

SBM INTERNATIONAL FUNDS LTD

Prospectus

In connection with the issuance of Participating Shares

26th April 2016

TABLE OF CONTENTS

Important Notice	4
Legal Disclosure	6
Risk Disclosure	6
Forward-looking Statements	7
Glossary	8
Overview – Main Administrative Functions	14
The Company	15
Description of the Fund	15
Governance Structure	15
The Manager and Other Functionaries	21
The Fund Manager	21
The Fund Administrator	24
The Management Company and Company Secretary	24
The Global Custodian	24
The Sub-Custodians	25
The Investment Advisers	25
Other Functionaries	25
Investment Objectives, Practices and Financial Characteristics	26
Investment Objectives and Practices	26
General Investment Restrictions	39
Base Currency	41
Conditions of Operations	42
Share Capital and Rights attached to Participating Shares	42
Calculation of Net Asset Value	44
Fees and Charges	46

Trading Cycle	47
Single Pricing	47
Subscription and Issue of Shares	47
Redemption of Participating Shares	49
Transfer of Shares	51
Pledging of Shares	51
Obtaining Prices of Participating Shares	51
Temporary Suspension of Valuation/Dealings	51
Eligible Investors and Restriction on Ownership	53
Liquidation of SBM International Funds, Funds and Classes of Shares	55
Risks Factors	57
Risk Profiles of The Funds	57
General Risks That Apply to All Funds	57
Equity Related Risks	63
Fixed Income Related Risks	64
Country, Concentration And Style Related Risks	66
Emerging Markets Related Risks	68
Tracking Error Risks	68
Distribution Out of Capital Risk	68
Potential Conflicts of Interest	68
Tax Risks	69
Taxation	70
Mauritius Taxation Considerations	70
Foreign Account Tax Compliance Act (“FATCA”)	72
General Conditions and Good Governance	73
Dividend Policy	73
Conflicts of Interest	74

Reports	74
Borrowing Powers	74
Listing	75
Queries and Complaints	75
Documents Incorporated by Reference	75
APPENDIX I	77
APPENDIX II	78
APPENDIX III	79
APPENDIX IV	80

IMPORTANT NOTICE

The following applies to the prospectus following this page and the accompanying materials (the “**Prospectus**”), and you are therefore advised to read this carefully before reading, accessing or making any other use of the Prospectus. In accessing the Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

If you are in any doubt about the contents of the Prospectus, you should consult your financial adviser or other independent financial adviser. Shares are offered on the basis of the information contained in and the documents referred to in the Prospectus. No person is authorized to give any information or to make any representations concerning the Company other than contained in the Prospectus. Any purchase made by any person on the basis of statements or representations not contained in or inconsistent with the information and representations contained in the Prospectus will be solely at the risk of the purchaser. The information provided in the Prospectus does not constitute investment advice. Investors should seek independent professional advice to ascertain (a) possible tax consequences, (b) legal requirements, and (c) any foreign exchange restrictions or exchange control requirements which they may encounter under the laws of the countries of their citizenship, residence or domicile, and which may be relevant to the subscription, holding or disposal of participating shares being offered by the SBM International Funds Ltd.

The Board has taken all reasonable care to ensure that the facts in the Prospectus are true and accurate in all material respects at the date hereof and there are no material facts the omission of which makes any statement of fact or opinion in the Prospectus misleading. The Directors accept responsibility accordingly. The Board has approved the Prospectus.

The distribution of the Prospectus and the offering of the Shares may be restricted in certain jurisdictions. The Prospectus does not constitute an offer or solicitation in any jurisdiction where such offer or solicitation is or may be unlawful, where the person making the offer or solicitation is not authorized, where the person making the offer or solicitation is not authorized to make it or a person receiving the offer or solicitation may not lawfully receive it. Accordingly, it is critical that persons who come in possession of this Prospectus inform themselves about and to observe such restrictions.

No action has been taken in any jurisdiction, other than the Republic of Mauritius, to allow an offer of securities to the public, in particular, nothing in this Prospectus constitutes an offer of securities for sale in the United States or any other jurisdiction. Any securities to be issued will not be registered under the U.S. laws, or the securities laws of any state of the U.S. or other jurisdiction and the securities may not be offered or sold within the U.S. or to, or for the account or benefit of U.S. persons or in any jurisdiction other than the Republic of Mauritius, unless the jurisdiction allows such offer.

This Prospectus may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever. Any forwarding distribution or reproduction of this document in whole or in part is unauthorised. Failure to comply with this directive may result in a violation of the securities act or the applicable laws of other jurisdictions.

This Prospectus is being sent at your request and by accepting the e-mail or hard copy and accessing this Prospectus, you shall be deemed to have represented to us that you consent to delivery of such Prospectus by electronic transmission. You are reminded that documents transmitted in electronic form may be altered or changed during the process of electronic transmission and consequently neither the Company, SBM Mauritius Asset Managers Ltd or any person appointed by it to distribute the Prospectus nor any person who controls any of them nor any director, officer, employee nor agent of it or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between

the Prospectus distributed to you in electronic format and the hard copy version available to you on request from SBM Mauritius Asset Managers Ltd or its appointed representatives.

Recipients of this Prospectus who intend to subscribe for or purchase the Shares are reminded that any subscription or purchase may only be made on the basis of the information contained in this Prospectus.

This Prospectus has been delivered to you on the basis that you are a person into whose possession this Prospectus may be lawfully delivered and you may not, nor are you authorised to, deliver this Prospectus to any other person.

The constitutive documents relevant to the establishment of the Company and the relationships between key parties involved and their respective rights and obligations are as follows:

- Constitution
- Application form/Subscription Agreement
- Fund Management Agreement
- Administration and Registry Agreement
- Custodian Agreement

Copies of the above mentioned documents are available for inspection at the registered office of SBM Mauritius Asset Managers Ltd. The final copy of the Prospectus will be available from the registered office of SBM Mauritius Asset Managers Ltd.

LEGAL DISCLOSURE

The SBM International Funds Ltd (the “**Company**”) is a public company limited by shares incorporated under the laws of Mauritius and is authorized by the Mauritius Financial Services Commission (the “**FSC**”) to operate as a collective investment scheme pursuant to the Mauritius Securities Act 2005 (the “**Securities Act**”), as amended, and the Securities (Collective Investment Schemes and Closed-End Funds) Regulations 2008 issued thereunder (the “**CIS Regulations**”, together with the Securities Act are hereinafter referred to as the “**Securities Laws of Mauritius**”).

The Company holds a category 1 global business licence issued by the FSC and is authorised by the FSC as a Global Scheme. In granting the authorisations to the Company, the FSC makes no warranties as to the merits of an investment in the Company, as to Company’s performance or financial soundness. Furthermore, the FSC does not vouch for the correctness of any statement or opinion in this Prospectus. Investors in the Company are not protected by any statutory compensation arrangements in Mauritius in the event of the Company’s failure. The Company is also subject to the laws in Mauritius relating to Anti-Money Laundering Compliance Framework, the provisions on exchange of information contained in the laws of Mauritius and treaties to which Mauritius is party to.

The Company has a share capital comprised of participating shares (the “**Participating Shares**”) and management shares (the “**Management Shares**”). The Company is structured as an umbrella fund whose shares are split into a number of different classes of Participating Shares or funds (the “**Funds**”). Each Fund will be comprised of Class A Shares and Class I Shares or such other share classes as may be determined by the board of directors of the Company. Such classes of shares within a Fund may further be offered into series of the respective share classes.

The Company has appointed SBM Mauritius Asset Managers Limited (the “**Manager**” or “**Fund Manager**”) as its investment manager for the purposes of providing the Fund investment management services under the terms of an investment management agreement entered into by the Manager and the Company. The Manager was incorporated as a private company limited by shares on the 17th October 2007 under the laws of Mauritius and is licensed as a CIS manager by the FSC.

RISK DISCLOSURE

Investments in shares of a Fund will involve significant risks due to, among other things, the nature of the Fund’s investments.

The information on taxation contained in the Prospectus is a summary of certain tax considerations but it is not intended to be a complete discussion of all tax considerations.

There can be no assurance that the investment objectives of each Fund will be achieved and investment results may vary substantially over short periods of time. In addition, in trying to meet its investment objectives, the Fund might underperform the markets in scenarios of strong upward or downward cycles. As such, an investment in the Funds is not intended to be a complete investment programme for any investor and prospective investors should carefully consider whether an investment in a Fund is suitable for them in the light of their own circumstances and financial resources.

Because of the risks involved, investment in the Funds is only suitable for such investors who are able to bear the loss of a substantial portion or even all of the money they invest, who understand the high degree of risk involved and believe that the investment is suitable based upon their investment objectives

and financial needs. Investors are therefore advised to seek independent professional advice on the implications of investing in the Fund.

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements that are, by their nature, subject to significant risks and uncertainties. These forward-looking statements include statements relating to:

- the Company's investment and operating strategies;
- the amount and nature of, and potential for, future development of the Company's business;
- various investment opportunities that the Company may pursue;
- the prospective financial information regarding the Company;
- the regulatory environment relating to the Company;
- changes in political, economic, legal and social conditions and risks in any selected markets in which the Company will invest;
- other factors beyond our control.

In some cases, forward-looking statements are identified by such terminology as "may," "will," "should," "could," "would," "expect," "intend," "plan," "anticipate," "going forward," "ought to," "seek," "project," "forecast," "believe," "estimate," "predict," "potential" or "continue" or the negative of these terms or other comparable terminology. Such statements reflect the current views of the Company with respect to future events, operations, results, liquidity and capital resources and are not guarantees of future performance and some of which may not materialize or may change. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it cannot assure you that those expectations will prove to be correct, and you are cautioned not to place undue reliance on such statements.

In addition, unanticipated events may adversely affect the actual results the Company achieves. Important factors that could cause actual results to differ materially from our expectations are disclosed under the section entitled "Risk Factors" in this Prospectus. Except as required by law, the Company undertakes no obligation to update or otherwise revise any forward-looking statements contained in this Prospectus, whether as a result of new information, future events or otherwise after the date of this Prospectus. All forward-looking statements contained in this Prospectus are qualified by reference to the cautionary statements set forth in this section.

Glossary

“Act”	means the Mauritius Companies Act 2001, Act No 22 of 2001.
“Board”	means the board of directors of the Company.
“Business Day”	means any day (other than Saturday or Sunday or public holiday) on which banks and other financial institutions in Mauritius are generally open for business or any other day as the Manager may agree in writing and declared.
“CIS”	<i>means a collective investment scheme.</i>
“CIS Regulations”	means the Securities (Collective Investment Schemes and Closed-End Funds) Regulations 2008 issued under the Securities Act, as amended.
“Class A Shares”	means Class A Participating Shares.
“Class A-ACC Shares”	means Class A accumulating Shares.
“Class I Shares”	means Class I Participating Shares.
“Class I-ACC Shares”	means Class I accumulating Shares.
“Company”	means the SBM International Funds Ltd.
“Connected Person”	<p>means in context of any investment adviser, investment manager, fund manager, custodian, sub-custodian or any Distributor:</p> <ul style="list-style-type: none">(a) any person beneficially owning, directly or indirectly, 20% or more of the ordinary share capital of that company or able to exercise, directly or indirectly, 20% or more of the total votes in that company;(b) any person controlled by a person who meets one or both of the requirements set out in (a) above;(c) any company 20% or more of whose ordinary share capital is beneficially owned, directly or indirectly, by any investment adviser, investment manager, fund manager, custodian, sub-custodian or Distributor taken together, and any company 20% or more of the total votes in which can be exercised, directly or indirectly by such investment adviser, investment manager, fund manager, or Distributor taken together; and

(d) any director or officer of any investment adviser, investment manager, fund manager, custodian, sub-custodian or Distributor or of any Connected Person of that company, as defined in (a), (b) or (c) above.

<i>“Constitution”</i>	means the constitution of the Company dated 12th October 2015, as amended from time to time.
<i>“Dealing Day”</i>	means every Business Day in Mauritius or such other day as the Directors may determine from time to time as a “Dealing Day” in order to implement a transaction; issuance, redemption or transfer of Shares in accordance with the Constitution and this Prospectus.
<i>“Directors”</i>	means any member of the Board.
<i>“Dividend”</i>	means a Distribution other than a Distribution to which sections 68 (acquisition or redemption of its own shares) and 81 (restrictions on providing financial assistance) of the Act applies.
<i>“Distributor”</i>	means one of the companies named in this Prospectus through which Shares in the Company may be bought or sold.
<i>“Eligible Market”</i>	means a Regulated Market in an Eligible State.
<i>“Eligible State”</i>	means any Member State of the EU or any other state in Eastern or Western Europe, Asia, Africa, Australia, North and South America and Oceania.
<i>“Entry Fee”</i>	means a charge upon the issue of Participating Shares of such amount as the Manager may from time to time determine generally or in relation to any specific transaction or class of transactions, but not exceeding the maximum stipulated in this prospectus.
<i>“EUR”</i>	means the lawful currency in the territories of the European Monetary Union and any successor to that currency.
<i>“Exit Fee”</i>	means the charge upon the redemption of a Participating Share, of such amount as may from time to time be fixed by the Manager generally or in relation to any specific transaction or class of transaction, but not exceeding the maximum stipulated in this Prospectus.
<i>“Financial Institution”</i>	means a Custodian Institution, an Investment Entity or Insurance Company as defined in the Agreement between the Governments of

Mauritius and US to improve International Tax Compliance and to Implement FATCA.

- “Fund”** means a class of Participating Shares which is comprised of specific portfolio of assets and liabilities within the Company managed in accordance with the investment policy specified for the share class or classes comprised within that portfolio.
- “Fund Administrator”** means SBM Fund Services Ltd. which has been appointed by the Company as fund administrator to provide fund administrations, registry and transfer agency services to the Company with the possibility to delegate part of all of such functions to third parties.
- “Fund Manager “or “Manager”** means SBM Mauritius Asset Managers Ltd, which has been appointed by the Company as fund manager to provide investment management, administration and marketing functions to the Company with the possibility to delegate part or all of such functions to third parties.
- “Investment”** means any share, stock, bond, note, debenture, debenture stock and any other tradable securities in which the Company has invested.
- “Investor or Investors”** means any eligible investor who meets the criteria for investing in Participating Shares being offered by each Fund.
- “Issue Price”** means the price per Participating Share on any Dealing Day ascertained by the Manager by:-
- (i) determining the Net Asset Value at the latest Valuation Day preceding or on the Dealing Day of the Company;
 - (ii) adding thereto:-
 - (a) any Transactions Adjustment; and
 - (b) any Entry Fee.
- “Key Persons”** means any person responsible for the management and administration of the Company, including the persons employed as portfolio managers by the Manager.
- “Member State”** means any member state of the EU as well as Iceland, Liechtenstein and Norway.
- “Member State of the EU”** means any member state of the European Union.

<i>“Net Asset Value”</i>	means as the case may be, the value of assets less liabilities of a class of Shares or of a Share within a Fund determined in accordance with the principles set out in section 14 of this Prospectus.
<i>“Management Share”</i>	means a non-redeemable share comprised in the share capital of the Company having such rights as provided for herein and in the Constitution.
<i>“Primarily”</i>	means in context of the description of the investment strategy of a fund that at least 70% of the assets of the relevant fund are directly, or indirectly as specifically provided for in the relevant investment objective, invested in the currency, the country, the type of security or other material element set out in the name of the fund and its investment objective.
<i>“Prospectus”</i>	means this prospectus as amended from time to time.
<i>“Participating Share”</i>	means a redeemable participating share of the Company, which shall be redeemable at the sole option of the holder thereof, and includes a fraction of a Participating share (truncated to two decimal points).
<i>“Redemption Price”</i>	is the price per Participating Share ascertained by the Manager by:- <ul style="list-style-type: none"> (i) determining the Net Asset Value, as at the latest Valuation Day preceding or on the Dealing Day on which a redemption request is received, of the Company; (ii) deducting there from:- <ul style="list-style-type: none"> (a) the Exit Fee; and (b) the Transactions Adjustment.
<i>“Securities Act”</i>	means the Securities Act 2005 of Mauritius, as amended.
<i>“Share”</i>	means as the case may be, any Participating Share, or Management Share as may be issued by the Company from time to time.
<i>“Shareholder”</i>	means a person: <ul style="list-style-type: none"> (i) Registered in the share register of the Company as the holder of one or more Participating Shares ; or (ii) Until the person’s name is entered in the share register, a person named as a shareholder in the application for the

registration of the Company at the time of incorporation of the Company; or

- (iii) Until the person's name is entered in the share register under a registered amalgamation proposal as a Shareholder in the amalgamated company.

"Transferable Securities"

means:

- (i) shares and other securities equivalent to shares,
- (ii) bonds and other debt instruments,
- (iii) any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange.

"Transactions Adjustment"

means:

- (i) in relation to the issue of a Participating Share, an adjustment of up to such amount (if any) as the Manager determine represents the duties and charges which would have been payable in purchasing the Investments for the account of the Company divided by the number of Participating Shares issued and deemed to be in issue as at that time and such amount shall not exceed such percentage as the Manager may from time to time agree; and
- (ii) in relation to the cancellation and redemption of a Participating Share, an adjustment of up to such amount (if any) as the Manager determine represents the duties and charges which would have been payable in selling the Investments for the account of the Company divided by the number of Participating Shares in issue and deemed to be in issue as at that time which amount shall not exceed such percentage as the Manager may from time to time agree.

Such expression when used in the context of a given date shall refer to the amount or amounts so determined by the Manager and applicable on that date.

"USD"

refers to the lawful currency of the United State of America.

"Valuation Day"

means every Business Day in Mauritius or such other day as the Directors may determine from time to time as a "Valuation Day" in order to implement a valuation of Shares in accordance with the Constitution and this Prospectus.

