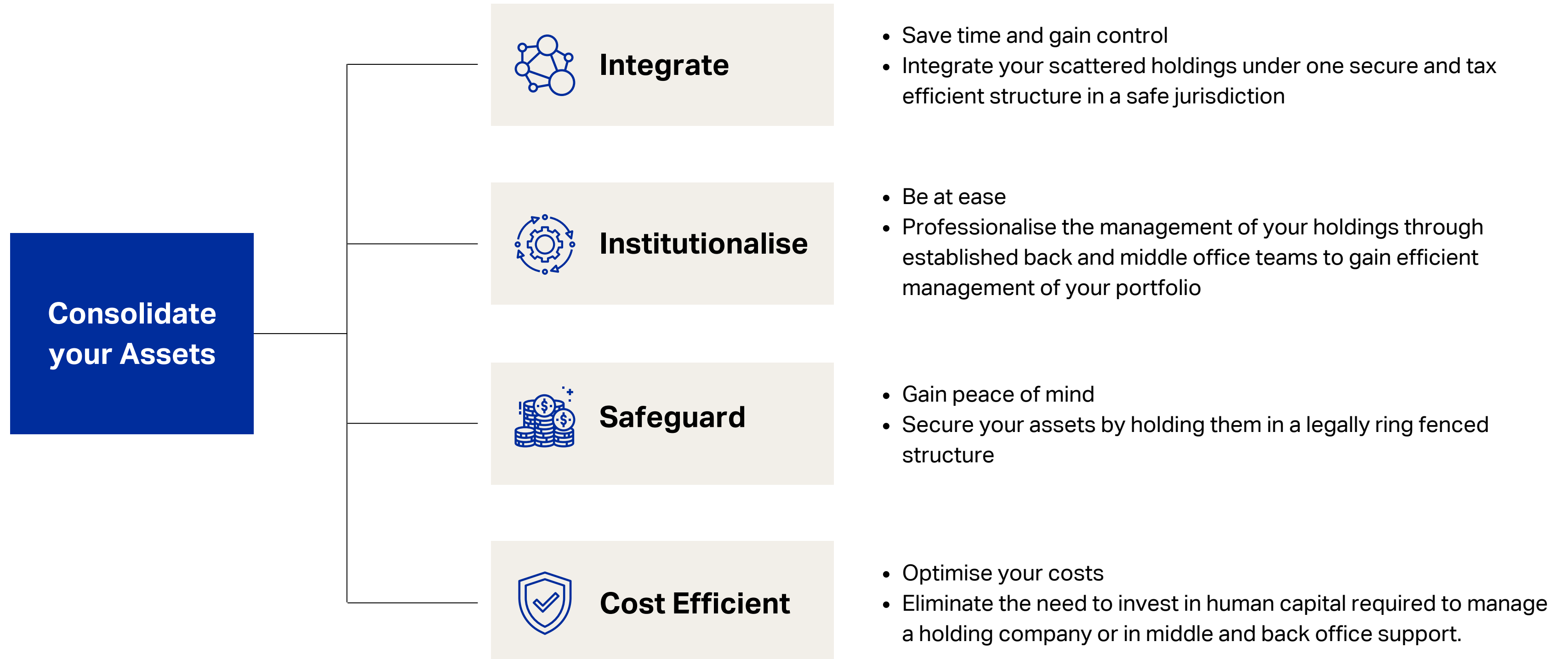


Structuring- Holding Company for your Assets



Structuring - What is a Variable Capital Company or VCC?



New Corporate Structure

- Launched in January 2020 in Singapore.
- Legal entity designed to operate either as a stand alone umbrella or with multiple underlying sub- funds.
- Flexible enough to cater to wide range of strategies and structures.



Safe Structures

- Similar to “protected cell” & “segregated portfolio” structures of Cayman Islands, British Virgin Islands, Mauritius & Guernsey.
- Assets and liabilities protected from cross-contamination through segregation of assets & liabilities across Sub- Funds.



Overcome Constraints

- Overcomes current constraints of existing corporate vehicles (private ltd companies, ltd partnerships) by offering greater operational flexibility.
- Overcomes time and human capital constraints required with current corporate vehicle structures.



Privacy and Protection

- Asset Protection- A limited liability structure that provides investors with safety by ring fencing their assets and liabilities.
- Privacy- Financial statements and shareholder lists not required to be shared publicly.



