



GLOBAL PREMIER EQUITY FUND

INFORMATION MEMORANDUM



INFORMATION MEMORANDUM



(Company number: LL14968)

(Incorporated in Labuan, Malaysia under the Labuan Companies Act 1990)

Licensed Fund Manager (License No. FML/21/0051A)

This Information Memorandum is dated 15th May 2022

This Information Memorandum is submitted to you on a confidential basis solely in connection with your consideration of an investment in the Fund. Due to the confidential nature of this Information Memorandum, its use for any other purpose might involve legal consequences. Consequently, this Information Memorandum may not be reproduced in whole or in part and may not be delivered to any person (other than your financial advisor) without the prior written consent of the Fund's directors.

Investors are advised to read and understand the Information Memorandum and if in doubt, to obtain professional advice before subscribing to units of the Fund

Units of the Fund shall not be offered to Malaysian residents in any part of Malaysia except in Labuan.



IMPORTANT NOTICES

Responsibility Statement

This information memorandum in relation to the Global Premier Equity Fund has been seen and approved by the directors of Alpha Well Ltd and they collectively and individually accept full responsibility for the accuracy of all information contained herein and confirm, having made all enquiries which are reasonable in the circumstances, that to the best of their knowledge and belief, there are no other facts omitted which would make any statement herein misleading.

Statements of Disclaimer

The Labuan Financial Services Authority will not be liable for any non-disclosure on the part of Alpha Well Ltd and takes no responsibility for the contents of this information memorandum, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from, or in reliance upon the whole or any part of the contents of this information memorandum.

Additionally, prospective investors should not treat the contents of this information memorandum as advice relating to investment, law or taxation and must rely on their own legal counsel, accountants and/or other professional advisers as to legal, tax and related matters concerning the Fund and investments therein.

Foreign Jurisdictions

This IM does not constitute, and may not be used for the purpose of, an offer or solicitation in any jurisdiction other than the Federal Territory of Labuan or in circumstances in which such offer or solicitation is not authorized. No recipient of this IM in any jurisdiction other than Federal Territory of Labuan may treat it as constituting an offer to acquire shares in the Fund.

Malaysia

No approval of the Securities Commission of Malaysia has been or will be obtained in connection with the offer of Units in Malaysia, nor will this IM be registered with the Securities Commission of Malaysia. Accordingly, the Units are only being offered and sold in accordance with one or more of the excluded offers and excluded invitations set forth in Schedule 6 (“Schedule 6”) of the Malaysia Capital Markets and Services Act 2007, as amended (“CMSA”), which includes, among others, offer and sales to accredited investors, high net worth entities and high net worth individuals (as such terms are used in Schedule 6) and with respect to the securities of a corporation which are not listed, an offer or



invitation made to existing members of such corporation by means of a rights issue and is not an offer to which section 237 of the CMSA applies, By purchasing Units in the Fund, you will be deemed to represent that you are a person to whom the Units may be offered and sold in accordance with Schedule 6.

Singapore

This Information Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (“MAS”) under the Securities and Futures Act (Chapter 289) of Singapore (“SFA”). Accordingly, the Units may not be offered or sold, or made the subject of an invitation for subscription or purchase nor may this Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Units be circulated or distributed, whether directly or indirectly, in Singapore other than (i) to an “institutional investor” within the meaning of Section 274 of the SFA and in accordance with the conditions of an exemption invoked under Section 274, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) other pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Hong Kong

This Information Memorandum has not been reviewed or approved by any regulatory authority in Hong Kong. In particular, this Information Memorandum has not been, and will not be, registered as a “prospectus” in Hong Kong under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32) (“CO”) nor has it been authorized by the Securities and Futures Commission (“SFC”) in Hong Kong pursuant to the Securities and Futures Ordinance (Cap 571) (“SFO”). Recipients are advised to exercise caution in relation to the Issue. If recipients are in any doubt about any of the contents of this Information Memorandum, they should obtain independent professional advice.

This Information Memorandum does not constitute an offer or invitation to the public in Hong Kong to acquire any Units nor an advertisement of the Fund or the Units in Hong Kong. This Information Memorandum must not be issued, circulated or distributed in Hong Kong other than:

- to “professional investors” within the meaning of the SFO and any rules made under that ordinance (“Professional Investors”); or



- in other circumstances which do not result in this Information Memorandum being a prospectus as defined in the CO nor constitute an offer to the public which requires authorization by the SFC under the SFO.

The Directors and the Investment Manager reserve the right to require a potential investor in any jurisdiction to give it an opinion of legal counsel that the subscription for Units by such potential investor in accordance with the terms of this Information Memorandum is permissible in accordance with the laws of such jurisdiction.

In particular, this product has not been and will not be registered under the US Securities Act or the securities laws of any state of the United States and may not be offered, sold, delivered or transferred in the United States or to, or for the account of, any “US Person” (as defined in Regulation S under the US Securities Act). Neither this IM nor any Application Form or other material relating to this product may be distributed in the United States.

Forward-Looking Statements

This Information Memorandum contains forward -looking statements that are identified by words such as “believe”, “intend”, “estimate”, “expect” and other words of similar meaning that involve risks and uncertainties. All forward - looking statements, including those regarding the Fund’s financial position and investment strategy, are subject to factors that could cause the performance of the Fund to differ materially from that expressed or anticipated in these statements.

The forward-looking statements in this Information Memorandum are based on numerous assumptions regarding the Fund’s present and future operations and investment strategies and the markets in which the Fund operates. These forward-looking statements are current only at the date of this Information Memorandum. There is no assurance that such statements, estimates or projections will be realized or will apply in the future.

Independent Advice Recommended

Prospective Investors are not to construe the contents of this Information Memorandum as tax, legal or investment advice. The information provided in this Information Memorandum is general in nature and does not take into account your personal objectives, financial situation or needs. It does not constitute tax, legal or investment advice and is not a recommendation to invest. An investment in the Fund is speculative and may not be appropriate for all investors. You should seek independent legal, investment and tax advice tailored to your own needs before deciding whether to invest in the Fund. You should



rely on your own enquiries, in particular in obtaining your own legal, investment and tax advice in determining whether to invest in the Fund.

No Guarantee

An investment in the Fund is subject to risks, including the loss of the capital you invest. Neither the Investment Manager nor any of their directors, officers, associates, employees, advisors or representatives guarantee the rate of return or performance of the Fund. Nor do they guarantee the Fund will meet its objectives or the repayment of your investment.

Updated Information

The information contained in this Information Memorandum can change and the Information Memorandum may be updated or replaced from time -to -time. Unless the changed information is materially adverse to you, the Fund may not always update or replace this Information Memorandum to reflect the changed information. Updated information can be obtained by going to the Company's website, www.alphawell.co, or contact the Investment Manager via email: support@alphawell.co.

Confidentiality

This Information Memorandum is the property of the Fund. By receiving this information memorandum, the recipient agrees to keep its content confidential and agrees not to copy, supply, disseminate or disclose any information in relation to its content without the prior written consent of the Investment Manager.

Glossary and Currency

Certain capitalized words and expressions used in this Information Memorandum are defined in the Glossary. All dollar amounts are in United States Dollars (USD), unless otherwise stated.



Table of Contents

IMPORTANT NOTICES	3
CORPORATE DIRECTORY	9
DEFINITIONS	10
1.0 Key Data	18
1.1 Class A Unit	24
2.0 Investment Objective	24
3.1 Investment Strategy	25
3.2 Asset Allocation	26
3.3 Tenure and Maturity	27
3.4 Financial Derivatives	27
3.5 Leverage	27
3.6 Investment Decision	27
3.7 Investment Process	27
3.8 Risk management process of the Fund	28
3.9 Investment Restrictions	29
3.10 Changes to Investment Objective and Strategy	29
4.0 Information On The Company	30
4.1 About the Company	30
5.0 Information On The Fund	32
5.1 Temporary suspension of dealings of units of the Fund	32
5.2 Deferral of redemptions of shares of the Fund	33
5.3 Compulsory redemption of shares of the Fund	33
5.4 Restrictions on subscriptions of the Fund	34
5.5 Subscription Procedure	34
5.6 Measures to combat money laundering and terrorist finance	35



5.7	Data Protection	36
5.8	Eligible Investors	37
6.0	Risk Factors Of The Fund	39
6.1	General Risks of Investing in a Fund	39
6.2	Specific Risks when investing in this Fund	39
7.0	Pricing Policy	59
8.0	Valuation Of Assets	60
9.0	Policy On Rebates And Soft Commission	62
10.0	Rights And Liabilities Of Unit Holders	62
10.1	Rights of the Unit Holders	62
10.2	Liabilities of Unit Holders	62
10.3	Power to Call for a Meeting by Unit Holders	63
10.4	Termination of the Fund	63
10.5	Classes of Units	64



CORPORATE DIRECTORY

The Company / Investment Manager **Alpha Well Ltd** **(LL14968)**

Registered Address:

Unit 9F(2), Main Office Tower,
Financial Park Labuan.
Jalan Merdeka,
87000 Federal Territory of Labuan

Business Address:

Level 4, Unit 350-407, Office A,
Labuan Times Square,
Jalan Merdeka,
87000 Federal Territory of Labuan
Tel. No.: 087-410 696

Email: support@alphawell.co**Website :** www.alphawell.co

Board of Directors

Chan Chiew Keat (Executive)
Ong Boon Peng (Executive)
Lee Meng Hong (Executive)



DEFINITIONS

In this Information Memorandum, the following abbreviations or words shall have the following meaning unless otherwise stated.

