pricing source. If a reliable closing bid price is not available, a Valuer following approval from the External Manager will calculate the most appropriate and reliable price for the option provided that such price is the probable realization value of the options.
- e. Exchange-traded derivative instruments such as CFDs and futures contracts shall be recorded as assets when their fair value is positive and as liabilities when their fair value is negative. The profit or loss derived between the difference of cost and fair value shall be recognized as an asset (if positive) or as a liability (if negative). If fair value is not available for any such instrument, the value of that instrument shall be the probable realization value estimated with care and in good faith by a Value appointed by the External Manager.
- f. OTC derivatives such as forward contacts and swap contracts shall be valued using the counterparty valuation or an alternative valuation. The counterparty to derivative instruments not traded on an exchange must be prepared to value the contract and to close out the transaction at the request of the External Manager.
- g. Cash and cash equivalents comprising cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value shall be valued at their nominal value plus accrued interest
- h. Any interest arising from the ownership of a private loan or hybrid security accrued but not received or any dividends declared for distribution but for which no distribution has been made shall be recorded.
- i. Securities representing ownership of privately owned companies such as SPVs, Subsidiaries / private equity / venture capital investments shall be valued at least once a year, and every time there is evidence that the last determined value is no longer fair or proper, using acceptable valuation techniques based on a fair value principle (deemed to be “the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction

between market participants at the measurement date”). The External Manager may at its discretion, adjust the value of an asset downwards (but not upwards) if it deems that the valuation of the asset is overly optimistic.

- j. Tax liabilities and assets for the current and prior periods are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and laws that have been enacted, or substantially enacted, by the reporting date. Current tax includes any adjustments to tax payable in respect of previous periods.
- k. For other assets not covered in (a) through (j) above, their fair value will be calculated in accordance with applicable valuation techniques.

Any value expressed otherwise than in the Base Currency of a Compartment (whether of an investment or cash) and any non-Base Currency borrowing shall be converted into the Base Currency at the latest available Prevailing Exchange Rate supplied by the ECB. Similarly, foreign currency transactions are translated into the Compartment’s Base Currency, using the ECB exchange rates (if available) prevailing at the dates of the transactions. If the ECB exchange rate is not available, then it is upon the External Manager to decide an appropriate alternative Prevailing Exchange Rate at its sole discretion. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

In the event of it being impossible or incorrect to carry out a valuation of a specific investment in accordance with the valuation rules set out above or if such valuation is not representative of an asset’s fair value, the External Manager is entitled to employ such other generally recognized valuation method in order to reach a proper valuation of that specific instrument, provided that such method of valuation has been communicated to the External Manager.

NAV PER SHARE

The NAV per Share of a Compartment in respect of each Valuation Day shall be ascertained by:

- (i) Determining the NAV of the relevant Compartment; and
- (ii) Dividing the amount calculated under (i) above by the number of Investment Shares in issue allocated to that Compartment at the relevant Valuation Day; and
- (iii) Deducting therefrom such amount as may be necessary to round the resulting amount to seven (7) decimal places.

In calculating the number of Investment Shares in issue:

- Every Investment Share agreed to be issued or allotted but not issued by the Company at the relevant Valuation Day shall be deemed not to be in issue;
- Where notice of a Redemption of Investment Shares has been given but such Redemption has not been completed prior to or at the relevant Valuation Day, the Investment Shares to be cancelled shall be deemed to be in issue.

In case of a material error in the calculation of the NAV or NAV per Share arising from either an incorrect calculation or non-compliance with investment rules, the External Manager must take all necessary steps to correct the error.

If after the calculation of the NAV per Share, there has been a material change in the valuation of a substantial portion of the investments attributable to the Portfolio of a Compartment, the External Manager may, in order to safeguard the interests of Investment Shareholders and the Company, cancel the first valuation and carry out a second valuation, prudently and in good faith.

NAV DISCLOSURES

Upon the ratification of the NAV by the External Manager, a NAV statement is issued and sent by the External Manager to the Investment Shareholders via electronic mail as soon as reasonably practicable after the relevant Valuation Day.

ALLOCATION OF ASSETS AND LIABILITIES

The External Manager ensures that the assets and liabilities of each Compartment are allotted to that Compartment alone and are kept separately from the assets and liabilities of the other Compartments. The External Manager keeps separate books for each Compartment. Similarly, all transactions relating to the Portfolio of a Compartment are recorded separately from the transactions of other Portfolios allocated to other Compartments. In terms of accounting treatment of the Company's books, the External Manager shall apply the following provisions:

- i. The records and accounts of each Compartment shall be maintained separately in the Base Currency of the relevant Compartment.
- ii. The proceeds from the issue of Investment Shares representing a Class of Investment Shares allocated to a Compartment, shall be processed in the books and records of the Company to that Compartment, and the assets and liabilities and income and expenditure attributable thereto shall be processed in such Compartment.
- iii. Where any asset is derived from another asset, such derivative asset shall be applied in the books and records of the Company to that Compartment as the assets from which it was derived and any increase or diminution in the value of such asset shall be applied to the relevant Compartment.
- iv. Where the Company incurs a liability which relates to any asset of a particular Compartment or to any action taken in connection with an asset of a particular Compartment, such a liability shall be allocated to the relevant Compartment.
- v. Where an asset or a liability of the Company cannot be considered as being attributable to a particular Compartment, the External Manager shall in its absolute discretion determine the basis upon which any such asset or liability shall be allocated among all or any of the Compartments (method of calculation), and it shall further have the power at any time and from time to time to vary such method based on the specific facts .
- vi. Provided that when issuing a Class of Investment Shares in regard to any Compartment, Subscription Fees (if applicable), Duties and Charges and ongoing expenses may be allocated on a basis which is different from that which applies in the case of Investment Shares in other Classes in the same or other Compartment(s).
- vii. Notwithstanding any statutory provision or rule of law to the contrary, any liability incurred on behalf of or attributable to any Compartment of the Company shall be discharged solely out of the assets of that Compartment, and neither one of the Company, External Manager, receiver, examiner, liquidator, provisional liquidator or other person shall apply, nor be obliged to apply, the assets of any such Compartment in satisfaction of any liability incurred on behalf of, or attributable to, any other Compartment.

TEMPORARY SUSPENSIONS OF NAV CALCULATIONS

The External Manager may temporarily suspend the determination of the NAV of any Compartment and consequently the Subscription or Redemption of Investment Shares during:

- i. Any period during which the prices or values of investments which constitute a substantial portion of the assets of a Compartment is not practically feasible or, if feasible, would be possible only on terms materially disadvantageous to the Investment Shareholders;

- ii. Any period when, for any reason, the prices or values of any investments of a Compartment cannot be reasonably, promptly or accurately ascertained;
- iii. Any period when remittance of monies which will, or may, be involved in the realization of, or in the payment for, investments of a Compartment cannot, in the opinion of the External Manager, be carried out at normal rates of exchange;
- iv. Any period when the proceeds of the Subscription or Redemption of the Investment Shares cannot be transmitted to or from a Compartment's account;
- v. Any period when a notice to dissolve and liquidate a Compartment has been served or when a motion is considered for the dissolution and Liquidation of a Compartment;
- vi. In the event that any Redemptions or Distributions, in the opinion of the External Manager, result in a violation of applicable law;
- vii. If the External Manager otherwise determines that allowing any Redemption would adversely affect a Compartment or any non-redeeming Investment Shareholders;
- viii. Upon the occurrence of an event causing the Company or any Compartment to enter into Liquidation or a Liquidation of a Compartment (respectively);
- ix. In exceptional cases, where the circumstances so require, and where the External Manager considers it justifiable to do so having regard to the best interests of the Investment Shareholders as a whole;
- x. When such suspension is required by the CySEC as being in the best interest of the Investment Shareholders; or
- xi. During Force Majeure events.

Affected Investment Shareholders and CySEC will be notified of any such suspension, and the termination of any such suspension, by means of a written notice.

It is clarified that no issue or Redemption of Investment Shares or payment of Redemption proceeds will generally take place during any period when the calculation of the NAV is suspended.

KEY SERVICE PROVIDERS

DEPOSITARY

EUROBANK CYPRUS LTD has been appointed to act as the Depositary of the Company.

EUROBANK CYPRUS LTD offers a range of products and services in corporate and investment banking, private banking and international business banking adding value to the development of the services provided by Cyprus as an important financial center. With strong capital adequacy, the bank continuous organic growth as well as the strength of people, the bank continues developing operations to the benefit of customers, providing effective solutions to meet rapidly evolving and complex needs.

Duties: In general, the Depositary serves three broad functions: (1) safe-keeping the Company's assets; (2) overseeing compliance with the Company's Prospectus, Memorandum and Articles and with applicable laws, directives and regulations governing the Company; and (3) monitoring the cash flows of the Company.

Safekeeping: The duty to safe-keep consists of either custody or record-keeping depending on the type of asset owned by the Company. The custody function includes proper asset segregation on the Depositary's or its delegate's books, due care of assets held in custody and assessment and monitoring of custody risk throughout the custody chain. The custody function applies to all assets which can be held in custody, whether by physical delivery or by way of registration in a financial instruments account (which must be segregated from the assets of the Depositary) in the

Depository's books. All assets which cannot be held in custody are subject to the record-keeping obligation. The Depository's obligations as regards such other assets is to maintain up-to-date records and verify ownership. Apart from segregation of assets between the Company's assets and its own, the Depository must also ensure that the assets of a Compartment of the Company are registered separately from the assets of the Company's other Compartments.

Oversight: The Depository assesses the risks associated with the nature, scale and complexity of the Company's overall strategies and organisation in order to devise oversight procedures which are appropriate to the Company and the assets in which it invests through its established Compartments, and which are then implemented and applied.

The oversight obligations of the Depository include the following:

- Ensure that dealings in Investment Shares of the Company are in accordance with the Company's applicable rules;
- Ensure NAV of each Compartment is calculated in accordance with the Company applicable rules and valuation principles;
- Carry out the instructions of the External Manager unless they conflict with the AIF Law, the Company applicable rules or the Articles;
- Ensure that in transactions involving the Company's assets, any consideration is remitted to the Company within usual time limits; and
- Ensure that the Company's income is distributed and applied in accordance with the Company's rules.

The Depository is also responsible for ensuring that the Company implements and applies an appropriate and consistent procedure to:

- (i) Reconcile the Subscription orders with the Subscription proceeds and the number of Investment Shares issued with the Subscription proceeds received by the Company;
- (ii) Reconcile the Redemption orders with the Redemptions paid, and the number of Investment Shares cancelled with the Redemptions paid by the Company; and
- (iii) Verify on a regular basis that the reconciliation procedure is appropriate.

The Depository must in particular regularly check the consistency between the total number of Investment Shares of the Company's accounts and the total number of outstanding Investment Shares that appear in the Company's Register. The Depository also checks and verifies that proper allotment of Investment Shares to their respective Compartment or Class of Investment Shares is performed within the Company's Register.

Cash Monitoring: The Depository is required to have a full overview of the cash position and cash movement of the Company, including Subscription and Redemption monies. The Depository is responsible for reviewing the cash monitoring procedures, in particular as regards reconciliations, and the notification of the External Manager of any identified discrepancies that have not been rectified without undue delay.

Delegation:

The Depository delegates its safe-keeping function to the following institutions:

- Clearstram Banking Luxembourg (Luxembourg);
- Credit Suisse AG (Switzerland);
- Eurobank Luxembourg (Luxembourg);

- Eurobank Ergasias S.A. (Greece).

Delegation (and sub-delegation) is subject to a number of conditions, including that an objective reason for the delegation can be demonstrated by the Depositary and that the intention behind the delegation is not to avoid the requirements of the applicable laws. When selecting and appointing a sub-custodian or other delegate, the Depositary exercises all due skill, care and diligence as required by the relevant legislation to ensure that it entrusts the Company's assets only to a delegate that may provide an adequate standard of protection.

Measures against Conflicts of Interest

The Depositary shall not carry out activities on behalf of the Company that may create conflicts of interest between the Company, the Investment Shareholders, the External Manager and itself, unless the Depositary has functionally and hierarchically separated the performance of its Depositary tasks from its other potentially conflicting tasks, and the potential conflicts of interest are properly identified, managed, monitored and disclosed to the Investment Shareholders of the Company. Moreover, the Directors of the Company, the persons who effectively conduct the business of the Company and the members of the Managing Body and the persons who effectively conduct the business of the External Manager do not participate in the governing body or senior management of the Depositary in order to avoid any conflict of interest situations.

In evaluating these potential conflicts of interest, an Investment Shareholder should be aware that the External Manager and the Company have a responsibility to the Investment Shareholders to exercise good faith and fairness in all dealings affecting the Company.

As of the date of this Prospectus, neither the Company nor the External Manager are in anyway linked with the appointed Depositary.

Resignation & Replacement of the Depositary

The replacement of the Depositary can take place only after the approval of the choice of the new Depositary by CySEC.

