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Part 2 of Form ADV: Firm Brochure

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This brochure (the “Brochure”) provides information about the qualifications and business practices of Seiga Asset Management Limited (“Seiga” or the “Investment Adviser”). If you have any questions about the contents of this brochure, please contact us at +852.3705.7700. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Seiga is registered as an investment adviser with the SEC. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about also is available on the SEC’s website at www.adviserinfo.sec.gov.



MATERIAL CHANGES

Seiga Asset Management Limited ("Seiga") is required to identify and discuss any material changes made to its Brochure since the last annual update. This Brochure is Seiga's first Form ADV Part 2A submitted to the SEC pursuant to amendments made to certain rules promulgated under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), and the form formerly known as Form ADV Part II.

Accordingly, there are no material changes to report.

If Seiga makes any material changes to this Brochure, this section will be revised to include a summary of such changes.



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ADVISORY BUSINESS

A. General Description of Advisory Firm

Seiga Asset Management Limited (“Seiga”), is a Hong Kong domiciled investment adviser regulated by the Securities and Futures Commission of Hong Kong (“SFC”) as an Asset Management (Type 9) licensee. Seiga serves as an investment adviser to commingled open end private investment funds (“Private Funds”). The names and details of such accounts are included on the Form ADV I. For purposes of this Form ADV Part 2A, all references to “Seiga” shall also mean Seiga Asset Management Limited. Seiga anticipates that within 60 days from the effectiveness of its registration it will manage additional assets that will require it to be registered with the US Securities and Exchange Commission (“SEC”).

Seiga was incorporated in Hong Kong as a limited liability company on 9 November 2016 with company number 2448924 and is solely owned by Keita Arisawa through Seiga Asset Management (Cayman) Limited.

B. Advisory Services

Seiga currently offers discretionary portfolio management services exclusively to the Private Funds set forth in its Form ADV I. It advises two master-feeder structures: Seiga Master Fund (and affiliated feeders) and Seiga Japan Fund (and affiliated feeders). It does not currently advise separately managed accounts, although it may do so in the future.

Underlying investors in the Private Funds must qualify as “professional investors” under Hong Kong’s Securities and Futures (Professional Investor) Rules or their equivalents in other jurisdictions. In the United States, investors must be both “accredited investors” and “qualified purchasers” as promulgated under the Securities Act of 1933, as amended, and the Investment Company Act of 1940, as amended (the “Investment Company Act”) and regulations thereunder.

C. Wrap Fee Programs

Seiga does not participate in wrap fee programs.

D. Client Assets

As of June 30, 2020, Seiga managed approximately US\$ 685,162,000 of regulatory assets under management and approximately US\$ 503,357,000 of net assets under management on a discretionary basis for Private Funds. These numbers are based on estimated and unaudited information as of such date and are therefore subject to change.

Segia anticipates that within 120 days it will additionally sub-advise the assets of an investment company registered in the United States under the Investment Company Act (the “RIC”) and a UCITS fund.



FEES AND COMPENSATION

A. Fees and Compensation

The fees and compensation paid to Seiga are found in the current offering documents for each Private Fund or other account managed by Seiga. The Private Funds are “qualified purchasers” (as defined in Section 2(a)(51) of the Investment Company Act).

Additional Fees and Expenses

In addition to the management and performance fees generated from Private Funds and described in Item 6, the additional expenses referenced below are payable by the Private Funds.

Private Funds

The precise expenses payable by the Private Funds are found in their offering materials, however such fees and expenses include the following categories: transactional expenses; directors fees; investment related fees including commissions and interest on borrowing, market data, order management, portfolio management and execution systems, software and developers; taxes, organizational and operating costs; and fees and expenses on which Seiga and the board of directors for the Private Funds agree.

B. Additional Compensation and Conflicts of Interest

See Item 12 for further discussion with respect to fees associated with brokerage practices. Neither Seiga nor any of its supervised persons accepts compensation (e.g., brokerage commissions) for the sale of securities or other investment products.



PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Seiga receives both performance-based compensation and asset-based compensation from its various clients. In addition, the following is a description of some of the inherent and potential conflicts of interest Seiga has in managing its assets under management. For specific additional risk, please see specific offering documents.

A. Conflicts Generally

Prospective investors must recognize that each Private Fund has been formed specifically as an investment product to be managed by Seiga, and as a result, a Private Fund may not be inclined to appoint any other investment adviser or sub-adviser even if doing so might be in the Private Fund's best interests.

In general, Seiga's investment management agreements give broad discretion as to the determination or resolution of a wide variety of matters, including economic allocations, distributions and other issues, any of which could significantly and adversely affect any given account.

Seiga, who provides investment management, fund raising and certain administrative services to the Private Funds, may carry on investment activities for other clients including, without limitation, other investment funds, client accounts and proprietary accounts (any of whom may be shareholders in such Private Funds), in which the Private Fund will have no interest and whose respective investment programs may or may not be substantially similar. Such activities may be in competition with the Private Fund and/or may involve substantial time and resources of Seiga.

The portfolio strategies employed for such other investment programs could conflict with the transactions and strategies employed in managing the Private Fund's portfolio and affect the prices and availability of the securities and instruments in which the Private Fund invests. Conversely, participation in specific investment opportunities may be appropriate, at times, for both the Private Fund and the other investment programs. In such case, Seiga will allocate participation in such opportunities on a fair and equitable basis, consistent with the investment objectives and guidelines of the Private Fund and the other investment programs and taking into account such factors as the relative amounts of capital available for new investments, relative exposure to short-term market trends, and the respective investment programs and portfolio positions of the Private Fund and the other investment programs. While Seiga will in general allocate participation in investment opportunities among its clients, on the one hand,

and the other investment programs, on the other hand, on a pro rata basis in proportion to the relative net asset value, the above considerations may result in allocations of certain investments other than on a *pro rata* basis.

