

## GENERAL

### OFFERING MEMORANDUM

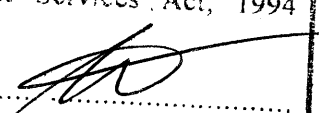
In respect of the offer of the non-voting shares in

### **PMG Special Funds SICAV plc**

A collective investment scheme organized as a multi-fund company with variable share capital under the laws of the Republic of Malta and licensed by the Malta Financial Services Authority (MFSA) under the Investment Services Act, Cap. 370 of the Laws of Malta as a Professional Investor Fund targeting Qualifying Investors.

Date of this General Offering Memorandum: 9<sup>th</sup> January 2018

This is an updated version of the Supplement dated 8<sup>th</sup> November 2017

<b>A P P R O V E D</b> by the Malta Financial Services Authority in terms of section 11 of the Investment Services Act, 1994	
Signature.....	
Name.....	Chr. Ann. Krime
Date.....	9 <sup>th</sup> January 2018

## IMPORTANT INFORMATION

**PMG SPECIAL FUNDS SICAV PLC (THE “COMPANY”) AND ITS SUB-FUND “PMG SPECIAL FUNDS – NEW ENERGY FUND” WERE PREVIOUSLY SUBJECT TO THE APPROVAL AND SUPERVISION OF THE LUXEMBOURG SUPERVISORY AUTHORITY OF THE FINANCIAL SECTOR, THE COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER (HEREINAFTER “CSSF”). FOLLOWING A DECISION TAKEN BY PMG SPECIAL FUNDS, LUXEMBOURG, IT WAS DECIDED TO REDOMICILE PMG SPECIAL FUNDS, LUXEMBOURG, INTO MALTA IN TERMS OF THE CONTINUATION OF COMPANIES REGULATIONS (SUBSIDIARY LEGISLATION 386.05 OF THE LAWS OF MALTA) AND APPLY FOR A PROFESSIONAL INVESTOR FUND LICENSE FROM THE MFSA.**

**THE COMPANY IS ORGANISED UNDER THE LAWS OF MALTA AS A MULTI-FUND LIMITED LIABILITY COMPANY WITH VARIABLE SHARE CAPITAL (SICAV) PURSUANT TO THE COMPANIES ACT, CAP 386 OF THE LAWS OF MALTA. THE COMPANY SHALL CONSIST OF SEPARATE CLASSES OR GROUPS OF CLASSES OF SHARES CONSTITUTING INDIVIDUAL SUB-FUNDS (EXCEPT FOR THE CLASS OF SHARES DENOMINATED AS FOUNDER SHARES) EACH CONSTITUTING SEPARATE PATRIMONIES PURSUANT TO SECTION 3 OF LEGAL NOTICE 241 OF 2006 AND WHICH ARE REGULATED AS COLLECTIVE INVESTMENT SCHEMES IN MALTA UNDER THE INVESTMENT SERVICES ACT. THE COMPANY IS LICENSED BY MFSA AS A PROFESSIONAL INVESTOR FUND WHICH IS AVAILABLE TO INVESTORS QUALIFYING AS QUALIFYING INVESTORS. PROFESSIONAL INVESTOR FUNDS ARE NOT SUBJECT TO PRESCRIPTIVE REGULATION.**

**PROFESSIONAL INVESTOR FUNDS ARE NON-RETAIL SCHEMES. PROFESSIONAL INVESTOR FUNDS ARE COLLECTIVE INVESTMENT SCHEMES (CIS) AS DEFINED BY SECTION 2(1) OF THE INVESTMENT SERVICES ACT, CAP 370 OF THE LAWS OF MALTA. SINCE PROFESSIONAL INVESTOR FUNDS ARE NOT SUBJECT TO ANY RESTRICTIONS ON THEIR INVESTMENT OR BORROWING POWERS, THE DEGREE OF RISK TO WHICH THEY MAY BE EXPOSED MAKES THEM UNSUITABLE FOR MEMBERS OF THE GENERAL PUBLIC. FURTHER THEY ARE NOT REGULATED TO THE SAME DEGREE AS OTHER COLLECTIVE INVESTMENT SCHEMES. DEPENDING ON THE NATURE OF THE FUND ESTABLISHED BY THE COMPANY. PROFESSIONAL INVESTOR FUNDS ARE NON-RETAIL SCHEMES. THEREFORE, THE PROTECTION NORMALLY ARISING AS A RESULT OF THE IMPOSITION OF THE MFSA’S INVESTMENT AND BORROWING**

**RESTRICTIONS AND OTHER REQUIREMENTS FOR RETAIL SCHEMES DO NOT APPLY. INVESTORS IN PROFESSIONAL INVESTOR FUNDS ARE NOT PROTECTED BY ANY STATUTORY COMPENSATION ARRANGEMENTS IN THE EVENT OF THE COMPANY'S FAILURE.**

**THE MFSA HAS MADE NO ASSESSMENT OR VALUE JUDGEMENT ON THE SOUNDNESS OF THE COMPANY OR ANY OF ITS FUNDS OR FOR THE ACCURACY OR COMPLETENESS OF STATEMENTS MADE OR OPINIONS EXPRESSED WITH REGARD TO IT/THEM. THE LICENSING OF THE COMPANY DOES NOT CONSTITUTE A WARRANTY BY THE MFSA AS TO THE PERFORMANCE OF THE COMPANY OR ITS FUNDS (AS DEFINED HEREIN) AND THE MFSA IS NOT IN ANY WAY LIABLE FOR THE PERFORMANCE OR DEFAULT OF THE COMPANY OR THE FUNDS.**

Potential investors should note that the Funds are not packaged retail and insurance-based investment products (PRIIPs) as defined in terms of Regulation (EU) No 1286/2014 of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs). Accordingly, the Funds are in no way available for subscription by Retail Clients. All investors must therefore fall within the definition of a Professional Client or Eligible Counterparty as defined herein, in addition to the “Qualifying Investor” criteria (collectively referred to as “Authorised Investor” criteria).

The Directors of the Company, whose names appear under the heading ‘Functionaries and Officials of the Company’, are the persons responsible for the information contained in this Offering Memorandum. To the best of the knowledge and belief of the Directors (who have taken reasonable care to ensure such is the case) the information contained in this Offering Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

No broker, dealer, salesman or other person has been authorised by the Company or any of the appointed functionaries of the Company to issue any advertisement or to give any information or to make any representations in connection with the offering or sale of Shares (as defined herein) other than those contained in this Offering Memorandum and in the documents referred to herein, in connection with the offer hereby made, and if given or made, such information or representations must not be relied upon as having been authorised by the Company, its Directors, or any of the appointed functionaries.

The Board of Directors of the Company have approved this Offering Memorandum. Shares in the Company may only be held by Qualifying Investors.

This Offering Memorandum does not constitute, and may not be used as an offer or invitation to subscribe for Shares by any person in any jurisdiction (i) in which such offer or invitation is

not authorised or (ii) in which the person making such offer or invitation is not qualified to do so or (iii) to any person to whom it is unlawful to make such offer or invitation.

It is the responsibility of any persons in possession of this Offering Memorandum and any persons wishing to apply for Shares to inform themselves of, and to observe and comply with, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Shares should inform themselves as to the legal requirements of so applying and any applicable exchange control requirements and taxes in the countries of their nationality, residence or domicile.

A copy of this Offering Memorandum has been filed with the MFSA. Applications for the purchase of Shares are accepted only on the basis of the current Offering Memorandum. Any person relying on the information contained in this Offering Memorandum, which was current at the date shown, should check with the Company or the Administrator that this document is the most current version, and that no revisions or additions have been made nor corrections published to the information contained in this Offering Memorandum since the date shown. Copies of this Offering Memorandum are available from the registered offices of the Company and from the registered offices of the Investment Manager of the Funds.

Statements made in this Offering Memorandum are, except where otherwise stated, are based on the law and practice currently in force in Malta and are subject to changes therein. Unless otherwise indicated specifically, investment in the Company should be regarded as a long-term investment. Your attention is drawn to the section headed “General Risk Factors” of this Offering Memorandum.

This Offering Memorandum does not provide legal, fiscal or economic advice to investors and should not be construed as such. Those who receive this Offering Memorandum should therefore be aware of the applicable legal requirements, exchange restrictions or controls, the planned investments and the possible legal, fiscal and economic consequences of an investment in a share examined. Potential investors should pay particular attention to the risk factors described in this Offering Memorandum, which are not to be regarded as exhaustive and should only be regarded as a summary of main risks to which investors in the sub-funds of a Company may be exposed.

This Offering Memorandum is only for confidential use by potential investors as intended by the Board of Directors. The recipient shall not reproduce the content entirely or partly for other purposes or forward or have forwarded the content without the express consent of the Board of Directors. The recipient binds himself to treat as confidential all information contained herein, including circumstances connected to this investment.

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## DEFINITIONS

<b>“Accounting Currency”</b>	means the currency in which the Company’s annual report and financial statements are drawn up, which shall be the Euro;
<b>“Accounting Period”</b>	a period commencing on the 1 <sup>st</sup> October and ending on the 30 <sup>th</sup> September of the following year ;
<b>“Administrator” or “Fund Administrator”</b>	means PMG Fonds Management AG having its registered office at Sihlstrasse 95, CH-8001 Zürich;
<b>“Authorised Investor(s)”</b>	means an investor who qualifies as a Qualifying Investor and is also either a Professional Client or Eligible Counterparty and one who is not otherwise precluded from investing in the Fund in terms of this Offering Memorandum or any applicable Supplement;
<b>“Base Currency”</b>	means the Accounting Currency with respect to the Company, or the currency in which a particular class of Shares is denominated as may be specified in the relative Offering Supplement of each Fund;
<b>“Business Day”</b>	Except where otherwise defined in the Offering Supplement, any day that is a normal business day and is not a public or national holiday in Malta or Switzerland or such other day as the Directors may, from time to time, determine;
<b>“CISA”</b>	means the Swiss Federal Act on Collective Investment Schemes;
<b>“Company”</b>	means PMG Special Funds SICAV plc;
<b>“Custodian”</b>	means any entity that may be appointed by the Board to provide custody and safe-keeping services to the Funds as indicated in the relevant Offering Supplement;
<b>“Dealing Day”</b>	the day when subscriptions and redemptions in any Fund shall be processed, where relevant, as specified in the details for each Fund found in the relevant Supplemental Offering Memorandum of each Fund;
<b>“Director(s)”, “Board” or “Board of Directors”</b>	means a Director or Directors of the Company;
<b>“EU”</b>	European Union;

<b>“EEA”</b>	European Economic Area;
<b>“Eligible Counterparty”</b>	means investment firms, credit institutions, insurance companies, UCITS and their management companies, pension funds and their management companies, other financial institutions authorised or regulated under Union law or under the national law of a Member State, national governments and their corresponding offices including public bodies that deal with public debt at national level, central banks and supranational organisations;
<b>“Founder Shares”</b>	means the shares issued by the Company that carry voting rights but that do not carry any right to participate in the profits of any Funds;
<b>“Fund(s)”</b>	means a sub-fund(s) of the Company;
<b>“Investment Manager“</b>	means PMG Fonds Management AG having its registered office at Sihlstrasse 95, CH-8001 Zürich, Switzerland;
<b>“IFRS“</b>	International Financial Reporting Standards;
<b>“MFSA”</b>	means the Malta Financial Services Authority;
<b>“Minimum Holding Requirement”</b>	means the minimum value of Shares that may be invested and held by a Qualifying Investor in the Funds as defined in the relative Offering Supplement of each Fund;
<b>“MLRO”</b>	means Money Laundering and Reporting Officer;
<b>“Net Asset Value” or “NAV”</b>	means the net asset value of the Fund(s) or the net asset value of per Share, as the context may so require;
<b>“Offering Memorandum”</b>	means this offering memorandum in its entirety as may be amended from time to time;
<b>“Offering Supplement” or “Supplemental Offering Memorandum”</b>	means an offering document in relation only to Shares in a particular Fund of the Company;
<b>“Paying Agent”</b>	means Reichmuth & Co, Privatbankiers;



**“Prime Broker”**

means the entity appointed by a Board to provide brokerage services to a Fund(s). In the absence of any information to the contrary in the relevant Offering Supplement, the Prime Broker shall be Reichmuth & Co, Privatbankiers;

**“Professional Client”**

means an investor who possesses the experience, knowledge and expertise to make its own investment decisions and properly assess the risks that it incurs. The following should all be regarded as Professional Clients:

a. Entities which are required to be authorised or regulated to operate in the financial markets. The list below should be understood as including all authorised entities carrying out the characteristic activities of the entities mentioned: entities authorised by a Member State under a Directive, entities authorised or regulated by a Member State without reference to a Directive, and entities authorised or regulated by a non-Member State:

- i. Credit Institutions
- ii. Investment Firms
- iii. Other authorised or regulated financial institutions
- iv. Insurance Companies
- v. Collective investment schemes and management companies of such schemes
- vi. Pension funds and management companies of such funds
- vii. Commodity and commodity derivatives dealers
- viii. Locals
- ix. Other institutional investors

b. Large undertakings meeting two of the following size requirements on a company basis:

- balance sheet total: EUR20,000,000
- net turnover: EUR40,000,000
- own funds: EUR2,000,000

c. National and regional governments, public bodies that manage public debt, Central banks, international and supranational institutions such as the World Bank, the IMF, the ECB, the EIB and

other similar international organisations.

d. Other institutional investors whose main activity is to invest in financial instruments, including entities dedicated to the securitisation of assets or other financing transactions.

A prospective investor who does not fall under any of the above categories may also be treated as a Professional Client upon request if further to an assessment, such prospective investor is found to possess sufficient experience, knowledge and expertise to enable him/her to make his/her own investment decisions and properly assess the risks that such investment incurs. Such prospective Investor may request to be treated as a Professional Client if he/she/it meets two the following criteria:

- he/she/it invest/s at an average frequency of ten transactions per quarter during the previous four quarters, subject to the transactions being of a significant size;
- his/her/its financial instrument portfolio exceeds EUR 500,000;
- he/she/it has worked in the financial sector for at least one year in a professional position.

