



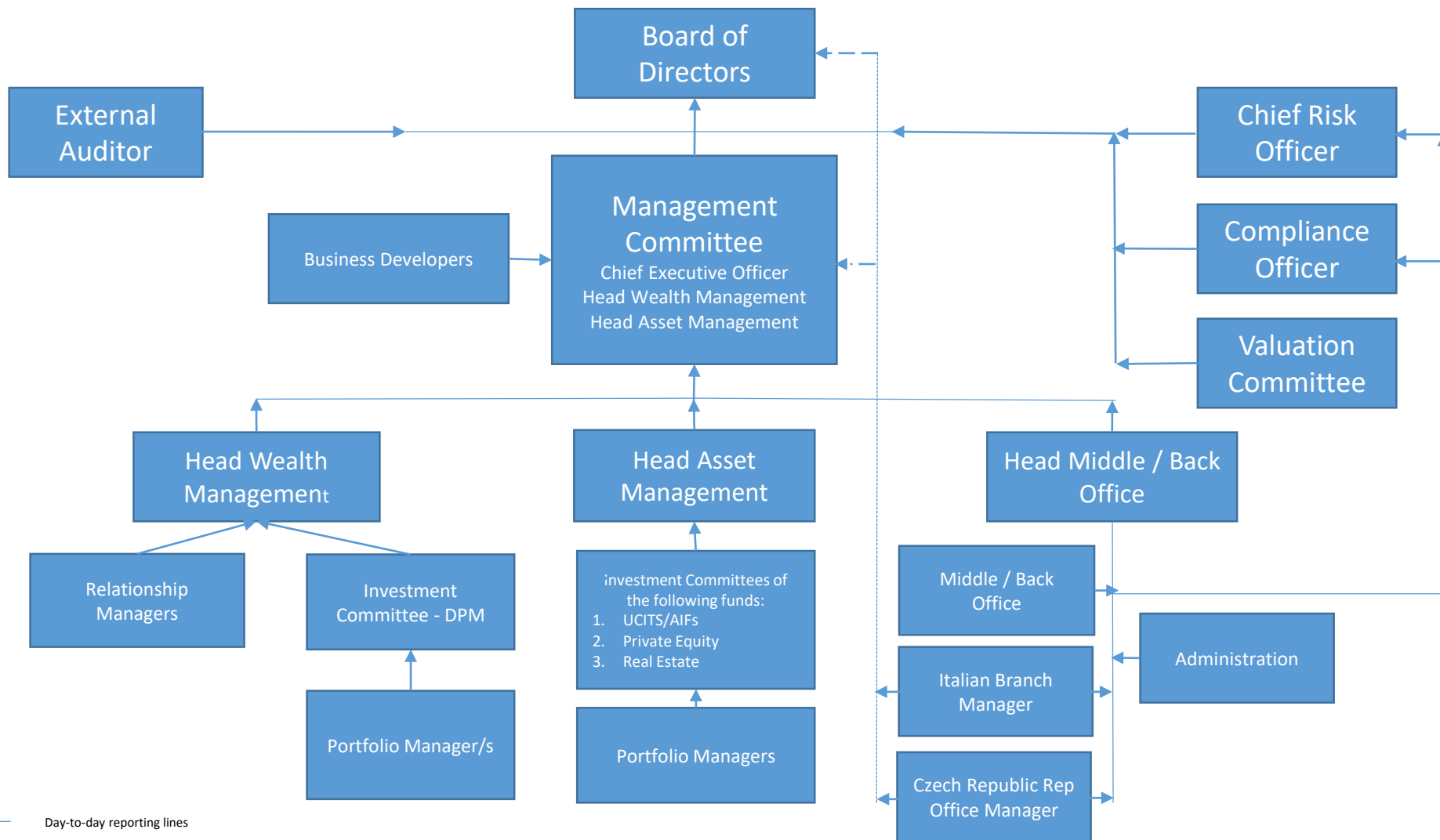
May 2019



AQA Capital Ltd (“AQA Capital”) is a European asset management company authorised by the **Malta Financial Services Authority** (“MFSA”) as a full scope **AIFM** (Alternative Investment Fund Manager) and a **UCITS** funds manager.