“Year”

means a calendar year

OVERVIEW – MAIN ADMINISTRATIVE FUNCTIONS

<p>Registered Office</p> <p>Abax Corporate Services Ltd 6th Floor, Tower A, 1 Cybercity Ebene Mauritius</p>	<p>Management Company and Company Secretary</p> <p>Abax Corporate Services Ltd 6th Floor, Tower A, 1 Cybercity Ebene Mauritius</p>
<p>Investment Manager</p> <p>SBM Mauritius Asset Managers Ltd 3rd Floor, SBM Tower 1 Queen Elizabeth II Avenue Port Louis Mauritius</p>	<p>Fund Administrator, Registrar and Transfer Agent</p> <p>SBM Fund Services Ltd 3rd Floor, SBM Tower 1 Queen Elizabeth II Avenue Port Louis Mauritius</p>
<p>Independent Auditors</p> <p>Ernst & Young Level 9, Tower 1, NeXTeracom, Cybercity, Ebene, Mauritius</p>	<p>Legal Adviser</p> <p>BLC Chambers 2nd Floor, The Axis, 26 Cybercity, Ebène 72201, Mauritius</p>
<p>Global Custodian</p> <p>SBM Bank (Mauritius) Ltd SBM Tower 1 Queen Elizabeth II Avenue Port Louis Mauritius</p>	

The Company

1. Description of the Company

The SBM International Funds Ltd was incorporated in the Republic of Mauritius on 23rd November 2015 as a public company limited by shares. The Company holds a category 1 global business licence (the “**GBL1**”) issued by the FSC on 25th November 2015. The Company is authorised to operate as a collective investment scheme and authorised as a global scheme by the FSC pursuant to the Securities Laws of Mauritius. The Company is organised as an umbrella fund and the share classes of Participating Shares, each one being referred to as the “**Fund**” may further be divided into sub-classes or series of share classes. Each Fund is a separate portfolio of securities and other assets managed in accordance with specific investment objectives of the Fund.

The Company has appointed SBM Mauritius Asset Managers Ltd. (the “**Fund Manager**” or “**Manager**”), a duly licensed CIS manager, under the terms and conditions of an investment management agreement between the Manager and the Company.

2. Governance Structure

2.1 The Board of Directors

The board of Directors (the “**Board**”) is the link between the Company and its stakeholders and Board members are collectively responsible to lead and control the Company to enable it to attain its strategic objectives. In discharging its duties, the Board shall be guided by the interests of the Company and its business and shall take into account the interests of its stakeholders. The Board is ultimately accountable to the shareholders of the Company.

The broad responsibilities of the Board are to:

- Set the Company’s vision, mission and values
- Determine the strategy and policy of the Company to achieve those objectives
- Monitor and evaluate the implementation of strategies, policies and performance measurements thereof
- Exercise leadership, enterprise, integrity and judgment in directing the Company
- Identify and assess key risk areas of the business and ensure measures are taken to mitigate those risks
- Ensure that effective internal control systems are in place to safeguard the Company’s assets
- Ensure compliance with laws and regulations, including risk management and corporate governance practices and disclosure requirements
- Assess the internal and external audit functions
- Approve the annual report and financial statements of the Company
- Ensure adoption of good corporate governance practices
- Ensure effective communication with shareholders and other stakeholders

In order to meet all the legal and regulatory requirements and effectively discharge its duties including the exercise of adequate oversight over the activities of the entire organisation, the Board will delegate some of its functions to specialised Board committees. The following sub-committees have been established:

- Audit and Risk Committee
- Corporate Governance Committee
- Investment Committee

Delegation however does not discharge the Board from its duties and responsibilities and while delegating authorities, the Board is cognizant of its fiduciary duties and responsibilities under the Act.

2.2 List of Directors and profile

The Board has been so constituted that all times, there will be at least two (2) Directors resident in Mauritius. The Board consists of 2 members at present, namely:

Name	Function	Date of first appointment	Occupation	Other directorship(s)
Shailendrasingh (Shailen) Sreekeessoon	Executive Director	23 rd November 2015	Head of Strategy, Research & Innovation	Yes
Deegarajen (Sanda) Manogaren Soondram	Executive Director	23 rd November 2015	Head of NBFC	Yes

2.3 The Audit and Risk Committee

The Audit and Risk Committee has been established by the Board of the Company to assist it in discharging its duties relating to the safeguarding of assets, the operation of adequate systems, control processes and the preparation of accurate financial reporting and statements in compliance with all applicable legal requirements and accounting standards. The Committee provides a forum for discussing business risk and control issues for developing relevant recommendations for consideration by the Board. The Committee should mainly make recommendations to the Board for its approval or final decision.

Auditors and External Audit

- To evaluate the independence and effectiveness of the external auditor and consider any non-audit services rendered by such auditors as to whether this substantively impairs their independence;
- To evaluate the performance of the external auditor;
- To consider and make recommendations on the appointment and retention of the external auditor, and any questions of resignation or dismissal of the auditor;
- To discuss and review, with the external auditor before the audit commences, the auditor engagement letter, the terms, nature and scope of the audit function, procedure and engagement, and the audit fee.
- To agree to the timing and nature of reports from the external auditor;
- To consider any problems identified in going concern or statement of internal control;
- To make suggestions as to problem areas that the audit can address;

- To consider any accounting treatments, significant unusual transactions or accounting judgments that could be contentious;
- To identify key matters arising in the current year's management letter and satisfy itself that these are being properly followed up;
- To consider whether any significant ventures, investments or operations are not subject to external audit;
- To review the overall audit role, explore objectives, minimise duplication, discuss the implications of new auditing standards and ensure that the external audit fee will sustain a proper audit and provide value for money;
- To agree to the timing and nature of reports from the external auditor;
- To obtain assurance from the external auditor that adequate accounting records are being maintained.

Financial Statements

The Committee will examine and review the annual financial statements, the interim reports, the accompanying reports to shareowners, the preliminary announcement of results and any other announcement regarding the Company's results or other financial information to be made public, prior to submission and approval by the Board, focusing particularly on:

- The implementation of new systems;
- Tax and litigation matters involving uncertainty;
- Any changes in accounting policies and practices;
- Major judgmental areas;
- Significant adjustments resulting from the audit;
- Internal control;
- Compliance with accounting standards, local and international, compliance with stock exchange and legal requirements;
- The efficiency of major adjustments processed at year end;
- Compliance with the financial conditions of loan covenants;
- Reviewing special documents such as prospectuses as and when prepared.

In discharging its responsibilities, the Committee will:

- Review the quality of financial information, interim and financial statements and other public and regulatory reporting;
- Review the annual report and accounts taken as a whole, to ensure they present a balanced and understandable assessment of the position, performance and prospects of the Company;
- Review the external auditor's proposed audit certificate;
- Discuss problems and reservations arising from the audit, and any matters the auditor may wish to discuss (in the absence, where requested by the Committee, of executive directors, and any other person who is not a member of the Committee);
- Review the external auditor's management letter and management response;
- Review the credibility, independence and objectivity of the auditor, taking into account their audit and non-audit fees. Where the auditor also supplies a substantial volume of non-audit services to the Company, the Committee should keep the nature and extent of such services under review, seeking to balance the maintenance of objectivity with value for money.

Ethics

The Committee will be responsible for:

- Monitoring the ethical conduct of the Company and its officers;
- Reviewing any statements on ethical standards or requirements for the Company and assisting in developing such standards and requirements;
- Compliance with the requirements of the Constitution of the Company;
- Compliance with the law and regulations of any other applicable statute and of controlling bodies;
- Identification of any violations of ethical conduct;
- Environmental and social issues.

The Committee will also give recommendations on any potential conflict of interest or questionable situations of a material nature.

Risk

As regards risk, the Committee will:

- Together with the Company's legal advisor, review any legal matters that could have a significant impact on the Company's business.
- Review executive management reports detailing the accuracy and overall effectiveness of the Company's risk management function and its implementation by management, and reports on internal control and any recommendations, and confirm that appropriate action has been taken.
- Review the risk philosophy, strategy and policies. The Committee will ensure compliance with such policies, and with the overall risk profile of the Company. Risks include, amongst others, market risks, credit risk, liquidity risk, operational risk and commercial risk.
- Monitor procedures to deal with and review the disclosure of information to clients.
- Liaise with the Board in respect of the preparation of the Committee's report to shareholders as required.

2.4 The Corporate Governance Committee

The Corporate Governance Committee has been established by the Board to make recommendations to the Board on all Corporate Governance provisions to be adopted so that the Company remains effective and complies with prevailing corporate governance principles. The Committee shall be constituted to ensure that the reporting requirements with regard to corporate governance, whether in the annual report or on an ongoing basis, are in accordance with the Code of Corporate Governance.

The Corporate Governance Committee has also been delegated the responsibility of making recommendations to the Board on all new board appointments. To ensure that the Board remains effective and focused, the Committee will regularly review the balance and effectiveness of the Board, identify the skills needed and those individuals who might best be seen to be providing such skills in a fair and thorough manner.

Finally, the Board, recognising the need to establish a formal and transparent procedure for developing a fair remuneration policy, has delegated this task to the Corporate Governance Committee. It should be highlighted

that, for reasons of self-interest, the Committee's function in relation to the remuneration of non-executives is limited to making recommendations to the full Board.

Corporate Governance

- To determine, agree and develop the Company's general policy on corporate governance in accordance with the Code of Corporate Governance;
- To prepare the Corporate Governance Report to be published in the Company's Annual Report;
- To ensure that disclosures are made in the Annual Report in compliance with the disclosure provisions in the Code of Corporate Governance;

Nominations

- To make recommendations to the Board on the appointment of new executive and non-executive directors, including making recommendations on the composition of the Board in general and the balance between executive and non-executive directors appointed to the Board;
- To review the board structure, size and composition and make recommendations to the Board with regards to any adjustments that are deemed necessary;
- To identify and nominate candidates for the approval of the Board to fill board vacancies as and when they arise, as well as put in place plans for succession, in particular for the Chairperson and the Officer in Charge;
- To make recommendations to the Board for the continuation (or not) in services of any director who has reached the age of 70;
- To recommend directors who are retiring by rotation, for re-election;
- To liaise with the Board in relation to the preparation of the Committee's report to the shareholders, as required.

Remunerations

- To determine, agree and develop the Company's general policy on executive and senior management remuneration;
- To determine specific remuneration packages for executive directors of the Company, including but not limited to basic salary, benefits in kind, any annual bonuses, performance-based incentives, share incentives, pensions and other benefits;
- To determine the level of non-executive and independent non-executive fees to be recommended to the shareholders at the Meeting of Shareholders;
- To determine any criteria necessary to measure the performance of executive directors in discharging their functions and responsibilities;
- To give executive directors every encouragement to enhance the Company's performance and to ensure that they are fairly, but responsibly rewarded for their individual contributions and performance.
- In consultation with the Chairman of the Board, to formulate the Committee's remuneration policy and to determine specific remuneration packages.

The Committee, in carrying out its tasks under the above terms of reference, may obtain such outside or other independent professional advice as it considers necessary to carry out its duties. The Board will ensure that the Committee will have access to professional advice both inside and outside the Company in order for it to perform its duties.

2.5 The Investment Committee

The investment committee is an emanation of the Board and is constituted as follows:

Name	Function
Deeagarajen (Sanda) Manogaren Soondram	Director

The Investment Committee has been established by the Board to ensure that Company's investment plan delivers decent performance according to its investment objectives and policy. The Committee is responsible to set up the investment policy of the Company and upon approval of same by the Board, participates in the diligent implementation thereof.

The Terms of Reference of the committee consist mainly of the following:

- Review and approve periodically the investment policy and overall strategies of the Company. In doing so, the following should be considered:
 - General economic and environmental trends and predictions
 - Sector and country specific performance and forecasts
 - Changes or alterations to current legislation having effect on investments;
- Set asset portfolio performance targets and monitor the performance of the Manager;
- Review the investment decisions of the Manager and ensure that they:
 - Adhere to the investment policy of the Company and will help the Company achieve its investment objectives
 - Take into account relevant issues such returns, volatility and absolute risk;
- Review and report to the board of Directors, material matters relating to the administration, supervision and management of the policy.

The Fund Manager and Other Functionaries

3. The Fund Manager

The Fund Manager of the Company is SBM Mauritius Asset Managers Ltd (“**SBM MAM**” or “**Manager**” or “**Fund Manager**”) with registered address SBM Tower, 1 Queen Elizabeth II Avenue, Port Louis, Mauritius.

SBM Mauritius Asset Managers Ltd has a team of professionals with an extended experience in asset, wealth and financial management. The company provides an investment and fund management service to both corporates such as pension funds, insurance companies, investment companies and individual investors including retail investors and high net worth individuals.

SBM Mauritius Asset Managers Ltd is licensed by the Financial Services Commission as Investment Advisor, CIS Manager and Distributor of Financial Products. In addition to investment management services, the Manager will also provide portfolio management services and act as transfer agent and registrar of the Company.

3.1 Board of Directors

The board of Directors of SBM MAM consists of 5 members, namely:

Name	Function	Date of first appointment	Occupation	Other directorship
Chandra Kumar Gujadhur	Chairman	23 rd September 2014	Chairman and Co-founder of Fund services	Yes
Lim Chan Kwong Lam Thuon Mine	Non-Executive	1 st September 2015	Chairman Intermart Mtius Ltd	Yes
Pierre Marrier D’Unienville	Non-Executive	27 th July 2015	Chairman Le Warehouse 361	Yes
Pauline Seeyave	Executive	17 th June 2014	Head of Credit Underwriting	Yes
Deeagarajen Manogaren Soondram	Executive	16 th June 2015	Head of NBFC	Yes

Chandra Kumar Gujadhur

Mr. Chandra Kumar Gujadhur is the Managing Director of Apex Fund Services (Mauritius) Ltd. He is a fellow member of the Institute of Chartered of Accountants in England and Wales and an associate member of the Society of Trust and Estate Practitioners, has long standing experience in auditing of offshore funds, fund structuring and tax planning.

He was a member of the Accounting and Auditing task team of the Corporate Governance Committee of Mauritius and the Chairman and member of the Consultative Sub-Committee on the drawing up of the New Listing Rules of the Stock Exchange of Mauritius. He retired as a senior partner with Deloitte at the end of September, 2006 after 18 years to assume the responsibility of Managing Director at Apex Mauritius. As a

board member of numerous India focused funds and companies he has gained extensive experience and knowledge on key industries in India and its principal capital markets.

Lim Chan Kwong, (Ignace) Lam Thuon Mine

Mr. Lim Chan Kwong (Ignace) Lam Thuon Mine is a Fellow Chartered Certified Accountant with the ability to achieve optimal economic capitalization through strategic planning and relationship management. He is presently the Co-founder of Intermart Mtius Ltd; Intermart (Mtius) is responsible for negotiating with suppliers and also the sole importer of INTERMARCHE Products in Mauritius. He is also the executive chairman of Family World Ltd, a company formed in 2002 and the Hypermarket was opened in 2004. Since then, Family World has experience a steady growth over the years and the company is ranked 64 among the top 100 companies in Mauritius.

Mr. Lim Chan Kwong (Ignace) Lam Thuon Mine has proven areas of expertise in the following areas, strategic Planning and organizational leadership, new business development, marketing and sales, corporate and investment finance, growth and expansion strategies, contract negotiation risk and financial strategies.

Pierre Marrier D'Unienville

Mr. Pierre Marrier d'Unienville was born in Mauritius in 1969 and educated at the college du St Esprit. He graduated with a Licence in "Sciences économiques" at the University Paul Cezanne in Aix en Provence, France. He then attended and graduated from Institut d'Etudes Politiques de Paris. After working with Ernst & Young in Paris, he returned to Mauritius in 1996.

His first job was as Finance Manager at Phoenix Camp Mineral Ltd, which he left to create the Mauritius branch of South African investment bank, Brait. He ran Brait Mauritius from 1994 to 2004, acting as Investment Banker/advisor on a number of transactions.

In July 2004, Mr. Pierre Marrier d'Unienville acquired Brait Mauritius, which was then renamed Infinite Corporate Finance Ltd, and he continued to source, advise on and structure acquisitions and disposals, as Infinite remained active on the mergers and acquisitions market.

In December 2007, Infinite acquired Le Warehouse Ltd from IBL, and Mr. Pierre Marrier d'Unienville started personally running the company, Infinite's major investment, from January 2009. He is also a Director of Amro Chemicals Ltd, another Infinite investee Company. Mr. Pierre Marrier d'Unienville is a Director of one listed company, Omnicane Limited.

Pauline Seeyave

Ms. Seeyave has over 15 years' experience within Banking and Finance. She holds a MA from St Catharine's College, University of Cambridge, England and is an Associate Member of the Institute of Chartered Accountants in England and Wales. She is presently the Head of Credit Underwriting at SBM Bank (Mauritius) Ltd.

She started her career in London with an international firm of Chartered Accountants and managed a diversified portfolio of listed and unlisted clients in Audit and Business Assurance. She subsequently joined the Risk Management Division of SBM Group and has since occupied key positions within the Banking Cluster such as Head of Finance, Risk Management and Value Based Performance Management and Head of Corporate

Banking. Ms. Seeyave has been a director on the Board of SBM Bank (Mauritius) Ltd and is currently is a non-executive director of various SBM Group subsidiaries.

Deeagarajen Manogaren (Sanda) Soondram

Mr. Deeagarajen Manogaren (Sanda) Soondram has over 20 years of experience with a wide experience at international level in the Investment Banking and Corporate Finance fields. He was exposed to the international market in Corporate Finance for a renowned UK based Investment Bank regulated by the Financial Conduct Authority (“FCA”) where he was responsible for identifying and evaluating project risks, developing valuation models suitable for different projects, IPOs, appraising and advising clients on opportunities, offering corporate restructuring and management advice, capital raising etc. He has extensive experience in the fields of Mergers & Acquisitions, Equity and Debt structuring in Mauritius and UK across various industries including financial services. He has strong relationships with international fund management and investment banking firms in UK, Africa, Middle East and India.

Mr. Deeagarajen Manogaren (Sanda) Soondram joined SBM Group as Head of Value Based Performance Management in 2013. He is currently the Head of the Non-Banking Financial Cluster of SBM Group responsible for the Asset Management, Stock Broking, Private Equity and Corporate Finance Advisory.

Mr. Deeagarajen Manogaren (Sanda) Soondram was the Vice President and Program Chair for the CFA Institute in Mauritius, a member Society of the CFA Institute, from 2003 to 2007 and had also taught at the University of Mauritius from 2004 to 2006 in the fields of International Business, Foreign Exchange Market, Corporate Finance and Business & Company Valuation.