Seiga will endeavour to ensure that any conflict of interest is resolved fairly. Actual or potential conflicts of interest, including for example with respect to related party transactions may be referred to the relevant Private Fund Board of Directors and in consultation with Seiga, the Board will approve or disapprove such transaction.



TYPES OF CLIENTS

Seiga currently and in the near future provides or will provide investment advice to the following types of clients:

- Pooled investment funds structured as limited partnerships or exempted companies
- Registered investment companies
- Undertakings for the Collective Investment in Transferable Securities (UCITS)
- Separately managed accounts structured either as partnerships or exempted entities

The underlying investors in Private Funds may include some or all of the following types of investors: high net worth individuals, endowments, foundations, charitable organizations, sovereign wealth funds and other sophisticated investors.

The underlying investors in separately managed accounts may include some or all of the following types of investors: public or private pension funds, endowments, foundations, charitable organizations, sovereign wealth funds or other sophisticated groups.

The constituent documents for each Private Fund or other investment product may set minimum amounts for investment by prospective investors and reserve to Seiga the right to modify or waive, any minimum new investment commitments from time to time. Minimum investment amounts for managed accounts will be determined on a case by case basis.



METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS CHANGES

Seiga seeks to generate superior risk-adjusted returns using rigorous fundamental analysis in a pan-Asia equity long/short strategy that focuses primarily, but not exclusively, on the Japanese and Chinese markets. Seiga will invest in other markets depending on the opportunity set. Seiga will primarily make equity and equity-related investments in a concentrated portfolio of high conviction long and short ideas.

To support its thesis, Seiga conducts fundamental bottom up research focusing on market inefficiencies and idiosyncratic ideas, placing an equal emphasis on long ideas and short ideas. Investment ideas are generated through ongoing screening of stocks and other internal research. The selected investment ideas are subjected to rigorous fundamental analysis, involving financial modelling, on-site visits and competitor analysis, among other methods. The investment ideas are evaluated against a consistent set of metrics and the consideration of opposing views on the investment thesis, drivers of return, and expected returns. Stocks are selected and position sizing determined based on an objective numerical assessment across an identified set of criteria.

The Private Funds invest primarily in equities and equity-related securities, including without limitation publicly listed equity securities, and over-the-counter or "OTC" derivatives such as swaps and contracts for differences over stocks and indexes, futures and options.

Depending on opportunities identified by the research process and subject to market conditions, Seiga will evaluate a broad range of assets suitable for investment, including, without limitation, shares (including but not limited to, preference shares or securities convertible into shares), stock, bonds, notes, commercial paper, debentures, certificates of deposit, debt, debt securities and obligations of all kinds, warrants, depository receipts (in each case, whether in registered or bearer form and whether or not registered with or regulated by any competent regulatory authority), collective investment schemes, commodities, synthetic access products, futures, swaps, derivatives, exchange traded funds, participatory notes, foreign exchange products, interest rate products, fixed income products, credit default swaps, foreign exchange derivatives, any warrant or option in respect of any of the foregoing, any contract for differences, any rights or interests in such assets or money, benefits or property arising from such assets and any other type of asset which Seiga reasonably determines may be made in compliance with a Private Fund's investment objective and strategy.

A. Material Risks

The Private Funds are not available generally for investment other than for certain institutional and high net worth investors. Risks specific to the Private Funds and their structures are found in the offering documents for the Private Funds. Material risks associated with Seiga's investment strategy and the financial instruments it trades appear below.

Investments in Asia generally

Seiga invests in the Asian markets as well as other global markets depending on the opportunity set. Many of the laws that govern private and foreign investment, equity securities transactions and other contractual relationships in certain Asian countries in which Seiga may invest are new and largely untested. As a result, the Private Funds may be subject to a number of unusual risks, including inadequate investor protection, contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets and lack of enforcement of existing regulations. Furthermore, it may be difficult to obtain and enforce a judgment in certain countries in which Seiga-advised entities may be invested. There can be no assurance that this difficulty in protecting and enforcing rights will not have a material adverse effect on the investments. In addition, the income and gains from these investments may be subject to withholding taxes imposed by foreign governments.

Regulatory controls and corporate governance of companies in developing countries confer little protection on minority shareholders. Anti-fraud and anti-insider trading legislation is often rudimentary or is largely unenforced. The concept of fiduciary duty to shareholders by officers and directors is also limited when compared to such concepts in more developed markets and there is generally a greater risk of fraud by officers or controlling shareholders of companies. In certain instances, management may take significant actions without the consent of shareholders and anti-dilution protection also may be limited.

There are differences between the accounting and auditing standards, reporting practices and disclosure requirements applicable in certain Asian countries and those generally accepted internationally. In some countries in which the Private Funds may invest, less audited information is available for local companies than would be customary or required for companies in more developed countries. Tax rules may change unpredictably or be subject to unforeseeable interpretation or application without prior notice, which could have an adverse effect on investments.

Investing in entities either in, or which have a substantial portion of their operations in Asia may require Seiga to adopt special procedures, seek local government approvals or take other actions, each of which may involve additional costs to the funds it manages. All of the above factors could adversely affect the economy of countries in which Seiga may invest, make the prices of such countries' assets or securities generally more volatile than the prices of assets or

securities in more developed countries, lead to additional fees and expenses, and increase the risk of loss to funds for which Seiga is acting as an investment manager.