Act	the Labuan Financial Services and Securities Act 2010
Articles	the Articles of Association of the Fund as amended from time to time;
Base Currency	The base currency of the Fund, i.e. United States Dollar (USD).
Board	the Board of Directors of the Company;
Bursa Malaysia	The stock exchange managed or operated by Bursa Malaysia Securities Berhad.
Business Day	any day (except a Saturday and a Sunday) on which banks are open for normal banking business In the Labuan and/or such other day or days as the Directors may from time to time determine;
Commencement Date	the day of which the investments of the Fund may first be made and may be the next Business Day after the Initial Offer Period closing date
Company	Alpha Well Ltd;
Class (es)	Any number of class(es) of Unit(s) representing similar interests in the assets of the Fund although a class of Units may have different features from another class of Units and such class(es) of Unit(s) may be issued by the Fund from time to time; a “Class” means any one class of Units.
Class A Units	A class of Units denominated in USD and designated as “Class A Units”;

Deposits	These are placements of cash in any deposits or investment accounts with any financial institution(s) that are not embedded with or linked to financial derivative instruments.
Financial Institution(s)	<p>(a) If the institution is in Malaysia –</p> <p style="padding-left: 40px;">(i) Institutions authorized to carry on banking business or investment banking business under the Financial Services Act 2013; or</p> <p style="padding-left: 40px;">(ii) Institutions authorized to carry on Islamic banking business under the Islamic Financial Services Act 2013; or</p> <p>(b) If the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services.</p>
Fund	Global Premier Equity Fund
Ineligible Investor	any person in respect of whom the Directors have imposed restrictions for the purpose of ensuring that no Units are held by: (i) any person or persons in breach of the law or requirements of any country or governmental authority of (ii) any person or persons in circumstances (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other persons, connected or not, or any other circumstance appearing to the Directors to be relevant) which in the opinion of the Directors might result in the Fund incurring any liability to taxation or suffering any pecuniary, fiscal, regulatory or other disadvantage which the Fund might not otherwise incur or suffer;

Introducer's Fee	the fee payable by the Fund to any investor who refers a third party investor to the Fund, provided that such third party becomes a Shareholder as a result;
Investment Account	an investment account will be established in the accounts of the Fund in respect of a Class of Units in accordance with the Articles;
Investment Managers	Alpha Well Ltd
LFSA	the Labuan Financial Services Authority;
Management Fee	the management fee received by the Investment Managers;
Management Units	the voting, non-participating, non-redeemable shares in the capital of the Fund of USD1.00 each;
Memorandum	the Memorandum of Association of the Fund, as may be amended from time to time;
Net Asset Value (NAV)	The net asset value of the Fund or a Class is determined by deducting the value of all the Fund's liabilities (or the liabilities relating to the Class) from the value of all the Fund's assets (or assets relating to that Class), at the valuation point.
Net Asset Value (NAV) per Unit	The NAV attributable to a Class divided by the total number of Units in circulation for that Class at that valuation point..
Permitted Investment	means: (a) any Quoted Investments; (b) any Unquoted Investments;

	<p>(c) any Investment which is a unit in any unit trust scheme or a share or participation in an open-ended mutual fund or other collective investment scheme;</p> <p>(d) any Investment in any currency; or</p> <p>(e) any other investment not covered by paragraphs (a) to (c) of this definition but selected by the Investment Committee of the Fund for investment of the deposited property of the Fund, whereby,</p> <p>“Investments” means any share, stock, warrant, option or other stock purchase right, interest-bearing instrument, bond, convertible bond, discount bond, note, discount note, exchange fund note, debenture, debenture stock, banker’s acceptance, debt security, loan, loan convertible into security, loan stock, money market instrument, certificate of deposit, currency deposit, commercial paper, promissory note, unit or sub -unit in any unit trust scheme, share or participation in a mutual fund, share or other interest in a real estate investment trust company, share or unit or sub-unit or participation or other interest in any collective investment scheme, treasury bill, trade bill, bill of exchange, fixed or floating rate debt instrument, limited partner or membership interests, futures, forward, swap, floor, cap, collar or other derivative or derivative transactions, index and forward currency exchange contract, futures contract, contract for derivatives or other derivative or financial transaction or any other instrument or security (all the foregoing denominated in any currency) which may be selected by the investment manager of the Company for the purpose of investment of the assets of the Company or which may for the time being form part thereof. For avoidance of doubt, any Investment which is a futures, option,</p>
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	<p>forward, swap, collar, floor or other derivative, provided that any such investment in derivatives will only be for hedging of currency;</p> <p>“Quoted Investment” means any Investment which is listed, quoted or dealt with on any Recognised Stock Exchange or OTC Market;</p> <p>“Unquoted Investment” means any Investment which is not quoted, listed or dealt with on any Recognised Stock Exchange or OTC Market;</p> <p>“Recognised Stock Exchange” means any stock exchange, futures exchange and organised securities exchange on which securities are regularly invested in any part of the world and in relation to any particular Permitted Investment, shall be deemed to include any responsible firm, corporation or association in any part of the world dealing in the Permitted Investment which Singapore may from time to time elect; and</p> <p>“OTC Market” means any over-the-counter market or over-the-telephone market in any country in any part of the world, and in relation to any particular Permitted Investment shall be deemed to include any responsible firm, corporation or association in any country in any part of the world dealing in the Permitted Investment which the Company may from time to time elect.</p>
<p>Performance Fee</p>	<p>a performance-based fee payable to the Investment Managers by the Fund;</p>
<p>Placements of Cash</p>	<p>These are placements of cash in any deposits or investment accounts with any financial institution(s) that are not embedded with or linked to financial derivative instruments.</p>



Principal Amount / Capital	in relation to each subscription for Units (whether a Shareholder's initial investment or an additional investment), the principal amount which is accepted into the Fund from an investor on a Subscription Day;
Redemption Day	the last Business Day of each calendar quarter and such other Business Day or Days as the Directors may, in their sole discretion, from time to time determine;
Related Parties	the respective affiliates, which shall be deemed to include, in each case, their respective officers, directors, employees and entities owned by, the Investment Managers and the Administrator (as the case may be);
RM	Ringgit Malaysia, the lawful currency of Malaysia.
Units	the non-voting, redeemable, participating shares in the capital of the Fund of no par value;
Shareholder	a person who is entered on the register of members of the Fund as the holder of Units;
Sophisticated Investor	<ol style="list-style-type: none"> 1. An individual whose total net personal assets, or total net joint assets with his or her spouse, exceeds RM3 million or its equivalent in foreign currencies, excluding the value of the individual's primary residence; or 2. An individual who has a gross annual income exceeding RM300,000 or its equivalent in foreign currencies per annum in the preceding twelve months; or 3. An individual who, jointly with his or her spouse, has a gross annual income exceeding RM400,000 or its

	<p>equivalent in foreign currencies per annum in the preceding twelve months; or</p> <ol style="list-style-type: none"> 4. A corporation with total net assets exceeding RM10 million or its equivalent in foreign currencies based on the last audited accounts; or 5. A partnership with total net assets exceeding RM10 million or its equivalent in foreign currencies; or 6. A unit trust scheme or a prescribed investment scheme; or 7. A private retirement scheme as defined in the Capital Markets and Services Act 2007; or 8. A closed-end fund approved by the Securities Commission; or 9. A company that is registered as a trust company under the Trust Companies Act 1949 which has assets under management exceeding RM10 million or its equivalent in foreign currencies; or 10. A corporation that is a public company under the Companies Act 2016 which is approved by the Securities Commission to be a trustee under the Capital Markets and Services Act 2007 and has assets under management exceeding RM10 million or its equivalent in foreign currencies; or 11. A statutory body established by an Act of Parliament or an enactment of any State; or 12. A pension fund approved by the Director General of Inland Revenue under the Income Tax Act 1967; or 13. Central Bank of Malaysia established under the Central Bank of Malaysia Act 2009; or 14. A holder of a capital markets services licence or an executive director or a chief executive officer of a holder of a capital markets services licence; or 15. A licensed bank as defined in the Financial Services Act 2013 or a licensed Islamic bank as defined in the Islamic Financial Services Act 2013; or
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	<p>16. A Labuan bank as defined in the Labuan Financial Services and Securities Act 2010; or</p> <p>17. A licensed insurer as defined in the Financial Services Act 2013; or</p> <p>18. An insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; or</p> <p>19. A takaful licensee as defined in the Labuan Islamic Financial Services and Securities Act 2010; or</p> <p>20. A licensed takaful operator as defined in the Islamic Financial Services Act 2013; or</p> <p>21. Any other investor as may be defined by the Securities Commission from time to time.</p>
Subscription Day	the first Business Day of each month and/or such other day or days as the Directors in their sole discretion may from time to time determine;
US and United States	the United States of America (including the states and District of Columbia) and any of its territories, possessions and other areas subject to its jurisdiction;
US Person	Any “United States Person” as defined in Regulations promulgated under the 1933 Act, as amended from time to time;
USD and US\$	United States dollars, the lawful currency of the United States of America.
Valuation Day	the last Business Day of each calendar quarter commencing on the initial Subscription Day or such other Business Day or Days as the Directors, in their sole discretion, may from time to time determine; and



Valuation Time	the close of business in the Labuan on the relevant Valuation Day.
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1.0 KEY DATA

Fund Name	Global Premier Equity Fund (“The Fund”)
Base Currency of the Fund	USD
Initial Offer Price	USD1.00 each unit
Investment Objective	<p>The Fund aims to provide short term[^] capital appreciation whilst providing capital repayment on the Maturity Date.</p> <p>[^]Note: “short term” in this context refers to a period of 6 months.</p>
Asset Allocation	<p>At least 70% of NAV</p> <ul style="list-style-type: none"> primarily invest in global equity market and financial derivatives instruments including but not limited to futures contracts, options, forward contracts and swaps, digital assets and other financial instruments that the Investment Manager deems fit. <p>Up to 30% of NAV</p> <ul style="list-style-type: none"> primarily invest in private equity and private debt investments, both direct investments and funds, including without limitation private equity funds, co-investments, secondaries, private debt investments and semi-liquid private equity investments (i.e. the portfolio investments). The portfolio investments may consist of collective investment schemes or funds managed and operated by various alternative investment managers. <p>Up to 5% of NAV</p> <ul style="list-style-type: none"> Investments in liquid assets including money market instruments and Placements of Cash.

Investment Manager	<p>This fund is managed by Alpha Well Ltd, a Company with limited by shares incorporated in Labuan International Business and Financial Center as a Labuan company under the provisions of the Labuan Companies Act 1990 on 23rd of July 2018. The company is regulated by the Labuan Financial Services Authority as a Licensed Fund Manager (License No. FML/21/0051A).</p>
Principal Investment Strategy	<p>The Principal Investment objective of the Fund is to achieve capital appreciation by investing primarily in securities, globally using financial derivative instruments where appropriate.</p> <p>The Fund will primarily invest, either directly or through the use of financial derivative instruments, in equity securities, commodity index instruments, convertible securities, debt securities, deposits with credit institutions and money market instruments. Issuers of these securities may be located in any country, including emerging markets.</p> <p>The Fund may invest in financial derivative instruments to achieve its investment objective. Such instruments may also be used for the purposes of hedging. These instruments may include but are not limited to futures, options, contracts for difference, total return swaps, selected over-the-counter derivatives and other financial derivative instruments. The Fund’s expected level of leverage is 500% of the net asset value of the Fund, although it is possible that this expected level of leverage may be significantly exceeded from time to time.</p> <p>The Fund may invest into private businesses. The Fund intends to selectively invest in established companies which in the Board’s opinion represent reasonably liquid investments with potential for subsequent initial public offerings or buy-outs. Such investment includes but not limited to direct investment in private equity arrangements, private debt investments and funds.</p>