Mr. Deeagarajen Manogaren (Sanda) Soondram holds a BSc Econ (Hons) Financial Economics and MSc Finance from the Birkbeck College, University of London. He is also Associate Member of the Chartered Institute of Management Accountant (ACMA) and Chartered Global Management Accountant (CGMA). He has an MBA and is a Regular Member of the CFA Institute.

3.2 Team of Investment Professionals

SBM MAM has a dynamic team of investment professionals to assist them in delivering quality service to their clients. The team is headed by its Wealth Management Lead.

3.3 Fund Management Agreement

Under the terms and conditions of the fund management agreement between the Company and the Manager, the Fund Manager shall manage the investment and re-investment of the Fund’s moneys with a view to achieving the investment objectives of the Fund. Under the said agreement, the Company may terminate the appointment of the Fund Manager under the following conditions:

- (i) with the approval of the board of Directors of the Company provided the required notice period as expressed in the fund management agreements given;
- (ii) with the approval of the board of Directors of the Company in the event of breach of its obligations provided the required notice period as expressed in the fund management agreement is given;

- (iii) at any time without any notice period if the Fund Manager goes into liquidation (as per conditions in the fund management agreement) or if the operation of the Company becomes illegal or in the event of fraud or gross negligence by the Fund Manager.

4. The Fund Administrator

The Fund Administrator for the Company is SBM Fund Services Ltd, SBM Tower 1, Queen Elizabeth II Avenue Port Louis. SBM Fund Services Ltd provides full fledged services to SBM Funds, Pension mandates and high net worth individuals.

The Fund Administrator will carry out the general administration of the Company in Mauritius under the terms and conditions of the fund administration agreement between the Fund Administrator and the Company. Under the said agreement, the Fund Administrator will monitor the anti-money laundering and regulatory compliance programs of the Company; monitor the Company's compliance with international standards of good corporate governance; carry out the general administration of the Company including computation of the Net Asset Value, maintenance of the accounts of the Company and acting as registrar and transfer agent of the Company.

5. Management Company and Company Secretary

Abax Corporate Services Ltd has been appointed to act as a management company for and provide secretarial services to the company. Services include acting as domiciliary agent and keeping the registered office, the preparation and filing of reports with respect to the reporting requirements, acting as Company Secretary and conducting board meetings. Abax Corporate Services Ltd is licensed by the financial services commission to, inter alia, provide management services to entities holding global business license

6. The Global Custodian

The Company has appointed SBM Bank (Mauritius) Ltd as Global Custodian. In accordance with the terms of the Custody Agreement, the Global Custodian shall have the authority to complete and sign any affidavits, certificates of ownership or other certificates relating to the securities and/or cash which may be required by the tax or any other regulatory authority; collect and receive all income and other payments and distributions in respect of the securities and/or cash, and credit the same to the Company account; to receive and hold for the account of the Company any capital arising out of or in connection with the securities and/or cash whether as a result of its being called or redeemed or otherwise becoming payable and credit the same to the Company's account; receive and hold for the account of the Company all securities received by the Custodian as a result of a stock dividend, share sub-division or reorganization, capitalization of reserves or otherwise; exchange interim or temporary receipts for definitive certificates, and old or over stamped certificates for new certificates; make cash disbursements or payments for any fees, taxes, duties, levies, expenses and/or any payments except for settlement of securities/foreign exchange transactions; undertake any currency conversion at the prevailing rate as reasonably determined by the Custodian where any payment is received or to be made in a different currency and do all such acts as the Custodian may consider to be necessary or desirable for the above or in order to perform its duties under the Custodian Agreement.

The Custodian shall inform the Company of notices that it receives in respect of any bonus issues, rights issues, payment calls, takeover bids or general meetings of the issuers/companies in relation to the securities. The Custodian shall also be responsible to review corporate action notice/offer documents, which may contain restriction or exclusion clauses and act upon the same in accordance with the instructions from the Company.

The Custodian shall not mingle its own assets with the securities held for the Company and where securities are physically held by the Custodian, such securities shall be physically segregated from the securities of the Custodian or other clients of the Custodian and maintain separate records with respect to securities held for the Company.

The Company will indemnify the Custodian and hold it harmless against all charges, costs, damages, losses, claims, liabilities, expenses, fees and disbursements (together with any value added tax or similar tax imposed from time to time), which the Custodian may suffer or incur howsoever in connection with or arising from the Custody Agreement, except in case of negligence or willful misconduct of the Custodian.

The Custodian Agreement may be terminated by either party by giving prior written notice of not less than 60 days to the other party.

7. The Sub-Custodians

For the purpose of running its Funds, the Company will appoint numerous sub-custodians, subject to the prior approval of the FSC. The sub-custodian will be selected in such a way to provide access to different markets in which the funds will invest. The sub-custodian will operate under the mandate of the Global Custodian and will be paid by the latter.

The list of Funds for which a sub-custodian is appointed is found in Appendix III.

8. The Investment Advisers

For the purpose of running some of its Funds, the Fund Manager shall choose to appoint numerous investment advisers. Typically, each Fund will have a separate investment adviser based on the specific investment strategy of the Fund and the required expertise. The investment adviser will operate under the mandate of the Fund Manager and will be paid by the latter.

The list of Funds for which an investment adviser is appointed is found in Appendix IV.

9. Other Functionaries

a. Distributor of the Company

The principal distributor of the Company is SBM Mauritius Asset Managers Ltd, its Manager. The distributor shall place on a private placement basis the Participating Shares to local and foreign clients. Clients could be wither retain or institutional clients.

b. Legal Advisor

BLC Chambers has been assigned to act as the Company's legal advisor with registered address at 2nd Floor, The AXIS, 26, Cybercity Ebene 72201, Mauritius

c. Independent Auditors

The Independent Auditors for the Company will be Ernst & Young with business address Level 9, Tower 1, NeXTeracom Cybercity, Ebene, Mauritius.

Investment Objectives, Practices and Financial Characteristics

10. Investment Objectives and Practices

Investors can choose from a range of Funds and share classes offered by such Funds. Each Fund provides investment in professionally managed pool of securities in different geographical areas and currencies, with the investment objective of capital growth, income or a balance between growth and income. A detailed list of the Funds and their investment objectives, investment rationale, investment policy, investment horizon and investor profile is provided below.

Sub-Fund/fund	Expected Launch Date
SBM Africa Value Fund	Jan-16
SBM Emerging Markets Fund	Jan-16
SBM European Opportunities Fund	Jan-16
SBM Mena Fund	Jan-16
SBM Rising Asia Fund	Jan-16

A detailed list of all share classes as of date of this Prospectus can be found in Appendix I.

Marketing documents may contain references to market indices. These markets are provided for comparative purposes only. Holdings can vary from those of the index quoted.

10.1 Fund: SBM Africa Value Fund

Investment Objective

The SBM African Value Fund's objective is to achieve long-term capital growth primarily through investment in the securities of issuers established in the African continent. The Fund will seek to achieve the investment objective by investing predominantly in listed value stocks.

The Fund may invest in the securities of investment funds, which provide access to certain African market where there are currently restrictions on foreign investment, or where the manager perceives that such investment funds provide other investment opportunities in accordance with the Fund's investment objective and policies.

Subject to the provisions outlined in the general investment restrictions, the Fund is allowed to invest more than 5% but not more than 20% of its assets in the securities of any one particular issuer.

Subject to the provisions outlined in the general investment restrictions, the Fund is allowed to invest more than 5% but not more than 20% of its assets in the units of CIS in aggregate.

Subject to the provisions outlined in the general investment restrictions, the Fund shall not acquire more than 20% of the shares of any single collective investment scheme.

Investment approach

The Manager aims to achieve the investment objective of the Fund through the following approach:

- a) Adopting a top-down investment approach by focusing on the macro fundamental of the economy and then moving down the ladder.
- b) Adopting a bottom-up approach by focusing on companies with high growth potential or with unlocking potential that will increase shareholder's wealth.
- c) Stock selection based on company fundamentals, history, values, prospects and market actions.
- d) Adopting a strategic and tactical asset allocation to meet long term objectives while adjusting for short term fluctuations.
- e) Constituting the core and satellite portfolio.
- f) Focus will be on value stock.

Investment Allocation

Under normal conditions, the Fund intends to invest its monies on the African Stock markets. The allocation will be within the following ranges:

African Equities:	80% to 98%
Cash and cash equivalents:	2% to 20%

Geographical Allocation

Under normal conditions, the Fund should invest at least 80% on the African continent.

Investment Horizon and Investor Profile

The Fund's investment strategy has an investment horizon of 3 to 5 years and is targeted towards investors with high risk profile who are seeking capital growth over the long-term and willing to have an exposure to Africa equities.

The Case For African Equities

The Fund will invest primarily in African equities. Its main focus will be on value stocks and will seek to provide diversification through different African regions. Equities have traditionally been seen as an asset class that provides long term hedge against inflation though recent financial crisis has shed doubt on its growth story.

From an economic perspective, equities are expected to provide returns that grow hand in hand with the growth of business and turnover of the issuing companies. Given that such growth factors in compensation for inflation, the derived returns are also expected to compensate for same, hence the hedge against inflation.

Additionally, equities are also expected to allow diversification of risk through its exposure to different sectors and industries. They also help investors enhance their returns on investments and savings. Equity markets have historically provided superior returns than more conservative money and fixed income markets. Exposure to different sectors allows the investor to participate and benefit from the growth story of each of these sectors. The asset class has the foundations to add value to long term returns.

Over a decade ago The Economist dubbed Africa as "The hopeless continent". The publication lamented that Africa was mired in poverty, disease, corruption and market failure. However the past decade has witnessed momentous change unfold across the continent.

Africa's journey has been a tortuous one. The scramble for African resources saw many countries colonised, left war-torn and in economic strife. A large dependency on the export of resources resulted in inflated currencies, making imports cheaper. Manufactured goods become more expensive as currencies appreciated and become a less significant contributor to GDP. This paradox, called Dutch Disease was a pervasive characteristic of many African economies.

At the turn of the millennium, Africa's GDP stood at \$600 bn. Today it is estimated to be \$2.2 trillion. Adjusted for inflation, the African Development Bank estimates Africa's GDP has doubled in just 10 years. Many African countries achieved GDP growth of 6% annually in last 10 years. Africa's global share stands at less than 3 % today and should reach 7% by 2030 benefiting from a bigger population and an accelerated convergence. Its demographics are based on a large youth population and growing workforce. The consumer boom is leading to increased demand in other sectors such as infrastructure development, construction and leisure. In terms of Foreign Direct Investments, Africa has attracted twice the level of FDI of India. Africa's FDI was diversified across sectors ranging from commodities to M&A transactions. Reforms in power, agribusiness, banking, and communications are setting the stage for strong economic performance.

African Exchange has shown good track record and forward macro indicators are positive. IMF has forecasted high growth for African countries as opposed to developed countries. It is believe that the African market is currently at its development stage and it is set to mature which present investors with early state investment opportunities. Over the past three year some of African indices have shown commendable performance. Trading cost on the exchanges is relatively low.

Disclaimer: Industry data and other statistical information used throughout this Prospectus are based on independent industry publications, government publications, reports by market research firms or other published independent sources. Industry surveys, publications, consultant surveys and forecasts generally state that the information contained therein has

been obtained from sources we believe are reliable. Although we believe such information is accurate and reliable, we have not independently verified any of the data from third-party sources cited or used for our management's industry estimates, nor have we ascertained the underlying economic assumptions relied upon therein. Statements as to our position relative to our competitors or as to market share refer to the most recent data available to us.

10.2 Fund: SBM Emerging Markets Fund

Investment Objective

The SBM Emerging Markets Fund's objective is to achieve long-term capital growth primarily through investment in the securities of issuers having their head office or exercising a predominant part of their activity in areas experiencing rapid economic growth including countries in Latin America, South East Asia, Africa, Eastern Europe (including Russia) and the Middle East. The Fund may invest its net assets in China A and B shares.

The Fund may invest in the securities of investment funds, which provide access to certain Emerging Markets where there are currently restrictions on foreign investment, or where the manager perceives that such investment funds provide other investment opportunities in accordance with the Fund's investment objective and policies.

Subject to the above, the Fund Manager is free to select any company regardless of size or industry. Typically, the Fund will concentrate its investments in a more limited number of companies and therefore the resulting portfolio might be less diversified.

Subject to the provisions outlined in the general investment restrictions, the Fund is allowed to invest more than 5% but not more than 20% of its assets in the units of CIS in aggregate.

Subject to the provisions outlined in the general investment restrictions, the Fund shall not acquire more than 20% of the shares of any single collective investment scheme.

Investment approach

The Manager aims to achieve the investment objective of the Fund through the following approach:

- a) Adopting a top-down investment approach by focusing on the macro fundamental of the economy and then moving down the ladder.
- b) Adopting a bottom-up approach by focusing on companies with high growth potential or with unlocking potential that will increase shareholder's wealth.
- c) Stock selection based on company fundamentals, history, values, prospects and market actions.
- d) Adopting a strategic and tactical asset allocation to meet long term objectives while adjusting for short term fluctuations.
- e) Constituting the core and satellite portfolio.

Investment Allocation

Under normal conditions, the Fund intends to invest its monies on the African Stock markets. The allocation will be within the following ranges:

Emerging Markets Equities:	80% to 98%
Cash and cash equivalents:	2% to 20%

Geographical Allocation

Under normal conditions, the Fund should invest at least 80% in Emerging Markets economies.

Investment Horizon and Investor Profile

The Fund's investment strategy has an investment horizon of 3 to 5 years and is targeted towards investors with high risk profile who are seeking capital growth over the long-term and willing to have an exposure to Emerging Markets equities.

Investment Objective

The SBM European Opportunities Fund's objective is to achieve long-term capital growth by investing primarily in the securities of issuers established in or quoted on stock exchanges of a European Union (EU) member state or a European Economic Area (EEA) member state or who exercise a predominant part of their activity in EU/EEA member states. The Fund may also invest up to 25% of its net assets in non EU/EEA equity markets.

Subject to the above, the Fund Manager is free to select any company regardless of size or industry. Typically, the Fund will concentrate its investments in a more limited number of companies and therefore the resulting portfolio might be less diversified.

Subject to the provisions outlined in the general investment restrictions, the Fund is allowed to invest more than 5% but not more than 20% of its assets in the units of CIS in aggregate.

Subject to the provisions outlined in the general investment restrictions, the Fund shall not acquire more than 20% of the shares of any single collective investment scheme.

Investment Policy - Investment approach

The Manager aims to achieve the investment objective of the Fund through the following approach:

- a) Adopting a top-down investment approach by focusing on the macro fundamental of the economy and then moving down the ladder.
- b) Adopting a bottom-up approach by focusing on companies with high growth potential or with unlocking potential that will increase shareholder's wealth.
- c) Stock selection based on company fundamentals, history, values, prospects and market actions.
- d) Adopting a strategic and tactical asset allocation to meet long term objectives while adjusting for short term fluctuations.
- e) Constituting the core and satellite portfolio.

Subject to the provisions outlined in sections 11.3.5, the Fund is allowed to invest more than 5% of its assets in the units of CIS in aggregate.

Investment Allocation

Under normal conditions, the Fund intends to invest its monies on the EU/EEA equity markets. The allocation will be within the following ranges:

European Equities:	80% to 98%
Cash and cash equivalents:	2% to 20%

Geographical Allocation

Under normal conditions, the Fund should invest at least 80% on the European continent.

Investment Horizon and Investor Profile

The Fund's investment strategy has an investment horizon of 3 to 5 years and is targeted towards investors with high risk profile who are seeking capital growth over the long-term and willing to have an exposure to European equities.

Investment Objective

The SBM High Yield Opportunities Fund's objective is to achieve a high level of current income and capital appreciation by investing primarily in high-yielding sub investment grade securities. The type of debt securities in which the fund will primarily invest will be subject to high risk and will not be required to meet a minimum rating standard. Not all securities will be rated for creditworthiness by an internationally recognized rating agency.

Subject to the above, the Fund Manager is free to select any issuer regardless of size or industry or country. Typically, the Fund will concentrate its investments in a more limited number of issuers and therefore the resulting portfolio might be less diversified.

Subject to the provisions outlined in the general investment restrictions, the Fund is allowed to invest more than 5% but not more than 20% of its assets in the securities of any one particular issuer.

Subject to the provisions outlined in the general investment restrictions, the Fund is allowed to invest more than 5% but not more than 20% of its assets in the units of CIS in aggregate.

Subject to the provisions outlined in the general investment restrictions, the Fund shall not acquire more than 20% of the shares of any single collective investment scheme.

Investment Policy - Investment approach

The Manager aims to achieve the investment objective of the Fund through the following approach:

- a) Adopting a top-down investment approach by focusing on the macro fundamental of the economy and then moving down the ladder.
- b) Adopting a bottom-up approach by focusing on issuers with high growth potential or with unlocking potential that will increase shareholder's wealth.
- c) Issuer selection based on company fundamentals, history, values, prospects and market actions.
- d) Adopting a strategic and tactical asset allocation to meet long term objectives while adjusting for short term fluctuations.

Investment Horizon and Investor Profile

The Fund's investment strategy has an investment horizon of 3 to 5 years and is targeted towards investors with high risk profile who are seeking high income and capital appreciation and who are prepared to accept risks associated with this type of investment.

10.5 Fund: SBM MENA Fund

Investment Objective

The SBM MENA Fund's objective is to achieve long-term capital growth primarily through investment in the securities of issuers with their head office or exercising a predominant part of their activity in less developed countries of Middle East and Northern Africa (MENA).

The Fund may invest in the securities of investment funds, which provide access to certain MENA markets where there are currently restrictions on foreign investment, or where the manager perceives that such investment funds provide other investment opportunities in accordance with the Fund's investment objective and policies.

Subject to the above, the Fund Manager is free to select any company regardless of size or industry. Typically, the Fund will concentrate its investments in a more limited number of companies and therefore the resulting portfolio might be less diversified.

Subject to the provisions outlined in the general investment restrictions, the Fund is allowed to invest more than 5% but not more than 20% of its assets in the securities of any one particular issuer.

Subject to the provisions outlined in the general investment restrictions, the Fund is allowed to invest more than 5% but not more than 20% of its assets in the units of CIS in aggregate.

Subject to the provisions outlined in the general investment restrictions, the Fund shall not acquire more than 20% of the shares of any single collective investment scheme.