In case of a serious breach of the Depositary's obligations, or in order to protect the interests of the Investment Shareholders where the Depositary does not exercise its duties in the interests of the Investment Shareholders, the CySEC may demand the replacement of the Depositary by a new Depositary, which shall be subject to its approval. An application for the replacement of the Depositary may also be filed by the External Manager, as representative of the Investment Shareholders.

Where the External Manager requires the replacement of the Depositary, it must propose a new Depositary in replacement of the previous one and informs the Depositary under replacement accordingly.

The Depositary has no discretion relating to the Compartments' investments.

AUDITORS

The Auditors of the Company is **DELOITTE LIMITED**, a firm recognised as one of the leading accounting, auditing, tax and business advisers in Cyprus offering the most comprehensive range of services to its clients.

The financial statements of the Company are audited on an annual basis by the Auditors in accordance with IFRS. The Auditors have a statutory obligation to report to the authorities any irregularities which come to their attention during the audit of the Company or any acts or omissions observed while performing their duties.

PRIME BROKER

A Prime Broker may be utilised by the External Manager with regards to the Portfolios of each Compartment of the Company, if deemed necessary.

FEES AND EXPENSES

COMPANY EXPENSES

Set-up Fees

The costs of establishing the Company, the preparation and printing of this Prospectus and any relevant document(s) and the marketing costs and fees of all professionals relating to the same will be borne by the Company and amortised in such period as may be determined in the relevant Offering Supplement. Set-up fees may also encompass a certain extent of costs relating to, inter alia, operating expenses, Directors' fees, service provider fees, regulatory fees etc., which are inflicted during the Initial Offering Period and may affect the Initial Subscription Price of the Compartments.

Such expenses shall be apportioned among the Compartments based on their GAV or any other reasonable basis of allocation as the External Manager deems fair and appropriate. Thereafter, 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 Compartments based on their GAV or on any other reasonable basis of allocation as the External Manager deems fair and appropriate.

Operating Fees

The expenses incurred by the Company's maintenance and not specifically allocated to a particular Compartment are apportioned amongst all operating Compartments based on their GAV or any other reasonable basis as the External Manager may determine fair and appropriate given the nature of the expense. Each operating Compartment pays its reasonable portion of any Company expenses allocated to it which may include, but not limited to, the costs of establishing and maintaining the Company and registering the Company and the Investment Shares with any governmental or regulatory authority, costs of printing, reporting and publishing expenses including reasonable marketing and advertising expenses such as explanatory term-sheets and costs of preparing, translating and printing the Prospectus in different languages, fees payable to the Directors of the Company (including all reasonable out-of-pocket expenses and travel expenses), transport related costs (including all costs associated with the provision, hire or use of transport, including car allowances, travel expenses, transport insurance, hire and operating leases), costs of extraordinary measures carried out in the interests of Investment Shareholders in particular, reports to CySEC and governmental agencies, all taxes, duties, governmental or similar charges, auditing, tax and legal fees, insurance premiums, membership dues for trade associations, paying agent and/or local representative fees that are payable at normal commercial rates, costs of dealing with legal proceedings and expenses of litigation, and all other operating

expenses such as governmental or similar charges. Some fees and charges may be subject to VAT in Cyprus or abroad at the applicable VAT rate.

Directors' Fees

The Directors of the Company receive a fee for their appointment and duties, payable by the Company, subject to a service level agreement. Moreover, all of the Directors of the Company shall be entitled to be reimbursed by the Company for all travelling, hotel and other reasonable out-of-pocket expenses properly incurred by them in attending and returning from any meetings in connection with the business of the Company.

Annual Corporate Fee

Under the provisions of the Companies Law, the Company is obliged to pay a levy amounted to €350 payable to the Cyprus Registrar of Companies no later than 30th June of each calendar year. In case the Company delays to pay the levy as stated above but proceed with the payment within:

- two (2) months from the due date, a penalty of 10% is imposed;
- five (5) months from the due date, an additional penalty of 30% is imposed;

Despite the above provisions, in case the Company will not comply with the payment of the levy and any penalties which might occur, the Cyprus Registrar of Companies without notification will strike off the company from its record in accordance with the provisions of the Companies Law.

SERVICE PROVIDERS FEES

Auditor Fees

The Auditors shall charge the Company an annual fee payable prior to the commencement or upon the completion of their auditing work. The fixed fee payable to the Auditors and the period upon which it becomes payable is specified in the engagement letter concluded between the Company and the Auditors in relation to the services provided.

Corporate and Secretarial Fees

The Secretary shall charge the Company an annual fee for its services. Extra charges incurred from additional services performed by the Secretary and any out of pocket expenses borne by the Secretary are paid by the Compartments on a proportionate basis or any other form of allocation that may be decided by the External Manager that is deemed fair and appropriate. Such charges and out of pocket expenses become payable upon issuance and receipt of the relevant invoices and notices sent from the Secretary to the External Manager. Any charges incurred from work performed by the Secretary and are specifically addressed to a Compartment are charged solely to that Compartment.

EXPENSES OF COMPARTMENTS

Any fee or out of pocket expenses allocated to a Compartment are payable directly out of the assets of that Compartment and in any case, are kept segregated from the other Compartments.

Such fees include, but are not limited to, set-up fees incurred for a Compartment's own launching, Management Fee, Performance Fee, Depositary Fee, fees payable to the members of the Investment Committee, advisory fees of investment or non-investment nature payable to

independent third-parties, research fees, promoters or distributors fees, fees and out of pocket expenses payable to the Secretary of the Company, VAT credits derived from services in Cyprus or abroad at the applicable VAT rate; placement or intermediary fees attributable to a Class or Classes and other costs related to the purchase, holding and disposal of investments, transaction fees, costs payable for the valuation or pricing of investments, tax payables directly incurred from the ownership of investments and generally any other fees associated directly with a Compartment.

Fees and expenses allocated to a Compartment of the Company are further described in its relevant Offering Supplement.

ESTIMATED FEE SCHEDULE

The estimates of fees and expenses outlined above and further elaborated in the relevant Offering Supplement for each Compartment, are stipulated in estimated capped figures and gathered altogether to this end in the designated table found in Annex I of this Prospectus.

ADDITIONAL AND/OR VARIATION OF EXISTING FEES AND EXPENSES

The Company may, from time to time, be subject to additional fees and expenses and/or proceed to a readjustment of the existing fees and expenses, other than those outlined within the present section titled “**FEES AND EXPENSES**” relating to, *inter alia*, corporate expenses, fees and expenses of the Company’s service providers and other fees correlating to each of the Company’s Compartment(s).

The Company may be subject to additional fees and expenses and/or proceed to a readjustment of the existing fees and expenses in light of, *inter alia*, a change to the applicable legislation and/or the introduction of a new legislation by which the Company and/or the External Manager may be rendered subject to and/or a change to the current business needs of the Company.

CONFLICTS OF INTEREST

COMPANY’S RESPONSIBILITY

The External Manager adheres to high standards of professional conduct and acknowledges its fiduciary duties towards the Company’s Investment Shareholders. To this end, the External Manager and the Company are committed to maintaining a control environment which is proportionate to the risks that the Company may encounter and is effective in preventing and managing conflicts of interest.

The External Manager and the Company are obliged to undertake all necessary steps in identifying all potential conflicts of interest that may arise and use its best endeavours to avoid or mitigate them by aligning their own interest with the interest of their Investment Shareholders. To this end, the External Manager maintains an organisational and administrative policy for the identification and management of conflicts of interest which all Directors, officers and staff of the External Manager are required to comply with. The Depositary, Auditor, Affiliates and other service providers of the External Manager and/or the Company also fall within the scope of the policy.

POTENTIAL CONFLICTS

Indicatively, a non-exhaustive list of situations where a conflict of interest may arise is provided below:

- A Director of the External Manager and/or of the Company has a direct interest in one or more investments held by the Company;
- A Director of the External Manager and/or of the Company has a financial and/or other incentive to favour the interests of one or more Investment Shareholders to the disadvantage of another Investment Shareholder;
- A proposed or existing Director of the External Manager and/or of the Company may have personal or business conflicts of interest that may affect decisions that are in the best interests of the various stakeholders, including the Investment Shareholders. Such interest may be direct, or indirect, for instance through a legal entity to which the Director in question is a shareholder and/or director or through another natural person that is an immediate relative of that Director;
- One or more service providers of the External Manager and/or of the Company, including, but not limited to, the Depositary, the Auditor, may offer their services to competitors of the External Manager and/or of the Company and may have a direct or indirect incentive to provide their services in a way that may be unfair and/or disadvantageous to the Company and subsequently adversely affect the position of the Investment Shareholders;

MITIGATION ACTIONS

The External Manager has organizational and administrative arrangements for identifying, preventing, managing and disclosing conflicts of interest in order to prevent any damage to the interests of the Investment Shareholders. The External Manager is committed to conducting business in a manner that ensures the External Manager's, the Company's, the Depositary's, the Auditor's, the Affiliate's and other associates' business judgment and decision making is not influenced by undue personal interests.

Measures are taken in order to avoid any conflict of interest situations. Furthermore, when a conflict of interest arises, measures shall be taken in order not to damage Investment Shareholders' interests. If the arrangements put in place to manage conflicts of interest are not sufficient as per the assessment of its appointed regulatory compliance officer and/or internal auditor of the External Manager, to ensure with reasonable confidence that the risk of damage to the interests of the Company or the Investment Shareholders will be prevented, the External Manager will disclose the general nature and sources of conflicts of interest to the Investment Shareholders.

TRANSPARENCY REQUIREMENTS

FINANCIAL STATEMENTS

The Financial Year of the Company, with the exception of the first financial year, has the duration of a calendar year. Therefore, the Company's Financial Year ends on 31st December each year, whereas the first Financial Year begins on the date of the Company's incorporation and ends on 31st December.

The financial statements of the Company are prepared in accordance with IFRS.

ANNUAL AND HALF YEARLY REPORT

Annual Report

The Company, as per its status as a RAIF, must prepare an annual report, which contains at least the following information:

- A balance sheet or a statement of assets and liabilities of the Company;
- Income and expenditure account of the Company for the Financial Year;
- A report on the activities of the Company of the Financial Year;
- Any material changes in the information listed in section 30 of the AIFM Law during the Financial Year covered by the report;
- The total amount of remuneration for the Financial Year, split into fixed and variable remuneration, paid by the External Manager to its staff, and number of beneficiaries, and where relevant, Performance Fee paid by the Company;
- The aggregate amount of remuneration broken down by Senior Management and members of staff of the External Manager whose actions have a material impact on the risk profile of the Company.

Half-Yearly Report

The half-yearly report of the Company is prepared as at the end of the first six months of every Financial Year in accordance with IFRS and includes interim non-audited management accounts.

Submission to CySEC and Disclosure to Investment Shareholders

Audited annual reports are submitted to CySEC within six (6) months following the end of the Financial Year and unaudited half-yearly reports are submitted within two (2) months following the period to which they refer.

The annual and half-yearly report of the Company are also made available to the Investment Shareholders either through a Durable Medium or from the office of the External Manager.

Additional information may be provided at any time upon the Investment Shareholder's request, including an explanation as to the investment strategy that has been followed on behalf of the Compartments and the risks to which the Portfolio is currently exposed.

DISCLOSURES TO COMPETENT AUTHORITIES

AIFM Report

The External Manager must report to CySEC on the principle markets and instruments in which it trades on behalf of the Compartments. The External Manager discloses in these reports information with regards to the below:

- i. The main assets in which it is trading, including a break-down of assets, as well as the Company's investment strategies and their geographical and sectorial investment focus;
- ii. The markets of which it is a member or where it actively trades;
- iii. The diversification of the Company's portfolio, including, but not limited to, its principal exposures and most important concentrations.

In addition to the above, the External Manager submits to the CySEC the following information:

- The percentage of the Company's assets which are subject to special arrangements arising from their illiquid nature;
- Any new arrangements for managing the liquidity of the Company;

- The risk management systems employed to manage the market risk, liquidity risk, counterparty risk and other risks including operational risk;
- The current risk profile of the Company, including:
 - a) the market risk profile of the investments of the Company, including the expected return and volatility of the Company in normal market conditions;
 - b) the liquidity profile of the investments of the Company, including the liquidity profile of the Company's assets, the profile of Redemption terms and the terms of financing provided by counterparties to the Company;
- Information on the main categories of assets in which investments were performed, including the corresponding short market value and long market value, the turnover and performance during the reporting period; and
- The results of periodic stress tests, under normal and exceptional circumstances.

The information referred to above shall be reported to the CySEC either on an annual, semi-annual or quarterly basis, depending on the amount of assets managed by the External Manager.

Risk Based Supervision Report (RBS-F Report) to the CySEC

The External Manager is obliged to complete and submit Form RBSF-MC to CySEC providing information in relation to, inter alia, the risk categorization, the assets under management and other audited financial information. This form needs to be submitted 5-6 months after the end of the Financial Year.