**“Professional Investor Fund” or “PIF”** Professional Investor Funds are a special class of collective investment schemes which fall within the provisions of the Investment Services Act (Chapter 370 of the Laws of Malta);

**“Reputable Jurisdictions”** means countries of the EEA and Switzerland;

**“Retail Client”** means a client who is not a Professional Client or Eligible Counterparty;

**“Shares”** means non-voting shares issued by any Fund to Qualifying Investors and if the context so requires may include Founder Shares;

**“Shareholder”** means a holder of the Shares;

**“Scheme”** means “PMG Special Funds SICAV plc”;

**“Swiss Legal Representative”** means PMG Fonds Management AG;

**“Qualifying Investor”**

means any person who meets one or more of the following criteria:

1. a body corporate which has net assets in excess of EUR 750,000 or which is part of a group which has net assets in excess of EUR 750,000;
2. an unincorporated body of persons or association which has net assets in excess of EUR 750,000;
3. a trust where the net value of the trust’s assets is in excess of EUR 750,000;
4. an individual, or in the case of a body corporate, the majority of its Board of Directors or in the case of a partnership its General Partner who has reasonable experience in the acquisition and/or disposal of funds of a similar nature or risk profile;
5. property of the same kind as the property, or a substantial part of the property, to which the PIF in question relates;
6. an individual whose net worth or joint net worth with that person’s spouse, exceeds EUR 750,000;
7. a senior employee or Director of service providers to the PIF;
8. a relation or close friend of the promoters limited to a total of 10 persons per PIF;
9. an entity with (or which are part of a group with) EUR 3.75 million or more under discretionary management, investing on its own account;
10. the investor qualifies as a PIF promoted to Qualifying or Extraordinary Investors;
11. an entity (body corporate or partnership) wholly owned by persons or entities satisfying any of the criteria listed above which is used as an investment vehicle by such persons or entities;

If the context so requires, the term “Qualifying Investor” shall also include a Professional Client or Eligible Counterparty.

**“Qualifying Investor Declaration Form”**

means the form completed and signed by a Qualifying Investor confirming that they qualify as such, the latest version of which shall be available from the Fund Administrator.

Unless otherwise defined in a particular Offering Supplement, any capitalized terms shall have the meaning assigned to them above, unless the context requires otherwise.

## DESCRIPTION OF THE COMPANY

**PMG Special Funds SICAV plc** has been set-up as a multi-fund investment company with variable share capital (*Société d'investissement à capital variable*) in terms of the Companies Act (Investment Companies with Variable Share Capital) Regulations. By its memorandum of association, the Company has elected to have the assets and liabilities of each sub-fund treated for all intents and purposes of law as a patrimony separate from the assets and liabilities of each other sub-fund of the Company. Accordingly, the liabilities incurred in respect of a sub-fund (including such proportion of the liabilities of the Company which by virtue hereof or of the Articles or by virtue of the terms of issue of the Shares are, or are to be, attributable to such sub-fund) shall be paid solely out of the assets forming part of its patrimony and the creditors in respect thereof shall have no claim or right of action against the other assets of other sub-funds or of the Company, even in case of insufficiency of assets of such sub-fund to meet its liabilities (in which case the proportion of liabilities of such sub-fund in excess of the assets will not be allocated to other sub-funds)

The Company is licensed by the MFSA as a professional investor fund. Reference is made to the regulatory disclaimers made by the MFSA, which are found in this Offering Memorandum in the section above titled 'Important Information'.

In terms of the Articles of Association of the Company, PMG Fonds Management AG and Mr. Eric Lütenecker, as the holders of all the Founder Shares in the Company, shall be entitled to appoint all Directors of the Company. The Founder Shares carry voting rights whilst the classes or groups of classes of shares being offered to Qualifying Investors through the various sub-funds do not carry any voting rights, unless otherwise provided in the terms of issue of a particular class of shares no other shares in the Company shall carry any voting rights.

The Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "Securities Act") in reliance on the exemptions provided by section 4(2) of the Securities Act and Regulation D promulgated thereunder ("Regulation D"), nor have they been registered under the securities laws of any of the states of the United States in reliance on comparable exemptions, and no such registration is contemplated.

The Shares may not be offered, sold, transferred or otherwise delivered directly or indirectly in the United States or to or for the account of any US Person (as defined herein) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable state laws. Any re-offer or resale of any of the Shares in the United States or to US Persons may constitute a violation of US law. In addition, the Company has not been, and will not be, registered under the US Investment Company Act of 1940, as amended (the "Investment Company Act") in reliance on the exclusion provided by section 3(c)(7) thereof. Accordingly, the Shares have not been filed with or approved or disapproved by any regulatory authority of the United States or any state thereof, nor has any such regulatory authority passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Offering Memorandum. Any representation to the contrary is unlawful.

The Company intends to establish a number of sub-funds (hereinafter 'Funds'), which shall adhere to Fund-specific investment objectives and policies, as defined in the respective Fund-specific sections of this

Memorandum. Thus, the net proceeds from the issue of Shares in respect of each Fund will be invested in accordance with the investment objective and policies of each Fund. Pursuant to Legal Notice 241 of 2006, the assets and liabilities of each individual Fund comprised in the Company shall constitute a patrimony separate from that of every other Fund of the Company so that the assets of one Fund shall be available exclusively for the creditors and holders of shares in that Fund.

Detailed procedures of how to buy and sell Shares are set out below in the section entitled "Buying and Selling", and details for each Fund are found in the relevant Offering Supplement of each Fund. Further information about the Shares and the Company is also set out in the section entitled "General Information".

## KEY FEATURES

### **Accounting Information**

The accounting reference date is 30<sup>th</sup> September of each year. The financial statements of the Company shall be prepared in accordance with International Financial Reporting Standards (IFRS) and shall be published within six (6) months from the end of the applicable Accounting Period.

### **Base Currency**

The Base Currency of the Company is the Euro. Therefore, all financial statements of the Company will be presented in Euro. The base currency (or reference currency) of the Funds may differ from the Base Currency of the Company and is specified in the applicable Offering Supplement. The Net Asset Value per Share in respect of the Funds shall be denominated in the base currency of the respective Fund.

### **Segregation of Assets and Liabilities of the Funds**

The Company has been set-up as a multi-fund investment company with variable share capital in terms of the Companies Act (Investment Companies with Variable Share Capital) Regulations. By its memorandum of association, the Company has elected to have the assets and liabilities of each Fund treated for all intents and purposes of law as a patrimony separate from the assets and liabilities of each other Fund of the Company. Accordingly, the liabilities incurred in respect of a Fund (including such proportion of the liabilities of the Company which by virtue hereof or of the Articles or by virtue of the terms of issue of the Shares are, or are to be, attributable to such Fund) shall be paid solely out of the assets forming part of its patrimony and the creditors in respect thereof shall have no claim or right of action against the other assets of other Funds or of the Company, even in case of insufficiency of assets of such Fund to meet its liabilities (in which case the proportion of liabilities of such Fund in excess of the assets will not be allocated to other Funds).

### **Anti-Money Laundering Procedures**

In terms of Anti-Money Laundering and Terrorist Financing Regulations, the Company is, *inter alia*, required to identify and verify the identity of its customers and perform ongoing due diligence on them. In order to comply with these requirements, the Company shall reserve the right to request such information or documentation as it deems appropriate and shall retain the right to refuse any subscription or to redeem any holding.

### **Indemnities**

The Company has agreed that it will indemnify the Directors, officials and functionaries as permitted by law, save where the Directors, officials and functionaries have acted negligently or in bad faith. The Company may purchase and maintain insurance in relation to the Directors, officials and functionaries against any liabilities asserted against them.

In addition, the Company may from time to time grant certain functionaries indemnities in respect of actions brought against them in their respective capacities, where they have acted in good faith and in a manner reasonable believed to be in, or not opposed to, the best interests of the Company, the Fund and its Shareholders and provided such actions did not involve gross negligence, willful default, fraud and dishonesty.

### **Changes to Investment Objectives, Investment Policies & Restrictions**

Changes to the Investment Objectives of the Fund shall be notified to Shareholders at least thirty (30) calendar days in advance of the change. Furthermore, the change in Investment Objectives shall only become effective after all redemption requests received during the notice period have been satisfied.

Changes to the Investment Policies and Restrictions of the Fund shall be notified to Shareholders in advance of the change. Any applicable redemption fees will be waived in relation to investors wishing to redeem their Shares as a result of the proposed change to the Investment Objectives of the Fund.

## FUNCTIONARIES AND OFFICIALS OF THE COMPANY

### Company Board

The Company's Board of Directors will be composed of at least three Directors approved by the MFSA and appointed by the holders of the Founder Shares. The current directors are set out below.

#### ***Dr David Griscti - Director***

Dr. Griscti is a founding partner of David Griscti & Associates Law Firm, a legal consultancy firm. He holds a doctorate in law from the University of Malta and a Master's degree in Commercial and Corporate Law from the University of London. His area of practice is predominantly financial services law, with an emphasis on Securities Law, in particular Investment Funds, Investment Managers and Securities Transactions.

Dr. Griscti may be contacted at the following address:

Dr. David E. Griscti TEP; LL.M (Lond); LL.D  
David Griscti & Associates  
168, St. Christopher Street  
Valletta VLT 1467 Malta  
Tel.: +356 25693000 Fax: +356 21 227731  
E-mail: [dgriscti@dglawfirm.com.mt](mailto:dgriscti@dglawfirm.com.mt) Web-site: [www.dglawfirm.com.mt](http://www.dglawfirm.com.mt)

#### ***Mr. Eric Lütenecker - Director***

Eric Lütenecker has over 14 years' experience within the investment management industry. He started his career in 1996 at PricewaterhouseCoopers, responsible for special advisory projects in risk management. In 2000 he became CFO of SMS Group where he was key in setting-up and managing offshore structures for collective private equity investment vehicles in the area of technology, biotechnology and biomedical investments. He later joined PricewaterhouseCoopers AG as a senior manager and thereafter Plenum Group. Within both organisations his main responsibilities included strategy development, implementation and strategy controlling, financial accounting and risk management. In 2007 he became Director of UBS Global Wealth Management, responsible for the development and product management of all products and programmes of UBS Global Wealth Management. Finally, in 2009, he was appointed Managing Partner of PMG Fonds Management AG, responsible for business development, product development and product management.

Mr. Eric Lütenecker  
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**Mr Peer-Joachim Hoffmann – Director**

Mr Hoffmann commenced his employment with Palladio Wind Koordinations GmbH in 2012 and is currently the Chief Executive Officer. Mr Hoffman undertakes all operational duties of a German GmbH-Geschäftsführer, including the execution of windfarm investments and quarterly asset management reviews of the operational windfarm entities. Mr Hoffmann is also a director of PSF New Energy Fund SICAV SIF. From 2009 to 2011, Mr Hoffmann was the Chief Executive Officer of Energy Invest Consulting AG, offering advisory services to institutional investors on investments in relation to renewable energy, such as wind and solar parks. From 2008 to 2011, Mr Hoffman was the Chief Executive Officer of InvestInvent AG, offering advisory services to institutional investors on investments in relation to renewable energy, such as wind and solar parks. From 2006 to 2008, Mr Hoffmann held the position of Head of Sales at win:pro Invest GmbH&Co. KG, offering financial services in relation to the sale of wind farms to institutional investors.

Email: [peer.hoffmann@snafu.de](mailto:peer.hoffmann@snafu.de)

**Legal Advisors**

The Company has appointed David Griscti & Associates as its Legal Advisors. David Griscti & Associates traces its roots to the mid-1990s. Founded by Senior Partner, Dr David Griscti, one of Malta's leading legal practitioners in financial services law, it is proud to be Malta's first law firm solely focused on financial services law. Its main areas of practice within financial services have been investment funds, fund management companies, other areas of investment services law, capital markets, banking law, corporate and trust law and tax law.

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Fax: +356 21 227731  
E-mail: [info@dglawfirm.com.mt](mailto:info@dglawfirm.com.mt)  
Website: [www.dglawfirm.com.mt](http://www.dglawfirm.com.mt)

**Auditor**

Mazars will assume responsibility for the auditing function of the Company. The Auditor may be contacted at the following address –

Mazars  
Sovereign Building, Zaghfran Road, Attard ATD 9012, Malta

Tel.: +356 2134 5760  
Fax: +356 2134 5759  
E-mail: [contact@mazars.com.mt](mailto:contact@mazars.com.mt)  
Website: [mazars.com.mt](http://mazars.com.mt)

### **Paying Agent**

As required under CISA, the Fund has appointed Reichmuth & Co, Privatbankiers as its Paying Agent in Switzerland, which shall afford Swiss investors the option of subscribing, redeeming and receiving pay-outs from the Funds through a Swiss bank. The contact details of Reichmuth & Co, Privatbankiers are included below.

Reichmuth & Co, Privatbankiers  
Ruetligasse 1, CH-6000 Luzern 7-Switzerland  
Tel.: +41 41 249 49 49  
Website: [www.reichmuthco.ch](http://www.reichmuthco.ch)

### **Swiss Legal Representative**

As required under CISA, the Fund has appointed PMG Fonds Management AG as its Swiss Legal Representative, who shall, inter alia, represent and act as a point of contact for the Fund with regard to qualified investors located in Switzerland as well as the Swiss Financial Markets Supervisory Authority (FINMA). Swiss investors are advised that they may obtain a free copy of latest General Offering Memorandum, any Offering Supplements and the Company's Annual Report from the Swiss Legal Representative.

The contact details of PMG Fonds Management AG are included below.

PMG Fonds Management AG  
Sihlstrasse 95, CH-8001 Zurich-Switzerland  
Tel.: +41 44 215 28 38  
E-mail: [pmg@pmg-fonds.ch](mailto:pmg@pmg-fonds.ch)  
Website: [www.pmg-fonds.ch](http://www.pmg-fonds.ch)

## **CONFLICT OF INTEREST**

The Directors of the Company, and any Custodian, Paying Agent, Administrator, Investment Manager and Prime Broker of any of the Funds, other companies within their respective groups and their officers and major shareholders are or may be involved in other financial, brokerage, investment or other professional activities which, in the course of their business, will on occasion give rise to conflicts of interest with the Company. In such circumstances, such persons will have appropriate regard to their respective obligations under the agreements appointing them to act in the best interests of the Company, so far as practicable having regard to their obligations to other clients or schemes.

Having regard to these obligations, the Company may buy investments from or sell investments to such persons, provided that such dealings are on an arm's length basis and on terms no less favourable to the Company than could reasonably have been obtained had the dealing been effected with an independent third party. Such persons may also hold Shares in the Company. Should a conflict of interest arise, the Directors will endeavour to ensure that it is resolved fairly and the Company shall not be disadvantaged.

## **FEES, CHARGES AND EXPENSES OF THE COMPANY**

### **Director Fees**

Directors of the Company shall be entitled to an annual directorship fee of up to EUR 10,000, payable quarterly in arrears, as well as any reasonable out-of-pocket expenses that they may incur in the performance of their duties or in attending any annual general meetings or Board meetings of the Company. Such expenses shall be reimbursed upon presentation of the appropriate invoice or other accepted documentary proof.

