

Part 2A of Form ADV: Firm Brochure

Item 1: Cover Page

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This brochure provides information about the qualifications and business practices of Argyle Street Management Limited ("ASM"). If you have any questions about the contents of this brochure, please contact us at 852-21060888 and/or asm@asmhk.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Argyle Street Management Limited is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

None

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Item 4: Advisory Business

A. Firm description

Argyle Street Management Limited was incorporated in the British Virgin Islands on December 28, 2001. It commenced investment advisory business in Hong Kong in 2002.

ASM is currently 100% owned by Argyle Street Management Holdings Limited (“**ASMH**”), a company incorporated in the British Virgin Islands. The principal owners of ASMH are Mr. Kin Chan and Mr. V-Nee Yeh.

B. Types of advisory services offered

ASM primarily provides investment advisory services in the strategy of special situation investments in Asia. ASM manages, on a discretionary basis, portfolios for clients and pooled investment vehicles (“**funds**”) (and collectively “**Accounts**”). ASM services are based on, among other factors, the investment objective, mandate, risk tolerance and liquidity requirement of each Account. ASM may direct the Accounts to invest in equities, loans, bonds, derivatives and alternative investments, both public and private, and through primary or secondary markets.

C. Details of advisory services to clients

ASM invests its client’s funds in a portfolio of suitable investments in accordance with the client’s investment mandate. Certain clients may impose restrictions for example on investing in certain securities or types of securities. In those circumstances, ASM closely monitors and follows the restrictions in constructing the portfolio for such clients.

D. Wrap fee programs

ASM does not offer wrap fee programs.

E. Client assets

Amount of discretionary and non-discretionary client assets at market value as of January 31, 2018:

Discretionary client assets: US\$1,307,500,000

Non-discretionary client assets: Nil

Item 5: Fees and Compensation

A. Fee Schedule

ASM's management fees (save for the fees described in the paragraphs hereafter in this section) are in general up to 1.5% per annum of the amount net assets in the Accounts under its management. For closed-end Accounts, management fees are also generally charged at a rate of 0.5% per annum of undrawn capital commitments, in addition. Such fees are generally deducted from the Accounts, accrued monthly and payable quarterly in arrears on the last business day of each calendar quarter.

For certain Accounts, subscription fees may be charged at subscription and details may be found in private placement memoranda of those Accounts. Additional fees may be charged based on the performance of the Accounts. See Item 6 for details.

Fees may be negotiated based on a range of factors including the investment size of the clients as well as nature, complexity and liquidity of the Accounts.

B. Payment method

Fees are generally deducted from the clients' assets quarterly (save for performance-based fees and any subscription fees).

C. Other fees or expenses payable by the clients

ASM charges the above fees only to Accounts. Neither ASM nor its employees receive other fees from Accounts in connection with ASM's advisory services.

Accounts will incur various other expenses in addition to the fees charged by ASM described at Item 5A above. **A complete description of the fees and expenses payable by Accounts is detailed in the documentation relating to such Accounts (e.g. private placement memorandum, constitutional documentation and investment management agreement) and the information contained herein is a summary only and qualified in its entirety by such documents.** Such expenses will generally include the fees of other service providers providing services to the relevant Account, such as any custodian, prime broker(s), broker(s), administrator/transfer agent and auditor. Accounts may also bear other expenses, depending on the terms of fund documentation, such as directors' fees, legal, regulatory, tax, valuation and other relevant advisory fees, fund-raising expenses (such as travelling expenses), regulatory filing fees (e.g. Form PF and filings pursuant to the European Alternative Investment Management Directive), costs of preparing updates to fund documentation, expenses involved in communicating with directors and holding board meetings, insurance premiums (including director

and officer liability insurance), and investment-related expenses such as brokerage commissions, the special purpose vehicles secretarial and banking expenses, legal counsel fees and travelling expenses incurred during the course of the negotiation and execution of investment opportunities. Accounts will generally bear the costs of any trade errors, as well any taxes or other governmental fees or charges levied against the relevant Account.