Investment Approach

The Manager aims to achieve the investment objective of the Fund through the following approach:

- a) Adopting a top-down investment approach by focusing on the macro fundamental of the economy and then moving down the ladder.
- b) Adopting a bottom-up approach by focusing on companies with high growth potential or with unlocking potential that will increase shareholder's wealth.
- c) Stock selection based on company fundamentals, history, values, prospects and market actions.
- d) Adopting a strategic and tactical asset allocation to meet long term objectives while adjusting for short term fluctuations.
- e) Constituting the core and satellite portfolio.

Investment Allocation

Under normal conditions, the Fund intends to invest its monies on the MENA stock markets. The allocation will be within the following ranges:

MENA Equities:	80% to 98%
Cash and cash equivalents:	2% to 20%

Geographical Allocation

Under normal conditions, the Fund should invest at least 80% of its net assets in MENA economies.

Investment Horizon and Investor Profile

The Fund's investment strategy has an investment horizon of 3 to 5 years and is targeted towards investors with high risk profile who are seeking capital growth over the long-term and willing to have an exposure to MENA equities.

10.6 Fund: SBM Rising Asia Fund

Investment Objective

The SBM Rising Asia Fund's objective is to achieve long-term capital growth primarily through investment in the securities of issuers having their head office or exercising a predominant part of their activity in developed and less developed countries of Asia Pacific (excluding Japan) region. The Fund may invest its net assets directly in China A and B Shares.

The Fund may invest in the securities of investment funds, which provide access to certain Asian markets where there are currently restrictions on foreign investment, or where the manager perceives that such investment funds provide other investment opportunities in accordance with the Fund's investment objective and policies.

Subject to the above, the Fund Manager is free to select any company regardless of size or industry. Typically, the Fund will concentrate its investments in a more limited number of companies and therefore the resulting portfolio might be less diversified.

Subject to the provisions outlined in the general investment restrictions, the Fund is allowed to invest more than 5% but not more than 20% of its assets in the units of CIS in aggregate.

Subject to the provisions outlined in the general investment restrictions, the Fund shall not acquire more than 20% of the shares of any single collective investment scheme.

Investment approach

The Manager aims to achieve the investment objective of the Fund through the following approach:

- a) Adopting a top-down investment approach by focusing on the macro fundamental of the economy and then moving down the ladder.
- b) Adopting a bottom-up approach by focusing on companies with high growth potential or with unlocking potential that will increase shareholder's wealth.
- c) Stock selection based on company fundamentals, history, values, prospects and market actions.
- d) Adopting a strategic and tactical asset allocation to meet long term objectives while adjusting for short term fluctuations.
- e) Constituting the core and satellite portfolio.

Investment Allocation

Under normal conditions, the Fund intends to invest its monies on the African Stock markets. The allocation will be within the following ranges:

Asia Pacific Equities:	80% to 98%
Cash and cash equivalents:	2% to 20%

Geographical Allocation

Under normal conditions, the Fund should invest at least 80% on the Asian continent.

Investment Horizon and Investor Profile

The Fund's investment strategy has an investment horizon of 3 to 5 years and is targeted towards investors with high risk profile who are seeking capital growth over the long-term and willing to have an exposure to developed and less developed Asian equities.

General Investment Restrictions

11. Investment Powers

Under the Constitution, broad power is conferred on the Directors, based on the principle of spreading of risks and subject to the Constitution and Mauritian law, to determine the corporate and investment policy for the Company and for the investment of each Fund and the investment restrictions which shall apply from time to time.

11.1 Allowable Investments

The Company or any Fund thereof may invest in:

- (1) Transferable Securities admitted to or dealt in on an Eligible Market;
- (2) units/shares of other collective investment schemes subject to the requirements of the Securities Laws of Mauritius.

11.2 Restrictions

11.2.1 Any Fund thereof will not:

- (a) purchase a security, other than a debt security issued by the Government of Mauritius or the government of any other country, if, immediately after the purchase, the Fund would hold more than 5% of its net assets, taken at market value at the time of purchase, would be invested in securities of that issuer;
- (b) purchase a security of an issuer where, immediately after the purchase, the Fund would hold more than 10% of a class of securities of that issuer;
- (c) purchase real estate;
- (d) purchase a mortgage;
- (e) purchase a security for the purpose of exercising control or management of the issuer of the security;
- (f) purchase an illiquid asset if, immediately after the purchase more than 10% of the net assets of the Company or relevant fund or relevant class of Shares, taken at market value at the time of the purchase, would consist of illiquid assets;
- (g) except within the limits established by the Financial Services Commission, purchase or sell derivatives;
- (h) purchase or sell a physical commodity, including precious metals;
- (i) subscribe to securities offered by a company under formation;
- (j) engage in the business of underwriting or marketing securities of any other issuer;
- (k) subject to CIS Regulations (as defined above), lend money, securities or other assets;
- (l) guarantee securities or obligations of another person;
- (m) purchase or sell securities other than through market facilities where these securities are normally bought and sold unless the transaction price approximates the prevailing market price or is negotiated on an arm's length basis.

11.2.2 For the purpose of this section, a CIS shall not be deemed to be an issuer. Each Fund may exceed some of the limits above provided that prior exemption is obtained from the Financial Services Commission and proper disclosures made in the respective investment objectives of the relevant Fund.

11.3 Investment In Other Collective Investment Schemes (CIS)

- 11.3.1 The Company may acquire units/shares of CIS, provided that no more than 5% of a Fund's net assets be invested in the units of CIS in aggregate, unless otherwise specifically permitted for a specific Fund in its investment objective.
- 11.3.2 The Company may acquire no more than 10% of the units of the same CIS. This limit may be disregarded at the time of acquisition if at that time the net amount of the units in issue cannot be calculated. In case of a CIS with multiple compartments, this restriction is applicable by reference to all units issued by the CIS concerned, all compartments combined.
- 11.3.3 When the Company invests in the units of CIS that are managed, directly or by delegation, by the Manager or by any other company with which the Manager is linked by common management or control, or by a substantial direct or indirect holding, no subscription or redemption fees may be charged to the Company on account of its investment in the units of such other CIS.
- 11.3.4 If the investment limit percentages set out above are exceeded as a result of events or actions after investment that are beyond the control of the Company or by reason of the exercise of subscription rights attaching to securities held by it, the Company shall give priority, consistent with the best interests of Shareholders, upon sale of securities to disposing of these securities to the extent that they exceed such percentages; provided, however, that in any case where the foregoing percentages are lower than relevant percentages imposed by Mauritian Law, the Company need not give priority to disposing of such securities until the law's higher limits have been exceeded, and then only to the extent of such excess.
- 11.3.5 Each Fund may exceed some of the limits above provided that prior exemption is obtained from the Financial Services Commission and proper disclosures made in the respective investment objectives of the relevant Fund.
- 11.3.6 When specifically permitted for a Fund, this Fund may acquire CIS provided that no more than 20% of its assets are invested in the units of a single CIS. For the purpose of the application of this investment limit, each compartment of a CIS with multiple compartments is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various compartments vis-à-vis third parties is ensured.
- 11.3.7 When specifically permitted for a Fund, this Fund may acquire CIS provided that it does not acquire more than 20% of the units of the same CIS. This limit may be disregarded at the time of acquisition if at that time the net amount of the units in issue cannot be calculated. In case of a CIS with multiple compartments, this restriction is applicable by reference to all units issued by the CIS concerned, all compartments combined.

11.4 Transactions With The Fund Manager And Any Of Its Connected Persons

The Company or any fund thereof will not purchase a security from, or sell a security to, one of the following persons:

- a. the CIS Manager or the Custodian;
- b. an officer of the CIS Manager or the Custodian;
- c. an affiliate of a person referred to above, unless the purchase from or sale to the affiliate is carried out at arm's length.

The Manager and any of its Connected Persons may effect transactions by or through the agency of another person with whom the Manager and any of its Connected Persons have an arrangement under which that party will from time to time provide to or procure for the Manager and any of its Connected Persons goods, services or other benefits (such as research and advisory services), the nature of which is such that their provision can reasonably be expected to benefit the Company as a whole and may contribute to an improvement in the Company's performance and that of the Manager or any of its Connected Persons in providing services to the Company and for which no direct payment is made but instead the Manager and any of its Connected Persons undertake to place business with that party. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payments.

The Manager and any Connected Person shall not retain the benefit of any cash commission rebate (being cash commission repayment made by a broker or dealer to the Manager and/or any Connected Person) paid or payable from any such broker or dealer in respect of any business placed with such broker or dealer by the Manager or any Connected Person for or on behalf of the Company. Any such cash commission rebate received from any such broker or dealer shall be held by the Manager and any Connected Person for the account of the Company. Brokerage rates will not be excessive of customary brokerage rates. All transactions will be done with best execution.

12. Base Currency

Participating Shares may be issued in USD, EUR or in such other currencies as may be determined by the Board. The base currency will vary for each Fund and their respective Share classes. A detailed list of all Share classes with details on their base currency can be found in Appendix I.

Conditions of Operations

13. Share Capital and Rights attached to the Participating Shares

13.1 Issue of Shares

The share capital of the Company shall consist of Management Shares and of Participating Shares, having the rights set out hereinafter. The board of Directors of the Company may issue such shares in such number and to such persons it may determine from time to time in accordance with the Constitution of the Company.

13.2 Management Shares

Management Shares shall be of no par value and shall be non-redeemable shares. The Management Shares shall not be class shares and all proceeds of issue of Management Shares shall be kept separately from the class portfolio of each Fund. Management Shares shall be issued to the Manager and shall confer on the holder thereof the right to receive notice of and to attend meetings of shareholder, and shall be entitled to cast one vote for each Management Share so held with respect to all matters subject to the approval of shareholders under the Act.

13.3 Participating Shares

The Participating Shares shall be no par value shares and shall be issued in USD or in EUR or in such other currencies as may be determined by the Board. The Participating Shares shall be issued at the Issue Price and shall confer upon the Investors in such Participating Shares the rights set out in section 13.3 of this Prospectus and the rights of Participating Shares shall otherwise be in accordance with the provisions of the Constitution. The holders of Participating Shares shall have the option to request the Company to (and the Company shall, subject to this Prospectus or the Constitution, be obliged to) redeem the Participating Shares at the Redemption Price in accordance with this Prospectus and the Constitution.

The holders of Participating Shares shall not have day to day control over the management of the assets or property of the Company.

13.4 Rights attached to the Participating Shares

A Participating Share in one Fund has equal rights and privileges. Each Participating Share in a Fund shall confer on the holder thereof the right to:

- (i) receive notices, reports and accounts and to attend general meetings of the Company, the respective Fund in which the shareholder holds share or a class meeting of the shares being held within the Fund by such holder;
- (ii) a full vote on a proposal to wind up the Company, the respective Fund in which the shareholder holds shares or a class meeting of the shares being held by within the Fund by such holder;
- (iii) receive the Redemption Price upon the redemption of a Participating Share;
- (iv) receive equally dividends or any other distributions as may be declared from time to time by the Fund on that class of shares in accordance with the Constitution and the Act;

- (v) participate equally any distributions in the event of the termination of that share class or the liquidation of the Fund, in the liquidation proceeds in accordance with the Constitution and the Act.

Except as provided above, the holders of Participating Shares shall not have the right to vote at meetings of shareholders of the Company.

13.5 Classes of Shares

The Board may decide at any time to create within each Fund different classes of shares whose assets will be commonly invested pursuant to the specific investment policy of the relevant Fund, but a specific fee structure, or other specific features may apply according to the characteristics of each class of share as listed below.

A detailed list of share classes available as of date can be found in Appendix I. Such list may be updated from time to time and may be obtained, free of charge and upon request, from the registered office of the Company or from the Fund Manager.

Class A Shares

Class A Shares may be offered to retail investors and may be offered into series of shares in order to accommodate for specific features and characteristics of the terms of issue of such shares, such as differing dividend policies or base currencies inter alia.

The following Class A Shares are currently being offered:

Class	Base Currency	Minimum Investment	Subsequent Investment	Entry Fee	Exit Fee	Management Fee
A-ACC-USD	USD	USD 500	USD 200	Up to 3.00%	Up to 1%	Up to 2.50%
A-DIST-USD	USD	USD 500	USD 200	Up to 3.00%	Up to 1%	Up to 2.50%
A-ACC-EUR	EUR	EUR 500	EUR 200	Up to 3.00%	Up to 1%	Up to 2.50%

The annual management fee rate per Class A Shares, as currently applied, is disclosed in Appendix I, “List of Share Classes” of the Prospectus.

Class I Shares

Class I Shares may only be acquired by Institutional Investors who meet the requirements established from time to time by the Fund Manager. The Class I Shares is designed principally for investment of assets of Institutional Investors such as pension funds, charities and local government bodies. Class I Shares may be offered into series of shares in order to accommodate for specific features and characteristics of the terms of issue of such shares, such as differing dividend policies or base currencies inter alia.

The Board may, in its absolute discretion, delay the acceptance of any subscription/purchase for Class I Shares until such date as it has received sufficient evidence of the qualification of the investor as an Institutional Investor. If it appears at any time that a holder of class I Shares is not an Institutional Investor, the Board will instead invest the Investor’s monies in Class A Shares in the relevant Fund and notify the relevant Investor of such decision.

The following Class I Shares are currently being offered:

Class	Base Currency	Minimum Investment	Subsequent Investment	Entry Fee	Exit Fee	Management Fee
I-ACC-USD	USD	USD 300,000	USD 50,000	Up to 1.00%	Up to 1%	Up to 1.50%
I-DIST-USD	USD	USD 300,000	USD 50,000	Up to 1.00%	Up to 1%	Up to 1.50%

The annual management fee rate per Class I Shares, as currently applied, is disclosed in Appendix I, “List of Share Classes” of the Prospectus.

14. Calculation of Net Asset Value

- (a) The net asset value of each class of shares within a Fund (the “**Net Asset Value**” or “**NAV**”) will be computed on a daily basis by the Fund Administrator in accordance with the provisions of this Prospectus set out herein. Any such day where the NAV is computed is deemed to be a Valuation Day. The calculation will take into account the proportion of the net assets within the Fund that is attributable to each class of shares within the same Fund. Each such amount will be divided by the number of shares of the relevant class then in issue as at the close of business to the extent feasible. The Fund Manager will make NAV available on its website.
- (b) The Net Asset Value shall be determined on every Valuation Day and, in any case, not less than once every week. The Net Asset Value shall be based on the gross asset value as defined hereunder (the “**Gross Asset Value**”) less gross liabilities as defined hereunder (the “**Gross Liabilities**”) less expenses which would consist of charges or claims of any and every kind and nature, fixed, accrued, unmatured or contingent, including without limitation, the estimated accrued expenses of the Manager, the Fund Administrator and the Custodian and any provisions or charges for any or all of the foregoing, whether for taxes, expenses, contingencies or otherwise that are applicable to each Fund and subsequent Share class.
- (c) The assets of each class of shares within the Fund shall be deemed to include:
- i. all cash in hand, on loan or on deposit, or on call including any interest accrued thereon;
 - ii. all bills, demand notes, promissory notes and accounts receivable;
 - iii. all time notes, shares, stocks, debentures, debenture stock, subscription rights, warrants, options and other investments and securities owned or contracted for by the Fund other than rights and securities issued by it;
 - iv. all stock and cash dividends and cash distributions to be received by the Fund and not yet received by it but declared payable to stockholders of record on a date on or before the day as of which the Net Asset Value is being determined;
 - v. all interest accrued on any interest-bearing securities owned by the Fund except to the extent that the same is included or reflected in the principal value of such security;
 - vi. all other Investments;
 - vii. all expenses relating to the Fund in so far as the same have not been written off, except for management and performance fees; and
 - viii. all other assets of every kind and nature including prepaid expenses as valued and defined from time to time by the board of Directors of the Fund.
- (d) The Gross Asset Value of each class of shares within the Fund shall be valued as follows:

- i. securities traded on a stock exchange or other regulated market are to be valued generally at the latest closing price quoted on the relevant exchange or market on or before the day preceding the relevant Valuation Day;
 - ii. unlisted equity securities will be valued initially at cost and thereafter with any reduction or increase in value (as the case may be) as the board of Directors of the Company shall in its absolute discretion deem appropriate in the light of the circumstances;
 - iii. unlisted securities (other than equities) for which there is an ascertainable market value are to be valued generally at the last known price dealt on the market on which the securities are traded on or before the day preceding the relevant Valuation Day;
 - iv. unlisted securities (other than equities) for which there is no ascertainable market value will be valued at cost plus interest (if any) accrued from purchase to (but excluding) the relevant Valuation Day plus or minus the premium or discount (if any) from par value written off over the life of the security;
 - v. any value otherwise than the base currency of the share class shall be converted into the base currency of the Share class at the market rate;
 - vi. the value of any cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest accrued and not yet received shall be deemed to be the full amount thereof, unless it is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such deduction or discount as the Board may consider appropriate to reflect the true value thereof;
 - vii. the value of preference shares or other security in any preference share trust, mutual fund, investment corporation, or other similar investment vehicle or collective investment scheme shall be derived from the last prices published by the managers thereof on or before the day preceding the relevant Valuation Day;
 - viii. Notwithstanding the foregoing, the board of Directors of the Company may, in its absolute discretion, permit some other method of valuation to be used if they consider that such valuation better reflects the fair value, and for the purpose of valuing the Company's assets as aforesaid the board of Directors of the Company may rely upon the opinions of any persons who appear to them to be competent to value assets of the Company by reason of any appropriate professional qualification or of experience of any relevant market.
- (e) Notwithstanding the foregoing, where at the time of any valuation any asset of the Company has been realised or contracted to be realised there shall be included in the assets of the Company in place of such asset the net amount receivable by the Company in respect hereof PROVIDED THAT if such amount receivable is not payable until some future time after the time of any valuation the Board may make such allowance as it considers appropriate.
- (f) The gross liabilities of each class of shares within the Fund and subsequent share class shall be deemed to include all its liabilities and such provisions and allowances for contingencies (including tax) payable by the Fund and subsequent share class but not liabilities represented by Participating Shares in the Fund and subsequent share class. In determining the amount of such liabilities, the Board of the Company may calculate any liabilities of a regular or recurring nature on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any such period.

