

BROCHURE OF

MONOCEROS ASSET MANAGEMENT LTD.

A Cayman Islands exempted company registered with the U.S. Securities and Exchange
Commission as an Investment Adviser
CRD# 312071

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THIS BROCHURE PROVIDES INFORMATION ABOUT THE QUALIFICATIONS AND BUSINESS PRACTICES OF MONOCEROS ASSET MANAGEMENT LTD. IF YOU HAVE ANY QUESTIONS ABOUT THE CONTENTS OF THIS BROCHURE, PLEASE CONTACT US AT (345) 327-1000.

THE INFORMATION IN THIS BROCHURE HAS NOT BEEN APPROVED OR VERIFIED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (“SEC”) OR ANY STATE SECURITIES AUTHORITY.

ADDITIONAL INFORMATION ABOUT MONOCEROS ASSET MANAGEMENT LTD. ALSO IS AVAILABLE ON THE SEC’S WEBSITE AT WWW.ADVISERINFO.SEC.GOV.

The delivery of this Brochure at any time does not imply that the information contained herein is correct as of any time subsequent to the date shown above. This Brochure will supersede all other documents containing information about Firm.

Item 2. Material Changes

There are no material changes to report since this is our initial Brochure.

Item 3. Table of Contents

Advisory Business	1
Fees and Compensation	1
Performance-Based Fees and Side-by-Side Management.....	2
Types of Clients	3
Investment Strategies and Risk of Loss	3
Disciplinary Information	3
Other Financial Industry Activities and Affiliations	4
Code of Ethics and Personal Trading Policies	4
Brokerage Practices	4
Soft Dollars.....	4
Review of Accounts	5
Client Referrals	5
Custody	5
Investment Discretion	5
Proxy Voting Policy	6
Financial Information	6

Item 4. ADVISORY BUSINESS

Monoceros Asset Management Ltd. (the “Firm”) is a Cayman Islands exempted company, which was formed on October 8, 2020. The Firm is a U.S. Securities and Exchange Commission (“SEC”) registered investment adviser. Registration as an investment adviser does not imply a level of skill or training. The Firm is 100% owned by Monoceros Holdings (Cayman) Limited, which is 100% owned by Christian Nowakowski. The Firm has three affiliates, Monoceros Ltd., Gemini Resources (Cayman) Ltd. (“Gemini”) and Orion Intelligence (Cayman) Ltd. (“Orion”), which provide, in the case of Monoceros Ltd. and Gemini, certain personnel services to the Firm, and in the case of Orion, certain technology and intellectual property licensing and services. The Firm’s Chief Compliance Officer is David Dillon.

The Firm currently provides investment management services to the following hedge fund structure: Monoceros M50 (U.S.) Feeder LP, along with Monoceros M50 (Cayman) Feeder Ltd., which are the feeder funds for Monoceros M50 Master Fund Ltd. (the “Funds”). The Funds are private investment vehicles which are offered exclusively to sophisticated investors. Investors in the Funds are accredited investors (as defined in Rule 501 of Regulation D promulgated under the U.S. Securities Act of 1933, as amended) and qualified clients (as defined in Rule 205-3 promulgated under the Investment Advisers Act of 1940, as amended). In addition to the Funds, the Firm also offers investment advisory services to separate qualified clients on a discretionary basis through separately managed accounts (“SMAs”), which utilize similar investment strategies to the Funds and are custom tailored to different individual objectives. The specific investment objectives and risks of the Funds are set forth in the relevant offering documents. In general, the Firm’s investment strategy is to generate favorable returns while seeking to preserve capital, by employing an active management style, seeking to exploit directional strategies that bet on anticipated movements in the market prices of equity securities, using a variety of analytical methods. The Firm also looks to take advantage of investments that are perceived to be significantly overvalued or undervalued at the current market price.

The Firm does not participate in wrap fee programs.

As of the date of this Brochure, the Firm manages approximately \$101,653,000 on a discretionary basis and \$0 on a non-discretionary basis.

Item 5. FEES AND COMPENSATION

The relevant offering documents of the Funds fully disclose the terms of the compensation collected by the Firm on behalf of the Funds. In general, the Firm charges the Funds a monthly management fee. The monthly management fee is equal to 0.25% (or 3.0% annually) of assets under management. Regarding SMAs, the client’s investment management agreement with the Firm will define the management fees applicable to each client. Such fees may be charged monthly, in advance or in arrears, or as otherwise negotiated with the client. Termination terms are specified in the applicable investment management agreement. No supervised person accepts compensation (e.g., brokerage commissions) for the sale of securities or other investment products.

Item 6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

In addition to the above management fees, the Firm receives a performance fee from the Funds equal to 30% of such Fund's respective net profits on an annual basis, *provided that* if such Fund's net profits exceed 39% in any fiscal year (or other applicable period), the Firm receives a performance fee equal to 39% of such Fund's net profits exceeding such threshold. The specific terms of the performance-based compensation are set forth in the relevant offering documents of the Funds. For example, the performance-based compensation is subject to a high water mark. Regarding SMAs, the client's investment management agreement with the Firm will define the terms of any performance-based compensation applicable to each client.

