

PART 2A OF FORM ADV: DISCLOSURE BROCHURE

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This disclosure brochure (hereinafter “Brochure”) provides information about the qualifications and business practices of Nezu Asia Capital Management Limited, Nezu Asia Capital Management, LLC and Nezu Asia Capital Limited, Japan Branch (herein together referred to as “Nezu Asia”). If you have any questions about the contents of this brochure, please contact Angela Tordesillas at +852 3151 3500 or at tordesillas@nezuasia.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority and references in this Brochure to Nezu Asia as a “registered investment adviser” is not intended to imply a certain level of skill or training.

Additional information about Nezu Asia is also available on the SEC’s website at <http://www.adviserinfo.sec.gov>.

Item 2. Material Changes

Nezu Asia is updating its Brochure as of March 29, 2018, as part of its annual amendment filing for 2018. The following is a summary of the changes made since Nezu Asia last submitted its Brochure on September 28, 2017:

- Two Nezu funds were closed: Nezu Master Fund Japan Only Trading Ltd. was closed effective November 1, 2017, and Nezu Kunitate Fund, Ltd was closed effective January 30, 2018. All investors have been redeemed from the fund and have received their final investment proceeds. As such, references and sections related to these closed funds are no longer included in this Brochure.
- Nezu Asia has revised Item 8 to reflect the fact that Nezu Master Fund, as a multi-strategy fund, follows a number of different strategies, which are now generally described under “Pan-Asia Equity Long-Short Strategy”.
- Nezu Asia has also made certain clarifying amendments to the Brochure.

Item 3. Table of Contents

Item 2. Material Changes.....	i
Item 3. Table of Contents	ii
Item 4. Advisory Business	1
Item 5. Fees and Compensation	4
Item 6. Performance-Based Fees and Side-By-Side Management	7
Item 7. Types of Clients.....	9
Item 8. Methods of Analysis, Investment Strategies, and Risk of Loss	10
Item 9. Disciplinary Information	21
Item 10. Other Financial Industry Activities and Affiliations	22
Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading..	23
Item 12. Brokerage Practices	25
Item 13. Review of Accounts	29
Item 14. Client Referrals and Other Compensation	30
Item 15. Custody	31
Item 16. Investment Discretion	33
Item 17. Voting Client Securities.....	34
Item 18. Financial Information	35

Item 4. Advisory Business

Nezu Asia Capital Management Limited (“Nezu HK”), Nezu Asia Capital Management, LLC (“Nezu USA”) and Nezu Asia Capital Limited, Japan Branch (“Nezu Japan” and together with Nezu HK and Nezu USA, “Nezu Asia”) are investment advisers that seek investment opportunities in the Asian region. Nezu Asia has staff based in Hong Kong, New York and Tokyo. The use of the term Nezu Asia herein refers to all or some of Nezu HK, Nezu USA and/or Nezu Japan as the context requires.

Nezu HK provides discretionary investment advisory services to private investment funds (each a “Fund”). The Funds are open only to certain financially sophisticated and high-net worth individuals and entities (“Investors”), as further discussed in Item 7.

Nezu HK also provides discretionary investment advisory services to separately managed accounts (each an “Account”). Use of the term “Client” throughout this Brochure may refer to the Funds and/or the Accounts managed by Nezu Asia.

Nezu HK was organized in February 2004 under the laws of Hong Kong and is licensed by the Securities & Futures Commission of Hong Kong as a Type 9 Asset Manager. Until October 2010, Nezu HK conducted business under the name of Nezu Asia Limited. The principal owner of Nezu HK is Nicholas Longcroft. Mr. Longcroft and Richard Kincaid serve as directors of Nezu HK. Nezu HK provides discretionary investment advisory services and serves as the manager to the limited companies or as the general partner to each of the limited partnerships described below.

Nezu USA, a Delaware limited liability company, was formed in November 2010, and provides non-discretionary investment advisory services to Nezu HK pursuant to an investment advisory agreement with Nezu HK, for the benefit of the Master Fund (described below) as well as certain of the Accounts. Nezu USA is owned by Nezu Group, L.P.

Nezu Japan, the Japan Branch of a Hong Kong company, was incorporated in June 2015 and provides non-discretionary investment advisory services to Nezu HK pursuant to an investment advisory agreement with Nezu HK, for the benefit of the Master Fund, the Japan Fund and the Cyclical Fund (each described below), as well as certain of the Accounts. Nezu Japan is a financial instruments firm engaging in investment advisory/agency and Type II financial instruments firm businesses and is registered with the Kanto Local Finance Bureau under the Financial Instruments and Exchange Law of Japan. Nezu Japan is owned indirectly by Nezu Group, L.P.

Cyclical Fund

Nezu Cyclical Partners, LP, a Cayman Islands exempted limited partnership, primarily invests in Pan-Asian cyclical stocks. Nezu Cyclical Fund, Ltd., a Cayman Islands exempted company, invests substantially all of its assets in Nezu Cyclical Partners, LP through a master-feeder fund structure (hereinafter, collectively referred to as the “Cyclical Fund”).

Japan Fund

Nezu Japan Fund, Ltd. (the “Japan Fund”), a Cayman Islands exempted company, seeks to generate returns by trading and investing long and short in liquid and listed Japan-only equity securities in various sectors.

Master Fund

Nezu Master Fund, L.P., a Cayman Islands exempted limited partnership, primarily holds long and short positions in equity securities through a multi-strategy approach, primarily in accordance with the strategies of the Cyclical Fund, the Japan Fund, as well as four additional Asia equity long/short strategies focused on Hong Kong/China; TMT Pan-Asia sectors and two additional Asia equity short-biased strategies. Nezu Master Strategy Feeder, Ltd., a Cayman Islands exempted company, invests substantially all of its assets in Nezu Master Fund, L.P. through a master-feeder fund structure (hereinafter, collectively referred to as the “Master Fund”).

Nezu HK does not tailor its advisory services to the individual needs of investors in the Funds (“Investors”), nor does it accept Investor-imposed investment restrictions. Nezu HK’s investment decisions and advice with respect to each Fund are subject to each Fund’s investment objectives and guidelines. Nezu HK has broad and flexible investment authority with respect to the Funds. All relevant information about the Funds, including the terms and investment objectives and strategies applicable to the Funds, are set forth in the confidential private offering memorandum, limited partnership agreement (if applicable), and subscription agreement (the “Offering Documents”), which each Investor is required to receive and/or execute prior to being accepted as an Investor in the Funds.

Nezu HK has and may, from time to time, enter into letter agreements or other similar agreements (collectively, “Side Letters”) with one or more Investors that provide such Investors with additional and/or different rights or terms than those set forth in the Offering Documents. Such agreements may, among other things, be based on the size of the Investor’s investment in the respective Fund or affiliated investment entity, an agreement by an Investor to maintain such investment in the respective Fund or affiliated investment entity for a significant period of time, or other similar commitment by an Investor.

In regards to the Accounts that are managed by Nezu HK, Nezu HK has (i) tailored the investment objectives to the specific objectives/restrictions of the Account; and/or (ii) individually negotiated the terms and fees for the Account, which are different to the terms and fees than those of the Funds. It should also be noted that any Account relationships are generally subject to significant account minimums.

