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Addventure International LLC

Business address: Presnenskaya naberezhnaya 8, bld. 1, office 30, Moscow, Russian Federation, 123112

Website: <http://addventureintl.com/>

This brochure provides information on the qualifications and business practices of Addventure International LLC. The information in this brochure has not been approved or verified by the United States SEC or by any state securities authority. Additional information about Addventure International LLC is also available on the SEC's website at www.adviserinfo.sec.gov. Registration does not imply a certain level of skill or training but only indicates that Addventure International LLC (once the registration is granted) has registered its business with United States Securities and Exchange Commission. Addventure International LLC's CRD number is 317370.

If you have any questions about the contents of this brochure, please contact us at phones: + 7 916 189 91 11 or by operations@addventure.vc

Item 2 Material changes

Information in this Brochure has not been amended since this is the first Brochure publication.

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Item 4 Advisory business

A. General description

Addventure International LLC is a limited liability company organized on 16 June 2021 and registered under File No.: 6007715 under the laws of state of Delaware, with a place of business at: Presnenskaya naberezhnaya 8, bld. 1, office 30, Moscow, Russian Federation, 123112 ("**Addventure**", "**we**").

Addventure specializes in managing closed end and segregated portfolios for private clients, corporations and trusts. In particular, Addventure provides investment advisor services to certain series of Delaware series limited liability companies ("**Series**") the ultimate holders of interests (units) in which are mostly (in 90% cases) investors that are non-US persons ("**Ultimate Investors**").

Addventure is a privately owned company owned by persons listed in Schedule A of Part 1A of Form ADV as filed to United States Securities and Exchange Commission ("**SEC**") and disclosed on SEC's website at www.adviserinfo.sec.gov.

B. Summary of company's advisory services

Addventure, as the managing member in Series, provides investment advice for compensation with respect to (i) acquisition and sale of shares and/or debt of private (non-US and US) companies (each of such companies "**Target Company**" and such assets "**Portfolio Assets**") on the balance of the Series and (ii) management of Portfolio Assets including by way of taking voting decisions on behalf of each Series as holder of Portfolio Assets.

The Portfolio Assets mainly comprise of securities in the early, mid and late-stage companies situated worldwide in different industry sectors that provide their services through internet. Addventure seeks to invest in a portfolio of technological companies with sizable addressable market size, significant growth potential, proven management teams and viable exit strategies. Although Addventure primary focus is to invest directly in originated transactions, in certain circumstances Addventure also invests in convertible and non-convertible loans.

Our investment objective is to generate long-term appreciation of capital invested by our Ultimate Investors by way of leveraging experience of our investment advisory team in sourcing and analysing attractive investment opportunities in Portfolio Assets.

C. Investment restrictions

The acquisition and sale of Portfolio Assets for the balance of the Series is performed by Addventure (as the managing member in the Series) on a non-discretionary basis, which implies that consent of Ultimate Investor is required for Addventure to proceed with such transaction(s). However, as set out in Item 17 below, Addventure (as the managing member in the Series) will still have certain discretionary authority through exercise on behalf of the Series of the voting rights under the securities (Portfolio Assets) with respect to the Target Companies.

D. Wrap fee programs

Addventure operates as a fee paid advisor and is compensated by the types of fees as described in Item 5 below. We have not implemented any wrap fee program(s).

E. Assets under management

As of the date of this Brochure, Addventure manages two (2) Series with the total assets under management equal to USD 6,396,669.

Item 5 Fees and compensation

A. Advisory fees

At present Addventure operates as a fee paid advisor and is compensated by the following asset-based fees ("**Advisory Fees**"):

(i) Performance based fee ("**Carry Fee**")

Such fee is calculated as percentage of the amounts received by Ultimate Investors in excess of (x) the amount invested to the capital of the Series and (y) expenses and Operational Fees (as described below) paid by Ultimate Investors.

(ii) Management and/or origination fee (the "**Operational Fees**")

Such fees are calculated as a percentage of capital invested into the capital of Series by the Ultimate Investor that may be charged (a) upfront as one-off origination fee ("**Origination Fee**") or (b) periodically (monthly, quarterly or annually) as management fee ("**Management Fee**").

The Advisory Fees are negotiable, but the average Origination Fee is 6%, Management Fee is 2% and the usual Carry Fee is 20%.

Addventure reserves the right, in its sole discretion, to negotiate, reduce or waive the Advisory Fees for certain Ultimate Investors for any period of time determined by Addventure. In addition, Addventure may reduce or waive its fees for some Ultimate Investors without notice to, or fee adjustment for, other ultimate investors.

