

The Directors of the Company whose names appear on the last page of this Offering Supplement accept responsibility for the information contained herein. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Offering Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information as of the date hereof. The Directors accept responsibility accordingly.

# Offering Supplement

9<sup>th</sup> February 2018

relating to the offering of non-voting participating Investor Shares in the

## Equity Long Short Fund

a Sub-Fund of

### CTH SICAV p.l.c.

a collective investment scheme organised as a multi-fund public limited liability company with variable share capital registered under the laws of Malta

**Abalone Asset Management Limited**

(Investment Manager)

**ZARATTINI INTERNATIONAL LTD**

(Custodian)

**BOV Fund Services Limited**

(Administrator, Registrar and Transfer Agent)

**Carthesio SA**

(Sub-Investment Manager)

APPROVED by the  
Malta Financial Services Authority  
in terms of section 11 of the  
Investment Services Act, 1994

Signature... *Giulia Gaddari*.....

Name... GIULIA GADDARI.....

Date... 9/02/2018.....

**Important Notice:** This Offering Supplement may not be distributed unless accompanied by, and is to be read in conjunction with, the Offering Memorandum issued by the Company.

**The Equity Long Short FUND, a sub-fund of CTH SICAV p.l.c. (the "Company") which is licensed by the Malta Financial Services Authority ("MFSA") as an Alternative Investment Fund whose investors are Professional Investors, and fulfils any additional conditions prescribed by the MFSA in relation to collective investment schemes ("Schemes") available to Qualifying Investors. The Company and its Sub-Funds are not retail Schemes, accordingly the protections normally arising as a result of the imposition of the MFSA's investment and borrowing restrictions and other requirements for retail Schemes do not apply to the Sub-Funds. Shares in the Sub-Funds may only be marketed outside Malta to Professional Investors as defined in AIFMD. The marketing of the Shares in the Sub-Funds to an investor who is not a Professional Investor as defined in the AIFMD may only be undertaken if allowed by the respective jurisdiction and subject to, where relevant, the national provisions applicable in the respective jurisdiction as prescribed in Article 43 of the AIFMD. The**

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**MFSA has made no assessment or value judgement on the soundness of the Company and its Sub-Funds or for the accuracy or completeness of statements made or opinions expressed with regard to them.**

## IMPORTANT INFORMATION

This Offering Supplement may not be distributed unless accompanied by, and is to be read in conjunction with, the latest Offering Memorandum issued by the Company. The attention of investors is also drawn, in particular, to the section "**Definitions**" and "**Important Information**" in the Offering Memorandum which also applies to this Offering Supplement and the offering of Investor Shares made thereby unless otherwise determined therein.

This offer is an offer only to the person to whom a copy of this document has been furnished by the Company and/or its authorised agents and this on the basis that the person falls within the definition of an Investor as defined in the Offering Memorandum. The Company is not authorised to, and does not intend to, offer Investor Shares to retail investors unless otherwise resolved by the Company and subject to the fulfilment of the national provisions applicable in the respective jurisdiction as prescribed in Article 43 of the AIFMD.

### EU AIFMD Status

The Company and its Sub-Fund qualify as an AIF managed by an AIFM in terms of the AIFMD.

The Sub-Fund also qualifies as a Feeder AIF within the meaning of article 4(m) of the AIFMD.

Investor Shares in the Sub-Fund may only be marketed outside Malta in accordance with the AIFMD to Professional Investors (as defined in the AIFMD). The marketing of the Investor Shares in the Sub-Fund to an investor who is not a Professional Investor may only be undertaken if allowed by the respective jurisdiction and subject to, where relevant, the national provisions applicable in the respective jurisdiction as prescribed in article 43 of the AIFMD.

## SECTION 1 | DEFINITIONS

Terms used in this Offering Supplement shall, unless otherwise defined or the context otherwise requires, have the same meaning as those defined in the Offering Memorandum.

In this Offering Supplement, the following words shall have the meanings set opposite them:

<b>Base Currency of the Company</b>	EUR.
<b>Dealing Day</b>	The first Business Day of each calendar month.
<b>Offering Price</b>	The applicable NAV for the acquisition of Investor Shares for each class of Investor Shares in this Sub-Fund, which shall be such NAV as calculated on the Valuation Day occurring immediately preceding the relevant Subscription Day. Investor Share shall be subscribed at EUR 100 till December 2, 2017 unless otherwise resolved by the Board.
<b>Offering Supplement</b>	This Offering Supplement as the same may be amended, supplemented and/or consolidated from time to time.
<b>Redemption Day</b>	The first business day of each calendar quarter (January, April, July, October), subject to the provisions detailed under the section " <i>Redemption Request</i> " below.
<b>Redemption Price</b>	The price at which the Investor Shares may be redeemed on any Redemption Day, this being the applicable NAV per share for each class of Investor Shares in this Sub-Fund as calculated on the Valuation Day occurring on the relevant Redemption Day, in each case less any redemption fees as may be applicable;
<b>Redemption Proceeds</b>	The Redemption Price multiplied by the number of Investor Shares being redeemed.
<b>Subscription Day</b>	Any Dealing Day on which requests/applications for subscription of Investor Shares shall be processed.
<b>Valuation Day</b>	The last Business Day of each month, provided that the Board may from time to time determine such other date or dates as a Valuation Day for the purposes of this Sub-Fund by giving notice thereof to the Investors, and such additional date or dates shall for all intents and purposes be and be deemed to be a Valuation Day of this Sub-Fund.
<b>Valuation Point</b>	11: 59 pm CET on the Valuation Day.

This Offering Supplement shall, in addition, be subject to the same rules of interpretation as those set out in the Offering Memorandum. Please see “**Section 1 | Interpretation**” of the Offering Memorandum for further details.