Performance-based compensation is drawn from client accounts either in the form of incentive performance fee or a profit allocation (sometimes referred to as "carry" or "carried interest").

The existence of performance-based compensation may create an incentive for the Firm and the individuals who are entitled to receive a portion of such compensation to manage investments in a more aggressive manner than they might otherwise do in the absence of performance-based compensation. Again, the specific details regarding any performance-based compensation are set forth in the respective client's governing documents. Investors in the Funds should refer to the limited partnership agreement, investment management agreement, and/or the respective private placement memorandum. SMA clients should refer to their investment management agreement.

In addition, in the event that the Firm manages an account from which it collects performance-based compensation and also manages at the same time an account from which it does not collect performance-based compensation, the Firm has an incentive to favor accounts for which it receives performance-based compensation because it will receive a greater profit from the accounts which are charged performance-based compensation. Therefore, the Firm has an incentive to allocate investments that are expected to be more profitable to accounts from which it collects performance-based compensation, on the one hand, and that are riskier on the other hand, since in both scenarios, the Firm may receive greater fees if the investment generates a positive return. Notwithstanding the foregoing, the Firm does not favor accounts that pay performance-based compensation.

The Firm does not represent that the amount of performance-based compensation or the manner of calculating the performance-based compensation is consistent with other performance-related fees charged by other investment advisers under the same or similar circumstances. The performance-based compensation charged by the Firm may be higher or lower than the performance-based compensation charged by other investment advisers for the same or similar services.

OTHER COSTS

Clients also incur third-party brokerage commission and other transaction costs, as explained in further detail in the **Brokerage Practices** section below. Additional third-party costs related mainly to custody, audit, administration, legal advice, tax advice and preparation, banking

services, and research and consulting shall also apply for investors in the Funds. In some cases, the Funds or SMA clients may also be billed to reimburse the Firm for certain transaction-related travel expenses. In all cases, details concerning applicable fees and expenses are set forth in the Funds' governing documents, and in the case of SMA clients, in their investment management agreement.

Item 7. TYPES OF CLIENTS

As discussed in the **Advisory Business** section above, the Firm currently provides investment management services primarily to the Funds, which in turn are offered exclusively to sophisticated investors. The Firm also offers investment management services to sophisticated investors on a discretionary basis through SMAs. In particular, the Firm manages separate institutional and individual client accounts on a discretionary basis, as stated above. Although the Firm generally seeks minimum account commitments from its investors in the Funds of US \$500,000, it can waive such minimums in its discretion. Minimums for SMAs will be subject to negotiation.

Item 8. INVESTMENT STRATEGIES AND RISK OF LOSS

The investment strategy employed by the Firm has its own set of risks, but in all cases, the Firm's strategies involve a risk of loss that clients should understand and be prepared to bear.

The Firm shall provide investment management services to the Funds and may also manage other accounts and/or establish other private investment funds in the future.

The Funds investment objectives seek, generally, to generate favorable returns while seeking to preserve capital.

An investment in the Funds also involves a number of material risks, including, but not limited to: the lack of a liquid public market for interests of the Funds; restrictions on the ability of investors in the Funds to withdraw or redeem their capital; and the ability of the Firm and its investment professionals to correctly identify and assess good investment opportunities, particularly given the often early stage of development of the businesses invested in, their frequent need for additional capital and the often rapidly shifting dynamics and intense competition that characterize the industries in which they operate.

A more complete discussion of the investment strategy and the risks involved is contained in the relevant private placement memorandum for the Funds and should be read by prospective investors carefully. SMA clients should refer to the risks set forth in their investment management agreements, as well as the risks disclosed in the Funds' private placement memorandums, due to the similarity in investment strategy. The Firm's investment strategy involves a risk of loss that clients should understand and be prepared to bear.

Item 9. DISCIPLINARY INFORMATION

The Firm does not believe that any of the Firm, or any of the partners, officers or employees of the Firm, have been involved in any legal or regulatory action, or other disciplinary event that is

material to an investor's/client's or prospective investor's/client's evaluation of the advisory business or management of the Firm.

Item 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

The Firm has no existing or pending affiliations with a registered broker-dealer, Futures Commission Merchant (FCM), Commodity Pool Operator (CPO), or Commodity Trading Advisor (CTA).

Item 11. CODE OF ETHICS AND PERSONAL TRADING POLICIES

The Firm maintains a code of ethics, which includes policies regarding the trading of securities in personal brokerage or similar accounts by its principals and employees. The code of ethics does not restrict the Firm principals, members and employees from maintaining or trading in such accounts, but establishes certain trading restrictions, as well as prohibitions against any activity that either abuses confidential knowledge about client accounts or attempts to profit at their expense. In general, all the Firm directors, members and employees are required to submit annual reports on all securities holdings and monthly reports on all security transactions in accounts controlled either directly or indirectly. Submitted reports are reviewed by the Chief Compliance Officer, or his delegate. Violations of policy are punishable by sanctions including fines and termination of employment.