Risks associated with investing in China

Seiga may invest in PRC equity and/or debt securities through access products and/or PRC cross-border investment program(s) such as Renminbi Qualified Foreign Institutional Investor regime ("**RQFII**"), Qualified Foreign Institutional Investor regime ("**QFII**"), Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect ("**Stock Connect**"). Such investments may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory events affecting PRC. Securities in the PRC market may be subject to higher volatility and lower liquidity compared to more developed markets. High market volatility and potential settlement difficulties in the markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of such investments. PRC regulations may be varied in the future which may have potential retrospective effect, and no assurance can be given that any such changes will not adversely affect the investments.

As access products constitute unsecured contractual obligations rather than a direct investment in shares or debt securities, the Private Funds are subject to credit risk of the issuer of the access product. There can be no assurance that the permissibility of investment in the PRC through access products would not be affected by PRC regulations and/or the requirements of PRC authorities as applicable from time to time.

Stock Connect is subject to quota limitations. Where a suspension in the trading through Stock Connect is effected, Seiga's ability to invest in A-shares through the programme will be adversely affected. Due to the difference in trading days, on days when the PRC market is open but the Hong Kong market is closed, there is a risk of price fluctuations in A-shares as Seiga will not be able to trade through Stock Connect.

Investing through RQFII/QFII is subject to applicable regulations imposed by the PRC authorities. Repatriations by RQFIIs/QFIIs may be subject to repatriation restrictions or prior approval (as applicable) and there is no assurance that PRC rules and regulations will not change or that repatriation restrictions will not be imposed/changed in the future. Any restrictions on repatriation of the invested capital and net profits may impact on the Private Fund's ability to meet redemption requests from its shareholders.

Tax risks in the PRC

The Private Funds will be responsible for any PRC withholding income tax ("**WHT**") and other taxes as may be imposed in the PRC with respect to the Private Funds' investment in the PRC.

Under the "Notice on temporary exemption of Corporate Income Tax on capital gains derived from the transfer of PRC equity investment assets such as PRC domestic stocks by QFII and

RQFII" (Caishui [2014] No.79) jointly issued by the PRC Ministry of Finance ("**MOF**"), the State Administration of Taxation ("**SAT**") and the CSRC on 14 November 2014 (the "**Notice No.79**"), effective from 17 November 2014, generally Qualified Foreign Institutional Investors (QFIIs) / Renminbi Qualified Foreign Institutional Investors (RQFIIs) without an establishment or place ("**PE**") in the PRC or having a PE in the PRC but the income so derived in the PRC is not effectively connected with such PE, shall be temporarily exempted from the PRC Corporate Income Tax ("**CIT**") on the capital gains derived from the trading of PRC equity investments (including A Shares). Pursuant to Notice No.79, capital gains realized by the Fund from disposal of A Shares through QFII/RQFII Quota on and after 17 November 2014 shall be temporarily exempted from WHT. However, it is uncertain how long the temporary exemption will last.

The Notice No.79 does not cover gains derived from transfers of PRC debt securities. Based on the current interpretation of the SAT and the local tax authorities, gains derived by QFIIs and RQFIIs from disposal of debt securities in the PRC should not be treated as PRC sourced income thus should not be subject to PRC WHT. However, in the absence of formal guidance or regulations, there is no guarantee that China will not levy WHT on gains from the disposal of debt securities in the future.

Under the "Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect" (Caishui [2014] No.81) jointly issued by the MOF, the SAT and the CSRC on 14 November 2014 (the "**Notice No.81**"), effective from 17 November 2014, Hong Kong market and overseas investors (including the Master Fund), both enterprises and individuals, investing in eligible A Shares via the Stock Connect Scheme, are exempted from CIT on capital gains derived from the disposal of A Shares through the Stock Connect Scheme. However, it is uncertain when such exemption will expire and whether other PRC taxes will be applicable to the disposal of A Shares under the Stock Connect Scheme in the future. In light of the above no WHT provision for gross realised or unrealised capital gains derived from the investment in A Shares will be made.

It should be noted that the tax exemption granted under the Notice No.79 and Notice No.81 are temporary. The position relating to the Notice No.79 and Notice No.81 may be changed in the future and payment of PRC WHT may be required, which may have a substantial negative impact on the Net Asset Value of the Private Fund.

In view of such uncertainty, investors should note that any level of provision (or no provision) may be inadequate to meet the actual PRC tax liabilities on investments. Seiga will closely monitor any further guidance by the relevant PRC tax authorities and adjust the tax provision policy of the Private Funds accordingly. Seiga may decide to make provisions for WHT on capital gains derived from the disposal of securities through QFII/RQFII or the Stock Connect Scheme for the Private Funds from time to time and in such methodology that Seiga may decide in its discretion.

In the event that Seiga considers that the tax provisions of the Private Funds are not sufficient, it will consider making additional tax provision. In the event that Seiga is satisfied that part of the tax provisions are not required, such provisions will be released back into the Private Funds.

Any tax provision, if made, will be reflected in the NAV of the Private Funds at the time of debit or release of such provision and thus will impact on shares which remain in the Private Funds at the time of debit or release of such provision. In addition, Seiga may in its discretion make further modification to the tax provision practice of the Private Funds with additional clarity on the relevant regulations, and further announcement will be made as appropriate.

Any WHT provision on capital gains made by Seiga in respect of the Private Funds may be less, or may be more, than the Private Fund's actual tax liabilities. If the actual applicable tax levied by PRC tax authorities is greater than that provided for by the Private Fund so that there is a shortfall in the tax provision amount, Seiga may make payment for such shortfall out of the assets of the Private Fund. Investors should note that the NAV of the Private Funds may suffer more than the tax provision amount as the Private Funds will ultimately have to bear the additional tax liabilities. In this case, the then existing and new investors will be disadvantaged. On the other hand, if the actual applicable tax levied by PRC tax authorities is less than that provided for by the Private Funds so that there is an excess in the tax provision amount, shareholders who have redeemed shares in the Private Funds before PRC tax authorities' ruling, decision or guidance in this respect will be disadvantaged as they would have borne the loss from the Private Fund's overprovision. In this case, the then existing and new shareholders may benefit if the difference between the tax provision and the actual taxation liability can be returned to the account of the Private Funds as assets thereof.