	<p>As the Fund invests up to 95% of NAV in global equities, financial derivative instruments and up to 30% of NAV into private businesses, the investment strategy employed will be at the Company level.</p> <p>As the Fund is structured as an open-ended fund with different share classes which entails different lock in period, maturity tenure and investment returns, investment decisions will be made in accordance to them.</p> <p>The Fund shall divest its assets and investments in the absolute discretion of the Management providing that it is based on the interest of the investors.</p> <p>The remaining assets of the Fund of up to 5% of NAV will be invested in liquid assets to defray expenses over the tenure of the Fund. The Investment Manager may trade in financial derivatives for the purpose of hedging the Fund’s exposure to the USD denominated Units of the Company.</p> <p>Prospective Investors are advised to refer to section 4.2 to read and understand the Company’s investment objective, focus, and approach.</p>
Investor’s Risk Barometer	High risk with investment horizon of more than 6 months
Financial Year End	31 st December
Locked-in Period / Tenure	Six (6) months
Management Fee	<p>The Company shall impose a management fee of two percent (2%) per annum of NAV calculated on a daily basis before deducting the Manager’s fee for that particular day.</p> <p>The Management Fee is payable by the Fund on a quarterly basis with the calculation as the above illustrated.</p>

	Board of Directors shall from time to time at their discretion to decide, review and revise the Management Fee agreed between the parties.
Types of Return	including but not limited to Dividends and Capital Gain on investments.
Performance Fee	The Fund shall pay an additional thirty percent (30%) of the return in the form of performance fee to the Investment Manager.
Pre-mature redemption	Any application for pre-mature redemption shall subject to penalty of ten percent (10%) of the NAV of the Fund or otherwise at the sole discretion of the Board of Directors.
Redemption Fee	Any redemptions whether it is pre-mature redemption or upon maturity, there is redemption fee charge of USD500.00.
Pre-mature Redemption Date	Investor must submit Pre-mature Redemption Notice to the company at least Thirty (30) Business Days before the intended redemption date of the respective investment.
Redemption Date	Investor must submit Redemption Notice to the Board of Directors at least 30 Business Days before the Maturity Day of the respective investment and/or Redeemable Unit class
Subscription fee	Upon subscription of investment, the Fund shall charge an upfront subscription fee of up to one point five percent (1.5%) while the Board of Directors has the discretion to waive or lower the Subscription Fee.

Distribution Policy	<p>Subject to the level of income, distribution, if any, after deduction of taxation and expenses (i.e. net distribution) is declared bi-annually.</p> <p>Any distribution made, will be out of the Fund’s realised gain or realised income.</p>
Frequency of Distribution	<p>The Board of Directors reserves the rights to declare a bi-annually dividend on the Redeemable Preference Units at any point of time when deem fit, provided that the Fund has generate positive return from its investments. The dividend policy of the Fund with respect of this Redeemable Preference Units will be determined by the Board of Directors at its sole discretion.</p>
Annual Custodial Fees	<p>One (1) % per annum of NAV before deducting the Manager’s and Custodial fees for that day (excluding foreign custodian fees and charges).</p>
Cooling-off	<p>Investors do not have any cooling-off rights in respect of any investment in this Fund.</p>
Expenses directly related to the Fund	<p>Auditors’ fee, custodial charges, other relevant professional fees, cost of distribution of quarterly and annual reports, tax certificates, distribution cheques and other notices to the Investors, and taxes.</p>
Other expenses indirectly paid by an investor when investing in the Fund	<p>None levied by the Investment Manager.</p> <p>However, as this Fund will invest in the shares of the Company, there are fees indirectly incurred by this Fund such as performance fee¹, organizational expenses², other expenses⁴ and administrator and custodian fees³ which are incurred at the Company level. Details are as follows:</p>

	<p>¹ Please see section 4.5.</p> <p>² The Company shall pay for all organizational expenses in relation to the formation of the fund and all expenses related to the invitation to invest into the fund, including but not limited to the cost and expenses incurred in relation to the marketing and promotion of the Invitation, legal, accounting, company secretarial, and other professional fees and expenses.</p> <p>³ Other expenses including, without limitation: expenses attributable to normal and extraordinary services provided to the Company by third parties, with respect to the Company’s on-going operations and to the proposed investment or divestment by the Company (whether or not any such investment or divestment is consummated), liquidation expenses as well as all expenses relating to sourcing, analyzing, acquiring, monitoring, valuation and exiting investment deals, third party advisory fees, fees related to conferences and subscriptions to information services, travel expenses, and legal and due diligence costs, whether or not the investments are eventually completed or are aborted; any taxes, fees or government charges which may be assessed against the Company; the costs and expenses of communicating with the shareholder of the Company or prospective subscriber for shares of the Company (i.e. Investors) and hosting meetings or conferences with Investors; the costs and expenses (including travel-related expenses) of convening meetings of the investment committee, all expenses relating to litigation, threatened litigation, indemnification and insurance, fees, expenses for legal, auditing and consulting services, promotional expenses, filing and registration fees, renewal fees and other expenses due to supervisory authorities in various jurisdictions, insurance premiums in respect of the Company directors’ and officers’ liability insurance, legal fees of the directors of the Company pursuant to their performance of duties for the Company, the costs of publishing the net asset value of the Company, marketing expenses and traveling expenses incurred in relation to placement and marketing and the costs of printing and distributing the annual and any periodic reports and statements of or incidental to the Invitation, including the preparation and printing of the this Information</p>
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	<p>Memorandum dated 1st September 2021 (and all updates thereof as may be necessary), all relevant agreements as may be referred to in the said Information Memorandum, and all other expenses properly chargeable to the activities of the Company. All costs relating to the establishment of the Company will be amortized over the first 36 months of the Company, or such other period as the directors of the Company may determine.</p> <p>⁵ The Company pays the administrator and the custodian fees for its services as agreed from time to time by the Company and the Company’s administrator and custodian pursuant to the agreement entered between each other respectively. The Company’s administrator and custodian are entitled to be reimbursed by the Company for all reasonable out-of-pocket expenses.</p>
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1.1 Class A Unit

Name of Class	Class A
Initial Offer Price	USD1.00 each unit
Initial Subscription	United States Dollar Fifty Thousand (USD 50,000.00)
Locked-in Period / Maturity	Six (6) months
Investor’s Risk Barometer	High risk with more than 6 months investment horizon

Prospective Investors should read and understand the contents of the Information Memorandum and, if necessary, should consult their adviser(s).

There are fees involved and investors are advised to consider the fees before investing in the Fund.

For information concerning risk factors of the Fund which should be considered by Prospective Investors, see “Risk Factors of the Fund” commencing on page 44. Prospective Investors should also note risk factors relating to the Company.

2.0 INVESTMENT OBJECTIVE



The Fund aims to provide short term[^] capital appreciation whilst providing capital repayment on the Maturity Date.

[^]Note: “short term” in this context refers to a period of 6 months.

3.0 INVESTMENT STRATEGY

3.1 Investment Strategy

The objective of this Fund is to achieve capital appreciation by investing primarily in securities, globally using financial derivative instruments where appropriate.

The Fund will primarily invest, either directly or through the use of financial derivative instruments, in equity securities, commodity index instruments, convertible securities, debt securities, deposits with credit institutions and money market instruments. Issuers of these securities may be located in any country, including emerging markets.

The Fund may invest in China A-shares via the Shanghai-Hong Kong Stock Connect program.

The Fund may invest in below investment grade and unrated debt securities.

The Fund may invest into private equity and private debt investments, both direct investments and funds, including without limitation private equity funds, co-investments, secondaries, private debt investments and semi-liquid private equity investments (i.e. the portfolio investments).

The Fund has a flexible approach to asset allocation and may use both long and short positions (achieved through the use of financial derivative instruments) to vary exposure to different asset classes and markets in response to market conditions and opportunities. Allocations may vary significantly and exposure to certain markets, sectors or currencies may be concentrated from time to time.

The Fund may invest in financial derivative instruments to achieve its investment objective. Such instruments may also be used for the purposes of hedging. These instruments may include

but are not limited to futures, options, contracts for difference, total return swaps, selected over-the-counter derivatives and other financial derivative instruments. The Fund's expected level of leverage is 500% of the net asset value of the Fund, although it is possible that this expected level of leverage may be significantly exceeded from time to time.

The Fund may also invest in other undertaking for collective investments. The Fund may invest in assets denominated in any currency and currency exposure may be hedged.

The reference currency of the Fund is USD.

The Manager may participate in financial derivatives for the purpose of hedging the Fund's exposure to the base currency of the Fund. The Fund's net market exposure to financial derivative instruments will not at any time exceed the NAV. The benefit of any upside of currency movement is limited when hedging the Fund's exposure to foreign currency risk as the primary interest is to protect the value of the Fund.

3.2 Asset Allocation

At least 95% of NAV

- primarily invest in global equity market and financial derivatives instruments including but not limited to futures contracts, options, forward contracts and swaps and other financial instruments that the Investment Manager deems fit.

Up to 30% of NAV

- investment into private equity and private debt investments, both direct investments and funds, including without limitation private equity funds, co-investments, secondaries, private debt investments and semi-liquid private equity investments (i.e. the portfolio investments).

Up to 5% of NAV

- Investments in liquid assets including money market instruments and Placements of Cash.

3.3 Tenure and Maturity

The tenure of the Fund is Six (6) months (Refer to Section 1.1).

3.4 Financial Derivatives

As the Fund will invest in equities of the Companies which is denominated in currencies other than USD, the Investment Manager may participate in financial derivatives, which include but is not limited to forwards, swaps, futures and options for the purpose of hedging the Fund's exposure to USD. The benefit of any upside of currency movement is limited as the sole interest is to protect the value of the portfolio. The Fund's net market exposure owing to its financial derivatives positions will not at any time exceed its NAV.

3.5 Leverage

The Fund may borrow cash on a temporary basis (i.e. not more than one (1) month) from financial institutions to meet redemption requests. Such borrowing shall not exceed ten (10) percent of the NAV at the time the borrowing is incurred and assets of the Fund may only be pledged as collateral with financial institutions for borrowing of this nature.

3.6 Investment Decision

The investment decisions in relation to the Fund will be taken and implemented by the Investment Manager in accordance with the investment objectives, policies and restrictions described in this Information Memorandum. All investment decisions will be taken under the overall supervision of the Board.

3.7 Investment Process

Risk parameters have been set and will be monitored independently by the Investment Managers' existing resources. The Investment Managers recognise the existence and interrelation of various



forms of risk (market, credit, liquidity, operational and administrative) and have taken this into account when setting the investment parameters and determining the monitoring procedures.

There can be no assurance that the Investment Managers will be successful in pursuing the Fund's investment objectives or that the strategies used will be successful.

3.8 Risk management process of the Fund

The investment manager employs a risk management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the Fund. As stated above, the Fund may invest in financial derivative instruments and such instruments may also be used for efficient portfolio management and/or hedging purposes.

The global exposure relating to financial derivative instruments is calculated taking into account the current value of the underlying assets, counterparty risk, foreseeable market movements and the time available to liquidate the positions.

Alpha Well Ltd shall at its best endeavor ensure that the global exposure of the Fund relating to financial derivative instruments does not exceed the total net assets of the Fund. The Fund's overall risk exposure shall consequently not exceed 200% of its total net assets. In addition, this overall risk exposure may not be increased by more than 10% by means of temporary borrowings so that the Fund's overall risk exposure may not exceed 210% of the Fund's total net assets under any circumstances.

