

*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.*

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# Offering Supplement

27 February 2020

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

## **COMMODITY TRADING FUND**

a Sub-Fund of

## **ALMAGEST 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

**Agon Asset Management Limited**  
(Alternative Investment Fund Manager)

**Zarattini International Limited**  
(Custodian)

**Mainstream Fund Services Malta Limited** (Administrator, Registrar and Transfer Agent)

***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.*

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**The COMMODITY TRADING FUND, a sub-fund of ALMAGEST SICAV p.l.c. (the “Company”) is licensed by the Malta Financial Services Authority (“MFSA”) as an Alternative Investment Fund whose investors may comprise Qualifying Investors and fulfils any additional conditions prescribed by the MFSA in relation to collective investment schemes (“Schemes”) sold to Qualifying Investors. Shares in the sub-fund may only be marketed outside Malta to Professional Investors as defined in the AIFMD. The protection 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 for the sub-fund. The marketing of the sub-fund 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 the national provisions applicable in the respective jurisdiction as prescribed in Article 43 AIFMD. The 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.**

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## 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.

### EU AIFMD Status

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

Investor Shares in the Sub-Fund may only be marketed outside Malta 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 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.

## 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>Accounting Currency</b>	USD (United States Dollar).
<b>Calculation Period</b>	A twelve-month period ending on the 31 <sup>st</sup> December of each year, with the first period commencing on the first Business Day after the Closing Date and ending on the 31 <sup>st</sup> December, 2018.
<b>Investor Shares</b>	Non-voting participating shares (which may include fractions of a whole share) of no par value in the Sub-Fund.
<b>Offering Period</b>	The period during which Investor Shares will be made available at the Offering Price. The Offering Period shall commence on the first Business Day after the Closing Date, and shall remain open until such time as the Directors determine otherwise.
<b>Offering Price</b>	<p>The NAV per Share, rounded down to four (4) decimal places, calculated at the close of business on the last Valuation Day prior to the relevant Subscription Day and/or Redemption Day.</p> <p>If on any Valuation Day no Investor Shares are in issue then the Offering Price for Investor Shares on the relevant Subscription Day shall, however, be the Initial Offering Price.</p>
<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 every calendar week or such other Business Day as the Directors may from time to time determine.
<b>Redemption Price</b>	The price at which Investor Shares shall be redeemed, which shall be equivalent to the Offering Price.
<b>Redemption Proceeds</b>	The Redemption Price multiplied by the number of Investor Shares being redeemed.
<b>Sub-Fund</b>	Commodity Trading Fund.
<b>Subscription Day</b>	The first Business Day of every calendar week or such other Business Days as the Directors may from time to time determine.
<b>Valuation Day</b>	The last Business Day of every week or such other Business Days as the Directors may at their sole discretion determine, from time to time.

**Valuation Point**

11:59p.m. (23:59 hours) (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>Commodity Trading 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 2 Classes of Investor Shares:  Class A EUR Shares Class B USD Shares
<b>Base Currency</b>	Class A EUR Shares: EUR Class B USD Shares: USD
<b>ISIN</b>	Class A EUR Shares: MT7000019048 Class B USD Shares: MT7000019055
<b>Eligibility for Investment</b>	Investor Shares may only be subscribed for by Investors.
<b>Dividend Policy</b>	It is not the present intention of the Directors that the Sub-Fund will pay dividends, however, the Directors 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 Sub-Fund seeks to achieve daily capital growth in commodity and financial derivatives markets with no correlation to standard benchmarks in equity or real estate investment space or fixed income space.

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

### Investment Policies

The Sub-Fund aims to reap intraday / position holding profits from temporary mispricing due to informational asymmetries (time zone, geographical, degree of investor's sophistication) and anomalies in pricing models.