### **Audit & Legal Advisory Fees**

Audit fees shall be agreed between the Company and the Auditors. Legal fees shall be agreed between the Company and the Legal Advisors and will generally be charged on a time-spent basis. Audit and legal fees will be paid out of the property of the Company. Any VAT or other tax having a similar effect which may be or become payable shall also be at the charge of the Company.

### **Regulatory Fees**

The Company must also pay regulatory fees and charges to the MFSA and other regulatory authorities. These shall include, but shall not be limited to, licensing fees, incorporation fees, annual supervisory fees and annual return filing fees.

### **Incorporation Costs**

The Fund bears all incorporation costs, in particular costs for legal and fiscal advice and costs incurred in connection with the structuring, incorporation and launch of the Fund and with offering of shares.

The costs of incorporation carried by the Fund are amortized over the five years subsequent to the launch date of the Fund that is set by the Board of Directors. Costs incurred during the launch of the Fund are covered by the incorporation costs. The cost of incorporation can be distributed among the individual sub-funds based on their respective net assets, for a period and according to a key created by the Board of Directors on a fair and reasonable basis, but under the provision that each sub-fund bears its direct incorporation and launching costs attributable to that sub-fund.

### **Administration Fees**

For the provision of fund administration services to the respective Fund, the Fund Administrator shall receive a remuneration paid out of the assets of the respective sub-fund. The amount, calculation and payment of such remuneration is described in the Supplemental Offering Memorandum of the respective Fund.

### **Management Fee/Advisory Fees**

A management or advisory fee or performance fee may apply to sub-funds that have been assigned a fund manager or investment adviser. This shall be described in the Supplemental Offering Memorandum of the respective sub-fund.

### **Compliance Officer & MLRO Fees**

The Company shall remunerate the Compliance Officer and MLRO at such rates as may be agreed upon between the Company and Compliance Officer and MLRO. Such fees are generally billed on a time-spent basis and shall not exceed EUR 20,000 per annum.

### **Current Costs**

The Funds shall bear the following costs -

- 1 Banking and brokerage fees as well as of the registered office.
- 2 Costs incurred in connection with the acquisition, holding and disposal of assets, in particular due diligence expenses relating to potential investments, normal bank charges for transactions in securities and other assets and rights of the respective sub-fund and the custody thereof, the customary bank charges for the custody of foreign securities abroad.
- 3 Costs incurred in connection with the evaluation of the respective sub-fund assets.
- 4 Costs incurred in connection with establishing and managing single purpose companies.
- 5 All external management and custody fees that are invoiced by other correspondent banks and/or clearing houses for the assets of the relevant sub-fund, as well as all external processing, postage and insurance costs, incurred in connection with the securities transactions of the sub-fund.
- 6 The transaction costs for the issue and, if applicable, the redemption of shares.
- 7 Taxes levied on the respective sub-fund assets, its income and expenses chargeable to the relevant sub-fund.
- 8 Costs of legal advice, tax and accounting services incurred by the company as well as the reasonable costs of experts, other consultants and professionals.
- 9 Audit costs.
- 10 Costs for creating, preparing, filing, publishing, printing, distributing and sending of all documents in all languages necessary for the relevant sub-fund, in particular of the Offering Memorandum, the statutes, the annual reports or other reports, the statements of assets, the notices to the shareholders, the invitations of the meetings, the distribution notices or requests for authorization in countries in which the shares of the sub-fund are to be sold, the correspondence with the supervisory authorities concerned as well as other publications and mandatory information in the newspapers specified for the shareholders.

11 All regularly incurred administrative costs of the company, in particular the cost for invitation and performance of shareholders' meetings and meetings of the Board of Directors, the investment committee, if applicable, of other bodies of the company and other personnel costs, compensation cost of members of the Board of Directors, of the investment committee, if applicable, and of other bodies of the company, including travel expenses, reasonable allowances and any attendance fees.

12 The costs incurred for cash management as well as advertising and insurance costs, interest, bank charges, currency conversion costs as well as cost for postage, telephone, fax and telex and, if applicable, any rental cost of office space.

13 The management fees that are payable for the relevant sub-fund at all relevant authorities, in particular the administrative fees of the Luxembourg supervisory authority and other regulatory bodies, as well as the charges for the deposit of the documents of the relevant sub-fund.

14 Costs associated with initial public offering.

15 Costs directly incurred in connection with the offer and sale of shares, including any royalties.

16 Compensation, disbursements and other costs of the paying agents and representatives, and other bodies needed to be established abroad that are incurred in connection with the respective sub-fund.

17 Other administrative costs, including the cost of associations as well as commissions and fees to third parties, to whom tasks of daily management are delegated.

18 Any costs for the assessment of the relevant sub-fund by nationally and internationally recognized rating agencies.

19 Financing costs (including interest, commitment fees, consulting fees of the financing bank, the cost ordering of collateral securities) to be borne by the company or its sub-fund.

20 Costs for the order of new sub-funds or share classes.

21 Costs incurred in the redomiciliation of the Company into Malta.

22 All fees and expenses are exclusive of any applicable value-added tax. The fees and expenses listed above can also be borne by the Company or the individual sub-funds for their (direct or indirect) subsidiaries and co-investments.

### **Other Operational Fees, Charges & Expenses**

The Company shall also be liable to pay other fees, charges and expenses required for its continued operation, such as, but without limitation to, office rental fees, accounting fees, printing and marketing costs, distribution fees, fees for tax or legal advisors.

## **GENERAL RISK FACTORS**

Investment in any of the Funds established by the Company should be regarded as a long-term investment. There can be no guarantee that the investment objective of the Company as a whole and of the Funds established there-under will be achieved.

The price of Shares and the income from them, if any, can go down as well as up and investors may not realise their initial investment. In particular, deduction of any initial charge (where applicable) means that if an investor withdraws from the investment in the short-term, he may not get back the amount invested.

**INVESTORS ARE DIRECTED TO THE RELEVANT OFFERING SUPPLEMENT OF THE FUND FOR A DESCRIPTION OF THE SPECIFIC RISKS OF INVESTING THEREIN.**

## **GENERAL COMPANY INFORMATION**

### **Initial Issued Share Capital**

The initial issued share capital of the Company is €31,000 divided into 310 Founder Shares with no nominal value. The Founder Shares carry all voting rights in the Company and are held by PMG Fonds Management AG (309 Founder Shares) and Eric Lütenegger (1 Founder Share). The identity of the ultimate beneficial owners of the holders of voting shares will be disclosed upon request.

### **Authorised Share Capital / Non-Voting Share Capital**

The Company may issue up to a maximum of 5,000,000,000 (five billion) fully-paid up shares having no nominal value, which may be issued as Shares of any class in any Fund. The paid up share capital of the Company shall at all times be equal to the Net Asset Value as determined in accordance with the Articles as reproduced in Appendix I of this Offering Memorandum.

### **Joint Shareholders**

The Company shall not be bound to register more than four (4) persons as joint holders of any Share or Shares. In the case of a Share held jointly by several persons, the Company shall not be bound to issue more than one written confirmation of ownership or share certificate (if requested) for a share and the delivery thereof to the first named of several joint holders shall be sufficient delivery to all.

### **Stock market listing**

The Shares of the Fund are currently not listed on any exchange or multi-lateral trading facility.

### **Registered Office**

The Company's registered office is situated at 168, St. Christopher Street, Valletta, Malta.

### **Date of Incorporation**

The Company was incorporated on the 01<sup>st</sup> March 2016.

### **Documents for inspection**

The following documents shall be available for inspection at the registered offices of the Company, and at the offices of the Fund Manager and Administrator, during normal business hours:

- (a) Memorandum and Articles of Association of the Company;
- (b) the latest Offering Memorandum and Offering Supplements;
- (c) the Company's audited financial statements;
- (d) Copies of service agreements entered into by the relevant Fund; and



- (e) Copies of reports on the valuation of non-cash assets in the event of subscriptions and redemptions *in specie*.

## **Duration of the Fund and Termination**

### **Duration of the Company**

The Company has been established for an indefinite period, however, the Company may be dissolved at any time by a resolution of the Directors and an extraordinary resolution of the holders of the Founder Shares.

### **Duration of the Funds**

Should the Board of Directors not define a specific time period for a particular Fund, such shall be established for an indefinite period. Details of the duration of the individual Funds are described respective Offering Supplements of the Fund.

## **Contract Language, Applicable Law, Place of Jurisdiction**

The English version of this Offering Memorandum is the authoritative version and is decisive in the event of disagreement with any translation.

Declarations made in this Offering Memorandum are based on the laws applicable of the time of creation of the Offering Memorandum in Malta and on the current legal practice and are subject amendments of such laws and practices. The place of jurisdiction for legal disputes is Malta.

## **Distribution of the Fund**

The Shares of the Fund shall not be distributed for the foreseeable future and the current investor base shall be retained. Should the Board of Directors deem it prudent to commence distribution activities in the future such shall only be undertaken in Switzerland, subject in all cases to Maltese law and provisions under the Swiss Federal Act on Collective Investment Schemes (CISA).

## **BUYING AND SELLING**

### **Application Procedure**

Applications for Shares by Authorised Investors must be made on the subscription form which is available from the Administrator. The purchase of Shares is a legally binding contract between the Fund and the Shareholder and shall remain in effect until the Shareholders redeems all Shares in the applicable Fund. The Company reserves the right to reject any subscription application in whole or in part without being obliged to give any reason. For full details of the subscription procedure please refer to the relevant Offering Supplement and the subscription form.

### **Subscription Proceeds**

Applications will only be accepted if accompanied by payment in the form of a bank cheque, electronic transfer or other means of payment acceptable to the Administrator. Settlement details are set out in the subscription form in the relevant Offering Supplement. No application may be processed and Shares issued prior to the receipt by the Company of cleared funds in the Company's account. The Company may, but shall not be obliged to, accept subscriptions in kind, on a case by case basis, subject to the requisite formalities at law.

### **Transfer & Switching of Shares and Ownership Limitations**

The Fund's Shares are freely assignable to other Authorised Investors. However, a transfer of Shares is not effective unless the purchaser or transferee agrees, in writing, to comply with the terms and conditions of the Offering Memorandum.

The Fund may restrict or prohibit the ownership of Shares by a specific person, a corporation or company if the ownership by these persons is, in the opinion of the Board of Directors, of disadvantage to the company, if a statutory or regulatory violation of applicable laws exists, or if the Fund could face tax disadvantages or other financial disadvantages, which would otherwise have not occurred. In particular, the Board of Directors may restrict the ownership of Shares by US persons. In this context, the Board of Directors may reject a subscription request or temporarily restrict, suspend or completely discontinue the issuance of Shares, refuse the transfer of Shares and forcibly re-purchase Shares against payment of the redemption price, according to the Articles of Association.

Holders of Shares in a Sub-fund may at any time, by submitting a switching request to the Administrator, switch all or some of their Shares of one sub-fund ("Original Shares") for Shares of this or another sub-fund of the Company ("New Shares") provided they are eligible to hold the New Shares and satisfy any minimum holding requirement applicable to the New Shares. The number of New Shares issued will be determined by reference to the respective prices of New Shares and Original Shares at the valuation point applicable at the time the Original Shares are redeemed and the New Shares are issued.

### **Redemption Procedure**

Shareholders may at any time request, using the appropriate redemption form, which is annexed to the relevant Offering Supplement or available from the Administrator, the redemption of their Shares in a Fund. For full details of the redemption procedure please refer to the relevant Offering Supplement and the redemption form.

### **Partial Redemptions**

A partial redemption of Shares is acceptable, provided the resultant value of the Shareholding remains in excess of any applicable minimum holding requirement specified in the relevant Offering Supplement, provided that the Directors may, if they think fit, decide that the Company repurchase the whole of that Shareholder's holding.

### **Redemption Proceeds**

The payment of redemption proceeds shall be made in cash in the base currency of the relevant Fund or for such non-cash consideration as may be determined by the Board from time to time and agreed to by the applicable Shareholder. For full details relating to the payment of redemption proceeds please refer to the relevant Offering Supplement and the redemption form.

In the case of redemptions *in specie*, a report shall be drawn up by a valuer which shall include the following –

- A description of each of the assets comprising the consideration;
- The value of each asset and a description of the method of valuation used;
- A confirmation that the value of the consideration is at least equal to the net asset value of the shares to be issued in terms for such consideration.

The valuer's report may be drawn up by the Fund's own appointed Administrator or Investment Manager ordinarily responsible for valuing the assets of the Fund. The valuation report must be held in Malta at the registered office of the Scheme and must be available to MFSA for inspection during compliance visits.

Shares in the Fund should only be redeemed once the assets referred to in the valuation report have been transferred in favour of the redeeming investor to the satisfaction of the Custodian or Prime Broker or (where no Custodian or Prime Broker has been appointed), to the satisfaction of the Investment Manager or Administrator.

### **Mandatory Redemptions**

Shares, including a class thereof, may not be issued and may be subject to a mandatory redemption or transfer by the Company: (i) in circumstances where the Company, a Fund or any Shareholder may suffer a tax, pecuniary, administrative or other disadvantage; or (ii) where Shares are held by any person who is, or has acquired such Shares on behalf of or for the benefit of a person who is not a Qualifying Investor, as the case may be; or (iii) where the Company discovers that a Shareholder has furnished false or misleading information to the Company.

### **Deferral of Redemptions**

The Directors may, where they consider this to be in the best interests of other Shareholders, decide to defer all or part of any redemption request(s) either until the next Redemption Day or any future date. Active redemption requests shall be processed upon such deferral being lifted by a resolution of the Directors at the Net Asset Value prevailing as on the date of such deferral, unless the Directors resolve otherwise. Notice of any deferral of redemptions or the lifting of such deferral shall be transmitted to Shareholders electronically, through fax or in writing.

### **Suspension of Subscriptions, Redemptions and NAV Determination**

The Directors may, at any time, resolve to suspend subscriptions or redemptions and/or the determination of the Net Asset Value of the Shares in the circumstances set out in Appendix I. Notice of any such suspensions shall be transmitted to Shareholders electronically, through fax or in writing. In the case of suspended redemptions, Shares will be redeemed on the first Redemption Day following termination of the suspension, provided that the redemption instructions are not withdrawn.