The Fund's global exposure to financial derivative instruments is measured by the absolute Value-at-Risk (VaR) methodology.

VaR is a means of measuring the potential loss to the Fund due to market risk and is expressed as the maximum potential loss at a 99% confidence level over a one month time horizon. The holding period for the purpose of calculating global exposure is one month. In respect of the Fund, VaR is calculated using an absolute approach. The absolute VaR approach calculates the Fund's VaR as a percentage of the Fund's net asset value and is measured against an absolute limit of 20% as defined by the European Securities Markets Authority guidelines.

The Fund's expected level of leverage is 500% of the net asset value of the Fund. The expected level of leverage for the Fund is an indicative level and is not a regulatory limit. The Fund's actual level of leverage might significantly exceed the expected level from time to time however the use of financial derivatives instruments will remain consistent with the Fund's investment objective and risk profile and comply with its VaR limit. In this context leverage is a measure of the aggregate derivative use and is calculated as the sum of the notional exposure of the financial derivative instruments used, without the use of netting arrangements. As the calculation neither takes into account whether a particular financial derivative instrument increases or decreases investment risk, nor takes into account the varying sensitivities of the notional exposure of the financial derivative instruments to market movements, this may not be representative of the level of investment risk within the Fund.

3.9 Investment Restrictions

The Fund will invest into global equities, trade in financial derivatives, invest in money market instruments and make Placements of Cash with any financial institutions, and any other investments as agreed between the Trustee and the Manager from time to time, provided that there is no inconsistency with the Fund's objective.

In undertaking the Fund's investments, the Fund must not invest in a fund-of-funds, a feeder fund, or any sub-fund of an umbrella scheme which is a fund-of-funds or a feeder fund.

3.10 Changes to Investment Objective and Strategy

The Investment Managers may make changes to the investment objective and strategy from time to time. If changes are proposed to be made to the investment objective and strategy, the Fund will give notice to Investors of the changes.

The description above is general and is not intended to be exhaustive. Investors must recognise that there are inherent limitations on all descriptions of investment processes due to the complexity, confidentiality and subjectivity of such processes. In addition, the description of virtually every strategy must be qualified by the fact that investment approaches are continually changing, as are the markets invested in by the Fund.

INVESTMENT IN THE FUND IS A HIGHLY SPECULATIVE INVESTMENT AND IS NOT INTENDED AS A COMPLETE INVESTMENT PROGRAM. IT IS DESIGNED ONLY FOR SOPHISTICATED PERSONS WHO CAN BEAR THE ECONOMIC RISK OF THE LOSS OF THEIR ENTIRE INVESTMENT IN THE FUND AND WHO HAVE A LIMITED NEED FOR LIQUIDITY IN THEIR INVESTMENT. THERE CAN BE NO ASSURANCE THAT THE FUND WILL ACHIEVE ITS INVESTMENT OBJECTIVE

4.0 INFORMATION ON THE COMPANY

4.1 About the Company

Alpha Well Ltd is a Company with limited by shares incorporated in Labuan International Business and Financial Center as a Labuan company under the provisions of the Labuan Companies Act 1990 on 23rd of July 2018. The company is regulated by the Labuan Financial Services Authority as a Licensed Fund Manager (License No. FML/21/0051A).

Alpha Well Ltd is a professional multi asset management company. Backed by a strong and experienced management team, Alpha Well offers dedicated fund management services include investment advice or administrative services in respect of securities for the purposes of investment and dealing in securities. Alpha Well has intention to further expand the range of licensed services it can provide to its clients in order to achieve the ultimate objectives of total wealth creation, management and preservation.

Directors of the Company

The directors of the Company are vested with the primary responsibility for the formulation of corporate policies and long-term strategic plans. In particular, the directors of the Company shall review and monitor the investments at regular intervals and where necessary, update or amend the investment policies of the Company and specify the manner in which it wishes the investment manager of the Company to operate within such limits.



The directors of the Company are Mr Chan Chiew Keat, Mr Ong Boon Peng and Mr Lee Meng Hong.

Mr. Chan Chiew Keat (Managing Director, Executive)

Mr Chan, CCP has seven years' experience in corporate commercial banking. He is specialized in credit risk and fundamental analysis. After banking industry, he has branched out his CFD / Forex industry experience by joining an Asia leading Asset Management company (Fintech). Here he is exposed to algorithmic trading, managed account, and the regulatory environment of Fintech industry. He is also a current shareholder of Stratos Private Equity Fund, a private equity fund overseeing US\$100 million fund.

He firmly believes that technology and data analytic can empower fund managers to form better investment decision and faster execution.

Mr. Ong Boon Peng, Justin (Risk, Legal & Compliance Director, Executive)

Mr Justin Ong holds a Bachelor of Business (Banking & Finance) from the Monash University of Malaysia. He has more than six years of corporate treasury experience with one of the largest international property developers, and a leading REIT management firm in Malaysia. Not to forget his two years of internal audit background with a local financial institution. He is responsible for overseeing the company's compliance with applicable rules and regulations, handling legal matters and later took on additional risk management roles.

Mr. Lee Meng Hong

Dennis has over 22 years of experience in the marketing, sales and operations fields. He is able to effectively identify client's needs and expectation to spark their interest in his products, boosting overall sales volume. He also has great experience in staff training and hiring. Dennis' substantial knowledge and ability to analyse customer behaviour and expectation is crucial to attracting new clients on-board.

5.0 INFORMATION ON THE FUND

Units of the Fund are available for subscription to selected Prospective Investors during the at a price of US\$1.00 per unit and, subsequently, on each Subscription Day at a price equal to the Net Asset value per unit as at the immediately preceding Valuation Day.

The minimum initial investment amount may be waived, increased or reduced at the discretion of the Directors generally on a case by case basis. However, initial investment amounts must be at least the minimum which is Fifty Thousand (50,000) USD of foreign equivalent amount.

Subscriptions for units will be made in cash only.

5.1 Temporary suspension of dealings of units of the Fund

The determination of the net asset value of units of the Fund may be suspended during:

- (a) any period when any of the principal markets or stock exchanges on which a substantial portion of the investments of the Fund is quoted or dealt in, is closed otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended; or
- (b) the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of assets of the Fund would be impracticable; or
- (c) any breakdown in the means of communication or computation normally employed in determining the price or value of the assets of the Fund or the current prices or values on any market or stock exchange; or
- (d) any other circumstance or circumstances where a failure to do so might result in the Investment Manager or investors of the Fund incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment which the Investment Manager or investors of the Fund might not otherwise have suffered.

The board of directors of the Company has the power to suspend redemption of shares of the Fund for any period during which the determination of the net asset value per share of the Fund

is suspended by the company by virtue of the powers described above. Any redemption made or in abeyance during such a suspension period may be withdrawn by written notice to be received by the Company before the end of such suspension period. Should such withdrawal not be effected, the shares in question shall be redeemed on the first valuation day of the Fund following the termination of the suspension period. In the event of such period being extended, the Fund will be notified. Investors of the Fund, including the Fund, who have requested the redemption of the shares of the Fund, shall be informed of such suspension when such request is made.

Should the Fund suspend its determination of net asset value of the shares, the pricing of Units will immediately be suspended and the Fund will also temporarily suspend all sales and redemptions of Units. Unit Holders will also be notified and kept informed in such an instance.

5.2 Deferral of redemptions of shares of the Fund

If the total requests from redemptions of the Fund on any valuation day for the Fund exceeds 10% of the total number of units in issue for the Fund, the Company may decide that redemption requests in excess of 10% shall be deferred until the next valuation day. On the next Fund's valuation day or valuation days until completion of the original requests, deferred requests will be dealt with in priority to later requests.

5.3 Compulsory redemption of shares of the Fund

The board of directors or the management company of the Company may, at its sole discretion and in accordance with the provisions of the articles of the Company, proceed with the compulsory redemption of the shares of the Fund if it appears to the board of directors of the company that such holding of the shares of the Fund might:

- (a) result in a breach of any applicable Malaysian or foreign law or regulation,
- (b) result for the Fund or its investors to suffer adverse regulatory, tax or fiscal consequences or
- (c) be detrimental to the interests of the Fund (including its investors).

5.4 Restrictions on subscriptions of the Fund

The Fund may be closed to new subscriptions (but not to redemptions) if, in the opinion of the company, closing is necessary to protect the interest of existing investors of the Fund. Without limiting the circumstance where closing may be appropriate, one such circumstance would be where the Fund has reached a size such that the capacity of the market and/or the capacity of the investment manager of the Fund has been reached, and where to permit further inflows would be detrimental to the performance of the Fund.

If this occurs, investors will be notified accordingly on the next course of action, which may also extend to the calling of a Unit Holders meeting by the Company to decide on the next course of action.

5.5 Subscription Procedure

Applications for Units may be made prior to each Subscription Day.

Applications for Units should be made by completing and signing the Application Form enclosed with this Information Memorandum and mailing the same to the Investment Manager at the address listed in the Directory.

Alternatively, application may be made by fax or by email by completing and signing the Application Form and returning the same to the Investment Manager by via email to support@alphawell.co. In the event that application is made email, the applicant must send the signed original application to the Investment Manager immediately thereafter. Payment for Units must be made by wire transfer.

Class A Units will generally be available for subscription in accordance with this Information Memorandum.

The Fund has the right to accept or reject (in whole or part) any subscription application for Units.

Applicants should be aware of the risks associated with sending applications by email and post and that the Investment Manager accepts no responsibility for any loss caused due to the non-receipt of any email or post.



Unless otherwise agreed by the Fund, applications for the issuance of units on a particular Subscription Day must be received by 5:00 p.m. in Labuan at least 5 Business Days immediately preceding the relevant Subscription Day with cleared funds to be received not later than 5:00 pm Labuan time on the Business Day prior to the relevant Subscription Day.

Units will be held in book entry form only and a contract note only will be sent to the applicant upon receipt of cleared funds and the properly completed subscription form and acceptance of such funds by the Fund.

Application monies received after this time will be held in an account and treated as an application for the next Subscription Day. Payment may only be made in cash and no equivalent forms of payment will be accepted.

5.6 Measures to combat money laundering and terrorist finance

As part of the Investment Managers' responsibility for the prevention of money laundering and terrorist financing, it will be required to identify each applicant for units (whether by way of subscription or transfer), including any underlying controllers and beneficial owners in relation to any legal structure or arrangement and their purpose in investing in the Fund and will generally be required to undertake a detailed verification of the identity and source of wealth of each applicant Identity (including any controllers and beneficial owners, as described above) and of the source of payment for the Units, all in accordance with Its risk assessment and management procedures. Details of the initial information and documentation requirements of the Investment Manager in relation to the Fund (depending on the legal status of the applicant and the circumstances of its application of the applicants and the certification requirements in relation to copy documents, are described in the Application Form; although it should be noted that the Investment Manager may request further or additional information or documents in its discretion in any case and will do in circumstances where it determines that enhanced due diligence procedures are required.