As of December 31, 2017, Nezu HK managed \$1,280,347,408 in regulatory assets under management on a discretionary basis. Of these assets, Nezu USA managed \$1,075,892,184 on a non-discretionary basis.

Clients may contact Nezu Asia to request a copy of the monthly Fund portfolio transparency snapshot by contacting the Chief Compliance Officer, Angela Tordesillas at +852 3151 3500.

Item 5. Fees and Compensation

Nezu HK provides investment management services on a fee basis, which includes fees based upon the net asset value of the assets under management by Nezu HK, as well as fees based on performance of the Funds and Accounts. Applicable fees are set forth in detail in each Fund's Offering Documents, or in the investment management agreement for each Account. A brief summary of Nezu HK's advisory fees is provided below. Investors and the Accounts should refer to the relevant Offering Documents/respective investment management agreement for a complete understanding of how Nezu Asia is compensated for its advisory services.

Management Fee

The Funds will pay to Nezu HK a fee for investment management services (the "Management Fee") of 2.00% annually. This annual Management Fee is prorated and charged monthly, in arrears, based on the net asset value of the Funds as of the end of each month. Nezu HK, in its sole discretion, may choose to reduce or waive the Management Fee payable. It should be noted that certain classes of interests/shares offered by the Funds may be charged a lower Management Fee.

Incentive Allocation/Incentive Fee

Nezu HK is also entitled to receive an annual performance-based Incentive Allocation (the "Incentive Allocation") from the Funds. In the case of the Japan Fund, this fee is referred to as an "Incentive Fee."

Nezu HK is eligible to receive from the Cyclical Fund, the Japan Fund and the Master Fund an annual Incentive Allocation/Incentive Fee of 20.00% based on net profits, subject to a "Loss Carryforward Provision," as set forth in detail in the Offering Documents. Under the Loss Carryforward Provision, Nezu HK may not allocate an Incentive Allocation/Incentive Fee with respect to a fiscal year, until any net loss previously allocated to each Investor's interest/share has been offset by subsequent net profits.

Nezu HK may waive or modify fees for Investors that are members, employees or affiliates of Nezu Asia and relatives of such persons and for certain large or strategic investors.

Nezu HK deducts applicable fees from each Investor's capital account or allocates fees proportionally to each Investor's share based on the calculation of the Client's independent third party administrator. Investors do not have the option to request an invoice for fees. The payment arrangement for fees related to individual Accounts is fully set forth in each Account's investment management agreement. Nezu Asia generally remits an invoice for fees relating to the management of Accounts; however, such terms are negotiated on an individual basis.

Nezu USA and Nezu Japan each receive a portion of the management fees and performance-based fees paid to Nezu HK from the Funds. Such fees are generally payable to Nezu USA and Nezu Japan promptly after Nezu HK receives them from the Investors.

Expenses

Each Fund will bear its own expenses, including fees paid to Nezu HK, the administrator and proxy agent, directors' fees and expenses, legal, accounting, administration, auditing and other professional expenses, fees and expenses related to various regulatory filings (or portions thereof) made with respect to the assets of such Fund (including, but not limited to, Section 13 filings, Section 16 filings and Form PF and similar expenses), research expenses, all investment expenses such as trading services and support including commissions, interest on margin accounts and other indebtedness, custodial fees, bank service fees and other reasonable expenses related to the purchase, sale or transmittal of such Fund's assets. Further, the Funds will bear the costs of any trade errors.

Funds that invest in other Funds managed by Nezu Asia will be responsible for their *pro rata* shares of the ongoing expenses of such Funds.

The Funds may be deemed to be paying for research and other services with "soft" or commission dollars. Refer to Item 12 – Brokerage Practices for further information.

The Accounts are each subject to different terms and fees as such fee arrangements and terms are individually negotiated between Nezu HK and the respective Account. A complete description of all fees and expenses for the Accounts is disclosed within the respective Account's investment management agreement.

Expenses borne by certain Clients may differ from the expenses born by other Clients. In certain instances, a Client may bear expenses that Nezu Asia has agreed to bear for one or more other Clients. In other instances, the other Clients may bear expenses that Nezu Asia has agreed to bear for a particular Client.

Common expenses (such as, but not limited to, certain research and investment expenses) frequently will be incurred on behalf of several Clients. Nezu Asia seeks to allocate those common expenses among such Clients in a manner that is fair and reasonable over time. However, expense allocation decisions will involve potential conflicts of interest (e.g., an incentive to favor accounts that pay higher incentive fees, or conflicts relating to different expense arrangements with certain Clients). Nezu Asia may use a variety of methods to allocate common expenses among the Clients including methods based on assets under management, relative use of a product or service, the nature or source of a product or service, the relative benefits derived by the Clients from a product or service, or other relevant factors. Nonetheless, investors should note that the portion of a common expense that Nezu Asia allocates to a

particular Client for a particular product or service, may not reflect the relative benefit derived by such Client from that product or service in any particular instance. Nezu Asia's expense allocations often depend on inherently subjective determinations and, accordingly, expense allocations made by Nezu Asia in good faith will be final and binding on the Clients.

It is critical that Investors/Accounts refer to their respective Offering Documents/investment management agreements for a complete understanding of how Nezu Asia is compensated for its advisory services. The information contained herein is a summary only and is qualified in its entirety by the relevant governing documents.

Item 6. Performance-Based Fees and Side-By-Side Management

As discussed in response to Item 5 above, Nezu Asia may receive a performance-based fee from Investors in the Funds. It should also be noted that as of the date of this Brochure, each of the Accounts is subject to a performance-based fee. This fee arrangement creates a potential conflict of interest. The performance-based fee may be an incentive for Nezu HK to make investments that are riskier or more speculative than would be the case absent a performance-based fee arrangement. In addition, Nezu Asia's investment personnel are typically compensated on a basis that includes a performance-based component. Furthermore, because performance-based compensation is calculated on a basis that includes unrealized appreciation of assets, it may be greater than if such compensation were based solely on realized gains.

Each of the Clients is subject to a performance-based fee. Nezu Asia does not currently offer its services absent a performance-based fee. As such, there is currently no conflict of interest related to managing accounts that provide Nezu Asia with performance-based compensation alongside accounts that charge no performance-based compensation. However, as previously stated, certain Client accounts may have higher asset-based fees or more favorable performance-based compensation arrangements than other accounts. When Nezu Asia and its investment personnel manage more than one Client account a potential exists for one Client account to be favored over another Client account. Nezu Asia and its investment personnel have a greater incentive to favor Client accounts that pay Nezu Asia (and indirectly its investment personnel) higher fees.

Nezu Asia employs a wide range of investment objectives and strategies for its Clients. These differing objectives and strategies raise potential conflicts of interest. For example, Nezu Asia may buy a security for one Client account while it is selling that security for another Client account. In addition, Nezu Asia may cause one Client account to buy a particular security "long" and another Client account to sell that same security short.

