

## Form ADV Part 2A: Firm Brochure

### Ginkgo Global Limited

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#### Principal Office

Ginkgo Global Limited  
Unit 07, 26/F, Tower 1, Jing An Kerry Centre  
1515 Nanjing Road West  
Shanghai, China 200040  
(86) 021 5266-0879

<http://www.ginkgo-capital.com>

This brochure provides information about the qualifications and business practices of Ginkgo Global Limited (“Ginkgo”). If you have any questions about the contents of this brochure, please contact our Chief Compliance Officer (“CCO”) at +86 21 52660619 or email [billyzheng@ginkgo-capital.com](mailto:billyzheng@ginkgo-capital.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. Any reference to Ginkgo as a registered investment adviser does not imply a certain level of skill or training.

Additional information about Ginkgo is also available on the SEC’s website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Unless otherwise indicated, the term “Ginkgo” or “the firm” is broadly used within this brochure to refer to the entire enterprise and not to a specific legal entity.

## **Item 2: Material Changes**

Ginkgo is filing its initial Form ADV Part 2A as a newly formed adviser relying on Rule 203A-2(c) anticipating to be eligible for SEC registration within 120 days.

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## **Item 4: Advisory Business**

Ginkgo is a Cayman Islands exempted company formed December 16, 2016 by Feng Zhang, who is also the firm's sole owner. Ginkgo is an investment management firm with its principal place of business in Shanghai, China.

Ginkgo will provide investment management services to endowments, foundations, pensions, pooled investment vehicles and fund-of-funds. Ginkgo will primarily invest in long-only China-based equities. The firm's investment objective is to achieve sustainable growth through volatile economic cycles.

Ginkgo's advisory services will be provided pursuant to the investment mandate discussed with the client. Separate account clients may impose certain restrictions. Advisory services provided to any private funds will be provided pursuant to the terms of the relevant offering documents disclosed therein. Investors in private funds will not receive advisory services tailored to their individual needs.

Ginkgo does not intend on participating in a wrap fee program at this time.

Ginkgo currently manages \$0 of regulatory assets under management on a discretionary basis. Ginkgo does not intend on managing any assets on a non-discretionary basis.

## **Item 5: Fees and Compensation**

Ginkgo will charge an asset based quarterly management fee payable in advance to all clients in accordance with the respective investment management agreement. The management fee will be adjusted for contributions and withdrawals made during the quarter.

In addition to Ginkgo's investment management fees, clients bear trading costs and custodial fees. Ginkgo may waive or modify the management fee at its own discretion.

## **Item 6: Performance Based Fees and Side-by-Side Management**

Ginkgo will be entitled to be paid a performance based fee of net profits calculated upon an agreed upon hurdle rate with the client. Performance based compensation may create an incentive for Ginkgo to make more speculative investments and make decisions with regard to the timing or manner of the realization of such investments, than would be made in the absence of such performance based compensation.

## **Item 7: Types of Clients**

Ginkgo will provide discretionary investment management services to endowments, foundations, and pensions through separately managed accounts, pooled investment vehicles or fund-of-funds.

The minimum account size required for clients is \$5 million. Ginkgo, in its sole discretion, may waive or reduce the minimum account size in certain circumstances for clients.

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

It is Ginkgo's belief that equity markets will continue to be volatile for a variety of political, economic, and social reasons. Ginkgo looks to capture investment performance through a value-oriented, long-only strategy with a primary focus on Chinese-related companies.

Ginkgo conducts a bottom up approach and strives to own companies with unique attributes to survive cycles. The investment philosophy focuses on being both selective when making investments and patient when assessing a security's performance especially in China's volatile equity capital market. Ginkgo's investment process is driven by fundamental analysis and research. Research is done by the investment team where the analysis is executed without the help of outside consultants, such as meetings and calls with management, customers, suppliers, competitors and industry experts. The investment team also creates and develops a proprietary financial model for each company to determine the earnings potential and underlying intrinsic value. This valuation analysis includes, among other things, competitor analysis, discounted cash flows, and private market value. All of this analysis and research assists in the identification of value and catalysts, as well as in the risk assessment and scenario analysis. The overall investment process is iterative, relying on the experience of the entire team.