Quarterly Statistics to the CySEC

The External Manager is obliged to complete and submit Form QST-MC to the CySEC on a quarterly basis informing the CySEC to this end on various statistical information such as Investment Shareholders' information, assets under management, income, assets, liabilities etc. The said form needs to be completed and submitted to CySEC one month after each quarter end.

Statistical Reporting to the Central Bank of Cyprus

The External Manager is obliged to submit to the Central Bank of Cyprus the following statistical reports (monthly or quarterly depending on the size of the Company):

- The Investment Fund Statistics report (QIFS) which comprises of information on the balance sheet, price revaluation and reclassification adjustments for items other than investments in equity and debt securities (also shares/units in other investment funds) as well as information on issued Investment Shares.
- The Securities Holdings Statistics report (QSHS) which includes information concerning the investments in equity securities, investment fund shares/units and debt securities, on a security-by-security basis.

AML Report to the CySEC

The AML compliance officer of the External Manager is obliged to prepare an annual report (the AML Annual Report) for assessing the Company's level of compliance with its obligations with the applicable AML legislative framework. The AML Annual Report is prepared and submitted to the Board of Directors of the External Manager within two months from the end of each calendar year (latest, end of February). Following its approval by the Board of Directors of the External Manager, the AML Annual Report is submitted to the CySEC the latest by the end of March

together with the minutes of the meeting during which the Annual AML Report was discussed and approved.

AML Monthly Prevention Statement to the CySEC

The AML compliance officer of the External Manager is obliged to prepare and submit to the CySEC, on a monthly basis, the Form 144-08-11 which includes details for the total cash deposits accepted in the Company and other relevant reports (e.g. internal suspicion reports, if any) as required by the applicable AML legislative framework to MOKAS. Such form is completed and submitted to the CySEC within fifteen (15) calendar days from the end of each month.

Internal Auditor's Report to the CySEC

The internal auditor of the External Manager is obliged to prepare an annual report outlining, at least, the findings and observations determined during the review and evaluation of the appropriateness, effectiveness and adequacy of the policy, practices, measures, procedures and control mechanisms applied for the prevention of money laundering and terrorist financing associated with the Company. The findings and observations of the internal auditor are submitted, in a written report form, to the Board of Directors of the External Manager which decides the necessary measures that need to be taken to ensure the rectification of any weaknesses and/or deficiencies which have been detected. The minutes of the abovementioned decision and the internal auditor's report are submitted to the CySEC within twenty days from the date of the relevant meeting and no later than the end of April.

CRS AND FATCA COMPLIANCE REQUIREMENTS

CRS COMPLIANCE

In the instance where the Company is considered to be a financial institution, it is required to be registered with the Cyprus tax department for the purposes of the Common Reporting Standard ("CRS"). In this regard, the External Manager will be required to disclose the name, address, taxpayer identification number and investment information relating to Investment Shareholders who fall within the definition of reportable persons (as such is defined under CRS) that own, directly or indirectly, an interest in the Company, as well as certain other information relating to such interest to the Cyprus tax department, which will in turn exchange this information with the competent authorities of the country in which the Investment Shareholder is considered to be a tax resident, on the assumption that the relevant country has signed the relevant multilateral agreement for the adoption of CRS. In the context of the Company's compliance with its potential reporting obligation under CRS, prospective and existing Investment Shareholders may be obliged to complete a CRS self-certification form and any other documents that may be requested from them for the provision of reportable information. Prospective Investors are encouraged to consult with their own tax advisers regarding the possible implications of CRS regarding an investment made in the Company.

FATCA COMPLIANCE

The Company, depending on its status (financial or non-financial institution), may need to be registered with the Internal Revenue Service ('IRS') of the United States of America and the Cyprus Tax department for the purposes of the Foreign Account Tax Compliance Act ("FATCA"). FATCA requires foreign financial institutions to report directly to the IRS certain information about financial accounts ultimately held by U.S. taxpayers. The objective of FATCA is to implement mechanisms designed to prevent the avoidance of taxation on income derived by U.S. Persons outside the United States.

In this regard, the External Manager will be required to disclose the name, address, taxpayer identification number and investment information relating to Investment Shareholders who fall within the definition of Specified U.S. Persons (as such is defined under FATCA) that own, directly or indirectly, an interest in the Company, as well as certain other information relating to such interest to the Cyprus tax authorities, which will in turn exchange this information with the IRS of the United States of America. Prospective Investors are encouraged to consult with their own tax advisers regarding the possible implications of FATCA on an investment made in the Company.

In the course of the implementation of FATCA, Investors are required to certify in writing, prior to the acquisition of Investment Shares in the Company, if they are U.S. Persons through the completion and submission of a FATCA self-certification form. Existing Investment Shareholders are required to notify the External Manager immediately in the event that they become U.S. Persons.

CHANGE OF CIRCUMSTANCES

A change of circumstance includes any change to, or addition of, information in relation to an Investment Shareholder's status as those were disclosed and enlisted within both the CRS & FATCA self-certification forms (collectively and severally referred to as "Self-Certification Form(s)") and includes details of any addition, substitution or other change pertaining to an Investment Shareholder as well as information in respect of any accounts associated with the Investment Shareholder (for example, accounts associated through the aggregation rules or where a new account has been treated as a pre-existing obligation for due diligence purposes).

A change of circumstance is only relevant if the new information affects the status of the Investment Shareholder for the purposes of the exchange of information agreements, whether that is based on the due diligence procedures or from a self-certification. Once a change of circumstance has been identified or disclosed, the External Manager must request a new CRS and/or FATCA self-certification form or other documentation from the Investment Shareholder to establish whether he/she is a reportable person under CRS and/or FATCA and, if so, to which jurisdiction the reportable information should be sent.

IMPLICATIONS OF A CHANGE OF CIRCUMSTANCES

A Self-Certification Form can become invalid as a result of a change of the Investment Shareholder's circumstances. A change in circumstances affecting the Self-Certification Form provided to the External Manager will invalidate the original Self-Certification Form with respect to the information that is no longer reliable until the information is updated.

A Self-Certification Form becomes invalid as soon as the External Manager knows or has reason to know that circumstances affecting the correctness of the concerned Self-Certification Form have changed. However, the External Manager may treat the status of the Investment Shareholder as unchanged until the earlier of:

- a) a prescribed, and communicated in advance, time period from the date that the Self-Certification Form became invalid due to the change in circumstances;
- b) the date that the validity of the Self-Certification Form is confirmed (where appropriate); or
- c) the date that a new Self-Certification Form is obtained.

The External Manager may rely on a Self-Certification Form without having to inquire into possible changes of circumstances that may affect the validity of the statement, unless it knows or has reason to know that circumstances have changed.

NON-COOPERATION AND/OR CHANGE OF STATUS TO U.S. PERSON

In the event that there has been a change of circumstances (as stated above) and the Investment Shareholder shows non-cooperation in providing the updated information or a change of status to a U.S. Person, the External Manager has the right and shall be entitled to take actions to be compliant with the Company's internal rules, including but not limited to:

- a) To the extent applicable, obliging the concerned Investment Shareholder to proceed with a transfer of the Investment Shares held in any of the Compartments of the Company to any other existing and/or new Investment Shareholders of the Company pursuant to the procedure as prescribed under the sub-section titled "**TRANSFERS**" of section "**TRANSACTIONS OF INVESTMENT SHARES**" of this Prospectus within a prescribed timeframe of 30 Business Days starting from the date of sending a relevant notification to the Investment Shareholder;
- b) In all other cases, compulsory Redemption of the Investment Shares held by the concerned Investment Shareholder in any of the Compartments of the Company; the External Manager may charge any legal, accounting or administrative costs associated with such compulsory Redemption to the redeeming Investment Shareholder.

INVESTORS RESPONSIBILITY

The External Manager does not provide tax advice, as such, prospective Investors and existing Investment Shareholders should contact their own tax advisers regarding the application of FATCA and CRS to their particular circumstances.

TAX CONSIDERATIONS

The following section is a short summary overview of certain important Cyprus domestic taxation principles and other related considerations that may be or become relevant with respect to the Company and the Investment Shareholders.

This section is based upon laws, regulations, decrees, circulars, double taxation conventions, administrative practices and judicial decisions in effect as at the date of this Prospectus and insofar as it relates to matters set out herein, all or part of which may be amended or revoked at any time, with or without retroactive effect as at the date of this Prospectus.

This section is intended only as general guidance and does not purport to be a complete summary or analysis of the applicable Cyprus tax framework and does not contain any statement with respect to any applicable tax considerations in any jurisdiction other than Cyprus (for either the Company or the Investment Shareholders).

It is the responsibility of any person interested in investing in the Company to secure information/advice on the tax consequences of any such investment, the specific operations of the Company and any foreign exchange or other fiscal restrictions which might be relevant to their specific circumstances. Prospective Investors are advised to consult with professional advisers as regards any taxation aspects applicable to the Subscription, buying, holding, Redemption or selling of the Investment Shares under the laws of their jurisdiction of citizenship, residence, domicile or incorporation.

TAX RESIDENCY

The Company will be considered to be tax resident in Cyprus provided that its management and control is exercised in Cyprus.

Even though there is no definition in the Cyprus tax laws as to what constitutes "management and control", the Cyprus tax authorities interpret this by reference to the concept of "central management and control", following the principles established in various common law countries (e.g. UK).

Based on the relevant case law, the Cyprus tax authorities have taken the view that in determining where the "management and control" of a company is, one should focus mainly on the place where top level decisions are made. The central policy core of a company and the highest level at which a company is controlled and policy decisions are taken is usually considered to be in the place where the company's Board of Directors meets.

The above should be adhered to, in order for the Company to be considered as tax resident in Cyprus and also to be entitled to the benefits of all European directives as well as the Double Tax Treaty network of Cyprus.

It is expected that the Company will be regarded as having its tax residency in Cyprus (by reason of management and control being exercised in Cyprus).

COMPANY TAXATION

Corporate Income Tax (CIT)

Introduction:

CIT is imposed on Cyprus tax resident companies at the uniform rate of twelve and a half percent (12.5%) for each year of assessment on all income accrued or derived from all chargeable sources both within and outside Cyprus (i.e. worldwide income basis), subject to available exemptions and deductions as per the law. More specifically, all relevant expenses incurred wholly and exclusively for the production of (taxable) income constitute deductible expenses whereas, inter-alia, dividends, capital gains or profits from the disposal of "securities" constitute tax exempt incomes.

Any foreign taxes suffered may, under conditions, be credited against the Cyprus CIT liability on the same incomes.

Deductible expenses:

In general, expenses shall be deductible in computing the chargeable tax basis of the Company, provided that these are being incurred wholly & exclusively for the production of (taxable) income of the Company, unless otherwise stated in the law.

Notional Interest Deduction:

Availability for Notional Interest Deduction in regards to new corporate equity of the Company, under conditions and capped at 80% of taxable income of the Company.

Available exemptions from CIT include:

- (a) Exemption of profits on disposal of "securities". The Cyprus tax law explicitly defines the term "securities" to include shares, bonds, debentures, founders' shares and other securities of companies or other legal persons, incorporated in Cyprus or abroad, and rights thereon. The Cyprus tax authorities have also issued tax technical circulars by which listing (by way of a non-comprehensive list) the financial instruments which should be considered as qualifying "securities" for the purposes of applying the said exemption provisions.
- (b) Exemption of dividend incomes (except in the case of dividends which are deductible for tax purposes at the level of the payer).
- (c) Exemption of trading profits from qualifying foreign permanent establishments.

Losses:

Where a loss arises during a year of assessment, which if a gain or profit would have been chargeable to tax, it can be set off against current year profits and any excess can be carried forward for a period of five years from the end of the tax year in which the loss was incurred.

Special Defence Contribution ("SDC")**Introduction:**

Cyprus tax resident companies are subject to SDC on a gross basis on certain types of "passive" income. More specifically, where applicable, SDC is assessed at the rate of 17% on dividends, subject to conditions, at the rate of 30% on "passive" interest income (interpreted to mean interest income not arising in the ordinary course of the business or closely connected thereto) and at the effective rate of 2,25% on rental income.

Dividend income:

Dividend Income from Cyprus: Dividends received from Cyprus tax resident companies are exempt from SDC, subject to certain anti-avoidance provisions.

Dividend Income from abroad (relevant to dividends which are not deductible for tax purposes by the paying company): Dividends received from non-Cyprus tax residents are also exempt from SDC unless:

1. the company paying the dividend engages directly or indirectly more than fifty per cent (50%) in activities which lead to investment income; and
2. the foreign tax burden on the income of the company paying the dividend is substantially lower than the tax burden of the company which is resident in Cyprus ('substantially lower' has been clarified, via tax authorities' communication, to mean an effective tax rate of less than 6,25% on the profits distributed).