Nezu Asia manages multiple Client accounts. Accordingly, Nezu Asia has adopted and implemented policies and procedures intended to address conflicts of interest that may arise relating to the management of multiple accounts, including accounts with different fee arrangements, and the allocation of investment opportunities. Nezu Asia reviews investment decisions for the purpose of ensuring that all accounts with substantially similar investment objectives are treated equitably. The performance of similarly managed accounts is also regularly compared to determine whether there are any unexplained significant discrepancies. In addition, Nezu Asia's procedures relating to the allocation of investment opportunities require that eligible Client accounts with the same or substantially similar investment mandates and strategies participate in investment opportunities pro rata based on the relative value of the assets of each

participating account to all participating accounts; provided, however that Nezu Asia may allocate investment opportunities to such accounts in some other manner which Nezu Asia determines is fair and equitable under the circumstances to all Clients. To the extent orders are aggregated, such orders are price-averaged and allocated in accordance with the aggregated order; provided, that the aggregated order may be allocated on a different basis for reasons including but not limited to partially filled orders and to avoid odd lots or excessively small allocations. Finally, Nezu Asia's procedures also address the allocation of limited opportunities (such as initial public offerings and private placements) to ensure objective allocation of these opportunities among Nezu Asia's accounts. These areas are monitored by the Adviser's Chief Compliance Officer.

Nezu Asia recognizes that it is a fiduciary and as such, must act in the best interests of its Clients. Further, Nezu Asia recognizes that it must treat all Clients fairly and must refrain from favoring one Client's interests over another's interests. Nezu Asia regularly assesses the allocation of its resources, including investment personnel, among its Clients to ensure adherence to its fiduciary duties.

Item 7. Types of Clients

Nezu HK provides investment advisory services to the Funds, which are pooled investment vehicles operating as private investment funds, and to the Accounts.

Investors in the Funds must meet the eligibility provisions outlined in each respective Fund's Offering Documents. Interests/shares in the Japan Fund and the Master Fund are generally offered to U.S. Investors who are (A)(i) accredited investors within the meaning of Regulation D of the Securities Act of 1933, as amended ("Accredited Investors"), and (ii) qualified purchasers within the meaning of Section 2(a)(51) of the Investment Company Act of 1940, as amended ("Qualified Purchasers"), or (B) non-U.S. Investors. Interests/shares in the Cyclical Fund are generally offered to U.S. Investors who are (A)(i) Accredited Investors, and (ii) qualified clients as defined in Rule 205-3 under the Advisers Act ("Qualified Clients"), or (B) non-U.S. Investors.

Each Fund requires a minimum initial investment of \$1,000,000 USD. Nezu HK, in its sole discretion, may accept initial investments of lesser amounts (but in no event less than applicable legal minimums), establish different minimums, or reject any subscription requests, in whole or in part.

Investment advisory services are offered to the Accounts at the discretion of Nezu Asia. Such terms are individually negotiated. It should be noted that any individual Account relationship is generally subject to significant account minimum requirements.

Nezu USA and Nezu Japan each provide non-discretionary investment advisory services to Nezu HK pursuant to an investment advisory agreement with Nezu HK, for the benefit of the Funds and the Accounts.

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

The methods of analysis, investment strategies, and material risks applicable to Nezu Asia's investment advisory services are set forth in detail in the Offering Documents provided to each Investor in the Funds and each Account's investment management agreement. A summary is provided below.

Methods of Analysis

Nezu Asia utilizes extensive company and industry level research to develop views on the relative attractiveness of many different stocks and sectors in the Asia region. Research is conducted through frequent company visits, regular contact with analysts and information gathered from other publicly available sources.

By combining focused, thematic and specialist fundamental research with technical analysis, Nezu Asia seeks to capitalize on market movements with a high degree of conviction. By leveraging various technical indicators, Nezu Asia attempts to optimize entry and exit timing with a view to maximizing returns and reducing volatility. While Nezu Asia believes that sustainable returns are best achieved by constant and rigorous fundamental analysis and modeling, it recognizes that exogenous factors also play a role in determining price action. Technical analysis can help identify when exogenous factors support a fundamental view in such a way that maximizes the probability of success. Nezu Asia uses various proprietary systems to track themes, identify opportunities, and optimize timing and risk management.

Investment Strategies

Nezu Asia seeks to generate capital appreciation for its Clients through a broad array of Pan-Asia equity long/short investment strategies.

Japan Equity Long/Short Strategy

The Japan Equity Long/Short Strategy involves extensive company and industry level research to develop views on the relative attractiveness of many different stocks and sectors within Japan. The strategy has a bias towards value and return reversal factors, but endeavors to be flexible in its use of various investment metrics at different stages of the market cycle. In general, there are three sub-strategies: *Pairs trading* (approximately 20% to 40% of the total gross exposure of the strategy); *Directional catalyst-driven investing* (approximately 50% of the total gross exposure of the strategy); *Directional deep value investing* (up to approximately 25% of the total gross exposure of the strategy).

Pairs trading is mainly based on quantitative screening, fundamental and technical analyses applied to sector and dollar-neutral trades that generally involve holding long positions in one

company and short positions in another in order to profit from a perceived extreme short-term price divergence between the shares of such companies and potential mean reversion of the pricing relationship. Such 'pairs trading' typically involves companies in the mega or large-capitalization space.

Directional catalyst-driven investing is largely based on fundamental and technical analyses of individual companies and short-term catalysts, including, but not limited to, quarterly earnings announcements. Nezu Asia enters into long and short positions in mid and large-cap equities.

Directional deep value investing is generally based on bottom-up fundamental and technical analyses. Nezu Asia, pursuing a deep value approach, invests predominantly long, but also short, in companies typically in the small and micro capitalization space. Nezu Asia focuses on forecasts in regards to the business model of companies and downside support for the market price of a company.

The Japan Fund, the Master Fund, and certain Accounts that trade *pari passu* to the Master Fund follow the Japan Equity Long/Short Strategy.

Cyclical Sector Focused Pan-Asia Equity Long/Short Strategy

The Cyclical Sector Focused Pan-Asia Equity Long/Short Strategy utilizes extensive company and industry level research to develop views on the relative attractiveness of different Pan-Asia cyclical sectors and stocks. Cyclical sectors include (i) manufacturing sectors such as basic materials, resources, autos, machinery, semiconductors, electronic components and precision equipment; and (ii) non-manufacturing sectors, such as advertising or airlines. Cyclical sectors often exhibit economic sensitivity or clearly defined cycles of their own. Nezu Asia seeks to generate performance by identifying turning points in production, inventory and pricing cycles and by determining the winners and losers that arise from those trends. This strategy also focuses on structural change within industries as a source of longer-term investment ideas.

The Cyclical Fund, the Master Fund, and certain Accounts that trade *pari passu* to the Master Fund and the Cyclical Fund utilize this strategy.

Pan-Asia Equity Long/Short Strategy

The Pan-Asia Equity Long/Short Strategy, which is followed by the Master Fund and certain Accounts that trade *pari passu* to the Master Fund, includes holding long and short positions in equity securities where Nezu Asia believes that market prices do not yet reflect underlying business prospects. Investments may be in securities of large, mid, or small capitalization companies in various countries and sectors throughout Asia.