The Investment Manager reserves the right to request such information as it considers to be necessary to verify the identity of the applicant (including the matters referred to above). In the event of delay or failure by the applicant to produce any information required for verification



purposes, the Fund or the Investment Manager may refuse to accept the application and all subscription monies relating thereto or may refuse to process a redemption request until proper information has been provided.

Each applicant is required to make such representations to the Fund and the Investment Manager as the Fund or the Investment Manager shall require in connection with the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (“AMLATFA”) and any other legal requirements, including, without limitation, representations that the applicant is not a prohibited country, territory, individual or entity listed on any list maintained by any department of the Malaysian Government or any other body specified from time to time by the Investment Manager, and that it is not directly or indirectly affiliated with any country, territory, individual or entity named on any such list or prohibited by any sanctions programs. Each applicant must also represent to the Fund and the Investment Manager that amounts contributed by it to the Fund were not directly or indirectly derived from activities that may contravene any laws and regulations, including, without limitation, AMLATFA 2001.

5.7 Data Protection

Processing of the information detailed in the Application Form is governed by the Personal Data Protection Act 2010 (“PDPA”). The PDPA sets out the rules and principles under which the processing of personal data is permitted. The information contained in the Application Form is required by the Investment Manager (and any other third party acting on the Fund's behalf including, but not limited to, the Investment Managers) for the processing of the application and, if the application is successful, in administering and servicing the consequent investment in the Fund.

After the units have been redeemed, where the application is successful, or where the application is unsuccessful, the Investment Manager will retain a record of the information to enable it to satisfy its regulatory, audit and statutory accounting requirements for such period as may be deemed necessary from time to time to satisfy its requirements and responsibilities under PDPA.

The rights in respect of the protection of personal data are defined in the PDPA. These rights include the right of an Investor to access all the personal data relating to that investor held by the Investment Manager.



5.8 Eligible Investors

Any prospective investor acting in any fiduciary capacity may be required to certify the number of beneficial owners for whom units are being purchased. Unless otherwise agreed to by the Fund, each prospective investor is required to certify that the Units are not being acquired directly or indirectly for the account or benefit of any person who is not an Eligible Investor. Units are not intended to be offered for subscription by US Persons, and other persons from time to time designated as an Ineligible Investor by the Fund. Furthermore, it is the responsibility of each investor to verify that the purchase and payment for the Units is in compliance with all relevant laws of the investor's jurisdiction or residence.

In order to be an Eligible Investor, a prospective investor must comply with the requirements of the Regulations, as described below:

An Eligible Investor means a person or body who has certified that they are sufficiently experienced to understand the risks associated with an investment in the Fund, who invests an initial amount of at least **US\$50,000** and who, at the time of the initial investment in the Fund falls into one of the following categories:

- (a) A high-net-worth individual whose:
 - An individual whose total net personal assets, or total net joint assets with his or her spouse, exceeds RM3 million or its equivalent in foreign currencies, excluding the value of the individual's primary residence;
 - An individual who has a gross annual income exceeding RM300,000 or its equivalent in foreign currencies per annum in the preceding 12 months;
 - An individual who, jointly with his or her spouse, has a gross annual income exceeding RM400,000 or its equivalent in foreign currencies per annum in the preceding 12 months.

- (b) A high-net-worth corporation whose:
 - A corporation with total net assets exceeding RM10 million or its equivalent in foreign currencies based on the last audited accounts

- A partnership with total net assets exceeding RM10 million or its equivalent in foreign currencies.
- A company that is registered as a trust company under the Trust Companies Act 1949 which has assets under management exceeding RM10 million or its equivalent in foreign currencies.
- A corporation that is a public company under the Companies Act 2016 which is approved by the SC to be a trustee under the CMSA and has assets under management exceeding RM10 million or its equivalent in foreign currencies.
- A pension fund approved by the Director General of Inland Revenue under the Income Tax Act 1967.
- A statutory body established by an Act of Parliament or an enactment of any State.

An investor in the Fund, either by subscription or transfer, will only be accepted if (among other things) he/she/it has completed and signed the Self Declaration section set out in the Application Form.

The Fund reserves the right to offer Units to investors who are not Eligible Investors upon compliance with applicable rules and regulations. The Fund reserves the right to reject subscriptions for Units, in whole or in part, in its absolute discretion for any reason or for no reason.

The Directors may, in their discretion, agree to accept subscriptions in kind. In the event of the Directors so agreeing, the assets to be received will be valued by the Directors in their discretion, with the assistance of the Investment Managers, and Units to that value issued accordingly.

No Units shall be issued, redeemed or transferred (except those for which applications have been previously received and accepted by the Fund) during any period when the determination of the Net Asset Value is suspended pursuant to the Articles.

The Directors shall issue Units on terms that the persons to whom they are issued shall bear any fiscal charges which may be incurred outside Labuan.



The proceeds of the allotment and issue of Units by the Fund, after deduction of expenses, as appropriate, shall be applied in accordance with the investment objectives, policy and restrictions of the Fund.

Save as otherwise provided in this Information Memorandum, the Fund shall be entitled to treat the registered holder of any Share as the absolute owner thereof, and accordingly shall not, except as by law required, be bound to recognise any equitable or other claim or interest in such Share on the part of any other person.

If two or more persons are registered as joint holders of any Units, then any one of such joint holders may give effectual receipts for moneys payable in respect of the Units held by them as joint holders.

The Fund shall not be bound to register more than four persons as the joint holders of any Share.

6.0 RISK FACTORS OF THE FUND

6.1 General Risks of Investing in a Fund

(a) Redemption risk

The ability of the Fund to honour request for redemption in a timely manner is subject to the Fund's holding of adequate liquid assets and/or its ability to borrow on a temporary basis as permitted by the relevant laws. In the event there is insufficient liquid assets, the Manager may have to liquidate the Fund's investment at an unfavourable price.

(b) Returns are not guaranteed

There is no guarantee on the investment returns to Unit Holders.

6.2 Specific Risks when investing in this Fund

(a) Management risk

The Fund may be subject to management risk because it is an actively managed investment fund. The Investment Manager will apply its investment techniques and risk analyses in making investment decisions for the Fund, but there can be no guarantee that its decisions will produce the desired results. In some cases, derivative and other investment techniques may be unavailable or the Investment Manager may determine not to use them, possibly even under market conditions where their use could benefit the Fund.

(b) Currency risk

Underlying investments of the Fund may be denominated in one or more currencies different than that in which the Fund is denominated. This means currency movements in such underlying investments may significantly affect the net asset value in respect of the Fund's shares. Investments by the Fund that are denominated in a particular currency are subject to the risk that the value of such currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. The Fund is not limited in the percentage of its assets that may be denominated in currencies other than the currency of the Fund.

The Investment Manager will take into account, and may hedge to reduce the risk of, such risks by investing in foreign currencies, foreign currency futures contracts and options thereon, forward foreign currency exchange contracts, or any combination thereof. The Investment Manager is not obligated to engage in such currency hedging transactions and may elect to do so in its sole discretion. Such transactions involve a significant degree of risk and the markets in which foreign exchange transactions are effected may be highly volatile. No assurance can be made that such strategies will be effective.

In addition, because the shares of the Fund are offered in more than one currency, the Fund and holders of the shares are subject to certain additional currency risks. For example, the Fund may be subject to the risk of an unfavorable change in the Dollar/Euro rate of exchange in respect of Euro subscriptions accepted on a particular trade date but for which actual Euro subscription amounts are not received by the depository until a subsequent trade date. Also, the Fund may be subject to the risk of a



decline in the value of the Dollar relative to the Euro subsequent to a Euro redemption and prior to the payment of Euro redemption amounts to the redeeming shareholder.

Additionally, when the Fund quotes its shares' net asset values in a currency other than the currency of the Fund, such values are derived from the spot foreign exchange rate of the other offered currency on each valuation point. Accordingly, the total return ultimately realized by a shareholder of the Fund upon redemption in respect of an investment in shares made in such other offered currency will be directly affected, either positively or negatively, by changes in the exchange rate between such other offered currency and the currency of the Fund from the date of subscription to the date of redemption. All expenses related to converting subscription and redemption amounts into and out of the currency of the Fund and other offered currencies are borne by the Fund and attributed to the shares of the Fund.

(c) Country risk

In addition to currency risk, the Fund is also subject to country risk. The Fund's investments may be adversely affected by political instability as well as exchange controls, changes in taxation, foreign investment policies, restrictions on repatriation of investments and other restrictions and controls which may be imposed by the relevant authorities of the country in which the Fund invests in, i.e., Labuan, Malaysia. This in turn may cause the Fund's Net Asset Value to fall. To mitigate this risk, the Manager will monitor closely the adherence of investment regulatory requirements in such country.

(d) Interest rate risk

Generally, money market instruments' prices move in the opposite direction of interest rates; a rise in interest rates will generally cause a fall in money market instruments' prices and vice versa.

(e) Suitability standards

Investing in the Fund is only suitable for Investors who understand the degree of risks involved and believe that the investment is suitable based upon their investment objectives and financial needs; accept the investment strategy of the Company according to their risk appetite; have no need for liquidity of the investment monies;

and who are able to bear the loss of a substantial portion or even all of the money they invest in. Investors are therefore advised to seek independent professional advice on the implications of investing in the Fund.

(f) *Nature of investments generally*

All investments risk the loss of capital (i.e. investment capital). No guarantee or representation is made that the Fund will achieve its investment objective. An investment in the Fund may be considered speculative and involves certain considerations and risk factors which Prospective Investors should consider before subscribing.

(g) *Country Risks – General*

The Fund may invest in securities of issuers located in various countries and geographic regions. The economies of individual countries may differ favorably or unfavorably from each other in such respects as growth of gross domestic product or gross national product, rate of inflation, capital reinvestment, resource self-sufficiency and balance of payments position. Issuers in general are subject to varying degrees of regulation with respect to such matters as insider trading rules, restrictions on market manipulation, shareholder proxy requirements and timely disclosure of information. The reporting, accounting and auditing standards of issuers may differ, in some cases significantly, from country to country in important respects and less information from country to country may be available to investors in securities or other assets.

Nationalization, expropriation or confiscatory taxation, currency blockage, political changes, government regulation, political or social instability or diplomatic developments could affect adversely the economy of a country or the Fund's investments in such country. In the event of expropriation, nationalization or other confiscation, the Fund could lose its entire investment in the country involved. In addition, laws in countries governing business organizations, bankruptcy and insolvency may provide limited protection to security holders such as the Fund.

When the Fund invests essentially in securities whose issuers are domiciled in only one country, it will have greater exposure to market, political and economic risks of that country than portfolios that have more geographically diversified investments. When the Fund invests in securities whose issuers are domiciled in multiple countries,

it will have less exposure to the risks of any one country, but will be exposed to a larger number of countries.