When exemption does not apply, the dividend income is subject to SDC at the rate of 17%. Any foreign taxes paid can also be credited against the SDC liability, under conditions.

Deemed dividend distribution ("DDD"):

A Cyprus tax resident company is deemed to distribute as a dividend 70% of its accounting profits (as adjusted for SDC purposes), two years from the end of the tax year in which the profits were generated.

Such a deemed dividend distribution is reduced with payments of actual dividends effected by the company during the relevant year in which the profits were generated or effected during the following two years.

On the remaining net amount (if any) of deemed dividend SDC is imposed at the rate of 17% to the extent that the ultimate direct and indirect (under conditions) shareholders of the company are individuals who are both Cyprus tax resident and Cyprus domiciled.

Interest Income

Cyprus tax resident companies are subject to 30% SDC on a gross basis on “passive” interest income i.e. interest income not arising in the ordinary course of the business or closely connected thereto. “Active” interest income is exempt from SDC (however it is subject to CIT - see CIT section for further details).

Capital Gains Tax (“CGT”)

CGT is imposed at the flat rate of 20% on the following:

- gains arising from the disposal of immovable property situated in Cyprus (when the disposal is not subject to CIT);
- gains arising from the disposal of shares in companies not listed on any recognised stock exchange which own immovable property situated in Cyprus; and
- gains arising from the disposal of shares in companies not listed on any recognised stock exchange which indirectly own immovable property situated in Cyprus and at least 50% of the market value of the company’s shares is derived from immovable property situated in Cyprus.

In case of share disposals only that part of the gain relating to the immovable property situated in Cyprus is subject to CGT.

Stamp Duty

The establishment of the Company and the Subscription, Redemption, or Transfer of its Investment Shares is exempt from Cyprus stamp duty.

Withholding taxes

Cyprus in general does not levy any withholding taxes on any payments of dividend, interest and/ or royalties made by Cypriot companies abroad or within Cyprus, except in the cases of (a) royalty payments abroad on rights being used in Cyprus, under conditions, (b) dividend payments to Cyprus tax resident and Cyprus domiciled individuals, and (c) ‘passive’ interest payments to Cyprus tax resident companies and Cyprus tax resident and Cyprus domiciled individuals.

Double Tax treaties & EU Directives

A company which is considered to be tax resident in Cyprus can benefit from the double tax treaty

network of Cyprus, as well as application of EU Directives.

Dissolution of the Company

In case of dissolution of the Company (not within the context of a qualifying reorganisation) the total of its profits of the last five years prior to the dissolution (examined on a standalone basis; not cumulative total), which have not been distributed or deemed to have been distributed, shall be deemed on dissolution to be distributed and the shareholders shall be deemed to receive such Distributions which shall be subject to SDC.

The above should apply only to the extent that the recipients of the dissolution proceeds are Cyprus tax resident and Cyprus domiciled individuals or Cyprus tax resident companies beneficially owned (directly or indirectly, under conditions) by Cyprus tax resident and Cyprus domiciled individuals.

Value Added Tax ('VAT')

VAT registration and VAT status of the Company:

Under normal circumstances, the activities carried out by the Company are considered for VAT purposes to constitute economic activities. This conclusion was reached by the European Court of Justice in its decision for case C-8/03 "BBL vs Belgian State", which has been endorsed by the Cypriot VAT authorities.

Due to the fact that the Company should be considered as carrying out economic activities, it may have an obligation to register for VAT purposes in Cyprus.

The right of the Company to recover any VAT suffered on expenses will depend on the specific transactions carried out by the Company.

Management services:

As per the provisions of the VAT legislation, the management of special investment funds is exempt from VAT provided certain conditions are met.

TAXATION OF INVESTORS

The tax treatment of income to be earned by the Investors will primarily depend upon their tax residency and domicile status, whether physical or legal persons, and the nature of the income.

- Cyprus tax resident Investors: income to be received will be subject to Cyprus tax as per the provisions of the relevant Cyprus tax legislation.
- Non-Cyprus tax resident Investors: should not be subject to Cyprus tax provided that they do not have a Permanent Establishment ("PE") in Cyprus. If there is a Cyprus PE then all income attributed to such PE will be subject to the provisions of the Cyprus tax legislation.

Sale of Investment Shares of the Company

Cyprus CGT (see above) could apply for the Investment Shareholders, as computed by reference to the values of the underlying properties directly or indirectly owned by the Company which are situated in Cyprus).

Value Added Tax (“VAT”) considerations on ownership of the Investment Shares in the Company

The ownership of the Investment Shares in the Company should not create on its own any VAT implications. However, the Investors must examine the impact that the holding of such Investment Shares or the generation of incomes therefrom may have on their right to recover input VAT on expenses.

OTHER GENERAL INFORMATION

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Memorandum and Articles, the latest annual report, if published, the latest half-yearly report, if published after the latest annual report, the latest Key Information Document (required only for Well-Informed Investors), information on the latest NAV per Share and the historic performance (if any) of a Compartment may be obtained, free of charge, from prospective Investors or existing Investment Shareholders either through a Durable Medium or from the office of the External Manager, at 12-14 Kennedy, 3rd floor, office 305, CY-1087, Nicosia, Cyprus upon request from the Directors of the External Manager, or from any other persons authorized to represent the External Manager and/or the Company.

OBLIGATIONS TO INVESTORS

The External Manager shall act honestly, fairly and professionally in accordance with the best interests of the Investors and comply, in particular, with the following principles:

- a. All information, including marketing communications, addressed to the Company’s Investment Shareholders or prospective Investors will be fair, clear and not misleading; marketing communications and material must be clearly identifiable as such;
- b. The External Manager will treat all Investment Shareholders fairly. No Investment Shareholder will obtain preferential treatment, unless such preferential treatment is disclosed in this Prospectus or relevant Offering Supplement(s);
- c. The External Manager will ensure that the Investment Shareholders are not charged undue costs;
- d. When selecting and appointing service providers, the External Manager shall exercise due skill, care and diligence;
- e. Any conflicts of interest will be disclosed to prospective Investors and existing Investment Shareholders;
- f. The External Manager shall ensure that its decision-making procedures ensure fair treatment of Investors;

FAIR TREATMENT PRINCIPLES

The External Manager has procedures, arrangements and policies in place to ensure compliance with the principles of fair treatment of Investors. The External Manager has taken all the necessary measures to ensure that its decision-making procedures and its organizational structure ensure fair treatment of Investors.

The principles of treating Investors fairly include, but are not limited to:

- Acting in the best interests of the Company and its Investment Shareholders;

- Executing the investment decisions taken by or for the Company in accordance with the objectives, the investment policy and the risk profile of each Compartment;
- Ensuring that the interests of any group of Investment Shareholders (if any) are not placed above the interests of any other group of Investment Shareholders;
- Ensuring that fair, correct and transparent pricing models and valuation systems are used for the Company;
- Preventing undue costs being charged to the Investment Shareholders;
- Taking all reasonable steps to avoid conflicts of interests and, when they cannot be avoided, identifying, managing, monitoring and, where applicable, disclosing those conflicts of interest to prevent them from adversely affecting the interests of Investment Shareholders; and
- Recognizing and dealing with complaints fairly.

Investor Information

- The External Manager will ensure that the information received by the Investors about the Company, particularly with regard to the Company's investment objectives, risks and costs, is true, fair, timely and not misleading;
- The External Manager will ensure that Investment Shareholders are informed of matters relevant to their investment in a form and language that is clear and easy to understand; and
- The External Manager will ensure that information relating to the Company's financial situation and performance is prepared and disclosed in accordance with IFRS accounting standards and applicable legal and regulatory requirements.

Fair and Equitable Treatment of Investors

- The External Manager will take into account the interest of all Investment Shareholders, in particular where the External Manager decisions may affect groups of Investment Shareholders differently; and
- The External Manager will ensure each Investment Shareholder's complaints are reviewed and, if it is upheld, that redress is provided within a reasonable time.

Investors' Interest

The External Manager will ensure that Investment Shareholders receive the benefits and level of services to which they are entitled as defined by law, contractual arrangements and the Company's Memorandum and Articles.

PREFERENTIAL TREATMENT

From time to time the External Manager may afford preferential terms of investment to certain groups of Investment Shareholders. In assessing whether such terms are afforded to an Investment Shareholder, the External Manager will ensure that any such concession is not inconsistent with its obligation to act in the overall best interests of the Investment Shareholders. In case the External Manager decides to afford preferential terms to certain group of Investment Shareholders, CySEC will be notified accordingly. In addition, this Prospectus and the relevant Offering Supplement(s) shall be updated so as to include the relevant terms and information required in relation to the preferential treatment. Any preferential treatment afforded by the External Manager to one or more Investment Shareholders shall not result in an overall material disadvantage to other Investment Shareholders.

As of the date of this Prospectus, there is not any preferential treatment to any Investment Shareholder or certain group of Investment Shareholders.

DATA PROTECTION

Prospective Investors should note that by completing the Subscription Application Package and CRS & FATCA self-certification forms, they are providing personal information which may constitute personal data within the meaning of Cyprus and EU data protection laws and regulations, including (i) Regulation (EU) 2016/679 on the Protection of Natural Persons with regard to the Processing of Personal Data and on the Free Movement of Such Data; (ii) the Protection of Natural Persons regarding the Processing of their Personal Data and the Free Movement of Such Data Law 125(i)/2018, to the extent amended; and (iii) any CySEC Directives or any other circulars issued from time to time and Investors have a right of access to their personal data and the right to amend and rectify any inaccuracies in their stored personal data by making a request in writing. Investors acknowledge that they are providing their consent to the External Manager, the Company and service providers to use, process or otherwise provide the data to anyone for the purposes of management and administration of Investor's personal information and documentation, AML and terrorism financing identification, maintaining the Register, processing Subscription applications, Redemptions and Transfer Requests, pledges and payment of Distributions, compliance with legal and regulatory obligations and for the provision of other Investor related services. Such information shall not be passed on to any unauthorised third persons.

TRANSLATION OF THE PROSPECTUS

This Prospectus and accompanying Offering Supplements may be translated into other languages but, in the event of any inconsistency or ambiguity as to the meaning of any word or phrase in any such translation, the English text shall prevail.

MATERIAL CONTRACTS

The following contracts have been entered into and are or may be material:

- (a) Management Agreement.
- (b) Depositary Agreement.
- (c) Service level agreements with Non-Executive Directors.
- (d) Service level agreements and engagement letters with other service providers.

ANNEX I: ESTIMATED FEE SCHEDULE

FEE	COMPANY	1ST COMPARTMENT: NOVELTY ASSET FUND	2ND COMPARTMENT: SWORD MULTI-ASSET FUND
MANAGEMENT FEE	-	Up to 1.35% of GAV, or minimum annual fee of EUR 20,000, whichever is higher.	Up to 0.85% of GAV or minimum annual fee of EUR 20,000, whichever is higher.
PERFORMANCE FEE RATE	-	10%	10%
DIRECTORS FEES	-	*	*
SECRETARIAL FEE	EUR 1,250	*	*
EXTERNAL AUDIT	EUR 5,500	*	*
ANNUAL CORPORATE LEVY	EUR 350	*	*
OPERATING EXPENSES	-	*	*
SET-UP FEES	EUR 20,500 - EUR 25,000	*	*

*Fees and expenses not specifically allocated to a particular Compartment are apportioned amongst all operating Compartments based on their latest available GAV or any other reasonable basis given the nature of the expense.

OFFERING SUPPLEMENT No. 1

in relation to the offer of Investment Shares in

NOVELTY MULTI-ASSET BALANCED FUND

a Compartment of

PHOEBUS RAIF V.C.I.C. PLC

A Registered Alternative Investment Fund operating as an umbrella scheme with more than one
Compartments and

Addressed to Professional and Well-Informed Investors

*This Offering Supplement is being issued pursuant to the offering of Investment Shares in
NOVELTY MULTI-ASSET BALANCED FUND (“Compartment No.1”) and contains
supplemental information to that contained in the Prospectus dated 7th February 2024 issued
by **PHOEBUS RAIF V.C.I.C. PLC** (the “Prospectus”). This Offering Supplement contains
specific information in relation to Compartment No.1. It forms part of, and must be read in the
context of and together with, the Prospectus. Distribution of this Offering Supplement, which
forms part of the Prospectus, is not authorised unless accompanied by a copy of the
Prospectus.*

Dated 07/02/2024

MEANING OF TERMS

All capitalized terms shall have the same definition/interpretation as in the Prospectus. In this Offering Supplement, the term Compartment No. 1 shall refer to **NOVELTY MULTI-ASSET BALANCED FUND**, unless the context clearly indicates otherwise. To the extent of any inconsistency between the terms of this Offering Supplement and the Prospectus, this Offering Supplement shall prevail with respect to **NOVELTY MULTI-ASSET BALANCED FUND**.