## SECTION 2 | KEY FEATURES

### The Sub-Fund and the Investor Shares

<b>Name of the Sub-Fund</b>	<b>Equity Long Short Fund</b>
<b>Segregation</b>	The Sub-Fund is a segregated portfolio whose assets and liabilities are to be treated as a patrimony separate from the assets and liabilities of each other sub-Fund and of the Company. Please refer to the Offering Memorandum for further details.
<b>Classes of Investor Shares</b>	The Sub-Fund is comprised of Two (2) Class of Investor Shares:  Class A Investor Shares; and Class B Investor Shares
<b>Base Currency</b>	Class A Investor Shares: EUR Class B Investor Shares: EUR
<b>ISIN</b>	Class A Investor Shares: MT7000021929 Class B Investor Shares: MT7000021937
<b>Eligibility for Investment</b>	Investor Shares of whatever class may only be subscribed for by Investors
<b>Dividend Policy</b>	It is not the present intention of the Board that the Sub-Fund will pay dividends, however, the Board reserve the right to pay Dividends at any time if they consider that a payment of a Dividend is appropriate. Income from the Sub-Fund will be accumulated and reflected in the Net Asset Value of the Sub-Fund.
<b>Tax Status</b>	The Sub-Fund is expected to be classified as a <b>Non-Prescribed Fund</b> . Please refer to “ <b>Section 14   Taxation</b> ” of the Offering Memorandum for further details on the tax treatment of Non-Prescribed Funds and shareholdings in such funds.

## Investment Objectives, Policies and Restrictions

### Investment Objectives

The objective of this Sub-Fund is to achieve long-term capital growth by investing all or substantially all (i.e. at least 85%) of its investable assets in Engadine Equity Fund, a Cayman Islands exempted company registered as a regulated mutual fund with the Cayman Islands Monetary Authority and incorporated under the laws of Cayman Islands on 2 September 2016 (the "EEF") which in turns invests all of its investable assets in Engadine Equity Master Fund an exempted company incorporated under the laws of Cayman Islands on 2 September 2016 (the "EEMF").

**There is no guarantee that the investment objective of the Sub-Fund will be achieved and investment results may vary substantially over time.**

### Governance of EEF and EEMF

Engadine Partners (Cayman) LLC, a limited liability company incorporated under the laws of Cayman Islands on 1 August 2016, has been appointed as the manager of the EEF and the EEMF and has the responsibility for the investment and reinvestment of the assets of the EEMF subject to the overall supervision, control and policies of the board of directors of the EEMF. The manager, as above described, is authorized to delegate its functions and has delegated its investment restrictions with respect to the EEMF to an investment manager, being Engadine Partners LLP, a Limited Liability Partnership incorporated under the laws of England and Wales on 3 August 2016.

### Investment Policies of EEMF

The EEMF will pursue its objective by taking long and short positions primarily in equity securities of issuers from developed markets. The long short positions will be the results of a "bottom-up" process agnostic to sector or geography and will typically be independent of each other; all are targeted to generate positive returns. The EEMF's investment manager will seek to carry out detailed fundamental analysis and proprietary valuation assessments to construct a portfolio of high conviction ideas, with gross and net market exposures managed carefully with the aim of generating positive returns in all market environmental. For long positions, the EEMF's investment manager will typically select stocks where the EEMF's investment manager believes the company has, a sustainable competitive advantage, a strong management team with a proven track record of successful capital allocation above-average revenue and earnings growth potential. These companies will often have below-average sensitivity to macroeconomics variables as a function of the structural growth opportunities that they face. The investment strategy is not contrarian but the EEMF will take anti-consensus position in companies where the EEMF's investment manager's fundamental assessment provides high conviction in the idea. For short positions, the EEMF's investment manager will

typically select stocks where it believes the company has a structurally flawed business model and insufficient cash flow generation, or where the company is likely to suffer from changes in industry trends, from technology disruption or from changes in demand patterns. The EEMF may also invest in other securities and instruments, including without limitation, interests of mutual funds or other investment vehicles, stock warrants, rights, bonds, notes, debentures, debt participations, trade claims, convertible securities, money market obligations and options to buy and sell securities, and through the short sale of securities and the writing of options to buy and sell securities. The EEMF may trade in commodities, commodity futures contracts, stock market index futures, interest rate futures, foreign currency futures and other financial futures and options, swap agreements, swaptions, derivative or "synthetic" securities and any other financial instruments of any and all type which exist now or hereafter are created. The EEMF may invest its assets in debt instruments that may not be rated or graded by any rating agency. The EEMF may retain cash and cash equivalents in order, inter alia, to secure credit lines and to meet redemptions and expenses incurred. The base currency of the EEF and the EEMF is the US dollar. The EEMF's investment manager may, where practicable, seek to hedge at the EEMF level the exposure of any series or class of shares denominated in a currency other than the base currency of the EEF. The costs and fiscal results of any such hedging for a particular series or class of shares will be solely for the account of such shares. There can be no assurance that such hedging will be effective.

### **Investment, Borrowing and Leverage Restrictions**

The Sub Fund is subject to the investment restrictions under article 4.1(m) of the AIFMD which means in other words that (i) invests at least 85 % of its assets in units or shares of another AIF (the 'master AIF'); (ii) invests at least 85 % of its assets in more than one master AIFs where those master AIFs have identical investment strategies; or (iii) has otherwise an exposure of at least 85 % of its assets to such a master AIF. The Sub-Investment Manager does not ordinarily expect to utilize leverage in excess of 200% of the NAV. Upon request in writing by an investor of the Fund the Investment Manager shall provide without delay, the level of leverage calculated according to the gross and commitment method and shall also inform investors of any changes to the maximum level of leverage the Sub Fund may employ at any point in time.

The Sub Fund may enter for leverage purposes into contracts for differences, futures contracts, forward agreements and option.

The Sub Fund will not engage in collateral or asset re use arrangements.

### Leverage for Investment Purposes – EEF - EEMF

The EEMF, and not the EEF, will employ leverage. The EEMF has the authority to borrow, trade on margin, utilize derivatives and otherwise obtain leverage from brokers, banks and others on a secured or unsecured basis. The EEMF may utilize leverage to the extent deemed appropriate by its investment manager, and the amount of leverage utilized by the EEMF may be significant. The overall leverage of the EEMF will depend on the employed investment strategies and specific market opportunities. The maximum level of leverage that may be employed by the EEMF calculated in accordance with the gross method and commitment method under the AIFMD is 700% and 600%, respectively, of the EEMF net asset value. The EEF or the EEMF' investment manager will disclose to the investors the total amount of leverage with the gross method and commitment method at least annually.