The descriptions set forth in this Brochure of specific advisory services that Nezu Asia offers to Clients, and investment strategies pursued and investments made by Nezu Asia on behalf of its Clients, should not be understood to limit in any way Nezu Asia's investment activities. Nezu Asia may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that Nezu Asia considers appropriate, subject to each Client's investment objectives and guidelines. The investment strategies that Nezu Asia pursues are speculative and entail substantial risks. Clients should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any Client will be achieved.

Risk of Loss

Investing in the Funds may be deemed to be a speculative investment and is not intended as a complete investment program. The Funds are designed only for sophisticated persons who are able to bear the risks associated with such investment. Investing in securities involves the risk of loss. Clients should be prepared to bear such loss.

Market Risks

Profitability of Clients' assets depends to a great extent upon correctly assessing the future course of the price movements of securities and other investments. There can be no assurance that Nezu Asia will be able to accurately predict these price movements. Although Nezu Asia may attempt to mitigate market risk through the use of long and short positions or other methods, there is always some, and occasionally a significant, degree of market risk.

Nature of Investments

Nezu Asia has broad discretion in making investments for its Clients. Investments by Nezu Asia will generally consist of securities and other assets that may be affected by business, financial market or legal uncertainties. There can be no assurance that Nezu Asia will correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on investments. Prices of investments may be volatile, and a variety of factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the results of Nezu Asia's trading activities on behalf of its Clients, as well as the value of Clients' assets. No guarantee or representation is made that Clients' investment objectives will be achieved.

Small Cap Stocks

At any given time, the Funds may have significant investments in smaller-to-medium sized companies of a less-seasoned nature whose securities are traded in the over-the-counter market.

These “secondary” securities often involve significantly greater risks than the securities of larger, better-known companies.

High Growth Industry Related Risks

Certain of the high growth companies (e.g., technology, communication, and healthcare) in which Nezu Asia may invest on behalf of its Clients, may allocate, or may have allocated, greater than usual amounts to research and product development. The securities of such companies may experience above-average price movements associated with the perceived prospects of success of the research and development programs. In addition, companies in which Clients may invest could be adversely affected by lack of commercial acceptance of a new product or products by technological change or obsolescence. Some of these companies may have limited operating histories. As a result, these companies may face undeveloped or limited markets, have limited products, have no proven profit-making history, may operate at a loss or with substantial variations in operating results from period to period, have limited access to capital and/or be in the developmental stages of their businesses.

Further, many high-growth companies with proprietary technology rely on a combination of patent, copyright, trademark and trade secret protection and non-disclosure agreements to establish and protect their proprietary rights, which may be essential to the growth profitability of the company. There can be no assurance that a particular company will be able to protect these rights or will have the financial resources to do so, or that competitors will not develop or patent technologies that are substantially equivalent or superior to the technology of a company in which Nezu Asia’s Clients invest. Conversely, other companies may make infringement claims against a company in which Nezu Asia’s Clients invest, which could have a material adverse effect on such company.

The markets in which many high-growth companies operate are extremely competitive. New technologies and improved products and services are continually being developed, rendering older technologies, products, and services obsolete. Moreover, competition can result in significant downward pressure on pricing. There can be no assurance that companies in which Nezu Asia may invest on behalf of its Clients will successfully penetrate their markets or establish or maintain competitive advantages.

Technology Sector

Companies in the rapidly changing technology field face special risks. For example, these companies spend heavily on research and development and their products or services may not prove commercially successful or may become obsolete quickly. The technology field may be subject to greater governmental regulation, intervention and scrutiny than many other areas, and changes in governmental policies and the need for regulatory approvals may have a

materially adverse effect on these areas. Additionally, companies in these areas may be subject to risks of developing technologies, competitive pressures and other factors and are dependent upon consumer and business acceptance as new technologies evolve.

Special Situations

Nezu Asia may invest its Clients' assets in companies involved in (or the target of) acquisition attempts or tender offers or companies involved in work-outs, liquidations, spin offs, reorganizations, bankruptcies and similar transactions. In any investment opportunity involving any such type of business enterprise, there exists the risk that the transaction in which such business enterprise is involved will either be unsuccessful, take considerable time to result in a distribution of cash or a new security (the value of which may be less than the purchase price) or other financial instrument in respect of which distribution is received. Similarly, if an anticipated transaction does not in fact occur, Clients may be required to sell their investment at a loss. Because there is substantial uncertainty concerning the outcome of transaction involving financially troubled companies in which Nezu Asia may invest, there is a potential risk of loss of Clients' entire investment in such companies.

Options

Purchasing put and call options, as well as writing such options, are highly specialized activities and entail greater than ordinary investment risks. Because option premiums paid or received by a Client are small in relation to the market value of the investments underlying the options, buying and selling put and call options can result in large amounts of leverage. As a result, the leverage offered by trading in options could cause the Client's asset value to be subject to more frequent and wider fluctuations than would be the case if the Client had not been invested in options.

Short Sales

Short selling, or the sale of securities not owned by the Client, necessarily involves certain additional risks. Such transactions expose the Client to the risk of loss in an amount greater than the initial investment, and such losses can increase rapidly and without effective limit. There is the risk that the securities borrowed by the Client in connection with a short sale would need to be returned to the securities lender on short notice. If such request for return of securities occurs at a time when other short sellers of the subject security are receiving similar requests, a "short squeeze" can occur, wherein the Client might be compelled, at the most disadvantageous of times, to replace borrowed securities previously sold short with purchases on the open market, possibly at prices significantly in excess of the proceeds received earlier.

Leverage

While the use of certain forms of leverage, including margin borrowing, structured products or derivative instruments can substantially improve the return on invested capital, such use may also increase the adverse impact to Client portfolios.

Borrowing will usually be from securities brokers and dealers and will typically be secured by the Client's securities and other assets. Under certain circumstances, such a broker-dealer may demand an increase in the collateral that secures the Client's obligations and if the Client were unable to provide additional collateral, the broker-dealer could liquidate assets held in the account to satisfy the Client's obligations to the broker-dealer. Liquidation in that manner could have extremely adverse consequences. In addition, the amount of the Client's borrowings and the interest rates on those borrowings, which will fluctuate, will have a significant effect on the Client's profitability.

In an unsettled credit environment, obtaining leverage may be very difficult, if not impossible. Since leveraging assets is a part of the investment strategies utilized by Nezu Asia, Clients should be aware that it may be difficult to implement this strategy. In addition, any leverage obtained, if terminated on short notice by the lender, could result in Clients being forced to unwind positions quickly and at prices below what Nezu Asia deems to be fair value for the positions.

Credit Default Swap Agreements

The "buyer" in a credit default contract is obligated to pay the "seller" a periodic stream of payments over the term of the contract in return for a contingent payment upon the occurrence of a credit event with respect to an underlying reference obligation. Generally, a credit event means bankruptcy, contingent payment to the buyer, which is typically the "par value" (full notional value) of the reference obligation. The contingent payment may be a cash settlement or by physical delivery of the reference obligation to return for payment of the face amount of the obligation. Clients of Nezu Asia may be either the buyer or seller in these transactions. As a buyer, when no credit event occurs, the buyer may lose its investment and recover nothing. However, if a credit event occurs, the buyer typically receives full notional value for a reference obligation that may have little or no value. However, the seller in such transactions receives a fixed rate of income throughout the term of the contract, which typically is between one month and five years, provided that no credit event occurs. If a credit event occurs, the seller may pay the buyer the full notional value of the reference obligation.