The Sub-Fund's assets will be represented by a portfolio composed of derivatives, structured notes, bonds and investment funds involved in exchange based commodities trading and currency derivatives. The Sub-Fund may take long or short positions. For avoidance of doubt, the Sub-Fund shall not directly invest in physical commodities but it cannot be excluded that the investment fund(s) into which it will invest in, will be active in the management of a portfolio made up, *inter alia*, of physical commodities.

The Investment Manager has appointed a Sub-Investment Manager which brings a wealth of experience in the alternative strategies sphere.

The expected role of all funds investment components will be to generate daily/weekly marginal returns with no correlation with standard benchmarks. Investment strategies will be restricted to Relative Value, spread trading and Tactical Trading.

#### **Tactical trading**

A methodology of trading which aims to capitalize on the lack of liquidity and differences in pricing of commodity/currency products marketed in different geographies like Dubai and London, for example, fostered by different factors (due to various reasons including interest rate differentiates in trading nations, supply and demand fundamentals, geo-political and macro-economic disturbances and host of other factors). Tactical trading aims to constantly generate arbitrage opportunities through a strict fair value calculation process, managing the downside with a dynamic momentum approach and hard stop loss.

The asset classes are Varied Commodities and Currency Contracts available for trading on multiple exchange and non-exchange trading platforms and involves active fund management style which is primarily focused on technical outlook rather than detailed fundamental analysis.

- The asymmetries can be divided in Time zone arbitrages (same asset traded in different regulated markets)
- Reaction time arbitrage (faster reaction to competitors in transforming a data in a number)
- Player arbitrage (retail vs professional)
- Settlement arbitrage (the same commodity/currency is trading according to different rules depending on the jurisdiction and settled at the same reference rate)

For the purpose of this paragraph *Tactical Trading*:

**“Varied Commodities”** means agri-commodities, energy petrochemicals and base metals.

**“Currency Contracts”** means any contract which may be reasonably subscribed for implementing a spread strategy in an opportunistic way and not including always the same pairs yield.

#### **Relative value**

Trading signals are generated in two ways: using price and volume data, on one side, and using historical price analysis or price reactions to different/similar economic events on the other side.

In both cases, our model exploits mean reverting processes, which lead to “contrarian” trading signals.

The Sub-Fund comprises any commodity/currency product basket or their related instrument derivatives (options, futures and CFD's) sufficiently liquid to be traded intraday.

Signals are built on pairs or baskets of instruments. A series of filters assure that we only trade on high probability profitable spreads through a fully hedged market portfolio.

The strategy centres around systematic techniques and a disciplined risk control approach.

#### **Spread Trading**

In case of spread, arbitrageurs trade only in the futures contracts on exchanges to benefit from the price differentiation between various contracts of the same commodity. They buy a futures contract and sell another futures contract of the same underlying commodity on the exchange to profit from the price difference.

This is also a technique to set up an arbitrage trade in the commodity market. The price difference for the same commodity on various exchanges with the same contract expiry can be exploited as an interexchange arbitrage opportunity. The price difference for the same commodity in the two exchanges can arise due to volatility, liquidity and contract specifications, among other reasons.

### Investment, Borrowing and Leverage Restrictions

The core investment strategy of the Sub-Fund in the commodity space is a Multi Strategy Statistical Arbitrage which consists in trading assets whose price is divergent from fair value. The mean reversion process and high frequency algorithms used by both hedge funds and scalpers will fill the gap in a short range of time. The main asset portfolio will consist primarily of commodities traded across global exchanges. A Spread strategy has been developed in-house for monitoring the relative price differences between the markets and trades are initiated and closed at set levels of spread trading.

The Sub-Fund will not perform trading based on high frequency algorithmic.

The core strategy in the derivatives portfolio is a Multi Strategy Deterministic Arbitrage.

Up to a maximum of 50% of the NAV, the Sub-Fund may invest in regulated or unregulated professional investment funds investing in commodities. For avoidance of doubt the regulated or unregulated professional investment funds referred above shall not include investment funds managed by the Investment Manager and in all cases the Sub-Fund shall not either directly or indirectly control such regulated or unregulated professional investment funds.