The Fund may trade its securities in a variety of markets with many different brokers and dealers. The failure of a broker or dealer may result in the complete loss of the Fund's assets on deposit with such broker or dealer depending on the regulatory rules governing such broker or dealer. In addition, brokerage commissions in certain countries may be higher than in others, and securities markets in certain countries may be less liquid, more volatile and less subject to governmental supervision than in others.

The securities markets of many countries are also relatively small, with the majority of market capitalization and trading volume concentrated in a limited number of companies representing a small number of industries. Consequently, the Fund invested in equity securities of companies in such countries may experience greater price volatility and significantly lower liquidity than a portfolio invested solely in equity securities of companies in countries with relatively larger securities markets. These smaller markets may be subject to greater influence by adverse events generally affecting the market, and by large investors trading significant blocks of securities. Securities settlements may in some instances be subject to delays and related administrative uncertainties.

Certain countries require governmental approval prior to investments by foreign persons or limit investment by foreign persons to only a specified percentage of an issuer's outstanding securities or a specific class of securities that may have less advantageous terms (including price) than securities of the company available for purchase by nationals. These restrictions or controls may at times limit or preclude investment in certain securities and may increase the costs and expenses of the Fund. In addition, the repatriation of investment income, capital, or the proceeds of sales of securities from certain countries is controlled under regulations, including in some cases the need for certain advance government notification or authority. If deterioration occurs in a country's balance of payments, the country could impose temporary restrictions on foreign capital remittances. The Fund also could be adversely affected by delays in, or a refusal to grant, any required governmental approval for repatriation, as well as by the application of other restrictions on

investment. Investing in local markets may require the Fund to adopt special procedures that may involve additional costs to the Fund. These factors may affect the liquidity of the Fund's investments in any country and the Investment Manager will monitor the effect of any such factor or factors on the Fund's investments.

(h) *Certain Legal and Regulatory Risks*

The legal, tax and regulatory environment worldwide for investment funds (such as the Fund) and their managers is evolving, and changes in the regulation of investment funds, their managers, and their trading and investment activities may have an adverse effect on the ability of the Fund to pursue its investment program and on the value of investments held by the Fund. There has been an increase in scrutiny of the investment industry by governmental agencies and self-regulatory organizations in multiple jurisdictions in which the Fund operates.

(i) *Cybersecurity Risk*

As part of the Fund's business, the Company process, store and transmit large amounts of electronic information, including information relating to the transactions of the Fund and personally identifiable information of the shareholders of the Fund. Similarly, service providers of the Fund may process, store and transmit such information. The Company have procedures and systems in place that they believe are reasonably designed to protect such information and prevent data loss and security breaches. However, such measures cannot provide absolute security. The techniques used to obtain unauthorized access to data, disable or degrade service, or sabotage systems change frequently and may be difficult to detect for long periods of time. Hardware or software acquired from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Network connected services provided by third parties to the Company may be susceptible to compromise, leading to a breach of the Company's network. Systems, facilities or online services may be susceptible to employee error or malfeasance, government surveillance, or other security threats. Breach of the Company's information systems may cause information relating to the transactions of the Fund and personally identifiable information of the shareholders of the Fund to be lost or improperly accessed, used or disclosed.

The service providers of the Company are subject to similar electronic information security threats. If a service provider fails to adopt or adhere to adequate data security policies, or in the event of a breach of its networks, information relating to the transactions of the Fund and personally identifiable information of the shareholders of the Fund may be lost or improperly accessed, used or disclosed.

The loss or improper access, use or disclosure of the Fund's proprietary information may cause the Fund to suffer, among other things, financial loss, the disruption of its business, liability to third parties, regulatory intervention or reputational damage. Any of the foregoing events could have a material adverse effect on the Fund and the shareholders' investments therein.

(j) Currency exchange exposure and currency hedging

To the extent the Fund seeks to hedge its currency exposure, it may not always be practicable to do so. Moreover, hedging may not alleviate all currency risks. Furthermore, the Fund may incur costs in connection with conversions between various currencies. Currency exchange dealers realise a profit based on the difference between the prices at which they are buying and selling various currencies. Thus, a dealer will normally offer to sell currency to the Fund at one rate, while offering a lesser rate of exchange should the Fund desire immediately to resell that currency to the dealer. The Fund conducts its currency exchange transactions either on a spot (i.e. cash) basis at the spot rate prevailing in the currency exchange market, or through entering into a number of different types of hedging transactions including, without limitation, forward, futures or commodity options contracts to purchase or sell currencies, and entering into foreign currency borrowings.

Techniques used to hedge currency exposure may reduce but will not eliminate the risk of loss due to unfavourable currency fluctuations and they tend to limit any potential gain that might result from favourable currency fluctuations. Some countries restrict conversion of their currency into other currencies, including the USD, and for some currencies, there is no significant foreign exchange market.

There can be no guarantee that instruments suitable for hedging currency or market shifts will be available at the time the Fund wishes to use them, or will be able to be

liquidated when the Fund wishes to do so. In addition, the Fund may choose not to enter into hedging transactions with respect to some or all of its positions.

(k) Market volatility for portfolio investments

Investments in private companies involve a higher degree of business and financial risk that can result in substantial losses. Some of the companies invested may lack fully developed products, cash resources, proven markets for their products or distribution alliances. Such companies may fail or significantly decline in value at any stage of operation.

(l) Acts of God, acts of war, epidemics and geopolitical events

Geopolitical events, such as natural disasters, man-made disasters, terrorist attacks and outbreaks of diseases may cause disruptions to commerce, reduced economic activity or market liquidity and continued volatility in markets throughout the world. Such events could have an adverse impact on instruments held by the Fund. Alpha Well Ltd cannot predict the manner in which and the extent to which the instruments held by the Fund would be affected by such events. Such events could also result in incidents or circumstances that would disrupt the normal operations of Alpha Well Ltd, the administrator, the brokers, the custodian, the prime brokers (if any) or any of the Company's broker-dealers, which could also have negative effects on the investment performance of the Fund.

(m) Legal, regulatory and judicial environment

The net asset value of the Fund may be affected by uncertainties such as political or diplomatic developments, social and religious instability, changes in government policies, imposition of confiscatory taxation and/or withholding taxes on interest payments, changes in interest rates and other political and economic developments in law or regulations and, in particular, the risk of, and change in, legislation relating to the level of foreign ownership, including nationalisation and expropriation of assets.

(n) Liquidity Risk

A security or position of the Fund could become hard to value, sell, or sell at the desired time or price and as such may impact the Fund's ability to meet redemption requests.

Overview

Liquidity risk can occur due to various factors including the types of securities, restrictions on selling, and market conditions.

Some securities are less liquid such as, inter alia, below investment grade debt securities, small-capitalization equities, securities from emerging market issuers, 144A issuances and securities that represent a small issue, trade infrequently or are traded on markets that are comparatively small or have long settlement times.

Hard to sell securities often require more time and higher costs, including brokerage and other transaction fees, than the sale of more liquid securities.

Liquidity risk may be increased during extreme market conditions such as, inter alia, economic, market or political events, adverse investor perceptions, or the sudden change, possibly without warning, to the market of particular issuers, industries, or investment category.

Liquidity risk and impacts on specific asset classes may change overtime and unexpectedly as markets, trading, and instruments evolve.

Impact to the Fund

In extreme market conditions, due to, inter alia, the lack of willing buyers, it may be impossible or more expensive for the Fund to liquidate its positions or holdings. Consequently, the Fund may be obliged to accept a lower price or may not be able to sell the investments at all.

An inability to sell securities may adversely affect the Fund's value or prevent the Fund from being able to take advantage of new investment opportunities.

Liquidity risk may also impact the Fund's ability to meet redemption requests, raise cash, and/or pay out proceeds holdings within the necessary time period.

Large redemption requests may also cause liquidity risk. In order to meet large redemption requests, the Fund will typically have to sell the most liquid securities first or sell less liquid securities at a potentially discounted price.

(o) Settlement, clearing and registration risks

Some of the countries in which the Fund may invest are undergoing rapid expansion. There can be no guarantee of the operation or performance of settlement, clearing and registration of transactions in some of these markets. Where organised securities markets and banking and telecommunications systems are underdeveloped, concerns inevitably arise in relation to settlement, clearing and registration of transactions in securities where these are acquired other than as direct investments. Furthermore, due to the local postal and banking systems in many less developed markets, no guarantee can be given that all entitlements attaching to quoted and over-the-counter traded securities acquired by the Fund, can be realised. Some markets currently dictate that a local broker receives monies for settlement by a number of days in advance of settlement, and that assets are not transferred until a number of days after settlement.

(p) Market risk

Prices and yields of many securities can change frequently, sometimes with significant volatility, and can fall, based on a wide variety of factors. Examples of these factors include:

- political and economic news;
- government policy;
- changes in technology and business practices;
- changes in demographics, cultures and populations;
- health crises (i.e. pandemic and epidemic diseases);
- natural or human-caused disasters;
- weather and climate patterns;
- scientific or investigative discoveries; and
- costs and availability of energy, commodities and natural resources.

The public's fear and/or response to the above-mentioned diseases or events may have now, or in the future, adverse effects on the Fund's investments and net asset value of

the Fund and may lead to increased market volatility. The occurrence and duration of such diseases or events may also adversely affect the economies and financial markets in specific countries or worldwide. The effects of market risk can be immediate or gradual, short-term or long-term, or narrow or broad.

(q) Inflation

Some of the countries in which the Fund intends to invest have experienced extremely high rates of inflation for many years. Inflation and rapid fluctuations in inflation rates have had and may continue to have negative effects on the economies and securities markets of certain emerging countries. Therefore, the performance of the Fund could be affected by rates of inflation in countries in which the Fund invests.

(r) Counterparty risk

The Fund will transact most of its investments through financial institutions including but not limited to brokers, dealers and banks. All transactions will carry counterparty risks until the transactions have settled. All deposits of securities or cash with a custodian, bank or financial institution will carry counterparty risk. Upon default by a counterparty the Fund may be forced to unwind certain transactions and the Fund may encounter delays and difficulties with respect to court procedures in seeking recovery of the Fund's assets.

(s) Broker insolvency

The Fund's assets may be held in one or more accounts maintained for the Fund by its brokers, prime brokers (if any) or at other broker-dealers. There is a risk that any such brokers, prime brokers or broker-dealers (including any of their affiliates) may become insolvent. There is a possibility that the insolvency of a broker, prime broker or broker-dealer may significantly impair the operational capabilities of the Fund and the Fund's assets. Although it is the intention of Alpha Well Ltd to regularly monitor the financial condition of the brokers, prime brokers or broker-dealers, if any of the brokers, prime brokers or broker-dealers (or their respective affiliates) were to become insolvent under applicable laws, there is a risk that the recovery of the Fund's securities and other assets from such brokers, prime brokers or broker-dealers may become protracted and/or be of a value less than the value of the securities or assets originally entrusted to such brokers, prime brokers or broker-dealers.

