

# AIFMD ART 23 DISCLOSURE STATEMENT

## Objectives

This Disclosure Statement, when read together with the Information Memorandum of the Fund and its annual report, is intended to satisfy the Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers (“AIFMD”) Article 23 Disclosure requirements in respect of the Fund.

As such, in its capacity as Investment Manager, Sygnum will make this Disclosure Statement available to each prospective investor, in each EEA/EU member state where the Fund is marketed under an applicable national private placement regime before that investor invests in the Fund.

## Legal, Regulatory and Internal Basis

This information is made available by Sygnum Pte Ltd (“Sygnum”) in order to comply with the annual requirements for periodic and regular disclosure to investors set out under (i) the AIFMD and (ii) the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 (“Regulation”).

Sygnum Pte Ltd is duly licensed by the Monetary Authority of Singapore and, amongst others, is authorized to manage collective investment schemes which may qualify as alternative investment funds (“AIF”) under the AIFMD.

The AIFMD is a European Union directive which regulates (amongst other things) the management and marketing of an AIF by an alternative investment fund manager (“AIFM”) within the EEA.

According to AIFMD, different regulatory obligations apply depending on whether the AIFM and the AIF are EU or Non-EU. In particular, according to the AIFMD, EU/EEA member states can allow a Non-EU AIFM to market to investors, in their territory only, units or shares of AIFs managed by the Non-EU AIFM, subject to complying with certain minimum transparency requirements under AIFMD under a national private placement regime (“NPPR”).

For the purposes of the AIFMD and in view of its interest in marketing the Fund in one or more EU/EEA member states, Sygnum qualifies as Non-EU AIFM subject to the marketing framework set out under Art. 42 of the AIFMD.

Under AIFMD, for each AIF marketed in the EEA under a NPPR, the Non-EU AIFM must make available to each prospective investor in the AIF in the relevant EEA member state certain prescribed information before the investor may invest in the AIF (“Article 23 Disclosure”).

## Review

This document will be reviewed as soon as any of the information contained herein are subject to material change and however in accordance with the applicable law.

Sygnum shall inform investors of any material changes to the information contained herein in accordance with the AIFMD, making available the last version of this document on its website and/or via e-mail upon demand. Existing investors shall ensure that, prior to effecting any further investment, obtain and review the latest version of this document.

## Scope of Applicability

This Disclosure Statement applies in respect of Sygnum Digital Assets Multi-Manager Fund (the “Fund”).

## DISCLOSURES

Sygnum sets out hereunder the relevant information to be disclosed in accordance with art. 23 of the AIFMD. As cross-reference is also made to the Information Memorandum of the Fund, this document shall be read in conjunction with it. Further information is also contained in the annual report prepared from time to time by the Fund, Sygnum Remuneration Statement and/or in the dedicated documents referred to herein.

Ref. number	INFORMATION TO BE DISCLOSED UNDER ART. 23	DISCLOSURE PLACE/CONTENT
a	a description of the investment strategy and objectives of the AIF, information on where any master AIF is established and where the underlying funds are established if the AIF is a fund of funds, a description of the types of assets in which the AIF may invest, the techniques it may employ and all associated risks, any applicable investment restrictions, the circumstances in which the AIF may use leverage, the types and sources of leverage permitted and the associated risks, any restrictions on the use of leverage and any collateral and asset reuse arrangements, and the maximum level of leverage which the AIFM are entitled to employ on behalf of the AIF;	<p>This information is set out in the Information Memorandum of the Fund under the section “<b>Introduction</b>”, “<b>Investment Strategy</b>” as well as “<b>Risk Factors</b>”.</p> <p>With respect to use of leverage, please refer to the sections headed “<b>Leverage</b>” and “<b>Borrowing Policy</b>”.</p>
b	a description of the procedures by which the AIF may change its investment strategy or investment policy, or both;	This information is set out in the Information Memorandum of the Fund under the section “ <b>Structure of the Fund</b> ”
c	a description of the main legal implications of the contractual relationship entered into for the purpose of investment, including information on jurisdiction, on the applicable law and on the existence or not of any legal instruments providing for the recognition and enforcement of judgments in the territory where the AIF is established;	<p><b>Main legal implications of contractual relationship:</b></p> <p>By submitting a Subscription Agreement to the Administrator, the investor makes an offer to subscribe for shares in the Fund which, once it is accepted by the Fund, has the effect of a binding contract. The terms of this contract are governed by the application form, read together with the Information Memorandum.</p> <p>Upon the issue of shares, an investor becomes a member of the Fund, and the Articles of the Fund take effect as a statutory contract between the shareholders and the Fund. Under the terms of the Articles, the liability of the Shareholders is limited to any amount unpaid on their shares. As the shares can only be issued if they are fully paid, the shareholders will not be liable for</p>