B. Deduction of fees

Our fees and expenses (attributable to Ultimate Investor) can be deducted from the bank account of the Series, or we may bill Series and/or Ultimate Investors for fees (but is always subject to preliminary written consent granted by Ultimate Investor upon signing the Series' documentation).

C. Other fees and expenses

Addventure is not a broker/dealer. Our Advisory Fees are exclusive of transaction fees and other related costs and expenses charged by others, and which are paid by Ultimate Investors. As managing member in the Series, Addventure performs the function of investment adviser to the Series (owned by the Ultimate Investors) and, as a result of activities of such Series certain costs and expenses ("**Expenses**") may be incurred which shall be compensated by Ultimate Investors or by Series (the latter still implies that the final economic burden connected with payment of Expenses is put on the Ultimate Investor as the holder of interest (units) in the Series).

Expenses shall include, among other, the following costs, expenses and losses incurred by the master limited liability company on the basis of which Series is organized ("**Master LLC**"), the Series, the managing member or the investment adviser, and associated with the operation, dissolution, winding-up, or termination of the Master LLC or any Series: (i) expenses associated with the establishment of a Master LLC and/or Series or the syndication of membership interest (units) therein; (ii) legal, accounting, audit, administrator valuation, tax compliance, custodial and other professional fees; (iii) banking, broken-deal, registration, qualification, finders, depositary and similar fees or commissions; (iv) transfer, capital and other taxes, as well as charges, duties and fees, and any other costs, incurred in acquiring, holding, selling or otherwise managing or disposing of Series assets or obligations; (v) costs of financial statements and other reports to members as well as costs of all governmental returns, reports and other filings; (vi) public notice costs; (vii) costs and expenses associated with preparing tax returns, making tax elections and determinations, and similar activities; (viii) taxes and other governmental charges imposed upon the Series as an entity (rather than solely as a withholding agent); (ix) costs of the Series, the managing member, or the investment adviser to comply with applicable securities laws as well as compliance by the managing member or the investment adviser with applicable registration or licensing laws arising from the management of, or provision of advice to, the Series.

Addventure shall be responsible for and shall pay, and no Series or Ultimate Investor shall be responsible for the payment of, any out-of-pocket expenses associated with the organization of Addventure and expenses of Series shall not include the normal operating expenses of Addventure and its respective equity holders.

D. Prepaid fees

We do not charge any prepaid fees.

E. Sale of securities

Addventure is not a broker/dealer. We do not receive any fees or compensation related to the sale or purchase of securities or other investment products. Neither we nor any of our personnel or principals receives any commissions from sponsors of investments products.

Item 6 Performance-based fees and side-by-side management

We charge our clients a performance-based fee which is based on a share of capital gains on or capital appreciation of the assets of a client. As a rule of thumb, this performance-based fee is 20% of the client's realized capital gain or capital appreciation.

In some cases, in addition to the performance-based fee, we may charge our clients with Operational Fees, such as Origination Fee (a one-time fee) and/or Management Fee (normally representing 2% per annum of the amounts invested by our clients into the Portfolio Assets payable over a period not exceeding 3 years) as described in Item 5 above.

Our performance-based fee is structured in way that the aggregate amount of Operational Fees is always included into a calculation of a net capital gain of a client (i.e. client's gross capital gain is adjusted for the Operational Fees paid by the client to us). Therefore, we believe the existence of such Operational Fees does not constitute any potential conflict of interest in a context of side-by-side management.

Nevertheless, pursuant to the US Investment Advisers Act of 1940, Addventure has a fiduciary obligation to place client interests above its own, to treat all clients equitably and to disclose material facts, including conflicts of interests and we ensure this through enforcement of our compliance policies and procedures programs.

Item 7 Types of clients

We offer advisor services to the Series the membership interest (units) of which are owned by individuals, trusts, and corporations as described in Item 4 above. In general, as investment, we require a minimum of USD 25,000 depending on a particular Ultimate Investor (we work with investors that at least qualify as “accredited investors” within the meaning of Rule 501 of Regulation D of US Securities Act of 1933) and the type of transaction we advise on.

Item 8 Methods of analysis, investment strategies and risk of loss

A. Methods of analysis and investment strategies

Generally, the investment strategy we offer to our clients envisages an analysis of a specific investment transaction, i.e. purchase of a Portfolio Asset(s) on specified and pre-agreed terms. We apply the following analysis when assessing and offering such specific investment transaction to our clients:

- A top-down analysis of the business to which the Portfolio Asset provides financial exposure (“**Business**”). Such analysis may include an assessment of the current and future market size and trends, analysis of the business’ competitive landscape;
- Analysis of the unit economics of the Target Company;
- Analysis of how the Portfolio Asset is valued for the purpose of the investment transaction on the basis of available public and private data that is considered as benchmark;
- Analysis of a legal structure of a Portfolio Asset and rights and obligations attached to it;
- Analysis of other material information in relation to the Target Company and the Portfolio Asset.