KEY FEATURES

INVESTMENT STRATEGY	Fixed Income, Equity
TARGET MARKETS	Worldwide
STRUCTURE	Open-Ended
LIFE DURATION	Unlimited
AVAILABLE CLASS	Novelty Investment Shares
USE OF LEVERAGE	Yes, up to 50%
BASE CURRENCY	EUR
MINIMUM CAPITAL RAISING	EUR 500.000
VALUATION DAYS	<ol style="list-style-type: none">1. Last Business Day of each calendar month2. Ad-hoc basis, upon request
DEALING DAYS	<ol style="list-style-type: none">1. For Subscriptions: First Business Day after each Valuation Day2. For Redemptions: First Business Day after each Valuation Day.
MANAGEMENT FEE	Up to 1.35% on GAV, or minimum annual fee of EUR 20,000 whichever is higher
PERFORMANCE FEE RATE	10%
HURDLE RATE	0%

TERMS OF REGISTRATION

NOVELTY MULTI-ASSET BALANCED FUND is an Open-Ended Compartment established under the umbrella of the Company for the sole purpose of raising funds from a number of Investors. The assets and liabilities allocated to Compartment No.1 are segregated from the asset and liabilities of other Compartments that are currently established or maybe established in the future under the Company's umbrella.

Investment Shares allocated to Compartment No.1 are upon issue, entitled to participate equally in the Distributions of Compartment No.1 attributable to the relevant Class, to which such Investment Shares belong, as well as in the Liquidation proceeds of Compartment No.1.

LIFE DURATION

Compartment No.1 is established for an infinite period.

OFFERING SUMMARY

As at the date of the present Offering Supplement, the following Class of Investment Shares is issued by the Company in respect to Compartment No.1:

NAME	Novelty Investment Shares
BASE CURRENCY	EUR
TYPES OF INVESTORS	Professional & Well-Informed
INVESTORS DOMICILE	Worldwide
INITIAL SUBSCRIPTION PRICE	EUR 1,000
MINIMUM INITIAL SUBSCRIPTION AMOUNT	N/A
MINIMUM SUBSEQUENT SUBSCRIPTION AMOUNT	N/A
LOCK-UP PERIOD	N/A
MINIMUM HOLDING PERIOD	N/A
GATE PROVISION	N/A
SUBSCRIPTION FEE	N/A
REDEMPTION FEE	Up to 2%
ENTRY CUT-OFF	One (1) Business Day prior each Valuation Day
EXIT CUT-OFF	One (1) Business Day prior each Valuation Day
DISTRIBUTION POLICY	Distributions upon discretion of the Company and subject to liquidity.
ISIN CODE	CYF000003352

At a later stage, additional Classes of Investment Shares may be issued subject to the prior notification to CySEC. In such case, this Offering Supplement will be updated accordingly.

INVESTMENT OBJECTIVE

The External Manager aims to provide to the Investors of Compartment No.1 medium to long term returns from capital gains and income, investing in securities. In order for the Compartment No.1 to achieve its respective investment objective, the External Manager has established structured and appropriate investment strategies.

INVESTMENT STRATEGY

In order for Compartment No.1 to achieve its investment objective, the External Manager has established structured and appropriate investment strategies. Compartment No.1 do not have a predominant investment strategy. To this end, the investment strategies of Compartment No.1 are best described as fixed income fund strategies and equity fund strategies. More precisely, the External Manager will adopt a flexible asset allocation strategy for Compartment No.1 through investing in a diversified portfolio of various types of asset classes, including but not limited to deposits, stocks, bonds, transferable equity and fixed income securities and alternative assets (including, but not limited to commodities, private equity and loans) based on fundamental analysis. Compartment No.1 may gain exposure to these asset classes directly or indirectly through investing in funds and other collective investment schemes.

The External Manager has the discretion to amend the composition of Compartment No.1's Portfolio. Moreover, the External Manager, on behalf of Compartment No.1, may also invest in financial derivatives products for speculative positions or hedging positions. The External

Manager may use a Prime Broker with regards to the Portfolio of Compartment No.1, if deemed necessary.

The External Manager may use derivative instruments for hedging (reducing risks) as an efficient portfolio management technique in accordance with the investment strategies of Compartment No.1. Any short sales to be utilized by the External Manager for the purpose of achieving its investment objectives, may not result in Compartment No.1 to hold a short position on securities of the same kind issued by the same issuer representing more than 30% of its NAV.

The minimum investment of the Compartment No.1's NAV in equity is nil (0%) and a minimum of ten (10%) percent and ten (10%) of its NAV in bonds. The maximum investment percentage in bonds are not allowed to exceed ninety percent (90%) of the Compartment No.1's NAV while the maximum investment percentage in equity is not allowed to exceed percent sixty-five (65%) of the Compartment's No.1's NAV.

This ratio may vary according to the optimal Compartment No.1's performance and in relation to the assumed risk.

Secondary strategies may also be pursued in order to create a risk diversified strategy. Specifically, the External Manager aims to diversify the Portfolio of Compartment No.1 by investing a portion of its total assets in cash and cash equivalent instruments so as to mitigate the Portfolio risk. Specifically, the External Manager may invest a portion of the Portfolio in products which include, but are not limited to, fixed deposits, time deposits or call accounts, securities issued by sovereign governments, their agencies and instrumentalities, repurchase agreements (other than equity repurchase agreements), certificates of deposit, bankers' acceptances, commercial paper (rated in one of the two highest rating categories), and bank deposit accounts.

Compartment No.1 will typically target minimum issuance to Investors of EUR 7,000,000, although the External Manager may decide to invest in lower issuance at his own discretion.

INVESTMENT COMMITTEE

The External Manager, in order to formulate investment decisions and manage the Portfolio of Compartment No.1 or to provide other services as required, may choose to appoint or use, subject to the requirements of the AIF Law, investment advisors, investment committees or other experts, upon such terms and conditions as the External Manager thinks fit, including the right to determine their remuneration.

As of the date of this Prospectus, the following persons compose the Investment Committee of Compartment No.1:

Name and Surname
Mr. Georgios Dimitriou
Mr. Angelos Spyropoulos
Mr. George Sams
Mr. George Spais
Mr. Ioannis Iliopoulos

The establishment of the Investment Committee aims to contribute towards the formation of the Compartment No.1's investment policies by examining investment opportunities, analysing their potential and providing non-binding strategic advice to the External Manager. In particular, the Investment Committees have, amongst others, the following responsibilities:

- a. To provide updates on any industry trends with regards to the Company's Target Markets;
- b. To propose investment objectives and strategies for the Compartment No.1's targeted underlying assets, including asset allocation etc.;
- c. To review any Research Reports in Companies, that their shares, Debt securities or derivatives are included to the Compartment No.1's Portfolio;
- d. To review the accuracy and appropriateness of pricing methodologies used by intendent Valuers in arriving at the fair value of assets and recommend changes, if any;
- e. To recommend the External Manager on procedures to prevent incorrect valuation;
- f. To recommend to the independent Valuer a suitable valuation method during exceptional events; and
- g. To report any deviations or incorrect valuations to the External Manager; and
- h. To provide updates on any trends in the commodities markets based on the Company's Target Markets and investment exposure.

It is noted that the duties assigned to the members of the Investment Committee are of a purely advisory nature and the Investment Committee shall not have the authority to make investment decisions pertaining to Compartment No. 1.

TARGET MARKETS

There are no geographical restrictions regarding the investment strategy of Compartment No.1. The External Manager will seek investment opportunities based on their growth potential regardless of where these investments are situated.

LEVERAGE AND OTHER BORROWINGS

Leverage may be utilised as and when considered appropriate, in order to increase investment positions and make additional investments.

The Company may also borrow funds on behalf of Compartment No.1 for covering Redemptions or working capital requirements.

Leverage may be obtained inter alia, by:

- (a) entering into repurchase transactions, entering into private loan agreements with reputable banking or financial institutions or from other sources, cash or physical settlement of financial derivative instruments and also by margin trading (i.e. with credit supplied by any broker through which the investments are purchased);
- (b) Credit supplied by any broker or clearing house for the purposes of financial derivative instruments.

The intention is to balance between such opportunities and keep a stable capital structure and in no circumstances over extend the balance sheet with financial Leverage. The maximum permitted level of Leverage utilised on behalf of Compartment No.1 is equal to 50 % of its NAV.

The use of Leverage for investment purposes can increase the risk and volatility of the Portfolio of Compartment No.1.

LIQUIDITY MANAGEMENT

The External Manager has established effective liquidity management mechanisms that are specifically tailored to the degree of liquidity risk that the Portfolio of Compartment No.1 is exposed to, subject to its investment objective and targeted investments. By employing sound liquidity management procedures, the External Manager measures, monitors and controls the overall liquidity profile of the investments of Compartment No.1, hence ensuring, among others, the timely settlement of operating expenses and providing an extra layer of comfort that Redemption requests are met in accordance with the commitments made in the present Offering Supplement in varied market conditions.

More specifically, the External Manager has in place a diverse set of liquidity management tools, which include, but are not limited to:

- The availability of choice to the Investment Shareholder to choose the option of Redemption in Specie, enabling the External Manager/Company to pay out a Redemption of all or part of an Investment Shareholder's Investment Shares in the form of asset(s) allocated to Compartment No.1. The Redemption in Specie mechanism therefore allows the External Manager/Company to utilise alternative exit strategies in periods where the volume of Redemption requests are high;
- The conduct of stress tests on a regular basis, under normal and exceptional liquidity conditions, which enable the External Manager to assess and monitor the liquidity risk of Compartment No.1. This tool supplements other elements of the liquidity risk management process. The results are used to inform investment decisions and, where appropriate, the level of limits on portfolio liquidity. Factors that will be used for the purposes of stress tests include the volume of Redemption requests and current market conditions;
- The use of Leverage as a means to amplify any negative market movements and improve the overall position of Compartment No.1. The External Manager may use Leverage, subject to the Leverage policy as set forth under section "**LEVERAGE**" of the present Offering Supplement, in order to address any mismatches between the liquidity of underlying assets and the Redemption policy of Compartment No.1 and prevent potential premature liquidation of investments;
- The ongoing assessment of the terms and arrangements made in relation to Subscriptions and Redemptions in order to ensure that such arrangements remain in line with the composition of the Portfolio of Compartment No.1 and overall investment strategy.
- The performance of a regular assessment of liquidity demands, which include, but are not limited to Redemptions and other obligations of Compartment No.1. This assessment includes, but is not limited to, the development of a range of potential Redemption scenarios and risks, on the basis of an analysis of the composition of the Investment Shareholders to Compartment No.1 and the historic pattern of its flows. Based on such assessments, the External Manager may decide, as part of the liquidity management policy in place, to maintain a certain amount of funds equivalent to a specific ratio of the NAV of Compartment No.1. This ratio is decided on an ad hoc basis by the External Manager and it will be proportional to the liquidity demands of Compartment No.1 at a given point in time.

INVESTOR PROFILE

Compartment No.1 is suitable for persons qualifying as Professional or Well-Informed Investors, with a medium risk appetite and a medium to long term investment horizon who wish to invest their capital in opportunities with a return potential that reflects the medium/long term risk features of Compartment No.1.

Each Investor subscribing for Investment Shares in Compartment No.1 will have to prove such a capacity for compliance as well as AML purposes. These Investors should be Natural or Legal Persons, or any other entity, regardless of its legal form, who understand the risks associated with the investments of Compartment No.1.

RISK CONSIDERATIONS

Investment in Compartment No.1 may entail significant risks associated with Portfolio concentration. Investors are encouraged to draw their attention to the risk considerations outlined in the section of the Prospectus titled **“RISK FACTORS”**.

Investors’ attention is also drawn to general risks and risks associated with the overall management of the Company.

Investor’s attention is drawn to the following sub-sections of the Company’s Prospectus:

- **“GENERAL RISKS”**
- **“OVERALL MANAGEMENT”**
- **“PRIVATE EQUITY INVESTMENTS”**
- **“TAX IMPLICATIONS”**
- **“CASH AND CASH ECQUIVALENT”**

SUBSCRIPTIONS

Initial Offer

Novelty Investment Shares are offered for Subscription during an Initial Offering Period at the Initial Subscription Price of EUR 1,000 each. The initiation of investment operations is conditional upon the minimum capital raise of EUR 500,000 before expenses, being raised no later than the Last Offering Day. In the event of not completing the minimum capital raise by the Last Offering Day, the amount collected will be returned to the Investors without interest.

Investment Shares will be issued one (1) Business Day after the Closing Day.

Further Subscriptions

Following the Initial Offering Period, Investment Shares in Compartment No.1 may be subscribed on a monthly basis i.e. on the first Business Day of each month, being the Dealing Day, and on any other date the External Manager may determine at its absolute discretion, upon consideration of an application for an ad-hoc Subscription, at the Subscription Price Per Investment Share calculated with reference to the NAV per Share on the last Business Day of the previous month, being the Valuation Day. Investors should settle payment of the Subscription monies at least 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 Application Form.