- ✓ **Super management company** offering management services to UCITS funds and Alternative Investment Funds, either with our own brand or in white label for third parties
- ✓ **Investment manager** for any type of CISs (Collective Investment Scheme), either UCITS or alternatives (AIFs or PIFs)
- ✓ **Financial advisor** for any sort of CISs
- ✓ **Wealth manager**
- ✓ **Distributor** of CISs, either proprietary or third parties’, throughout the EEA

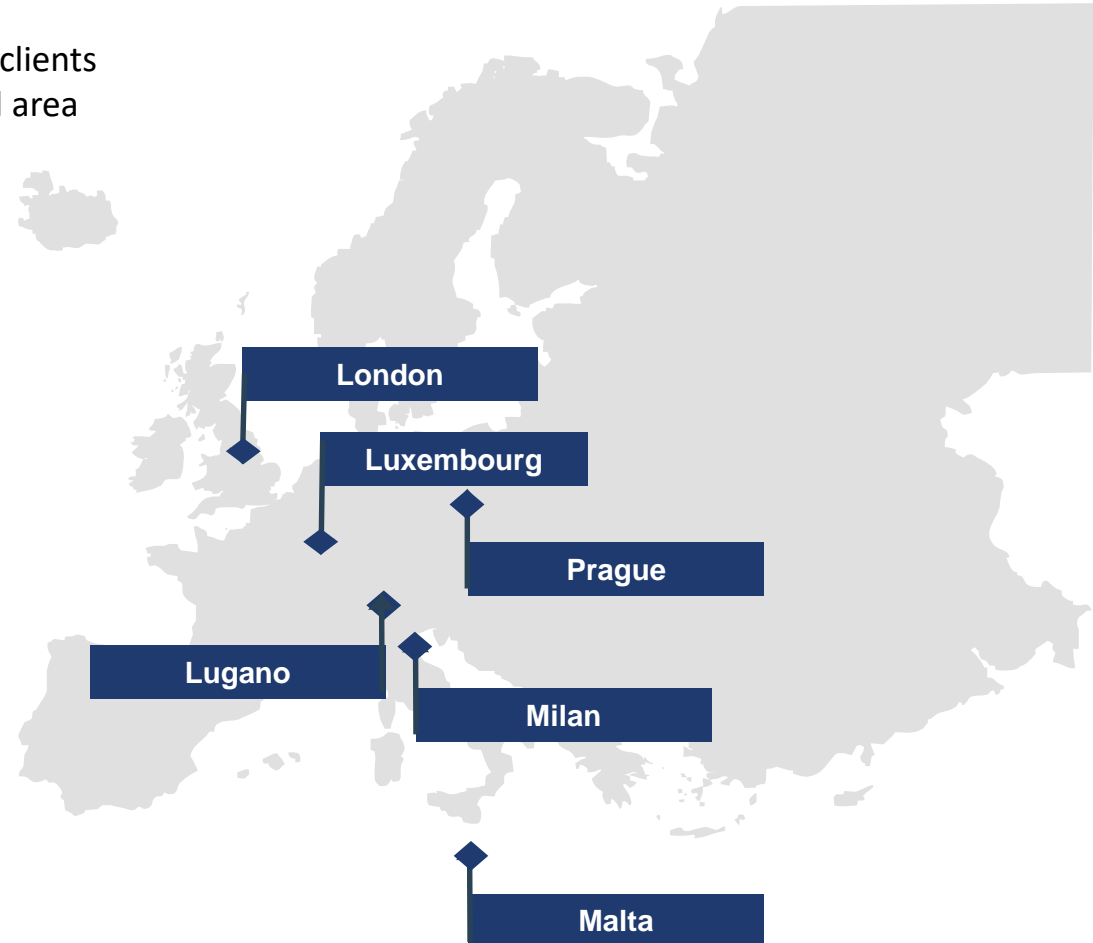
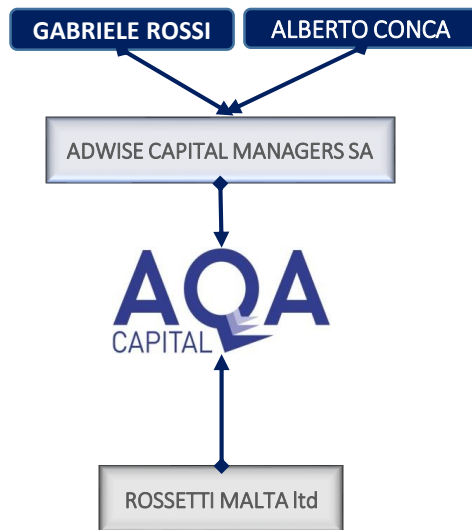




- Day-to-day reporting lines
- - - In case of out of the ordinary event
- - - In case of extraordinary event



AQA Capital is able to assist private and institutional clients in the launch of funds, regardless of the geographical area and the reference legislation (UCITS, AIF, NAIF, RAIF).