Ginkgo's investment strategy is designed only for sophisticated clients or investors who are able to bear the economic risk of the loss of their entire investment. The following risks should be carefully evaluated before making an investment with Ginkgo.

*Nature of Investments.* Ginkgo has broad discretion in making investments on behalf of its clients. Investments will generally consist of equities and equity-related securities and other assets that may be affected by business, financial market or legal uncertainties. There can be no assurance that Ginkgo 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 a client's investments and the value of such investments. In addition, the value of a client's portfolio may fluctuate as the general level of interest rates fluctuates. No guarantee or representation is made that the firm's investment objective will be achieved.

*Equity Investments.* The firm invests primarily in equity and equity derivative securities. Certain options and other equity-related instruments may be subject to various types of risks, including market risk, liquidity risk, counterparty credit risk, legal risk and operations risk. In addition, equity-related instruments can involve significant economic leverage and may, in some cases, involve significant risks of loss.

*Non-U.S. Securities.* Investing in securities of non-U.S. companies and governments that are generally denominated in non-U.S. currencies and utilization of options on non-U.S. securities involves certain considerations comprising both risks and opportunities not typically associated with investing in securities of the United States government or United States companies. 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 is generally the case in the United States. In addition, there could also be higher transaction costs, foreign government restrictions, less government supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, difficulty in

enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

### **Item 9: Disciplinary Information**

Ginkgo and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to a client's evaluation of the company or its personnel.

### **Item 10: Other Financial Industry Activities and Affiliations**

Ginkgo and its employees do not have any relationships or arrangements with other financial services companies that pose material conflicts of interest.

### **Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Ginkgo has adopted a Code of Ethics ("Code") that require the firm and its related persons to put the interests of its clients before their own interests and to act honestly and fairly in all respects in their dealing with clients. Additionally, Ginkgo is required to use reasonable care and exercise independent professional judgement when conducting investment analysis, making investment recommendations, trading, and engaging in other professional activities. The Code requires that Ginkgo and its employees comply with the spirit and the letter of the U.S. federal securities laws, and rules that govern capital markets, at all times.

Employees are permitted to maintain personal brokerage accounts, and subject to the Code, are generally prohibited from trading in securities considered for client accounts.

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

### **Item 12: Brokerage Practices**

Ginkgo is authorized to determine the broker-dealer to be used for each securities transaction on behalf of its clients. In selecting broker-dealers to execute transactions, Ginkgo need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not the firm's practice to negotiate "execution only" commission rates, thus Ginkgo may be deemed to be paying for research, brokerage or other services provided by the broker which are included in the commission rate. In determining the broker or dealer to be used for each securities transaction, Ginkgo will conform to and be in accordance with the provisions of the investment management agreement and/or other governing documents.

In selecting broker-dealers and negotiating commission rates, Ginkgo will take into account the financial stability and reputation of brokerage firms, and the research, brokerage, or other services provided by such brokers. The firm may place transactions with a broker-dealer that (i) provides the firm, or an affiliate, with the opportunity to participate in capital introduction events sponsored by the broker-dealer or (ii) refers investors to other products advised by Ginkgo, if otherwise consistent with seeking best execution; provided Ginkgo is not selecting the broker-dealer in recognition of the opportunity to participate in such capital introduction events or the referral of clients or investors.

Although Ginkgo 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 broker-dealers 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.

#### Soft Dollar Benefits

Ginkgo does not enter into formal soft dollar arrangements but may receive products or services from broker-dealers and other counterparties that to the best of Ginkgo's knowledge are generally made available to all institutional clients doing business with these counterparties. These products and services are made available to Ginkgo on an unsolicited basis and without regard to transaction costs paid by the clients or the volume of business the firm directs to these counterparties.

Ginkgo does not cause clients to pay higher commissions than those charged by executing brokers.

#### Best Execution Reviews

On at least an annual basis Ginkgo's Chief Compliance Officer and other senior executives evaluate the pricing and services offered and other trading counterparties with those offered by other reputable brokerage firms. Ginkgo will seek to make a good-faith determination that chosen trading counterparties provide clients with good services at competitive prices. However, clients should be aware that this determination could have been influenced by Ginkgo's receipt of products and services from certain brokers.