Cash investments will, under normal circumstances, only be considered as temporary portfolio holdings.

The Sub-Fund intends to engage in direct borrowing and leverage via the use of derivatives for investment purposes. The maximum level of leverage to be employed directly by the Sub-Fund is aimed at not exceeding 50 (fifty) times the NAV of the Sub-Fund calculated in accordance with the commitment approach. 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 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 shall 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.

### The Initial Offering



<b>Initial Offering Period</b>	From the 30 <sup>th</sup> August 2017 until the Closing Date.
<b>Closing Date</b>	17 August 2018 or such earlier or later date as the Directors may in their absolute discretion determine.
<b>Initial Offering Price</b>	Class A EUR Shares: EUR 100 Class B USD Shares: USD 100
<b>Number of Investor Shares on Offer</b>	Class A EUR Shares: 10,000,000 Shares Class B USD Shares: 10,000,000 Shares

## Fees and Charges

<b>Sub-Investment Management Fee</b>	1.00% per annum, calculated on the NAV at each Valuation Point and payable monthly.
<b>Investment Management fee</b>	0.20% per annum with a minimum of EUR 40,000 per annum, calculated on the NAV at each Valuation Point payable monthly.
<b>Performance Fee</b>	<p>The Sub-Fund shall be subject to a Performance Fee, payable quarterly in arrears by the Sub-Fund to the Investment Manager, for each Account Period equal to 20% of the amount exceeding the greater of (a) the Sub-Fund's NAV of the previous Account Period plus the Hurdle Rate Amount for the Account Period or (b) the High-Water Mark ("<b>HWM</b>") per Investor Share.</p> <p>The "Hurdle Rate" for a given Account Period is equal to 1.0%. The "Hurdle Rate Amount" for a given Account Period is equal to the "Hurdle Rate" multiplied by the last NAV of the previous Account Period. For the first Account Period, the NAV of reference shall be the Initial Offering Price. The Hurdle Rate is not cumulative and "resets" for each Account Period at the beginning of each such Account Period.</p> <p>The HWM is the higher of: (a) the Initial Offering Price, or the Offering Price when the Investor Shares were first issued, as applicable and; (b) the highest NAV per Share on which a performance fee was paid.</p> <p>For the purpose of this paragraph dealing with Performance Fee, "Account Period" means a period of three calendar months ending on the last Valuation Day of each March, June, September and December of each year.</p>
<b>Custody Fee</b>	0.07% (7 basis points) of the Sub-Fund's Net Asset Value, subject to a minimum annual fee of EUR 15,000. For further details please refer to Section 6 of this supplement.
<b>Administration Fee</b>	Up to 0.10% (10 basis points) of the Sub-Fund's Net Asset Value, subject to a minimum annual fee of EUR 30,000.
<b>Audit Fee</b>	EUR 3,500 per annum.

<b>Subscription Charge</b>	None.
<b>Redemption Charge</b>	2.0% of the Redemption Proceeds for Investor Shares redeemed within 6 (six) months as from the relevant Subscription Day and 1.0% of the Redemption Proceeds for Investor Shares redeemed within 12 (twelve) months as from the relevant Subscription Day. This fee shall be payable to the Investment Manager. No Redemption Charge shall apply on Redemption Proceed for Investor Shares redeemed after 12 months from the relevant subscription.

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

<b>Minimum Initial Subscription</b>	Class A EUR Shares: €100,000 Class B USD Shares: \$100,000.
<b>Minimum Additional Subscription</b>	Class A EUR Shares: €10,000 Class B USD Shares: \$10,000
<b>Minimum Holding</b>	Class A EUR Shares: €100,000 Class B USD Shares: \$100,000
<b>Minimum Redemption</b>	Class A EUR Shares: €10,000 Class B USD Shares: \$10,000
<b>Lock-In Period</b>	None.