### Borrowing for cash management purposes - EEMF

The EEMF may borrow for cash management purposes, such as to satisfy redemption requests. To facilitate such borrowings, the EEMF may, among other things, enter into a credit facility with a service provider of the EEMF or a third-party credit institution.

### Securities Financing Transactions and Total Return Swaps - EEMF

EEMF may enter into securities financing transaction, such as securities lending, with a view of generating income to increase portfolio returns or reduce portfolio expenses. The EEMF may borrow securities from prime brokers, banks or other counterparties for the purposes of effecting short sale in securities, or borrow against the value of the portfolio of assets to finance transactions in securities by trading or margin. In accordance with Regulation (EU) 215/2365 of 25/11/2015 (the "**SFT Regulations**") the Sub-Fund shall report the details of any securities financing transaction and total return swaps used by it in accordance with Section B of the SFT Regulations.

## The Offering

### Number of Investor Shares on Offer

Class A Investor Shares: 75,000,000 Investor Shares  
Class B Investor Shares: 75,000,000 Investor Shares

## Fees and Charges

### Investment Management fee

- Class A Investor Shares: 0.50% per annum, calculated on the NAV of such share class at each Valuation Point and payable monthly in arrears; and
- Class B Investor Shares: 1.50% per annum, calculated on the NAV of such share class at each Valuation Point and payable monthly in arrears.

A minimum annual fee per sub-fund of Twelve Thousand Euros (EUR 12,000) is applicable. For the avoidance of any doubt, if the sum of the investment management fee calculated for each

of the share classes as specified above is less than the minimum, then each share class will contribute to the payment of such minimum on a pro rata basis, based on the weight of NAV of the said share class over the total NAV in the Sub-Fund currency.

### Performance Fees

The Performance Fee is applicable in relation to both the Class A Investor Shares and the Class B Investor Shares and it is set at 10% of the percentage increase in the Net Asset Value of the relevant Investor Shares on each Valuation Day, based on a high watermark. The Performance Fee shall be calculated without an equalization method and accrued on each Valuation Day and crystallized and paid on an annual basis to the Investment Manager which shall, in turn pay them, where due, to the Sub-Investment Manager.

### Custody Fee

0.06% (6 basis points) of the Sub-Fund's Net Asset Value, subject to a minimum annual fee of Euro Ten Thousand (EUR 10,000).

### Administration Fee

- 0.050% per annum of the Sub-Fund's Net Asset Value for asset under management on the first EUR Twenty-Five Million (EUR 25,000,000);
- 0.025% per annum of the Sub-Fund's Net Asset Value for asset under management on the next Euro Fifty-Million (EUR 50,000,000);
- 0.010% per annum of the Sub-Fund's Net Asset Value for asset under management in excess of Euro Seventy-Five Million (EUR 75,000,000);

subject to a minimum annual fee of Euro Ten Thousand (EUR 10,000) for one class of shares and additional administration fee of Euro One Thousand (EUR 1,000) for any additional share class. The minimum mentioned above shall be reduced to EUR Eight Thousand (EUR 8,000) for the first Two (2) years.

## Minimum Subscription, Holding and Redemption Requirements and Lock-In Periods

### Minimum Initial Subscription

Class A Investor Shares: €150,000 net of Subscription Charge  
Class B Investor Shares: €100,000 net of Subscription Charge

### Minimum Additional Subscription

Class A Investor Shares: €10,000  
Class B Investor Shares: €10,000

### Minimum Holding

Class A Investor Shares: €150,000 net of Subscription Charge, where applicable.

<b>Minimum Redemption</b>	Class B Investor Shares: €100,000 net of Subscription Charge, where applicable.
	Class A Investor Shares: €10,000 Class B Investor Shares: €10,000

## Notice Periods

<b>Subscription Notice Period</b>	By 3:00 PM CET, three (3) Business Day prior to the relevant Subscription Day.
<b>Redemption Notice Period</b>	By at least 3:00 PM CET, seventy (70) calendar days prior to the relevant Redemption Day.
<b>Redemption Payment Period</b>	Within forty-five (45) calendar days from the applicable Redemption Day.

## SECTION 3 | THE OFFERING

### Share Offer

Up to 75,000,000 Class A Investor Shares and up to 75,000,000 Class B Investor Shares with no nominal value at the relevant Base Currency are on offer.

### Acquisition of Investor Shares

Purchases of Investor Shares can be made at the prevailing Offering Price, by:

- i. submission to the Company at the office of the Administrator of a properly executed Subscription Agreement including the Investor Declaration Form, the Bank Transfer Instruction Letter and those documents required in the AML Supplement; and
- ii. remitting the related subscription monies.

In respect of each subscription for Investor Shares, the Subscription Notice Period shall run as from the first Business Day following receipt by the Company at the office of the Administrator of both:

- a. the documents listed under (i) above; and
- b. confirmation that the full amount subscribed for the Investor Shares has been received in cleared funds.

The Investor Shares will be issued on the first Subscription Day following the expiration of the said Subscription Notice Period. Full details of the application and subscription process appear in “**Section 19 | Acquisition of Investor Shares in Open-Ended Sub-Fund(s)**” of the Offering Memorandum.

A specimen Subscription Agreement and Investor Declaration Form may be obtained from the Administrator.

### Redemption of Investor Shares

Unless otherwise stated therein, Investors are directed to “**Section 20 | Redemption of Investor Shares in Open-Ended Sub-Fund(s)**” of the Offering Memorandum where the procedures relating to the redemption of Investor Shares and the conditions applicable thereto are outlined. In terms of the Memorandum and Articles, redemption requests are, once made, irrevocable.

Investors may at any time (subject to what is stated hereunder) irrevocably request the Company in writing to repurchase all or any part of their Investor Shares, subject to a part repurchase not resulting in an Investor holding less than the applicable Minimum Holding threshold, and subject to the Company reserving the right to defer all or part of any redemption request in terms of this Offering Supplement.

The Minimum Redemption amount for each redemption request shall not be less than US\$ 10,000. As stated above, a partial redemption request will not be accepted if this will lead the holding of an Investor in the Sub-Fund to fall below the Minimum Holding requirement.