Management Company

*An economically viable solution
for UCITS funds and AIF*

**Asset Management
UCITS**

*Independent Asset Manager with
one of a kind investment
approach*

**Asset Management
AIFMD**

*Alternative Investment Asset
manager with tailor-made
efficient solutions*

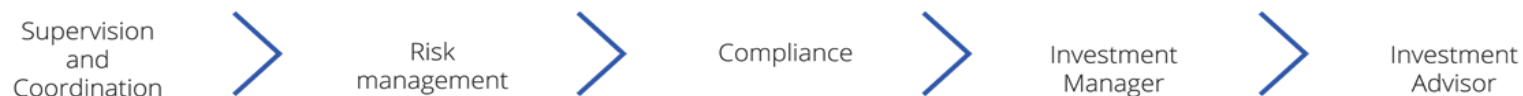


Management Company

As a **Super Management Company**, we offer management services to UCITS funds and AIFs that can be both internally managed or White Label Funds.

We can provide Management Company services to clients **regardless of fund jurisdiction** having operations in Malta and Italy and partnerships in Luxembourg and Ireland.

We can **operate on the entire Value Chain**, so clients can determine which of our skills best suits their personal interests.



Provide **substance**:

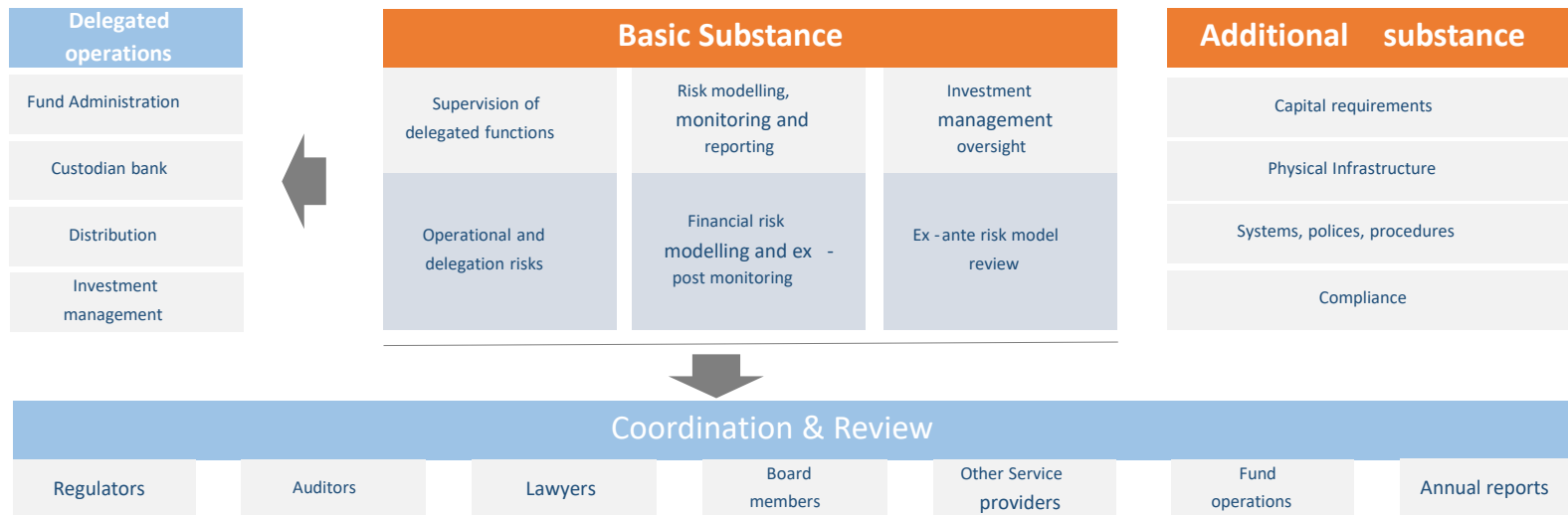
- ✓ Fully compliant EU Management company with a strong and flexible infrastructure
- ✓ Pre and post-trade compliance monitoring
- ✓ In-house risk management system
- ✓ NAV publication and Reporting preparation

