

The Directors of the Company whose names appear on the last page of this Offering Supplement accept responsibility for the information contained herein. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Offering Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information as of the date hereof. The Directors accept responsibility accordingly.

Offering Supplement

5 March, 2018

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

Annapurna Sub-Fund

a Sub-Fund of

Pilatus SICAV p.l.c.

A self-managed collective investment scheme organised as a multi-fund public limited liability company with variable share capital registered under the laws of Malta

Gamma Capital Markets Limited

(Investment Manager)

Calamatta Cuschieri Fund Services Limited

(Administrator)

Zarattini International Ltd.

(Executing Broker)

Important Notice: This Offering Supplement may not be distributed unless accompanied by, and is to be read in conjunction with, the Offering Memorandum issued by the Company.

Annapurna Sub-Fund, a sub-fund of Pilatus SICAV p.l.c. (the “Company”) is licensed by the Malta Financial Services Authority (“MFSA”) as a Professional Investor Fund (“PIF”) which is available to Qualifying Investors. PIFs are non-retail collective investment schemes, therefore, the protection normally arising as a result of the imposition of the MFSA’s investment and borrowing restrictions and other requirements for retail collective investment schemes do not apply. Investors in PIFs are not protected by any statutory compensation arrangements in the event of the fund’s failure. The MFSA has made no assessment or value judgement on the soundness of the Company and its Sub-Funds or for the accuracy or completeness of the statements made or opinions expressed with regard to them.

This Offering Supplement is an updated version of the Offering Supplement dated 8 January, 2018.

IMPORTANT INFORMATION

This Offering Supplement may not be distributed unless accompanied by, and is to be read in conjunction with, the latest Offering Memorandum issued by the Company. The attention of investors is also drawn, in particular, to the section entitled “**Important Notices**” in the Offering Memorandum which also applies to this Offering Supplement and the offering of Investor Shares made thereby.

This offer is an offer only to the person to whom a copy of this document has been furnished by the Company and/or its authorised agents and this on the basis that the person falls within the definition of a Qualifying Investor as defined in the Offering Memorandum. The Company is not authorised to, and does not intend to, offer Investor Shares to the general public.

Since the Company operates as a Self-Managed Professional Investor Fund in terms of the MFSA Rules, the management of its business and activities will be carried out internally through an Investment Committee appointed by the Board of Directors of the Company. The Directors are also generally responsible for the safekeeping of the assets of the Company and the proper administration of the Company. The Company has however delegated various functions, including administration, registrar services and the day to day portfolio and risk management. The Board has in this regard engaged the Administrator, the Executing Broker and the Investment Manager.

Closed-Ended Sub-Fund

Investors should note that the Sub-Fund is closed ended and the Sub-Fund will be operated on a closed ended basis. This means that investors will not have any general right or opportunity to redeem their Investor Shares. Notwithstanding that Shareholders may not request the redemption of their Investor Shares for as long as the Sub-Fund remains closed, the Directors may, in certain circumstances as outlined below, redeem their Investor Shares at the NAV.

Although the Directors reserve the right to set a Redemption Day, Redemption Days will not be on any regular or frequent basis but only on a limited basis consistent with the closed ended nature of the Sub-Fund. In this regard, it is not expected that the Directors will redeem Investor Shares more frequently than once a year and the intervals between redemptions may well be greater than this.

Accordingly, investors should be prepared to hold Investor Shares over a long period of time. Shareholders will be given thirty (30) calendar days’ notice should a Redemption Day be set.

Investors should note that the Investor Shares of the Sub-Fund will not be listed on any exchange and accordingly investors will not be able to dispose of any Investor Shares in the Sub-Fund by sale on a secondary market during closed periods – but only through exchange with other investors. Investors should understand that the price at which Investor Shares may be sold on this basis may be less than the NAV per Share.

Section 1 | DEFINITIONS

Terms used in this Offering Supplement shall, unless otherwise defined or the context otherwise requires, have the same meaning as those defined in the Offering Memorandum.