In addition investors should be aware that under-accrual or over-accrual for PRC tax liabilities may impact on the performance of the Private Funds during the period of such under-accrual or over-accrual and following any subsequent adjustments to the NAV. In case of having excess in the tax provision amount (for example, the actual applicable tax levied by PRC tax authorities is less than the tax provision amount or due to a change in provisioning), such excess shall be treated as property of the Private Fund and investors who have already transferred or redeemed their shares in the Private Fund will not be entitled or have any right to claim any part of the amount representing the excess.

Shareholders in the Private Funds may be advantaged or disadvantaged depending upon the final tax liabilities, the level of provision and when they subscribed and/or redeemed their shares. Shareholders should seek their own tax advice on their tax position with regard to their investment in the Private Funds.

Where the Private Funds invest in PRC securities through access products, tax liabilities borne by the relevant access products issuer attributable to the investments may be passed through to, and ultimately be borne by, the Private Funds under the relevant terms of the access products. In this respect the relevant access products issuer may withhold distributions with respect to the investment as provision for such potential tax liabilities. It is possible that the Private Funds may be obliged to pay (whether or not distributions have been made to the Private Funds with respect to its investments in PRC) the shortfall of the issuer's provisioned amount and the actual applicable tax levied by PRC tax authorities attributable to the investments. In case of having excess in the tax provision amount (for example, the actual applicable tax levied by PRC tax authorities is less than the tax provision amount) the Private

Funds may not be entitled or have any right to claim any part of the amount representing any excess.

Investment restrictions and repatriation

Some Asian countries impose certain restrictions and controls regarding foreign direct investment, including the need to obtain prior governmental/regulatory approval or licenses, or the imposition of quotas/limits on the amount or types of investments that may be held by such foreigners. These restrictions may at times limit or preclude investment in certain countries, despite such a potential investment satisfying Seiga's investment criteria, and may ultimately increase the total costs and expenses to the funds and accounts under management. In addition, certain countries may impose restrictions and controls on the repatriation of investment income and capital. As such, there can be no assurance that capital or profits with respect to investments in those countries will be able to be repatriated. There is also the possibility of nationalization, expropriation or confiscatory taxation, political changes, government regulation, social instability or diplomatic developments, including war or terrorist attacks or a deficit in a country's balance of payments that may result in the imposition of temporary restrictions on foreign capital remittances.

Valuation methodology

Seiga may utilize quantitative valuation models in order to assist with determining economic components of certain prospective trades. However, valuation models that may have previously been highly successful could become inaccurate or outdated over time due to changing market conditions or other fundamental trends or factors that dominate the market during certain periods. As a consequence, quantitative strategies and methodologies employed by Seiga are by no means wholly systematic, and therefore, require Seiga's discretion and market judgement as to their implementation.

Emerging markets

Seiga may invest in equities, debt, structured finance securities, portfolios of credit default swaps or instruments, individual credit default swaps and other instruments relating to issuers or creditors in emerging markets. Such investments involve risk factors and special considerations which may not be typically associated with issuers or creditors in more developed markets. Political or economic change and instability may be more likely to occur and have a greater effect on such creditors. Adverse government policies or actions, taxation, restrictions on foreign investment and on currency convertibility and repatriation, currency fluctuations and other developments in the laws and regulations of emerging countries, including expropriation, nationalisation, temporary or continuing freeze of assets or confiscation could result in losses. The legal infrastructure and accounting, auditing and

reporting standards in emerging markets may not provide the same degree of investor information or protection as would generally apply to creditors in more major markets.

Liquidity of investments

Some markets into which Seiga invests are volatile and which may cause securities to become illiquid. Accordingly, it may be impossible (in the event of trading halts or daily price fluctuation limits on the markets traded or otherwise) or expensive to liquidate positions against which the market is moving. Alternatively, it may not be possible in certain circumstances for a position to be initiated or liquidated promptly (in the event of insufficient trading activity in the relevant market or otherwise). These risks may be accentuated where positions must be liquidated to meet margin requests, margin calls or other funding requirements.

Nature of certain investments

There are no limitation or minimum requirements in relation to the size or operating experience of the companies in which Seiga may invest. Some small companies in which Seiga may invest may lack management depth or the ability to generate internally or obtain externally the funds necessary for growth. Companies with new products or services could sustain significant losses if projected markets do not materialize. Further, such companies may have, or may develop, only a regional market for products or services and may be adversely affected by purely local events. Such companies may be small factors in their industries and may face intense competition from larger companies and entail a greater risk than investment in larger companies.

Concentration of holdings

Certain portfolio investments may constitute a significant percentage of the total AUM in any Private Fund. Any losses incurred in connection with these concentrated holdings will have a significant effect on the success of the Private Fund. In addition, these investments may need to be held for a long period and thus the Private Fund may be unable to participate in other trading opportunities.

Duration of investment periods

Seiga may at times need to use its discretion and subjective judgement to determine whether an investment position should be maintained or the point in time at which it should liquidate such a position to realise expected gains or to reduce/avoid losses. This is because the duration of investment periods are often difficult to predict with any certainty and vary significantly from one another; particularly since market factors constantly fluctuate. Frequently, to optimise the probability of being able to exploit the pricing anomalies among these positions, concentrated holdings may also be required for significant time periods, leading to opportunity costs that result from the committed capital. Due to the unpredictable nature of investment periods, particular positions may not be held at the most optimal length of time to augment gains, or to reduce disadvantageous positions.

