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This Brochure provides information about the qualifications and business practices of RAYS Capital Partners Limited (RAYS). If you have any questions about the content of this brochure, please contact us at (+852) 3973-6700 or info@rayscapital.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

RAYS Capital Partners Ltd is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information with which you determine to hire or retain an adviser.

Additional information about RAYS Capital Partners Limited is available on the SEC’s website at www.adviserinfo.sec.gov.

March 25, 2024

ITEM 2 – MATERIAL CHANGES

There are no material changes to this Brochure dated March 25, 2024 have been made from the previous versions dated March 23, 2023. Minor changes, including updates regarding assets under management and enhancements and clarifications throughout, have been made. Clients and prospective clients are encouraged to read the Brochure in detail and contact us with any questions.

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ITEM 4 – ADVISORY BUSINESS

Adviser's Advisory Business

RAYS Capital Partners Limited, a company incorporated with limited liability in Hong Kong (the “Adviser”), acts as the investment adviser to one or more private investment funds and separately managed accounts. The Adviser was established in 2010. The Adviser is principally owned by David Ching Chi RUAN and CHAN Chung Yuen, Lawrence, both Managing Partners. The Adviser is licensed with the Securities and Futures Commission in Hong Kong to carry on the activities of advising on securities (Type 4) and asset management (Type 9) under the Securities and Futures Ordinance.

Types of Advisory Services offered by the Adviser

As an investment adviser, the Adviser provides portfolio management services, including discretionary management and monitoring of investments, to investment funds and separately managed accounts in accordance with the objectives, restrictions and guidelines as stated in each Private Placing Memorandum (“PPM”) or the investment mandate(s). The investment activities will primarily focus on investments in various kinds of assets and securities in various Asian markets and any other markets that may fit within the objectives and strategies described in PPM of respective investment fund or investment mandate of respective individual client.

As of December 31, 2023, the Adviser manages the following open-ended investment funds:

- Asian Opportunities Absolute Return Master Fund Limited (“AOFM”), and, one feeder fund – Asian Opportunities Absolute Return Fund Limited (“AOF”)
- Asian Equity Special Opportunities Portfolio Master Fund Limited (“AESOPM”), and, one feeder fund – Asian Equity Special Opportunities Portfolio Limited (“AESOP”)
- Asian Technology Absolute Return Fund (“ATF”)
- Asian Healthcare Discovery Master Fund (“AHDFM”), and one feeder fund – Asian Healthcare Discovery Fund (“AHDF”)
- Greater China ESG Opportunities Absolute Return Fund (“GCESG”)
- Stable Income Fund (“SIF”)
- LM Growth Fund (“LMGF”)

(Note: Both AHDFM and AHDF ceased operations on March 22, 2024 and will be place in voluntary liquidation before end of year 2024.)

All the investment funds above, collectively the “Funds”, are Cayman Islands exempted companies.

Interests in the Funds are not registered securities under the U.S. Securities Act of 1933, as amended (the “Securities Act”). In addition, the Funds are not registered as an investment companies under the U.S. Investment Company Act of 1940, as amended (the “Investment Company Act”). Accordingly, interests in the Funds are offered and sold exclusively to investors satisfying the applicable eligibility and suitability requirements in private transactions pursuant to available exemptions under the Securities Act, the Investment Company Act and any applicable U.S. state securities laws.

The Adviser provides direct investment advisory services for Professional Investors, as defined in the Securities and Futures Ordinance of Hong Kong. If and when the Adviser provides direct investment advisory services for accredited investors and qualified clients that are US Persons on a discretionary basis, the Adviser will develop customized investment strategies based on the stated investment objectives, risk tolerance and financial circumstances of each client and such client may impose reasonable restrictions on the management of their accounts, including by restricting particular securities or types of investments.

Currently, the Funds generally may not impose restrictions on the management of their accounts, other than restrictions stated in the PPMs of the Funds and other restrictions that are customary in the ordinary course of business. Clients should be aware that performance of restricted accounts may differ from performance of accounts without such impediments, possibly producing lower overall results.

The Adviser does not participate, sponsor or act as a portfolio manager for any wrap fee programs.

Assets Under Management

As of December 31, 2023, the Adviser had regulatory assets under management of approximately US\$ 472,376,000, all of which was managed on a discretionary basis.