- (g) The Net Asset Value per Participating Share shall be calculated by dividing the Net Asset Value of the class of shares within the Fund by the number of Participating Shares of the relevant class then in issue as at the close of business to the extent feasible.
- (h) Any calculations made pursuant to this Prospectus shall be made by or on behalf of the Board and shall (except in the case of manifest error) be binding on all persons.

15. Fees and Charges

15.1 The following are the fees and charges payable in relation to the Funds in addition to the specific fee structure applicable to each share class of the relevant Fund as detailed in this Prospectus and Appendix I:

- (1) Entry fee, exit fee and management fee as detailed in Appendix I.
- (2) Fund administration and registrar fees as a % of NAV: Currently 0.25% p.a., Maximum 0.50% p.a.
- (3) Global custodian's fee as a % of NAV: Currently 0.10% p.a., Minimum of USD 150 per month.

The above fees will be paid out of the assets of the Company.

15.2 The Entry Fee and the Exit Fee (if any) will be retained by the Fund Manager for its own benefit. Any rounding adjustments arising from calculating the price of Participating Shares will be credited to the Company. Any commission, remuneration or other sum payable to agents in respect of the issue or sale of any Participating Shares will not be added to the price of such Participating Shares but will be paid by the Fund Manager.

15.3 The Fund Manager may at any time differentiate between investors as to the amount of the Entry Fee and the Exit Fee payable or allow discounts on such basis or on such scale as the Fund Manager may deem fit.

15.4 The Fund Manager may charge for any additional expenses incurred where investors are resident outside Mauritius and to deduct such additional amounts from the subscription monies paid by such investors or the realization proceeds due to them, as the case may be.

15.5 The following operating expenses, fees and charges will be charged to the Company and will be payable from the assets of the Company:

- (a) Usual banking and brokerage fees due on transactions involving portfolio securities of the Company (the latter to be included in the acquisition price and to be deducted from selling price) and other expenses incurred in acquiring and disposing of investments of the Company;
- (b) Interest on borrowings permitted under the Company and charges incurred in effecting or varying the terms of such borrowings;
- (c) Taxation and duties payable in respect of the assets of the Company, the constitutive documents of the Company and the creation and sale of Shares;
- (d) Any costs incurred in modifying the constitutive documents of the Company;
- (e) Any costs incurred in the preparation, publication and postage of the Company's prospectus and other disclosure documents;
- (f) Any costs of respect of the meetings of the Shareholders;

- (g) The fees and expenses of the Auditor of the Company;
- (h) The costs incurred in respect of the distribution of income to Shareholders;
- (i) Costs reasonably incurred in respect of the publication of prices of the Shares and in respect of the preparation, publication and distribution of the Company's prospectus, annual reports and interim reports and accounts and other such other reports or documents as may be desirable or required under the applicable laws or regulations of the above cited authorities;
- (j) Any other costs, incidental to its operations that would protect and safeguard the interests of Shareholders, including but not limited to licensing fees, license fees and bank charges

15.6 General information on Charges and Expenses

Costs, charges and expenses which may be attributed to a Fund will be borne by that Fund; otherwise they will be allocated pro rate to the Net Asset Value of all, or all appropriate, Funds and/or the classes of shares within the Fund on such basis as the Board considers reasonable.

In so far as a Fund invests in other funds which are administered directly or by delegation by the Fund Manager or another company to which the Fund Manager is linked by common management or control or by a substantial direct or indirect holding or which is managed by a company in the SBM Holding Group, the Fund may not be charged a subscription fee or a redemption fee or a management or professional fee unless otherwise indicated for each Fund in this Prospectus.

Except as described in the Prospectus, no commissions, discounts, brokerage or other special terms have been granted by the Company or the Fund Manager in relation to Shares issued or to be issued by the Company; on any issue or sale of Shares a Distributor may, out of its own pocket or out of the sales charges, if any, pay commissions or other fees and charges on applications received through brokers and other professional agents or grant discounts.

The above fees may be permanently or temporarily waived or borne by the Manager.

16. Trading Cycle

Participating Shares in the Company may be purchased or redeemed on every Dealing Day at the Issue Price and Redemption Price respectively as defined in this Prospectus.

17. Single Price

There is a single price for buying and selling Shares which represents the Net Asset Value of the relevant Share. If applicable, an entry fee is added in the case of purchases. If applicable, an exit fee is deducted in the case of redemptions.

18. Subscription and Issue of Shares

18.1 Application for Shares

Investors may apply for Participating Shares by completing an application form obtainable from the Fund Manager or their authorized distributors and submitting the completed application form to the Fund Manager at their address stated in this Prospectus or through the Distributor. The instructions must contain

full details of the name of the Fund, class of Shares, settlement currency and value of Participating Shares to be bought.

The application will only be executed once the subscription monies received and cleared in full. Investors may pay for Participating Shares by cheque, cashier's order and bank draft or bank transfers.

The application for Participating Shares must be accompanied by such documents as may be required by the Fund Manager set out in the notes to the application form.

The Fund Manager may delay the processing of the applications until receipt of all the documents it may request to comply with applicable laws and regulations.

18.2 The Minimum Initial Investment Sum and Minimum Subsequent Investment Sum

The minimum initial investment of each relevant class is disclosed in section 13 and Appendix I.

18.3 Dealing Deadline and Basis for Pricing

The dealing deadline is 4.00 p.m. Mauritian time on the business day, one (1) business days prior to the Dealing Day. In case that application is received within the prescribed deadline, that Dealing Day will be deemed to be the effective Dealing Day. If application is received after the prescribed deadline, the next Dealing Day will be deemed to be the effective Dealing Day. The subscription will be made on the issue price effective on the effective Dealing Day.

18.4 Issue of Participating Shares to an Investor

The number of Participating Shares issued to an Investor will be calculated once the Issue Price has been ascertained. The Issue Price comprises of the Net Asset Value of the relevant class of Shares within the Fund calculated on a Valuation Day plus applicable Entry Fee.

Details of the most recent Net Asset Value of Shares in each class may be obtained from the Fund Manager or Distributor.

The Manager may from time to time give a discount or discounts on the Issue Price payable by an Investor by varying the amount of the Entry Fee. The Manager reserves the right to differentiate between Investors as to the quantum of discount or discounts given to them provided that no such discount shall exceed the Entry Fee.

18.5 Confirmation of Purchase and Contract Notes

A contract note will be sent to investors within 7 Business Days of the allocation of Shares.

18.6 Minimum Company Size

- (i) According to their initial business plan, the promoters of the aggregate value of the Participating Shares of a given Fund to reach a size of USD 2 million within one year of its launch. The Company must receive a minimum amount of subscriptions of at least 25% of that target amount so as to begin its operations.

- (ii) If the minimum amount of subscriptions as indicated above is not reached during the first six months of the offering period, the funds shall be returned to investors together with any interest earned thereon, unless the relevant fund is able to justify a request for extension with the Financial Services Commission and that the latter agrees to such extension. For that purpose, the subscription funds will be kept in the subscription account during the offering period and the money will be returned to the investors by cheque payment or any other account they have specified for repayment of capital.
- (iii) If on any date the Net Asset Value of the relevant class of Shares is less than USD 2 million, the board of Directors of the Company may terminate the relevant class of Shares by giving at least 4 weeks' written notice to the Shareholders of the relevant class of Shares.

18.7 Discretion of the Board of Directors

The board of Directors of the Company shall have the exclusive right to effect the creation and issue of shares of the Company as provided in this Prospectus and the acceptance and non-acceptance of applications for shares shall be at the absolute discretion of the board of Directors of the Company acting in consultation with the Manager and in the best interest of the Company. If any application is rejected by the board of Directors of the Company, the subscription monies will be refunded (without interest) to the applicant within a reasonable period of time and in such manner as the Manager in their absolute discretion may determine.

18.8 Anti-Money Laundering and Counter-Terrorist Financing Legislation

Pursuant to local Laws and Regulations, obligations have been imposed on the Company to take measures to prevent the use of investment funds for money laundering and terrorist financing purposes. Within this context a procedure for the identification of investors and where relevant any beneficial owners has been established by the Fund Manager and/or the Distributor who shall be responsible to carry out customer due diligence and anti-money laundering checks on investors. That is, the application form of an investor must be accompanied by such identification documents as determined by the Fund Manager and/or Distributor from time to time. Investors may also be requested to provide additional or updated identification documents from time to time pursuant to ongoing client due diligence requirements under relevant laws and regulations. Such information may include source of wealth and profession. Failure to provide documentation may result in delay in investment or the withholding of sale proceeds.

The identification documents of investors in the Company shall be kept at the registered office of the Fund Manager.

If you have any questions regarding the identification documentation required, you should contact the Fund Manager or the Distributor.

19. Redemption of Participating Shares

19.1 Redemption Procedure

Subject to the minimum holding requirement set forth in section 19.3 hereof, any holder of Participating Shares may in writing request the Company to (and the Company shall, subject to this Prospectus or the Constitution, be obliged to) redeem all or any of the Participating Shares which he/she/it holds by completing

and submitting to the Fund Manager or Distributor a redemption notice form (the “**Redemption Notice**”) to that effect.

The instructions must contain full details of the name of the Fund, class of share, settlement currency, the number or value of Shares to be sold and bank details. Normally, the Company or Fund Manager do not accept instructions, or make payment to, persons other than the registered Shareholder or any of the joint Shareholders.

With a view to protecting the interest of Investors, the Company or the Manager may, in certain instances stipulated in the Constitution, limit the total number of Participating Shares which Investors may redeem on any Dealing Day to five (5) per cent of the total number of Participating Shares then in issue. If so, requests for redemption of Participating Shares on such Dealing Day will be reduced ratably and be treated as if made in respect of each subsequent Dealing Day until all Participating Shares to which the original request related have been redeemed.

19.2 Effective Dealing Day and Redemption Notice

The redemption of Participating Shares shall be made in accordance with such procedures as the Board may determine PROVIDED that the Company shall not in any event be required to redeem any Participating Shares on any Dealing Day unless the Redemption Notice has been received by the Company or its duly authorised agent before 4.00 pm two(2) Business Day prior the Dealing Day or by such time and day as the Board shall specify PROVIDED ALWAYS that the Company shall not give effect to a Redemption Notice where the redemption of Participating Shares has been suspended in accordance with section 23 of this Prospectus or with the Constitution.

19.3 Minimum Holding

For all classes of Shares the minimum value of a holding at any time must amount to the gross minimum initial investment applicable to the particular class of Shares if that Fund as detailed in section 18.2 above. If the holding of a Shareholder in a class of Shares is below the minimum initial investment amount, the Board may proceed to a compulsory redemption of all his Shares.

19.4 Basis for Pricing

As Participating Shares are priced on a forward pricing basis, the Redemption Price of Participating Shares will not be available at the time of submission of the Redemption Notice. The Redemption Price on the relevant Dealing Day shall apply.

19.5 Redemption Proceeds

Redemption proceeds (the “**Redemption Proceeds**”) will be calculated to be the product of the number of Participating Shares redeemed and the Redemption Price.

The Redemption Price comprises of the Net Asset Value of the relevant class calculated on a Valuation Day minus applicable Exit Fee.

19.6 Payment of Redemption Proceeds

(a) The Manager shall within 10 Business Days of the relevant Dealing Day on which the request for redemption has been effected pay to Investors the Redemption Proceeds. If in exceptional circumstances it is

not possible to make the payment within the relevant period, then such payment shall be made as soon as reasonably practicable thereafter but without interest. In addition, different settlement periods may apply if settlement is made via local correspondent banks, paying agents or other agents. Settlement amounts may be subject to bank charges levied by the Shareholder's own (or a correspondent) bank. Payment will be made in the base currency of the relevant Share class.

(b) Redemption Proceeds will be paid by telegraphic transfer to a nominated bank account, or by crossed cheque sent by ordinary post.

(c) If an Investor is resident outside Mauritius, the Manager may deduct an amount equal to the excess of the expenses actually incurred over the amount of expenses which would have been incurred if the Investor had been resident in Mauritius.

20. Transfer of Shares

All transfer of Shares of the Company shall be effected in accordance with the provisions of the Constitution. According to these provisions, no shares may be transferred without the prior written consent of the Board of the Company. The transfer form should be sent to the Company or Fund Manager and should contain all necessary information concerning the transferor and transferee. The transferee should abide by the rules and conditions of subscription in the Company and any other conditions as the Company may impose.

21. Pledging of Shares

No shares may be pledged without the prior written consent of the Board of the Company.

22. Obtaining Prices of Participating Shares

The Net Asset Value of a Participating Share, the Issue Price and the Redemption Price will be published within five (5) business days after each Valuation Day on the website of the Fund Manager and will also be obtainable from the Fund Manager upon request.

23. Temporary Suspension of Valuation/Dealings

23.1 The Fund Manager may at any time, suspend the calculation of the Net Asset Value, the issue of a class of Shares within the Fund, or the right of Investors to require the redemption of such Shares:

(i) during any period when any market in which a material proportion of the investments for the time being constituting the Fund and/or the class of Shares are listed or dealt in is closed otherwise than for ordinary holidays;

(ii) during any period when dealings on any such market are restricted or suspended;

(iii) during any period when, in the opinion of the Fund Manager, there exists any state of affairs as a result of which withdrawal of deposits held for the account of the Fund and/or the respective class of Shares within the Fund or the disposal of any material proportion of the Investments for the time being held for the account of the Fund and/or the respective class of Shares within the Fund cannot be effected normally or without seriously prejudicing the interests of Investors as a whole;

(iv) during any period where there is, in the opinion of the Fund Manager, any breakdown in the means of communication normally employed in determining the value of any of the Investments or the amount of any cash for the time being held for the account of the Fund and/or the respective class of Shares within the Fund, or the amount of any liability of the Global Custodian for the account of the Fund and/or the respective class of Shares within the Fund or when for any other reason the value of any such Investment or the amount of any such cash or liability cannot be promptly and accurately ascertained;

(v) during any period when, in the opinion of the Fund Manager, the transfer of funds which will or may be involved in the redemption of any material proportion of the Investments for the time being held for the account of the Fund and/or the respective class of Shares within the Fund cannot be effected promptly at normal rates of exchange;

(vi) when for any other reason the prices of any investments owned by the Company relating to that Fund and/or the respective class of Shares within the Fund cannot be promptly or accurately be ascertained;

(vii) during any period when in the opinion of the Board of the Fund Manager unusual circumstances exist where it would be impractical or unfair towards the Shareholders to continue dealing in the Shares of the Company or of any Fund, or circumstances where a failure to do so might result in the Shareholders of the Company or a Fund incurring any liability to taxation or suffering other pecuniary disadvantage or other detriment which the Shareholders of the Company or a Fund might not otherwise have suffered, or any other circumstances;

(viii) for 48 hours (or such longer period as the Fund Manager may agree) prior to the date of any annual or special meeting of Investors, as shareholders of the Fund or Share class, (or any adjourned meeting thereof) convened in accordance with the Constitution; or

(ix) for any period pursuant to an order or direction by the FSC.

For the purposes of this paragraph, "material proportion" means such proportion of the Investments which when sold would in the opinion of the Fund Manager cause the Net Asset Value to be significantly reduced.

Suspension of determination of the Net Asset Value of Shares of one Fund and/or the respective class of Shares within the Fund will not imply suspension in respect of other Funds and/or the respective class of Shares within the other Funds unaffected by the relevant events.

Shareholders who have requested redemption of their Shares or who have made an application to subscribe for Shares will be notified in writing of any such suspension of the right to subscribe, to convert or to require redemption of Shares and will be promptly notified upon termination of such suspension.

Furthermore, if on any Valuation Day redemption requests relate to more than 5% of the Shares in issue in respect of a class of Shares within a Fund, the Directors may declare that part of or all of such Shares for redemption will be deferred on a pro rata basis for a period that the Directors consider to be in the best interests of the Company. Such period would not normally exceed 20 Valuation Days. On such Valuation Days, these redemption requests will be met in priority to later requests.

23.2 Any payment for any Participating Shares redeemed before the commencement of any suspension but for which payment has not been made before its commencement may, if the Fund Manager agrees, be deferred until immediately after the end of the suspension. A suspension will take effect immediately upon the declaration in writing to the Fund Administrator by the Fund Manager and shall terminate on the first

Business Day following the day on which the Fund Manager have by a declaration in writing confirmed that the condition giving rise to the suspension has ceased to exist.

24. Eligible Investors and Restriction on Ownership

Although Shares are freely transferable, the Constitution reserves to the Company the right to prevent or restrict the beneficial ownership of Shares by any person who is not an Eligible Investor.

'Eligible Investor' means:

-any person, firm or corporate body whose holding of Shares might not cause (i) prejudice to the Company, a Fund, a class or a majority of Shareholders thereof, or (ii) breach of any law or regulation, whether Mauritian or foreign, or (iii) the Company or its Shareholders to be exposed to adverse regulatory, tax or fiscal consequences (including any tax liabilities that might derive, inter alia, from any requirements imposed by FATCA;

-any person who is not a US Person and whose subscription or other acquisition of Shares (whether from the Company or from any other person) is not made:

a. while such person is physically present in the United States of America; or

b. in connection with any solicitation to such person to subscribe while such person was physically present in the United States of America.

For such purposes, the Company may:

1. decline to issue any Shares and decline to register any transfer of a Share, where it appears to it that such registration or transfer would or might result in legal or beneficial ownership of such Shares by a person who is not an Eligible Investor or by a person who following such registration or transfer would not qualify as Eligible Investor; and

2. at any time require any person whose name is entered in, or any person seeking to register the transfer of Shares on the register of Shareholders of the Company to furnish it with any information, supported by affidavit, which it may consider necessary for the purpose of determining whether or not beneficial ownership of such Shares rests in an Eligible Investor or whether such registration will result in beneficial ownership of such Shares by a person who is not an Eligible Investor; and

3. decline to accept the vote of any person who is not an Eligible Investor and where such person is a three percent owner (as defined below), as to his shareholding in excess of three percent, at any meeting of Shareholders; and

4. where it appears to the Company that any person who is not an Eligible Investor either alone or in conjunction with any other person is a beneficial owner of Shares, or of a defined proportion of the Shares outstanding, compulsorily redeem or cause to be redeemed from any such Shareholder all Shares held by such Shareholder or such Shares that exceed such defined proportion held by such Shareholder, and where the Shareholder is a three percent owner, compulsorily redeem or cause to be redeemed from such Shareholder all Shares held by such Shareholder in excess of this threshold, under the conditions and as further described in the Constitution.