In this Offering Supplement, the following words shall have the meanings set opposite them:

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|---|---|
| Calculation Period | A twelve (12) month period ending on 31 st December in each year, with the first period commencing on the first Business Day after the Closing Date and ending on the 31 st December, 2018. |
| Investor Shares | Non-voting participating shares (which may include fractions of a whole share) of no par value in the Sub-Fund. |
| Offering Period | The period during which Investor Shares will be made available at the Offering Price. The Offering Period shall commence on the first Business Day after the Closing Date, and shall remain open until such time as the Directors determine otherwise. |
| Offering Price | <p>The NAV per Share, rounded down to four (4) decimal places, calculated at the close of business on the last Valuation Day prior to the relevant Subscription Day and/or Redemption Day.</p> <p>If on any Valuation Day no Investor Shares in a class are in issue then the Offering Price for Investor Shares in that class on the relevant Subscription Day shall, however, be EUR100 per Investor Share in respect of the Class A Investor Shares.</p> |
| Offering Supplement | This Offering Supplement as the same may be amended, supplemented and/or consolidated from time to time. |
| Redemption Day | Such Business Days as the Directors may from time to time determine. |
| Redemption Price | The price at which Investor Shares shall be redeemed, which shall be equivalent to the Offering Price. |
| Redemption Proceeds | The Redemption Price multiplied by the number of Investor Shares being redeemed less the applicable Redemption Charge. |
| Special Purpose Vehicles or SPVs | A special purpose vehicle: (i) established by the Company in respect of the Sub-Fund for the purpose of and whose activities are restricted to achieving its investment objectives; (ii) owned or controlled via majority shareholding of its voting shares either directly or indirectly by the Company; and (iii) that is subject to the Sub-Fund's investment policies and restrictions (if any). |
| Sub-Fund | Annapurna Sub-Fund. |
| Subscription Day | Such Business Days as the Directors may from time to time |

Valuation Day

determine.

The last Business Day of June and December and/or the Business Day immediately preceding a Subscription Day and/or a Redemption Day and such other Business Day as the Directors may from time to time determine.

This Offering Supplement shall, in addition, be subject to the same rules of interpretation as those set out in the Offering Memorandum. Please see “**Section 1 | Interpretation**” of the Offering Memorandum for further details.

Section 2 | KEY FEATURES

The Sub-Fund and the Investor Shares

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|-----------------------------------|---|
| Name of the Sub-Fund | Annapurna Sub-Fund. |
| Segregation | The Sub-Fund is a segregated portfolio whose assets and liabilities are to be treated as a patrimony separate from the assets and liabilities of each other sub-fund and of the Company. Please refer to the Offering Memorandum for further details. |
| Classes of Investor Shares | Class A Investor Shares. |
| Base Currency | Class A Investor Shares – EUR. |
| ISIN | MT7000010500. |
| Tax Status | The Sub-Fund is classified as a Non-Prescribed Fund . Please refer to “ Section 13 Taxation ” of the Offering Memorandum for further details on the tax treatment of Non-Prescribed Funds and shareholdings in such funds. |

Investment Objective, Policies and Restrictions

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|-----------------------------|---|
| Investment Objective | <p>The Investment Objective of the Sub-Fund is to achieve long-term absolute returns under all market conditions.</p> <p>There is no guarantee that the investment objective of the Sub-Fund will be achieved and investment results may vary substantially over time.</p> |
| Investment Policies | <p>The Investment Manager will seek to attain the Sub-Fund’s Investment Objective by investing primarily in immovable property situated in Italy or in real estate rights and options linked to them. The Sub-Fund will in the short to medium term have a diversified portfolio of immovable property situated in prime locations throughout Italy.</p> <p>The Sub-Fund will target residential, commercial and industrial immovable property that requires renovation with a view to renovating and selling the property in the shortest possible time-frame. The renovation of the immovable property will be conducted by developers appointed by the Company.</p> <p>Exposure to immovable property may be achieved either directly or through SPVs established by the Company in respect of the Sub-Fund for the purposes of acquiring such</p> |

Investment, Borrowing and Leverage Restrictions

immovable property. The SPVs will generally be funded through a combination of equity and debt.