ITEM 5 – FEES AND COMPENSATION

The Adviser's Basic Fee Schedule

The specific manner in which fees are charged by the Adviser is established in each Fund's PPM or a client's written agreement with the Adviser. Generally and pursuant to the contract, fees for the management of private investment companies, such as the Funds, will be based upon a percentage of the total assets in the account. Currently, the Adviser, among the Funds it manages, receives management fees up to two percent (2.0%) per annum of the net asset value of the relevant Funds. Such management fees are accrued monthly and calculated on the basis of the net asset value of the relevant Fund as at certain valuation dates and payable monthly in arrears.

Fund details, including the associated advisory fees, other expenses and the investment strategies, are described in each Fund's PPM.

If and when the Adviser provides direct investment advisory services for accredited investors and qualified clients that are US Persons on a discretionary basis, the Adviser's actual fees, and minimum account sizes may also be negotiated and may vary from the fees described above. A client may pay more or less fees than similar clients depending on the particular circumstances of the client, size, additional or differing levels of servicing or as otherwise agreed with specific clients. Clients that negotiate fees, including a flat fee, may end up paying a higher fee than that

set forth in the fee schedules above as a result of fluctuations in the client's assets under management and account performance.

Calculation and Deduction of Advisory Fees

In addition to performance-based fees described in Item 6 below, the Adviser will generally be paid its advisory fees on a monthly basis in arrears, as specified in each Fund's PPM.

If and when the Adviser provides direct investment advisory services for accredited investors and qualified clients that are US Persons on a discretionary basis, clients will be billed directly for advisory management fees under mutually agreed calculation and payment cycle.

Other Fees and Expenses

In addition to investment management fees and performance-based fees, investors in the Funds will indirectly bear any other costs charged to the Funds. Such costs will vary and typically include, though are not limited to, accounting, legal, fund administration, audit, directors and other related costs. Furthermore, the Adviser's fees exclude brokerage commissions, transaction fees, and other related costs and expenses which are incurred by the client. The impact of mark-ups and mark-downs are also incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

Item 12 further describes the factors that the Adviser considers in selecting or recommending broker-dealers for transactions and determining the reasonableness of their compensation (e.g., commissions).

Prepaid Fees

The Adviser does not charge clients fees in advance.

Compensation for the Sale of Securities

Neither the Adviser nor the Adviser's supervised persons accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of investment funds.

ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

The Adviser will generally receive a performance-based fee from each private investment fund, including the Funds and separately managed accounts that it advises and manages. The calculation of the performance-based fee is described in each Fund's private placing memorandum or Investment Advisory Agreement. Each performance-based fee is calculated at the end of each calendar year or upon redemption of the relevant shares part way through a year.

Among the Funds in general, performance-based fee is equal to an amount of up to twenty percent (20%) of the appreciation in the net asset value per share of the relevant series of shares issued by the relevant Fund. The appreciation in the net asset value of the relevant series of the relevant Fund is calculated as the difference between the highest net asset value per share of that series (the “high watermark”) as of the last valuation date in December in any preceding year after the allocation of any performance-based fee. Alternatively, if the relevant shares were issued during the course of the relevant year, the calculation would be the difference between the subscription price of the relevant shares when they were acquired and the net asset value per share of that series as of the last valuation date in December in the year in question or in the case of redemptions made during the course of such year as of the valuation date relating to the date on which the shares were redeemed. The performance-based fee is not subject to a hurdle rate. The fee arrangements are discussed further in the PPMs of the relevant Funds.

Currently, all the accounts that the Adviser manages charge both a performance-based fee and a management fee. The investment objective, investment strategy, market capitalization focus and liquidity preference for each Fund may be materially different. The Adviser determines the allocation of investment opportunities to the most appropriate account based on such differences, and does not otherwise favor certain accounts over other accounts. If in the future, the Adviser manages accounts that are not charged both a management fee and a performance-based fee, the performance-based fee arrangements under these circumstances may create an incentive for the Adviser to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements may also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. In such cases, the Adviser would have procedures designed and implemented to ensure that all clients are treated fairly and equally, and to prevent this conflict of interest from influencing the allocation of investment opportunities among clients.