(t) *Default of broker or custodian*

Certain brokerages and banks may from time to time have custody of the Fund's assets. Bankruptcy or fraud at any of these institutions may impair the operational capabilities or the capital position of the Fund. The Fund's brokers, custodian or prime broker (if engaged) may not be required to segregate the Fund's assets deposited with it, in which case the Fund's assets may be subject to the claims of such brokers', custodian's or such prime broker's general creditors if such brokers, custodian or prime broker (as the case may be) becomes insolvent.

(u) *Investment Strategy Risks*

The Fund engages in a business involving special considerations and risks, including some or all of those discussed below. There can be no assurance that the Fund's investment objective will be achieved or that there will be any return of capital, and investment results may vary substantially on a monthly, quarterly or annual basis. An investment in the Fund does not represent a complete investment program.

(v) *Conflicts of interest*

Alpha Well Ltd may in future establish other Funds with similar investment objectives or strategies to those of the Fund.

The directors, the administrator, the brokers, the custodian (if any), the prime brokers (if any) and Alpha Well Ltd may from time to time act as directors, investment managers and/or sub-investment manager, brokers, administrators or custodians in relation to or otherwise be involved in other companies established by parties other than Alpha Well Ltd that have similar objectives to those of the Fund. In such event should a conflict of interest arise, the directors of the Fund will endeavour to ensure that it is resolved fairly.

Alpha Well Ltd may have a conflict of interest when allocating and/or recommending investment opportunities between the Fund and other clients. However, when making investments where a conflict of interest may arise, Alpha Well Ltd will endeavour to act in a fair and equitable manner as between the Fund and other clients.

There will be no limitation with respect to other activities and investments of Alpha Well Ltd or with respect to the activities of other investment portfolios managed by Alpha Well Ltd. Accordingly, conflicts of interest may occur.

(w) Performance fee

The payment to the Investment Manager of the performance fee may create an incentive for Alpha Well Ltd to cause the Fund to make investments that are riskier or more speculative than would be the case if the performance fee were based solely on a flat percentage of assets under management or in the absence of such performance-based compensation.

(x) No voluntary redemption or transfer

The Fund does not allow for voluntary redemption by any preference shareholder of the Fund. There is no guarantee on the liquidity events for the shareholders of the Fund. There is no secondary market for the shares of the Fund. No shareholder, including the Fund, may transfer its shares without the consent of the directors of the Fund, whose consent may be withheld in the directors' sole and absolute discretion. Preference Shareholders of the Fund will have to hold onto their shares for the entire tenure of the respective classes of Preference Units of the Fund unless the directors of the Fund determine to liquidate the Fund or compulsorily redeem any shareholder in accordance with the provisions of the private placement memorandum of the Fund, the articles of the Fund and the laws of the Federal Territory of Labuan, Malaysia.

(y) Possible indemnification obligations

The Company is generally obliged to indemnify the administrator, the Investment Manager, the directors and possibly other parties under the various agreements entered into with such persons against any liability they or their respective affiliates may incur in connection with their relationship with the Company.

(z) Possible adverse tax consequences

No assurance may be given that the manner in which the Company will be managed and operated, or that the composition of its direct and indirect portfolio investments, will be tax efficient for any particular shareholder or group of shareholders. The Company does not intend to provide its shareholders with information regarding the

percentage ownership of its shares held by residents of any country. The Company's books and records might be audited by the tax authorities of countries where the Company's portfolio is managed, or where a portion of its direct and indirect portfolio investments are made, or where a particular shareholder or group of shareholders reside. Any such audits could subject the Company to tax, interest and penalties, as well as incremental accounting and legal expenses. Should the Company be required to incur additional taxes or expenses as a result of the subscriptions made by any shareholder, or become subject to any record keeping or reporting obligations as a result of permitting any person to remain or be admitted as a shareholder of the Company, the Company will seek reimbursement of the costs of such taxes, expenses or obligations from such person.

(aa) *Focused Portfolio Risk*

The Fund may invest in a limited number of issuers, industries or sectors or countries and may therefore be subject to greater volatility than a portfolio invested in a larger or more diverse array of securities. Such concentration could expose such investors (including the Fund) to losses disproportionate to market movements in general if there are disproportionately greater adverse price movements in securities in which the Fund is invested. Market or economic factors affecting issuers, industries or sectors in which the Fund's investments are concentrated could have a significant effect on the value of the Fund's investments.

(bb) *Credit/Default risk*

The Company may invest in debt instruments which may be subject to risk relating to the creditworthiness of the issuers and its expected ability to make timely payment of interest and principal. Default happens when the issuers are not able to make timely payments of interest and principal. Debt instruments are subject to both actual and perceived measures of creditworthiness.

(cc) *Custody risk*

There are risks involved in dealing with custodians or prime brokers who hold assets of the Company and who settle the Company's trades. Securities and other assets deposited with custodians or prime brokers may not be clearly identified as being assets of the Company, and hence the Company may be exposed to a credit risk with regard to such parties. In some jurisdictions, the Company may only be an unsecured creditor

of its prime broker or custodian in the event of bankruptcy or administration of such broker. Further, there may be practical or time problems associated with enforcing the Company's rights to its assets in the event of the insolvency of any such party (including sub-custodians or agents appointed by the custodian in jurisdictions where sub-custodians are not available).

Recent apparently significant losses incurred by many hedge funds in relation to the bankruptcy and/or administration of financial institutions illustrate the risks incurred in both derivatives trading and custody and prime brokerage arrangements. Assets deposited with prime brokers or custodians which are fully paid (being those not held by the prime broker as margin) may be held in segregated safe custody in accordance with the prime brokerage and custodian agreements. Assets held as collateral by the prime brokers or custodians in relation to facilities offered to the Company and assets deposited as margin with the custodians and prime brokers may therefore be available to the creditors of such persons in the event of their insolvency.

(dd) Absence of regulatory oversight

Neither Labuan Financial Services Authority nor any other government or regulatory authority any jurisdiction has evaluated the value of these securities, made any recommendations as to their purchase, approved or disapproved the offering of the shares of the Company, or evaluated the adequacy or accuracy of the private placement memorandum (i.e. the Information Memorandum) of the Company.

(ee) Turnover Risk

The Fund may be actively managed and, in some cases in response to market conditions, the Fund's turnover may exceed 100%. A higher rate of the Fund's turnover increases brokerage and other expenses, which must be borne by the Fund and its shareholders (including the Fund). High portfolio turnover also may result in the realization of substantial net short term capital gains, which, when distributed, may be taxable to shareholders of the Fund.

In addition, the Fund may experience relatively higher turnover attributable to investors in a particular country where the Fund is available for purchase. This activity may adversely affect the Fund's performance and the interests of long-term investors. Volatility resulting from excessive purchases and redemptions or exchanges of shares

of the Fund, especially involving large dollar amounts, may disrupt efficient portfolio management. In particular, the Fund may have difficulty implementing long-term investment strategies if it is unable to anticipate what portion of assets it should retain in cash to provide liquidity to its shareholders. Also, excessive purchases and redemptions or exchanges of shares of the Fund may force the Fund to maintain a disadvantageously large cash position to accommodate short duration trading activity.

Further, excessive purchases and redemptions or exchanges of the Fund's shares may force the Fund to sell its securities at inopportune times to raise cash to accommodate short duration trading activity. Additionally, the Fund may incur increased expenses if one or more shareholders of the Fund engage in excessive purchase and redemption or exchange activity. For example, when the Fund is forced to liquidate investments due to short duration trading activity, it may incur increased brokerage and tax costs without attaining any investment advantage. Similarly, the Fund may bear increased administrative costs as a result of the asset level and investment volatility that accompanies patterns of short duration trading activity.

(ff) *Sector risk*

The Company may make a limited number of investments. As such, their returns as a whole may be substantially affected by the unfavourable performance of a single investment. In addition, certain investments may exclusively or primarily be made in a particular asset type or category, which may reduce the Company's overall diversity of assets and increase risk.

(gg) *Derivatives Risk*

The Fund may use derivatives, which are financial contracts whose value depends on, or is derived from, the value of an underlying asset, reference rate, or index. The Investment Manager will sometimes use derivatives as part of a strategy designed to reduce other risks. Generally, however, the Fund may use derivatives as direct investments to earn income, enhance yield and broaden portfolio diversification. In addition to other risks such as the credit risk of the counterparty, derivatives involve the risk of difficulties in pricing and valuation and the risk that changes in the value of the derivative may not correlate perfectly with relevant underlying assets, rates, or indices.

While the judicious use of derivatives by experienced investment advisers such as the Investment Manager can be beneficial, derivatives also involve risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. The following is a general discussion of important risk factors and issues concerning the use of derivatives that investors should understand before investing in the Fund.

- **Market Risk.**
 - This is the general risk attendant to all investments that the value of a particular investment will change in a way detrimental to the Fund's interest.

- **Management Risk.**
 - Derivative products are highly specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The successful use of derivatives draws upon the Investment Manager's special skills and experience and usually depends on the Investment Manager's ability to forecast price movements, interest rates, or currency exchange rate movements correctly. Should prices, interest rates, or exchange rates move unexpectedly, the Fund may not achieve the anticipated benefits of the transactions or may realize losses and thus be in a worse position than if such strategies had not been used. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the Fund and the ability to forecast price, interest rate or currency exchange rate movements correctly.

- **Credit Risk**
 - This is the risk that a loss may be sustained by the Fund as a result of the failure of another party to a derivative (usually referred to as a "counterparty") to comply with the terms of the derivative contract. The credit risk for exchange-traded derivatives is generally less than for

privately negotiated derivatives, since the clearing house, which is the issuer or counterparty to each exchange-traded derivative, provides a guarantee of performance. This guarantee is supported by a daily payment system (i.e., margin requirements) operated by the clearing house in order to reduce overall credit risk. For privately negotiated derivatives, there is no similar clearing agency guarantee. Therefore, the Investment Manager will consider the creditworthiness of each counterparty to a privately negotiated derivative in evaluating potential credit risk.

- Liquidity Risk
 - Liquidity risk exists when a particular instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives), it may not be possible to initiate a transaction or liquidate a position at an advantageous price.

- Leverage Risk
 - Since warrants, options and many derivatives (to the extent utilized) have a leverage component, adverse changes in the value or level of the underlying asset, rate or index can result in a loss substantially greater than the amount invested in the warrant, option or derivative itself. In the case of swaps, the risk of loss generally is related to a notional principal amount, even if the parties have not made any initial investment. Certain derivatives have the potential for unlimited loss, regardless of the size of the initial investment.

- Other Risks
 - Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. Many derivatives, in particular privately negotiated derivatives, are complex and often valued subjectively. Improper valuations can result in increased cash payment requirements to counterparties or a loss of value to the Fund. Derivatives do not always perfectly or even highly correlate or track the value of the assets, rates or indices they are designed to track. Consequently, the Fund's

use of derivatives may not always be an effective means of, and sometimes could be counterproductive to, furthering the Fund's investment objective.