Uninvested cash may be held on deposit in a bank account in the name of the Sub-Fund. When appropriate the Sub-Fund may also employ leverage through borrowing either directly or through the SPVs.

The Sub-Fund will not be subject to any restrictions on borrowing for investment purposes.

It is anticipated that the Sub-Fund will be leveraged up to 3 times.

The Initial Offering

Initial Offering Period

From the 9th March, 2015 until the Closing Date.

Closing Date

31st December, 2017 or such earlier or later date as the Directors may in their absolute discretion determine.

Initial Offering Price

Class A Investor Shares – EUR100.000.

Number of Investor Shares on Offer

100,000,000 Class A Investor Shares.

Fees and Charges

Investment Management Fee

Class A Investor Shares

2% per annum, calculated on the NAV on each Valuation Day and will be payable annually in arrears.

Performance Fee

Class A Investor Shares

The Performance Fee is calculated on a “high water mark” basis and will be payable annually in arrears. For each Calculation Period, a Performance Fee shall be payable in the amount of 20% on the appreciation of the Sub-Fund’s GAV over the previous HWM.

Administration Fee

Class A Investor Shares

0.135% per annum based on the NAV of the Sub-Fund subject to a minimum Administration Fee of EUR10,000 per annum. Such fee shall accrue at each Valuation Day and be payable annually in arrears.

Subscription Charge

Class A Investor Shares

None.

Redemption Charge

Class A Investor Shares

Redemptions within 2 years from the relevant Subscription Day: Up to 4% of the redemption amount.

Redemptions after 2 years from the relevant Subscription Day: None.

Switching Charge

Class A Investor Shares
None.

Minimum Subscription, Holding and Redemption Requirements

Minimum Initial Subscription

Class A Investor Shares – EUR75,000.

Minimum Additional Subscription

Class A Investor Shares – EUR10,000.

Minimum Holding

Class A Investor Shares – EUR75,000.

Minimum Redemption

Class A Investor Shares – EUR10,000.

Notice Periods

Subscription Notice Period

10 a.m. CET, ten (10) calendar days prior to the relevant Subscription Day.

Redemption Notice Period

10 a.m. CET, thirty (30) calendar days prior to the relevant Redemption Day.

Section 3 | THE OFFERING

Share Offer

Up to 100,000,000 Class A Investor Shares with no nominal value are on offer. The offering of the Investor Shares at the Initial Offering Price opened on the 9 March, 2015 and shall close on the Closing Date. The Company is entitled to close the Initial Offering Period at any time prior to the Closing Date or to extend it beyond the Closing Date and this at its sole discretion.

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

Acquisition of Investor Shares

Purchases of Investor Shares can be made at the Initial Offering Price during the Initial Offering Period and thereafter at the prevailing Offering Price, by:

- i. submission to the Company at the office of the Administrator of a properly executed Subscription Agreement including the Qualifying Investor Declaration Form, the Bank Transfer Instruction Letter and those documents required in the AML Supplement; and
- ii. remitting the related subscription monies.

In respect of each subscription for Investor Shares during the Offering Period, the Subscription Notice Period shall run as from the first Business Day following receipt by the Company at the office of the Administrator of both:

- a. the documents listed under (i) above; and
- b. confirmation that the full amount subscribed for the Investor Shares has been received in cleared funds.

The Investor Shares will be issued on the first Subscription Day following the expiration of the said Subscription Notice Period.

Full details of the application and subscription process appear in “**Section 9 | Acquisition of Investor Shares**” of the Offering Memorandum.

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

Redemption of Investor Shares

The Directors reserve the right to set a Redemption Day and to limit the redemption amount on such Redemption Days. Investors will be notified at least thirty (30) calendar days in advance of a Redemption Day. The Directors may declare a Redemption Day in the event of the realisation of the assets of the Sub-Fund or in the event that the Sub-Fund has excess

cash without a foreseeable investment prospect.