The Subscription application process followed with respect to Compartment No.1 is prescribed in detail in the Company's Prospectus under sub-section "**SUBSCRIPTIONS**" of section "**TRANSACTIONS OF INVESTMENT SHARES**".

Entry Cut-Off

Subscription requests for Novelty Investment Shares must be received by the External Manager before 15:00 (Cyprus time, GMT +2) one (1) Business Day prior to the relevant Valuation Day or such other time as the External Manager may determine from time to time.

Any applications received after the Entry Cut-Off will normally be held over until a subsequent Dealing Day but may be accepted for dealing on the forthcoming Dealing Day, at the discretion of the External Manager, subject to the requirements of the applicable law and internal rules.

Minimum Initial Subscription Amount

The External Manager does not set a Minimum Initial Subscription Amount for the acquisition of CYPRUS Novelty Investment Shares. The External Manager has the discretion, from time to time, to waive or reduce any applicable Minimum Initial Subscription Amount.

Minimum Subsequent Subscription Amount

No Minimum Subsequent Subscription Amount is levied.

Subscription Fee

No Subscription Fee is charged to Investors upon any initial or subsequent Subscriptions to Novelty Investment Shares.

Non-Cash Contributions

The External Manager may, at its own discretion, accept the issue of Investment Shares allocated to Compartment No.1 for a consideration of Non-Cash Contributions, provided that the contributed assets correspond to the investment strategy and permitted investments of Compartment No.1, comply with the applicable legislation and are free from any kind of charge.

The Non-Cash Contributions shall be assessed by at least one independent Valuer at the time of the contribution, unless market quotations are readily available, which in that case the last closing bid price supplied by a specific relevant pricing source shall be obtained. The independent Valuer report, or last closing bid price statement obtained by the relevant pricing source, whichever is applicable, must be presented to the External Manager. The value so determined, together with the relevant Subscription Price Per Investment Share, will determine the number of Investment Shares to be issued to the prospective Investor or existing Investment Shareholder.

The value of the capital contribution shall not be less than the applicable Minimum Initial and Subsequent Subscription Amounts.

REDEMPTIONS

Redemption of Investment Shares

Investment Shares in Compartment No.1 may be redeemed on a monthly basis, i.e. on the first Business Day of each month and on any other date the External Manager may determine at its

absolute discretion, upon consideration of a request for an ad-hoc Redemption at a Redemption Price Per Investment Share, calculated on the basis of the NAV per Share as determined on the last Business Day of the previous month, being the Valuation Day.

Redemption proceeds are paid in cash in the Base Currency of the relevant Class.

The Redemption process followed with respect to Compartment No.1 is prescribed in detail in the Prospectus under sub-section “**REDEMPTIONS**” of section “**TRANSACTIONS OF INVESTMENT SHARES**”.

Exit Cut-Off

Redemption requests for Novelty Investment Shares must be received by the External Manager before 15:00 (Cyprus time, GMT +2) not less than one (1) Business Day prior to the intended Valuation Day.

Any applications received after the Exit Cut-Off will normally be held over until a subsequent Dealing Day but may be accepted for dealing on the forthcoming Dealing Day, at the discretion of the External Manager.

Redemption Fee

A Redemption Fee of up to 2% of the Gross Redemption Price Per Investment Share for each Investment Share being redeemed by an Investment Shareholder will be charged by the Company to the Investors on Redemption of Novelty Investment Shares.

The External Manager, at its absolute discretion, may reduce or waive the Redemption Fee.

Redemption in Specie

Subject to the consent of the Investment Shareholder, all or part of the Investment Shareholder's Investment Shares may be paid out in the form of the asset(s) allocated to Compartment No.1 instead of fully in cash, if cash is not available to accommodate such request for Redemption, subject to an independent valuation of the asset(s) in question, a copy of which shall be provided to the redeeming Investment Shareholder. Any difference between the Redemption amount due and the independently confirmed valuation of the asset(s) allocated to Compartment No.1 to be transferred to the Investment Shareholder shall be paid to the Investment Shareholder in cash.

The assets forming the distribution in specie shall be assessed by at least one independent Valuer, unless market quotations are readily available, which in that case the last closing bid price supplied by a specific relevant pricing source shall be obtained. Any costs incurred in connection with a Redemption in specie shall be borne by the relevant Investment Shareholder. Investors who receive assets in lieu of cash upon Redemption should note that they may incur transfer fees and/or local tax charges on the sale of assets. The Company shall not be responsible for the payment of any taxes, costs and third-party fees connected with any such transfer. In specie Redemptions must be in agreement with redeeming Investment Shareholders.

TRANSFERS

Transfer of Investment Shares

Investment Shareholders have the option to immediately transfer the Investment Shares held by them in Compartment No.1.

Investment Shareholders are not obliged to transfer their Investment Shares based on their NAV at the time of the transfer. If an ad-hoc calculation of the NAV of transferred Investment Shares is requested by the Transferor or Transferee, the External Manager may decide to accept or reject such a request at its absolute discretion and reserves the right to charge any legal, accounting or administrative costs associated with the determination of the NAV to the requesting party.

The process of transferring Investment Shares with respect to Compartment No.1 is prescribed in detail in the Prospectus under sub-section **“TRANSFERS”** of section **“TRANSACTIONS OF INVESTMENT SHARES”**.

VALUATIONS

The NAV of Compartment No.1 consists of the latter’s assets and receivables, together with any cash or cash equivalents minus any fees and expenses allocated to Compartment No.1. The NAV will be valued on each Valuation Day, defined as the last Business Day of each calendar month and on any other date the External Manager, at its sole discretion, determine. The NAV of Compartment No.1 is valued in EUR. The External Manager shall on, or with respect to, each Valuation Day, determine the NAV of Compartment No.1 and the NAV per Share in accordance with the provisions set out in the sub-sections titled **“DETERMINATION OF THE NET ASSET VALUE”** and **“NAV PER SHARE”** of the Company’s Prospectus.

DISTRIBUTION POLICY

The Company may pay to the holders of Novelty Investment Shares, issued as Distributing Investment Shares, a Distribution generated from the operations of the Compartment.

The timing and amount of any Distribution will depend on, among other things, the earnings of the Compartment’s investments, financial condition, capital expenditure and divestments, market prospects and investment opportunities, statutory and contractual restrictions on the Compartment’s ability to pay Distributions as well as limitations under the law, tax, and other factors deemed relevant.

There is no guarantee that holders of Novelty Investment Shares will ever receive a Distribution, even if the above factors and financial figures are such to allow and justify for a Distribution, since declaration of any Distribution is always at the absolute discretion of the Company.

If any Distribution is paid, this will be paid in the Base Currency of Novelty Investment Shares.

FEES AND EXPENSES

Company’s Expenses

Compartment No.1 shall bear its attributable portion of the operating expenses and service provider fees of the Company based on its on its GAV or any other reasonable basis given the nature of the expense. A summary of such fees and expenses is set out in the sub-sections titled **“COMPANY EXPENSES”**, **“SERVICE PROVIDERS FEES”** and **“REGULATORY FEES”** of the Company’s Prospectus.

Set-up costs

Compartment No.1 shall bear the set-up costs relating to its own launching, unless such costs are born by another party and are not claimed towards Compartment No.1. In such a case, any costs allocated to Compartment No.1 will be amortized for a period of five (5) years in such manner as deemed fit.

Management Fee

The Company will pay on behalf of Compartment No.1 an annual Management Fee, payable to the External Manager for the overall management services to be provided to Compartment No.1 as per the provisions of the Management Agreement. The External Manager is entitled to an annual Management Fee up to 1.35% of the GAV of Compartment No.1, or minimum annual fixed fee of EUR 20,000, whichever is higher. The annual minimum fixed fee is accrued and payable on a quarterly basis. The remaining fee, if any, calculated as the positive difference between 1.35% of the GAV of Compartment No.1 and the minimum annual fixed fee of EUR 20,000, is invoiced by the External Manager on an annual, upon the calculation of the GAV.

Depositary Fees

The Company will pay to the Depositary an annual Depositary fee on behalf of Compartment No.1, as agreed with the Depositary.

The Depositary Fee is mutually agreed between the Depositary, the External Manager and the Company.

Specifically, the Depositary is entitled to an annual Depositary Fee equal to the below scaling pricing formula relating to Compartment No.1:

- EUR 0 to EUR 10,000,000 - Depositary fee 0.10% of NAV.
- EUR 10,000,001 to EUR 20,000,000 – Depositary fee 0.08% of NAV.
- over EUR 20,000,000 - To be agreed between the Depositary and the External Manager.

The above Depositary service fees will be calculated on the NAV of the Compartment No. 1, with a minimum annual fee equal to EUR 5,400 payable in monthly instalments of EUR450.

Transaction Fees

Compartment No.1 bears all costs and expenses of buying and selling investment assets including, without limitation, any commissions, interest, taxes, governmental duties, charges and levies and any other transaction related expenses.

Performance Fee

The External Manager is entitled to receive a Performance Fee in respect to Compartment No.1 on a share by share basis so that each Investment Share issued with respect to Compartment No.1 is charged a Performance Fee which equates with its performance.

This method of calculation ensures that:

- (i) any Performance Fee paid to the External Manager is charged only on those Investment Shares that have appreciated in value;
- (ii) all Investment Shareholders of Compartment No.1 have the same amount at risk per Investment Share; and
- (iii) all Investment Shares issued in respect to Compartment No.1 have the same NAV per Share.

The Performance Fee is calculated and accrued at each Valuation Day (the “Calculation Period”), whereas it becomes crystallised and payable to the External Manager on an annual basis at the end of the financial year to which it applies (the “Performance Period”).

(1) If on the Valuation Day:

GAV per Investment Share < High Watermark

then no Performance Fee should be calculated or accrued on the Valuation Day.

(2) If on the Valuation Day:

GAV per Investment Share > High Watermark

then

(a) If [*Price Appreciation – Hurdle Rate*] < 0, then no Performance Fee should be calculated or accrued on the Valuation Day;

(b) If [*Performance Rate – Hurdle Rate*] > 0, then Performance Fee should be calculated and accrued on the Valuation Day.

Where,

$$\text{Price Appreciation} = \left(\frac{\text{GAV per Investment Share}}{\text{High Watermark}} - 1 \right)$$

Where Performance Fee should be calculated and accrued on a Valuation Day, the Performance Fee for each Investment Share in issue shall be calculated as follows:

$$(\text{GAV per Investment Share} - \text{High Watermark}) \times \text{Issued Investment Shares} \times \left[\frac{(\text{Price Appreciation} - \text{Hurdle Rate})}{\text{Price Appreciation}} \right] \times \text{Performance Fee Rate}$$

Where, *Performance Fee Rate* is the rate at which Performance Fee is calculated in accordance with the “**Key Features**” section of this Offering Supplement.

In the case of Investment Shares of Compartment No.1 which are redeemed before the end of the Performance Period, the accrued Performance Fee related to the proportion of the Investment Shares of Compartment No.1 that are being redeemed, crystallises and becomes payable to the External Manager immediately on the Valuation Day as per the provisions of this Prospectus and the Offering Supplement of Compartment No.1.

Calculation Methodology – Series of Shares:

Compartment No.1 will issue a new series of Investment Shares each time there is a Subscription (the “Series”) to allow the Performance Fee to be calculated and accrued separately for each Series of Investment Shares of Compartment No.1 on each Valuation Day. The first Series is issued when Compartment No.1 is launched (the “Lead Series”) and will correspond to the Issue Price of Compartment No.1. New series of Investment Shares of Compartment No.1 (the “Subsequent Series”) will be issued as part of any future Subscriptions during the first or future Performance Periods, at a price which corresponds to the prevailing NAV per Share price of the Lead Series. This approach will permit the Performance Fee to be calculated separately for each Calculation Period with respect to each Series. Consequently, each Series will have a different NAV per Share at each Valuation Day.

At the end of the Performance Period, whereby any previously accrued Performance Fee crystallises and becomes payable, each Subsequent Series (other than the Lead Series) will be redesignated and converted into the Lead Series with reference to the prevailing NAV per Share of the Lead Series, provided that a Performance Fee has crystallised and has become payable by such Subsequent Series, including the Lead Series. Effectively, each Investor of Compartment No.1 exchanges its Subsequent Series for Lead Series, and the process is repeated at the end of each Performance Period.