As used in the Prospectus, but subject to such changes as may be communicated to applicants for or transferees of Shares, 'three percent owner' means any person, firm or corporate body which as a legal or beneficial holder owns more than three percent of the number of Shares in the Company from time to time in issue.

As used in the Prospectus, but subject to US applicable law and to such changes as may be communicated to applicants for or transferees of Shares, 'US Person' means:

- a. a citizen or resident of the United States of America;
- b. a partnership, corporation, limited liability company or similar entity, organised or incorporated under the laws of the United States of America, or an entity taxed as such or subject to filing a tax return as such under the United States federal income tax laws;
- c. any estate or trust the executor, administrator or trustee of which is a US Person unless, in the case of trusts of which any professional fiduciary acting as trustee is a US Person, a trustee who is not a US Person has sole or shared investment discretion with respect to trust assets and no beneficiary of the trust (and no settlor if the trust is revocable) is a US Person;
- d. any estate or trust the income of which from sources without the United States of America is includible in gross income for purposes of computing United States income tax payable by it;
- e. any agency or branch of a foreign entity located in the United States of America;
- f. any discretionary or non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary located within or outside the United States of America for the benefit or account of a US Person;
- g. any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the United States of America, except that any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-US Person by a dealer or other professional fiduciary organised, incorporated or (if an individual) resident in the United States of America shall not be deemed a US Person;
- h. any firm, corporation or other entity, regardless of citizenship, domicile, situs or residence if, under the income tax laws of the United States of America from time to time in effect, any portion of the income thereof would be taxable to a US Person even if not distributed, other than a passive foreign investment company;
- i. any partnership, corporation or other entity if (A) organised or incorporated under the laws of any foreign jurisdiction and (B) owned or formed by a US Person or Persons principally for the purpose of investing in securities not registered under the US Securities Act of 1933 (including but not limited to Shares of the Company);
- j. any employee benefit plan unless such employee benefit plan is established and administered in accordance with the law of a country other than the United States of America and customary practices and documentation of such country and is maintained primarily for the benefit of persons substantially all of whom are non-resident aliens with respect to the United States of America; and

k. any other person or entity whose ownership of Shares or solicitation for ownership of Shares in SBM International Funds Ltd, acting through their officers or directors, shall determine may violate any securities law of the United States of America or any state or other jurisdiction thereof.

(Except that US Person shall not include any person or entity, notwithstanding the fact that such person or entity may come within any of the categories referred to above, as to whom FIL Distributors International Limited or the Company, acting through their officers or directors, shall determine that ownership of Shares or solicitation for ownership of Shares shall not violate any securities law of the United States of America or any state or other jurisdiction thereof).

As used herein, United States of America includes its states, commonwealths, territories, possessions and the District of Columbia.

25. Liquidation of SBM International Funds, Funds and Classes of Shares

In the event that if a change in the economic or political situation relating to the Company or the class of Shares concerned or if the interests of the Shareholders would justify it, the Board may decide to liquidate the Fund and/or class of Shares concerned. The decision of the liquidation will be published or notified to the Shareholders by the Company prior to the effective date of the liquidation and the publication or notification will indicate the reasons and the procedures for the liquidation. Unless the Board otherwise decides in the interests of, or to keep equal treatment between, the Shareholders, the Shareholders of the Company or the class of Shares concerned may continue to request redemption or conversion of their shares.

In all other circumstances or where the Board determines that the decision should be put to Shareholders for approval, the decision to liquidate a Company or a class of Shares may be taken at a meeting of Shareholders of the Fund or class of Shares to be liquidated. At such meeting, the voting process will take place as per the provisions of shareholder's meeting under the Constitution. The decision of the meeting will be notified and/or published by the Company in accordance with applicable laws and regulations.

Any merger of a Fund shall be decided upon by the Board, subject to the approval of the FSC unless the Board decides to submit the decision for a merger to a meeting of Shareholders of the Fund concerned. At such meeting, the voting process will take place as per the provisions of shareholders' meeting set out in the Constitution.

In case of a merger of one or more Funds where as a result, the Company ceases to exist, the merger shall be decided by a meeting of Shareholders. At such meeting, the voting process will take place as per the provisions of the Constitution.

The Board may also, under the circumstances provided in the first paragraph of this section, decide upon the reorganisation of any Fund by means of a division into two or more separate Funds subject to the approval of the FSC. To the extent required by Mauritian law, such decision will be published or notified, if appropriate, in the same manner as described in the first paragraph of this section and, in addition, the publication or notification will contain information in relation to the Funds resulting from the reorganization. The preceding paragraph also applies to a division of Shares of any class of Shares.

In the circumstances provided for in the first paragraph of this section, the Board may also, subject to regulatory approval, decide to consolidate or split any classes of Shares within a Fund. To the extent required by Mauritian law, such decision will be published or notified in the same manner as described in the first paragraph of this section and the publication and/or notification will contain information in relation to the proposed split or

consolidation. The Board may also decide to submit the question of the consolidation or split of classes of Shares to a meeting of Shareholders of such classes. At such meeting, the voting process will take place as per the provisions of shareholders' meeting under the Constitution.

The net proceeds of liquidation corresponding to each class of Shares within the Fund shall be distributed by the liquidators to the Shareholders of the respective class of Shares within the Fund in proportion to their shareholdings thereof.

Risk Factors

26. Risk Profiles Of The Funds

Funds	General Risks That Apply To All Funds	Equity Related Risks	Fixed Income Related Risks	Country, Concentration And Related Risks	Specific Instrument Related Risks	Emerging Market Related Risk	Tracking Error Risk	Distribution Out Of Capital Risk	Potential Conflicts Of Interest	Tax Risks
SBM Africa Value Fund	X	X	X	X	X	X	X	X	X	X
SBM Emerging Markets Fund	X	X	X	X	X	X	X	X	X	X
SBM European Opportunities Fund	X	X	X	X	X		X	X	X	X
SBM High Yield Opportunities Fund	X		X	X	X	X		X	X	X
SBM MENA Fund	X	X	X	X	X	X	X	X	X	X
SBM Rising Asia Fund	X	X	X	X	X	X	X	X	X	X

27. General Risks That Apply To All Funds

The following statements are intended to inform investors of the uncertainties and risks associated with investments and transactions in transferable securities and other financial instruments. Although care is taken to understand and manage these risks, the respective funds and accordingly the Shareholders in the respective funds will ultimately bear the risks associated with the investments of the relevant funds.

27.1 The Fund and the Manager cannot, and does not, guarantee the accuracy of facts, forecasts and other statistics with respect to any selected country that the Fund will invest in as disclosed in this Prospectus.

Facts, forecasts and other statistics in this Prospectus relating to any selected country's economy have been derived from various official or other publications available publicly and may not be consistent with other information compiled within or outside the selected country. We cannot guarantee the quality or reliability of such source materials. They have not been prepared or independently verified by us, the Initial Purchasers or any of our or their affiliates or advisors (including legal advisors), or other participants in this offering and, therefore, we make no representation as to the accuracy of such facts, forecasts and statistics. We have, however, taken reasonable care in the reproduction and/or extraction of the official and other publications for the purpose of disclosure in this Prospectus. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice, these facts, forecasts and statistics in this Prospectus may be inaccurate or may not be comparable to facts, forecasts and statistics produced with

respect to other economies. Further, there can be no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as in other jurisdictions. Therefore, you should not unduly rely upon the facts, forecasts and statistics with respect to any selected country's economic data contained in this Prospectus.

27.2 The Participating Shares may not be a suitable investment for all investors

Each potential investor in the Participating Shares must determine the suitability of that investment in the light of his/her/its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and expertise to make a meaningful evaluation of the Participating Shares, the merit and risks of investing in the Participating Shares and the information contained or incorporated by reference in this Prospectus;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Participating Shares and the impact the Participating Shares will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all the risks of an investment in the Participating Shares, including Participating Shares with principal or return payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Participating Shares and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

27.3 Standard Risk Factors

- (i) Investment in the Fund or by the Fund in collective investment schemes involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of capital;
- (ii) As price/value/interest rates of the securities in which the Fund or collective investment schemes invest fluctuates, the value of your investment in the Fund may go up or down;
- (iii) Past performance of the Manager or the Key persons or sponsors/investment manager of a particular collective investment scheme does not guarantee future performance of the Fund or that scheme;
- (iv) Neither the Fund or a collective investment scheme in which the Fund invests will be a guaranteed or assured return scheme;
- (v) The net asset value of the Fund or of a collective investment scheme in which the Fund invests may be affected by changes in the general market conditions, factors and forces affecting capital markets, in particular, level of interest rates, various market related factors and trading volumes, settlement periods and transfer procedures. Such net asset value may go up as well as down.

27.4 Fluctuations in Value

The investments of the Fund are subject to market fluctuations and other risks inherent in investing in securities and other financial instruments. There can be no assurance that any appreciation in value of investments will occur, and the capital value of your original investment is not guaranteed. The value of investments and the income from them may go down as well as up, and you may not get back the original amount invested. There is no assurance that the investment objective of each fund will actually be achieved.

27.5 Termination of Funds and Classes of Shares

In the event of the termination of a fund or a class of Shares, the assets of the fund or the class will be realised, the liabilities discharged and the net proceeds of realisation distributed to Shareholders in proportion to their holding of Shares in that fund or class. It is possible that at the time of such realisation or distribution, certain investments held by the fund or class of Shares may be worth less than the initial cost of such investments, resulting in a loss to the Shareholders. All normal operating expenses incurred up to the point of termination will be borne by the fund or the class. There are no unamortized organisational expenses with regard to the Fund, a fund or a class.

27.6 Foreign Currency Risk

A fund's total return and balance sheet can be significantly affected by foreign exchange rate movements if the fund's assets and income are denominated in currencies other than the base currency of the fund and this means that currency movements may significantly affect the value of a fund's Share price. The three principal areas of foreign currency risk are where movements in exchange rates affect the value of investments, short term timing differences or income received. A fund may, or may not, hedge these risks using either spot or forward foreign exchange contracts.

27.7 Liquidity Risk

In normal market conditions the Fund's assets comprise mainly realisable investments which can be readily sold. A fund's main liability is the redemption of any shares that investors wish to sell. In general the Fund manages its investments, including cash, such that it can meet its liabilities. Investments held may need to be sold if insufficient cash is available to finance such redemptions. If the size of the disposals are sufficiently large, or the market is illiquid, then there is a risk that either the investments might not be sold or the price at which they are sold may adversely affect the Net Asset Value.

27.8 Pricing and Valuation Risk

The Fund's assets comprise mainly quoted investments where a valuation price can be obtained from an exchange or similarly verifiable source. However, the Fund will also invest in unquoted and/or illiquid investments which will increase the risk of mispricing. Further, the Fund will compute Net Asset Values when some markets are closed for holidays or other reasons. In these and similar cases an objective verifiable source of market prices will not be available and the Manager will invoke its Fair Value process which will determine a fair value price for the relevant investments; this Fair Value process involves assumptions and subjectivity.

27.9 Counterparty Credit & Settlement Risk

All security investments are transacted through brokers who have been approved by the Manager as an acceptable counterparty. The list of approved brokers is reviewed regularly. There is a risk of loss if a counterparty fails to perform its financial or other obligations to the funds, for example, the possibility that a counterparty may default, by failing to make payments due, or make payments in a timely manner. If settlement never occurs the loss incurred by the fund will be the difference between the price of the original contract and the price of the replacement contract, or, in the case where the contract is not replaced the absolute value of the contract at the time it is voided. Further, in some markets 'Delivery versus Payment' may not be possible in which case the absolute value of the contract is at risk if the fund meets its settlement obligations but the counterparty fails before meeting its obligations.

27.10 Investment Horizon Risk

The selection of investments for the fund is undertaken according to the fund's investment objectives and may not closely align with investors' investment horizon. If investors do not accurately select a fund that closely aligns with their investment horizon, there may be a risk of potential mismatch between the investors' investment horizon and the fund's investment horizon.

27.11 Cross Share Class Liabilities

Although assets and liabilities are clearly attributable to each class of Shares, there is no legal segregation between classes of Shares within a Fund. This means that if the liabilities of a class of Shares exceed its assets, creditors of such class may have recourse without restriction to assets which are attributable to the other classes of Shares within the same Fund. Hence, Shareholders should note that specific transactions (e.g. currency hedging or interest rate duration management) may be entered into for the benefit of a particular class of Shares but result in liabilities for the other classes of Shares within the same Fund.

27.12 Redemptions and suspension of dealing in Shares

Shareholders may apply to have their Shares redeemed on any Dealing Day. However, the ability of the Fund to meet redemption requests will depend on the availability of liquidity of the Fund. This in turn will be affected by the liquidity of the underlying instruments in which the Fund may invest. Although investments in certain types of securities may in normal market circumstances be liquid, at times and particularly during periods of market turmoil, previously liquid investments may become illiquid. Moreover, should the Fund incur substantial losses as a result of its investment activities; the Fund may have insufficient monies from which to pay the requested redemption payment or may be otherwise restricted by relevant law from completing the redemption. Sizeable redemptions of Shares may also have an adverse impact on the ability of the Fund to successfully conduct its business and activities in relation to the portfolio.

Accordingly, in certain circumstances the Directors may decide to defer redemption requests above a certain percentage of Net Asset Value, seek to give effect to redemptions in specie or suspend the subscription and redemption of Shares.

27.13 Investing Risk

The type of investments that the Fund anticipates making involves a high degree of risk. In general, financial and operating risks confronting portfolio companies can be significant. While targeted returns should reflect the perceived level of risk in any investment situation, there can be no assurance that the Fund will be adequately compensated for risks taken. A loss of principal is possible. The timing of profit realization is highly uncertain. Losses are likely to occur early, while successes often require a long maturation. Investments in fast growing companies involve substantial risks. These companies typically have obtained capital in the form of debt and/or equity to expand rapidly, reorganize operations, acquire a business or develop new products and markets. These activities by definition involve a substantial amount of change in a company and could give rise to significant problems in sales, manufacturing and general management of these activities. Early-stage and development-stage companies often experience unexpected problems in the areas of product development, manufacturing, marketing, financing and general management, which, in some cases, cannot be adequately solved. In addition, such companies may require substantial amounts of financing which may not be available through institutional private placements or the public markets. The percentage of companies that survive and prosper may be small.

27.14 General Economic Risks

General macro-economic conditions, such as interest rates, the availability of alternate sources of financing and participation by other categories of investors may impact the Fund's level of success, including the value and the number of investments made by the Fund. The securities of a portfolio company may be affected by uncertainties such as changes in governmental policies, taxation, restrictions on foreign investment, other laws and regulations and currency fluctuations.

27.15 Difficulty of Locating Suitable Investments

The Fund has not committed to specific investment opportunities, and prospective investors will not have an opportunity to review the Fund's proposed investments before deciding whether to invest in the Fund. A purchaser of Participating Shares in the Fund must rely upon the ability of the Fund Manager to identify, structure and implement investments consistent with the Fund's investment objectives and strategies. There can be no assurance that there will be a sufficient number of suitable investment opportunities to enable the Fund to invest all of its committed capital in opportunities that satisfy the Fund's investment objectives, or that such investment opportunities will lead to completed investments by the Fund. Identification of attractive investment opportunities is difficult and involves a high degree of uncertainty. The Fund will compete for the acquisition of investments with many other investors, some of which will have greater resources than the Fund. Such competitors may include other investment funds, as well as individuals, financial institutions and other institutional and strategic investors. As a result of this competition, there may be fewer attractively-priced investment opportunities than anticipated and the Fund Manager might not be able to identify and successfully close a sufficient number of high-quality investments to utilize all of the Fund's capital. Such competition may adversely impact the length of time required to fully invest the Fund's capital. No assurance can be given that the Fund will be successful in identifying or consummating economically attractive investments.

27.16 Expedited Transactions

Investment analyses and decisions by the Fund Manager may be undertaken on an expedited basis in order for the Fund to take advantage of available investment opportunities. In such cases, the information available to the Fund Manager at the time of an investment decision may be limited, and the Fund Manager may not have access to the detailed information necessary for a full evaluation of the investment opportunity. Further, the Fund may conduct its due diligence activities in a very brief period and may assume the risks of obtaining certain consents or waivers under contractual obligations. While the Fund expects to negotiate purchase price adjustments, termination rights and other protections, such rights may not be available or, if available, the Fund may elect not to exercise them.

27.17 Political, Legal, Social and Economic Considerations

The value of Fund investments may be adversely affected by potential political and social uncertainties in Africa. Certain developments, beyond the control of the Fund, such as the possibility of nationalization, expropriations, confiscatory taxation, political changes, government regulation, social instability, diplomatic disputes or other similar developments, could adversely affect Fund investments.

27.18 Accounting, Disclosure and Regulatory Standards

In some jurisdictions the interpretation and implementation of laws and regulations and the enforcement of shareholders' rights under such laws and regulations may involve significant uncertainties. Further, there may be differences between accounting and auditing standards, reporting practices and disclosure requirements and those generally accepted internationally. Differences may arise in areas such as valuation of shares and other assets, accounting for depreciation, deferred taxation, inventory obsolescence, contingent liabilities and foreign exchange transactions.

27.19 Governmental Action

Governmental actions to control inflation and other regulations and policies have often involved, among other measures, increases in interest rates, changes in tax policies, price controls, currency devaluations, capital controls, limits on imports, import duties and other actions. The Fund's business, financial condition and results of operations may be adversely affected by changes in governmental policies or regulations involving or affecting:

- interest rates;
- monetary policy;
- exchange controls and restrictions on remittances of payments outside of the countries of operation;
- foreign direct investment;
- currency exchange rate fluctuations;
- inflation;
- social and political stability;
- price stability;
- liquidity of capital and financial markets;
- energy shortages;
- insurance and healthcare entitlement programs;
- environmental matters;
- fiscal and tax policies; and
- other political, social and economic developments.

Uncertainty over whether the government in any jurisdiction will implement changes in policies or regulations affecting the above or other factors in the future may adversely affect the Fund's business and results of operations.

27.20 Liquidity Risk

Trading volumes, settlement periods and transfer procedures may restrict the liquidity of equity and equity related investments made by Fund. This would cause the Fund to miss certain investments and in some cases suffer losses while disposing some of its assets.