To the extent that requests for redemptions received for a Redemption Day exceed the maximum redemption amount set by the Directors, all redemptions received in respect of that Redemption Day will be effected on a *pro-rata* basis.

Investors are directed to “**Section 10 | Redemption of Investor Shares**” of the Offering Memorandum where the procedures relating to the redemption of Investor Shares and the conditions applicable thereto are outlined. In terms of the Memorandum and Articles, redemption requests are, once made, irrevocable.

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

A specimen Redemption Notice may be obtained from the Administrator.

Net Redemption Proceeds due will typically be paid out within ninety (90) Business Days from the relevant Redemption Day.

Exchange of Shares

Exchanges of Investor Shares in the Sub-Fund with any other Class of Investor Shares in issue are not permitted.

Deferral of Redemption

The Directors may in their exclusive discretion limit the total amount of redemptions effected on any Redemption Day to 10% of the outstanding Investor Shares in the Sub-Fund on that day (in each case before processing requests for the issue of the Investor Shares or requests for redemptions of such Investor Shares for such Redemption Day). In such circumstances the Company or its authorised agent may scale down pro rata the number of the Investor Shares to be redeemed in response to each request for redemption to the extent necessary to ensure that the foregoing limit is not exceeded, and shall carry forward the balance for redemption as at the next Redemption Day and so on to each succeeding Redemption Day until each request has been complied with in full. Requests for redemption carried forward from an earlier Redemption Day shall have priority over later requests.

Investment Restrictions

Other than what is stated above, there are no restrictions in the manner and extent to which the Company may deploy, pledge or otherwise give as security, the assets of the Sub-Fund, or assume liabilities, in pursuit of the specific investment objective, approach and strategies of the Sub-Fund.

Please see the subsection below entitled “**Borrowing Powers**” for further details.

Borrowing Powers

The Company may borrow funds to pursue the investment objective, approach and strategies of the Sub-Fund. The Company may also borrow money to meet requests for the redemption of Shares.

Please also refer to the above subsection entitled “**Investment Restrictions**” for information on the possibility for the Sub-Fund to use leverage.

Risk Factors

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

IN EVALUATING THE POTENTIAL AND SUITABILITY OF AN INVESTMENT IN THE SUB-FUND, CAREFUL CONSIDERATION SHOULD BE GIVEN BY PROSPECTIVE INVESTORS TO THE FOLLOWING RISK FACTORS WHICH RELATE TO THE MANAGEMENT OF THE SUB-FUND AND THE MARKETS IN WHICH THE SUB-FUND’S ASSETS WILL BE INVESTED.

INVESTMENT IN THE SUB-FUND SHOULD BE REGARDED AS A LONG TERM INVESTMENT. THERE CAN BE NO GUARANTEE THAT THE INVESTMENT OBJECTIVE OF THE SUB-FUND SET OUT HEREIN WILL BE ACHIEVED.

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

POTENTIAL INVESTORS ARE EXPECTED TO NOTE THAT NO REDEMPTIONS WILL BE AFFECTED DURING THE LIFE OF THE SUB-FUND.

Market Risks

The performance of the Sub-Fund will be affected by a number of market risks relating to the Italian immovable property market and real estate rights and options linked to immovable property. Such market risks could include, inter alia:

- i. conditions leading to an oversupply of space or a reduction in tenant demand for a particular type of property or an oversupply of residential dwellings or reduction in demand for purchase or residential dwellings;
- ii. the quality of the property available;
- iii. the ability to maintain the recoverability of service charges and other expenditure and to control the cost of these items;
- iv. the potential illiquidity of immovable property held indirectly by the Sub-Fund, particularly in terms of economic downturn;
- v. increases in transaction costs including land taxes and duty on documents;
- vi. changes to lease, municipality planning or other legislation and regulation affecting commercial and residential property;
- vii. the inherent difficulty in valuing property and property related assets due to the individual nature of each property; and
- viii. drop in prices of residential dwellings and retail/commercial immovable property.