Credit default swaps involve greater risks than investing in the reference obligation directly. In addition to general market risks, credit default swaps are subject to liquidity risk and credit risk. A buyer also may lose its investment and recover nothing should no credit event occur. If a credit event were to occur, the value of the reference obligation received by the seller, coupled with

the periodic payments previously received, may be less than the full notional value it pays to the buyer resulting in a loss of value to the Client.

Commodities and Futures Contracts

Futures markets are highly volatile. The low margins or premiums normally required in such trading may provide a large amount of leverage, and a relatively small change in the price of a security or contract can produce disproportionately larger profit or loss. There is no assurance that a liquid secondary market will exist for futures contracts or options purchased or sold, and Clients may be required to maintain a position until exercise or expiration, which could result in losses. Many futures exchanges limit the amount of fluctuation permitted in contract prices during a single trading day. Once the daily limit has been reached in a particular contract, no trades may be made that day at a price beyond that limit. Contract prices could move to the daily limit for several consecutive trading days permitting little or no trading, thereby preventing prompt liquidation of futures and options positions and potentially subjecting the Clients to substantial losses. Investing in futures contracts, options or commodities is a highly specialized investment activity entailing greater than ordinary investment risks.

Trading in Futures Contracts

Trading in futures contracts and options thereon are highly specialized activities that, while they may increase the total return in the Client's investments, may entail greater than ordinary investment risks.

Diversification

While Clients' portfolios will generally contain a number of both long and short positions, Nezu Asia specializes in Asian investments. Accordingly, Clients' investment portfolios may be subject to more rapid change in value than would be the case if the portfolios maintained a wide diversification among companies, securities, regions and industry groups. In particular, market change or other events affecting Asia may have a more significant effect on Client portfolios.

Non-US Securities

Investing in securities of foreign governments and companies which are generally denominated in non-US currencies, and utilization of foreign currency spot and forward contracts and options on foreign currencies involve certain considerations comprising both risks and opportunities not typically associated with investing in securities of United States issuers. These considerations include changes in exchange rates and exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than are generally the case in the United States, higher transaction costs, less government supervision of exchanges, brokers and issuers, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

Currency Risks

Investments that are denominated in non-US currencies are subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. Because some investments may be denominated in a variety of currencies and may not always hedge such exposure back to the dollar, assets will be indirectly exposed to the currency risk of such currencies to the dollar.

Government Regulation of Investments

Nezu Asia utilizes instruments listed on both U.S. and non-U.S. exchanges, as well as in “over-the-counter” instruments issued by broker-dealers and other financial counterparties. Instruments listed on exchanges are generally subject to restrictions and regulation by government and/or self-regulatory organizations in the country in which such instruments are traded. Over-the-counter transactions with broker-dealers and other financial counterparties generally are entered into by Clients with counterparties regulated by government regulatory bodies and/or self-regulatory organizations in the countries in which such counter-parties operate, but the specific instruments acquired pursuant to such transactions may not be registered or subject to specific regulation.

Derivatives

Nezu Asia may utilize both exchange-traded and over-the-counter derivatives, including, but not limited to, futures, forwards, swaps, options, and contracts for differences, as part of its investment strategies. These instruments can be highly volatile and expose investors to a high risk of loss. Transactions in over-the-counter contracts may involve additional risk, as there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position, or to assess the exposure to risk. Contractual asymmetries and inefficiencies can also increase risk, such as break clauses, whereby a counterparty can terminate a transaction on the basis of a certain reduction in net asset value, incorrect collateral calls or delays in collateral recovery.

Counterparty Risk

Nezu Asia may utilize non-U.S. securities, swaps, derivatives or synthetic instruments, or other over-the-counter transactions in Client portfolios. As such, Clients may be subject to credit risk with regard to parties with whom Nezu Asia trades and may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions, which generally are backed by clearing organizations guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries.

Transactions entered into directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default.

Custody and Prime Brokerage Risk

There are risks involved in dealing with custodians or prime brokers who settle trades for Clients of Nezu Asia. Although Nezu Asia monitors the prime brokers and believes that they are appropriate custodians, there is no guarantee that the prime brokers, or any other custodian will not become bankrupt or insolvent. There is no certainty that, in the event of a failure of a broker-dealer that has custody of Client assets, that Clients would not incur losses due to assets being unavailable for a period of time, the ultimate receipt of less than full recovery of assets, or both. It is not expected that all securities and other assets deposited with the custodians or brokers will be clearly identified as being assets of each Client and hence, Clients may be exposed to a credit risk with regard to such parties or time problems associated with enforcing their rights to their assets in the case of an insolvency of any such party.

Business and Regulatory Risks of Hedge Funds

Legal, tax and regulatory changes could occur that may adversely affect the Funds. The regulatory environment for hedge funds is evolving, and changes in the regulation of hedge funds may adversely affect the value of investments held by the Funds and the ability of Nezu Asia to obtain leverage it might otherwise obtain or to pursue its trading strategies. In addition, securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. Regulators and self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies. The regulation of derivative transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by government and judicial actions. The effect of any future regulatory change to the Funds could be substantial and adverse, including, for example, increased compliance costs, the prohibition of certain types of trading and/or the inhibition of the Funds' ability to pursue certain of its investment strategies.

Non-Disclosure of Positions

In an effort to protect the confidentiality of its positions, Nezu Asia will generally not disclose its position to its Clients on an ongoing basis. However, Nezu Asia, in its sole discretion, may permit such disclosure on a limited basis to certain Clients on the basis that there are sufficient confidentiality agreements and procedures in place.

Lack of Liquidity of Fund Assets

Fund assets may, at any given time, include securities and other financial instruments or obligations which are very thinly traded or for which no market exists or which are restricted as to their transferability under applicable securities laws. The sale of any such investments may be

possible only at substantial discounts. Further, such investments may be extremely difficult to value with any degree of certainty.

Limited Redemption and Transfer Rights

Investors in the Funds have limited redemption rights. Investors in the Funds must give the administrator of the Funds thirty (30) days written notice of redemption and can only redeem on calendar month-end dealing dates. At the discretion of Nezu HK, any investor who has been invested in a respective Fund for less than one year and chooses to redeem will be subject to a 3% redemption fee payable to the Fund. Transfers of interests/shares are permitted only with the written consent of Nezu HK. Accordingly, interests/shares should only be acquired by Investors willing and able to commit their assets for an appreciable period of time.

Additional Risks Relating to the Adviser

Cybersecurity Risk. The information and technology systems of Nezu Asia and of key service providers to Nezu Asia and its Clients may be vulnerable to potential damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although Nezu Asia has implemented various measures designed to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, it may be necessary for Nezu Asia to make a significant investment to fix or replace them and to seek to remedy the effect of these issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the operations of Nezu Asia or its Client accounts and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information.