### **Notice Periods**

<b>Subscription Notice Period</b>	By 3:00 PM CET, one (1) Business Day prior to the relevant Subscription Day.
<b>Redemption Notice Period</b>	By 3:00 PM CET, one (1) Business Day prior to the relevant Redemption Day.

## Section 3 | THE OFFERING

### Share Offer

Up to twenty million of Investor Shares with no nominal value across the respective classes EUR A and USD B are on offer. The offering of the Investor Shares at the Initial Offering Price shall be open on the date of this Offering Supplement and shall close on the Closing Date. The Company is entitled to close the Initial Offering Period at any time prior to the Closing Date or to extend it beyond the Closing Date and this at its sole discretion.

During the Offering Period, which shall commence from the first Business Day after the close of the Initial Offering Period, the offer will be for Investor Shares at the Offering Price applicable on the relevant Subscription Day. The Offering Period shall remain open until such time as the Directors determine otherwise.

### Acquisition of Investor Shares

Purchases of Investor Shares can be made at the Initial Offering Price during the Initial Offering Period and thereafter 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 during the Offering Period, 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 10 | Acquisition of Investor Shares**” of the Offering Memorandum.

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

### Redemption of Investor Shares

Investors are directed to “**Section 11 | Redemption of Investor Shares**” 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.

In respect of each redemption request, the Redemption Notice Period shall commence following receipt by the Company at the office of the Administrator of a valid Redemption Form. The Investor Shares will be redeemed on every Redemption Day following the expiration of the said Redemption Notice Period.

A specimen Redemption Notice may be obtained from the Administrator.

Net Redemption Proceeds will be paid to redeeming investors immediately upon the processing of a redemption request.

The Directors reserve the right to set a Redemption Day and to limit the redemption amount on such redemption days. Investors will be notified at least three months in advance of a proposed Redemption Day. To the extent that redemptions received for a Redemption Day exceed the maximum redemption amount set by the Directors, all redemptions received in respect of that Redemption Day will be affected on a pro-rata basis.

Where the Directors should receive redemption requests representing in aggregate 30% of the NAV of the Sub-Fund, or any other percentage that the Directors may determine at their sole discretion, the Directors shall be entitled to postpone either the redemption itself or the payment of the relevant Redemption Proceeds for a period non exceeding three (3) months as from the receipt of the relevant request.

### **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 FOLLOWING RISK FACTORS WHICH RELATE TO THE MARKETS IN WHICH THE SUB-FUND'S ASSETS WILL BE INVESTED.

Investors are directed to the Offering Memorandum where the risk factors applicable to investment in shares of the Company, including in Investor Shares, are explained. In addition to the risk factors set

out in the Offering Memorandum, investors should note the additional risk factors outlined below:

### **Securities Borrowing**

Borrowed securities may need to be returned on a short notice. If the securities borrowed cannot be returned, the Company, in respect of a Sub-Fund, could be required to cover the short sale by borrowing the security elsewhere or by purchasing securities at a higher price than the short sale transaction thereby creating a loss. Also, if a broker (or prime broker) were to recall funding facilities, the Company or the Portfolio Manager would be forced to sell securities at disadvantageous conditions.

### **Fee Structure**

The Company will not adopt an equalisation methodology for the calculation of the Performance Fee. Shareholders may accordingly underpay/overpay any Performance Fee due to the Investment Manager when subscribing and/ or redeeming their Investor Shares.

### **Investment Strategy**

The investments of the Sub-Fund will thus be exposed to a number of market risks, which may arise in the different sectors in which the Sub-Fund will invest. The Investment Manager will seek to manage such risks through the diversification of the investments of the Sub-Fund across different sectors and through different investment instruments.