		<p>any debt, obligation or default of the Fund beyond their interest in the Fund.</p> <p>While investors acquire an interest in the Fund on subscribing for or purchasing shares, the Fund is the sole legal and/or beneficial owner of its investments. Consequently, investors have no direct legal or beneficial interest in those investments.</p> <p>Further information on the right of shareholders are set out under the dedicated section of the Information Memorandum headed “Right of Shareholders”.</p> <p><b>General information on the jurisdiction:</b> This information is set out in the Information Memorandum of the Fund and, in particular, in the section headed “Important Notes”.</p> <p><b>Applicable law:</b> The Fund is an exempted company incorporated with limited liability in the Cayman Islands on 14 May 2019. The Articles of the Fund, and the subscription Agreement and the Information Memorandum are each governed by and construed in accordance with the laws of the Cayman Islands.</p> <p><b>Recognition and enforcement of judgments:</b> Although there is no statutory enforcement in the Cayman Islands of judgments obtained in a foreign jurisdiction (other than judgments rendered by an Australian superior court which may be enforced under the Foreign Judgments Reciprocal Enforcement Law (1996 Revision) of the Cayman Islands), a judgment imposing a liability to pay a liquidated sum obtained in a foreign jurisdiction will be recognised and enforced in the courts of the Cayman Islands at common law, without any re-examination of the merits of the underlying dispute, provided such judgment satisfies certain criteria.</p> <p>In the absence of a direct contractual relationship between an investor and a service provider, investors generally have no direct rights against that service provider and there are only limited circumstances in which an investor may potentially bring a claim against that service provider. Instead, the proper claimant in an action in respect of which a wrongdoing is alleged to have been committed against the Fund by the relevant service provider is, prima facie, the Fund.</p>
d	<p>the identity of the AIFM, the AIF’s depositary, auditor and any other service providers and a description of their duties and the investors’ rights;</p>	<p>This information are set out under the “<b>Directory</b>” section of the Information Memorandum as well as under the section “<b>Investment Manager</b>” and “<b>Management and Administration</b>” and “<b>Tax, Audit and Legal Information</b>”.</p> <p>Information on investors rights are set out under the section headed “<b>Structure of the Fund</b>”</p> <p>In view of its investment strategy, the Fund has not appointed a depositary, but its investments in other funds are either kept, being of a contractual nature, at the relevant fund administrator through which the subscription has been performed or, in the event of financial instruments, at Sygnum Bank AG.</p>

e	a description of how the AIFM is complying with the requirements of Article 9(7);	Sygnum maintains directors and officers' insurance and professional indemnity insurance to cover its activities. Details of the terms of such policy are available on request from Sygnum
f	a description of any delegated management function as referred to in Annex I by the AIFM and of any safe-keeping function delegated by the depositary, the identification of the delegate and any conflicts of interest that may arise from such delegations;	Sygnum has appointed Mainstream Fund Services Pte Ltd as fund administrator. Whilst retaining the main risk management function, Sygnum has delegated specific aspects of it, namely financial and investment risk management, to Sygnum Bank AG.  Safekeeping delegation: N/A
g	a description of the AIF's valuation procedure and of the pricing methodology for valuing assets, including the methods used in valuing hard-to-value assets in accordance with Article 19;	The information is set out under the section headed " <b>Net Asset Value</b> " of the Information Memorandum
h	a description of the AIF's liquidity risk management, including the redemption rights both in normal and in exceptional circumstances, and the existing redemption arrangements with investors;	<p>Whilst retaining the main risk management function, Sygnum has delegated specific aspects of it, namely financial and investment risk management, to Sygnum Bank AG. This includes liquidity risk management. Further information on risk management including liquidity risks is set out under the sections headed "<b>Investment Strategy</b>", "<b>Borrowing Policy</b>" and "<b>Risk Factors</b>" in the Information Memorandum. Moreover, the Fund may use leverage of up to twenty-five per cent. (25%), mainly to increase its liquidity profile as multi-manager in relation to subscription and redemptions of the Underlying Investment Vehicles and subscription and redemptions of Shares.</p> <p>Moreover, certain redemption arrangements, such as a lock-up period, lengthy redemption notices, the possibility to have "in specie" redemption or delay of redemptions are envisaged.</p> <p>Information on redemption arrangements are set out under the section headed "<b>Redemptions</b>" in the Information Memorandum.</p> <p>As part of strategic planning, Sygnum invests primarily in highly liquid investment products and implements allocation limits to illiquid underlying funds to manage redemption mismatch. The Fund offers flexibility in terms of gating and/or redeeming the shares in kind as mentioned above. In this regard, where the Fund receives redemption proceeds in kind, Sygnum bears a secondary risk of monetizing the assets and/or the risks resulting from holding them. Lastly, Sygnum ensures sufficient cash liquidity for fund expenses and capital calls.</p>
i	a description of all fees, charges and expenses and of the maximum amounts thereof which are directly or indirectly borne by investors;	Information is provided under the section headed " <b>Fees and Expenses</b> " of the Information Memorandum
j	a description of how the AIFM ensures a fair treatment of investors and, whenever an investor obtains preferential treatment or the	Information on investors rights are set out under the section headed " <b>Structure of the Fund</b> " and " <b>Side letters</b> ". The Company ensures the fair treatment of all its investors. Additional