### **Dealing Prices**

Requests to buy and/or sell Shares, which are accepted by the Administrator on a Business Day, shall, unless otherwise resolved by the Board of Directors, be dealt at the Net Asset Value per Share calculated on the Valuation Day immediately preceding the relevant Dealing Day, irrespective of the length of time between the relevant Dealing Day and the relevant Valuation Day.

Where, in the opinion of the Directors, since the last determination of the Net Asset Value per Share there has been a significant movement in the value of quoted assets of a Fund, the Directors may, at their discretion, request the Administrator to recalculate the Net Asset Value per Share and amend the dealing prices accordingly. Where the Administrator has amended the dealing prices for a Fund, the revised prices will be applied to all requests to buy or sell Shares which have been accepted by the Administrator subsequent to the amendment of dealing prices as provided above.

### **Contract Notes, Registrations and Share Certificates**

Contract notes will be issued as soon as possible following the Dealing Day on which the order is effected and normally will be dispatched within ten (10) Business Days. Contract notes will contain full details of the transaction.

All Shares will be registered and an entry in the register of Shareholders will be conclusive evidence of ownership. Physical Share certificates may be issued on request, provided that the Shareholders pays such charge as may be payable on the issue thereof. In general however no share certificates will be issued, the uncertified form allows the Administrator to effect redemption instructions without delay, and the relevant Administrators therefore recommend that investors maintain their Shares in an uncertified form.

If certificated Shares are requested, a Share certificate will be dispatched either to the investor or his nominated agent (at his risk) normally within 28 days of completion of the registration process.

Any change to a Shareholder's personal details, or loss of certificates must be notified to the Administrator immediately in writing. The relevant Administrator reserves the right to request indemnity or verification before accepting such notification.

### **Transfer/Assignment of Non-Voting Shares**

Requests for the transfer or assignment of Non-Voting Shares in any of the Funds must be made in writing by submitting the appropriate transfer/assignment form, in such form and in such manner as determined by the Funds from time to time. This transfer/assignment form shall be delivered to the Administrator, accompanied by a letter from the transferor/assignor, instructing that this transfer/assignment takes place. The official instrument of transfer/assignment of a Share shall be signed by or on behalf of the transferor/assignor and the transferee/assignee. The transferor/assignor shall be

deemed to remain the holder of the Share until the transferee/assignee has completed any procedural acts required by the Administrator and/or the Company, and the name of the transferee/assignee has thereafter been entered in the Register accordingly.

### **Information and Requirements**

Shareholders desiring to transfer/assign their Shares must make available to the Administrator such information as the Administrator and/or the Company may require, including information necessary to satisfy the relevant Administrator and/or the Company that the proposed transfer/assignment complies with applicable laws. In addition, the proposed transferee/assignee must agree to take such Shares subject to the same conditions, warranties and restrictions pursuant to which the Non-Voting Shares were held by the transferor/assignor.

### **Refusal to Approve Transfer/Assignment of Non-Voting Shares**

If, within thirty (30) days of receipt by the Administrator and/or the Company of an acceptable instrument of transfer/assignment, the relevant Administrator and/or the Company do not deny permission for the transfer/assignment, the Administrator and/or the Company shall be deemed to have approved the transfer/assignment. The Administrator and/or the Company may only refuse to approve the proposed transfer/assignment of any Share in any of the following cases:

- 1 the manner, form or evidence of transfer/assignment is unacceptable;
  - 2 if the transfer/assignment might violate applicable laws;
- when such transfer/assignment is deemed by the Administrator and/or the Company, in their absolute discretion, to be contrary to the best interests of the relevant Fund by virtue of it causing a legal, pecuniary, regulatory, taxation or administrative disadvantage to such Fund and/or its investors.

### **Partial Transfer/Assignment**

No transfer/assignment request shall be considered that would result in the relevant transferor/assignor or the relevant transferee/assignee holding less than the Minimum Holding Requirement.

### **Suspension of Transfers/Assignments**

The registration of transfers/assignments may be suspended at such times and for such periods as the Company from time to time may determine, provided always that such registration of transfers/assignments shall not be suspended for more than thirty (30) days in any one calendar year.

# TAXATION

**DETAILS OF THE TAXATION TREATMENT IN MALTA ARE SET OUT BELOW BUT IT IS ENTIRELY THE RESPONSIBILITY OF PROSPECTIVE SHAREHOLDERS TO INFORM THEMSELVES AS TO ANY TAXATION OR EXCHANGE CONTROL LEGISLATION AFFECTING THEM PERSONALLY. THE FOLLOWING SHOULD NOT BE CONSIDERED LEGAL OR PROFESSIONAL TAX ADVICE.**

**THE INFORMATION BELOW IS BASED ON THE TAX LEGISLATION IN MALTA APPLICABLE AT THE DATE OF PUBLICATION OF THIS OFFERING MEMORANDUM. SHAREHOLDERS ARE REMINDED THAT SUCH LEGISLATION IS SUBJECT TO CHANGE AND THE COMPANY SHALL IN NO WAY BEAR ANY RESPONSIBILITY FOR ANY NEGATIVE TAX IMPLICATIONS THAT SHAREHOLDERS MAY SUFFER.**

## **Overview of Taxation of Collective Investment Schemes in Malta**

The tax regime for collective investment schemes is based on the classification of funds into “prescribed” or “non-prescribed” funds in terms of the Collective Investment Schemes (Investment Income) Regulations, 2001. The classification of each of the Funds may be found in the relevant Offering Supplement.

### **(a) Prescribed Fund**

A “prescribed fund” is defined as a fund of a Malta based collective scheme which has declared that the value of its assets situated in Malta amount to at least eighty-five percent (85%) of the value of the total assets of the fund. Investment income (other than investment income paid by another licensed collective investment scheme) as defined in the Income Tax Act and received by a prescribed fund is subject to a withholding tax and such income cannot be received by the Fund gross of tax. The applicable rate of withholding tax is currently fifteen percent (15%) on local bank interest and ten percent (10%) on investment income other than local bank interest. Other income and capital gains (except for income from immovable property situated in Malta, if any) are tax exempt in the hands of prescribed funds.

### **(b) Non-Prescribed Fund**

A Fund that does not fall within the definition of prescribed fund is classified as a “non-prescribed fund”. Non-prescribed funds are tax exempt with respect to all income and / or capital gains derived by such funds, except for income from immovable property situated in Malta.

## **Taxation at the level of the Shareholders**

### **(a) Capital gains realised by non-Maltese resident Shareholders**

Capital gains (or gains) realised on transfers or redemptions by non-Maltese-residents of Shares (whether shares of prescribed funds or shares of non-prescribed funds) are exempt from Maltese income tax. For such an income tax exemption to apply, the gains must be derived by a person (whether corporate or otherwise) who is not resident in Malta, and the beneficial owner of the gain is a person (whether corporate or otherwise) not resident in Malta and such person is not owned and controlled by, directly or indirectly, nor acts on behalf of an individual(s) who are ordinarily resident and domiciled in Malta.

(b) Capital gains realised by Maltese resident Shareholders

Capital gains realised by Maltese-resident Shareholders of the Company on the redemption, liquidation, or cancellation of shares in resident non-prescribed funds may be subject to a 15% final withholding tax and the obligation to deduct such tax at source lies on the Company. However the resident shareholder has the option to request the Company not to effect the deduction of the said 15% withholding tax in which case the shareholder would be required to declare the gains in his income tax return and will be subject to tax at the normal rates.

Switching of shares from a non-prescribed fund to another fund (whether prescribed or non-prescribed) of the Company constitutes a taxable transfer for income tax purposes. However no tax is chargeable at the point of the switch. When switched securities are eventually disposed of, the calculation of the taxable gains in the hands of Maltese-resident Shareholders will take into account any chargeable gains or allowable losses arising from all intermediate switches as well as from the final transfer.

Capital gains realised by Maltese-resident shareholders on direct transfers (if any) of shares in non-prescribed funds to third parties must be declared by the transferor in his tax return and tax is charged thereon at normal rates, so however that on an eventual redemption, the gain on redemption is calculated without reference to the direct intermediate transfer.

Capital gains realised by resident Investors by way of a transfer or redemption of Shares in prescribed Funds would be exempt for as long as the Shares are listed on the Malta Stock Exchange.

(c) Dividends paid by the Company to non-Maltese resident Shareholders

Distributions of dividends paid to non-Maltese resident shareholders (whether such dividends are reinvested or otherwise) should not be liable to any Maltese tax, whether by way of withholding or otherwise, as long as such non-Maltese resident shareholders are not owned and controlled by, directly or indirectly, nor act on behalf of, an individual who is ordinarily resident and domiciled in Malta.

(d) Dividends paid by the Company to Maltese resident Shareholders

Dividends from Malta source taxed profits, Malta source profits which are exempt from tax up to the level of the ultimate shareholder, or profits received by the Company from the foreign income account of another Maltese company should *inter alia* not be subject to a withholding tax or to further tax in the hands of the Maltese resident shareholders.

In the case of distributions from the Company's Final Tax Account (income allocated to such an account would include *inter alia* "investment income" as defined in the Income Tax Act received by a prescribed Fund) the shareholders would not be entitled to claim a credit or refund of any tax directly or indirectly paid on such profits.

Distributions from the Company's foreign source profits allocated to the Company's Untaxed Account to a Maltese resident person (other than a company) or to a non-resident person who is owned and controlled by, directly or indirectly, or who acts on behalf of a person who is ordinarily resident and domiciled in Malta, should *inter alia* be subject to a withholding tax of 15%. The withholding tax should be deducted by the Company and the dividend would be passed on to the Shareholders net of the tax. The Maltese resident shareholder (other than a company) may opt to declare such dividends paid from the Untaxed Account of the Company in the income tax return and in that case the 15% withholding tax would be available as a credit (or refund, as the case may be) against the Shareholder's tax liability.

Distributions from the Company's equalisation reserve are treated as dividends for income tax purposes and are likely to be subject to a withholding tax of 15% when paid to a Maltese resident person (other than a company). The Maltese resident shareholder (other than a company) has the option to declare such a dividend in the income tax return with the 15% withholding tax being available as a credit (or a refund, as the case may be) against the Shareholder's tax liability.

### **European Union Savings Directive**

Shareholders who are individuals resident in a Member State of the European Union or certain other jurisdictions should be aware of the provisions of the EU Council Directive 2003/48/EC of June 3, 2003 on taxation of savings income in the form of interest payments (in this section, referred to as the "Directive") pursuant to which income/ gains realized from shares in certain undertakings for collective investment may (depending upon the location, classification and investment portfolio of the undertaking) possibly become subject to the reporting regime (or where the paying agent in terms of the Directive is established in Luxembourg or Austria, to the withholding tax regime) imposed by the Directive, if such payment is made by a paying agent established either in a Member State of the European Union or in certain other jurisdictions which have agreed to introduce an equivalent reporting regime in respect of such payments.

However, in the context of collective investment schemes there may be instances where the Directive may not be applicable. Due to the fact that these rules are complex and their implementation is subject to the specific nature of each case (and the Company's circumstances may also be subject to change), Shareholders who are individuals or acting as nominees and who are resident in the European Union or in certain other jurisdictions covered by the Directive should consult their own tax advisers as to applicability or otherwise of the Directive.



## **Appendix I – Net Asset Value**

### **Determination of Net Asset Value**

The Administrator shall on each Valuation Day determine the Net Asset Value, and the Net Asset Value per Share of each Fund. Each Fund's Net Asset Value shall be the value of that Fund's assets less its liabilities. The Net Asset Value per Share of each Fund shall be its Net Asset Value divided by the number of Shares in issue in such class. The Net Asset Value shall be expressed in the Base Currency (or in such other currency as the Directors may determine) as a per Share figure for each Shares in issue (rounding down to the nearest second decimal place) and shall be determined for each calculation/valuation day in accordance with the Articles.

There shall be established a pool of assets for each Fund in the following manner:

- (i) The proceeds from the issue of Shares representing a Fund shall be applied in the books of the Company to that Fund, and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Fund subject to the provisions hereof;
- (ii) Where any asset is derived from another asset, such derivative asset shall be applied in the books of the Company to the same Fund as the assets from which it was derived and in each valuation of an asset, the increase or diminution in value shall be applied to the relevant Fund;
- (iii) Where the Company incurs a liability which relates to any asset of a particular Fund or to any action taken in connection with an asset of a particular Fund, such a liability shall be allocated to the relevant Fund;
- (iv) Where an asset or a liability of the Company cannot be considered as being attributable to a particular Fund, such asset or liability, subject to the approval of the Board, shall be allocated to all of the Company's Funds on a pro-rated basis, i.e. proportionate to the Net Asset Value of each Fund;

Provided that all liabilities irrespective of the Fund to which they are attributable, shall (in the event of a winding up of the Company), unless otherwise agreed upon with the creditors, be borne by the Company as a whole and provided further that when issuing Shares in regard to any Fund, the administrator/registrar may allocate commission, duties and charges and ongoing expenses on a basis which is different from that which applies in the case of Shares in other Funds.

### **Suspension of Determination of the Net Asset Value**

The Company shall have the right to suspend the determination of the Net Asset Value of and/or subscriptions and/or redemptions into any Fund until further notice only in exceptional circumstances such as, but without limitation to the following:

- I. during any period when any market is closed which is the market for a significant part of the Fund's investments, or in which trading thereon is restricted or suspended; or

2. during any period when disposal of the Fund's investments is not feasible or would result in a material loss to the Fund, which could be avoided or mitigated by holding such investments for a greater period of time; or
3. during any period when, for any reason, the prices of investments cannot be reasonably, promptly or accurately ascertained by the Administrator;
4. during any period when remittance of monies which will, or may, be involved in the realisation of, or in the payment for investments cannot, in the opinion of the Board, be carried out at normal rates of exchange; or
5. during any period when the proceeds of sale or redemption of Shares cannot be transmitted to or from the Company's account.

In the event of any suspension, the Board shall notify all Shareholders and the MFSA of such decision, the reasons behind it and the period that such suspension is likely to remain effective (if possible).

The Administrator, after consultation with the Directors, may elect to treat the first Valuation Day on which the conditions giving rise to the suspension have ceased as a substitute Valuation Day in which case the Net Asset Value calculation and all sales and redemptions of Shares shall be effected on the substitute Valuation Day.

## Appendix II – Valuation of Assets

The value of the Fund's assets shall be ascertained on the following basis, as set out in the Articles.