Such request shall be made using the respective redemption form available from the Administrator, and shall be made in such form and manner as determined by the Company from time to time.

A Redemption Day is the fifteenth day of January, April, July and October if such day is a Business Day, and if not the next following Business Day, and thereafter as of each anniversary of such date. For the purpose of determining the anniversary date, Shares purchased as of the first day of a quarter will be treated as if invested for the full quarter. Requests for redemption of Investor Shares must be received by the Company within the Redemption Notice Period. If a redemption request is received after the above-indicated time and date, and subject to the overall right of the Company to defer all or part of the redemptions as provided below, the redemption request will be processed and the relevant Investor Shares will be redeemed on the next following Redemption Day.

Save as aforesaid, there is no restriction on the submission of redemption requests, subject to the right of the Board to defer, suspend or mandatorily redeem the Investor Shares in accordance with **Section 20 | Redemption of Investor Shares in Open-Ended Sub-Fund(s)** and with the provisions of this Offering Supplement.

Requests for the redemption of Investor Shares, which are to be addressed to the Company, will be processed by the Administrator.

### **Redemption Price**

Investor Shares will, when the Company accedes to the redemption request, be redeemed at the prevailing Redemption Price on the relevant Redemption Day, which will be the applicable Net Asset Value per share as calculated on the Valuation Day occurring on the relevant Redemption Day or, where the relevant Redemption Day does not fall on a Valuation Day, the Net Asset Value per Investor Share as calculated on the immediately preceding Valuation Day less such fees or expenses as may be applicable or as the Company may be entitled to deduct or recover therefrom in terms of this Offering Supplement, the Offering Memorandum and/or the Memorandum and Articles. In the event that the calculation of the Net Asset Value has been suspended or postponed, the relevant Investor Shares will, when the Company accedes to the redemption request, be redeemed at the prevailing Redemption Price on the next effective Redemption Day following the resumption of calculation of the Net Asset Value (less the fees or expenses as aforesaid).

### **Payment of Redemption Proceeds**

Once the Company has acceded to the redemption request of a Investor Investor, written confirmation will be sent to such Investor, within ten (10) Business Days from the relevant Redemption Day, containing information on the number and value of Investor Shares redeemed. Normally the Company will arrange for payment of the net proceeds to the Investor within ten (10) Business Days after the relevant Redemption Day. Payment on redemption may be delayed in the case of extraordinary circumstances, such as the default or delay in payments due to the Sub-Fund from banks or other persons or in the circumstances applicable in case of deferral or suspension of redemption.

The Company may in its discretion hold back a portion of the redemption proceeds payable to a shareholder in respect of Investor Shares being redeemed (whether such redemption is voluntary or mandatory) to satisfy contingent or expected liabilities or due to similar holdbacks applied at the level

of the Fund's underlying investment/s. The amount of Redemption Proceeds held back will be determined by the Company in its sole and absolute discretion, taking into account such factors as it considers relevant with respect to any contingent liability to which the amount being held back relates. However, as a non-binding indication, the holdback will not usually exceed 10% of the redemption payment. Such holdbacks will reduce the redemption proceeds paid to a redeeming Shareholder. The unused portion of any holdback will be distributed to the Shareholder/s to which the holdback applied after the Company has determined that the need therefor has ceased.

Payment will be made to the Investor in the form of a bank cheque, electronic transfer or other means of settlement determined by the Company at the address or bank account of the Investor as provided for this purpose to the Company in the redemption request form (with charges for the account of the recipient). Payment will ordinarily be made in the Base Currency of the relevant class within the Sub-Fund. Payment will generally be made in cash although the Company shall be entitled to pay the Redemption Proceeds in kind as provided and subject to the relevant provisions of the Memorandum and Articles and the Offering Memorandum.

The Company and Administrator are entitled to require additional documents, such as, but not limited to, trust instruments, death certificates, appointments as executor or administrator and certificates of corporate authority, prior to making any payment in respect of redemptions.

Where certificates have been issued (at the request of the Investor) in respect of the relevant Investor Shares, these Investor Shares will not be redeemed and the Redemption Proceeds will not be paid until the said certificates are duly returned to the Company or the Administrator or, in case of loss thereof, until the Investor gives such indemnity or verification as may be requested by the Company.

### **Exchange of Shares**

Exchanges of Investor Shares in the Sub-Fund with any other Class of Investor Shares in issue are not permitted.

### **Investment Restrictions**

Other than what is stated above, there are no restrictions in the manner and extent to which the Company may deploy, pledge or otherwise give as security, the assets of the Sub-Fund, or assume liabilities, in pursuit of the specific investment objective, approach and strategies of the Sub-Fund.

Please see the subsection below entitled "**Borrowing Powers**" for further details.

### **Borrowing Powers**

It is anticipated that the Sub-Fund will be leveraged, through borrowing or the use of financial derivative instruments consisting of contracts for differences, futures contracts, forward agreements and options.

Please refer to the above subsection entitled "**Investment Restrictions**" for information on how the Sub-Fund will be employing leverage.

### **Risk Factors**

IN EVALUATING THE POTENTIAL AND SUITABILITY OF AN INVESTMENT IN THE SUB-FUND, CAREFUL CONSIDERATION SHOULD BE GIVEN BY PROSPECTIVE INVESTORS TO THE RISK FACTORS MENTIONED IN THE RELEVANT SECTION IN THE OFFERING MEMORANDUM WHICH RELATE TO THE MARKETS IN WHICH THE SUB-FUND'S ASSETS WILL BE INVESTED.

### **Pricing**

The calculation of the NAV of the Sub-Fund shall be effected by the Administrator on every Valuation Day and in such manner as is stated in the Offering Memorandum. The assets of the Sub-Fund will be valued in accordance with the valuation policy of the Investment Manager, in terms of which, the Investment Manager has appointed an internal valuation committee.

## SECTION 4 | Fees, Charges and Expenses

### Investment Management Fee:

The Company will pay the Investment Manager a fee of 0.50% per annum, calculated on the NAV per Class A Investor Shares at each Valuation Point payable monthly and 1.50% per annum, calculated on the NAV per Class B Investor Shares at each Valuation Point payable monthly with an aggregate minimum of Twelve Thousand Euros (EUR 12,000). Such difference of applicable Investment Management Fee between the classes in issue, is due to the different Minimum Initial Subscription amount applicable to them. By differentiating the applicable Investment Management Fee per different classes of shares, the Sub-Fund will offer a fair and equal treatment to the investors within the same class.