	right to obtain preferential treatment, a description of that preferential treatment, the type of investors who obtain such preferential treatment and, where relevant, their legal or economic links with the AIF or AIFM;	information on any potential preferential treatment is set out under the section “ <b>Conflict of interest</b> ” of the Information Memorandum. To date, the Fund has entered into two side letters with investors concerning the payment of management fees. One of these investors is a related party to Sygnum, being part of the Board of Directors and an Investment Committee member.
k	the latest annual report referred to in Article 22;	This document will be available free from charge on the website of Sygnum and/or upon demand from Sygnum
l	the procedure and conditions for the issue and sale of units or shares;	Information is set out under the section headed “ <b>Subscriptions</b> ” in the Information Memorandum
m	the latest net asset value of the AIF or the latest market price of the unit or share of the AIF, in accordance with Article 19;	This information is provided within the factsheet dispatched from time to time to the investors in the Fund and are made available by Sygnum free from charge on demand by potential investors
n	where available, the historical performance of the AIF;	Investors will be able to access information on the past performance of the Fund upon request from Sygnum.
o	the identity of the prime broker and a description of any material arrangements of the AIF with its prime brokers and the way the conflicts of interest in relation thereto are managed and the provision in the contract with the depositary on the possibility of transfer and reuse of AIF assets, and information about any transfer of liability to the prime broker that may exist;	N/A
p	a description of how and when the information required under paragraphs 4 and 5 will be disclosed.	Information will be made available on an annual basis within the annual report of the Fund and/or by means of periodic update to this Disclosure Statement, which will be updated in the event of any material change to the information set out herein and/or, indirectly, in the Information Memorandum of the fund.
Para 2	Any arrangement made by the depositary to contractually discharge itself of liability in accordance with Article 21(13).	N/A
Para 4	<ul style="list-style-type: none"> <li>(a) the percentage of the AIF’s assets which are subject to special arrangements arising from their illiquid nature;</li> <li>(b) any new arrangements for managing the liquidity of the AIF;</li> <li>(c) the current risk profile of the AIF and the risk management systems</li> </ul>	<p>At the date of this document:</p> <ul style="list-style-type: none"> <li>(a) None</li> <li>(b) N/A</li> <li>(c) Information on the main risks faced by the Fund are set out under the dedicated section of the Information</li> </ul>