Both rental income and property values (including potential income from immovable property sales) may also be affected by other factors specific to the property market, such as

- change in regulation (zone planning, zone permits) in connection with immovable property held directly or in-directly by Sub-Fund;

- competition from other property owners;
- the perception of prospective tenants/buyers/customers of the attractiveness, convenience and safety of properties;
- the inability to collect rents or income from sales because of the insolvency of tenants/buyers/customers or otherwise;
- the periodic need to renovate, repair and re-lease space and the costs thereto;
- the costs of maintenance and insurance; and
- increasing operating costs. In addition certain significant expenditure, including operating expenses, must be met by the owner even when the property is vacant/ unsold.

Immovable property historically has experienced fluctuations and cycles in value and such market conditions may result in reductions in the value of the assets of the Sub-Fund. The marketability and value of the immovable property held indirectly by the Sub-Fund will depend on many factors beyond the control of the Company, including global economic factors, changes in economic or political conditions, changes in interest rates and changes to the laws and regulations that apply to the particular property market. As with all investment assets, commercial property prices can be adversely affected by sharp and unexpected rises in inflation. Interest rates can be expected to rise in such an environment which, other things being equal, would depress property values. A number of property markets have experienced declining yields over recent periods, which has contributed to positive investment performance by stimulating capital growth. Future movements in property yields will depend on many factors beyond the control of the Company, including changes in economic conditions and/or changes within the property markets and changes in interest rates.

Illiquidity of Investor Shares

Investments in immovable property are relatively illiquid compared with other financial instruments and are significantly more difficult to realise. The Investor Shares may only be redeemed on any ad hoc Redemption Day that may be set by the Directors from time to time or on the end of the Divestment Term. The Investor Shares may therefore only be suitable for those investors who are able to make a long-term commitment of capital.

The Company may also, in specific circumstances, suspend the determination of the Net Asset Value, in which case the Company may be unable to redeem Investor Shares.

Valuation of the Sub-Fund's Investments

Valuation of the Sub-Fund's investments may involve uncertainties and judgmental determinations, and if such valuations should prove to be incorrect, the value of the Investor Shares could be adversely affected. Independent pricing information will invariably not be available with respect to certain of the Sub-Fund's investments. Accordingly, while the Sub-Fund will use its best efforts to value all investments fairly, certain investments may be difficult to value and may be subject to varying interpretations of value.

Performance Fee

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

Concentration Risk

The Sub-Fund may, by virtue of its concentration of its investment in immovable property situated in Italy be considered as lacking sector diversification in its investments. Accordingly a decline in the immovable property sector in Italy is likely to cause the Sub-Fund's overall value to decline to a greater degree than if the Sub-Fund held a portfolio diversified over a number of sectors or countries.

Pricing

The calculation of the NAV of the Sub-Fund shall be effected by the Administrator on every Valuation Day and in such manner as is stated in the Offering Memorandum.

The valuation of the immovable property held by the Sub-Fund will be valued by independent Property Valuers that are members of Recognised Professional Bodies. Please see "**Section 15 | Determination of Net Asset Value**" of the Offering Memorandum for further details.

Section 4 | THE INVESTMENT COMMITTEE

The Board of Directors retains overall responsibility for the implementation of the investment objective of the Company in respect of each Sub-Fund, directing the investment management of its assets and in the management and monitoring of risk. In this regard, the Board has established and will receive support from the Investment Committee constituted specifically for the Sub-Fund.

Under its terms of reference, the Investment Committee shall:

1. carry out or procure appropriate and timely assessments of the investment strategies of the Company in respect of the Sub-Fund, and of the investment performance achieved, in the light of market conditions, and the Company's investment objectives, stated policies and restrictions;
2. issue rules for asset selection, make recommendations to the Board of Directors of the Scheme and to lay down the investment allocation criteria, in line with MFSA Rules and the Licence Conditions, in the form of strategic investment parameters for the Company in respect of the Sub-Fund;
3. review the investment actions taken, and the positions held, to ensure that the investment management has been conducted in line with applicable limits and restrictions, including strategy guidelines or parameters set by the Investment Committee;
4. Monitor the activities of the Investment Manager.