The Investment Management Fee will be payable monthly and is due to the Investment Manager as compensation for services rendered to the Company in respect of the Sub-Fund in terms of the Investment Management Agreement. The Investment Management Fee will accrue on every Valuation Point and shall be payable monthly in arrears. The Investment Manager will be reimbursed for all properly incurred and approved out-of-pocket expenses.

### Sub-Investment Management Fee

The Investment Manager will pay to the Sub-Investment Manager a Sub-Investment Management Fee in accordance with the relevant Sub-Investment Management agreement.

The Sub-Investment Manager will be reimbursed for all properly incurred and approved out-of-pocket expenses.

### Performance Fees

The Performance Fee is applicable in relation to both the Class A Investor Shares and the Class B Investor Shares and it is set at 10% of the percentage increase in the Net Asset Value of the relevant Investor Shares on each Valuation Day, based on a high watermark. The Performance Fee shall be calculated without an equalization method and accrued on each Valuation Day and crystallized and paid on an annual basis the Investment Manager which shall, in turn pay them, where due, to the Sub-Investment Manager.

The Performance Fee is not subject to any cap or maximum amount and it may incentivise the Sub-Investment Manager to take higher risk.

### Administration Fee

The Company shall pay the Administrator out of the assets of each Sub-Fund an administration fee (the “**Administration Fee**”) of

- 0.050% per annum of the Sub-Fund’s Net Asset Value for asset under management on the first EUR Twenty-Five Million (EUR 25,000,000);

- 0.025% per annum of the Sub-Fund's Net Asset Value for asset under management on the next Euro Fifty- Million (EUR 50,000,000);
- 0.010% per annum of the Sub-Fund's Net Asset Value for asset under management in excess of Euro Seventy-Five Million (EUR 75,000,000).

subject to a minimum annual fee of Euro Ten Thousand (EUR 10,000) for one class of shares and additional administration fee of Euro One Thousand (EUR 1,000) for any additional share class. The minimum mentioned above shall be reduced to EUR Eight Thousand (EUR 8,000) for the first Two (2) years.

The Administration Fee is calculated by reference to the Net Asset Value at each Valuation Point and shall be payable monthly in arrears.

In addition to the Administration Fee, the Administrator is also entitled to receive out of the assets of each Sub-Fund agreed upon fixed fees for the preparation of audited financial statements for the Sub-Fund, investor transactions and maintenance of investor accounts.

The Company shall be responsible for all disbursements and reasonable out-of-pocket expenses incurred by the Administrator in the proper performance of its duties.

### **Custody Fee**

The Company shall pay the Custodian out of the assets of each Sub-Fund a custody fee (the "**Custody Fee**") of 0.06% per annum on the Sub-Fund's Net Asset Value subject to a minimum annual fee of €10,000 (excluding VAT thereon if any) payable quarterly in arrear. The fee shall be levied quarterly and will be based upon the average monthly closing balances for the quarter.

The Company shall be responsible for all disbursements and reasonable out-of-pocket expenses incurred by the Custodian in the proper performance of its duties in accordance with the Custody Agreement.

### **Other Expenses**

The Sub-Fund shall bear the costs incurred for the establishment and regulatory licensing of the Sub-Fund and the offering of the Investor Shares. In particular, it shall incur a fee of €1,000 payable to the MFSA in respect of the application for licensing of the Sub-Fund and an annual supervisory fee of €600 payable to the MFSA upon licensing and, thereafter, on each anniversary of the licensing of the Sub-Fund.

The Sub-Fund will bear its own operating expenses, including, but not limited to, fees payable to the Administrator, Investment Manager, organisational and investment expenses (reasonably determined to be related to the investment of the Sub-Fund's assets), administrative expenses, marketing expenses, legal and licensing expenses, government fees, audit, interest and shareholder communication expenses and other expenses associated with the operation of the Sub-Fund.

The Sub-Fund may reimburse the Investment Manager for any expenses incurred in connection with its management services to the Sub-Fund (including, without limitation, compensation for ongoing operational, systems, research and due diligence). The Investment Manager and the Administrator will be responsible to track the expenses of the Sub-Fund. Preliminary an ongoing legal, printing and continuous offering documentation expenses, in connection with the continuous offering of Investor

Shares, will be capitalized and then amortised by writing off equal instalments on each Valuation Day over five (5) years (and thereafter as incurred).

Whilst the Investment Manager considers that such a valuation methodology is appropriate such policy may conflict with International Financial Reporting Standards.

The Sub-Fund will also be subject to other fees including, its pro-rata share, of the operating expenses of the Company as set out in the Offering Memorandum.

### **Subscription Charge**

Up to 5% of the amount invested as determined at its sole discretion by the Board per subscription received. These Subscription Charge, where applicable, shall be paid either to the Investment Distributor or to the Investment Manager or the Sub-Investment Manager.

### **Management Fee and Incentive Fee at the EEF level.**

The EEF will pay to its manager a management fee for its services for each month equal to a twelfth of the results of the applicable Management Fee Rate multiplied by the net asset value of each series of shares as of the end of such month (before taking into account the estimated accrued Incentive Fee, if any) the EEF will calculate and pay the management fee in arrears.

For the purpose of this section, **Management Fee Rate** means 1.5% per annum; provided, however, that following the third anniversary of the relevant subscription date on which a shareholder first subscribed for shares the Management Fee Rate applicable to each series of shares held by such shareholder shall be 1,25% per annum.

At the end of each fiscal year, the EEF will pay its manager with an incentive fee equal to the result of the Incentive Fee Rate multiplied by the net realised and unrealised appreciation in the net asset value of each series of shares after such net asset value is adjusted for any redemption of shares in the series and for any accruals of the Incentive Fee during the relevant fiscal year (the "**Adjusted NAV**"); provided, however, that the EEF will pay an Incentive Fee only with respect to the excess of Adjusted NAV of a series of shares over its Prior High NAV. The Incentive Fee will also be paid with respect to amounts redeemed and to shares transferred (provided that such transfer results in a change in the beneficial ownership of the shares transferred), upon the termination of the relevant management agreement and upon dissolution of the EEF.