Generally, expenses will be borne by the Account(s) that received the benefit of such expense. Where Accounts (and any other co-investors) co-invest into an investment, all expenses relating to such investment shall typically be borne by the Accounts (and any other such co-investors) pro-rata their economic interest in such investment. In the event that an investment transaction fails to complete or is aborted, its investment-related expenses shall also typically be allocated on the same basis as if the investment had completed. Accounts that invest in other Accounts managed by ASM will be responsible for their pro rata shares of the ongoing expenses of the invested Accounts (although fees payable to ASM shall not be double-charged at the level of the invested Account).

ASM's allocation decisions may sometimes depend on inherently subjective determinations. ASM recognises the potential conflicts of interest inherent in determining the allocation of expenses (e.g. an incentive to favour Accounts that pay higher performance-based fees or to allocate to Accounts instead of ASM). As such, ASM will allocate expenses between ASM and its Accounts on a basis that it reasonably considers is fair in accordance with its internal expenses allocation policy, subject always to compliance with the terms detailing the operation of the Account.

D. Advance fees payable by the clients

Fees charged to most clients are payable in arrears on the amount of clients' assets under management as described in Item 5 (A) above. For certain accounts where fees are payable in advance, the fee shall be pro-rated in the event that there is any termination.

E. Other compensation

Neither ASM nor its employees receive any kind of compensation for the sale of securities or other investment products.

Item 6: Performance-based Fees and Side-By-Side Management

ASM may charge one of two types of performance-based fee: either (i) a share of any increase in net asset value, payable annually; or (ii) a share of the realised and returned investment proceeds after the initial capital investment has been returned, payable at the point of return.

Such fee arrangements may create an incentive for ASM to make investments riskier or more speculative than it would otherwise do in the absence of such performance-based compensation arrangements. For certain clients, ASM or its affiliates may invest alongside in order to align their interests with the clients. To ensure that all clients of ASM are treated fairly, ASM has in place investment allocation policy with regards to the allocation of all investment.

Item 7: Types of Clients

ASM's clients are primarily pooled investment vehicles which are invested by a number of investors and separate managed accounts set up by institutional investors.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

A. Description of methods of analysis

ASM follows an investment discipline that combines detailed fundamental analysis and qualitative understandings of the assets, the stakeholders and the relevant environment in which it invests in. ASM rigorously reviews each investment opportunity and carries out detailed due diligence through its extensive on-the-ground network. In addition, ASM enhances its understanding of its target investments by frequently visiting the relevant companies and knowledgeable parties in the market.

Investment decisions are made to ensure that we can eventually extract the optimal value above our investment cost at exit over an appropriate investment duration. Coupled with a thorough understanding of underlying risks involved, we can prudently assess the risk-return profile of each opportunity. We reject potential investments if either the pricing is too high or the risk cannot be mitigated including by cooperation with strategic partners or investment structures after consultation with local lawyers and other knowledgeable professionals.

Investment Strategy

ASM aims to achieve capital appreciation in selected Asian countries, primarily in Greater China and Southeast Asia, through investments in special situations, including but not limited to distressed single credit or equities, structured lending, or other special situation investments such as private equity, buy-outs, and event-driven and takeover opportunities. ASM also explores single/portfolio assets from, or interests in, other collective investment schemes, while minimizing volatility and correlation with changes in price levels of other asset classes. The specific mandate will vary from Account to Account.

Our pooled investment vehicles set up for this investment strategy target investment opportunities that take advantage of motivated sellers who focus on timing of exit rather than value maximization. ASM seeks opportunistic investments across the capital markets while maintaining an emphasis that buying inexpensively is the best hedging strategy. The target assets could be resulting from portfolio rebalancing or deleveraging by commercial banks, investment banks, insurance companies and alternative asset managers. Investment opportunities are often sourced from ASM's network of corporate executives, owners of businesses and families. ASM takes an active stance when it is the majority investor in an investment, or if there is significant exposure in the pooled investment vehicles that ASM manages.