Meetings of the Investment Committee shall be held at least four times a year with at least a majority of such meetings being physically held in Malta.

The Investment Committee in respect of the Sub-Fund is composed of:

Mr. Piero Cappelli

Mr. Piero Cappelli obtained a Bachelor's Degree in Architecture from the Polytechnic University of Milan in 1996 and he was subsequently admitted to the professional order of Architects of Landscape Planners of the province of Milan; in 1997, he obtained a Masters in Design Management from the same university.

During his studies, Mr. Capelli began collaborating with international companies such as Medsystem Techint spa group, Alberto Locatelli srl, CCIAA Milan, Eni spa. After graduation he started his own venture, specializing mainly in the following areas: Residential architecture in particular private residences and villas, hotels, SPAs and offices, dealing with preliminary design proposals, executive planning, building practices, metric calculations, specifications, workmanship and tests.

He collaborated mainly with the legal offices of Sala di Milano, for which he provided the experience gained over the years in the technical and legal field and in cases where specific building competencies were required.

Since 2000 he has collaborated with REAG - Real Estate Group Advisory Group, with whom he has dealt with issues related to expert valuations and assessment such as determining insurance value and market value; Due diligence of real estate assets, technical and legal valuations; feasibility studies with the analysis of the goods according to the opportunities of development and

transformation; comparing, for example, with the valuation of real estate portfolio of Monte Paschi di Siena group, Enel diversified real estate, Government Property of the GdF, (amongst others being the Casa del Fascio in Como, the former Manifattura Tabacchi in Milan, corporate loans for BNL) and others.

Mr. Anthony V. Xuereb

Mr. Anthony V. Xuereb, worked for 15 years at three investment management firms in New York City, the last being Alliance Capital, where apart from his fundamental research coverage of technology equities, he was also fund co-manager of the Alliance Select Technology Portfolio. Prior thereto, he was a research analyst at Neuberger & Berman covering the telecommunications/networking equipment, software, paper and forest products industries and he also managed the Research Fund during 1997. Previously, he was a research analyst at Fiduciary Trust Company International. He became a CFA charterholder in 1991 and is also credentialed as a Professional Risk Manager.

Mr. George Chetcuti

Mr. Chetcuti is an Architect & Civil Engineer having obtained a Bachelor's Degree (Honours) from the University of Malta and his warrant in 2001. He is a founding partner of ADE Architects & Engineers, a member of the Chamber of Architects & Civil Engineers and is also a director of Hillock Homes Limited, which is a property development company that aims to develop upmarket residential properties. Throughout the 14 years of his professional career, Mr. Chetcuti has worked in various positions of the building industry. He was involved in a range of projects including residential, commercial, leisure and infrastructural projects, such as the Intercontinental Hotel in St. Julians, the HSBC Operations Centre at Qormi, several small to medium scale residential buildings and private villas, and more recently, the structural design and completion of the Marsa underpass leading to the inner Grand Harbour waterfront. He started his career with Bezzina & Cole, a leading architectural firm in Malta. During the subsequent three years, Mr. Chetcuti gained valuable experience in architectural design, construction and project management, working individually on small scale projects and as a member of the design team on larger projects. In 2005 Mr. Chetcuti started his own architectural practice where he successfully carried out a number of residential and leisure projects, including the implementation of the landscaping scheme of the Golden Sands Resort. In 2008 he merged his practice with that of Mr. James Farrugia to form ADE Architects and Engineers. At ADE George Chetcuti is mainly responsible for carrying out property valuations and project feasibility studies, the architectural and interior design department of the firm as well as the construction management of projects. He regularly attends CPD courses dealing mainly with the valuation of property and construction technology.

Section 5 | USE OF SPECIAL PURPOSE VEHICLES

The Sub-Fund may invest through different corporate structures. Accordingly an investment may be routed through a Special Purpose Vehicle rather than made directly by the Sub-Fund.

Prospective investors should note that a Special Purpose Vehicle may be financed exclusively by equity contributions or a mixture of equity contributions and loan capital.