Risk Management Failures. Although Nezu Asia attempts to identify, monitor and manage significant risks, these efforts do not take all risks into account and there can be no assurance that these efforts will be effective. Moreover, many risk management techniques, including those employed by Nezu Asia, are based on historical market behavior, but future market behavior may be entirely different and, accordingly, the risk management techniques employed on behalf of Clients may be incomplete or altogether ineffective. Similarly, Nezu Asia may be ineffective in implementing or applying risk management techniques. Any inadequacy or failure in risk management efforts could result in material losses to Clients.

Systems and Operational Risk. Nezu Asia relies on certain financial, accounting, data processing and other operational systems and services that are employed by Nezu Asia and/or by third party service providers, including prime brokers, the third party administrator, market counterparties

and others. Many of these systems and services require manual input and are susceptible to error. These programs or systems may be subject to certain defects, failures or interruptions. For example, Nezu Asia and its Clients could be exposed to errors made in the confirmation or settlement of transactions, from transactions not being properly booked, evaluated or accounted for or related to other similar disruptions in the Clients' operations. In addition, despite certain measures established by Nezu Asia and third party service providers to safeguard information in these systems, Nezu Asia, its Clients and their third party service providers are subject to risks associated with a breach in cybersecurity which may result in damage and disruption to hardware and software systems, loss or corruption of data and/or misappropriation of confidential information. Any such errors and/or disruptions may lead to financial losses, the disruption of trading activities, liability under applicable law, regulatory intervention or reputational damage.

It is critical that Investors/Accounts refer to the relevant Offering Documents and other governing documents for a complete understanding of the material risks involved in relation to Nezu Asia's investment strategies and methods of analysis. The information contained herein is a summary only and is qualified in its entirety by such documents.

Item 9. Disciplinary Information

Not applicable.

Item 10. Other Financial Industry Activities and Affiliations

Nezu HK serves as the General Partner to the Funds formed as limited partnerships. Nezu Asia, its supervised persons or their related persons may also invest directly in the Funds.

Certain supervised persons of Nezu HK also serve in the same or similar capacity for Nezu USA and Nezu Japan. As previously discussed, Nezu USA provides non-discretionary investment advisory services to Nezu HK pursuant to an investment advisory agreement with Nezu HK, for the benefit of the Master Fund and certain Accounts. In addition, Nezu Japan provides non-discretionary investment advisory services to Nezu HK pursuant to an investment advisory agreement with Nezu HK, for the benefit of the Japan Fund, the Cyclical Fund, the Master Fund, and certain Accounts. Compensation for such services is paid by Nezu HK to Nezu USA and/or Nezu Japan, as applicable. Clients do not incur additional fees for such arrangement. All relevant information, terms and conditions relevant to those services provided to Nezu HK by Nezu USA and Nezu Japan for the benefit of certain Clients are set forth in relevant documents provided to such Clients at the time of engagement. The Accounts are provided with a copy of this Brochure, which describes the relationship between Nezu HK and Nezu USA/Nezu Japan.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Nezu Asia has adopted a Code of Ethics (the “Code”) that sets forth the standards of conduct expected of Nezu Asia’s “Access Persons.” Access Persons include, but are not limited to, any partner, officer or director and any employee or other supervised person of Nezu Asia who, in relation to the Clients of Nezu Asia, (i) has access to non-public information regarding any purchase or sale of securities, or non-public information regarding securities holdings, or (ii) is involved in making securities recommendations, executing securities recommendations, or has access to such recommendations that are non-public.

In accordance with Section 204A of the Investment Advisers Act of 1940, as amended, Nezu Asia’s Code contains written policies reasonably designed to prevent the unlawful use of material non-public information by Nezu Asia or any of its Access Persons and requires Access Persons to place the interests of its Clients above their own interests. The Code requires Access Persons to comply with applicable federal securities laws, and to promptly report violations of the Code to Nezu Asia’s Chief Compliance Officer.

The Code also requires that Nezu Asia’s Access Persons report their initial personal securities holdings and a list of their personal accounts within 10 days of becoming an Access Person. Further, Access Persons must obtain pre-approval before effecting certain personal transactions. In addition, Access Persons must provide annual holdings reports and quarterly transaction reports to the Chief Compliance Officer in accordance with Section 204A of the Investment Advisers Act of 1940. All Access Persons are provided with a copy of the Code and required to acknowledge receipt of the Code upon hire and annually thereafter.

Nezu HK serves as manager or general partner to the Funds and as such recommends interests/shares in the Funds to prospective Investors. Nezu Asia (or its affiliates) has a material financial interest with respect to fees paid by Investors. Management Fees are payable without regard to the overall success or income earned by the Funds and therefore may create an incentive on the part of Nezu Asia to raise or otherwise increase assets under management to a higher level than would be the case if Nezu Asia were receiving a lower or no management fee. Performance-based fees paid to Nezu Asia may create an incentive for Nezu HK to make investments that are riskier or more speculative than in the absence of such performance-based compensation. Investors are provided with disclosure as to how performance-based compensation is charged and the risks associated with such performance-based compensation prior to making an investment.

Nezu Asia has financial ownership interests in the Funds and receives a management fee and, in some cases, a performance-based fee for their services to the Funds. Nezu Asia, its employees or their related persons may also invest directly in the Funds. It should be noted that investments in the Funds made by such parties may not be subject to the management fee or performance-based fee described in Item 5, above, and may also be subject to different redemption/withdrawal terms than those described in the Funds' governing documents. The fact that Nezu Asia's principals and employees have financial ownership interests in the Funds also creates a potential conflict in that it could cause Nezu Asia to make different investment decisions than if such parties did not have such financial ownership interests.

It should also be noted that Nezu Asia and its affiliates may give advice and recommend the purchase or sale of securities and other financial instruments, or buy or sell such securities, and instruments for their own account or that of other Clients, which advice or instruments may differ from advice given to, or instruments recommended or bought or sold for, a particular Client, even though the investment objectives may be the same or similar. Potential conflicts of interest may arise in connection with the personal trading activities of Nezu Asia's employees.

Nezu Asia may make investment allocations among the Clients in any manner which it considers to be fair under the circumstances, including, without limitation, allocations based on relative account sizes, available cash, the degree of risk involved in the securities acquired and the extent to which a position in such securities is consistent with the investment policies and strategies of the various Clients involved.

Nezu Asia has established policies and procedures in the Code to monitor and resolve conflicts with respect to investment opportunities in a manner it deems fair and equitable, including pre-clearance of personal trading, and regular monitoring of Access Persons' transactions and trading patterns for actual or perceived conflicts of interest.

Clients may contact Nezu Asia to request a copy of the Code by contacting the Chief Compliance Officer, Angela Tordesillas at +852 3151 3500.