The ASM team has extensive experience investing in special situations in Asia. Members of the management team were all born and raised in Asia with strong networks and knowledge throughout the region. They have hands-on experience, established presence and strong relationships with restructuring professionals, liquidators and legal advisers who are experienced in navigating within the confines of Asian legal jurisdictions, being essential for risk assessment and control.

ASM also manages the liquidity risk profile and diversification of pooled investment vehicles by way of co-investing with strategic partners, such as industry players, who can also help in unlocking the investment value and enhance risk control.

Co-Investments

The ASM Accounts may from time to time invest into investment transactions alongside other third party co-investors. Co-investment opportunities may arise in a variety of circumstances including for example (i) for management of investment concentration risk; (ii) to obtain additional investment capital for large deals; (iii) as a condition to completing the deal itself, in case of a strategic investor with specific expertise / contacts. In general, ASM shall prioritise the offering of co-investment opportunities to the investors in those Accounts which are intended to invest into the relevant transaction.

ASM's co-investment allocation decisions will sometimes depend on inherently subjective determinations. In general ASM has broad discretion to determine to whom it will offer and award co-investment opportunities. That said, ASM recognises the potential conflicts of interest inherent in determining these allocations and accordingly the importance of prioritising investors over other third parties with respect to co-investment opportunities and furthermore offering all co-investment opportunities to investors on a fair basis. In addition ASM and the Accounts shall not as a policy grant preferential co-investment rights to any investor in any Accounts.

ASM will take into account all the circumstances in determining to whom co-investment opportunities should be offered including without limitation (i) certainty of timely funding; (ii) timely execution of investment documentation; (iii) whether the co-investor can offer any strategic added-value e.g. special expertise or insight into an industry or country; (iv) the overall strategic benefit of offering the co-investment opportunity to the relevant offeree; and (v) whether the investor meets any disclosed threshold requirements e.g. minimum investment size.

ASM will allocate co-investment opportunities on a basis that it reasonably considers is fair and in accordance with its internal co-investment allocation policy, subject always to compliance with the terms detailing the operation of the Accounts. ASM may receive fees paid by a co-investor in respect of its co-investment. Absent explicit agreement otherwise, co-investor(s) shall ordinarily bear all investment-related expenses on a pro-rata basis irrespective of whether or not the deal eventually completes.

B. Material risk involved

Risk of loss of capital and no guarantee of investment returns:

There is no assurance of an investment return for investors in the Accounts. Indeed, investors may lose their capital investment. No assurance can be made that the Accounts will be able to choose, make or realise investments in any particular investee company. Moreover, while the type of investments that the Accounts generally intend to make offers the possibility of substantial returns, such investments also involve a high degree of financial risk and can result in substantial or total capital losses. In addition, the Account's targeted returns are based on certain expectations regarding the terms of investments. There can be no assurance the Accounts will be able to obtain the expected financial terms on the targeted investments. An investor in an Account may lose all or a part of its investment in such Account.

Concentration risk:

Concentration risk exists in ASM's clients' portfolios. The top-ten positions may make up a large proportion of total account value. ASM considers such risk manageable as it will give a high level of attention to each position that accounts for a significant percentage of net asset value. ASM further mitigates such risk by way of deep value investment style.

Investing in illiquid assets:

Investments by certain Accounts may be illiquid and may not provide current income. Illiquidity may result from the absence of an established market for such investments, as well as legal or contractual restrictions on their resale.

Political and economic instability in emerging markets:

ASM focuses on investments in Asia for all of its Accounts, including countries with emerging economies which are subjected to significantly greater

political, economic and social instability than developed economies. Expropriation, confiscatory taxation, nationalization, or other developments could adversely affect the assets in the Accounts.

Private placement memoranda of Accounts contain additional details regarding the risks of our strategies.

C. Type of securities

ASM does not primarily advise or invest on behalf of its clients in any particular type of security. Asset classes that ASM will advise or invest in on behalf of its clients include, but not limited to:-

- i) Equities:
instruments which represent ownership of share of companies that are listed on stock exchanges or private companies.
- ii) Fixed Income:
corporate bonds or loans of companies listed in stock exchanges or private companies.
- iii) Alternative investments:
other types of investments such as derivatives, portfolio assets or interests in other collective investment schemes.