#### Aggregated Trades

Ginkgo may typically aggregate client trades in an effort to treat all clients fairly. Clients participating in a bunched order receive the same average price and incur trading costs that are the same as would be paid if they were trading individually. Employees may be included side-by-side in bunched client trades. If an order is partially filled, clients will have their orders fully filled on a randomized basis; Ginkgo will seek to complete any unfilled client orders on the next trading day.

When trading accounts through one or more other broker/dealers, Ginkgo may choose to place smaller trades ahead of larger trades when the smaller trades are not expected to materially affect the price or liquidity of the security in question. It is possible that, over time, this practice could result in clients whose accounts trade through other broker/dealers experiencing a benefit at the expense over other accounts.

#### Client Referrals

Ginkgo does not compensate any other custodian or broker/dealer for referring client accounts.

#### Trade Errors

The firm has established trade processes and procedures designed to reduce the likelihood of errors and, in its sole discretion, will determine what constitutes a trade error.

Ginkgo's general policy is to seek to identify and correct any trade errors promptly and in a way that mitigates any losses. Trade errors will be borne by the client unless an error is the result of gross negligence, willful misconduct or violation of applicable laws by Ginkgo. Ginkgo does not provide reimbursement for lost opportunity costs.

### **Item 13: Review of Accounts**

Accounts are monitored on a continuous basis by the investment team. All investment personnel regularly hold both formal and informal meetings to discuss investment ideas, economic developments, current events, and other issues related to current portfolio holdings and potential investment opportunities.

Ginkgo will send performance reports for different periods detailing risk characteristics and position breakdowns by industry, market, and size. Clients will also receive periodic investor letters providing market commentary and analysis on certain securities, which may include current holdings.

### **Item 14: Client Referrals and Other Compensation**

Ginkgo does not intend on compensating any third parties for client or investor referrals. Additionally, Ginkgo will not receive any economic benefits from non-clients relating to the provision of investment advice.

### **Item 15: Custody**

All clients' accounts will be held in custody by unaffiliated broker/dealers or banks. Account custodians will send statements directly to the account owners on at least a quarterly basis. Clients should carefully review these statements, and should compare these statements to any account information provided by Ginkgo.

### **Item 16: Investment Discretion**

Ginkgo will have investment discretion over all clients' accounts. Clients grant trading discretion through the execution of a limited power of attorney included in the investment management agreement with Ginkgo.

### **Item 17: Voting Client Securities**

In accordance with its fiduciary duty to clients and Rule 206(4)-6 of the Investment Advisers Act, Ginkgo has adopted and implemented written policies and procedures governing the voting of client securities. All proxies that Ginkgo receives will be treated in accordance with these policies and procedures.

Ginkgo considers the reputation, experience, and competence of a company's management and board of directors when it evaluates a prospective investment. In general, Ginkgo votes in favor of routine corporate matters, such as the re-approval of an auditor or a change of a legal entity's name. Ginkgo also generally votes in favor of compensation practices and other measures that are in-line with industry norms, that allow companies to attract and retain key employees and directors, that reward long-term performance, and that align the interests of management and

shareholders. Ginkgo supplements its evaluation of client proxies with guidance from an independent corporate governance consulting firm.

Ginkgo has not identified any material conflicts of interest in connection with past proxy votes. Such a conflict could arise if, for example, a client was a senior executive with a publicly traded company and other clients held securities issued by that company. Absent specific client instructions, if Ginkgo identifies a material conflict of interest it will follow the voting recommendation of the independent corporate governance consulting firm that it has retained.

A copy of Ginkgo's proxy voting policies and procedures, as well as specific information about how Ginkgo has voted in the past, is available upon written request. Upon written request, clients can also take responsibility for voting their own proxies, or can give Ginkgo instructions about how to vote their respective shares.

### **Item 18: Financial Information**

A balance sheet is not required to be provided as Ginkgo (i) does not solicit fees more than six months in advance, (ii) does not have a financial condition that is likely to impair its ability to meet contractual commitments to clients or (iii) has not been subject to any bankruptcy proceeding during the past 10 years.