Supervise delegated operations such as

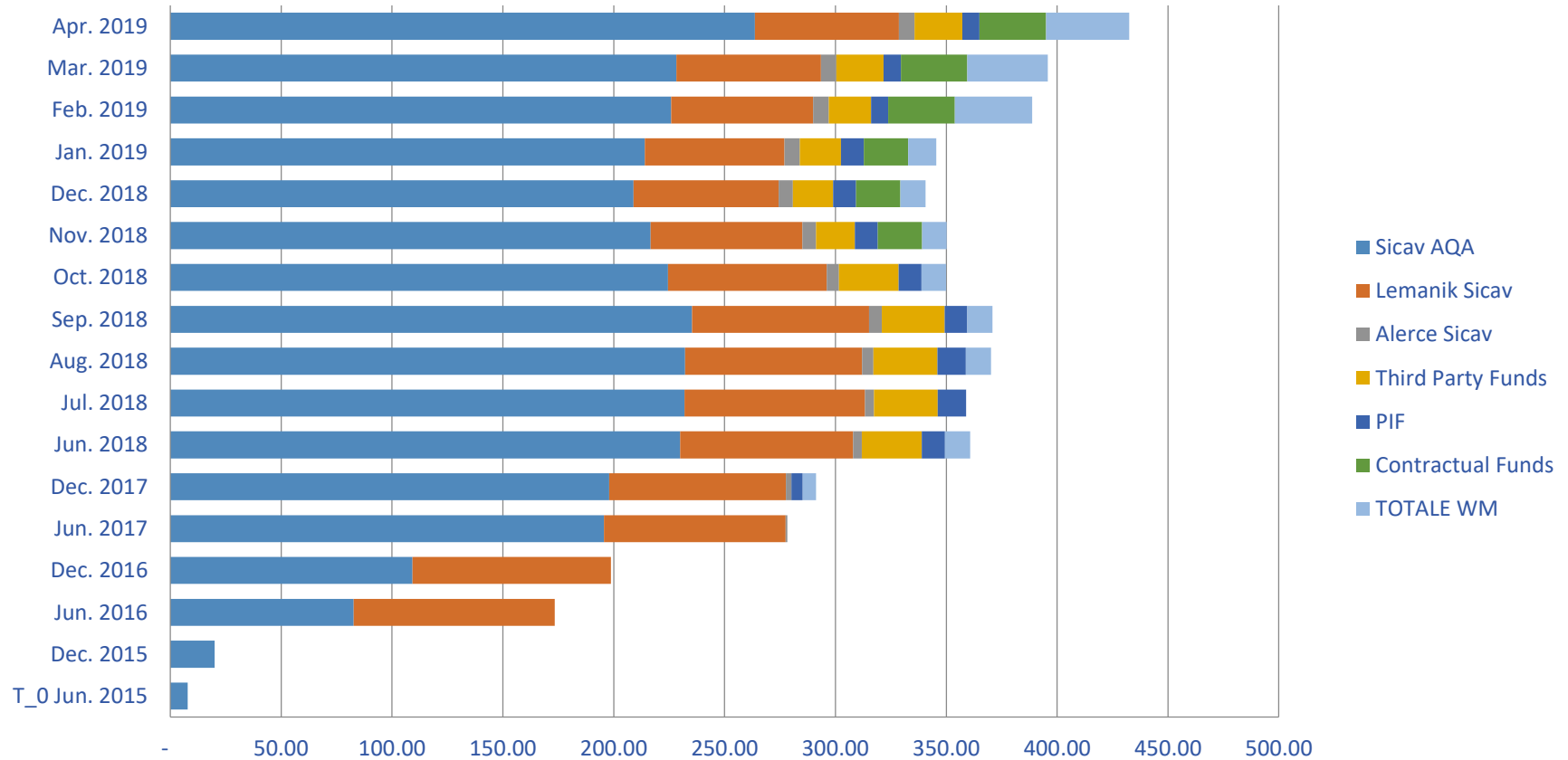
- ✓ Portfolio management, Custody, Fund administration, Distribution

Coordinate service providers of a fund

- ✓ Liaising with all third parties involved in the set-up of a fund, maximizing process efficiency



AQA CAPITAL AUM GROWTH SINCE INCEPTION



Asset Management UCITS and AIFMD

AQA Capital acts as **investment manager for CIS (Collective Investment Schemes)** investing in a wide variety of asset classes, traditional such as equities, bonds and units in collective investment schemes as well as in alternatives ranging from real estate to credit opportunities, special situations and long/short strategies.