B. General risks associated with investments

An investment, with respect to which Addventure provides advisory services, (“**Investment**”) involves a high degree of risk, including among others:

- Limited liquidity of and long-term holding period for the Portfolio Asset (and the related Investment);
- Lack of clearly identifiable and publicly available valuation benchmarks for the Portfolio Asset (and the related Investment);
- High price volatility of the Portfolio Asset (and the related Investment);
- Ability of the Target Company to operate as a going concern should it not being able to finance its operations which might significantly impact the fair value of the Portfolio Asset (and the related Investment).

Investment is suitable only for sophisticated investors of substantial means who have no immediate need for liquidity of the amount invested, who can afford a risk of loss of all or a substantial part of the amount invested, and who have the resources to properly evaluate such an Investment. An Investment is a long-term commitment and there is no assurance of any distribution to the Ultimate Investors.

C. Specific risks associated with investments into Series

Unlike a typical venture capital/private equity fund, which is intended to invest in a variety of portfolio companies, the Series is expected to invest exclusively in Portfolio Assets of one Target Company. This approach carries with it a number of risks and special considerations not associated with a typical venture capital/private equity fund, including the following. The Series is not expected to provide portfolio diversification. The Series’ performance likely will be determined exclusively by the performance of its Investment in the Target Company. An Investment in the Series will (in essence) constitute an investment in the Target Company, burdened by the costs and procedures associated with the formation, management, operation, dissolution and liquidation of the Series and the Company. The performance of the Series will be particularly susceptible to risks associated with the Target Company, such as the death or incapacity of a key officer, litigation, regulation and other events that may negatively impact the Series’ performance.

For the avoidance of doubt, and without regard to Addventure’s status under the US Investment Advisers Act of 1940 or any other laws, Addventure hereby provides notice that the Series is intended and expected to pursue a venture capital strategy as described in Item 4 (B) of this Brochure.

Item 9 Disciplinary information

There are no legal or disciplinary events related to our advisory business or the integrity of our management.

Item 10 Other financial industry activities and affiliations

As disclosed in Item 7.A and Section 7.A. of Schedule D of Part 1A of Form ADV, as filed to SEC and disclosed on SEC's website at www.adviserinfo.sec.gov, Addventure has a related person called Addventure Management (Cyprus) Limited, a limited liability company incorporated under the laws of the Republic of Cyprus, registered under registration number HE 342858, with its registered office at: 5 Themistokli Dervi, Elenion Building, 1066 Nicosia, Cyprus ("**Addventure Management**") that is a managing member of certain investment vehicles that are incorporated and offered outside the United States and which are not beneficially owned by any United States person. Although Addventure and Addventure Management are owned by the same owners and share the same supervised persons nevertheless such relationship does not create a material conflict of interest with our clients.

Item 11 Code of ethics, participation or interest in client transactions and personal trading

Pursuant to SEC rule 204A-1, which requires registered advisors to adopt a codes of ethics, Addventure has adopted the Standards of Professional Conduct (the "**Code**") applicable to all personnel which requires personnel to adhere to the highest standards of business conduct. The Code is intended to assist personnel in carrying out their duties as fiduciaries to clients, and addresses Addventure's policies relating to compliance with laws and regulations, conflicts of interest, confidentiality, client gifts and entertainment, personal trading and reporting, and insider trading. A copy of the Code is available upon request. As appropriate, Addventure may recommend that Ultimate Investors invest in its' managed funds, in which we have a financial interest as the managing member or general partner and investment adviser. Addventure and its personnel may recommend or purchase on behalf of Ultimate Investors securities in which Addventure and its personnel also invest. However, Addventure and its personnel are required to give priority to client transactions over personal transactions at all times. Personal investment positions of Addventure personnel should never adversely affect Ultimate Investors' investments.

Item 12 Brokerage practices

As a managing member in and investment adviser for the Series, Addventure does not engage any broker-dealers for the purposes of making Investments by the Series.

Item 13 Review of accounts

The management team monitors all Ultimate Investors accounts and their investments on an ongoing basis. The management team meets regularly, generally to review portfolio performance, portfolio diversification and investments.

Normally, the financial and operational performance of the Business is reviewed by the management team on quarterly or monthly basis. The Ultimate Investors also receive a condensed summary of the financial and operational performance of the Business and overview of material events within the Business on quarterly basis.