The Directors shall ensure that a Special Purpose Vehicle is established in a jurisdiction that is not an FATF blacklisted country. The Company shall at all times through its Directors maintain the majority directorship of a Special Purpose Vehicle.

All investments effected through a Special Purpose Vehicle will be made in accordance with the investment objectives, policies and restrictions of the Sub-Fund.

SECTION 6 | Executing Broker

In terms of the Terms of Business of Zarattini International Ltd. (the “**Zarattini Terms of Business**”), the Company has appointed **Zarattini International Ltd.** (“**Zarattini**”) as Executing Broker in respect of the Sub-Fund. Zarattini is regulated and licensed by the MFSA under the ISAct and holds a Category 2 and 4A Investment Services Licence to provide investment and custody services.

In accordance with the Zarattini Terms of Business, Zarattini may provide execution, settlement and safekeeping services, among other services, to the Sub-Fund in relation to the sole assets of the Sub-Fund deposited with Zarattini. Zarattini shall not incur any liability whatsoever by reason of acting on any client instructions or for any error in client instructions and the Company, in respect of the Sub-Fund, shall indemnify and hold Zarattini harmless from any loss, cost, damage or expense it may suffer or incur by relying on such instructions, whether received by letter, telephone, facsimile or other electronic transmission (including electronic mail) or in such other manner as Zarattini may determine from time to time, and which Zarattini, in its absolute discretion, has reason to believe to be genuine.

Zarattini or the Company may terminate their business relationship with immediate effect at any time upon giving written notice to the other party.

The Zarattini Terms of Business are governed by Maltese law and are subject to the non exclusive jurisdiction of the Maltese courts.

The fees and charges of Zarattini are set out in “**Section 7 | Fees, Charges and Expenses**” hereunder however these are subject to variation from time to time.

SECTION 7 | FEES, CHARGES AND EXPENSES

Investment Management Fee

The Company will pay the Investment Manager an Investment Management Fee of 2% per annum of NAV. The Investment Management Fee will accrue on every Valuation Day and shall be payable annually in arrears.

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

Performance Fee

The Investment Manager shall also receive from the Company in respect of the Sub-Fund a Performance Fee on the appreciation in the Gross Asset Value (“**GAV**”) of the Sub-Fund over the previous High Watermark (“**HWM**”) multiplied by the average number of Investor Shares in issue in the related class of Investor Shares from the end of the previous Calculation Period on which a Performance Fee was paid.

The Performance Fee in respect of each Calculation Period will be calculated by reference to the Net Asset Value (“**NAV**”) before deduction for any accrued Performance Fee.

For each Calculation Period, a Performance Fee shall be payable in the amount of 20% on the appreciation of the Sub-Fund’s GAV over the previous HWM.

Once a Performance Fee has been paid, subsequent Performance Fees will be payable only once the Sub-Fund’s GAV exceeds the new HWM. The HWM is the higher of: (a) the Initial Offering Price and (b) the highest NAV per Share on which a Performance Fee was paid.

The Performance Fee will be deemed to accrue as at each Valuation Day and shall be payable annually in arrears and normally within fourteen (14) calendar days of the end of each Calculation Period.

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

Administration Fee

The Company pays to the Administrator an Administration Fee of 0.135% per annum based on the Net Asset Value of the Sub-Fund subject to a minimum Administration Fee of EUR10,000 per annum. Such fee shall accrue at each Valuation Day and be payable annually in arrears.

The Administrator is reimbursed for any reasonable out-of-pocket expenses necessarily incurred in the performance of its duties.

Fees payable to the Executing Broker

The Sub-Fund pays the Executing Broker a fee based on current market rates.

Other Expenses

The Sub-Fund shall bear the costs incurred for the establishment and regulatory licensing of the Sub-Fund and the offering of the Investor Shares. In particular it shall incur a fee of EUR1,000 payable to the MFSA in respect of the application for licensing of the Sub-Fund and an annual supervisory fee of EUR600 payable to the MFSA upon licensing and, thereafter, on each anniversary of the licensing of the Sub-Fund.