(A) The value of any investment quoted, listed or normally dealt in on or under the rules of any stock exchange or other regulated market considered by the Directors to provide a satisfactory market for the securities in question (a "Regulated Market") shall be calculated by reference to the price appearing to the Directors to be the latest available dealing price or (if bid and offered quotations are made) the latest available middle market quotation on such Regulated Market provided that:-

(i) if an investment is quoted, listed or normally dealt in on or under the rules of more than one Regulated Market, the Directors shall adopt the price or, as the case may be, the middle quotation on the Regulated Market which, in their opinion, provides the principal market for such investment;

(ii) in the case of any investment which is quoted, listed or normally dealt in on or under the rules of a Regulated Market but in respect of which, for any reason, prices on that Regulated Market may not be available at any relevant time, the value thereof shall be determined by (a) a professional valuer who is independent of the Scheme, its officials or any of its Service Providers, (b) is of good standing with recognised and relevant qualifications and ideally an authorised member of a recognised professional body in the jurisdiction of the assets in question. Furthermore, such valuer shall be appointed by the Directors, after having consulted with the Auditors;

In the case of any investment which is quoted, listed or normally dealt in on or under the rules of a Regulated Market, in respect of which, for any reason, the value thereof, based on the prices or quotations as described above, does not establish, in the opinion of the Directors, the fair value of any investment, the value thereof shall also be determined by a professional person as may be appointed by the Directors;

(iii) the Directors shall not be under any liability by reason of the fact that a value reasonably believed by them to be the latest available price or, as the case may be, middle quotation for the time being may be found not to be such; and

(iv) there shall be taken into account interest accrued on interest-bearing investments up to the date at which the valuation is made unless such interest is included in the price or quotation referred to above;

(B) The value of any underlying investment of the Company, or of any asset that is to be transferred in kind to the Company, which is not quoted, listed or normally dealt in, on a Regulated Market shall be:-

- (i) in the case of the first valuation of such investment, the initial value thereof taken to be the amount expended by the Fund in the acquisition of such investment (including in each case the amount of the stamp duties, commissions and other expenses incurred in the acquisition thereof and the vesting thereof in the Fund); and
- (ii) in the case of any subsequent valuation of such investment, the fair value thereof, which shall be the price that would be received to sell such investment in an orderly transaction between market participants at the valuation date. The fair value shall be determined by (a) a professional valuer who is independent of the Scheme, its officials or any of its Service Providers, (b) is of good standing with recognised and relevant qualifications and ideally an authorised member of a recognised professional body in the jurisdiction of the assets in question. Furthermore, such valuer shall be appointed by the Directors, after having consulted with the Auditors;

The Board of Directors will ensure that the valuation model used to determine the fair value of unquoted investments is in line with International Financial Reporting Standards. Once potential assets have been identified, the Administrator will draw up a valuation model which shall be reviewed by the Auditor to ensure conformity with International Financial Reporting Standards. A valuer will be appointed to carry out the valuation process.

- (C) The value of each unit or Share in any collective investment scheme which provides for the units or Shares therein to be realised at the option of the Shareholder out of the assets of that Fund shall be the last published net asset value per unit or Share or (if bid and offer prices are published) at a price midway between the last published bid and offer prices applicable to the scheme;
- (D) Any investment in real estate property shall be valued according to the Offering Memorandum, and more specifically by the expert assistance of the real estate specialists and valuers;
- (E) The value of any futures contract shall be:-
  - (i) in the case of a futures contract for the sale of the subject matter thereof, the positive or negative amount produced by applying the following formula:
 
$$a - (b + c)$$
  - (ii) in the case of a futures contract for the purchase of the subject matter thereof, the positive or negative amount produced by applying the following formula:-
 
$$b - (a + c)$$

where:

- a = the contract value of the relevant futures contract (the "relevant contract");
- b = the amount determined by the Directors to be the contract value of such futures contract as would be required to be entered into by the Company in order to close the relevant contract, such determinate to be based on the latest available price or (if bid and offered quotations are made) middle quotation on the Regulated Market in which the relevant contract was entered into by the Company; and
- c = the amount expended out of the Company in entering into the relevant contract, including the amount of all stamp duties, commissions and other expenses but excluding any deposit or margin provided in connection therewith;

- (F) Cash, deposits and similar property shall be valued at their face value (together with accrued interest) unless, in the opinion of the Directors, any adjustment should be made;
- (G) Valuation of precious metals, including physical gold will be in accordance with the afternoon (3pm) valuation according to the London Metal Exchange;
- (H) Notwithstanding any of the foregoing sub-paragraphs, the Directors may adjust the value of any investment or other property or permit some other method of valuation to be used if it considers that in the circumstances (including without limitation a material volume of subscription or redemptions of Shares; or the marketability of the investments or other property; or such other circumstances as the Directors deem appropriate) such adjustment or other method of valuation should be adopted to reflect more fairly the value of such investment or other property;
- (I) Where, in consequence of any notice or redemption request duly given, a reduction by the cancellation of Shares has been or is to be effected, but payment in respect of such reduction has not been completed, the Shares in question shall be deemed not to be in issue and any amount payable in cash or investments out of the Fund in pursuance of such reduction shall be deducted;
- (J) Where any investment or other property has been agreed to be acquired or realised but such acquisition or disposal has not been completed, such investment or other property shall be included or excluded, as the case may be, and the gross acquisition or net disposal consideration excluded or included as the case may require as if such acquisition or disposal had been duly completed;
- (K) There shall be included in the assets an amount equal to all such costs, charges, fees and expenses as the Directors may have determined to amortise less the amount thereof which has previously been or is then to be written off;

- (L) Where an amount in one currency is required to be converted into another currency the Directors may effect such conversion using such rates as the Directors shall determine at the relevant time except where otherwise specifically provided therein;
- (M) There shall be deducted from the assets such sum in respect of tax (if any) as in the estimate of the Directors will become payable in respect of the current Accounting Period;
- (N) There shall be deducted from the value of any investment in respect of which a call option has been written the value of such option calculated by reference to the latest available dealing price on a Regulated Market or (if bid and offered quotations are made) middle quotation on such Regulated Market or if no such price is available the value thereof shall be determined by such professional person as may be appointed for such purpose by the Directors;
- (O) Where the current price of an investment is quoted, ex dividend or interest, there shall be added to the assets a sum representing the amount of such dividend or interest receivable by the Company but not yet received;
- (P) There shall be added to the assets the amount (if any) available for allocation in respect of the last preceding Accounting Period of the Company but in respect of which no allocation has been made;
- (Q) There shall be deducted from the assets the total amount (whether actual or estimated by the Directors) of any other liabilities properly payable including outstanding borrowings and accrued interest on borrowings (if any) but excluding liabilities taken into account in sub-paragraph (K) above.

Notwithstanding the foregoing the Directors shall be entitled to value the Shares using the amortised cost method of valuation, whereby the investments of the Company are valued at their cost of acquisition, adjusted for amortisation of premium or accretion of discount on the investments, rather than at the current market value of the investments.

Without prejudice to their general powers to delegate their functions herein contained, the Directors may delegate any of their functions in relation to the calculation of Net Asset Value to an Administrator or to an ad hoc committee constituted by the Directors or to any other duly authorised person. In the absence of wilful misconduct or manifest error, every decision taken by the Directors or to an ad hoc committee constituted by the Directors or by the relevant Administrator or any duly authorised person on behalf of the Company in calculating the Net Asset Value shall be final and binding on the Company and on present, past or future Shareholders.

The Company and the Administrator shall not be responsible for any error in calculating the value of assets if the Company and the Administrator has acted in good faith when making such calculations, and no adjustments shall be made to the values of any assets unless the valuation error exceeds 0.5% (half a percentage point) of the Net Asset Value in which case it shall be adjusted. The MFSA shall be notified of such event together with information on such remedial action that the Company and the Administrator propose to take to ensure that such error does not occur again.

# OFFERING SUPPLEMENT

Relating to the issue of non-voting shares in

## PSF – New Energy Fund

being a sub-fund of

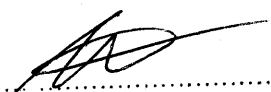
### PMG Special Funds SICAV PLC

Date of this Supplement: 9<sup>th</sup> January 2018

This is an updated version of the Supplement dated 28<sup>th</sup> August 2017

PSF - New Energy Fund is a sub-fund of PMG Special Funds SICAV plc, being a collective investment scheme organised as a multi-fund company with variable share capital and registered under the laws of the Republic of Malta. PSF – New Energy Fund is licensed by the Malta Financial Services Authority (MFSA) under the Investment Services Act, Cap 370 of the Laws of Malta as a Professional Investor Fund targeting Qualifying Investors.

THIS OFFERING SUPPLEMENT (THE "SUPPLEMENT") IS SUPPLEMENTAL TO, FORMS PART OF AND SHOULD BE READ IN CONJUNCTION WITH THE OFFERING MEMORANDUM FOR PMG SPECIAL FUNDS SICAV PLC (THE "OFFERING MEMORANDUM").

A P P R O V E D by the Malta Financial Services Authority in terms of section 11 of the Investment Services Act, 1994	
Signature.....	
Name.....	Cher-Ann Gime
Date.....	9 <sup>th</sup> January 2018

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## **IMPORTANT INFORMATION**

**PMG SPECIAL FUNDS SICAV PLC (THE “COMPANY”) AND ITS SUB-FUND “PSF – NEW ENERGY FUND” WERE PREVIOUSLY SUBJECT TO THE APPROVAL AND SUPERVISION OF THE LUXEMBOURG SUPERVISORY AUTHORITY OF THE FINANCIAL SECTOR, THE COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER (HEREINAFTER “CSSF”). FOLLOWING A DECISION TAKEN BY THE PMG SPECIAL FUNDS, LUXEMBOURG, IT WAS DECIDED TO REDOMICILE THE PMG SPECIAL FUNDS, LUXEMBOURG, INTO MALTA IN TERMS OF THE CONTINUATION OF COMPANIES REGULATIONS (CHAPTER 386.05 OF THE LAWS OF MALTA) AND APPLY FOR A PROFESSIONAL INVESTOR FUND LICENSE FROM THE MFSA.**

**PMG SPECIAL FUNDS SICAV PLC IS ORGANISED UNDER THE LAWS OF MALTA AS A MULTI-FUND PUBLIC LIMITED LIABILITY COMPANY WITH VARIABLE SHARE CAPITAL (SICAV) PURSUANT TO THE COMPANIES ACT, CAP 386 OF THE LAWS OF MALTA. THE COMPANY SHALL CONSIST OF SEPARATE CLASSES OR GROUPS OF CLASSES OF SHARES CONSTITUTING INDIVIDUAL SUB-FUNDS (EXCEPT FOR THE CLASS OF SHARES DENOMINATED AS FOUNDER SHARES) EACH CONSTITUTING SEPARATE PATRIMONIES PURSUANT TO SECTION 3 OF LEGAL NOTICE 241 OF 2006 AND WHICH ARE REGULATED AS COLLECTIVE INVESTMENT SCHEMES IN MALTA UNDER THE INVESTMENT SERVICES ACT.**

**PSF – NEW ENERGY FUND (THE “FUND”) IS A SUB-FUND OF THE COMPANY AND IS LICENSED BY THE MFSA AS A PROFESSIONAL INVESTOR FUND TARGETING QUALIFYING INVESTORS. PROFESSIONAL INVESTOR FUNDS ARE NON-RETAIL SCHEMES. THEREFORE, THE PROTECTION NORMALLY ARISING AS A RESULT OF THE MFSA’S INVESTMENT & BORROWING RESTRICTIONS AND OTHER REQUIREMENTS FOR RETAIL SCHEMES DO NOT APPLY. INVESTORS IN PROFESSIONAL INVESTOR FUNDS ARE NOT PROTECTED BY ANY STATUTORY COMPENSATION ARRANGEMENTS IN THE EVENT OF THE FUND’S FAILURE.**

**THE MFSA HAS MADE NO ASSESSMENT OR VALUE JUDGEMENT ON THE SOUNDNESS OF THE COMPANY OR ANY OF ITS FUNDS OR FOR THE ACCURACY OR COMPLETENESS OF STATEMENTS MADE OR OPINIONS EXPRESSED WITH REGARD TO IT/THEM.**

The Directors of the Company, whose names appear under the heading “Functionaries and Officials of the Company” of the Offering Memorandum of the Company, are the persons responsible for the information contained in this Offering Supplement. To the best of the knowledge and belief of the Directors (who have taken reasonable care to ensure such is the case) the information contained in this Offering Supplement is in accordance with the facts and

does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly. No broker, dealer, salesman or other person has been authorised by the Company, or any of the appointed functionaries of the Company to issue any advertisement or to give any information or to make any representations in connection with the offering or sale of Shares (as defined herein) other than those contained in this Offering Supplement and in the documents referred to herein, in connection with the offer hereby made, and if given or made, such information or representations must not be relied upon as having been authorised by the Company, its Directors, or any of the appointed functionaries.

It is the responsibility of any persons in possession of this Offering Supplement and any persons wishing to apply for Shares to inform themselves of, and to observe and comply with, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Shares should inform themselves as to the legal requirements of so applying and any applicable exchange control requirements and taxes in the countries of their nationality, residence or domicile.

The Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "Securities Act") in reliance on the exemptions provided by section 4(2) of the Securities Act and Regulation D promulgated thereunder ("Regulation D"), as the Shares may only be offered to "Accredited Investors" (as defined in Rule 501 of Regulation D) in the US. Furthermore, the Shares have not been registered under the securities laws of any of the states of the United States in reliance on comparable exemptions, and no such registration is contemplated.

The Shares may not be offered, sold, transferred or otherwise delivered directly or indirectly in the United States or to or for the account of any US Person (as defined in the Securities Act) other than an "Accredited Investor". Any re-offer or resale of any of the Shares in the United States or to US Persons may constitute a violation of US law. In addition, the Company has not been, and will not be, registered under the US Investment Company Act of 1940, as amended (the "Investment Company Act") in reliance on the exclusion provided by section 3(c)(7) thereof. Accordingly, the Shares have not been filed with or approved or disapproved by any regulatory authority of the United States or any state thereof, nor has any such regulatory authority passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Supplement. Any representation to the contrary is unlawful.

Detailed procedures of how to buy and sell Shares are set out below in the section entitled "Buying and Selling".