**POTENTIAL INVESTORS ARE EXPECTED TO BE AWARE OF THE RISKS OF INVESTING IN THE SUB-FUND AND ANY PERSON CONSIDERING AN INVESTMENT IN THE SUB-FUND MUST HAVE THE FINANCIAL SOPHISTICATION AND EXPERTISE TO EVALUATE ITS MERITS AND RISKS.**

### **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 | THE SUB-INVESTMENT MANAGER

### The Sub-Investment Manager(s)

In accordance with the AIFMD and the Commission Delegated Regulation(EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision, the Investment Manager has appointed **Richcomm Global Services DMCC** as portfolio manager (the “Sub-Investment Manager”) to perform the day to day management of the assets portfolio comprising the Sub-Fund, with full discretion, subject to the overall policy guidance, control and review by the Investment Manager.

The Sub-Investment Manager shall invest such assets in pursuit of the investment objectives of the Sub-Fund and subject to the investment restrictions described in this Offering Supplement.

The Sub-Investment Manager is a company registered in Dubai under the authority of the Dubai Multi Commodity Centre with Registration No. DMCC0920, a member of the Dubai Gold and Commodities Exchange (the “**DGCX**”) under License No. DMCC-30644 and a commodity broker licensed by the Emirates Securities and Commodities Authority (“**SCA**”) under licence No. 607114. The Sub-Investment manager is authorised for trading on DGCX contracts and trading on proprietary account on regulated exchanges. In addition, as per the guidelines by DGCX with respect to discretionary trading on DGCX, all licensed members are eligible to carry out trades on behalf of clients on a discretionary basis.

In carrying out its duties and responsibilities pursuant to the respective Sub-Investment Management Agreement with the Investment Manager, the Sub-Investment Manager shall exercise its powers and discharge its duties honestly, in good faith, with the care, skill, prudence and diligence that a reasonably prudent and experienced investment manager acting in a like fiduciary capacity would use in the conduct of an enterprise of like character and aims, and in the best interests of the Investment Manager and the Sub-Fund in the course of the management of the Sub-Fund’s portfolio.

Information in relation to the Sub-Investment Manager appointed by the Investment Manager in respect of the Sub-Fund will be made available to prospective investors and to Shareholders in the Sub-Fund upon request.

The fees payable to the Sub-Investment Manager shall be paid by the Investment Manager.

## Section 5 | BROKERS

The Company may in respect of the Sub-Fund appoint brokers responsible for the execution of the Sub-Fund's transaction in line with its investment objectives and policies in terms of a brokerage agreement to be entered into and between the Company in respect of the Sub-fund and the

Broker.

As at the date of this Offering Supplement, the Company has appointed the following Brokers for the Sub-Fund:

**RICHCOMM GLOBAL SERVICES DMCC** Originally formed in 2007 Richcomm Global Services DMCC is a Dubai-based international commodity services company, a broker and clearing member of the Dubai Gold and Commodities Exchange and regulated by the Emirates Securities & Commodities Authority. Richcomm Global Services is an established participant of the global commodities market, Richcomm Global Services DMCC as broker in respect of transactions entered into by the Company in respect of derivatives instruments.

The key Commodity Futures Trading Commission ("**CFTC**") and regulated Futures Commission Merchants ("**FCM**") entities that the Company will engage include:

1. Rosenthal Collins Group, a Futures Commission Merchant registered with the CFTC and the National Futures Association.
2. R.J. O'Brien & Associates LLC is the oldest and largest independent futures brokerage and clearing firm in the United States. A futures commission merchant (FCM), RJO is a full clearing member of the CME Group (founding member of the Chicago Mercantile Exchange) and all its markets; Intercontinental Exchange (ICE); NYSE Liffe U.S.; and the CBOE Futures Exchange (CFE).
3. INTL FC Stone Inc. provides clients across the globe with a comprehensive range of customized financial services and tools to help them protect their margins and manage volatility. A pioneer in specialized financial services, they open markets for underserved mid-market clients with insight, guidance and access.