Item 12. Brokerage Practices

Nezu HK has authority to determine the broker or dealer to be used for each securities transaction for the Funds, and to negotiate the commissions or markups and markdowns to be paid. For individual Accounts, Nezu HK will generally determine the broker or dealer to be used to effect transactions, unless otherwise agreed upon in the investment management agreement. Nezu HK recognizes its duty to obtain “best execution.” Consistent with such duty, in determining best execution, Nezu HK may take into account the full range and quality of a broker’s services that benefit an account (and Nezu HK in particular) under management such as brokerage, research and other services (such as capital introduction services). The factors that Nezu HK takes into account may also include (but are not limited to) a broker’s reputation, financial strength and stability, creditworthiness, efficiency of execution and error resolution, the actual executed price and the commission, research (including economic forecasts, fundamental and technical advice on securities, valuation advice on market analysis); custodial and other services provided for the enhancement of Nezu Asia’s portfolio management capabilities; the size and type of the transaction; the difficulty of execution and the ability to handle difficult trades; and the operational facilities of the brokers and/or dealers involved (including back office efficiency). Nezu HK does not select brokers solely on the basis of lowest possible commission costs, but by the best qualitative execution.

Section 28(e) of the Securities Exchange Act of 1934, as amended, is a “safe harbor” that permits an investment manager to use commissions or “soft dollars” to obtain research and brokerage services that provide lawful and appropriate assistance in the investment decision-making process. Except for services that would be an expense or as otherwise described below, Nezu Asia will limit the use of “soft dollars” to obtain research and brokerage services to services which constitute research and brokerage within the meaning of Section 28(e). Research services within Section 28(e) may include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants’ advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from brokers on order execution; and certain proxy services. Brokerage services within Section 28(e) may include, but are not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between an investment manager and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic

communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the Securities and Exchange Commission or a self-regulatory organization such as comparison services, electronic confirms or trade affirmations. The use of commissions arising from the Clients' investment transactions for services other than research and brokerage will be limited to services that would otherwise be a Fund expense. The use of commissions to obtain such other services would be outside the parameters of Section 28(e). If an expense relates to a function which would generally qualify under Section 28(e), as well as a function which does not, Nezu Asia's Chief Compliance Officer will make a good faith allocation of the cost between qualifying and non-qualifying functions to determine the portion that may be paid with soft dollars. The allocation process will attempt to take into account the principal functions or benefits of the item involved, but will not attempt to measure de minimis or occasional non-qualified usage or non-qualified usage of a de minimis value. It is therefore possible that payments associated with such non-qualified usage or payments made in error could benefit Nezu Asia, but it is not expected that such payments would be material in amount.

During the last fiscal year, Nezu Asia and its affiliates typically used soft dollars for: research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; discussions with research analysts; consultants' advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); connectivity to brokers; and electronic trade confirmation.

Although Nezu HK will make a good faith determination that the amount of commissions paid is reasonable in light of the products or services provided by a broker, commission rates are generally negotiable and thus, selecting brokers on the basis of considerations that are not limited to the applicable commission rates may result in higher transaction costs than would otherwise be obtainable. The receipt of such products or services and the determination of the appropriate allocation in the case of "mixed use" products or services creates a potential conflict of interest between Nezu Asia and its Clients.

Using brokerage commissions to obtain research or other products or services provides Nezu Asia with a benefit because the firm does not have to produce or pay for such research, products or services. Accordingly, the Funds (and thus the Investors therein) may be deemed to be paying for research and other products or services with "soft" or commission dollars. Nezu HK has an incentive to select a broker-dealer based on its interest in receiving the research or other products or services, rather than on a Funds' interest in receiving most favorable execution. Although Nezu Asia believes the Funds will benefit from many of the services obtained with soft dollars generated by the Funds' trades, the Funds will not benefit exclusively. Nezu HK does not generally seek to allocate soft dollar benefits to particular accounts proportionately to the soft

dollar credits the accounts generate. Further, Nezu HK does not distinguish between accounts in its use of soft dollar related products or services.

Nezu HK may place transactions with a broker or dealer that (i) provides Nezu Asia (or an affiliate) with the opportunity to participate in capital introduction events sponsored by the broker-dealer or (ii) refers investors to Nezu Asia (or an affiliate), if otherwise consistent with seeking best execution, provided Nezu HK is not selecting the broker-dealer in recognition of its referral of Investors.

Nezu Asia periodically and systematically evaluates the execution performance of broker-dealers to ensure that the services provided by the executing counterparties are the best available and to fully satisfy all “best execution” requirements. Investment personnel and traders who regularly interact with brokers will be asked to contribute to the review. In addition, Nezu Asia’s Execution Committee meets regularly to evaluate the broker-dealers used by Nezu Asia to execute trades using the factors described herein.

Nezu Asia may make investment allocations among the Clients in any manner which it considers to be fair under the circumstances, taking into account the following factors (among others): (a) relative account sizes; (b) available cash and/or account liquidity; (c) the nature, liquidity and degree of risk involved in the securities acquired; (d) the extent to which a position in such securities is consistent with the investment policies, (e) restrictions and strategies of the various accounts involved and (f) market conditions and other external factors such as amount of transaction fees. When appropriate, Nezu Asia may, but is not required to, aggregate Client orders to achieve more efficient execution or to provide for equitable treatment among accounts. Clients participating in aggregated trades will be allocated securities based on the average price achieved for such trades. For situations in which an aggregate order is only partially fulfilled, shares will be distributed pro rata, in a manner that is fair and equitable to all Clients participating in the aggregate trade. Securities acquired by Nezu Asia for its Clients through initial public offerings, secondary offerings and/or limited offerings will be allocated pursuant to the procedures set forth in Nezu Asia’s allocation policy.

Investors in the Funds are not permitted to direct Nezu Asia to execute transactions through a specified broker-dealer. However, as fully set forth in the terms of each Account’s investment management agreement, Nezu Asia may allow Clients to direct transactions through a specified broker-dealer, or disapprove certain brokers to be used to effect transactions. Such terms are negotiated individually. Under a directed brokerage arrangement, Nezu Asia may not be able to achieve most favorable execution for such Account’s transactions, and this practice may cost such Account more money than it would cost if Nezu Asia was able to seek out more favorable prices and terms from other counterparties for their transactions. In addition, the Account may

pay higher brokerage commissions because Nezu Asia may not be able to aggregate orders with other Client transactions to reduce transaction costs, and as such, the Account may receive less favorable prices. Further, under a directed brokerage arrangement, Nezu Asia may not be able to obtain best execution or the most favorable execution for the Account's transactions.

Item 13. Review of Accounts

Client portfolios are under ongoing review by Nezu Asia's Investment Committee and Risk Committee. Nezu Asia's Risk Committee reviews the portfolios on an ongoing basis to assure conformity with the respective Clients' objectives and guidelines. In addition, all portfolios are reviewed in light of emerging trends and developments as well as market volatility. Further, Nezu Asia's Execution Committee periodically reviews trading to ensure consistency with applicable laws and regulations.

The independent third-party administrator provides Investors in the Funds with the following written reports: (i) audited financial statements within 120 days of the Funds' respective fiscal year end; (ii) monthly statements of their capital account; and (iii) unaudited performance reports no less than monthly.

The frequency and type of reporting to the Accounts are subject to terms that are individually negotiated.