The Sub-Fund will bear its own operating expenses, including, but not limited to, fees payable to the Administrator, the Investment Manager, the Executing Broker, organisational and investment expenses (reasonably determined to be related to the investment of the Sub-Fund's assets), administrative expenses, marketing expenses, legal and licensing expenses, government fees, audit, interest and shareholder communication expenses and other expenses associated with the operation of the Sub-Fund. The Sub-Fund may reimburse the Investment Manager for some of the investment expenses incurred in connection with its rendering investment advice and other services to the Sub-Fund (including, without limitation, compensation for ongoing operational, systems, research and due diligence). The Investment Manager and the Administrator will be responsible to track the expenses of the Sub-Fund. Preliminary and ongoing legal, printing and continuous offering documentation expenses, subject to a maximum of EUR100,000, borne by the Sub-Fund in connection with the continuous offering of Investor Shares, will be capitalised and then amortised by writing off equal instalments on each Valuation Day over five (5) years (and thereafter as incurred).

Whilst the Investment Manager considers that such a valuation methodology is appropriate such policy may conflict with International Financial Reporting Standards.

The Sub-Fund will also be subject to other fees including, its pro-rata share of the operating expenses of the Company as set out in the Offering Memorandum.

Subscription Charge

None.

Redemption Charge

Shareholders are subject to a Redemption Charge of up to 4% of the redemption amount in the case of redemptions within two (2) years from the relevant Subscription Day. Redemptions received after two (2) years from the relevant Subscription Day will not be subject a redemption charge.

SECTION 8 | General Information

The Rights of Shareholders

The rights of Shareholders are stated in the Memorandum and Articles of the Company and in the Companies Act. The Investor Shares entitle Shareholders to participate in the movements, both positive and negative, in value of the assets of the Sub-Fund. It is not expected that the Company will declare any dividends and the Shareholder will receive the benefits of any growth in the capital value of the Investor Shares upon redemption of the Investor Shares held by him at the time of redemption. The investors will not have any general right or opportunity to redeem their Investor Shares. Notwithstanding that Shareholders may not request the redemption of their Investor Shares for as long as the Sub-Fund remains closed, the Directors may in certain circumstances as outlined below, redeem their Investor Shares at the NAV. **The Investor Shares are non-voting.** On winding up of the Sub-Fund the holders of the Investor Shares shall be entitled to their share of the value of the assets of the Sub-Fund.

Share Capital and Accounts

All amounts received by the Company on the issue of Investor Shares, initially and subsequently, will be credited as share capital of the Company and will form part of the net assets of the Sub-Fund. Separate accounts are kept for the assets of the Sub-Fund.

Fractional Shares

Fractional Shares will be issued up to four (4) decimal places.

Duration of the Sub-Fund

The Sub-Fund has been constituted for an indefinite period.

Sub-Fund Income

The income of the Sub-Fund will generally be accumulated. The Directors reserve the right to pay dividends at any time if they consider that a payment of a dividend is appropriate.

DIRECTORY

Directors of the Company

Mr. Nicholas Calamatta
Mr. Claudio Tonolla
Mr. Marcello Sertoni

Registered Office

Pilatus SICAV p.l.c.
259, St. Paul Street,
Valletta VLT 1213,
Malta

Investment Committee

Mr. Piero Cappelli
Mr. Anthony V. Xuereb
Mr. George Chetcuti

Investment Manager

Gamma Capital Markets Limited
259, St. Paul Street,
Valletta VLT 1213,
Malta

Administrator

Calamatta Cuschieri Fund Services Limited
Ewropa Business Centre,
Dun Karm Street,
B'Kara BKR 9034,
Malta

Company Secretary

E2S Monitoring Ltd.
259, St. Paul Street,
Valletta VLT 1213,
Malta

Executing Broker

Zarattini International Ltd.
171, Old Bakery Street,
Valletta VLT 1455,
Malta

Auditors

PricewaterhouseCoopers
78, Mill Street,
Qormi QRM 3101,
Malta

Legal Advisors (Malta)

GANADO Advocates
171, Old Bakery Street,
Valletta, VLT 1455,
Malta