## DEFINITIONS

“Administrator”	means PMG Fonds Management AG;
“Authorised Investor”	means an investor who qualifies as a Qualifying Investor and is also either a Professional Client or Eligible Counterparty and one who is not otherwise precluded from investing in the Fund in terms of this Offering Memorandum or Supplement;
“Company”	means PMG Special Funds SICAV plc;
“Fund”	means PSF – New Energy Fund;
“Fund Administrator”	means PMG Fonds Management AG;
“High-Water Mark”	means the highest of either the previous highest NAV per Share on which a Performance Fee was last paid or the Initial Offer Price;
“Initial Offer Period”	<p>PMG Special Funds SICAV plc and its sub-fund “PSF – New Energy Fund” were previously subject to the approval and supervision of the Luxembourg Supervisory Authority of the Financial Sector, the Commission de Surveillance du Secteur Financier. Following a decision taken by PMG Special Funds, Luxembourg, it was decided to redomicile PMG Special Funds, Luxembourg, into Malta in terms of the Continuation of Companies Regulations (Subsidiary Legislation 386.05 of the Laws of Malta) and apply for a professional investor fund license from the MFSA.</p> <p>Prior to redomiciliation, the private placement prospectus of “PMG Special Funds – New Energy Fund” provided that the initial offer period of share classes ‘A’ and ‘B’ was the 14th January 2010 until 26th February 2010 and the initial offer period of share class ‘I’ was the 28th September 2012 until 03rd October 2012.</p> <p>Following a decision of the Board of Directors of the Company, it was agreed to merge share classes ‘A’, ‘B’ and ‘I’ with the result of a single surviving share class termed “Class A EUR Accumulator Shares”;</p>

“Initial Offer Price”	means the price at which the Shares were initially offered to Qualifying Investors during the Initial Offer Period;
“Investment Manager”	means PMG Fonds Management AG;
“Investment Objective”	means the investment objective of the Fund as detailed under the section “Key Features of the Offer”;
“Investment Policy”	means the investment policy of the Fund as detailed under the section “Key Features of the Offer”;
“Investment Restrictions”	means the investment restrictions of the Fund as detailed under the section “Key Features of the Offer”;
“Offering Memorandum or General Offering Memorandum”	means the offering memorandum of PMG Special Funds SICAV plc in its entirety as may be amended from time to time;
“Minimum Holding Requirement” or “Minimum Investment Requirement”	means the minimum value of Shares that may be subscribed for and held by Qualifying Investors, which shall be EUR 100,000 or foreign currency equivalent;
“Offering Supplement or Supplement”	means this offering supplement in its entirety as may be amended from time to time;
“Paying Agent”	means Reichmuth & Co, Privatbankiers;
“Portfolio Manager”	means PMG Fonds Management;
“Professional Investor Fund or PIF”	Professional Investor Funds are a special class of collective investment schemes which fall within the provisions of the Investment Services Act (Chapter 370 of the Laws of Malta);
“Qualifying Investor”	means any person who meets one or more of the following criteria: <ol style="list-style-type: none"> <li>1. a body corporate which has net assets in excess of EUR 750,000 or which is part of a group which has net assets in excess of EUR 750,000;</li> <li>2. an unincorporated body of persons or association which has net assets in excess of EUR 750,000;</li> <li>3. a trust where the net value of the trust’s assets is in excess of EUR 750,000;</li> </ol>

	<p>4. an individual, or in the case of a body corporate, the majority of its Board of Directors or in the case of a partnership its General Partner who has reasonable experience in the acquisition and/or disposal of funds of a similar nature or risk profile;</p> <p>5. property of the same kind as the property, or a substantial part of the property, to which the PIF in question relates;</p> <p>6. an individual whose net worth or joint net worth with that person's spouse, exceeds EUR 750,000;</p> <p>7. a senior employee or Director of service providers to the PIF;</p> <p>8. a relation or close friend of the promoters limited to a total of 10 persons per PIF;</p> <p>9. an entity with (or which are part of a group with) EUR 3.75 million or more under discretionary management, investing on its own account;</p> <p>10. the investor qualifies as a PIF promoted to Qualifying or Extraordinary Investors;</p> <p>11. an entity (body corporate or partnership) wholly owned by persons or entities satisfying any of the criteria listed above which is used as an investment vehicle by such persons or entities;</p> <p>If the context so requires, the term "Qualifying Investor" shall also include a Professional Client or Eligible Counterparty.</p>
"Redemption Day"	means the day, following the closure of the Initial Offer Period, on which the Shares of a Shareholder who has submitted a redemption request may be redeemed by the Fund according to the most recent NAV per Share, subject to any Redemption Day being every first Business Day of February, May, August and November;
"Redemption Notice Period"	means 45 calendar days prior to any Redemption Day;
"Reference Currency"	means the currency in which performance of the Fund is measured and reported, which shall be in EUR;
"Scheme"	means PMG Special Funds SICAV plc;
"Shares"	means the Class A EUR Accumulator Non-Voting Shares;
"Subscription Day"	means the day, following the closure of the Initial Offer Period, on which the Shares in the Fund may be subscribed for by a Qualifying Investor subject to any

	Subscription Day being every first Business Day of February, May, August and November;
“USD”	means the United States Dollar;
“Valuation Day”	means the day on which the Administrator shall calculate the Net Asset Value of the Shares, which shall be the first Business Day of January, April, July and October; provided that the Board of Directors may define additional or alternative Valuation Days at its own discretion. The NAV per Share shall generally be published within fifteen (15) Business Days from the relevant Valuation Day, based on the closing prices of the investments on such Valuation Day.
ALL CAPITALIZED TERMS USED HEREIN AND NOT OTHERWISE DEFINED SHALL HAVE THE MEANINGS SET FORTH IN THE OFFERING MEMORANDUM, UNLESS THE CONTEXT REQUIRES OTHERWISE.	



## **KEY FEATURES OF THE OFFER**

### **Investment Objectives**

The investment objective of the Fund is to provide investors with long-term positive increases in value by generating steady income.

### **Investment Policies**

In seeking to achieve its investment objectives, the Fund shall invest in non-listed companies, of any market size whatsoever, engaged in sustainable energy production that generate long-term and attractive returns on income. The aforementioned investments are mainly in the area of wind energy, but may also include solar energy and infrastructure-intensive energy sectors. In addition, the Fund may invest in biogas plants that are exclusively operated by organic waste. The Fund shall not invest directly in physical assets.

Also, the Fund may invest up to 30% of its assets in other assets that invest in the renewable energy sector, for instance, listed shares, pensions, debt securities as well as in other funds having similar investment objectives and policies to that of the Fund. Liquid resources the Fund intends to hold for cash management purposes can be held as deposits at banks, term deposits, listed investment grade corporate bonds, money market instruments of top-quality issuers as well as in money market funds.

The Fund is not geographically restricted regarding the countries in which to invest. Designated target regions are however the European Union as well as Switzerland and accession candidates to the European Union.

The Fund can take out loans to implement the investment policy and enter into currency forward contracts for hedging purposes. The Fund may also borrow up to 10% of its NAV for liquidity purposes.

In the event of any investment in funds that are managed by the Fund Manager, only one set of subscription, redemption and management fees shall be paid.

Shares in the Fund shall not be distributed to investors residing in EU or EEA member states and such Shares shall not be offered, sold or transferred, directly or indirectly for the benefit of a person who is resident in EU or EEA member states.

### **Leverage Restriction**

The Fund shall be subject to a maximum leverage restriction of 300% of its NAV.

### **Lack of Diversification**

The Fund is not operated in line with the principle of spreading of risk. Since the Fund will be investing mainly in non-listed and non-tradable private equities and other securities of issuers in one industry sector, the reduced sectorian diversification of the underlying assets of the Fund is to be considered as a risk in itself and the Fund is particularly susceptible to trends in that particular industry sector worldwide.

### **Asset Guidelines and Restrictions**

1. The Fund may invest up to 50% of its assets into instruments issued by a single company.
2. The Fund may take out short-term loans of up to 50% of its NAV to implement the investment policy and enter into currency forward contracts for hedging purposes.
3. The Fund may borrow up to 10% of its NAV for liquidity purposes.
4. The Fund may borrow up to 20% of its NAV to meet redemption requests.
5. The Fund may enter into currency forward contracts for hedging purposes only.
6. The Fund may not invest more than 10% of its assets in other funds.
7. The Fund may only invest in other funds which are regulated in Reputable Jurisdictions and have similar investment objectives and policies to that of the Fund.

### **Changes to Investment Objectives, Investment Policies & Restrictions**

Changes to the Investment Objectives of the Fund shall be notified to Shareholders at least thirty (30) calendar days in advance of the change. Furthermore, the change in Investment Objectives shall only become effective after all redemption requests received during the notice period have been satisfied.

Changes to the Investment Policies and Restrictions of the Fund shall be notified to Shareholders in advance of the change. Any applicable redemption fees will be waived in relation to investors wishing to redeem their Shares as a result of the proposed change to the Investment Objectives of the Fund.

### **Minimum Investment Requirement**

The minimum investment that may be accepted by the Fund from Qualifying Investors shall be EUR 100,000 or foreign currency equivalent.

### **Minimum Holding Requirement**

The minimum value of Shares that may be held by Qualifying Investors shall be EUR 100,000.00 or foreign currency equivalent for Class A Shares. Any partial redemption request that will

result in a Shareholder holding less than the Minimum Holding Requirement shall not be processed.

### **Investor Share Classes**

As at the date of this Offering Supplement, the Fund has issued one Share class termed ‘Class A EUR Accumulator Non-Voting Shares’, which shall only available for subscription by Qualifying Investors.

### **Duration of the Fund**

The Fund has been established for an indefinite period of time.

### **Reference Currency of the Fund**

The reference currency of the Fund shall be the Euro.

### **No Application for Listing of Shares**

As at the date of this Offering Supplement, the Company has not applied to have the Shares listed on any exchange. The Company reserves the right to do so at a later stage at which point all Shareholders shall be notified accordingly.

### **Tax Treatment & Classification**

The Fund is classified as a “non-prescribed” fund in terms of the Collective Investment Schemes (Investment Income) Regulations. Non-prescribed funds are tax exempt with respect to all income and/or capital gains derived by such funds, except for income from immovable property situated in Malta. For a summary of the tax treatment of investment into the Fund, please refer to the section “Taxation” in the Offering Memorandum.

### **Non-PRIIPS Product**

Potential investors should note that the Fund is not a packaged retail and insurance-based investment product (PRIIP) as defined in terms of Regulation (EU) No 1286/2014 of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs). Accordingly, the Fund is in no way available for subscription by Retail Clients. All investors must therefore fall within the definition of a Professional Client or Eligible Counterparty as defined in the General Offering Memorandum, in addition to the “Qualifying Investor” criteria (referred to as an “Authorised Investor”).

## RISK FACTORS

**THE FOLLOWING PROVIDES A NON-EXHAUSTIVE LIST OF THE PRINCIPAL RISKS OF INVESTING IN THE FUND. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER WHETHER AN INVESTMENT IN SHARES IS SUITABLE TO THEM IN LIGHT OF THEIR CIRCUMSTANCE AND FINANCIAL RESOURCES. PAST PERFORMANCE IS NOT A GUIDE TO FUTURE PERFORMANCE AND THE VALUE OF AN INVESTMENT IN THE FUND MAY GO DOWN AS WELL AS UP AND THERE CAN BE NO GUARANTEE THAT AN INVESTOR WILL RECEIVE THE ORIGINAL AMOUNT INVESTED.**

### General risks

#### *Risk of a change in interest rates*

As long as the Fund invests in interest bearing securities, the risk of a change in interest rates is present. If the market interest level increases, the price of the interest-bearing securities of the Fund may fall in value.

#### *Credit risk*

The creditworthiness of issuers can subsequently decrease after the date of initial investment. This leads in general to falls in price that go beyond the general market fluctuations.

#### *Company-specific risk*

The price of shares, corporate bonds and money market instruments is also dependent on company-specific factors, for instance, on the economic situation of the issuer. Should the company-specific factors deteriorate, the price of a specific instrument may decrease significantly and permanently, also independently from the general positive developments on the stock market.

#### *Risk of loss*

The issuer of securities or the debtor of a claim pertaining to the Fund may become insolvent. As a result, the respective asset values of the Fund may be without value in economic terms.

#### *Currency risk*

The Fund is subject to exchange rate risk as the currencies of the Fund's investments fluctuate against the Reference Currency of the Shares. Furthermore, there can be no guarantee than any hedging strategy employed by the Fund will be successful and will not result in losses greater than those that would have resulted had no hedging strategy been employed.

#### *Risks Arising from the Existence of Performance Fees*

The existence of performance fee arrangements may potentially encourage the Investment Manager to whom such fees are payable, to make investments that are riskier or more speculative than would be the case in the absence of Performance Fees.

Investors should be aware that where the calculation of Performance Fees are tied to the increase in the NAV, such increase may involve both realised and unrealised gains at the end of the calculation period. Consequently, the Performance Fees may be paid on unrealised gains which may subsequently never be realised by the Sub-Fund.

Additionally, the Company does not operate an equalisation account or any other method to ensure the equal treatment for the payment of Performance Fees irrespective of the timing of the application for or redemption of Shares of the Company.

When purchasing and / or redeeming Shares in the Company, Shareholders may accordingly indirectly underpay or overpay an under-performance accrual or an over-performance accrual as the case may be.

#### *Business sector risk*

With respect to the assets in business sectors, the specification of the investment goal may not allow for prior diversification of risk over several sectors. Assets in business sectors are particularly dependent on the development of the company profits in the individual or connected business sectors. Reference is made in particular to the risks regarding assets in private equity companies and in the area of renewable energies described below.

#### *Risks regarding assets in single purpose companies*

The Fund focuses on investments in one or more single-purpose companies. Investing in single purpose companies provides the Fund with the equity that is normally complimented by borrowed capital, profit participation certificates, shareholders loan and other innovative or hybrid financial instruments, depending which the type of financing proves to be the most economically sound one at that point in time. Since the single purpose companies still to be incorporated or are in incorporation/start-up phase, none or only very limited investment portfolios or evidence of performance can be provided.

This also applies to such target investments that were not operating at the time of creation of this Prospectus. A direct investment in single purpose companies or in target investments can therefore show a higher investment risk.

Single purpose companies concentrate their investments within the sector of renewable energies. Regional or global economic changes within a sector may therefore significantly influence the financial and profit situation of the respective single purpose company and limit the expected distributions to the Fund.

It is possible that the target investments cannot reduce their initial risks and thus having greater than expected implications on the profitability of the target investments. Such investments are therefore subject to a higher insolvency risk.

Management problems or problems of technical or operative nature may lead to investments being amortized in full or in part.

The level of the accounting, auditing, reporting and publishing standards used by the single-purpose companies may be lower than required for stock-listed companies or companies traded on regulated markets. The single purpose companies are often not supervised by a government or similar institutions. Predictions about future value developments of the assets of the Fund as well as their respective daily value calculations are therefore oftentimes subject to greater uncertainties than would be the case for other securities and assets. The uncertainties about the value development of the assets at the level of the individual single purpose companies can be reflected in the assessment and projection of the Fund's asset value development.