OFFERING SUPPLEMENT No. 2

in relation to the offer of Investment Shares in

SWORD MULTI-ASSET FUND

a Compartment of

PHOEBUS RAIF V.C.I.C. PLC

A Registered Alternative Investment Fund operating as an umbrella scheme with more than one
Compartments and

Addressed to Professional and Well-Informed Investors

*This Offering Supplement is being issued pursuant to the offering of Investment Shares in
SWORD MULTI-ASSET FUND (“Compartment No.2”) and contains supplemental
information to that contained in the Prospectus dated 7th February 2024 issued by **PHOEBUS
RAIF V.C.I.C. PLC** (the “Prospectus”). This Offering Supplement contains specific
information in relation to Compartment No.2. It forms part of, and must be read in the context
of and together with, the Prospectus. Distribution of this Offering Supplement, which forms
part of the Prospectus, is not authorized unless accompanied by a copy of the Prospectus.*

Dated 07/02/2024

MEANING OF TERMS

All capitalized terms shall have the same definition/interpretation as in the Prospectus. In this Offering Supplement, the term Compartment No. 2 shall refer to **SWORD MULTI-ASSET FUND**, unless the context clearly indicates otherwise. To the extent of any inconsistency between the terms of this Offering Supplement and the Prospectus, this Offering Supplement shall prevail with respect to **SWORD MULTI-ASSET FUND**.

KEY FEATURES

INVESTMENT STRATEGY	Fixed Income, Equity
TARGET MARKETS	Worldwide
STRUCTURE	Open-Ended
LIFE DURATION	Unlimited
AVAILABLE CLASS	Sword Investment Shares
USE OF LEVERAGE	Yes, up to 50%
BASE CURRENCY	EUR
MINIMUM CAPITAL RAISING	EUR 500.000
VALUATION DAYS	3. Last Business Day of each calendar month 4. Ad-hoc basis, upon request
DEALING DAYS No	3. For Subscriptions: First Business Day after each Valuation Day 4. For Redemptions: First Business Day after each Valuation Day
MANAGEMENT FEE	Up to 0.85% on GAV, or minimum annual fee of EUR 20,000 whichever is higher
PERFORMANCE FEE RATE	10%
HURDLE RATE	0%

TERMS OF REGISTRATION

SWORD MULTI-ASSET FUND is an Open-Ended Compartment established under the umbrella of the Company for the sole purpose of raising funds from a number of Investors. The assets and liabilities allocated to Compartment No.2 are segregated from the asset and liabilities of other Compartments that are currently established or maybe established in the future under the Company's umbrella.

Investment Shares allocated to Compartment No.2 are upon issue, entitled to participate equally in the Distributions of Compartment No.2 attributable to the relevant Class, to which such Investment Shares belong, as well as in the Liquidation proceeds of Compartment No.2.

LIFE DURATION

Compartment No.2 is established for an infinite period.

OFFERING SUMMARY

As at the date of the present Offering Supplement, the following Class of Investment Shares is issued by the Company in respect to Compartment No.2:

NAME	Sword Investment Shares
BASE CURRENCY	EUR
TYPES OF INVESTORS	Professional & Well-Informed
INVESTORS DOMICILE	Worldwide
INITIAL SUBSCRIPTION PRICE	EUR 1,000
MINIMUM INITIAL SUBSCRIPTION AMOUNT	N/A
MINIMUM SUBSCRIPTION AMOUNT	No Minimum
SUBSEQUENT SUBSCRIPTION AMOUNT	
LOCK-UP PERIOD	N/A
MINIMUM HOLDING PERIOD	N/A
GATE PROVISION	N/A
SUBSCRIPTION FEE	N/A
REDEMPTION FEE	up to 2%
ENTRY CUT-OFF	One (1) Business Day prior each Valuation Day
EXIT CUT-OFF	One (1) Business Day prior each Valuation Day
DISTRIBUTION POLICY	No Distributions
ISIN CODE	CYF000003345

At a later stage, additional Classes of Investment Shares may be issued subject to the prior notification to CySEC. In such case, this Offering Supplement will be updated accordingly.

INVESTMENT OBJECTIVE

The External Manager aims to provide to the Investors of Compartment No.2 medium to long term returns from capital gains and income, investing in securities. In order for the Compartment No.2 to achieve its respective investment objective, the External Manager has established structured the appropriate investment strategies.

INVESTMENT STRATEGY

In order for Compartment No.2 to achieve its investment objective, the External Manager has established structured and appropriate strategies. Compartment No.2 does not have a predominant investment strategy. To this end, the investment strategies of Compartment No.2 are best described as fixed income fund strategies and equity fund strategies. More precisely, the External Manager will adopt a flexible asset allocation strategy for Compartment No.2 through investing in a diversified portfolio of various types of asset classes, including but not limited to deposits, stocks, bonds, transferable equity and fixed income securities and alternative assets (including, but not limited to commodities and private equity and loans) based on fundamental analysis. Compartment No.2 may gain exposure to these asset classes directly or indirectly through investing in funds and other collective investment schemes.

The External Manager has the discretion to amend the composition of the Compartment No.2's Portfolio. Moreover, the External Manager, on behalf of Compartment No.2, may also invest in financial derivatives products for speculative positions or hedging positions. The External Manager may use all the means and techniques for an efficient management such as securities (stocks or bonds) and financial derivative products in accordance with the investment strategy of Compartment No.2. The External Manager may use a Prime Broker with regards to the Portfolio of each Compartment of the Company, if deemed necessary.

The External Manager may use derivative instruments for hedging (reducing risks) as an efficient portfolio management technique in accordance with the investment strategies of Compartment

No.2. Any short sales to be utilized by the External Manager for the purpose of achieving the investment objectives of Compartment No.2, may not result in Compartment No.2 to hold a short position on securities of the same kind issued by the same issuer representing more than 30% of its NAV.

The minimum investment of the Compartment No.2's NAV in equity is nil (0%) and a minimum of ten (10%) percent and 10% of its NAV in bonds. The maximum investment percentage in bonds are not allowed to exceed ninety percent (90%) of the Compartment No.2's NAV while the maximum investment percentage in equity is not allowed to exceed percent sixty-five (65%) of the Compartment's No.2's NAV.

This ratio may vary according to the optimal Compartment No.2's performance and in relation to the assumed risk.

Secondary strategies may also be pursued in order to create a risk diversified strategy. Specifically, the External Manager aims to diversify the Portfolio of Compartment No.2 by investing a portion of its total assets in cash and cash equivalent instruments so as to mitigate the Portfolio risk. Specifically, the External Manager may invest a portion of the Portfolio in products which include, but are not limited to, fixed deposits, time deposits or call accounts, securities issued by sovereign governments, their agencies and instrumentalities, repurchase agreements (other than equity repurchase agreements), certificates of deposit, bankers' acceptances, commercial paper (rated in one of the two highest rating categories), and bank deposit accounts.

Compartment No.2 will typically target minimum issuance to Investors of EUR 7,000,000, although the External Manager may decide to invest in lower issuance at his own discretion.

INVESTMENT COMMITTEE

The External Manager, in order to formulate investment decisions and manage the Portfolio of each Compartment or to provide other services as required, may choose to appoint or use, subject to the requirements of the AIF Law, investment advisors, investment/advisory committees or other experts, upon such terms and conditions as the External Manager thinks fit, including the right to determine their remuneration.

As of the date of this Prospectus, the following persons compose the Investment Committee of Compartment No. 2:

Name and Surname
Mr. Nikolaos Kefallinaios
Mr. Grigorios Karagiannopoulos
Mr. George Sams
Mr. George Spais
Mr. Ioannis Iliopoulos

The establishment of the Investment Committees aims to contribute towards the formation of the Compartment No.2's investment policies by examining investment opportunities, analysing their potential and providing non-binding strategic advice to the External Manager. In particular, the Investment Committees have, amongst others, the following responsibilities:

- a. To propose investment objectives and strategies for the Compartment No.2's targeted underlying assets, including asset allocation etc.;
- b. To review any Research Reports in Companies, that their shares, Debt securities or derivatives are included to the Compartment No.2's Portfolio;
- c. To review the accuracy and appropriateness of pricing methodologies used by intendent Valuers in arriving at the fair value of assets and recommend changes, if any;
- d. To recommend the External Manager on procedures to prevent incorrect valuation;
- e. To recommend to the independent Valuer a suitable valuation method during exceptional events; and
- f. To report any deviations or incorrect valuations to the External Manager; and
- g. To provide updates on any trends in the commodities markets based on the Company's Target Markets and investment exposure.

It is noted that the duties assigned to the members of the Investment Committee are of a purely advisory nature and the Investment Committee shall not have the authority to make investment decisions pertaining to Compartment No.2.

TARGET MARKETS

There are no geographical restrictions regarding the investment strategy of Compartment No.2. The External Manager will seek investment opportunities based on their growth potential regardless of where these investments are situated.

LEVERAGE AND OTHER BORROWINGS

Leverage may be utilised as and when considered appropriate, primarily when certain expanding opportunities arise.

Specifically, the External Manager may leverage the position of the Compartment No.2 in order to increase investment positions and make additional investments.

Leverage may be obtained inter alia, by:

(a) entering into repurchase transactions, entering into private loan agreements with reputable banking or financial institutions or from other sources, cash or physical settlement of financial derivative instruments and also by margin trading (i.e. with credit supplied by any broker through which the investments are purchased);

(b) Credit supplied by any broker or clearing house for the purposes of financial derivative instruments.

The intention is to balance between such opportunities and keep a stable capital structure and in no circumstances over extend the balance sheet with financial Leverage. The maximum permitted level of Leverage utilised on behalf of Compartment No.2 is equal to 50 % of its NAV.

The use of Leverage for investment purposes can increase the risk and volatility of the Portfolio of Compartment No.2.

LIQUIDITY MANAGEMENT

The External Manager has established effective liquidity management mechanisms that are specifically tailored to the degree of liquidity risk that the Portfolio of Compartment No.2 is exposed to, subject to its investment objective and targeted investments. By employing sound liquidity management procedures, the External Manager measures, monitors and controls the overall liquidity profile of the investments of Compartment No.2, hence ensuring, among others, the timely settlement of operating expenses and providing an extra layer of comfort that Redemption requests are met in accordance with the commitments made in the present Offering Supplement in varied market conditions.

More specifically, the External Manager has in place a diverse set of liquidity management tools, which include, but are not limited to:

- The availability of choice to the Investment Shareholder to choose the option of Redemption in Specie, enabling the External Manager/Company to pay out a Redemption of all or part of an Investment Shareholder's Investment Shares in the form of asset(s) allocated to Compartment No.2. The Redemption in Specie mechanism therefore allows the External Manager/Company to utilise alternative exit strategies in periods where the volume of Redemption requests are high;
- The conduction of stress tests on a regular basis, under normal and exceptional liquidity conditions, which enable the External Manager to assess and monitor the liquidity risk of Compartment No.2. This tool supplements other elements of the liquidity risk management process. The results are used to inform investment decisions and, where appropriate, the level of limits on portfolio liquidity. Factors that will be used for the purposes of stress tests include the volume of Redemption requests and current market conditions;
- The use of Leverage as a means to amplify any negative market movements and improve the overall position of Compartment No.2. The External Manager may use Leverage, subject to the Leverage policy as set forth under section "**LEVERAGE**" of the present Offering Supplement, in order to address any mismatches between the liquidity of underlying assets and the Redemption policy of Compartment No.2 and prevent potential premature liquidation of investments;
- The ongoing assessment of the terms and arrangements made in relation to Subscriptions and Redemptions in order to ensure that such arrangements remain in line with the composition of the Portfolio of Compartment No.2 and overall investment strategy.
- The performance of a regular assessment of liquidity demands, which include, but are not limited to Redemptions and other obligations of Compartment No.2. This assessment includes, but is not limited to, the development of a range of potential Redemption scenarios and risks, on the basis of an analysis of the composition of the Investment Shareholders to Compartment No.2 and the historic pattern of its flows. Based on such assessments, the External Manager may decide, as part of the liquidity management policy in place, to maintain a certain amount of funds equivalent to a specific ratio of the NAV of Compartment No.2. This ratio is decided on an ad hoc basis by the External Manager, and it will be proportional to the liquidity demands of Compartment No.2 at a given point in time.

INVESTOR PROFILE

Compartment No.2 is suitable for persons qualifying as Professional or Well-Informed Investors, with a medium risk appetite and a medium to long term investment horizon who wish to invest their capital in opportunities with a return potential that reflects the medium/long term risk features of Compartment No.2.

Each Investor subscribing for Investment Shares in Compartment No.2 will have to prove such a capacity for compliance as well as AML purposes. These Investors should be Natural or Legal Persons, or any other entity, regardless of its legal form, who understand the risks associated with the investments of Compartment No.2.

RISK CONSIDERATIONS

Investment in Compartment No.2 may entail significant risks associated with Portfolio concentration. Investors are encouraged to draw their attention to the risk considerations outlined in the section of the Prospectus titled **“RISK FACTORS”**.

Investors’ attention is also drawn to general risks and risks associated with the overall management of the Company.