ITEM 7 – TYPES OF CLIENTS

The Adviser primarily provides portfolio management services to private investment companies, institutional investors, high net worth individuals and family offices.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

General Investment Strategies and Methods of Analysis

The Adviser primarily adheres to a long-term investment approach while seeking to meet the investment objective of capital appreciation.

Under normal market conditions, the Funds and the separately managed accounts will invest in a diversified portfolio of securities. The portfolios may sell short certain securities or indices for hedging purposes and/or to enhance returns. Investments may also be made in various other derivative instruments, including but not limited to futures, options and swaps.

The Adviser uses a bottom up primary research approach supplemented with third-party research to seek opportunities for capital appreciation. However, as discussed below, investing in securities and other investment products involves the potential risk of loss that clients should be prepared to bear.

Material Risks for Significant Investment Strategies

While it is the intention of the Adviser to implement strategies which are designed to minimize potential losses suffered by its client, there can be no assurance that such strategies will be successful. It is possible that a client may lose a substantial proportion or all of its assets in connection with investment decisions made by the Adviser. The following is a discussion of material risks for the Adviser's significant investment strategies, but it does not purport to be a complete explanation of all the risks involved in the Adviser's investment strategies.

Investment Objective

There is no guarantee that in any time period, particularly in the short term, a client's portfolio will achieve appreciation in terms of capital growth or that a client's investment objective will be met by the Adviser.

Leverage

The Adviser may engage in investment strategies that constitute leverage or leverage a client's portfolio by borrowing should the Adviser consider this necessary or desirable. Such strategies may include the borrowing and short selling of securities, bonds, foreign exchange and the acquisition and disposal of certain types of derivative securities and instruments, such as swaps, futures and options. While leveraging creates an opportunity for greater total returns it also exposes a client to a greater risk of loss arising from adverse price changes. For a further explanation of the risks involved in entering into certain leveraged transactions see the paragraph below headed "Derivatives."

Portfolio Investments May Be Volatile

The value of the securities in which the Adviser, on behalf of its clients, will invest may be volatile. There can be no assurance that portfolio companies will ultimately be successful. Furthermore, a client will be subject to the risk that inflation, economic recession, changes in the general level of interest rates or other market conditions over which the Adviser will have no control may adversely affect the operating results of the client.

Hedging transactions may increase risks of capital losses

The Adviser may utilize a variety of financial instruments, such as options for risk management purposes. While the Adviser may enter into hedging transactions to seek to reduce risk, such transactions may result in a worse overall performance for a client's portfolio than if it had not engaged in any such hedging transactions. Moreover, the portfolio is always exposed to certain

risks that cannot be hedged, such as credit risk, relating both to particular securities and counterparties.

Stock borrowing

The Adviser may borrow securities for the account of its clients on terms that such securities may be recalled by the lender at short notice. If the securities are recalled, the Adviser may be required to unwind a strategy early, which may result in losses. The Adviser will endeavor to borrow non-recallable stock where possible.

Securities lending

The Adviser may enter into securities lending transactions on behalf of its clients. The principal risk when lending securities is that the borrower might become insolvent or refuse to honor its obligations to return the securities. In this event, the Adviser, on behalf of a client could experience delays in recovering its securities and such client's portfolio may possibly incur a capital loss. The client's portfolio may also incur a loss in reinvesting the cash collateral the Adviser, on behalf of the client, receives. Such a loss may arise due to a decline in the value of the investment made with cash collateral received from a securities lending counterparty. A decline in the value of such investment of the cash collateral would reduce the amount of collateral available to be returned by the Adviser, on behalf of the client, to the securities lending counterparty at the conclusion of the securities lending contract. A client's portfolio would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the client's portfolio.

Liquidity of investment portfolio

The market for some securities in which the Adviser, on behalf of its clients, may invest may be relatively illiquid. Liquidity relates to the ability of the Adviser, on behalf of its clients, to sell an investment in a timely manner. The market for relatively illiquid securities tends to be more volatile than the market for more liquid securities. Investment of a client's assets in relatively illiquid securities and loans may restrict the ability of the Adviser, on behalf of the client, to dispose of its investments at a price and time that it wishes to do so. The risk of illiquidity also arises in the case of over-the-counter transactions. There is no regulated market in such contracts, and the bid and offer prices will be established solely by dealers in these contracts.