Type of acquired assets or instruments

The types of assets that Seiga's clients will acquire vary widely and there is no limit on the type of assets or instruments that may be acquired. Certain assets may be arbitrage positions in which a spread is identified between two necessarily correlated investments. These types of the positions are expected to have comparatively limited intrinsic profit potential as their profitability reflects only changes in the pricing spreads between related instruments or price discrepancies between related instruments, rather than absolute price movements. Certain of these assets may involve significant risk, especially if historical price patterns are disrupted or securities lending or credit "squeezes" force the liquidation of leveraged assets at disadvantageous prices. Other investment strategies may also have a strong directional bias.

Discrepancy of brokerage quotes and execution prices

Prices quoted by dealers for certain assets or instruments for some purposes may differ materially from the prices at which such dealers are willing to execute transactions in such investments. This disparity can ultimately result in unexpected losses when such assets or instruments are bought or sold at prices that differ from those quoted by dealers.

Credit analysis and credit risk of issuers

Seiga employs an investment screening process, which may include undertaking a detailed credit analysis on issuers where relevant in order to generate a holistic view of potential investment opportunities. As part of this process, Seiga may rely on a rating agency's opinion regarding the issuer's credit rating and worthiness (i.e. its ability repay debt or loans). However, such a rating may not be accurate and reflective of the future credit performance or quality of the issuer. As a result, investments may result in substantial losses in the event of credit deterioration, insolvency or bankruptcy of one or more issuers. In particular, if the credit rating of an issuer is downgraded and adversely affects the market value of their securities, the realised returns on investment may, in turn, be adversely affected. While Seiga may utilise various instruments to hedge against such potential credit risk, such hedging will not always be successful in offsetting such issuer-related losses.

Investments in undervalued securities

Seiga will seek to invest in undervalued securities. The identification of investment opportunities in undervalued securities is difficult, and there are no assurances that such opportunities will be successfully recognized or acquired. While investments in undervalued securities offer the opportunity for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from such undervalued investments may not adequately compensate for the business and financial risks assumed. In addition, these securities may need to be held for a substantial period of time before realising their anticipated value. During this period, a portion of total capital would be committed to the securities purchased, thus possibly preventing investments in other, more profitable opportunities.

Short sales

Seiga engages in short selling of securities as part of its trading strategy. A short sale involves the sale of a borrowed security in the expectation of purchasing the same security (or a security exchangeable for it) at a later date at a lower price to return it to the lender to generate a profit. Since the borrowed securities must later be replaced by purchases at market prices in order to close out the short position, any appreciation in the price of the borrowed securities would result in a loss. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. Theoretically, the potential loss on the securities sold short is unlimited as there is no ceiling on how far the price of the security may rise. Also, a short seller may be prematurely forced out of a position due to an inability to maintain a loan of the stock which was borrowed to make the short sale. Furthermore, if Seiga has sold short the securities offered in an exchange offer or merger and has purchased the securities of the target company, it is exposed to the risk that, if the transaction is not consummated, the investment may suffer losses.

In times of financial stress, regulators have in the past introduced short selling restrictions on certain types of instruments or issuers, or generally, and may introduce new or additional restrictions in the future. Such short selling bans may be introduced with no or minimal advance notice, so that market participants may not be prepared for their consequences. Any such limitation on short selling can have a material adverse impact on Seiga's investment program, including without limitation the ability to generate returns in core investment areas or to effectively hedge certain risks with respect to particular investment strategies.

Hedging and arbitrage

Seiga may or may not use "hedged" or arbitrage strategies. The lack of hedging may result in greater losses if an unhedged investment risk is realised. Although Seiga does not generally intend to hedge its long positions with short positions and vice versa, if it did decide to implement a hedging strategy, this does not necessarily mean these strategies are relatively low risk. Substantial losses may be recognised on hedge or arbitrage positions, and illiquidity and default on one side of a position can effectively result in the position being transformed into an outright speculative investment. Every hedge or arbitrage strategy involves exposure to some second order risk of the markets, such as the price spread between different classes of stock for the same issuer.

Certain developments may adversely affect the cash flow associated with a hedged position. For example, the imposition of a dividend or increase in the dividend rate on a stock which is sold short could create or increase the negative cash flow associated with the hedge, or create a disparity in values between the positions held to establish the hedge. A hedged position would also be adversely affected if Seiga was unable to maintain its short position. This could occur if a stock loan is called in before the position is unwound.

Among the risks of arbitrage transactions are that two or more buy or sell orders may not be able to be executed simultaneously at the desired prices, resulting in a loss being incurred on

both sides of a multiple trade arbitrage transaction. Also, the transaction costs of arbitrage transactions can be especially significant because separate costs are incurred on each component of the combination. Consequently, a substantial favourable price movement may be required before a profit can be realised.

Event driven investing

Seiga may rely on event driven investing. Event driven investing requires Seiga to make predictions about: (i) the likelihood that an event will occur; and (ii) the impact such event will have on the value of a company's securities. When Seiga directs investments in companies that are involved in an event or deal, Seiga anticipates that it may gain profits upon consummation of such proposed event. However, if the event fails to occur or does not have the effect foreseen, the market price of such securities may decline sharply, falling to a price that may be below the prevailing price at the time of the announcement of the deal, which would lead to investment losses. For example, a company may announce a plan of restructuring which promises to enhance value and then fail to implement it, resulting in subsequent investment losses. In corporate reorganisations, the risk exists that the reorganisation will be unsuccessful, will be delayed or will result in a distribution of cash or new securities, the value of which will be less than the purchase price of the original securities. The consummation of events can be prevented or delayed by a variety of factors, including: (i) opposition of the management or shareholders of the target company, which will often result in litigation to enjoin the proposed transaction; (ii) intervention of a governmental or other regulatory agency; (iii) efforts by the target company to pursue a defence strategy, including a merger with, or a friendly tender offer by, a company other than the offeror; (iv) in the case of a merger, failure to obtain the necessary shareholder, regulatory or governmental approvals; (v) market conditions resulting in material changes in securities prices; (vi) compliance with any applicable securities laws; and (vii) inability to obtain adequate financing.