Indirect investments into assets in the Fund via single-purpose companies show typical uncertainties that do not exist to the same extent in conventional investment securities or fixed-interest security.

#### *Special risks based on long-term and limited liquidity*

Assets invested into by single purpose companies are normally long term and less liquid. A short-term sale is oftentimes hardly possible or only under significant price reductions. The size and investment structure of single purpose companies and/or the target companies may influence this positively or negatively.

#### *Settlement risk*

In particular investments in non-traded securities show the risk of not being settled by a transfer system due to a delayed payment or delivery or due to a payment or delivery that did not take place as agreed and therefore did not meet the set expectations.

### **Risks regarding assets in the field of renewable energy**

#### *Technical risks*

Technologies in the area of renewable energy are partly technologies that show little experience and therefore might not be sufficiently developed. Technical losses regarding network, maintenance, disturbances or deviation of efficiency may therefore result in a reduction or loss or expected profits. In addition, assets in the sector of renewable energy may generally be exposed to higher risks such as extreme weather conditions, biological risks, etc. Such risks may lead to a total loss of the investment or to down times resulting in a negative income situation of the respective projects. Biogas plants in particular may suffer down times or reduced performance due to maintenance work, machine breakage or technical and/or biological disasters. Operation errors as well as incorrect or unfavorable combinations of raw materials may interrupt the biological process which would lead to a reduced gas output.

#### *Tax-related risks*

Tax bases are subject to constant change. Changes may negatively influence the profitability of project companies. In general, the income of project companies should be treated optimally in terms of taxes. However, no responsibility can be assumed for tax optimized constellations will continue to be favorable into the future.

#### *Business sector-specific risks*

Companies in the sector of renewable energy are oftentimes young and small companies. Investors must therefore take significant value fluctuations into account.

Projects the Fund wants to invest in are highly influenced by global scientific and technological advances which could quickly out date the products. Concentrating on a few specific investment sectors or on one investment sector entails specific opportunities. Such opportunities may also impose higher risks (e. g. a narrow market).

#### *Declines in earnings*

Project companies in the sector of renewable energy benefit from legally fixed minimum prices for the energy produced by them based on the current level of development. Until now the legally fixed feed-in prices may be lower or not apply depending on legislative changes. This may affect the project companies negatively. Respective additional technology bonuses may only be reached if the companies implement all technological and organizational measures to maintain them.

#### *Country and transfer risk*

Possible economic or political instabilities in countries the Fund invests in may lead to owed monies not being paid or not being paid in full despite liquidity of the issuer of the respective security. This may be mainly caused by foreign exchange restrictions or transfer restrictions or other legislative changes.

#### *Risks through investment in target funds*

Regarding investments in funds, the risks of the Funds are directly connected to the risks of the investments into the individual target funds. Depending on the investment strategies, directly or indirectly supported by the target fund and depending on the assets purchased for the target fund, the risks associated with the investments may be low, moderate or great and lead to a complete failure of the resources invested into the target fund. In addition, a change in the persons responsible for the target fund investment may be significant for the value development of the target fund since the investment policy is often based on the experience and expertise of these persons.

#### *Counterparty risk*

The Funds or the single purpose companies may carry out business, such as purchase privileges or a promise to buy, whilst exposing the Fund to risks related to the creditworthiness and capabilities of their counter parties to meet the conditions of these agreements. The Fund or the single purpose companies may, for instance, be exposed to risks related to their counterparts not being able to fulfill their contractual obligations.

#### *Conflicts of interests*

The Fund Manager and as well as associated companies may carry out investments or transactions which affect the same type of assets as the Fund's assets on their own account or for other investors whom they provide advice to. Such assets may compete or collide with the assets of the Fund. It is also possible that the fund manager or associated companies manage

or initiate investments in the field of renewable energy that are also possible investments of the Fund. Assets that are managed or initiated by the fund manager may be offered to the Fund by the fund manager. Such transactions may positively or negatively affect the valuation of the Fund's assets. Investors are not entitled to receive compensation payments due to competing or conflicting activities. In addition, the fund manager as well as associated companies may carry out other functions regarding the assets. These competing products or activities may lead to conflicts of interests and influence the value of the Fund.

The Fund Manager as well as associated companies cannot receive unpublished information regarding the assets of the Fund that may be of importance, based on the described relations and due to other circumstances. Neither the fund manager nor the investment adviser or the associated companies intend to make such information available to investors of the Fund.

The Fund Manager as well as the associated companies shall allocate time for the business of the Fund as they deem fit and necessary.

There are no agreements that prohibit the Fund Manager as well as the associated companies to launch further investment funds, to provide further services or carry out other business activities, even if such activities are in competition with those of the fund company and/or a significant amount of time and resources is required by the mentioned shareholders. Employees of the fund manager as well as company staff do not exclusively dedicate their time to the business of the fund, but split them between the business of the fund company and the management of the own resources and other clients. The fund manager as well as company staff will distribute investment opportunities according to their best judgment and in a manner they deem fit between the Fund and all others deposits and investments funds managed by the fund manager or by a company staff member.

Investors should be aware that certain officials of the Fund may be involved with its service providers. In this respect, investors are advised that Eric Lütenecker, being a director in the Fund, is the Managing Partner/CEO of the Fund Manager, Fund Administrator and Swiss Legal Representative. David Griscti, being a director, Compliance Officer and MLRO to the Fund, is a senior partner in David Griscti and Associates, which has been appointed as the Fund's Legal Advisors. Every effort shall be made to prevent a conflict of interest from prejudicing the interests of the Fund and its investors although there can be no guarantee that this will be the case. In the event of any official of the Company or the Fund declaring a conflict of interest, this shall be recorded in the conflict of interest register and such person shall not be permitted to be involved in the decision or action in respect of which he/she shall have declared such conflict of interest.

Furthermore, investors should note that PMG Fonds Management AG is entrusted with the calculation of the NAV of the Fund. In order to avoid any potential conflicts of interest that may arise when performing this function, administrative duties have been functionally segregated from the portfolio management function within PMG Fonds Management AG.

#### *Illiquidity Risk*

The Fund has been established as an open-ended Fund. However, the Board of Directors, upon the advice of the Investment Manager, with the prior approval of the MFSA, shall retain the



right to convert it into a closed-ended Fund. Investors should be aware that in the event of such a conversion, the Fund will be subject to a higher level of illiquidity risk and the redemption rights described in this Prospectus shall no longer apply.

#### *Valuation Risk*

Valuation of unlisted assets involves significant judgement and it is likely that different valuation techniques will provide different results. This is because the inputs used, and any adjustments to those inputs, may differ depending on the technique used. The existence of such differences does not mean that any of the techniques is incorrect, however, it may result in the price at which Shares are redeemed or subscribed not reflecting the value of unlisted assets when ascertained by another valuer.

#### *Reliance on the Investment Manager*

Investors in the Fund have no right or power to elect members of the Fund's Board of Directors or to otherwise take part in or direct the management of the Fund. The Fund Manager will make all decisions with respect to the Fund's investments.

#### *Effect of Substantial Redemptions*

Substantial redemptions of the Shares in the Fund could require the Fund to liquidate positions more rapidly than would otherwise be desirable and this could adversely affect the value of the Fund's Shares. In such circumstances the Directors of the Fund shall have the discretion, on the advice of the Fund Manager, to defer redemptions.

#### *Lack of diversification*

The Fund is not operated in line with the principle of spreading of risk. Since the Fund will be investing mainly in non-listed and non-tradable private equities and other securities of issuers in one industry sector, the reduced sectorian diversification of the underlying assets of the Fund is to be considered as a risk in itself and the Fund is particularly susceptible to trends in that particular industry sector worldwide.

**THE FUND MAY BE SUBJECT TO OTHER RISK FACTORS AND THE ABOVE SHOULD NOT BE TAKEN TO BE A COMPLETE DESCRIPTION OF THE RISKS INVOLVED WHEN INVESTING IN THE FUND.**

## FUNCTIONARIES

### Investment Manager

The Investment Manager of the Fund is PMG Fonds Management AG, a Fund Management Company set up in Switzerland according to Swiss Law for Collective Investment Schemes licensed by the Swiss Financial Market Supervisory Authority (FINMA). PMG Fonds Management AG administers and manages several Swiss, Luxembourg and Maltese Funds with assets under management of about CHF 2,000 million. The Company is owned by several independent external asset managers, the managing partners and a Swiss Private Bank. PMG was founded in 1990 and is domiciled in Zurich.

For further information about PMG Fonds Management AG please refer to [www.pmg-fonds.ch](http://www.pmg-fonds.ch).

By an agreement between the Company and the Investment Manager (the "Management Agreement"), the Investment Manager was appointed to act as investment manager to the Fund. The Investment Manager will assume the responsibility of the day-to-day management of the Fund as well as the day-to-day investment operations and investment decisions, which shall be taken in accordance with applicable investment policies and objectives.

The Investment Manager will be entitled to receive a fee payable by the Fund, details of which are given in this Supplement under the heading "Fees, Charges and Expenses" and to receive reimbursement from the Fund of all its operating expenses as more fully described in the Management Agreement.

The Investment Manager may, subject to the written approval of the Fund, sub-contract parts of its mandate to third parties. The Management Agreement contains provisions whereby the Fund agrees to indemnify the Investment Manager against actions and claims not arising from the fraud, wilful default or negligence, including failure to perform in whole or in part its obligations. In the absence of the foregoing, the Investment Manager will not be liable to the Fund or any investor therein.

The Investment Manager and the Fund are entitled to terminate the agreements by giving six months' notice to the other party in writing. The Management Agreement may also terminate or be terminated upon the occurrence of specified events, for example, the insolvency of any party.

The Investment Manager may be contacted at:

PMG Fonds Management AG  
Sihlstrasse 95, CH 8001 Zurich, Switzerland

Tel: +41 (0) 44 215 28 38  
Fax: +41 (0) 44 215 28 39  
Website: [www.pmg-fonds.ch](http://www.pmg-fonds.ch)  
E-mail: [pmg@pmg-fonds.ch](mailto:pmg@pmg-fonds.ch)

## **Administrator**

The Administrator of the Fund is PMG Fonds Management AG. The Administrator is responsible for the administration and the calculation of the NAV of the Fund, including –

- Keeping of Books
- Annual Reports
- Coordination between the Fund and the Auditor
- Reporting requirements of the Fund
- Archiving and securing of documentation
- Registrar and transfer agency services
- Coordination of payments
- Processing Subscriptions and Redemptions

The Administrator may be contacted at the following address -

PMG Fonds Management AG  
Sihlstrasse 95, CH-8001 Zurich-Switzerland  
Tel.: +41 44 215 28 38  
E-mail: [pmg@pmg-fonds.ch](mailto:pmg@pmg-fonds.ch)  
Website: [www.pmg-fonds.ch](http://www.pmg-fonds.ch)

## **Swiss Legal Representative**

As required under CISA, the Fund has appointed PMG Fonds Management AG as its Swiss Legal Representative, who shall, inter alia, represent and act as a point of contact for the Fund with regard to qualified investors located in Switzerland as well as the Swiss Financial Markets Supervisory Authority (FINMA). Swiss investors are advised that they may obtain a free copy of latest General Offering Memorandum, any Offering Supplements and the Company's Annual Report from the Swiss Legal Representative.

The contact details of PMG Fonds Management AG are included below.

PMG Fonds Management AG  
Sihlstrasse 95, CH-8001 Zurich-Switzerland  
Tel.: +41 44 215 28 38  
E-mail: [pmg@pmg-fonds.ch](mailto:pmg@pmg-fonds.ch)  
Website: [www.pmg-fonds.ch](http://www.pmg-fonds.ch)

### **Paying Agent**

As required under CISA, the Fund has appointed Reichmuth & Co, Privatbankiers as its Paying Agent in Switzerland, which shall afford Swiss investors the option of subscribing, redeeming and receiving pay-outs from the Fund through a Swiss bank. The contact details of Reichmuth & Co, Privatbankiers are included below.

Reichmuth & Co, Privatbankiers  
Ruetligasse 1, CH-6000 Luzern 7-Switzerland  
Tel.: +41 41 249 49 49  
Website: [www.reichmuthco.ch](http://www.reichmuthco.ch)

### **Prime Broker**

The Fund has appointed Reichmuth & Co, Privatbankiers as Prime Broker in order to provide the Fund with brokerage services in relation to listed shares, pensions, bonds, funds or money market instruments,

## **SAFE-KEEPING ARRANGEMENTS**

The Company has not appointed any safe-keeping bank in view of the fact that the Fund shall largely be investing in unlisted equities, where title to ownership is evidenced by a private agreement between the Fund and the issuer of the shares (or other ownership interests). Such private agreements shall be held at the registered office of the Investment Manager, with a copy being maintained at the registered office of the Fund in Malta. The same shall also apply in the case of any currency forward contracts and term deposits.

Any cash balances shall be held by the Paying Agent, namely Reichmuth & Co, Privatbankiers, on behalf of the Fund. Should the Fund invest in listed shares, pensions, bonds, funds or money market instruments, safe-keeping shall be provided by Reichmuth & Co, Privatbankiers.

## **FEES, CHARGES AND EXPENSES**

### **Remuneration of the Administrator**

For the provision of administration services to the Fund, the Administrator shall be paid an administration fee of up to 0.50% per annum based on the average Net Asset Value of the Fund, subject to a minimum administration fee of EUR 50,000 per annum. This fee shall also cover the costs in respect of the Swiss Legal Representative.

Both the Administrator and the Swiss Legal Representative are entitled to recover reasonable out-of-pocket expenses incurred in the performance of their duties out of the assets of the Fund.

### **Remuneration of the Investment Manager**

#### *Investment Management Fee*

The Investment Manager shall receive an investment management fee of up to 1.6% per annum based on the average Net Asset Value of the Fund. Such remuneration is paid monthly in arrears. Any investment advisor shall be appointed directly by the Investment Manager and shall be paid out of the investment management fee and shall not be borne by the Fund.

#### *Performance Fee*

In addition to the Investment Management Fee, the Investment Manager may also be entitled to a performance fee of 20%. The performance fee shall become due in the event of the NAV per Share at the end of the relevant performance period exceeding the High-Water Mark and shall be payable on the over performance of the NAV per Share over and above the High-Water Mark. Furthermore, a performance fee shall only be paid if the NAV per share at the end of the relevant performance period exceeds the High-Water Mark by 5% or more (the “**Hurdle Rate**”). In the event that the NAV per Share does not exceed the Hurdle Rate, no performance fee shall be payable to the Investment Manager.