For the purpose of this section:

**Incentive Fee Rate** means 17.5% in case of class A shares.

The **Prior High NAV** of each series of shares is the net asset value of that series immediately following the date as of which the last Incentive Fee earned with respect to such series was determined (or if no Incentive Fee has yet been determined with respect to such series the net asset value of such series at the initial issuance of such series) reduced by any Investor-Related Tax accrued or paid subsequent to either such date.

Investor-Related Tax means tax withheld, directly or indirectly, from the EEF or the EEMF or paid over by the EEF or the EEMF that is determined based on the status, action or inaction (including the failure of the shareholders to timely provide information to eliminate or reduce withholding or other taxes) of a shareholder.

## SECTION 6 | Certain Additional Risk Factors

The Sub-Fund is subject, to the applicable extent, to the risk factors indicated under Section 3 | **Risk Factors** in the Offering Memorandum and to those related to the EEF and the EEMF as detailed in EEF confidential private placement memorandum and which are listed but not described under this Section 6. Prospective Investor in the Sub-Fund are therefore kindly invited to carefully read and consider the risk involved in an investment in the Sub-Fund and consequently and indirectly in the EEF and the EEMF.

EEF is subject to **(i)** risk relating to private investment funds generally: (a) legal and regulatory environment for private investment funds and their manager (b) Dood-Frank Act (c) AIFMD (d) Systematic risk (e) assumption of business, terrorism and catastrophe risks (f) request of information (g) handling of mail (h) restriction of auditors' liability **(ii)** risk relating to management: (a) no operating history (b) dependance on the investment manager (c) dependance on service providers (d) retention and motivation of employees (e) investment and due diligence process (f) increased regulatory oversight (g) total asset under management (h) possibility of different information rights **(iii)** risk relating to the structure of the fund: (a) significant fees and expenses (b) absence of regulatory oversight over EEF and EEFM (c) payment of redemption proceeds to shareholders based on unaudited data (d) liability of EEF, EEMF and separate classes (e) effect of substantial redemptions (f) limited liquidity (g) access to information and effect of redemption (h) in-kind payments; liquidation SPVs **(iv)** risks relating to operations and investment activities of EEMF: (a) systems and operational risks generally (b) cybersecurity risk valuation of assets and liabilities (c) amortisation of organisational costs (d) counterparty risk (e) counterparty default (f) competition; availability of investments valuation risk (g) credit ratings (h) significant positions in securities; regulatory requirements (i) commodity interest trading limit (l) exposure to material non public information (m) currency exchange exposure (n) identity and reporting of beneficial ownership; withholding on certain payments (o) US partnership tax audit risk (p) subscription monies **(v)** risks relating to investment strategies: (a) risk of loss (b) long/short (c) short selling (d) long-term (e) short-term market considerations (f) leverage for investment purposes (g) market value borrowings and derivatives; financing arrangements; availability of cash (h) borrowing for cash management purposes (i) collateral (l) costs (m) lending of portfolio securities (n) diversification and concentration (o) lack of control (p) hedging transactions (q) discretion of the investment manager; new strategies and techniques **(vi)** risks relating to market conditions generally: (a) general economic and market conditions (b) governmental interventions (c) current economic conditions in European countries (d) brexit (vii) risks relating to specific sectors and types of companies (a) small and medium capitalisation companies (b) convertible securities (c) debt securities (d) stressed and distressed obligations (e) derivative instruments (f) call options (g) put options (h) index or index options (i) index futures (m) futures contracts (n) forward contracts (o) contracts for differences (p) credit default swap (q) swap agreement generally (r) equity securities generally (s) exchange trade funds (t) illiquid securities (u) initial public offering (v) preferred stocks (w) structured notes (x) undervalued securities (y) unlisted securities.

## SECTION 7 | Capital Structure of EEF; Legal Implications

EEF has an authorised share capital of US\$50,000 divided into 10 Founder Shares with a par value of US\$0.001 per share and 49,999,990 ordinary shares with a par value of US\$0.001 per share, which may be allocated by the board of directors, in its discretion, among various classes, series and sub-series of shares. No capital of the EEF is under option or agreed, conditionally or unconditionally, to be put under option to any person.

The base currency of the EEF and the EEMF is the US Dollar. The investment manager may, where practicable, seek to hedge at the EEMF level the exposure of any series or class of Shares denominated in a currency other than the base currency of the EEF. The costs and fiscal results of any such hedging for a particular series or class of shares will be solely for the account of such shares. There can be no assurance that such hedging will be effective.

The EEF may, from time to time, by an ordinary resolution, increase the EEF's authorised share capital, consolidate and divide all or any of the shares into a smaller number of Shares, sub-divide the shares into a larger number of shares, or cancel any shares not taken or agreed to be taken by any person. The EEF may, from time to time, by a special resolution, reduce its share capital in any way permitted by the laws of the Cayman Islands.

Shares will be registered in the name of the shareholder and held in book-entry form.

Except as specifically described in the EEF confidential private placement memorandum, the shares have no conversion or pre-emptive rights. All shares, when duly issued, will be fully paid and non-assessable.

Shareholders that participate in the profits of the EEF generally do so in proportion to the net asset value per share of the various classes, series and sub-series of shares they hold. In the event of the liquidation or dissolution of the EEF, the net assets of the EEF remaining after the satisfaction of the rights of creditors will also be distributed to the shareholders in proportion to the net asset value per share of the various classes, series and sub-series of shares.

The articles of the EEF provide that subject to any special terms as to voting for the time being attached to any shares, at any general meeting on a show of hands every shareholder who is present in person will have one vote and on a poll the voting rights attributable to each Share carrying the right to vote on the matter in question will be calculated by reference to the net asset value per share and not on the basis of one Share, one vote. An ordinary resolution is a resolution passed by a simple majority of the votes of such shareholders as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting, and includes a unanimous written resolution, and a special resolution is a resolution passed by a majority of not less than two-thirds of such Shareholders as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting, and includes a unanimous written resolution.