Item 14. Client Referrals and Other Compensation

Nezu Asia receives certain research or other products or services from broker-dealers through “soft-dollar” arrangements. These “soft-dollar” arrangements create an incentive for Nezu HK to select or recommend broker-dealers based on Nezu Asia’s interest in receiving the research or other products or services and may result in the selection of a broker-dealer on the basis of considerations that are not limited to the lowest commission rates and may result in higher transaction costs than would otherwise be obtainable by Nezu Asia on behalf of its Clients. Please see Item 12 for further information on Nezu Asia’s “soft-dollar” practices, including Nezu Asia’s procedures for addressing conflicts of interest that arise from such practices.

ARM Swiss Representatives SA has been appointed as representative agent and distributor for the distribution of shares of Nezu Cyclical Fund, Ltd. and Nezu Master Strategy Feeder Ltd. to unregulated qualified investors in Switzerland. The costs and fees for such appointment and related services are currently borne by the relevant Fund.

In general, Nezu Asia may pay third party solicitors out of the fees it receives with regard to the Funds for investor referrals. Any such arrangements will be made in compliance with Rule 206(4)-3 under the Advisers Act, as well as relevant SEC guidance.

Item 15. Custody

Nezu HK is deemed to have custody of Fund assets pursuant to Rule 206(4)-2 under the Investment Advisers Act of 1940, as amended (the “Custody Rule”). The qualified custodians presently utilized by Nezu HK for the Funds’ cash and securities comprising the assets of the Funds are:

Goldman Sachs International
Petersborough Court
133 Fleet Street
London EC4A 2BB
United Kingdom

Morgan Stanley & Co. International Plc.
25 Cabot Square,
Canary Wharf
London E14 4QA
United Kingdom

JP Morgan Chase Bank, N.A.
270 Park Avenue
New York, New York 10016-2070
United States

UBS AG
1 Finsbury Avenue
London EC2M 2PP
United Kingdom

Merrill Lynch International
Merrill Lynch Financial Centre
2 King Edward Street
London EC2M2PP
United Kingdom

Deutsche Bank AG
Taunusanlage 12
60325 Frankfurt
Germany

Citigroup Global Markets Limited
Citigroup Centre, Canada Square
Canary Wharf
London E14 5LB
United Kingdom

The Bank of New York Mellon
225 Liberty Street
New York, NY 10286

Credit Suisse International
One Cabot Square
London E14 4QJ

To ensure compliance with the Custody Rule, Nezu HK reasonably believes that all Investors in the Funds will be provided with audited financial statements for the respective Funds, prepared by an independent public accountant that is registered with, and subject to regular inspection by the Public Company Accounting Oversight Board, in accordance with International Financial

Reporting Standards, within 120 days of the end of the respective Funds' fiscal years. Investors should carefully review such audited financial statements.

Nezu Asia is of the view that it does not have custody, possession or direct control of the assets and cash of the Accounts.

Item 16. Investment Discretion

Nezu HK has complete authority to exercise discretion on behalf of the Funds. Nezu HK has the authority to determine which financial instruments are bought and sold, the amount and price of those financial instruments, the brokers or dealer to be used for a particular transaction, and commissions or markups and markdowns paid. Investors in the Funds do not have the ability to impose limitations on Nezu Asia's discretionary authority. Prospective Investors in the Funds are provided with Offering Documents prior to their investment and are encouraged to carefully review the Offering Documents, and to be sure that the proposed investment is consistent with their investment goals and tolerance for risk. Prospective Investors must also execute a subscription agreement, which constitutes a legal, valid and binding obligation of the Investor, enforceable in accordance with its terms. Further, prospective Investors in the Funds that are formed as limited partnerships must also execute a limited partnership agreement.

Nezu USA and Nezu Japan provide non-discretionary investment advisory services to Nezu HK, and do not have the ability to exercise investment discretion on behalf of Clients.

As previously mentioned, Nezu Asia's investment authority is fully set forth in each individual Account's investment management agreement, which must be fully executed prior to Nezu Asia providing investment advisory services to such Accounts; the terms of Nezu Asia's advisory services are negotiated on an individual basis.

Nezu Asia may effect cross transactions between discretionary Client accounts, except as otherwise noted below. Cross transactions enable Nezu Asia to effect a trade between two Clients for the same security at a set price, thereby possibly avoiding an unfavorable price movement that may be created through entrance into the market and saving commission costs for both accounts. Cross transactions include rebalancing transactions that are undertaken so that, after withdrawals or contributions have occurred, the portfolio compositions of similarly managed accounts remain substantially similar. Nezu Asia has a potentially conflicting division of loyalties and responsibilities regarding both parties to cross transactions. Cross transactions between Client accounts are not permitted if they would constitute principal trades unless Client consent has been obtained based upon written disclosure to the Client of the capacity in which Nezu Asia will act. In addition, cross transactions are not permitted for benefit plan or other similar accounts that are subject to ERISA.

Item 17. Voting Client Securities

Nezu HK has authority to vote securities on behalf of its Clients, and will only cast proxy votes in a manner consistent with the best interests of its Clients in accordance with Nezu Asia's proxy voting policies and procedures. Clients do not have the authority to direct Nezu Asia's vote in a particular solicitation.

Nezu Asia has appointed Institutional Shareholder Services Inc. ("ISS") to generally manage the receipt of incoming proxies, vote most proxies on behalf of its Clients and maintain appropriate record-keeping. ISS and/or Nezu Asia will vote all proxies in the best interests of the respective Clients and Investors and in accordance with the procedures outlined below (as applicable).

Nezu Asia has adopted proxy voting policies and procedures that address how Nezu Asia votes proxies:

- All proxies will be sent to ISS. Nezu Asia will review each such proxy on the ISS platform, along with any voting recommendation from ISS. Generally, proxies will be reviewed by the operations team in conjunction with the respective investment personnel of the respective investment adviser that covers such issuer.
- Prior to making a decision on whether to vote the proxy, Nezu Asia will determine if there are any conflicts of interest related to the proxy in question. If a conflict is identified, Nezu Asia (which may be in consultation with the Chief Compliance Officer and/or outside legal counsel) will then make a determination as to whether the conflict is material or not. If no material conflict is identified pursuant to its set procedures, the respective investment adviser will allow ISS to vote in accordance with its voting recommendation; provided, however, that in certain circumstances Nezu Asia may choose to vote differently from ISS's recommendation or abstain from voting, if it believes that such action is in the best interests of the respective Clients.
- Nezu Asia maintains a record of its proxy voting policies and procedures, proxy statements received, votes cast, all communications received, internal documentation that was material to voting decisions, as well as each request for proxy voting records received and Nezu Asia's responses for five (5) years.

Clients and Investors may request a copy of Nezu Asia's proxy voting policies and procedures and proxy voting records by contacting Nezu Asia's Chief Compliance Officer, Angela Tordesillas at +852 3151 3500.

Item 18. Financial Information

Nezu Asia is not required to include a balance sheet for its most recent fiscal year, is not aware of any financial conditions reasonably likely to impair its ability to meet contractual commitments to Clients, and has not been the subject of a bankruptcy petition at any time during the past ten (10) years. As such, Nezu Asia has no required disclosures pursuant to this Item.