Foreign currency markets

The Adviser's investment strategy may cause a client to be exposed to fluctuations in currency exchange rates where it invests directly or indirectly in securities denominated in currencies other than U.S. dollars. The Adviser, on behalf of the client, may, in part, seek to offset the risks associated with such exposure through foreign exchange transactions. The markets in which foreign exchange transactions are effected are highly volatile, highly specialized and highly technical. Significant changes, including changes in liquidity and prices, can occur in such markets within very short periods of time, often within minutes. Foreign exchange trading risks

include, but are not limited to, exchange rate risk, interest rate risk and potential interference by foreign governments through regulation of local exchange markets, foreign investment, or particular transactions in foreign currency.

Derivatives

The Adviser's investment strategy may cause a client to be exposed to derivatives including instruments and contracts the value of which is linked to one or more underlying securities, financial benchmarks or indices. Derivatives allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark, index, currency or interest rate at a fraction of the cost of investing in the underlying asset. The value of a derivative depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to derivatives trading. However, there are a number of other risks associated with derivatives trading. For example, because many derivatives provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement can result not only in the loss of the entire investment, but may also expose a client to the possibility of a loss exceeding the original amount invested.

Economic and political risks

The economies of individual countries in which the Adviser, on behalf of its clients, may invest may differ favorably or unfavorably from the economies of more developed countries in such respects as growth of gross domestic product, rate of inflation, currency depreciation, capital reinvestment, resource self-sufficiency and balance of payments position. With respect to any emerging country, there is the possibility of nationalization, expropriation or confiscatory taxation, political changes, government regulation, social instability or diplomatic developments (including war) which could affect adversely the economies of such countries or the value of a client's investments in such countries. In addition, it may be difficult to obtain and enforce a judgment in a court in an emerging country.

The economic and political risks described above may also adversely impact the value of derivative instruments and securities that are linked to the performance of emerging markets.

Settlement risks

The Adviser's investment strategy will expose a client to a credit risk on parties with whom the Adviser, on behalf of the client, trades and will also bear the risk of settlement default. Market practices in the emerging markets in relation to the settlement of securities transactions and custody of assets will provide increased risk. Although the emerging markets have grown rapidly over the last few years, the clearing, settlement and registration systems available to effect trades on such markets are significantly less developed than those in more mature world markets which can result in delays and other material difficulties in settling trades and in registering transfers of securities. Problems of settlement in these markets may affect the net asset value and liquidity of a client's portfolio.

Short selling

The Adviser, on behalf of its clients, may sell securities of an issuer short. If the price of the issuer's securities declines, the Adviser may then cover the short position with securities purchased in the market. The profit realized on a short sale will be the difference between the price received in the sale and the cost of the securities purchased to cover the sale. The possible losses from selling short securities differ from losses that could be incurred from a cash investment in the security; the former may be unlimited, whereas the latter can only equal the total amount of the cash investment. Short selling activities are also subject to restrictions imposed by the various national and regional securities exchanges, which restrictions could limit the investment activities of the Adviser.

Emerging Markets

The Adviser's investment strategies include investments made in emerging markets such as China and other Asian countries, and such investments involve special considerations and risks. These include a possibility of nationalization, expropriation or confiscatory taxation, foreign exchange control, political changes, government regulation, social instability or diplomatic developments which could affect adversely the economies of such countries or the value of a client's investments, and the risks of investing in countries with smaller capital markets, such as limited liquidity, price volatility, restrictions on foreign investment and repatriation of capital, and the risks associated with emerging economies, including high inflation and interest rates and political and social uncertainties. In addition, it may be difficult to obtain and enforce a judgment in a court in an emerging country. The economies of many emerging market countries are still in the early stages of modern development and are subject to abrupt and unexpected change. In many cases, governments retain a high degree of direct control over the economy and may take actions having sudden and widespread effects. Investments in products of emerging markets may also become illiquid which may constrain the Adviser's ability to realize some or all of a client's portfolio. Accounting standards in emerging market countries may not be as stringent as accounting standards in developed countries.

Material Risks for Particular Types of Securities

The Adviser does not provide a summary of material risks for any particular type of security. The material risks involved in the Adviser's general investment strategies are described above.