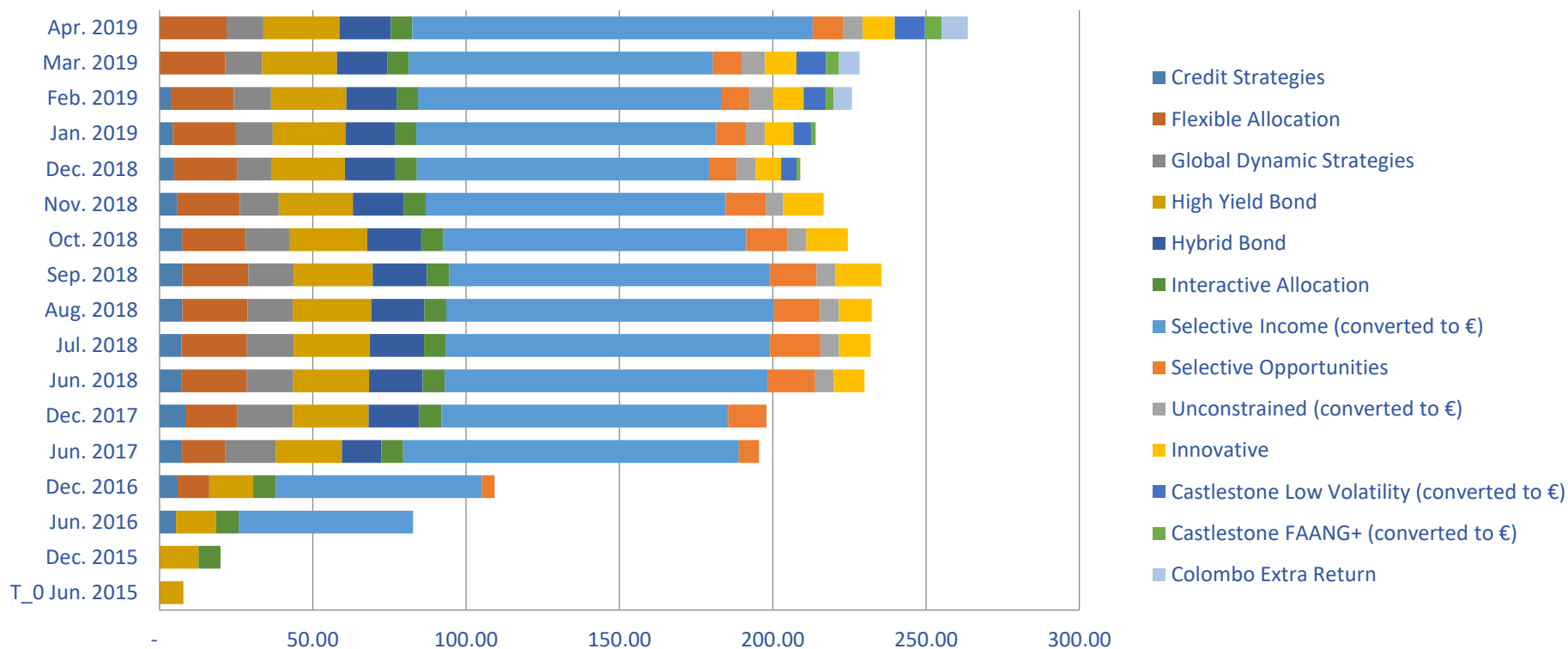
Our goal is to **transcend the changing markets** and take our clients along their journey, investing their wealth into viable UCITS and AIF strategies.

Fund managers and analysts operate investment decisions in order to **match capital protection targets with clients' risk/reward profile.**

Investment decisions are driven by a **multidisciplinary approach to offer unique UCITS funds and AIFs** to investors through all the available asset classes.

AQA SICAV plc is our **flagship umbrella fund**. Established in April 2015, it is an open-ended collective investment scheme organized as a limited liability company with variable share capital registered under the laws of Malta and licensed by the Malta Financial Services Authority in terms of the Investment Services Act (Chapter 370 of the Laws of Malta).

AQA SICAV AUM GROWTH SINCE INCEPTION



As already mentioned, our offer includes **investment manager services** related to alternative investments.

The AIF (Alternative Investment Funds) are addressed to the so-defined “**well informed**” investors, who require a limited and inferior level of protection, while looking for an higher degree of flexibility in their investments, due to particular experience and needs.