Item 9: Disciplinary Information

There are no legal or disciplinary events relevant to any client's or prospective client's evaluation of ASM's advisory business, or the integrity of ASM's management.

Item 10: Other Financial Industry Activities and Affiliations

A. Broker-dealer

Neither ASM nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

B. Other registrations

Neither ASM nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities. ASM and certain Accounts are registered as exempt

commodity pool operators and exempt commodity trading advisors with the National Futures Association.

C. Material Relationship or Arrangement with Related Industry Participants

Related persons of ASM are the General Partners of clients of ASM, which are the Accounts.

D. Other investment advisers

ASM does not recommend or select other investment advisers for its clients nor receive compensation directly or indirectly from any investment advisers as a consequence of such recommendation or selection of investment advisers. ASM however would like to disclose that for the one of the funds managed by ASM, the General Partner has appointed ASM as the investment manager and TIH Investment Management Limited as the investment advisor. The investment management fee and performance fee payable by the fund to the General Partner is then paid to ASM and TIH Investment Management in an agreed proportion for the services provided.

Item 11: Code of Ethics, Participation of Interests in Client Transactions and Personal Trading

ASM adopts a code of ethics governing its trading practices and those of its employees. ASM will provide a copy of such code of ethics to any client or prospective client upon request.

ASM and its employees and their Associates (as defined in the paragraph hereafter) (and collectively “**ASM Group Members**”) are permitted to buy or sell securities for their own investment accounts, subject to certain restrictions described hereafter. ASM Group Members are required to disclose their holdings of investments upon joining ASM and to provide their brokers’ statements which show all of their securities holdings on a monthly basis.

“**Associates**” include

- the employee’s immediate family members sharing the same household as the employee and anyone who receives material financial support from the employee (“**Family**”);
- any company, the management of which is subject to the employee’s influence and control, and/or that of the employee’s Family;
- any trust in which the employee or his/her Family has an interest as trustee or beneficiary, or the employee or his/her spouse takes part in investment decisions. Any other person, other than the clients of ASM, over whom the employee exercises control and influence.

Approval from both the designated members of the management group and the compliance group of ASM are required prior to any securities dealing for personal accounts by ASM Group Members, with the exception of personal trades in:-

- i) investments in relation to exchange-traded funds;
- ii) government bonds;
- iii) currencies and commodities;
- iv) other securities, as may be determined by directors of ASM from time to time.

ASM Group Members may not buy or sell an investment in which ASM has a pending “buy” or “sell” order in the same investment for its clients or which is currently held by the Accounts. Any exceptions to this policy must be approved by the affected Account or its representatives. In general, such approvals will not be granted unless the Client Priority requirement (as defined below) is fulfilled. ASM’s compliance policies require priority be given to clients’ order over orders for ASM Group Members’ accounts at all times (“**Client Priority requirement**”).

ASM may at its discretion from time to time permit employees of ASM or its affiliated entities to co-invest alongside ASM Accounts into an investment transaction only in cases where there are other third party co-investors into such investment (“**Employee Co-Investment Plan**” or “**ECP**”). Any amount invested under the ECP shall be no more than 1% of the aggregative investment made by the Accounts (excluding co-investor capital). ASM shall only permit investment under the ECP in accordance with the ECP Guidelines and ASM’s Code of Ethics in order to further incentivise and enhance alignment of interests with ASM’s Account investors.

Item 12: Brokerage Practices

A. Criteria in Broker-dealer selection

ASM selects broker-dealers after considering factors including the following:-

- Speed and quality of trade execution
- Quality of research products
- Supply of market information and ideas
- Ability to introduce direct access to companies
- Accuracy and efficiency of settlement
- Commission rates

The services of brokers are evaluated on a regular basis in order to allocate trades appropriately.