	employed by the AIFM to manage those risks	Memorandum headed “ <b>Risk Factors</b> ”. Please also refer to risk management information provided above.
Para 5	<p>(a) any changes to the maximum level of leverage which the AIFM may employ on behalf of the AIF as well as any right of the reuse of collateral or any guarantee granted under the leveraging arrangement;</p> <p>(b) the total amount of leverage employed by that AIF.</p>	<p>(a) These are set out in the “<b>Borrowing Policy</b>” section of the Information Memorandum, which will be timely changed ahead of any change to the maximum level of leverage which Sygnum may deploy on behalf of the Fund.</p> <p>(b) The total amount of leverage employed will be disclosed periodically in the annual report.</p>
<b>ESG DISCLOSURE</b>		
<b>Sustainability Risk</b>		Means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment
<b>Sustainability Factors</b>		Mean environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters
<b>General approach</b>		The Fund does not promote environmental or social characteristics nor it has sustainable investment as its objective. Despite qualifying as Non-EU AIFM and being the Fund a non-EU AIF, in view of its envisaged marketing in one or more EEA member states (subject to the compliance with the relevant third-country marketing national regime), Sygnum sets out below the key information required in accordance with REGULATION (EU) 2019/2088 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 November 2019 on sustainability-related disclosures in the financial services sector ( <b>SFDR</b> ) and the Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment ( <b>EU Taxonomy</b> )
<b>Art. 3 SFDR</b>	<b>Transparency of sustainability risk policies</b>	Neither Sygnum nor the Fund have in place a sustainability risk policy in respect of its investment decisions for the reasons further set out in the relevant box below.
<b>Art. 4 SFDR</b>	<b>Transparency of adverse sustainability impacts at entity level</b>	Neither Sygnum nor the Fund consider the adverse impacts of investment decisions on sustainability factors. This results from the original design of the Fund and its investment strategy, as well as the applicable regulatory framework at the time of its set-up. Moreover, this further depends on the lack of clear, reliable and structured data on principal adverse impacts from portfolio companies, potential target investments as well as data providers at this point in time. The combination of the abovementioned factors restricts our ability to consider such factors as part of our investment decision making process in a comprehensive and coherent manner. However, Sygnum will be monitoring for the time being the key developments in this area and re-assess its approach.
<b>Art. 5 SFDR</b>	<b>Transparency of remuneration policies in relation to the integration of sustainability risks</b>	As further detailed in the remuneration statement made available on its website, Sygnum remuneration policy promotes sound and effective risk management with respect to sustainability risks (in particular, with respect of social and governance aspects).

		<p>The structure of remuneration does not encourage excessive risk-taking with respect to sustainability risks and is linked to risk-adjusted performance.</p> <p>This is achieved by means of incorporating in the remuneration policy multiple arrangements to this end, such as objective evaluation criteria taking into account, amongst others, internal parity and avoiding as standard practice to include guaranteed bonuses/guaranteed variable compensation. Among the qualitative criteria considered, Sygnum takes into account compliance, adherence to risk management framework and ethics as well as alignment with Sygnum values, which include a zero tolerance policy for harassment and illegal conducts. Sygnum provides equal employment and advancement opportunities for all individuals regardless of race/ethnicity, gender, national origin, age, disability, sexual orientation, religion, political views, or any other characteristics protected by law. Moreover, Sygnum hiring criteria are solely focused on alignment with Sygnum values, ethical standards, and candidate expertise.</p> <p>Sygnum has further in place a CSR directive and a Code of Conduct applicable to its personnel (whose conduct and compliance with such framework is taken into account as part of performance evaluation) and which form part of its compliance framework.</p>
Art. 6 SFDR	<b>Transparency and integration of sustainability risks</b>	<p>Neither Sygnum nor the Fund integrate sustainability risks as part of its investment decisions. In view of the multi-manager nature of the Fund, it is not excluded that underlying investment vehicles take into account sustainability risks, but this criterion does not form part of the current investment strategy of the Fund. This results from the original design of the Fund and its investment strategy, as well as the applicable regulatory framework at the time of its set-up. Moreover, this is also the result of the peculiar target industry (digital assets) which is relative immature in respect of the provision of the necessary data and information enabling to perform objective and comprehensive sustainability risk measurements and assessments.</p>
Art. 7 SFDR	<b>Transparency of adverse sustainability impacts at financial product level</b>	<p>Neither Sygnum nor the Fund consider the adverse impacts of investment decisions on sustainability factors. This results from the original design of the Fund and its investment strategy, as well as the applicable regulatory framework at the time of its set-up. Moreover, this further depends on the lack of clear, reliable and structured data on principal adverse impacts from portfolio companies, potential target investments as well as data providers at this point in time. The combination of the abovementioned factors restricts our ability to consider such factors as part of our investment decision making process in a comprehensive and coherent manner. However, Sygnum will be monitoring for the time being the key developments in this area and re-assess its approach.</p>
EU Taxonomy – Art. 7	<b>Transparency of other financial products in pre-contractual disclosures and in periodic reports</b>	<p>The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities</p>