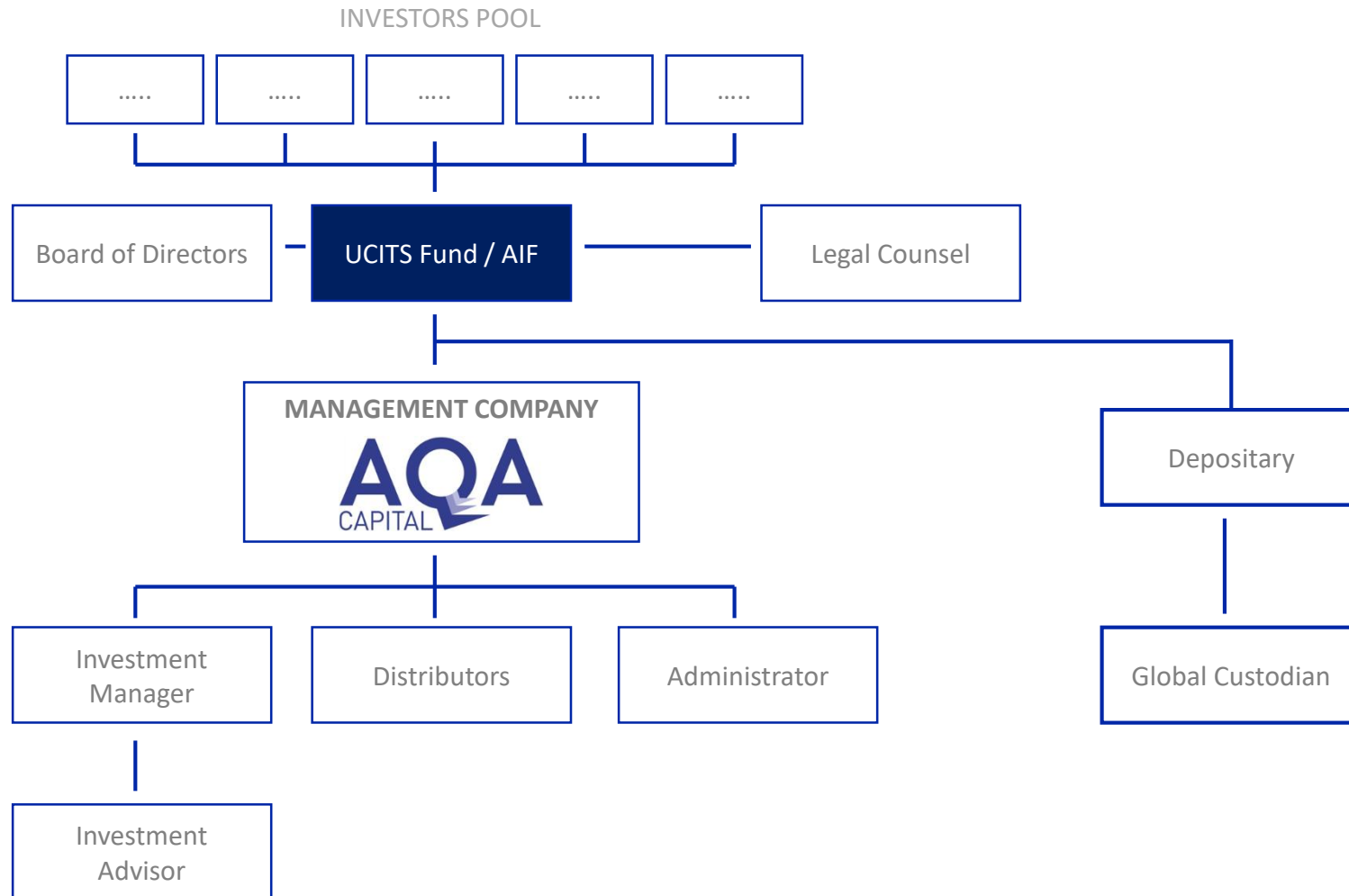
Well informed investors can be:

- ✓ *Institutional Investors*
- ✓ *Professional Investors*
- ✓ *Other Investors*

We are able to:

1. **Provide a solid platform to structure AIFs investing in Real Estate, Private Equity, Venture Capital, Private Debts** (such as NPL for instance) and even **multi-assets Funds** investing in more than one of the mentioned categories.
2. Becoming **investment manager** of already existing funds.
3. Act as **Management Company** for UE AIF of other UE jurisdictions




Different Fund Typologies'





	UCITS Funds	Alternative Investment Funds
Applicable Legislation	Undertakings for Collective Investment in Transferable Securities (UCITS) Directive – introduced 1985.	Alternative Investment Fund Managers Directive (AIFMD) – introduced 2013.
Investors	The UCITS Directive has been designed with Retail Investors in mind.	The AIFMD has been adopted to cater for those funds which do not classify as UCITS. The majority of AIFs are set-up to target Professional Investors.
Underlying Assets	UCITS Funds may only invest in listed transferable securities.	AIFs targeting Professional Investors may invest in any listed or unlisted financial instruments and also non-financial instruments.
Restrictions	Investment Strategy has to follow strict investment restrictions as outlined in the UCITS Directive.	No Investment Restrictions – Flexible investment strategy. The Fund may be tailor-made to the promoter’s requirements
Open-ended/Closed ended	Open-ended funds. Investors should be allowed to buy or sell shares in a UCITS Fund at least fortnightly. Normally UCITS Funds are set up to offer daily liquidity to investors.	May be both open ended (providing at least annual liquidity) or closed ended.
Passport	UCITS Funds benefit from the EU marketing passport. Therefore they may be marketed across EEA member states through the submission of a simple notification letter to the Home regulator. Normally marketing may commence within 10 working days from the submission of the notification letter	AIFs benefit from the EU marketing passport. Therefore they may be marketed across EEA member states through the submission of a simple notification letter to the Home regulator. Normally marketing may commence within 20 working days from the submission of the notification letter
Legal Structure	Various – SICAV, Partnership, Contractual Fund etc.	Various – SICAV, Partnership, Contractual Fund etc.
Licensing	UCITS Funds need to be licensed by their home regulator	AIFs may be licensed or unlicensed depending on the promoters’ own choice.