Changes in the carrying value of the Portfolio Assets are reported quarterly through a distribution to the Ultimate Investor of its quarterly individual capital account statements.

Ultimate Investors are also provided with an annual audited report showing the assets and liabilities of each Series of which such Ultimate Investor is member, the profit and loss of such Series and the capital account balance of such Ultimate Investor in respect of such Series.

Item 14 Clients referrals and other compensation

From time to time, we may receive transactions fees, including origination, acquisition, disposition, financing, break-up or similar fees from Target Companies or third parties which are directly related to the activities of Addventure. Typically, any such fees received by us will be applied to reimburse us for any expenses incurred and not otherwise reimbursed.

Third parties may be compensated for assistance in arranging capital commitments into the Series with referral fee for each investor agents are responsible for introducing to Addventure and all managed Series. Any such arrangements are conducted pursuant to written agreements and in compliance with SEC rule 206(4)-3. The compensation to be paid to such unrelated parties is negotiated on an individual case basis.

Item 15 Custody

Each Series has its own bank account (segregated from accounts of Master LLC, other Series and the Managing Member) opened at bank that meets the definition of “qualified custodian” as per section (d)(6)(i) of § 275.206(4)-2 of US Investment Advisers Act of 1940. Thus, the cash of the managed Series are held by a third-party custodian as required under section (a) of § 275.206(4)-2 of US Investment Advisers Act of 1940, but Addventure is technically presumed to have custody of the Series’ assets by virtue of its role as managing member in the Series and consequently the audit requirements will be applicable to each Series as further described below which Addventure undertakes to procure.

Each Series will only invest in Portfolio Assets that are privately offered securities and consequently we are exempt from general requirement of US Investment Advisers Act of 1940 for investment adviser to engage the qualified custodian to maintain securities of clients (Series).

As mentioned in this Item 15 above the Series will be subject to (i) an annual audit (by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board in accordance with its rules) and will distribute its audited financial statements prepared in accordance with generally accepted accounting principles to all Ultimate Investors within 120 days of the end of its fiscal year and (ii) audit upon its liquidation and will distribute its audited financial statements prepared in accordance with generally accepted accounting principles to all Ultimate Investors promptly after the completion of such audit.

Unless we agree otherwise with an Ultimate Investor, private account clients authorize us to deduct fees and expenses when due from the assets held in the Series accounts.

Item 16 Investment discretion

Addventure, as the managing member in the Series, does not have discretionary authority to purchase or dispose Portfolio Assets on behalf of the client. Pursuant to Series' documentation to which Ultimate Investor and Addventure are parties, Addventure may dispose of Ultimate's Investor's portion of the Portfolio Assets held by a Series only with the consent of such Ultimate Investor. However, as set out in Item 17 below, Addventure (as the managing member in the Series) will still have certain discretionary authority through exercise on behalf of the Series of the voting rights under the securities (Portfolio Assets) with respect to the Target Companies.

Item 17 Voting client securities

Except as specifically set forth in Item 16 above, the Ultimate Investors shall take no part in the management, control or operation of any Series or its business and shall have no power or authority to act for any Series, bind any Series thereof under agreements or arrangements with third parties, or vote on behalf of Series on any matters pertaining to Portfolio Assets.

As the managing member in Series, that holds particular Portfolio Assets, Addventure will exercise on behalf of the Series the voting rights under securities (Portfolio Assets) with respect to the Target Companies.

We have adopted "Proxy Voting Policies and Voting Procedures" (the "**Proxy Voting Policy**") designed to ensure that Addventure votes proxies in the best interests of its Ultimate Investors. The Proxy Voting Policy addresses how Addventure generally intends to vote proxies (or what factors it will take into consideration) when voting on particular types of issues, such as mergers and acquisitions, management incentives and social issues. When there is a conflict of interest between Addventure's interests and those of Ultimate Investors, we may take one or more of the following steps to resolve the conflict: (1) vote the securities based on a pre-determined policy if the application of that policy to the matter presented to shareholders involves little discretion on the part of Addventure; (2) vote the securities in accordance with a pre-determined policy based upon the recommendations of an independent third party; or (3) disclose the conflict and obtain the client's consent or direction before voting. Upon request to Addventure, an Ultimate Investor may obtain a copy of the Proxy Voting Policy and information on how the securities attributable to Ultimate Investor were voted.

Item 18 Financial information

Addventure is not required to provide financial information to Ultimate Investors because it: (1) does not require the prepayment of more than \$1,200 in fees, six months or more in advance, or (2) is not in a financial condition that is reasonably likely to impair its ability to meet contractual commitments to Ultimate Investors. Addventure and its related persons have not been the subject of a bankruptcy petition at any time during the past ten years.