27.21 Reliance on the Fund Manager

The Fund will be advised as to its investments and divestments, exclusively by the Fund Manager, and the investors will not be able to make investment or other decisions regarding the business of the Fund. The performance of the Fund will be dependent on the business and financial skills of the Fund Manager and

certain Investment Advisers that the Fund Manager may appoint from time to time to solicit, originate and recommend appropriate investment opportunities. Although the Fund Manager's personnel may enter into employment arrangements with it, these employment arrangements or contracts do not ensure that these people will continue to work for the Fund Manager, and consequent loss of their services might adversely affect the business/activities of the Fund. Thus, each Investor must consider in making an investment decision that personnel associated with the Fund Manager or its affiliates may leave at anytime, or, in the case of personnel associated with the Manager, may be terminated at anytime, with or without cause, thus potentially adversely affecting the business/ activities of the Fund. In addition, under the terms of the fund management agreement, both the Fund and the Fund Manager have the right to terminate the fund management agreement.

27.22 Non-Controlling Investment

The Fund may not hold the dominant or majority share of the outstanding equity securities of any of its portfolio company. Therefore, the Fund may have a limited ability to protect its investment in such portfolio company. There can be no assurance, however, that minority shareholder rights will be available or will provide the requisite protection. Also, in certain circumstances, the Fund may take a controlling interest in or otherwise exercise control over a portfolio company, which could expose the Fund to additional risks.

27.23 Contingent Liabilities

In connection with any disposition of its portfolio investments, the Fund expects to make customary representations to prospective purchasers. The Fund may also be required to indemnify the purchasers of such investments to the extent that any such representations are inaccurate. These arrangements may result in the incurrence of contingent liabilities for which the Fund may establish reserves or escrow accounts. In addition, the Fund may sell investments in public offerings. Such offerings can give rise to liabilities if the disclosure relating to such sales proves to be inaccurate or incomplete. The Investors may also be required to return amounts distributed to them to fund indemnity and other liability obligations incurred by the Fund.

27.24 Illiquidity of Portfolio Investments due to Corporate Actions

The profitability of the Fund is largely dependent upon the liquidity of its portfolio investments. The Fund may face potential risks on account of the illiquidity of any of its portfolio investments, which may arise from time to time, on account of various statutory or regulatory restrictions or restrictions pursuant to corporate actions undertaken by the portfolio companies which may include restrictions on transferability of the securities of such portfolio companies pursuant to applicable law. Any such restrictions on the disposition of the portfolio investments may disrupt the profitability and have an adverse effect on the Net Asset Value.

28. Equity Related Risks

For funds which invest in stocks, the value of those stocks may fluctuate, sometimes dramatically, in response to the activities and results of individual companies or because of general market and economic conditions or other events. Currency exchange rate movements will also cause changes in value when the currency of the investment is other than the base currency of the fund holding that investment.

29. Fixed Income Related Risks

29.1 Bonds, Debt Instruments & Fixed Income (including High Yielding Securities)

For funds which invest in bonds or other debt instruments, the value of those investments will depend on market interest rates, the credit quality of the issuer and liquidity considerations. The Net Asset Value of a fund invested in debt instruments will change in response to fluctuations in interest rates, perceived credit quality of the issuer, market liquidity and also currency exchange rates (when the currency of the investment is other than the base currency of the fund holding that investment). Some funds may invest in high yielding debt instruments where the level of income may be relatively high (compared to investment grade debt instruments); however the risk of depreciation and realisation of capital losses on such debt instruments held will be significantly higher than on lower yielding debt instruments.

29.2 Cash Funds

An investment in the Cash funds is neither insured nor guaranteed by any government, government agencies or government-sponsored agencies or any bank guarantee fund. Shares in the Cash funds are not deposits or obligations of, or guaranteed or endorsed by, any bank and the amount invested in Shares may fluctuate up and/or down. Although the Fund seeks to maintain capital value and liquidity whilst producing a return in line with money market rates to the investor, the Cash funds do not guarantee a stable Net Asset Value. All investments are subject to credit and counterparty risk and provide limited potential for capital appreciation and generally lower income than investments in medium- or long-term instruments would. Furthermore, the performance of the Cash funds may be affected by changes in money market rates, economic and market conditions and in legal, regulatory and tax requirements. In a low interest rate environment or during adverse market conditions, the Cash funds may invest in negative yield instruments which may adversely impact the Net Asset Value.

29.3 Investment Grade Risk

Certain funds may invest in investment grade debt securities. Investment grade debt securities are assigned ratings within the top rating categories by rating agencies (Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness or risk of default of a bond issue. Generally, investment grade fixed income securities are assigned a rating of BBB-/Baa3 or higher from Standard & Poor's or equivalent rating from an internationally recognised rating agency. Investment grade debt securities, like other types of debt securities, involve credit risk and may be subject to ratings downgrades by the rating agencies in the period between their issuance and maturity. Such downgrades may occur during the period in which the fund invests in these securities. In the instance of one or more downgrades, below investment grade or otherwise, funds may continue to hold such securities.

29.4 Lower Rated/Unrated Securities

Certain funds may invest in lower-rated and unrated securities. The credit quality of debt instruments is often assessed by rating agencies. Medium-rated, lower-rated securities and un-rated securities of comparable quality may be subject to wider fluctuations in yield, wider bid-offer spreads, greater liquidity premium and accentuated market expectations, and consequently greater fluctuations in market values, than higher-rated securities. Changes in such ratings, or expectation of changes, will be likely to cause changes in yield and market values, at times significantly so.

29.5 Credit Risk

Investments may be adversely affected if any of the institutions with which money is deposited suffers insolvency or other financial difficulties (default). Credit risk also arises from the uncertainty about the

ultimate repayment of principal and interest bond or other debt instrument investments. In both cases the entire deposit or purchase price of the debt instrument is at risk of loss if there is no recovery after default. The risk of default is usually greatest with bonds and debt instruments that are classed as 'sub-investment' grade. As explained further below, under Financial Derivative Instruments, a credit default swap where a fund has sold protection will involve very similar credit risks to those arising from holding the actual underlying bond, debt instrument or basket of instruments.

29.6 Securitised or Structured Debt Instruments

Funds may invest in securitised or structured debt instruments (collectively referred to as structured products). Such instruments include asset-backed securities, mortgage-backed securities, collateralised debt instruments and collateralised loan obligations. Structured products provide exposure, synthetically or otherwise, to underlying assets and the risk/return profile is determined by the cash flows derived from such assets. Some of such products involve multiple instruments and cash flow profiles such that it is not possible to predict with certainty the outcome from all market scenarios. Also the price of such an investment could be contingent on, or highly sensitive to, changes in the underlying components of the structured instrument. The underlying assets can take many forms including, but not limited to, credit card receivables, residential mortgages, corporate loans, manufactured housing loans or any type of receivables from a company or structured vehicle that has regular cash flows from its customers. Some structured products may employ leverage which can cause the price of the instruments to be more volatile than if they had not employed leverage. In addition investments in structured products may be less liquid than other securities. The lack of liquidity may cause the current market price of assets to become disconnected from the underlying assets' value and consequently funds investing in securitised products may be more susceptible to liquidity risk. The liquidity of a structured product can be less than a regular bond or debt instrument and this may adversely affect either the ability to sell the position or the price at which such a sale is transacted.

29.7 Investing in Loans

Funds may invest in fixed and floating rate loans from one or more financial institutions ("Lender(s)") to a borrower ("Borrower") by way of (i) assignment/transfer of or (ii) participation in the whole or part of the loan amount outstanding. The primary risks associated with the loans market are similar to the high yield bond market. Borrower default risk is when a Borrower is unable to make interest or principal payments to holders of its loan. Liquidity risk is when an investment cannot be sold, or can only be sold at a depressed price because of insufficient demand. Whilst in normal market conditions loans can be readily sold, liquidity on the secondary market can become impaired. Subject to disclosure in the relevant investment policies, the funds will invest only in loans that comply with the criteria applicable to Money Market Instruments for the purposes of the Law of 2010. In both instances, assignments or participations, such loans must be capable of being freely traded and transferred between investors in the loans. Participations typically will result in the fund having a contractual relationship only with a Lender as grantor of the participation but not with the Borrower. The relevant fund acquires a participation interest only if the Lender(s) interpositioned between the fund and the Borrower is determined by the Manager to be creditworthy. When purchasing loan participations, a fund assumes the economic risk associated with the corporate borrower and the credit risk associated with an interposed bank or other financial intermediary. Loan assignments typically involve a transfer of debt from a lender to a third party. When purchasing loan assignments, a fund assumes the credit risk associated with the corporate borrower only. Such loans may be secured or unsecured. Loans that are fully secured offer a fund more protection than an unsecured loan in the event of non-payment of scheduled interest or principal. However, there is no assurance that the liquidation of collateral from a secured loan would satisfy the corporate borrower's obligation. In addition, investments in loans through a direct assignment include the risk that if a loan is terminated, a fund could become part owner of any collateral, and would bear the costs and liabilities associated with owning and disposing of the collateral. Loan participations typically represent indirect participation in a loan to a corporate borrower, and generally are offered by banks or other financial institutions or lending syndicates. A loan is often administered by an

agent bank acting as agent for all holders. Unless, under the terms of the loan or other indebtedness, a fund has direct recourse against the corporate borrower, the Fund may have to rely on the agent bank or other financial intermediary to apply appropriate credit remedies against a corporate borrower. The loan participations or assignments in which a fund intends to invest may not be rated by any internationally recognised rating service.

29.8 Mortgage-Related Securities

Generally, rising interest rates tend to extend the duration of fixed rate mortgage-related securities making them more sensitive to changes in interest rates. As a result, in a period of rising interest rates a fund holding mortgage-related securities may exhibit additional volatility (extension risk). In addition, adjustable and fixed rate mortgage-related securities are subject to prepayment risk. When interest rates decline, borrowers may pay off their mortgages sooner than expected. This can reduce the returns of a fund because the fund may have to reinvest that money at the lower prevailing interest rates. In addition investments in securitised products may be less liquid than other securities. The lack of liquidity may cause the current market price of assets to become disconnected from the underlying assets value and consequently funds investing in securitised products may be more susceptible to liquidity risk. The liquidity of a securitised product can be less than a regular bond or debt instrument and this may adversely affect either the ability to sell the position or the price at which such a sale is transacted.

30. Country, Concentration And Style Related Risks

30.1 Country Concentration

Funds which invest in essentially only one country will have greater exposure to market, political, legal, economic and social risks of that country than a fund which diversifies country risk across a number of countries. There is a risk that a particular country may impose foreign exchange and/or conversion controls or regulate in such a way as to disrupt the way the markets in that country operate. The consequences of these actions, and others such as confiscation of assets, could be to hinder the normal operation of the fund with regard to the purchase and sale of investments and possibly the ability to meet redemptions. As further explained in other parts of this Prospectus, dealing in the fund may be suspended and investors may not be able to acquire or redeem units in the fund. These and other actions could also adversely affect the ability to price investments in the fund which could affect the Net Asset Value in a material way. However, diversification across a number of countries could introduce other risks such as currency risk. In certain countries, and for certain types of investments, transaction costs are higher and liquidity is lower than elsewhere.

30.2 Holdings and Sector Concentration

Some funds may invest in a relatively small number of investments or may be concentrated in a specific industry sector and the Net Asset Value may be more volatile as a result of this concentration of holdings relative to a fund which diversifies across a larger number of investments or sectors.

30.3 Investments in Medium and Small Sized Firms

There may be limited opportunities to find alternative ways of managing cash flows especially where the focus of investment is on small and medium sized firms. The prices of securities of small and medium sized companies generally are more volatile than those of larger companies; the securities are often less liquid and these companies may be subject to more abrupt fluctuations in market price than larger, more established companies. Investments in securities of companies with smaller market capitalisations are generally considered to offer greater opportunity for appreciation but also may involve greater risks than customarily associated with more established companies as they are generally more likely to be adversely affected by

poor economic or market conditions. These companies may have limited product lines, markets or financial resources, or they may be dependent upon a limited management group. In addition to exhibiting greater volatility, small to medium sized companies' stocks may, to a degree, fluctuate independently of larger company stocks (i.e., small and medium sized company stocks may decline in price as the prices of large company stock rise or vice versa). For funds specialising in such firms, transactions, particularly those large in size, are likely to have a greater impact on the costs of running a fund than similar transactions in larger funds or similar transactions in large sized firms because of the relatively illiquid nature of markets in small and medium sized companies' shares.

30.4 Equity Linked Notes and Credit Linked Notes (Structured Notes)

Equity Linked Notes (ELNs), Credit Linked Notes (CLNs) and similar structured notes involve a counterparty structuring a note whose value is intended to move in line with the underlying security specified in the note. Unlike Financial Derivative Instruments, cash is transferred from the buyer to the seller of the note. In the event that the counterparty (structurer of the note) defaults the risk to the fund is to that of the counterparty, irrespective of the value of the underlying security within the note. Additional risks result from the fact that the documentation of such notes programmes tends to be highly customised. The liquidity of an ELN, CLN or similar notes can be less than that for the underlying security, a regular bond or debt instrument and this may adversely affect either the ability to sell the position or the price at which such a sale is transacted.

30.5 Repurchase Transactions

Repurchase Transactions involve risks in that (a) in the event of the failure of the counterparty with which cash of a fund has been placed there is the risk that collateral received may realise less than the cash placed out, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; that (b) (i) locking cash in transactions of excessive size or duration, (ii) delays in recovering cash placed out, or (iii) difficulty in realising collateral may restrict the ability of the Fund to meet redemption requests, security purchases or, more generally, reinvestment; and that(c) repurchase transactions will, as the case may be, further expose a fund to risks similar to those associated with optional or forward derivative financial instruments.

30.6 Hybrids

Hybrid securities are those that combine two or more instruments, typically they combine both equity and debt sensitivities and exposures. Hybrid bonds are subordinated instruments that have equity like characteristics. Typically they include long final maturity (or no limitation on maturity) and have a call schedule increasing reinvestment risk. Their subordination typically lies somewhere between equity and other subordinated debt. As such, as well as typical 'bond' risk factors, hybrid securities also convey such risks as the deferral of interest payments, equity market volatility and illiquidity. Some sources of additional risk associated with hybrids are set forth below:

Coupon Cancellation: Coupon payments on some hybrids are entirely discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time. The cancellation of coupon payments on such bonds does not amount to an event of default. Cancelled payments do not accumulate and are instead written off. Holders may see their coupons cancelled while the issuer continues to pay dividends on its common equity and variable compensation to its workforce.

Call Extension Risk: Some hybrids are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority. It cannot be assumed that the perpetual instrument will be

called on call date. The investor may not receive return of principal if expected on call date or indeed at any date.

31. Emerging Markets Related Risks

Several of the funds invest, in part or in whole, in emerging market securities. The price of these securities may be more volatile than those of securities in more developed markets. As a result there may be a greater risk of price fluctuation or of the suspension of redemptions in such funds, compared to funds investing in more mature markets. This volatility may stem from political and economic factors and be exacerbated by legal, trading liquidity, settlement, transfer of securities and currency factors. Some emerging market countries have relatively prosperous economies but may be sensitive to world commodity prices and/or volatile inflation rates. Others are especially vulnerable to economic conditions. Although care is taken to understand and manage these risks, the respective funds and accordingly the Shareholders in those funds will ultimately bear the risks associated with investing in these markets.

32. Tracking Error Risk

Imperfect correlation between the fund's securities and those in the underlying index, changes to the underlying index and regulatory requirements and rounding of prices may contribute to replication errors. This risk may be heightened during times of increased market volatility and other unusual market conditions.

33. Distribution Out Of Capital Risk

For certain classes of Shares, dividends may be paid out of capital where the income/capital gain generated by the fund is insufficient to pay a distribution as declared. Investors should note that the payment of dividends out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to the original investment. Such distributions may result in an immediate decrease in the Net Asset Value per Share of the fund.

34. Potential Conflicts of Interest

The Company will be subject to various potential conflicts of interest arising from its relationship with the Fund Manager, Connected Persons, the Key Persons and their respective affiliates, which may result in decisions that do not fully reflect the Investors' best interests, including the following:

(i) Other Activities

Although the Key Persons will commit a significant amount of their business efforts to the Manager, the Key Persons are not required to devote all of their time to the Company's affairs.

(ii) Allocation of Investment Opportunities

Any investment opportunity suitable for the Fund that is presented to the Fund Manager or Connected Persons or the Key Persons will be offered to the Fund, except for: (i) investment opportunities related to current holdings of the Fund Manager or Connected Persons or the Key Persons; (ii) investment opportunities required to be presented to any other investment fund promoted, managed or organized by the Fund Manager, Connected Persons or the Key Persons or their affiliates; (iii) investment opportunities presented to Connected Persons or the Key Persons in their capacity as directors of public or private companies and in

similar circumstances where pre-existing duties apply; and (iv) investments intended to protect or enhance the value of investments included in clauses (i) through (iii) above.

(iii) Other Similar Funds

The Fund Manager or Connected Persons or the Key Persons may act as the manager or the primary source of transactions on behalf of another pooled investment fund with overall objectives substantially similar to those of the Fund, provided that such pooled investment fund does not invest a substantial part of its funds in the same geographical region as that of the Fund.

(iv) Management Fees

The management fees payable by the Fund to the Fund Manager have not been established on the basis of an arm's-length negotiation between the Fund and the Fund Manager. However, the Company believes that the management fees generally reflect prevailing market terms.

(v) Diverse Investors

The investors in the Fund are expected to include diverse non-U.S. investors that may have conflicting tax and other interests with respect to their investment in the Fund. In addition, the Manager and its affiliates and employees may invest directly in the Fund. As a result, conflicts of interest may arise in connection with decisions made by the Fund Manager that may be more beneficial for one type of investor. In making decisions, the Fund Manager intends to consider the investment objectives of the Fund as a whole, and not the investment objectives of any Shareholder individually.

(vi) Lack of Separate Representation

The Fund Manager or Connected Persons or the Key Persons may be represented from time to time by the same legal counsel as the Company, and may retain the same accountants and other experts. Legal counsel for the Company does not represent the Investors. Should a dispute arise between the Company and the Fund Manager or Connected Persons or the Key Persons, the Fund Manager anticipates that it will retain separate counsel for the Company in such a matter.