1. Research and Other Soft Dollar Benefits

Broker-dealers may provide ASM with research services and other soft dollar benefits which may include analyses and reports concerning issuers, industries, securities and economic factors and trends. ASM receives such research services and other soft dollars benefits only if such broker-dealers:

- provide services of demonstrable benefits to ASM's clients;
- execute transactions consistent with best execution standards and charge brokerage commission rates which are in line with customary full-service brokerage commission rates.

Disclosure is also made to clients in their financial statements. Please refer to these financial statements for details on the types of products and services acquired using soft dollars and the value of the soft dollar services received. Soft dollars are generally only used for subscription to information services and the provision of market information and trade-execution terminals.

Research services or soft dollar arrangements may be an incentive for ASM to select or recommend broker-dealers. However, ASM is guided by its internal compliance policy referred to briefly above. Research services and soft dollar arrangements may be accepted to obtain data services for the benefit of all ASM's clients, including for those clients which did not generate the soft dollars. That said, ASM always seeks to allocate soft dollars to a Fund proportionately to the soft dollar credits that such Fund generates. ASM does not cause clients to pay commissions higher than those charged by other broker-dealers in order to receive soft dollar benefits.

Services of broker-dealers are evaluated regularly based on the above-mentioned criteria in order to allocate trades accordingly.

2. Brokerage for Client Referrals

In selecting or recommending broker-dealers, ASM does not receive client referrals from broker-dealers or third parties, and ASM does not direct client transactions to a particular broker-dealer in return for client referral.

3. Directed Brokerage

ASM does not recommend, request or require a client to direct ASM to execute transactions through a specified broker-dealer.

4. Aggregate trades

ASM always buys or sells the same security for its Accounts having similar investment objectives simultaneously and through the same group of executing broker(s). ASM may invest in thinly traded securities. In order to ensure executed orders are allocated in a manner deemed fair and equitable, it is ASM's practice to aggregate trades such that the situation in which an order

for one but not another Account being fully executed may be avoided. When an aggregate order is filled, ASM allocates the securities bought or sold pro rata to the Accounts at the average cost if the executing broker(s) fill the order in multiple trades subject to any accounts' investment restrictions if applicable. ASM may make adjustments to avoid odd lots or excessively small allocations.

Item 13: Review of Accounts

A. Periodic review of client accounts

ASM reviews client accounts periodically. On a daily basis, ASM's directors review the Accounts focusing on daily transactions, change in value, price and exchange rate movement of investments. On a monthly basis, they also review in detail the investment returns of the Accounts as a whole and position by position. ASM's compliance officer(s) reviews investment allocation and portfolio composition by instruments and liquidity to verify that investments in each client account are consistent with its respective investment objective and mandate and for adherence to the trade allocation policy.

B. Accounts reviewed on other than a periodic basis

ASM's Chief Investment Officer and his team also review each Account upon material changes in the financial markets and any circumstance that may result in material impact to the client accounts.

C. Report to clients

Written reports to clients are prepared and delivered generally on a monthly or quarterly basis, depending on the Account's valuation frequency. Each report discloses the performance and valuation of the Accounts and summarizes the investments and allocation by categories. In case the Accounts have appointed custodian banks, clients will also receive written reports of the portfolio investments generally on a monthly or quarterly basis, depending on the valuation frequency of the Account.

Item 14: Client Referrals and Other Compensation

A. ASM does not receive any economic benefit from a person who is not ASM's client for providing investment advice or other advisory services to clients.

B. ASM generally does not compensate directly or indirectly any person who is not its supervised persons for investor referrals. ASM may to a limited extent and from time to time engage one or more placement agents / introducers for investor referrals. Any such person would generally be compensated by ASM by reference to the size of investment(s) referred or introduced.

Item 15: Custody

ASM is not a custodian and does not act as a custodian over the assets in the Accounts it manages for its clients. Clients (or Accounts) enter into their own direct arrangements for custody of investments. Such custodians may be banks, trust companies, or other qualified institutions.