ITEM 9 – DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of an adviser or the integrity of the adviser's management. At this time, the Adviser has no information to disclose that is applicable.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Broker-Dealer Registration

The Adviser and the Adviser's management persons are not registered with the Securities and Exchange Commission ("SEC") as a broker-dealer or registered representatives, respectively.

Commodity Pool Operator, Commodity Trading Adviser, Futures Commission Merchant Registration

The Adviser is not registered with the Commodity Futures Trading Commission ("CFTC") as a futures commission merchant ("FCM"), a commodity pool operator ("CPO") or a commodity trading advisor ("CTA"). The Adviser has made exemption filings with the CFTC pursuant to CFTC Rules 4.13(a)(3) and 4.14(a)(8).

Other Material Relationships

The Adviser does not have any other relationships or arrangements that are material to the Adviser's advisory business or to its clients. The Adviser and any of its management persons do not have relationships with any of the following related persons: (i) a broker-dealer, municipal securities dealer, or government securities dealer or broker; (ii) an investment company or other pooled investment vehicle; (iii) a futures commission merchant, commodity pool operator, or commodity trading advisor; (iv) a banking or thrift institution; (v) an accountant or accounting firm; (vi) a lawyer or law firm; (vii) an insurance company or agency; (viii) a pension consultant; (ix) a real estate broker or dealer; and (x) sponsor or syndicator of limited partnerships.

Other Financial Industry Activities or Affiliations

The Adviser generally does not recommend or select other investment advisers for its clients.

The Adviser provides research and advisory services to non-US institutional investors in accordance with the stipulated advisory services agreement, which may cover research, analysis and advice on macroeconomics, portfolio of securities listed and/or specified companies that operate or are listed in Asian markets. Such services do not involve discretionary investment management or trade execution.

ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics and Personal Trading Policies

The Adviser has adopted a "code of ethics" ("Code") set forth in the Adviser's Compliance Manual ("Compliance Manual") that permits investment personnel to invest in securities on a limited basis, including securities that may be purchased or held by the Adviser's clients, for their own accounts. The Code governs the investment in securities by personnel designated as access persons of the Adviser. The purpose of the Code is to ensure that personal transactions do not conflict with client transactions and that in any situation where the potential for conflict exists, client interests take precedence.

The Compliance Manual includes formal insider trading and personal securities transactions policies and procedures. Specifically, the Compliance Manual requires, among other things, that the Adviser's employees disclose their personal investment holdings upon joining the firm and periodically thereafter. On an ongoing basis, employees are required to instruct their brokers to send copies of monthly statements and confirmations to the Adviser. Pre-clearance of personal trading activities is also required. All employees must complete annual declarations to confirm their holdings and to certify they have complied with the personal trading policy.

A copy of the Adviser's Code is available to clients and prospective clients upon request.

Participation or Interest in Client Transactions and Associated Conflicts of Interest

Neither the Adviser nor any person related to the Adviser recommends to clients, or buys or sells for client accounts, securities in the Adviser or a related person has a material financial interest.

Investments in Securities by the Adviser and its Personnel

The Adviser has policies and procedures in place that generally prohibit the Adviser and its personnel to invest in the same or similar securities and investments as those recommended to, or entered into on behalf of, the Adviser's clients. In addition, all of the Adviser's personnel are subject to the Adviser's policies and procedures regarding confidential or proprietary information, the information barriers and personal trading. The Adviser has additional policies and procedures relating to certain personal securities transactions by the Adviser's personnel which the Adviser deems to involve potential conflicts including conflicts involving the Adviser's personnel and client accounts managed by the Adviser.

Furthermore, neither the Adviser nor any person related to the Adviser invests in the same securities that Adviser or the related person recommends to its clients. In addition, some of the Adviser's personnel also invest in the Funds. However, these investments do not create any conflicts of interests because the Adviser and the Adviser's personnel do not manage portfolios for their own accounts, and the Adviser has policies and procedures in place to avoid potential conflicts of interests due to its personnel investing in the Funds. If and when the Adviser provides direct investment advisory services for accredited investors and qualified clients on a discretionary basis, such accounts will generally be managed in similar manner to the investment strategy of the Funds, which therefore would avoid any conflicts of interests which may otherwise arise by the Adviser's personnel investing in the Funds.