Currency risk

The Private Funds are valued in US Dollars. Assets and liabilities denominated in other currencies will be translated at the rate of exchange in effect at the relevant Valuation Day and translation adjustments will be reflected in the resulting valuation. Currency exchange rates generally are determined by the forces of supply and demand in the currency exchange markets and the relative merits of investment in different countries, actual or anticipated changes in interest rates and other complex factors as seen from an international perspective. Currency exchange rates can also be affected unpredictably by intervention or failure to intervene by governments or central banks or by currency controls or political developments throughout the world. Likewise, end investors dealing in a different local currency than US Dollars should be aware that the currency exchange rate fluctuations could cause the value of their investment to diminish. Further, transaction costs may be incurred in connection with the conversions between such other currencies and US Dollars.

Interest rate risks

Certain investments may be exposed to interest rate risks. To the extent prevailing interest rates change, do so to a larger extent or in a different way than anticipated by Seiga, the exposed investments could suffer significant financial losses. Increases in interest rates may also affect borrowings, having a negative impact on profitability.

Suspensions of trading

Each exchange typically has the right to suspend or limit trading in all instruments which it lists or trades. Such suspensions can sometimes last several months or years. Such suspensions may affect the ability to determine the Net Asset Value accurately, and may render it difficult or impossible to liquidate positions, or such positions may only be sold at a substantial discount and therefore, at a loss to the investor.

Leverage

In order to implement its investment objective, Seiga may use certain forms of leverage. The Private Funds have the power to borrow and may do so when deemed appropriate by Seiga for any purpose, including without limitation to enhance fund returns. While leverage presents opportunities for increasing total returns, it has the effect of potentially increasing losses as well, as well as causing transactional costs. Accordingly, any event which adversely affects the value of an investment would be magnified to the extent leverage is employed. The cumulative effect of the use of leverage in a market that moves adversely to a leveraged investment could result in a substantial loss, which would be greater than if leverage were not used, and reduced investment returns.

Generally, most leveraged transactions involve the posting of collateral. Increases in the amount of margin or similar payments could result in the need for trading activity at times and prices which could result in substantial losses. Conversely, there can be no assurance that leverage facilities will always be available and a loss of, or reduction in, the leverage facilities is likely to have the effect of causing Seiga to reduce the Private Funds' overall investment exposure. Terms upon which leverage facilities are available may be subject to change. Both factors may reduce investment returns.

Technical Analysis

While Seiga uses a fundamentally driven research process that analyses companies across their corporate capital structure, it may also utilise technical factors to analyse historical price trends/action and current market data of securities to predict future market movements. Such technical strategies are subject to the risk that unexpected fundamental or other factors may dominate the market during certain periods. Moreover, a common premise behind technical analysis is that past market trends are indicative of future price movements. The influx of different market participants, structural changes in the markets, the introduction of new financial products and other developments may adversely affect any investment gains that are made based upon technical analysis.

Counterparty trading risk

The Private Funds have contractual relationships to obtain financing, derivative intermediation and prime brokerage services that permit them to trade any variety of markets or asset classes over time. There is the possibility that the institutions, including brokerage firms and banks, with which Seiga and the Private Funds do business, trade or invest, or with whom securities may be entrusted for custody, will encounter financial difficulties or fraud that may impair the operational capabilities or the capital position of the Private Funds. Although Seiga uses multiple brokers and will regularly monitor the financial condition of such brokers, if one or more of the Private Funds' brokers were to become insolvent or the subject of liquidation proceedings (both in and out of bankruptcy), there exists the risk that the recovery of securities and other assets from such a broker will be delayed or result in a recovery that is less than the value of the securities or assets originally entrusted to such broker. In addition to the risk of a counterparty or broker defaulting, there also is the risk that counterparties or brokers will be required to restrict the amount of credit previously granted to the Private Funds due to their own financial difficulties, resulting in forced liquidation of the Private Funds' portfolio.

Investment and Trading Risks in General

Seiga trades a variety of investment products. All investments are subject to systemic, systematic and idiosyncratic risks that could lead to the total loss of capital. Markets can become volatile. At times of extreme volatility, financial instruments and markets may become highly correlated causing significant losses from various hedging strategies. Investment results may vary significantly over time. Seiga's investment strategy may utilize investment instruments and techniques including concentrated positions, margin transactions and leverage. Such instruments and techniques may magnify the adverse impact to which Clients may be subject during periods of excessive market volatility. As is true of any investment, there is a risk that an investment in the Private Funds will be lost entirely or in part. Financial instruments in which clients may be invested include, but are not limited to:

- Equity Securities
- Debt Securities (including without limitation, bonds, commercial paper and higher yielding (including non-investment grade and, therefore, higher risk) debt securities)
- Commodities
- Swaps (including but not limited to securities, interest rates, currency, commodity interests, index, price or credit default)
- Foreign exchange contracts
- ADRS/GDRs
- Futures Contracts and Options (including Index futures and options)
- Forward Contracts
- Derivatives (exchange traded and OTC)
- Other OTC Investments

Using these instruments could result in the loss of 100% of investment.