The qualified custodian will typically provide investors in the Accounts with at least half yearly account statements relating to the assets held within the Accounts managed by ASM. Each investor should carefully review each qualified custodian's statement upon receipt, to determine if it completely and accurately states all the holdings in the Accounts and all the activities over the relevant period. Any discrepancies identified by an investor should be immediately reported to ASM and the qualified custodian.

Item 16: Investment Discretion

Clients generally appoint ASM as their investment advisor and grant full trading and investment authority over the assets and liabilities of the client accounts, from the date ASM is appointed as the investment advisor of the clients. The full trading and investment authority granted includes, but not limited to, buying or selling securities on behalf of the client accounts, determining the investment size and the broker to execute each transaction, after considering the respective client's investment objective and mandate. ASM exercises its investment discretion typically under power of attorney or similar authority contained in an investment management agreement.

Item 17: Voting Client Securities

ASM's authority to vote proxies for its clients is established by its investment advisory agreements or comparable documents. ASM has established formal proxy voting policies and procedures. The management and the chief compliance officer oversee the proxy voting process. The proxy voting procedures are designed to ensure that proxies are voted in the clients' best interest. ASM shall consider only those factors that relate to the client's investment, including how its vote will economically impact and affect the value of the client's investment.

In general, ASM will follow the guidelines below when voting proxies and corporate action on behalf of its clients.

ASM will attempt to consider all aspects of the vote for the specific types of issues in favor of those proposals that would increase the value of client's investment in the manner that:

- (a) ASM believes is consistent with the client's stated objective; and

- (b) ASM will generally vote in accordance with the recommendation of the issuing company's management on routine and general administrative matters. ASM will have the full discretion to decide whether a vote will be cast.

ASM will vote for the specific types of issues against proposals that:

- involve excessive compensation to employees, officers, directors and service providers;
- cause management to be overrepresented on the board;
- introduce unequal voting rights or create supermajority voting.

These general guidelines are not exhaustive and do not cover all potential voting issues. All proposals are evaluated on a case-by-case basis to determine their impact on the portfolio securities held by ASM's clients and the basis and rationale for ASM's decisions will be documented. Although ASM generally votes against proposals that have a negative impact on our clients' portfolio securities, ASM may vote for such a proposal if it believes there exist compelling long-term reasons to do so.

In certain circumstances, ASM's clients are permitted to direct their votes in a particular solicitation. A client that wishes to direct its vote in a particular solicitation shall give prior written notice to ASM, indicating such intention and provide written instructions directing ASM to vote in regard to the particular solicitation. If such prior written notice is received, ASM shall vote the proxies in accordance with such written instructions received from the client, provided that such instructions are provided to ASM in a timely manner.

Upon request, ASM will provide the client with a copy of its proxy voting policies and procedures, and information on how the client's proxies were voted.

In addition, the proxy voting policy includes guidelines for the compliance manager to follow if a material conflict of interest arises between ASM and/or its employees (including chief compliance officer) and its clients, to ensure that any material conflict could be resolved in the best interest of its clients.

ASM will not put its own interests ahead of those of any client and will monitor and resolve any potential conflicts of interest with respect to proxy voting. A conflict of interest might exist, for example, when an issuer of a security for which ASM acts as an advisor, manager, underwriter, broker or other similar capacity, or when one of ASM's employees or affiliates has an interest in a proxy matter, ASM will vote on a case-by-case basis. If a material conflict is deemed to exist, ASM will refrain completely from exercising its discretion with respect to voting the proxy on behalf of its clients and will instead refer that vote to an outside service for its independent consideration.

ASM may resolve such conflicts in any of a variety of ways, including the following: voting in accordance with the written guidelines; or voting pursuant to client direction by seeking instructions from the clients. The method selected by ASM may vary depending upon the facts and circumstances of each situation.

Item 18: Financial Information

- A. ASM does not generally require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.
- B. ASM has discretionary authority over client funds and securities. There is no financial condition that is reasonably likely to impair ASM's ability to meet its contractual commitments to its clients.
- C. ASM has not been the subject of a bankruptcy petition at any time during the past ten years.