Trading Alongside by the Adviser and its Personnel

Under the Adviser's policies and procedures, neither the Adviser nor its personnel would recommend securities to the Adviser's clients, such as the Funds, or buy or sell securities for its clients' accounts, at the same time that they would buy the same securities for their own accounts. We note that although the Adviser's policies permit the Adviser and its personnel and/or related parties to invest in the Funds, these investments are in alignment with the objectives of the Funds and would not be considered simultaneous trading transactions.

ITEM 12 – BROKERAGE PRACTICES

Broker-Dealer Selection

The Adviser has full discretion to select brokers or dealers as well as the commission rates at which the transactions for clients are effected. It is the Adviser's policy to seek best execution at the best price available with respect to each transaction, in light of the overall quality of brokerage and research services provided to it or its clients. The best price means the best net price without regard to the mix between purchase or sale price and commissions. In selecting broker-dealers, and in negotiating commissions, the Adviser considers a variety of factors, including best price and execution, the full range of brokerage services provided by the broker, access to investee companies, access to placement of shares, access to research and investment conferences, expertise in local markets or specific sector knowledge, available liquidity for the intended transactions, capital strength and stability, and the quality of the research and associated services provided by the broker.

In determining the abilities of a broker or dealer to obtain best execution for portfolio transactions, the Adviser will consider all relevant factors including: the execution capabilities required by the transactions; the ability and willingness of the broker or dealer to facilitate the portfolio transactions by finding the available sources; the importance to the account of speed, efficiency, settlement support and confidentiality; the broker or dealer's apparent familiarity with sources from or to whom particular securities might be purchased or sold; the reputation and perceived soundness of the broker or dealer; as well as other matters relevant to the selection of a broker or dealer for portfolio transactions for any account. The Adviser will not adhere to a rigid formula in making the selection of the applicable broker or dealer for portfolio transactions, but will weigh a combination of the above listed factors.

The Adviser will have no duty or obligation to seek in advance competitive bidding for the most favorable commission rate applicable to any particular portfolio transaction or to select any broker on the basis of its purported or "posted" commission rate, but will endeavor to be aware of the current level of the charges of eligible brokers and to minimize the expense incurred for effecting portfolio transactions to the extent consistent with the interests and policies of the accounts. Although the Adviser will generally seek competitive commission rates, it will not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker or dealer involved and thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

Research and Other Soft Dollar Benefits

Consistent with obtaining best execution, brokerage commissions on transactions may be directed to brokers in recognition of research services or corporate access furnished by them, as well as for services rendered in the execution of orders by such brokers. Particularly, the Adviser receives soft dollars from brokers, which are used to pay for research, financial data vendor

(such as Bloomberg, Reuters) and portfolio analytic systems. The Adviser may rely upon the safe harbor established under Section 28(e) of the Securities Exchange Act of 1934, as amended.

As a general matter, such research services and/or corporate access are used to service all of the Adviser's clients. However, each and every research service or corporate access may not be used to service each and every client managed by the Adviser. Brokerage commissions paid by one account may apply towards payment for research services or corporate access that may not be used in the service of that account. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payments.

There is no agreement or formula for the allocation of brokerage business on the basis of research services, except that certain brokers providing specified research and statistical services may state in advance the amount of brokerage commissions they require for such services. The Adviser may, in its discretion, cause the client to pay such brokers a commission for effecting portfolio transactions in excess of the amount of commission another broker adequately qualified to effect such transactions would have charged for effecting such transactions. This may be done where the Adviser has determined in good faith that such commission is reasonable in relation to the value of brokerage, research services and/or corporate access received. In reaching such a determination, the Adviser would not be required to place or attempt to place a specific dollar value on the brokerage or the services provided by such broker.

When the Adviser uses its client's brokerage commissions (or markups or markdowns) to obtain research or other products or services, the Adviser receives a benefit because it does not have to produce or pay for such research, products or services. The Adviser may have an incentive to select or recommend a broker-dealer based on its interest in receiving the research or other products or services, rather than on its clients' interest in receiving the most favorable execution. In addition, the Adviser may cause clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up), disclose this fact here.