	UCITS Funds	AIFs	Summary of the Requirements
Management Company	✓	✓	UCITS Fund managed by a single licenced UCITS Fund Manager; AIF managed by a single licensed AIFM; They may also be set-up as internally managed funds.
Depositary	✓	✓	Domiciled in the same jurisdiction as the UCITS fund
Fund Administrator	✓	✓	<ul style="list-style-type: none"> Calculate the NAV Transfer Agent Registrar
Auditor	✓	✓	Domiciled in the same jurisdiction as the UCITS or the AIF
Directors	✓	✓	<ul style="list-style-type: none"> The appointment of Directors is dependent on the legal structure of the fund. Requirement: <ul style="list-style-type: none"> - minimum 3 Directors of which: - minimum 1 Independent Director; and - minimum 1 Director resident in the jurisdiction of the fund
Compliance Officer & MLRO	✓	✓	Domiciled in the same jurisdiction as the UCITS or the AIF
Investment Manager	Not Mandatory	Not Mandatory	<ul style="list-style-type: none"> Management Company may delegate the day-to day investment management to an Investment Manager If appointed, the Investment Manager has to be an entity authorised and licensed to provide asset management Co-operation Agreement between regulator of Management Company and regulator of Investment manager
Investment Advisor	Not Mandatory	Not Mandatory	<ul style="list-style-type: none"> Investment Advisor may be appointed
External Valuer	✗	✓	In terms of the AIFMD, the Management Company needs to carry out valuation either internally or appoint an independent External Valuer. UCITS funds do not require the appointment of an External Valuer because the assets under management are listed instruments

	Maltese Licensed AIF	Maltese Notified AIF
Licence	Licensed by the MFSA	Listed on MFSA's list of Notified AIFs
Due Diligence on Founder Shareholder and Directors	Performed by the Regulator	Performed by the AIFM
Rights of Founder Shareholders	Different from those of the normal investors. Including the right to appoint the Directors and receive dividends	Different from those of the normal investors. Including the right to appoint the Directors and receive dividends.
Eligible Investors	<ul style="list-style-type: none"> - Professional Investors; - Other well-informed/qualifying investors as per specific country requirements; - May also target Retail investors subject to specific country requirements 	<ul style="list-style-type: none"> - Professional Investors; - Qualified Investors as per MFSA requirements
Passport	Yes – Marketed across EEA	Yes – Marketed across EEA
Time to Market	<p>Long – Authorisation Process of Regulator takes months. Regulator has to:</p> <ul style="list-style-type: none"> - undertake due diligence on all senior officials of the scheme including founder shareholders, and also service providers. - Review and approve offering documentation for the fund - Issue the licence. 	10 working days from notification to the MFSA. Regulator does not perform any due diligence, nor reviews the documentation, nor issues a licence.
Investment Strategy	Any	<ul style="list-style-type: none"> - May invest in any financial instruments even private equity; - May invest in certain non-financial instruments as per MFSA guidelines e.g. immovable property, vintage cars and works of arts; - May not be set-up as Loan Fund.