DISCIPLINARY INFORMATION

There are no legal or disciplinary events that are material to a client or prospective client evaluation of Seiga's advisory business or the integrity of Seiga's management.



OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. Global Regulatory Status

As referenced above, in addition to its US registration, Seiga is licensed by the SFC to conduct Type 9 (asset management) regulated activities in Hong Kong since March 17, 2017 with registration number BIU823. Seiga has no affiliated entities that would be subject to regulation in the United States and is considered to be an exempt commodity pool operator pursuant to regulation 4.13(a)(3) under the Commodity Exchange Act of 1936 (as amended). It currently has no plans to become a regulated broker-dealer in the United States.

B. Material Relationships or Arrangements with Industry Participants

As has been publicly reported, Seiga manages investments in its Private Funds that were made by an affiliate of the Blackstone Group. The Blackstone Group and its affiliates are regulated globally and the Blackstone Group is publicly traded on the New York Stock Exchange under ticker symbol BX.

C. Material Conflicts of Interest Relating to Other Investment Advisers

Other Clients; Allocation of Investment Opportunities

There are no restrictions on Seiga's ability to manage multiple accounts that have different investment objectives, philosophies and strategies from one another. Seiga provides, and may in the future provide, investment advice to other investment entities and separately managed accounts with investment strategies and policies similar to, or different from its current Clients. is responsible for the investment decisions made on behalf of its Clients. The results achieved for any individual Client may diverge significantly from the results achieved by Seiga for other Clients for which it may provide investment advisory services.

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

A. Code of Ethics

Seiga has established a comprehensive Code of Ethics (the "Code of Ethics") which is distributed to each employee each fiscal year and updated periodically throughout the year as deemed necessary by Seiga. The Code of Ethics focuses on a wide range of important considerations including, but not limited to: outside activities, potential conflicts of interest, confidentiality, disciplinary matters, dealing with government and other regulatory bodies, personal trading, insider trading and prohibited transactions. Investors or prospective investors may request a copy of the Code of Ethics by contacting Seiga at the address or telephone number listed on the first page of this document.

B. Securities in Which the Investment Adviser or a Related Person Has a Material Financial Interest

Related Party Transactions, Cross Transactions and Principal Transactions

Section 206(3) of the Advisers Act provides that it is unlawful for any investment adviser, directly or indirectly "acting as principal for his own account, knowingly to sell any security to or purchase any security from a client, or acting as broker for a person other than such client, knowingly to effect any sale or purchase of any security for the account of such client, without disclosing to such client in writing before the completion of such transaction the capacity in which he is acting and obtaining the consent of the client to such transaction." Transactions subject to the foregoing requirements are sometimes referred to as "principal trades." Seiga does not engage in any principal transactions.

Section 206(3) also prohibits agency cross trading without specific consent. It is the general policy of Seiga not to engage in agency cross trading. Seiga may direct brokered cross trades with regard to certain positions where investment mandates of its clients diverge and where Seiga believes that any difference between the commission paid by one client and the commission that would have been paid in an open market transaction are immaterial and outweighed by the benefit of crossing between accounts.

The Private Fund Board of Directors will be authorized to review and approve transactions that may give rise to conflicts of interest and otherwise deliver the consent of the "client" pursuant to the Advisers Act, including Section 206 thereof.

C. Investing in Securities That the Investment Adviser or a Related Person Recommends to Clients

Seiga's principals and employees are banned from trading in instruments that are held by Seiga's Private Funds or other accounts. Employees are required to report personal securities transactions to Seiga, although the records of such personal trading will not be made available to underlying investors. Personal securities transactions by employees may raise potential conflicts of interest. Seiga has adopted policies and procedures designed to detect and mitigate such conflicts of interest. Transactions in certain securities are required to be pre-cleared to allow for a review for any potential conflict of interest or insider trading.

BROKERAGE PRACTICES

A. Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions

Seiga has full discretionary authority to manage Private Fund assets, including authority to make decisions with respect to which securities are bought and sold, the amount and price of those securities, the brokers or dealers to be used for a particular transaction and commissions or markups and markdowns paid.

Portfolio transactions are allocated to brokers and dealers on the basis of numerous factors and not necessarily lowest pricing. In selecting an appropriate broker-dealer to effect a trade, Seiga will use its reasonable efforts to obtain best price and best execution and will take into account such relevant factors: price; counterparty risk, sound financial strength, balance sheet and credit rating; strong reputation in the market space; capability to keep up with the needs of the Fund as it expands/grows; competitive fee structure and commission levels; availability and stability of stock loan; research, quality of research and corporate access; quality of service; ability to handle multi-currency cash, securities and OTC instruments in various jurisdictions; ability to efficiently handle the custody, clearing and settlement of securities in various jurisdictions; operational capabilities and record-keeping systems to keep accurate track of the Funds' securities; adequacy of notification of corporate actions such as rights issues and dividend payments; appropriate legal and regulatory status, including compliance with SFC requirements, where applicable; physical presence in Hong Kong and/or the relevant market for trading; and other factors where relevant. Seiga reviews on a quarterly basis its execution with all its brokers to ensure best execution for its accounts.

1. Research and Other Soft Dollar Benefits

Seiga maintains CSA (commission sharing agreements) for its Private Funds with their respective prime brokers and ISDA counterparties. To date, all goods and services received through commission sharing arrangements were those which otherwise would have been paid for as direct research costs by the Funds, including: research and advisory services, portfolio analysis (including valuation and performance measurement), market data and quotation services, and computer hardware and software incidental to the above goods and services.