Benefits

- Flexibility- Facilitates ease of entry and exit.
- Cost efficiencies- No need to invest in human capital+Middle and back office support costs are spread across a wider base.
- MAS licensed Fund Manager- The VCC needs to be managed by a fund manager licensed by MAS.



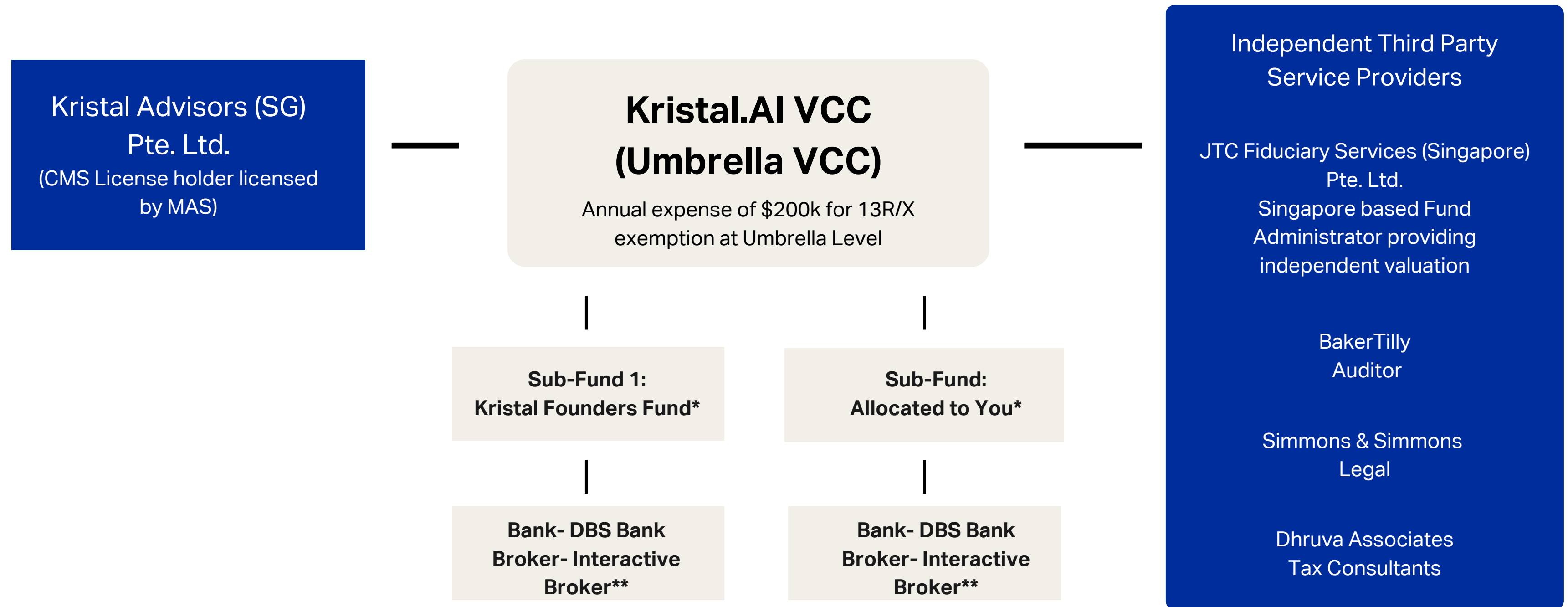
Why Singapore?

- High global standing
- Stable political landscape
- Business Friendly outlook
- Low tax
- More than 80 DTA's
- AUM of more than S\$3.4 tn

Structuring- Possible Legal Forms

	Variable Capital Company (VCC)	Private Limited Company
Legal Form	Separate legal entity and distinct from its shareholders and directors.	Separate legal entity and distinct from its shareholders and directors
Liability	Limited liability	Limited liability
Tax Benefits	13R tax exemption at fund level enjoyed by sub-funds.	13R tax exemption applies only if annual expense >\$200,000 incurred. Heavy on tax reporting.
Management of Assets:	Institutionalised, providing cost efficiencies.	Time consuming and significant investment in human capital.
Dividend Distribution:	Allowed from capital	Only allowed from profits.
Privacy:	Complete privacy.	No privacy .

Structuring - The Kristal.AI VCC



* Assets and Liabilities of each Sub-Fund legally ring-fenced from other Sub- Funds.

** Each Sub-Fund shall have its own separate bank and broker accounts to ensure assets and liabilities are not commingled.