	Notified AIF 	Reserved AIF 	Real Estate FIA 
Licensed or supervised	✗	✗	✗
Regulator Requirements & / or Advantages	<ul style="list-style-type: none"> - Notified to the MFSA - Must register within 30 days of the Board approval of the prospectus - Registration in the list of notified AIFs effective within 10 working days of filing - List of notified AIFs is easily accessed through the MFSA's online register - AIFM declarations to be filed with MFSA 	<ul style="list-style-type: none"> - Not registered with the CSSF - Must be incorporated or established within 10 days of notarial attestation of constitution - Notarial attestation to be filed with the CSSF - Effective immediate 	<ul style="list-style-type: none"> - <u>Notified to Bank of Italy</u> - <u>30 day of silent consent</u> - <u>List of Fia is easily accessed through the Bankit register</u> - <u>Specific fiscal and regulatory advantages on real estate management (ie tax exemptions/reductions, direct ownership of the buildings without SPVs)</u>
External EEA Management Company	✓	✓	✓
Internally managed AIFs	✗	✗	✗
Variety of Legal Structures	✓	✓	✗ <small>* only contractual fund</small>
Eligible Investors	<ul style="list-style-type: none"> - Professional Investors as defined by EU Directive MiFID - Qualifying Investors as per MFSA definition and invests at least €100,000 	<ul style="list-style-type: none"> - Professional Investors as defined by EU Directive MiFID - Institutional Investors - Other well informed investors as per Luxembourg's requirements & generally invests at least €125,000 	<ul style="list-style-type: none"> - <u>Professional Investors as defined by EU Directive</u> - <u>Institutional Investors</u> - <u>Other well informed investors must invest at least € 500,000</u>
Marketing in the EEA	✓	✓	✓
Marketing outside the EEA	Depends on the Rules of the non-EU country	Depends on the rules of the non-EU country	<u>Depends on the rules of the non-EU country</u>
Risk Diversification Principle	No specific requirements on risk diversification	Risk diversification principles apply	<u>Risk diversification not compulsory but recommended</u>
Specific Prospectus Requirements	Sample Prospectus issued by the MFSA	Minor disclosure on the front page	Sample <u>Prospectus issued by Bankit</u>
Capital Requirement	No specific capital requirement	Net Assets must reach €1,250,000 within 12 months	<u>Not specific capital requirement</u>
Broad Asset Eligibility	✓	✓	✓

Non AIFMD Compliant CIS: Maltese PIF vs Luxembourges SIF

	Professional Investor Fund	Specialised Investor Fund
Jurisdiction		
Licensed and Regulated	Yes - A PIF is authorised and licensed by the Malta Financial Services Authority	YES – A SIF is authorised and regulated by the Luxembourg’s CSSF.
AIFMD Compliant	✗	A SIF may be a non-AIF SIF (not compliant with AIFMD) or an AIF SIF (compliant with AIFMD). (This section will focus on non-AIF SIFs)
Who may Invest	<p>Qualifying Investors as defined in the MFSA rules with a minimum investment of €100,000.</p> <p>Example:</p> <ul style="list-style-type: none"> ➢ body corporate or group; an unincorporated body of persons or association; a trust with net assets over €750,000 ➢ An individual, with spouse, with net worth of over €750,000; 	<ul style="list-style-type: none"> ➢ Institutional Investors ➢ Professional Investors ➢ Other well-informed investors: <ul style="list-style-type: none"> • Confirm that that they are well-informed investors; and • Invest at least €125,000; or • Provides a confirmation by a financial institution.
Open-ended or closed-ended structures	Both	Both
Eligible Assets	No restrictions	No restrictions
Principle of Risk Spreading	✗	✓
Marketing Passport	✗	✗
Management Company	A PIF may be both internally and externally managed. If externally managed, the manager needs to be a “small” or “deminimis” AIFM	A SIF may be both internally and externally managed. If externally managed, the manager needs to be a “small” or “deminimis” AIFM.
Depositary	A PIF is not required to appoint a depositary. The Prospectus has to outline the safekeeping arrangements put in place, such as, Prime Brokers, or physical assets held in vaults.	The assets have to be entrusted to a Depositary which must either have its registered office in Luxembourg or be established there if its registered office is located outside of Luxembourg.
Capital Requirement	No minimum capital requirement in case of a third-party managed PIF. A self-managed PIF is required to hold a minimum capital of €125,000 as from date of authorisation	SIFs must reach a minimum net assets of €1,250,000 within 12 months following authorisation.

	UCITS funds	AIFs	Other Collective Investment Schemes and Third –country funds
Access to the EU market – cross-border distribution	Marketing passport available under the UCITS Directive	Marketing passport available under the AIFMD	No marketing passport available. May be marketed through the National Private Placement Regime (if available). NPPR vary from one jurisdiction to the other
How?	Standard model notification letter to the home member state regulator of the UCITS	Simple notification letter to the home member state regulator of the AIFM	Subject to member states requirements and discretion. Consultation with local Legal Counsel is highly recommended.
To whom?	Retail Investors	Professional Investors. Marketing to retail investors in accordance to host member state conditions.	

AQA Capital Limited is licensed by the Malta Financial Services Authority (MFSA) to provide the service of management of investments, in terms of the Investment Services Act 1994 (Laws of Malta) and also qualifies as a UCITS management company pursuant to Directive 2009/65/EC and as an Alternative Investment Fund Manager pursuant to Directive 2011/61/EU. www.mfsa.com.mt

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Any investment decision made will need to be based exclusively on an independent assessment on the basis of the investor's financial position and investment objectives, as well as the investor's personal interpretation of the information published on this report. The users assume exclusive responsibility for their decisions

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