With regard to Section 28(e) of the Securities Exchange Act of 1934 ("Section 28(e)"), Seiga's general policy is that any "soft dollars" obtained in connection with portfolio transactions (to

the extent relevant under the Securities Exchange Act of 1934, as amended) are intended to fall within the "safe harbor" of Section 28(e). Seiga will endeavor to comply with this policy at all times. Under Section 28(e) and to the extent possible and appropriate, research obtained with "soft dollars" generated by a brokerage transaction may be used by Seiga to service investment funds, client accounts and proprietary accounts it may manage in the future. Where a product or service obtained with "soft dollars" provides both research and non-research assistance to the Fund, the Fund will make a reasonable allocation of the cost which may be paid for with "soft dollars".

2. Brokerage for Client Referrals

Neither Seiga nor its Private Funds receive client referrals from any broker-dealer or third party. However, as discussed above, subject to best execution, Seiga may consider, among other things, capital introduction and marketing assistance with respect to investors in the Private Funds in selecting or recommending broker-dealers for such Private Funds.

3. Directed Brokerage

Seiga may, in the future advise on a discretionary basis funds that require it to book its transactions with a specific broker. The Private Funds currently do not have any directed brokerage relationships in place. When an account with directed brokerage is invested alongside the Private Funds, such account may suffer higher commission charges on transactions where there is a difference between the commission being charged by the broker to whom the transaction must be directed and the unrestricted Private Funds. Seiga will attempt to mitigate such discrepancies by transacting on swap for any such directed brokerage account such that the account may gain the benefit of best execution with the trade "given up" to the broker for whom the account must be executed. However, in the event that a give up can not be transacted, where the Private Funds and any directed brokerage accounts are being traded together, the directed brokerage account will lose the benefit of aggregation for most favourable commissions.

B. Order Aggregation and Allocation

Other than as referenced above, Seiga seeks to allocate orders and investment opportunities among its clients in a manner that it believes is fair and equitable. Although such allocations may be pro rata as to Private Funds and other participating entities and clients, they will not necessarily be so, where Seiga's allocation policy (e.g., due to differing objectives or other considerations) permits a different result. In cases where a limited amount of an instrument is available for purchase, the allocation of such instrument, as between Private Funds and any such other managed entities may necessarily reduce the amount available for purchase by each client individually. There can be no assurance that a particular order or investment opportunity will be allocated in a particular manner. Circumstances may occur in which an allocation could have adverse effects on any individual clients with respect to the price or size of positions obtainable or saleable. If conflicts arise in the allocation of investment opportunities, Seiga will seek to resolve such conflicts fairly.

Seiga's allocation policy does not require that each opportunity be made available to all accounts, leaving significant discretion to Seiga. For example, there may be accounts with differing investment objectives, so that the same transaction would not necessarily be made available to all accounts.

Where multiple accounts are buying into the same investment, Seiga is permitted to aggregate sales and purchase orders of such securities. In accounting for such aggregated orders, price, commission and other expenses are averaged on a per transaction basis.

REVIEW OF ACCOUNTS

A. Frequency and Nature of Review of Client Accounts or Financial Plans

As a discretionary asset manager Seiga is continually reviewing its investment strategy and portfolio holdings. The firm is under the direct investment authority of the CIO, who requires all investments to undergo both long and short side analysis prior to making an investment decision on any investment. The positions, once placed, are then regularly assessed on an ongoing basis.

B. Factors Prompting Review of Client Accounts Other than a Periodic Review

Under the SFC's Fund Manager Code of Conduct, Seiga must maintain a liquidity policy, risk management policy, and leverage policy. To the extent that any other elements of market risk, either covered under these other policies or as determined by the CIO were to be triggered, an other than periodic review would occur. However, Seiga believes this is unlikely given the continuous review of the underlying portfolio investments at all times.

C. Content and Frequency of Account Reports to Clients

Seiga generally provides annual audited financial statements to its underlying investors within 120 days of the applicable Private Fund's year end. Underlying investors in the Private Funds receive monthly account statements from a qualified custodian and may also, periodically, receive investment commentary from Seiga, if agreed to by Seiga.

CLIENT REFERRALS AND OTHER COMPENSATION**A. Economic Benefits for Providing Services to Clients**

Seiga does not receive economic benefits from non-clients for providing investment advice and other advisory services.

B. Compensation to Non-Supervised Persons for Client Referrals

Seiga currently does not have placement agents nor does it currently intend to engage any placement agents.

CUSTODY

Seiga interprets SEC regulation 206(4)-2 (the “Custody Rule”), as inapplicable to its Private Funds. Notwithstanding our position that the Custody Rule does not apply to the Private Funds, The Private Funds’ assets are held with “qualified custodians” as defined in the regulation, audited annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and distribute audited financial statements to all of their underlying investors within 120 days of the end of their fiscal year.

**INVESTMENT DISCRETION**

Seiga has entered into an investment management agreement, or similar agreement, with each Private Fund or other account with which it works pursuant to which the scope of discretionary investment authority is articulated. (See Items 4 and 10 for additional details.) It is deemed to have investment discretion over all of its accounts.

Seiga's specific investment decisions and advice with regard to any account are subject to the specific investment restrictions and guidelines which are set forth in the relevant investment management agreement.

VOTING CLIENT SECURITIES

Rule 206(4)-6 under the Advisers Act requires registered investment advisers that exercise voting authority over client securities to implement proxy voting policies. Seiga does not make investments in US traded securities with voting rights, accordingly Seiga does not have in place US-centric proxy voting rules.



FINANCIAL INFORMATION

Seiga is not required to include a balance sheet for its most recent fiscal year, is not aware of any financial condition reasonably likely to impair its ability to meet contractual requirements to any of its clients and has not been the subject of a bankruptcy petition at any time during the past 10 years.