At meetings of the voting shareholders of the EEF, one or more shareholders representing not less than 20% by net asset value of all of the shares in issue that carry the right to vote will constitute a quorum for the conduct of business and, except where a special resolution is required by law, the shareholders are authorised to act by a vote of the holders of a majority of the voting shares voting in person or by proxy at the meeting. The shares are entitled to receive any dividends that may be declared by the board of directors or any committee of the board of directors.

The founder shares are held by the manager of the EEF. They confer no economic benefit other than the right to a return of paid-up capital on a winding-up subject to the prior return of paid-up capital on the shares. The founder shares do not generally have the right to vote except that they have the exclusive right to vote in relation to (i) a change of name for the EEF, (ii) appointment or removal of any director, (iii) any proposal to transfer the EEF by way of continuation to another country, at the direction of the board of directors, and any amendments to the articles as may be required to facilitate such continuation at the discretion of the board of directors, (iv) subject to the approval of the board of directors, all matters in relation or incidental to the creation of one or more additional classes, series or sub-series of shares of such number, par value and denomination, and with such rights and privileges and subject to such terms as the holders of the founder shares may determine; provided, that the rights attaching to shares already in issue by the EEF are not thereby adversely affected, (v) the winding-up of the EEF, (vi) increasing and decreasing the authorised capital of the EEF, including by the addition of other currencies, (vii) any amendments to the articles which do not adversely affect the shareholders in any material respect and/or affecting the foregoing matters, and (viii) the variation of rights attaching to the founder shares.

All shareholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of, the articles. Under the terms of the articles, the liability of the shareholders is limited to any amount unpaid on their shares save as otherwise provided herein. As the shares can only be issued if they are fully paid, the shareholders will not be liable for any debt, obligation or default of the EEF beyond their interest in the EEF save as otherwise provided herein.

The articles have been drafted in broad and flexible terms to allow the board of directors the authority, in its discretion, to determine a number of issues, including, without limitation, the period of notice to be given for redemptions and whether or not to charge subscription or redemption fees, generally or in any particular case. In approving the offering of shares on the terms set out in the confidential private placement memorandum, the board of directors has exercised a number of these discretions in accordance with the Articles.

The articles provide that, subject to the Companies Law (Revised) of the Cayman Islands (the “**Companies Law**”), the other provisions of the articles and any applicable subscription agreement, all or any of the class rights or other terms of offer, whether set out in the confidential private placement memorandum, any subscription agreement or otherwise (including any representations, warranties, covenants or disclosure relating to the offer or holding of shares) (collectively referred to as “**Share Rights**”) for the time being applicable to any class or series of shares in issue (unless otherwise provided by the terms of issue of those shares) may (whether or not the EEF is being wound up) be varied without the consent of the holders of the issued shares of that class or series where such variation is considered by the board of directors, not to have a material adverse effect upon such holders’ Share Rights; otherwise, any such variation may be made with the prior consent in writing of the holders of not less than two-thirds by net asset value of such shares, or with the sanction of a resolution passed by a majority of at least two-thirds of the votes cast in person or by proxy at a separate meeting of the holders of such shares. For the avoidance of doubt, the board of directors reserves the right, notwithstanding that any such variation may not have a material adverse effect, to obtain consent from the holders of such shares. Each subscriber for shares will be required to acknowledge and agree that the terms of this offering of Shares and the rights attaching to the shares, as set forth in the confidential private placement memorandum and in the applicable subscription agreement, can be varied in accordance with the provisions of the articles.

The articles provide that, in relation to any class or series consent required pursuant to the “*Variation of Share Rights*” article, the board of directors in its discretion may invoke the following procedure (the “**Negative Consent Procedure**”). The board of directors will provide written notice in respect of

the proposed variation (the “**Proposal**”) to the shareholders of the affected class or series and will specify a deadline (the “**Redemption Request Date**”), which will be no earlier than 15 days after the date of giving such notice, by which date such shareholders may submit a written request for redemption of some or all of their shares of the affected class and/or series on the redemption date (the “**Specified Redemption Date**”) specified by the board of directors in such notice. The terms of the Proposal will be such that its specified effective date (the “**Effective Date**”) will not be on or prior to the Specified Redemption Date. Such notice will further provide that the holders of any shares in respect of which a request for redemption has not been received by the Redemption Request Date (the “**Affected Shares**”) will, in the absence of express written refusal to consent, be deemed to have consented in writing to the Proposal (such Affected Shares being the “**Negative Consent Shares**”). In the event that the Negative Consent Procedure is followed, only the Affected Shares will be considered for the purposes of determining whether the written consent majority has been obtained under the “Variation of Share Rights” article with the holders of the Negative Consent Shares being deemed to have submitted a written consent in favour of the Proposal on the Effective Date.

Dividends may be paid in the sole discretion of the board of directors. To the extent that a dividend may be declared, it will be paid in compliance with any applicable laws. It is not anticipated that the EEF will pay dividends.

EEF was incorporated in the Cayman Islands as an exempted company under the Companies Law. By submitting the relevant subscription agreement to the administrator, the investor makes an offer to subscribe for shares which, once it is accepted by the EEF, has the effect of a binding contract. Upon the issue of shares, a prospective investor will become a shareholder in the EEF and will be bound by the terms of the articles pursuant to the Companies Law. The articles may only be amended by way of a special resolution in accordance with the Companies Law. The articles are governed by, and construed in accordance with, the laws of the Cayman Islands. Pursuant to its terms, the subscription agreement of the EEF is governed by, and construed in accordance with, the laws of the Cayman Islands. The EEF has separate legal personality and is a discrete legal entity which is the sole owner of the investments in the the EEF’s portfolio. Consequently, shareholders have no direct legal or beneficial interest in those investments. Subject to the articles and any separate contractual arrangements agreed by a shareholder with the EEF such as the subscription agreement, a shareholder’s liability to the EEF will generally be limited to the amount, if any, unpaid on the shares held by such shareholder. A Shareholder’s rights in respect of its investment in the EEF are governed by the articles, the Companies Law, the terms set out in the confidential private placement memorandum, the subscription agreement and any other agreements in relation to such shareholder’s investment in the EEF. In addition, the rights and restrictions that apply to a shareholder’s shares may be modified and/or additional terms agreed by way of other agreements (subject to such terms being consistent with the articles). In certain cases these other agreements may be governed by the laws of a different jurisdiction. However the provisions of an other agreements that contravene the terms of the articles or the law of the Cayman Islands are generally not enforceable. (See “*Certain Risk Factors— Reliance on Service Providers*” in the confidential private placement memorandum.)