The Investment Manager shall also be entitled to recover reasonable out-of-pocket expenses, incurred in the performance of its duties out of the assets of the Fund.

### **Subscription Fees**

The Fund shall not charge a Subscription Fee.

### **Redemption Fees**

A redemption fee of up to 2% of the redemption value shall be payable to the Fund.

## **Remuneration of the Prime Broker**

The Prime Broker shall be entitled to transaction fees based on the value of the transaction being executed, the relevant exchange and/or the type of instrument being traded. All brokerage fees shall be based on the standard fee schedule of the Prime Broker as set out on its website.

## **Other Expenses**

The Fund shall also bear the following expenses:

- (i) All taxes and expenses which may be incurred in connection with the acquisition and disposal of the assets of the Fund.
- (ii) All taxes which may be payable on the assets, income and expenses chargeable to the Fund.
- (iii) Any third party brokerage, bank and other charges incurred by the Fund in relation to its business transactions, fees for the Paying Agent in Switzerland.
- (iv) All fees and expenses due to any third party valuer, dealer, distributor or other third party supplier of services to the Fund.
- (v) All expenses incurred in connection with the publication and supply of information to the Shareholders of the Fund, and in particular, without prejudice to the generality of the foregoing, the cost of printing and distributing any reports specific to the Fund, any report to the MFSA or any other regulatory authority that is specific to the Fund, any marketing or promotional materials specific to the Fund, any costs of publishing quotations of prices and notices in the press specific to the Fund, and any costs of all stationery, printing and postage in connection with the preparation and distribution of cheques, warrants, tax certificates and statements specific to the Fund.
- (vi) All expenses incurred in the registration of the Fund with any government agencies or regulatory authorities in any jurisdiction where registration is available or necessary and in having the Shares of the Fund listed or dealt on any stock exchange or any other regulated market.
- (vii) All expenses arising in respect of legal or administrative proceedings specific to the Fund, fees for legal representation in Switzerland.
- (viii) To the extent not already covered above, all expenses incurred in connection with the operation, promotion and management of the Fund, including, without limitation to the generality of the foregoing, all costs connected to the organisation of meetings of the shareholders of the Fund and in obtaining proxies in relation to such meetings, costs incurred in keeping the register of Shareholders of the Fund, costs of any translations, insurance

premiums, association membership dues, and all non-recurring and qualified items of expenditure as may arise specific to the Fund.



## **BUYING AND SELLING**

### **A. BUYING SHARES IN THE FUND**

#### **Subscription Applications**

The Fund on any Subscription Day, on receipt by it or the Administrator of the following:

- (a) a completed and signed original subscription form;
- (b) such due diligence documents as the Fund may require from time to time, a list of which shall be included in the subscription form;
- (c) payment of the subscription price; and
- (d) a completed and signed Qualifying Investor Declaration Form;

may issue such Shares in such classes created from time to time by the Fund at the Initial Offer Price or the Net Asset Value calculated according to Appendix I of the Offering Memorandum, as the case may be. A copy of the subscription form and the supporting documentation should be retained by the investor for their personal reference and records.

The Fund is entitled to require additional documents at their discretion prior to accepting any subscription, such as any trust instruments involved, documents confirming the appointment of executors or administrators, and the certificates of corporate authority.

No issue of Shares shall be made in respect of a subscription form received, nor shall any transfer be registered by the Fund, which would result in the subscriber holding less than the Minimum Investment Requirement, or if the Fund has reason to believe that the subscriber does not satisfy the requirements of a Qualifying Investor.

Applications to subscribe for Shares must be received by the Administrator no later than **12:00 noon CET three (3) Business Days prior to the relevant Subscription Day**. If an application to subscribe is received later than cut-off time above-mentioned, the subscription will be made on the Subscription Day subsequent to the relevant Subscription Day, subject to the right of the Board, at its sole discretion, to accept to process a subscription received later than cut-off time above-mentioned. In such case, the Administrator will, upon receipt of instructions from the Board of Directors or any Director duly so authorised, process such late subscription.

#### **Payment of Subscription Monies**

Full and cleared subscription dues must be received in the Fund's client account, indicated in the subscription form, one (1) Business Day prior to the relevant Subscription Day, subject to the right of the Fund, at its sole discretion, to accept to process a subscription, although monies due are received later than the cut-off time mentioned above. In such case, the Administrator will, upon receipt of instructions from the Board of Directors or any Director duly so authorised, be authorised to process such late subscription. Subscriptions should be paid by

SWIFT in accordance with the instructions provided in the subscription form, unless paid for in any other method at the sole discretion of the Fund. Upon issue of the relevant Shares, written confirmation will be sent to the Shareholder within five (5) Business Days from the relevant Subscription Day.

### **Subscriptions in Specie**

The Fund may, at the sole discretion of the Board, elect to receive securities or other assets from an applicant for Shares and to sell, dispose of or otherwise convert such assets into cash and to apply such cash (net of any expenses incurred in the conversion) for the purchase of Shares. In the case of subscriptions in specie, a report shall be drawn up by the Administrator which shall include the following –

- A description of each of the assets comprising the consideration;
- The value of each asset and a description of the method of valuation used;
- A confirmation that the value of the consideration is at least equal to the Net Asset Value of the Shares to be issued in terms for such consideration.

The valuation report must be held in Malta at the registered office of the Company and must be available to MFSA for inspection during compliance visits. Shares shall only be issued (in favour of the investor) once the assets referred to in the report have been transferred in favour of the relevant Fund to the satisfaction of the Prime Broker or the Administrator.

### **Minimum Subscription**

The minimum initial subscription permitted for Shares is Euro 100,000 or any currency equivalent.

### **Switching of Shares**

Holders of Shares in the Fund may at any time, by submitting a switching request to the Administrator, switch all or some of their Shares (“Original Shares”) for Shares of this or another sub-fund of the Company (“New Shares”) provided they are eligible to hold the New Shares and satisfy any minimum holding requirement applicable to the New Shares. The number of New Shares issued will be determined by reference to the respective prices of New Shares and Original Shares at the valuation point applicable at the time the Original Shares are redeemed and the New Shares are issued. No switching fee shall be imposed.

## **B. SELLING SHARES IN THE FUND**

### **Redemption of Shares**

A Shareholder may at the time request the Fund to repurchase all or any part of their Shares in the Fund by submitting to the Administrator a duly completed redemption form, the latest version of which shall be available from the Administrator. Any redemption request received by the Administrator shall be processed unless such is a partial redemption and would result in the Shareholder holding less than the Minimum Holding Requirement, and subject to the Fund reserving the right to defer all or part of any redemption request.

### **Redemption Price**

Shares will, when the Fund accedes to the redemption request, be redeemed at the prevailing Net Asset Value as calculated on the most recent Valuation Day, unless the Board resolve otherwise. In the event that the Fund has suspended the calculation of the Net Asset Value per Share, the Shares will be redeemed at the Net Asset Value calculated on the first Valuation Day following the lifting of the suspension.

### **Submission of Redemption Requests**

Requests for the redemption of Shares must be received by the Administrator by 12:00 noon CET forty-five (45) calendar days prior to a possible Redemption Day (the “Redemption Notice Period”). If a redemption request is received after the Redemption Notice Period, the Shares shall be redeemed on the next available Redemption Day, unless the Directors resolve otherwise.

### **Payment of Redemption Proceeds**

Once the Fund has acceded to the redemption request, written confirmation will be sent to former Shareholders within five (5) Business Days from the relevant Redemption Day, or from confirmation of the NAV, whichever is the later, containing information on the number and value of Shares so redeemed. In normal circumstances, the Fund will arrange for payment to the Shareholders of the net proceeds within five (5) Business Days following the applicable Redemption Day. Payment of redemption proceeds shall be made by SWIFT (with charges for the account of the recipient), in accordance with the instructions of the Shareholder given in the redemption request form.

The payment of redemption proceeds shall be made in cash in the Reference Currency of the Fund or for such non-cash consideration as may be determined by the Board from time to time and agreed to by the redeeming Shareholder. Requests for payment of redemption proceeds

to third parties will not be accepted, unless the Board resolve otherwise in view of extraordinary circumstances.

### **Redemptions in Specie**

In the case of redemptions in specie, a report shall be drawn up by the Administrator which shall include the following –

- A description of each of the assets comprising the consideration;
- The value of each asset and a description of the method of valuation used;
- A confirmation that the value of the consideration is at least equal to the Net Asset Value of the Shares to be redeemed.

The valuation report shall be held in Malta at the registered office of the Company. The valuation report shall also be available to MFSA for inspection during compliance visits.

Shares in the Fund should only be redeemed once the assets referred to in the valuation report have been transferred in favour of the redeeming investor to the satisfaction of the Administrator or the Prime Broker.

### **Mandatory Redemptions**

Shares, including a class thereof, may not be issued and may be subject to a mandatory redemption or transfer by the Company: (i) in circumstances where the Company, a Fund or any Shareholder may suffer a tax, pecuniary, administrative or other disadvantage; or (ii) where Shares are held by any person who is, or has acquired such Shares on behalf of or for the benefit of a person who is not a Qualifying Investor, as the case may be; or (iii) where the Company discovers that a Shareholder has furnished false or misleading information to the Company.

### **Deferral of Redemptions**

The Directors may at any time decide to defer all or part of any redemption request(s) either until the next Redemption Day or any future date. Active redemption requests shall be processed upon such deferral being lifted by a resolution of the Directors at the Net Asset Value prevailing as on the date of such deferral, unless the Directors resolve otherwise. Notice of any deferral of redemptions or the lifting of such deferral shall be transmitted to Shareholders affected by the deferral electronically, through fax or in writing.

### **Share Liquidity**

The Shares in the Fund are ordinary shares, freely transferable to third parties and enjoy equal rights participating equally in the profits of the Fund accordingly. The Fund will provide a facility

to allow investors to offer Shares for sale and for investors and third parties to purchase Shares for sale by other investors. Details for this procedure are available from the Administrator.

### **Suspension of Dealing and NAV Calculations**

The Directors may, at any time, resolve to suspend subscriptions or redemptions and/or the determination of the Net Asset Value of the Shares in the circumstances set out below –

1. During any period when any market is closed which is the market for a significant part of the Fund's investments, or in which trading thereon is restricted or suspended; or
2. During any period when disposal of the Fund's investments is not feasible or would result in a material loss to the Fund, which could be avoided or mitigated by holding such investments for a greater period of time; or
3. During any period when, for any reason, the prices of investments cannot be reasonably, promptly or accurately ascertained by the Administrator; or
4. During any period when remittance of monies which will, or may, be involved in the realisation of, or in the payment for investments cannot, in the opinion of the Board, be carried out at normal rates of exchange; or
5. During any period when the proceeds of sale or redemption of Shares cannot be transmitted to or from the Company's account.

In the event of any suspension, the Board shall notify all Shareholders and the MFSA of such decision, the reasons behind it and the period that such suspension is likely to remain effective (if possible). The Administrator, after consultation with the Directors, may elect to treat the first Valuation Day on which the conditions giving rise to the suspension have ceased as a substitute Valuation Day in which case the Net Asset Value calculation and all sales and redemptions of Shares shall be effected on the substitute Valuation Day.

## VALUATION OF UNLISTED ASSETS

As stated under the section 'Investment Policies', the Fund primarily invests in non-listed companies engaged in sustainable energy production. As at the date of this Supplement, the unlisted assets of the Fund consist in holdings of companies operating wind parks, namely:

- Windpark Amalienhof I GmbH & Co. KG (Germany), 100% holding
- Luftstrom Windpark Fleschenbach Eins GmbH & Co, KG (Germany), 100% holding
- Parc Eolien AUBE I SNC (France) via CP Wind Achtundvierzigste GmbH & Co. KG (Germany), 10.0350% minority holding

(hereinafter, the '**Unlisted Asset(s)**')

The Board of Directors has therefore approved the following valuation methodology to value the Unlisted Assets, which shall take precedence over the methodology stipulated in paragraph (B) in Appendix II of the General Offering Memorandum. This being said, the Directors will always strive, where practicable, to ensure that the valuation of Unlisted Assets is undertaken by an independent valuer who is an independent person from the Company, its officials or any service provider of the Company; (b) of good standing with recognised and relevant qualifications and an authorised member of the recognised professional body in the jurisdiction of the assets: and (c) shall be appointed by the Company or the Investment Manager in consultation with and subject to the approval of the Auditors.

The fair value of Unlisted Assets held by the Fund on the relevant Valuation Day are calculated utilising a discounted cash flow (DCF) method that makes use of both fixed data that is relatively constant (e.g. tax rates, depreciation) and variable data (e.g. electricity revenues, operational cost, cash and accruals).

The projected revenues from each wind park are based upon the opinion of independent wind energy experts.

### **Wind Park**

### **Expert**

**Windpark Amalienhof I GmbH & Co. KG (Germany)**

The projected revenues are an average of the opinions of the following experts:

1. WIND-consult, Ingenieurgesellschaft für umweltschonende Energiewandlung mbH, D-18211 Bargeshagen, Germany; and
2. anemos-jacob GmbH, D-21436 Marschacht, Germany.

**Luftstrom Windpark Fleschenbach Eins GmbH**

The projected revenues are an average of the opinions of the following experts:

1. PLANKon, Ingenieurbüro für Tragwerks-, Objekt und Energieplanung, D-26121 Oldenburg, Germany; and
2. Solvent GmbH, D-59174 Kamen, Germany.

**Parc Eolien AUBE I  
SNC (France)**

*eoltech* SARL, F-31400 Toulouse, France.

The wind forecasts are regularly reviewed and adjusted, if necessary, on the basis of the effectively realized revenues over several periods and comparisons with other wind parks in the same area.

The projected and realized revenues are monitored by two (2) independent accounting firms, namely *Saxoplus GmbH & Co KG*, D-10585 Berlin (for the Amalienhof, Fleschenbach wind parks) and *Duthilleul & Associés SAS*, F-75009 Paris (in respect of the AUBE wind park). Any material irregularities are flagged and analysed accordingly.

These projected cash flows are then adjusted to find the free cash flow to equity (FCFE). The FCFE is then discounted to a present value using a discount rate that accounts for the time value of money and the relative risks of each wind park. The discount rate is made up of the components risk-free-rate, market risk premium, levered beta, idiosyncratic risk premium and country risk premium. The equity value is adjusted further by adding cash, receivables and accruals of the particular Unlisted Asset to find the fair value of the holding.