The FCA regulated firms in UK include:

1. ED&F Man is a specialist merchant of agricultural commodities, trading specifically in sugar, molasses and coffee. In addition, they act as broker to clients who need to access commodity and capital markets to hedge their risk.
2. Hantec Markets Limited is a leading, award winning independent Forex broker. It provides full-service professional financial services to investors through its branches and subsidiaries across major cities in the world.

MAS (Monetary Authority of Singapore) Singapore Companies:

1. KGI Ong Capital is the first Futures Brokerage in Singapore and the pioneer Clearing Member of Singapore Exchange-Derivatives Trading with more than 30 years of experience in Futures and Derivatives industry.

The Company may in respect of the Sub-Fund appointment additional Brokers from time to time.

## Section 6 | FEES, CHARGES AND EXPENSES

### Investment Management Fee:

The Company will pay the Investment Manager a fee of 0.20% per annum with a minimum of EUR 40,000 equivalent per annum, calculated on the NAV at each Valuation Point. 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 Company will pay to the Investment Manager which in turn shall pay to the Sub-Investment Manager a Sub-Investment Management Fee of 1.00% per annum.

The Sub-Investment Management Fee will accrue on every Valuation Point and shall be payable monthly in arrears.

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

### Performance Fee

The Sub-Fund shall be subject to a Performance Fee, payable quarterly in arrears by the Sub-Fund to the Investment Manager, for each Account Period equal to 20% of the amount exceeding the greater of (a) the Sub-Fund's NAV plus the Hurdle Rate Amount for the Account Period or (b) the HWM multiplied per each Investor Share.

The "Hurdle Rate" for a given Account Period is equal to 1%. The "Hurdle Rate Amount" for a given Account Period is equal to the "Hurdle Rate" multiplied by the last NAV of the previous Account Period. For the first year the NAV of reference shall be the Initial Offering Price. The Hurdle Rate is not cumulative and "resets" for each Account Period at the beginning of each such Account Period.

The HWM is the higher of: (a) the Initial Offering Price, or the Offering Price when the Investor Shares were first issued, as applicable and; (b) the highest NAV per Share on which a performance fee was paid.



	<b>GAV*</b> <b>(a)</b>	<b>HWM</b> <b>(b)</b>	<b>NAV previous</b> <b>Account</b> <b>Period</b> <b>+ Hurdle Rate</b> <b>Amount (c)</b>	<b>Gain</b> <b>(d) =</b> <b>(a) –</b> <b>max(b,c)</b>	<b>Performance</b> <b>Fee:</b> <b>(e) = (d) x</b> <b>20%</b>	<b>NAV</b> <b>(f) = (a) –</b> <b>(e)</b>
<b>Q1</b>	100.50	100.00	<b>101.00</b>	-	-	<b>100.50</b>
<b>Q2</b>	105.00	100.00	<b>101.51</b>	3.49	0.70	<b>104.30</b>
<b>Q3</b>	103.00	104.30	<b>105.34</b>	-	-	<b>103.00</b>
<b>Q4</b>	107.00	<b>104.30</b>	104.03	2.70	0.54	<b>106.46</b>
<b>Q5</b>	105.00	106.46	<b>107.52</b>	-	-	<b>105.00</b>
<b>Q6</b>	109.00	<b>106.46</b>	106.05	2.54	0.51	<b>108.49</b>
<b>Q7</b>	112.00	108.49	<b>109.58</b>	2.42	0.48	<b>111.52</b>
<b>Q8</b>	107.00	111.52	<b>112.63</b>	-	-	<b>107.00</b>

\*Gross Asset Value before Performance Fees

The Performance Fee will be calculated and accrued on every Valuation Point and is payable quarterly in arrears normally within 10 Business Days at the end of each Account Period.