The Adviser generally does not seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate. Nonetheless, when allocating trades to clients, the Adviser must ensure that over time each client is treated fairly and equitably in the execution of transactions.

Within the last fiscal year, the Adviser acquired both brokerage services, including trade execution, and research services soft dollar benefits.

Brokerage for Client Referrals

The Adviser generally does not consider, in selecting or recommending broker-dealers, whether the Adviser or a related person receives client referrals from a broker-dealer or third party. The Adviser notes that it utilizes capital introductory programs provided by its prime brokers; however, the Adviser does not select a prime broker based on whether the prime broker maintains a capital introductory program.

Directed Brokerage

The Adviser generally has the discretionary authority to determine and direct execution of portfolio transactions within the client's specified investment objectives without prior consultation with the client on a transaction-by-transaction basis.

Similar to the direct investment advisory services the Adviser being provided to Professional Investors, if and when the Adviser provides direct investment advisory services for accredited investors and qualified clients that are US Persons on a discretionary basis, certain clients may limit the Adviser's discretionary authority in terms of the selection of broker-dealers or other terms of brokerage arrangements and may direct the Adviser to place transactions for their accounts with a particular broker-dealer, to, among other things, defray consulting fees or other fees. Where a client directs the use of a particular broker-dealer, the Adviser may be unable to achieve most favorable execution of client transactions and the client may pay more in execution fees than if the Adviser was permitted to choose the executing broker. In such cases, the Adviser may not have as much discretion in determining the terms of how an order will be handled with such broker-dealer and may not be able to freely negotiate commission rates. In addition, the Adviser may not be able to aggregate the client's orders with other client orders to reduce transaction costs. As a result, designating use of a particular broker-dealer may cause a client to pay higher commissions or receive less favorable net prices than would be the case if the Adviser were authorized to choose the broker-dealer through which to execute the transaction for the client's account.

Aggregation of Trades

The Adviser has the fiduciary duty to execute orders for clients fairly and equitably. The Adviser follows procedures pursuant to which it may, for clients who permit it, and to the extent consistent with best execution, combine purchase or sale orders for the same security for multiple clients (sometimes called "bunching") so that the orders may be executed at the same time. The procedures followed by the Adviser may differ depending on the particular strategy, type of investment, or other circumstances. The Adviser is not required to bunch or aggregate orders if: (1) portfolio management decisions for different accounts are made separately; or (2) the Adviser determines that bunching or aggregating is not practicable (for example, when the account sizes are significantly different). The Adviser may be able to negotiate a better price and lower commission rate on aggregated trades than on trades for accounts that are not aggregated. Where transactions for a client's account are not aggregated with other orders, it may not benefit from a better price or lower commission rate. In certain conditions and circumstances, it may not be practical to aggregate orders, including but not limited to the requirement of specifying account at time of order placing and significant difference of the size of the accounts.

ITEM 13 – REVIEW OF ACCOUNTS

Review of Accounts

Client portfolios are reviewed on a continuous basis by the investment team. These reviews are designed to monitor and analyze the transactions, positions, exposure levels, volatility and liquidity. Particular attention is given to changes in company fundamentals, industry outlook, market outlook, valuation and price levels. Generally, these reviews are performed by the portfolio managers and risk manager of the Adviser.

Factors Triggering a Review

The Adviser also performs reviews of its clients' accounts as appropriate based on, among other things, changes in market conditions, security positions and capital inflow / outflow or in response to a request by a client for a meeting or the occurrence of such meeting.

Client Reports

The Adviser prepares and provides to clients written newsletters on regular basis to report fund data and performance. These newsletters generally include, among other things, return, performance, economic outlook relating to the investment strategy, and a summary of top positions, country & sector exposure and profile of the Fund. Monthly statements, by the fund administrator, and audited annual report are also provided to investors of the Funds.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Other Compensation

No person who is not a client of the Adviser provides an economic benefit to the Adviser for providing investment advice or other advisory services to the Adviser's clients.

Compensation for Client Referrals

Neither the Adviser nor any related person directly or indirectly compensates any person who is not a supervised person of the Adviser for client referrals.