(hh) *Interest rate risk*

The market value of many types of investments is sensitive to changes in interest rates. In general, when interest rates rise, the fixed-income security's market value declines and when interest rates decline, its value rises. Normally, the longer the remaining maturity of a security, the greater the effect of interest rate changes on the market value of the security. In addition, changes in the ability of an issuer to make payments of interest and principal and in the market's perception of an issuer's creditworthiness affect the market value of an issuer's investments.

(ii) *Equity Securities Risk*

The value of underlying equity investments of the Fund may fluctuate, sometimes dramatically, in response to the activities and results of individual companies or because of general market and economic conditions and changes in currency exchange rates. The value of the Fund's investments may decline over short or long-term periods.

Investments in initial public offerings (or shortly thereafter) may involve higher risks than investments issued in secondary public offerings or purchases on a secondary market due to a variety of factors, including, without limitation, the limited number of shares available for trading, unseasoned trading, lack of investor knowledge of the issuer and limited operating history of the issuer. In addition, some companies in initial public offerings are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalized or regarded as developmental stage companies, without revenues or operating income, or the near-term prospects of achieving them. These factors may contribute to substantial price volatility for such securities and, thus, for the value of the Fund's shares.

(jj) *REITs Risk*

Investing in Real Estate Investment Trusts ("REITs") involves certain unique risks in addition to those risks associated with investing in the real estate industry in general. Equity REITs may be affected by changes in the value of the underlying property owned by the REITs, while mortgage REITs may be affected by the quality of any

credit extended. REITs are dependent upon management skills, are not diversified, are subject to heavy cash flow dependency, default by borrowers and self-liquidation. REITs are also subject to the possibilities of failing to qualify for tax free pass-through of income under the IRC and failing to maintain their exemptions from registration under the United States Investment Company Act of 1940.

REITs (especially mortgage REITs) are also subject to interest rate risks. When interest rates decline, the value of a REIT's investment in fixed rate obligations can be expected to rise. Conversely, when interest rates rise, the value of a REIT's investment in fixed rate obligations can be expected to decline. In contrast, as interest rates on adjustable-rate mortgage loans are reset periodically, yields on a REIT's investments in such loans will gradually align themselves to reflect changes in market interest rates, causing the value of such investments to fluctuate less dramatically in response to interest rate fluctuations than would investments in fixed rate obligations.

Investing in REITs may involve risks similar to those associated with investing in small capitalization companies. REITs may have limited financial resources, may trade less frequently and in a limited volume and may be subject to more abrupt or erratic price movements than larger company securities. Historically, small capitalization stocks, such as REITs, have been more volatile in price than the larger capitalization stocks included in the S&P Index of 500 Common Stocks.

(kk) Fees and expense risk

The Company may pay certain fees while making investments in underlying funds. These fees are in addition to the fees paid by investors to the Company. Accordingly, investors in the Company will bear more fees (i.e. paid to the Company and indirectly by the Company to the underlying funds) as compared to investors who invest directly into the same underlying funds.

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Company.

Investors are advised to read the Information Memorandum and obtain professional advice before subscribing to the Preference Units. It is important to note that events affecting the investments cannot always be foreseen. Therefore, it is not always possible to protect your

investment against all risks. The investments of the Fund carry risks and we recommend that you read the whole Information Memorandum to assess the risks of the Fund.

7.0 PRICING POLICY

Selling Price is the price (before adding any sales charge) payable by an investor or a Unit Holder for the purchase of a Unit (“Selling Price”). During the initial offer period of each Class, the Selling Price for all Classes are fixed at 1.0000 per Unit in the currency of the Class subscribed.

After the initial offer period of each Class, the Selling Price shall be the Net Asset Value per Unit of the respective Classes as at the next valuation point of the relevant Business Day (“forward pricing”) after the application for Units is received by the Manager.

If no application for Units is received by the Manager during the initial offer period of each Class, the Selling Price for an application for Units received on a Business Day immediately after the initial offer period of each Class shall be the initial offer price of each Class.

A sales charge will be computed separately based on the investment amount/ purchase amount, net of bank charges, if any.

Redemption Price is the price (before deducting any redemption charge) payable by the Manager to a Unit Holder pursuant to the redemption of a Unit (“Redemption Price”). During the initial offer period of each Class, the Redemption Price for all Classes are fixed at 1.0000 per Unit in the currency of the Class subscribed.

After the initial offer period of each Class, the Redemption Price shall be the Net Asset Value per Unit of the respective Classes as at the next valuation point of the relevant Business Day (“forward pricing”) after the redemption request is received by the Manager.

A redemption charge (if any) may be computed separately based on the withdrawal amount/ redemption amount, net of bank charges, if any.

The Net Asset Value of the Fund or a Class is determined by deducting the value of all the Fund’s liabilities (or the liabilities relating to the Class) from the value of all the Fund’s assets (or assets

relating to that Class), at the valuation point. The Net Asset Value per Unit is determined when the Net Asset Value attributable to a Class is divided by the total number of Units in circulation for that Class at that valuation point.

The Net Asset Value per Unit for each Class will be made available on the Manager's website, www.alphawell.co.

8.0 VALUATION OF ASSETS

The Fund must be valued at least once every Business Day except during the Fund's initial offer period. However, as the Fund may have exposure to certain foreign markets which have different time zones from that of Malaysia, the Fund performs its valuation for a relevant Business Day on the day following the relevant Business Day.

Accordingly, the valuation of the Fund for the relevant Business Day will be conducted before 5.00 p.m. (or such other time as may be determined by the Manager from time to time) on the following day on which the Manager is open for business, when the valuation of the Fund would have been obtained from the Company.

In undertaking any of the Fund's investments, the Manager will ensure that all the assets of the Fund will be valued appropriately, that is, at market value, failing which, such assets will be valued at fair value and at all times in compliance with the relevant laws (including approved accounting standards).

Accordingly, where applicable:

- (i) The shares of the Fund will be valued by reference to the Company's last published repurchase price of a share of the Fund for the relevant Business Day.
- (ii) Collective investment schemes which are quoted on an approved exchange shall be valued daily based on the last done market price. However, if:

- a. a valuation based on the market price does not represent the fair value of the units of the collective investment scheme, for example during abnormal market conditions;
or
 - b. no market price is available, including in the event of a suspension in the quotation of the units of the collective investment scheme for a period exceeding fourteen (14) days, or such shorter period as agreed by the Custodian,
then the said units of the collective investment scheme would be valued at fair value, as determined in good faith by the Manager based on the methods or bases approved by the Trustee after appropriate technical consultation.
- (iii) When investing in unlisted collective investment schemes, the value shall be determined each day by reference to the last published repurchase price of a unit for that unlisted collective investment scheme.
- (iv) Deposits will be valued each day by reference to the principal value of such investments and the interests accrued thereon for the relevant period.
- (v) Money market instruments will be valued each day based on the accretion of discount or amortisation of premium or on a yield to maturity basis. Where applicable, the money market instruments will be valued by reference to the prices quoted by a Bond Pricing Agency registered with the Securities Commission.
- (vi) Financial derivative instruments positions will be “marked to market” at the close of each trading day.
- (vii) Foreign exchange translation of assets not denominated in the Base Currency into USD (i.e. the Base Currency) for a particular Business Day is determined based on the bid rate quoted by Bloomberg or Reuters at 4.00 p.m. (United Kingdom time) or such other time as may be prescribed from time to time by the relevant laws.
- (viii) Any other investments as may be held by the Fund will be valued based on fair value as determined in good faith by the Manager, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

9.0 POLICY ON REBATES AND SOFT COMMISSION

It is the Manager's policy to credit all rebates to the account of the Fund. However, goods and services ("soft commission") provided by any broker or dealer may be retained by the Manager or the fund manager only if the goods and services are of demonstrable benefit to the Unit Holders and in the form of research and advisory services that assist in the decision making process relating to the Fund's investments, such as research materials and computer software, which are incidental to the investment management activities of the Fund and any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund.

10.0 RIGHTS AND LIABILITIES OF UNIT HOLDERS

10.1 Rights of the Unit Holders

Unit Holders shall have the right in respect of the Fund in which they hold Units, among others, to the following:

- a) to receive distributions of the Fund (if any), to participate in any increase in the value of the Units and to enjoy such other rights and privileges as are provided for in the Investment Agreement;
- b) to call for the Unit Holders' meetings, and to vote for the removal of the Trustee or the Manager through a special resolution as provided for in the Deed; and
- c) to receive quarterly and annual reports of the Fund.

No Unit Holder shall be entitled to require the transfer to him of any of the assets of the Fund or be entitled to interfere with or question the exercise by the Trustee, or the Manager on the Trustee's behalf, of the rights of the Trustee as the registered owner of such assets.

10.2 Liabilities of Unit Holders

The liability of Unit Holders shall be limited to their investment participation in the Fund. Unit Holders shall not be liable to indemnify the Trustee and/or the Manager against any

liabilities whatsoever arising in respect of their duties and obligations as trustee and manager of the Fund. Any claims against the Fund shall be entirely restricted to the Fund.

10.3 Power to Call for a Meeting by Unit Holders

Unit Holders have the right to request the Manager to call for a Unit Holders' meeting provided any such request is made in writing by not less than fifty (50) or one-tenth (1/10), whichever is less, of all the Unit Holders or Unit Holders of a particular Class, and the request must state the purpose of the proposed meeting.

Unit Holders may request the Manager to call for a Unit Holders' meeting for the purpose of:

- (a) requiring the retirement or removal of the Manager;
- (c) considering the most recent financial statements of the Fund;
- (d) giving to the Trustee such directions as the meeting thinks proper; or
- (e) considering any matter in relation to the Investment Agreement.

10.4 Termination of the Fund

The Fund is of unlimited duration and shall continue until terminated:

- (a) by the Manager in accordance with the Investment Agreement.

Pursuant to the Investment Agreement, the Manager may in its absolute discretion terminate the Fund if:

- (a) on or before the commencement date of the Fund, the amount of capital raised by the Fund is not viable for an effective portfolio management of the Fund and the Manager and the Trustee jointly deem it to be uneconomical to proceed with the Fund; or
- (b) after the commencement date of the Fund, the Manager deems it to be uneconomical to continue managing the Fund.

For the avoidance of doubt, the approval of Unit Holders shall not be required for the aforesaid termination of the Fund.

The Manager may in its absolute discretion terminate a particular Class, provided always that such termination does not prejudice the interests of any Unit Holders of other Class.

A special resolution requires majority in number representing at least three-fourths (3/4) of the value of Units held by the Unit Holders voting at a Unit Holders' meeting in person or by proxy. Resolutions passed at the meeting of Unit Holders bind all Unit Holders whether or not they were present at the meeting at which the resolutions were passed.

10.5 Classes of Units

The Manager shall have the sole and absolute right to issue other Classes with different and/or similar features including but not limited to currency denomination, fees and charges and transactions details without the need to obtain or seek the Unit Holders' approval provided that the issuance of such other Classes shall not in the opinion of the Manager prejudice the rights of the Unit Holder of the currently available Classes.



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