35. Tax Risks

Some of the Funds may be subject to withholding and other taxes. Tax law and regulations of any country are constantly changing, and they may be changed with retrospective effect. The interpretation and applicability of the tax law and regulations by tax authorities in some jurisdictions are not as consistent and transparent as those of more developed nations, and may vary from region to region. Additionally, the tax laws relevant to the Company are subject to change, and tax liabilities could be incurred by investors as a result of such changes. Prospective investors are urged to consult their own tax advisors with respect to their own tax situations and the tax consequences of an investment in the Company.

TAXATION

36. Mauritius Taxation Considerations

The taxation of income and capital gains of the Company and of Shareholders is subject to the fiscal laws and practices of Mauritius, countries where investments are envisaged by the Company and of the jurisdiction in which Shareholders are resident or otherwise subject to tax.

The following summary of certain relevant tax provisions is based on current law and practice and does not constitute legal or tax advice. The relevant tax provisions are subject to change. Prospective investors should consult their own professional advisers on the relevant taxation considerations applicable to acquisition, holding and disposal of Shares and the receipt of distributions. The Company, its Directors, the Manager, Administrator, Investment Advisor, and its advisers accept no responsibility for any loss suffered by any investor as a result of current, or changes in, taxation law and practice.

The Company is incorporated as a public limited liability company under the Act and holds a Category 1 Global Business Licence (“**GBL1**”) issued by the FSC and has been authorised to operate as a collective investment scheme qualifying as a global scheme pursuant to the Securities Laws of Mauritius.

Being a holder of a GBL1, the Company is eligible to benefit from treaty benefits and for this purpose, the Company will need to apply for a Tax Residence Certificate (“**TRC**”). Applications for a TRC must be made on an annual basis to the Mauritius Revenue Authority (“**MRA**”) through the FSC. The application for the TRC must be made to the Director-General of the MRA by the Administrator on behalf of the Company, and be supported by:

- (a) a statement as to the Double Tax Agreement(s) (“**DTA(s)**”) under which the TRC is being applied for;
- (b) undertakings given in accordance with the requirements of the MRA and signed by any two resident directors and the secretary of the Company;
- (c) certified copies of amendments (if any) made to the Company’s constitution (unless already provided to the Mauritius Revenue Authorities), certified copy of the Company’s certificate of incorporation and of the Category 1 Global Business Licence, certified copy of Board Minutes evidencing resolutions passed to satisfy the requirements of the MRA.

The FSC will recommend the renewal of a TRC to the MRA if it is satisfied that the Company is in good standing under Mauritius laws and has provided an undertaking that it shall comply with the conditions attached to its licence and to statutory provisions laid in Section 71(4) of the Financial Services Act 2007, namely,

- (a) it shall have or has at least 2 directors, resident in Mauritius, of sufficient calibre to exercise independence of mind and judgment;
- (b) it shall maintain or maintains at all times its principal bank account in Mauritius;
- (c) it shall keep and maintain or keeps and maintains, at all times, its accounting records at its registered office in Mauritius;
- (d) it prepares or proposes to prepare its statutory financial statements and causes or proposes to have such financial statements to be audited in Mauritius;
- (e) it provides for meetings of directors to include at least 2 directors from Mauritius.

In addition to the current requirements, the Company will be required to meet at least one of the following additional requirements:

- a) it must have office premises in Mauritius;
- b) it must employ or shall employ at least one full time employee resident in Mauritius on the administrative or technical level;
- c) its constitution shall provide for all disputes arising out of the constitution to be resolved by way of arbitration in Mauritius;
- d) it must hold (or is expected within the next 12 months to hold) assets (excluding cash in bank accounts or shares/interests in another corporation holding a global business licence) worth at least US\$100 000 in Mauritius;
- e) its shares are listed on a Mauritius stock exchange; or
- f) the GBL1 company is expected to incur yearly expenditure in Mauritius that can reasonably be expected from a similar corporation controlled and managed from Mauritius.

From the perspective of its day to day operations, to ensure that the Company continues to be qualified for Mauritius tax residence, the Company must be centrally managed and controlled in Mauritius.

A company which satisfies all of the above conditions will thus be granted a TRC and will be considered as tax resident for the year during which the TRC is issued.

In that respect, the Company shall for tax purposes be considered as a resident in Mauritius and will be chargeable to Mauritius income tax at the rate of fifteen (15%). It will be entitled to claim a tax credit on a foreign source income at a rate which is the higher of:

- (a) The actual foreign tax paid (including underlying tax) on such income up to a maximum of 15%; or
- (b) If no written evidence is presented to the Director General of the Mauritius Revenue Authority showing the amount of foreign tax charged, the amount of foreign tax will nevertheless be conclusively presumed to be equal to 80% of the Mauritius Tax chargeable with respect to that income.

The effective tax rate to which the Company would be currently chargeable in Mauritius on its foreign income will therefore does not exceed three per cent (3%).

Income or gains realised by the Company on disposal of securities are exempt from income tax in Mauritius. Dividends (as defined under Mauritius Income Tax Act 1995) and redemptions proceeds paid by the Company to any corporation or any individual not resident in Mauritius will not be subject to any Mauritian withholding tax. A gain or profit derived from the sale of the Shares by a Shareholder who is a non-resident in Mauritius would be exempt in Mauritius from any withholding tax.

Levels and bases of taxation in the relevant countries may change. The taxability of the income of the Company would also be dependent upon the DTA between Mauritius and the countries where investments are undertaken. Changes in tax regulations may impact the Company's operations and profitability.

There can be no assurance that these DTA will continue to be in full force and effect during the existence of the Company or that the Company will continue to enjoy the benefit of the tax treaties.

37. Foreign Account Tax Compliance Act ('FATCA')

The Hiring Incentives to Restore Employment Act (the "Hire Act") was signed into US law in March 2010. It includes provisions generally known as Foreign Account Tax Compliance ("FATCA"). The objective of FATCA provisions is to impose on non-US Financial Institutions to identify and appropriately report on US taxpayers holding assets outside the US as a safeguard against US tax evasion.

The Governments of the United States and the Republic of Mauritius have entered into an intergovernmental agreement (the "IGA") related to the implementation of the FATCA. Under the terms of the IGA and any enabling legislation enacted in Mauritius to give effect to the terms of the IGA, FATCA withholding tax will not be imposed on payments made to the Company, as applicable, or on payments made by the Company, as applicable to an account holder, except to the extent that the Company, its investors or any other account holders fails to comply with its obligations under the IGA and the associated enabling legislation in Mauritius, or otherwise fails to comply with any other obligations it may have to the Company with respect to the Company's obligations under the IGA, and/or the associated enabling legislation in Mauritius, as applicable. If subject to, or required to, withhold, such FATCA withholding tax will generally be at the rate of 30% of the relevant payment. The IGA requires Mauritian Financial Institutions, to report to the relevant Mauritian authorities the details of US taxpayers holding assets with those Financial Institutions so that Mauritian authorities can exchange this information with the US on an automatic basis. As per Mauritian Laws and Regulations, the Company is considered as a Financial Institution and the IGA requires the Company to obtain mandatory evidence as to whether they are or are not any new Shareholder from that date is a US person. The Company is also required to identify any existing Shareholder as a US Person based on the records the Company holds and therefore reserves the right to require each shareholder to provide it with any information as is necessary to comply with FATCA requirements.

Investors should consult their own tax advisers regarding any potential obligations that US FATCA regulations, may impose on them.

General Conditions and Good Governance

38. Dividend Policy

The dividend policy will vary for each Fund and their respective share classes. A list of all share classes with details on their dividend policy can be found in the table below:

Share Type	Share Name	Base Currency	Dividend Policy
Accumulating Shares	A-ACC-USD	USD	No dividends will be paid for accumulating Shares. All interest and other income earned on the investment will be accumulated.
	A-ACC-EUR	EUR	No dividends will be paid for accumulating Shares. All interest and other income earned on the investment will be accumulated.
	I-ACC-USD	USD	No dividends will be paid for accumulating Shares. All interest and other income earned on the investment will be accumulated.
Accumulating Shares	A-DIST-USD	USD	The Board expects to recommend distribution of a substantial part of the each class's respective net investment income for the year. Dividends are normally declared on the first Business Day of August and paid by the end of August.
	I-DIST-USD	USD	The Board expects to recommend distribution of a substantial part of the each class's respective net investment income for the year. Dividends are normally declared on the first Business Day of August and paid by the end of August.

In case the payment of the dividend amount per class of Shares accrued between the launch date and the first scheduled distribution date would not be economically efficient, the Board reserves the right to defer this payment to the following period.

Dividends remaining unclaimed five years after the dividend declaration date will be forfeited and will revert to the Fund.

Dividend Reinvestment

Subject to the provisions of the Act, dividends are reinvested in additional Shares of the same distributing class of Shares unless Shareholders specify otherwise in writing.

Dividends to be reinvested are credited to the subscription account of the Fund and the Manager acts on behalf of the Shareholders and invests the amount of the dividends in additional Shares of the same distributing class of Shares. Shares are issued at the Net Asset Value determined on the dividend payment date if it is a Valuation Date, or the subsequent Valuation Date.

No entry fee is payable on these Shares.

Settlement of Dividends

Shareholders may elect to receive a dividend payment which will normally be made by electronic bank transfer, net of bank charges. In this case, payment is normally made in the base currency of the distributing class of Shares of the relevant Fund.

If any dividend payment is lower than USD 50 (or its equivalent in another currency) the dividend will be automatically reinvested in further Shares of the same distributing class of Shares and not paid directly to the respective Shareholder.

39. Conflicts of Interest

39.1 The Fund Manager or the Custodian may own, dispose or otherwise deal with Participating Shares. In the event of any conflict of interest arising as a result of such dealing, the Fund Manager and the Custodian, following prior consultation with each other, will resolve any such conflict in a just and equitable manner as they deem fit.

39.2 The Fund Manager and the Custodian will conduct all transactions for the Company on an arm's length basis.

39.3 Associates of the Custodian may be engaged to offer financial, banking and brokerage services to the Company, but these services will be provided on an arm's length basis.

40. Reports

Annual Reports, Annual Accounts, and Auditor's Report on the Annual Accounts

The financial year-end of the Company and any one Fund is 30 June. The annual report, annual accounts, and auditor's report on the annual accounts will be prepared and sent to the Investors within 3 months of the financial year-end (or such other period as may be permitted by the FSC).

Interim Reports, Interim Accounts, Semi-annual Reports and Semi-annual Accounts

The interim reports, interim accounts, semi-annual reports and semi-annual accounts will be prepared and published on the Fund Manager's website.

41. Borrowing Powers

- (a) Subject as hereinafter provided and to Law, the Board of the Company may exercise all the powers of the Company to borrow money (including the power to borrow for the purpose of redeeming Shares) and hypothecate, mortgage, charge or pledge its undertaking, property, and assets or any part thereof, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- (b) The power of the Board of directors to borrow or create the aforesaid encumbrances, as the case may be, is limited:-
 - i. to a transaction which is a temporary measure to accommodate requests for the redemption of Shares while the Company effects an orderly liquidation of its assets, and after giving effect to the transaction,

the outstanding amount of all borrowings of the Company does not exceed five (5) percent of the Net Asset Value;

- ii. the transaction secures a claim for the fees and expenses of the Custodian or a sub-custodian for services rendered in that capacity.

42. Listing

Initially, the Shares of the Company will not be listed on the SEM or on any other exchange. The Company may, at a later date, with the approval of the FSC apply to the Stock Exchange of Mauritius or other exchanges to list any of the Share classes issued by the Company subject to compliance with the applicable laws.

43. Queries and Complaints

For all enquiries and any complaints about the Company, please contact the Manager at:

SBM Mauritius Asset Managers Ltd
SBM Tower,
1 Queen Elizabeth II Avenue,
Port Louis,
Mauritius.

44. Documents Incorporated by Reference

The following documents shall be deemed to be incorporated in, and to form part of, this Prospectus:

- (a) all supplements to this Prospectus circulated by the Company from time to time;
- (b) the constitution of the Company dated 12th October 2015; and
- (c) all application forms in connection with the subscription of shares of the Company.

The above documents shall, where appropriate, modify and supersede the contents of this Prospectus. The Company will provide copies of the documents incorporated by reference, without any charge.

In the event of a material adverse change in the condition (financial or otherwise) of the Company which is not reflected in this Prospectus, the Company will prepare a supplement to this Prospectus or publish a new Prospectus for use in connection with any subsequent issue of Shares. If the terms of the present offering are modified or amended in a manner which would make this Prospectus, as supplemented, inaccurate or misleading, the Company will prepare a new Prospectus.

Any such new Prospectus or Prospectus as supplemented shall be deemed to have been substituted for the previous Prospectus from the date of its issue.

Copies of all documentation incorporated and mentioned in this Prospectus by reference are available free of charge at:

SBM Mauritius Asset Managers
3rd Floor, SBM Tower,
1 Queen Elizabeth II Avenue,
Port Louis,
Mauritius.

APPENDIX I

List of Share Classes

The list of Share classes and the related information below is valid as of 01 January 2016. Such list may be updated from time to time. A complete list of all available Share classes may be obtained, free of charge and upon request, from the registered office of the Company or from the Fund Manager or Distributor.

Investors should verify whether Shares they are interested in buying are registered for distribution in their jurisdiction.

Share Class Name	Base Currency	Minimum Investment	Subsequent Investment	Entry Fee	Exit Fee	Management Fee	Launch Date
Fund: SBM Africa Value Fund							
SBM Africa Value Fund A-ACC-USD	USD	USD 500	USD 200	Up to 3.00%	Up to 1%	2.00%	01-Nov-15
SBM Africa Value Fund I-ACC-USD	USD	USD 300,000	USD 50,000	Up to 1.00% ¹	Up to 1.00% ¹	1.25% ¹	01-Nov-15
Fund: SBM Emerging Markets Fund							
SBM Emerging Markets Fund A-ACC-USD	USD	USD 500	USD 200	Up to 3.00%	Up to 1.00%	2.00%	01-Nov-15
Fund: SBM European Opportunities Fund							
SBM European Opportunities A-ACC-EUR	EUR	EUR 500	EUR 200	Up to 3.00%	Up to 1.00%	1.50%	01-Nov-15
Fund: SBM High Yield Opportunities Fund							
SBM High Yield Opportunities Fund A-DIST-USD	USD	USD 500	USD 200	Up to 3.00%	Up to 1.00%	1.00%	01-Nov-15
SBM High Yield Opportunities Fund I-DIST-USD	USD	USD 300,000	USD 50,000	Up to 1.00% ²	Up to 1.00% ²	0.60% ²	01-Nov-15
Fund: SBM MENA Fund							
SBM MENA Fund A-ACC-USD	USD	USD 500	USD 200	Up to 3.00%	Up to 1.00%	2.00%	01-Nov-15
Fund: SBM Rising Asia Fund							
SBM Rising Asia Fund A-ACC-USD	USD	USD 500	USD 200	Up to 3.00%	Up to 1.00%	2.00%	01-Nov-15
SBM Rising Asia Fund I-ACC-USD	USD	USD 300,000	USD 50,000	Up to 1.00% ³	Up to 1.00% ³	1.25% ³	01-Nov-15

Note:

¹ Any investment of SBM Africa Value Fund A-ACC-USD is exempt from any entry and exit fees.

² Any investment of SBM Rising Asia Fund A-ACC-USD is exempt from any entry and exit fees.

³ Any investment of SBM High Yield Opportunities Fund A-DIST-USD is exempt from any entry and exit fees.

APPENDIX II

Share Type	Share Name	Base Currency	Dividend Policy
Accumulating Shares	A-ACC-USD	USD	No dividends will be paid for accumulating Shares. All interest and other income earned on the investment will be accumulated.
	A-ACC-EUR	EUR	No dividends will be paid for accumulating Shares. All interest and other income earned on the investment will be accumulated.
	I-ACC-USD	USD	No dividends will be paid for accumulating Shares. All interest and other income earned on the investment will be accumulated.
Accumulating Shares	A-DIST-USD	USD	<p>The Board expects to recommend distribution of a substantial part of the each class' respective net investment income for the year.</p> <p>Dividends are normally declared on the first Business Day of August and paid by the end of August.</p>
	I-DIST-USD	USD	<p>The Board expects to recommend distribution of a substantial part of the each class' respective net investment income for the year.</p> <p>Dividends are normally declared on the first Business Day of August and paid by the end of August.</p>

APPENDIX III

Fund	Sub-Custodian appointed	Profile of Sub-Custodian
SBM Africa Value Fund	The Kenya Commercial Bank Limited, of Kencom House, Moi Avenue, Nairobi (KCB)	KCB has invested in state-of-the-art clearing, settlement and risk management systems and have proven interface capabilities. KCB will hold the properties of the Fund on its account for safekeeping purposes. As custodian, KCB will upon receipt of instructions, receive and hold securities delivered to it. It will further under receipt of appropriate instructions and pursuant to steps and procedures required by settlement and market practice or otherwise effect such instructions, transfer, and exchange or deliver the properties in the required form and manner.

APPENDIX IV

Fund	Investment Advisers appointed	Profile of Investment Advisers
SBM Africa Value Fund	African Alliance Mauritius Management Company Limited	<p>For the purpose of managing the SBM Africa Value Fund, the Fund Manager has appointed African Alliance Mauritius Management Company Limited as Investment Adviser. As per the terms of an investment advisory agreement, the investment advisor will provide research and advisory support to the fund manager on the following:</p> <ol style="list-style-type: none"> i. Macro-economic research on Africa Region ii. Analysis on companies in the African Region iii. Identify investment opportunities for the Fund iv. Outlook on potential sector allocation strategies
SBM European Opportunities Fund	LANDOLT & CIE	<p>For the purpose of managing the SBM European Opportunities Fund, the Fund Manager has appointed LANDOLT & CIE as Investment Adviser. As per the terms of an investments advisory agreement, the investment adviser will provide research and advisory support to the Fund Manager on the following:</p> <ol style="list-style-type: none"> i. Macro-economic research on the EU and EEA Regions ii. Analysis on companies in the EU and EEA Regions iii. Identify investment opportunities for the Fund iv. Outlook on potential sector allocation strategies