ITEM 15 – CUSTODY

We note that, with respect to non-U.S. clients, such as the Funds, the Adviser would generally not be subject to U.S. regulation under the "regulation lite" regime. Regulation lite provides that a non-U.S. adviser must comply with the substantive provisions of the Investment Advisers Act of 1940, as amended (the "Advisers Act") only with respect to its U.S. clients. An adviser is permitted to treat only the funds it manages and holders of separate managed accounts as its clients (i.e., investors in the funds are not treated as clients) for purposes of the Advisers Act.

Accordingly, the investors in the Funds are not treated as the Adviser's clients for these purposes. As a result, most of the substantive provisions of the Advisers Act, including rules relating to custody, would not apply to the Adviser with respect to the non-U.S. funds that it

manages. The Adviser and the custodians will, however, be subject to the laws and regulations in their countries of residence. Currently, the Adviser's custodians, who are its prime brokers, provide to the Funds' administrator prime brokers website access to statements concerning the Funds' investment assets. The Adviser and administrator each do its own independent reconciliation before comparing and agreeing on the final net asset value of the Funds.

The Adviser may, but is not required to, use the same administrator to handle discretionary accounts of its other clients. If and when the Adviser provides direct investment advisory services for U.S. accredited investors and U.S. qualified clients on a discretionary basis, the administrator or the client, as applicable, should receive at least monthly statements from the broker dealer, bank or other qualified custodian that holds and maintains the client's investment assets. If the statements are received by an administrator, the administrator should then send to such clients such statements. The Adviser would urge such U.S. clients to carefully review such statements and compare such official custodial records received from the administrator or broker dealer, bank or other qualified custodian, as applicable, to the account statements that the Adviser may provide to clients. The Adviser's statements may vary from custodial statements, received from the administrator or broker dealer, bank or other qualified custodian, as applicable, based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

ITEM 16 – INVESTMENT DISCRETION

If and when the Adviser provides direct investment advisory services for accredited investors and qualified clients that are US Persons on a discretionary basis, the Adviser will usually receive discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, the Adviser observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to the Adviser in writing.

ITEM 17 – VOTING CLIENT SECURITIES

Proxy Voting Policies

The Adviser will be subject to the laws and regulations regarding proxy voting in its country of residence.

On behalf of the Funds, the Adviser invests in securities issued by both public and private issuers. In relation to these investments, the Adviser has the authority to vote proxies. Proxy voting decisions are the responsibility of the portfolio managers and are made in accordance with the Adviser's proxy voting policies and procedures.

The Adviser shall take into account the best interests of its clients, as well as any potential conflicts of interest among its clients and the Adviser or its affiliates. The Adviser is responsible for identifying any potential conflicts of interest that may arise in the proxy voting process. The Adviser will refer any conflicts of interest to the designated principals for resolution.

We note that the proxy voting rules under the Advisers Act would generally apply only to the Adviser's U.S. clients under the regulation lite regime described above under Item 15 and, which for purposes of this Item 17, do not include investors in the Funds. However, subject to the record keeping policies described in the paragraph below, the policies and procedures discussed above would generally also apply to the Adviser's U.S. clients, if any.

Thus, if and when the Adviser provides direct investment advisory services for U.S. accredited investors and U.S. qualified clients on a discretionary basis, the Adviser will follow the proxy voting procedures and policies discussed above. In addition, with respect to its U.S. clients, the Adviser will retain (i) proxy statements provided by the prime broker/custodian regarding client securities; (ii) records of votes cast on behalf of clients; (iii) records of clients requests for proxy voting information; and (iv) any specific documents the Adviser prepared that were material to making a decision how to vote, or that memorialized the basis for the decision. At such time when the Adviser provides direct investment advisory services to U.S. clients, the Adviser will document in writing such voting policies and procedures and information on how specific proxies were voted, and such information would be provided to the Adviser's U.S. clients and prospective U.S. clients upon request.

ITEM 18 – FINANCIAL INFORMATION

Registered investment advisers are required to provide you with certain financial information or disclosures about their financial condition. The Adviser does not require prepayment of any fees, has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding. Accordingly, no financial statements are required to be provided by the Adviser to its clients and prospective clients.

ITEM 19 – REQUIREMENTS FOR STATE REGISTERED ADVISERS

The Advisers who are registered or are registering with state securities authorities are required to provide clients with certain information about their business and management teams. The Adviser is federally registered and is therefore not required to complete this Item 19.