If a Redemption is made from the Investor Shares as of a date other than the last redemption day of each Account Period a Performance Fee (if accrued as of the date of such Redemption) shall be crystallized in respect of the Investor Shares being redeemed and paid to the Investment Manager 14 Business Days after the Redemption Day. Crystallized Performance Fees shall remain in the relevant Class of Investor Shares until paid to the Investment Manager, and shall not be used or made available to satisfy Redemptions or pay any fees and expenses of the Investor Shares.

If the Investment Management Agreement is terminated during a Calculation Period the Performance Fee in respect of the current Calculation Period will be calculated and paid as though the date of termination was the end of the relevant Calculation Period.

The Company will not adopt an equalisation methodology for the calculation of the Performance Fee. Shareholders may according underpay/over pay any Performance Fee due to the Investment Manager when subscribing and/or redeeming their Investor Shares.

For the purpose of this paragraph dealing with Performance Fee, “Account Period” means a period of three calendar months ending on the last Valuation Day of each March, June, September and December of each year.

## Administration Fee

The Company shall pay the Administrator out of the assets of each Sub-Fund an administration fee (the “**Administration Fee**”) an Administration Fee of up to 0.10% of the Sub-Fund’s Net Asset Value, subject to a minimum annual fee of EUR 30,000 (excluding VAT thereon if any). 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 pays to the Depositary an annual recurring Depositary Fee of 0.07% of the Sub-Fund's NAV, with a minimum fee of EUR 15,000 (excluding VAT thereon if any). The Depositary Fee is calculated by reference to the Net Asset Value at each Valuation Point and shall be payable monthly in arrears.

Please note that the Depositary may apply to the Sub-Fund additional charges, including for account opening, postage, account maintenance, payment transactions, trading commissions and settlement fees. Such charges are not specified in this document but can be disclosed by the Depositary upon request of the investors.

### **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 EUR 1,000 payable to the MFSA in respect of the application for licensing of the Sub-Fund and an annual supervisory fee of EUR 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 and 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.

### **Audit Fee**

The Company pays to the Auditor an annual recurring Audit Fee of EUR 3,500 (excluding VAT thereon if any). The Audit Fee shall be payable annually in arrears.

### **Subscription Charge**

None.

**Redemption Charge**

2.0% of the Redemption Proceeds for Investor Shares redeemed within 6 (six) months as from the Subscription Day and 1.0% of the Redemption Proceeds for Investor Shares redeemed within 12 (twelve) months as from the Subscription Day. This fee shall be payable to the Investment Manager. No Redemption Charge shall apply on Redemption Proceed for Investor Shares redeemed after 12 (twelve) months from the relevant subscription,

## SECTION 7 | 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, there are Investor Shares 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.

# DIRECTORY

## Directors of the Company

Mr. Adrian Galea  
Mr. David Grech  
Mr. Stefano Sabbatini

## Registered Office

Skyway Offices Block C, Office 1  
179 Marina Street  
Pieta PTA 9042  
Malta

## Investment Manager

**Agon Asset Management Limited**  
2 Sir Augustus Bartolo Street, Ta'Xbiex  
XBX 1091,  
Malta

## Sub-Investment Manager

**Richcomm Global Services DMCC**  
Office 3-K, Silver Tower, Jumeirah Lakes Towers  
Dubai, P.O. Box 340814  
United Arab Emirates

## Custodian

**Zarattini International Limited**  
56, Europa Centre  
Saint Anne Street  
Floriana, FRN 9011  
Malta

## Administrator, Registrar and Transfer Agent

**Mainstream Fund Services Malta Limited**  
Block B, Level 1,  
Il-Pjazzetta Office  
14, Tower Road  
Sliema SLM 1605  
Malta

## Auditors

**Deloitte Audit Limited**  
Deloitte Place  
Mrieħel Bypass  
Birkirkara BKR 3000  
Malta

## Company Secretary

**SGGG Fexserv Fund Services (Malta) Limited**  
Business Box  
Msida Valley Road  
Birkirkara BKR9024  
Malta