Although there is no statutory enforcement in the Cayman Islands of judgments obtained in foreign jurisdictions (other than judgments rendered by certain Australian superior courts, which may be enforced by registration under the Foreign Judgments Reciprocal Enforcement Law (Revised)), a judgment obtained in such jurisdiction will be recognised and enforced in the courts of the Cayman Islands at common law, without any re-examination of the merits of the underlying dispute, by an action commenced on the foreign judgment debt in the Grand Court of the Cayman Islands, provided such judgment satisfies certain criteria.

## SECTION 8 | Capital Structure of EEMF

Under the EEMF Articles, the EEMF has an authorised share capital of US\$50,000 divided into 50,000,000 ordinary shares of US\$0.001 par value each, which may be allocated by the EEMF board of directors, in its discretion.

The EEMF may, from time to time, by an ordinary resolution, increase the EEMF's authorised share capital, consolidate the shares of the EEMF into a smaller number of shares, sub-divide such shares into a larger number of shares, or cancel any shares not taken or agreed to be taken by any person. The EEMF may, from time to time, by a special resolution, reduce its share capital in any way permitted by the laws of the Cayman Islands.

Shares of the EEMF will be registered in the name of the shareholder and held in book-entry form.

Except as specifically described in the confidential private placement memorandum, the shares of the EEMF have no conversion or pre-emptive rights. All shares of the EEMF, when duly issued, will be fully paid and non-assessable.

Shareholders of the EEMF participate in the profits of the EEMF. In the event of the liquidation or dissolution of the EEMF, the net assets of the EEMF remaining after the satisfaction of the rights of creditors will be distributed to the shareholders.

The EEMF shares held by EEF are voting shares. The shares of the EEMF have the right to vote based upon the relative net asset value (rather than on the basis of one vote per share).

The shares of the EEMF are entitled to receive any dividends which may be declared by the EEMF board of directors or any committee of the EEMF board of directors or the EEMF.

All shareholders of the EEMF are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of, the EEMF articles. Under the terms of the EEMF Articles, the liability of the shareholders is limited to any amount unpaid on their shares save as otherwise provided therein. As the shares of the EEMF can only be issued if they are fully paid, the shareholders of the EEMF will not be liable for any debt, obligation or default of the EEMF beyond their interest in the EEMF save as otherwise provided therein.

The EEMF articles have been drafted in broad and flexible terms to allow the EEMF board of directors the authority, in its discretion, to determine a number of issues, including, without limitation, the period of notice to be given for redemptions and whether or not to charge subscription or retain redemption amounts, generally or in any particular case.

The EEMF articles provide that, subject to the Companies Law, any other provisions of the EEMF articles and any applicable subscription agreement, all or any of the class rights or other terms of offer, whether set out in the confidential private placement memorandum, any subscription agreement or otherwise (including any representations, warranties, covenants or disclosure relating to the offer or holding of shares of the EEMF) (collectively referred to as the "**EEMF Share Rights**") for the time being applicable to any shares of the EEMF in issue (unless otherwise provided by the terms of issue of those shares) may (whether or not the EEMF is being wound up) be varied without the consent of the holders of such issued shares where such variation is considered by the EEMF board of directors, not to have a material adverse effect upon such holders' EEMF Share Rights;

otherwise, any such variation may be made with the prior consent in writing of the holders of not less than two-thirds by net asset value of such shares, or with the sanction of a resolution passed by a majority of at least two-thirds of the votes cast in person or by proxy at a separate meeting of the holders of such shares. For the avoidance of doubt, the EEMF board of directors reserves the right, notwithstanding that any such variation may not have a material adverse effect, to obtain consent from the holders of such shares of the EEMF.

## SECTION 9 | General Information

### The Rights of Shareholders

The rights of Shareholders are stated in the Memorandum and Articles of the Company and in the Companies Act. The Investor Shares entitle Shareholders to participate in the movements, both positive and negative, in value of the assets of the Sub-Fund. It is not expected that the Company will declare any dividends and for a Shareholder to receive the benefits of any growth in the capital value of the Investor Shares, the Shareholder is entitled to request the redemption of the Investor Shares held by him at any time and the Investor Shares will, subject to the relevant Redemption Notice Period, be repurchased by the Company on the next Redemption Day following such request. **The Investor Shares are non-voting.** On winding up of the Sub-Fund the holders of the Investor Shares shall be entitled to their share of the value of the assets of the Sub-Fund.

### Share Capital and Accounts

All amounts received by the Company on the issue of Investor Shares, initially and subsequently, will be credited as share capital of the Company and will form part of the net assets of the Sub-Fund. Separate accounts are kept for the assets of the Sub-Fund.

### Fractional Shares

Fractional Shares will be issued up to four (4) decimal places.

### Shares in issue

As of the date of this Offering Supplement, EUR Investor Shares are in issue.

### Duration of the Sub-Fund

The Sub-Fund has been constituted for an indefinite period.

### Sub-Fund Income

The income of the Sub-Fund will generally be accumulated. The Directors reserve the right to pay dividends at any time if they consider that a payment of a dividend is appropriate.

### Information Available for Inspection

Investors in the Sub-Fund shall be entitled to inspect those documents referred to under Section 17 | *General information* in the Offering Memorandum plus the constitutional documents of both the EEF and the EEMF which include for avoidance of doubt the relevant confidential private placement memorandum and memorandum and articles of association.

## DIRECTORY

### Directors of the Company

**Mr. Claudio Palladini**  
**Mr. Milo Guastamacchia**  
**Mr. Frank Chetcuti Dimech**

### Registered Office

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Switzerland

### Custodian

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Malta

### Administrator, Registrar and Transfer Agent

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### Auditors

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### Company Secretary

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