Item 12. BROKERAGE PRACTICES

The Firm has discretion over the selection of brokers used for securities transactions in its private fund clients' accounts. The Firm may also have similar discretion in the accounts of its institutional and individual clients managed on a separate account basis. Where the Firm has such discretion, its selection of brokers will take into account the following factors: the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); the operational efficiency with which transactions are effected and the efficiency of error resolution, taking into account the size of order and difficulty of execution; the financial strength, integrity and stability of the broker; special execution capabilities; reputation; clearance, settlement, on-line pricing, block trading and block positioning capabilities; willingness to execute related or unrelated difficult transactions in the future; order of call; online access to computerized data regarding clients' accounts; performance measurement data; the quality, comprehensiveness and frequency of available brokerage and research products and services considered to be of value; the availability of stocks to borrow for short trades; and the competitiveness of commission rates in comparison with other brokers satisfying the Firm's other selection criteria.

Soft Dollar Benefits

The term "soft dollars" refers to the receipt by an investment manager or adviser of products and services provided by brokers, without any cash payment by the investment manager, based on the volume of brokerage commission revenues generated from securities transactions executed through those brokers on behalf of the investment manager's clients. Section 28(e) of the

Securities Exchange Act of 1934, as amended (“Exchange Act”), provides a “safe harbor” to investment managers who use soft dollars generated by their advised accounts to obtain brokerage and research products and services. Brokerage products and services must relate to the execution, clearance and settlement of trades. Research products and services must provide lawful and appropriate assistance to the investment manager in the performance of investment decision-making responsibilities. The Firm will only use soft dollars within the safe harbor afforded by Section 28(e) of the Exchange Act.

If applicable, the use of brokerage commissions to obtain investment research services and to pay for their own administrative costs and expenses creates a conflict of interest between the Firm, on the one hand, and its clients, on the other, because the investor/client pays for such products and services that are not exclusively for the benefit of the investor/client and that may be primarily for the benefit of Firm or other investors/clients.

Item 13. REVIEW OF ACCOUNTS

Client accounts are reviewed by the Portfolio Manager and the Chief Compliance Officer on a periodic basis, depending on activity in the account and the frequency of client reporting. Investors in the Funds receive written statements containing individual net asset values on a monthly or quarterly basis, either from the Firm directly or from the client’s independent fund administrator, as set forth in the terms of the relevant private placement memorandum or limited partnership agreement. Clients with SMAs generally receive monthly statements directly from their custodian broker.

Item 14. CLIENT REFERRALS

The Firm may enter into arrangements with unaffiliated third parties whereby compensation is paid for referring clients or investors. Generally, these payments are based on a percentage of management fees, performance-based fees, or some combination thereof, earned by the Firm with respect to such client or investor. Because such arrangements contain inherent conflicts of interests between the referring party, on the one hand, and the client/investor, on the other, the Firm requires documentation that these conflicts have been disclosed to investors/clients.

Item 15. CUSTODY

The Firm is considered to have custody of client assets as a result of its affiliates acting as general partners to the Funds. Actual custody of client assets, however, is at a qualified custodian. Regarding SMAs, clients should carefully review all account statements and compare those received from the Firm with those received directly from their custodian broker. Regarding the Funds, the Firm will send annual audited financial statements, prepared in accordance with GAAP, to each fund investor within 120 days after its fiscal year end (December 31).

Item 16. INVESTMENT DISCRETION

As an investment adviser, the Firm generally has discretionary authority over clients’ accounts to determine securities bought and sold and in what quantities, the amount of leverage employed,

the broker-dealer used and the commission rates to pay, among other things. The specific terms of the scope of such investment discretion is detailed in the relevant account's investment management agreement.

Item 17. PROXY VOTING POLICY

The Firm has adopted a proxy voting policy that is guided by its fiduciary responsibilities and commits its principals and employees to vote in a manner which is believed to do the most to maximize shareholder value and to never prioritize unrelated objectives. Proxy votes are reviewed by the Chief Compliance Officer or his delegate for adherence to this policy.

Clients may obtain a copy of the Firm's Proxy Voting Policies and Procedures as well as relevant proxy voting records by contacting David Dillon, the Chief Compliance Officer, at (345) 327-1000.

Item 18. FINANCIAL INFORMATION

The Firm does not require or solicit prepayment of management fees six or more months in advance. The Firm has no financial condition to disclose that is reasonably likely to impair its ability to meet contractual commitments to its clients. Additionally, the Firm has not been the subject of a bankruptcy petition during the past ten years.

For questions or requests for additional information, please contact the Chief Compliance Officer at the number or address listed on the cover of this brochure.