Investor’s attention is drawn to the following sub-sections of the Company’s Prospectus:

- **“GENERAL RISKS”**
- **“OVERALL MANAGEMENT”**
- **“PRIVATE EQUITY INVESTMENTS”**
- **“TAX IMPLICATIONS”**
- **“CASH AND CASH EQUIVALENT”**

SUBSCRIPTIONS

Initial Offer

Sword Investment Shares are offered for Subscription during an Initial Offering Period at the Initial Subscription Price of EUR 1,000 each. The initiation of investment operations is conditional upon the minimum capital raise of EUR 500,000 before expenses, being raised no later than the Last Offering Day. In the event of not completing the minimum capital raise by the Last Offering Day, the amount collected will be returned to the Investors without interest.

Investment Shares will be issued one (1) Business Day after the Closing Day.

Further Subscriptions

Following the Initial Offering Period, Investment Shares in Compartment No.2 may be subscribed on a monthly basis i.e. on the first Business Day of each month, being the Dealing Day, and on any other date the External Manager may determine at its absolute discretion, upon consideration of an application for an ad-hoc Subscription, at the Subscription Price Per Investment Share calculated with reference to the NAV per Share on the last Business Day of the previous month, being the Valuation Day. Investors should settle payment of the Subscription monies at least 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 Application Form.

The Subscription application process followed with respect to Compartment No.2 is prescribed in detail in the Company's Prospectus under sub-section "**SUBSCRIPTIONS**" of section "**TRANSACTIONS OF INVESTMENT SHARES**".

Entry Cut-Off

Subscription requests for Sword Investment Shares must be received by the External Manager before 15:00 (Cyprus time, GMT +2) one (1) Business Day prior to the relevant Valuation Day or such other time as the External Manager may determine from time to time.

Any applications received after the Entry Cut-Off will normally be held over until a subsequent Dealing Day but may be accepted for dealing on the forthcoming Dealing Day, at the discretion of the External Manager, subject to the requirements of the applicable law and internal rules.

Minimum Initial Subscription Amount

The External Manager does not set a Minimum Initial Subscription Amount for the acquisition of Sword Investment Shares. The External Manager has the discretion, from time to time, to waive or reduce any applicable Minimum Initial Subscription Amount.

Minimum Subsequent Subscription Amount

No Minimum Subsequent Subscription Amount is levied.

Subscription Fee

No Subscription Fee is charged to Investors upon any initial or subsequent Subscriptions to Sword Investment Shares.

Non-Cash Contributions

The External Manager may, at its own discretion, accept the issue of Investment Shares allocated to Compartment No.2 for a consideration of Non-Cash Contributions, provided that the contributed assets correspond to the investment strategy and permitted investments of Compartment No.2, comply with the applicable legislation and are free from any kind of charge.

The Non-Cash Contributions shall be assessed by at least one independent Valuer at the time of the contribution, unless market quotations are readily available, which in that case the last closing bid price supplied by a specific relevant pricing source shall be obtained. The independent Valuer report, or last closing bid price statement obtained by the relevant pricing source, whichever is applicable, must be presented to the External Manager. The value so determined, together with the relevant Subscription Price Per Investment Share, will determine the number of Investment Shares to be issued to the prospective Investor or existing Investment Shareholder.

The value of the capital contribution shall not be less than the applicable Minimum Initial and Subsequent Subscription Amounts.

REDEMPTIONS

Redemption of Investment Shares

Investment Shares in Compartment No.2 may be redeemed on a monthly basis, i.e. on the first Business Day of each month and on any other date the External Manager may determine at its

absolute discretion, upon consideration of a request for an ad-hoc Redemption at a Redemption Price Per Investment Share, calculated on the basis of the NAV per Share as determined on the last Business Day of the previous month, being the Valuation Day.

Redemption proceeds are paid in cash in the Base Currency of the relevant Class.

The Redemption process followed with respect to Compartment No.2 is prescribed in detail in the Prospectus under sub-section “**REDEMPTIONS**” of section “**TRANSACTIONS OF INVESTMENT SHARES**”.

Exit Cut-Off

Redemption requests for Sword Investment Shares must be received by the External Manager before 15:00 (Cyprus time, GMT +2) not less than one (1) business day prior to the intended Valuation Day for which a request for Redemption is valid.

Any applications received after the Exit Cut-Off will normally be held over until a subsequent valid Dealing Day but may be accepted for dealing on the forthcoming Dealing Day, at the discretion of the External Manager.

Redemption Fee

A Redemption Fee of up to 2% of the Gross Redemption Price Per Investment Share for each Investment Share being redeemed by an Investment Shareholder will be charged by the Company to the Investors on Redemption of Sword Investment Shares.

The External Manager, at its absolute discretion, may reduce or waive the Redemption Fee.

Redemption in Specie

Subject to the consent of the Investment Shareholder, all or part of the Investment Shareholder's Investment Shares may be paid out in the form of the asset(s) allocated to Compartment No.2 instead of fully in cash, if cash is not available to accommodate such request for Redemption, subject to an independent valuation of the asset(s) in question, a copy of which shall be provided to the redeeming Investment Shareholder. Any difference between the Redemption amount due and the independently confirmed valuation of the asset(s) allocated to Compartment No.2 to be transferred to the Investment Shareholder shall be paid to the Investment Shareholder in cash.

The assets forming the distribution in specie shall be assessed by at least one independent Valuer, unless market quotations are readily available, which in that case the last closing bid price supplied by a specific relevant pricing source shall be obtained. Any costs incurred in connection with a Redemption in specie shall be borne by the relevant Investment Shareholder. Investors who receive assets in lieu of cash upon Redemption should note that they may incur transfer fees and/or local tax charges on the sale of assets. The Company shall not be responsible for the payment of any taxes, costs and third-party fees connected with any such transfer. In specie Redemptions must be in agreement with redeeming Investment Shareholders.

TRANSFERS

Transfer of Investment Shares

Investment Shareholders have the option to immediately transfer the Investment Shares held by them in Compartment No.2.

Investment Shareholders are not obliged to transfer their Investment Shares based on their NAV at the time of the transfer. If an ad-hoc calculation of the NAV of transferred Investment Shares is requested by the Transferor or Transferee, the External Manager may decide to accept or reject such a request at its absolute discretion and reserves the right to charge any legal, accounting or administrative costs associated with the determination of the NAV to the requesting party.

The process of transferring Investment Shares with respect to Compartment No.2 is prescribed in detail in the Prospectus under sub-section “**TRANSFERS**” of section “**TRANSACTIONS OF INVESTMENT SHARES**”.

VALUATIONS

The NAV of Compartment No.2 consists of the latter’s assets and receivables, together with any cash or cash equivalents minus any fees and expenses allocated to Compartment No.2. The NAV will be valued on each Valuation Day, defined as the last Business Day of each calendar month and on any other date the External Manager, at its sole discretion, determine. The NAV of Compartment No.2 is valued in EUR. The External Manager shall on, or with respect to, each Valuation Day, determine the NAV of Compartment No.2 and the NAV per Share in accordance with the provisions set out in the sub-sections titled “**DETERMINATION OF THE NET ASSET VALUE**” and “**NAV PER SHARE**” of the Company’s Prospectus.

DISTRIBUTION POLICY

The holders of Sword Investment Shares, issued as Accumulating Investment Shares, are not entitled to participate in any Distributions.

FEES AND EXPENSES

Company’s Expenses

Compartment No.2 shall bear its attributable portion of the operating expenses and service provider fees of the Company based on its on its GAV or any other reasonable basis given the nature of the expense. A summary of such fees and expenses is set out in the sub-sections titled “**COMPANY EXPENSES**”, “**SERVICE PROVIDERS FEES**” and “**REGULATORY FEES**” of the Company’s Prospectus.

Set-up costs

Compartment No.2 shall bear the set-up costs relating to its own launching, unless such costs are born by another party and are not claimed towards Compartment No.2. In such a case, any costs allocated to Compartment No.2 will be amortized for a period of five (5) years in such manner as deemed fit.

Management Fee

The Company will pay on behalf of Compartment No.2 an annual Management Fee, payable to the External Manager for the overall management services to be provided to Compartment No.2 as per the provisions of the Management Agreement. The External Manager is entitled to an annual Management Fee up to 0.85% of the GAV of Compartment No.2, or a minimum annual fixed fee of EUR 20,000 whichever is higher. The annual minimum fixed fee is accrued and payable on a quarterly basis. The remaining fee, if any, calculated as the positive difference

between 1.35% of the GAV of Compartment No.2 and the minimum annual fixed fee of EUR 20,000, is invoiced by the External Manager on an annual basis, upon the calculation of the GAV.

Depositary Fees

The Company will pay to the Depositary an annual Depositary fee on behalf of Compartment No.2, as agreed with the Depositary. The Depositary Fee is mutually agreed between the Depositary, the External Manager and the Company.

Specifically, the Depositary is entitled to an annual Depositary Fee equal to the below scaling pricing formula:

- Compartment 2: NAV EUR 0 to EUR 10,000,000 – Depositary fee 0.10% of NAV
- Compartment 2: NAV EUR 10,000,001 to EUR 20,000,000 – Depositary fee 0.08% of NAV
- Compartment 2: NAV over EUR 20,000,000 -To be agreed between the Depositary and the External Manager

The above Depositary service fees will be calculated on the NAV of the Compartment No. 2, with a minimum annual fee equal to EUR5,400 payable in monthly instalments of EUR450.

Transaction Fees

Compartment No.2 bears all costs and expenses of buying and selling investment assets including, without limitation, any commissions, interest, taxes, governmental duties, charges and levies and any other transaction related expenses.

Performance Fee

The External Manager is entitled to receive a Performance Fee in respect to Compartment No.2 on a share by share basis so that each Investment Share issued with respect to Compartment No.2 is charged a Performance Fee which equates with its performance.

This method of calculation ensures that:

- (iv) any Performance Fee paid to the External Manager is charged only on those Investment Shares that have appreciated in value;
- (v) all Investment Shareholders of Compartment No.2 have the same amount at risk per Investment Share; and
- (vi) all Investment Shares issued in respect to Compartment No.2 have the same NAV per Share.

The Performance Fee is calculated and accrued at each Valuation Day (the “Calculation Period”), whereas it becomes crystallised and payable to the External Manager on an annual basis at the end of the financial year to which it applies (the “Performance Period”).

(3) If on the Valuation Day:

$$GAV \text{ per Investment Share} < \text{High Watermark}$$

then no Performance Fee should be calculated or accrued on the Valuation Day.

(4) If on the Valuation Day:

$$GAV \text{ per Investment Share} > \text{High Watermark}$$

then

- (c) If $[Price \text{ Appreciation} - Hurdle \text{ Rate}] < 0$, then no Performance Fee should be calculated or accrued on the Valuation Day;
- (d) If $[Performance \text{ Rate} - Hurdle \text{ Rate}] > 0$, then Performance Fee should be calculated and accrued on the Valuation Day.

Where,

$$Price \text{ Appreciation} = \left(\frac{GAV \text{ per Investment Share}}{High \text{ Watermark}} - 1 \right)$$

Where Performance Fee should be calculated and accrued on a Valuation Day, the Performance Fee for each Investment Share in issue shall be calculated as follows:

$$(GAV \text{ per Investment Share} - High \text{ Watermark}) \times Issued \text{ Investment Shares} \times \left[\frac{(Price \text{ Appreciation} - Hurdle \text{ Rate})}{Price \text{ Appreciation}} \right] \times Performance \text{ Fee Rate}$$

Where, *Performance Fee Rate* is the rate at which Performance Fee is calculated in accordance with the “**Key Features**” section of this Offering Supplement.

In the case of Investment Shares of Compartment No.2 which are redeemed before the end of the Performance Period, the accrued Performance Fee related to the proportion of the Investment Shares of Compartment No.2 that are being redeemed, crystallises and becomes payable to the External Manager immediately on the Valuation Day as per the provisions of this Prospectus and the Offering Supplement of Compartment No.2.

Calculation Methodology – independent of Shares:

Compartment No.2 will issue a new series of Investment Shares each time there is a Subscription (the “Series”) to allow the Performance Fee to be calculated and accrued separately for each Series of Investment Shares of Compartment No.2 on each Valuation Day. The first Series is issued when Compartment No.2 is launched (the “Lead Series”) and will correspond to the Issue Price of Compartment No.2. New series of Investment Shares of Compartment No.2 (the “Subsequent Series”) will be issued as part of any future Subscriptions during the first or future Performance Periods, at a price which corresponds to the prevailing NAV per Share price of the Lead Series. This approach will permit the Performance Fee to be calculated separately for each Calculation Period with respect to each Series. Consequently, each Series will have a different NAV per Share at each Valuation Day.

At the end of the Performance Period, whereby any previously accrued Performance Fee crystallises and becomes payable, each Subsequent Series (other than the Lead Series) will be redesignated and converted into the Lead Series with reference to the prevailing NAV per Share of the Lead Series, provided that a Performance Fee has crystallised and has become payable by such Subsequent Series, including the Lead Series. Effectively, each Investor of Compartment No.2 exchanges its Subsequent Series for Lead Series, and the process is repeated at the end of each Performance Period.