

LUXEMBOURG SELECTION FUND

Société d'investissement à capital variable organisée sous la forme d'une société anonyme

33A, Avenue J.F. Kennedy,
L-1855 Luxembourg,
Grand Duchy of Luxembourg
R.C.S. Luxembourg: B96268

NOTICE TO THE SHAREHOLDERS OF LUXEMBOURG SELECTION FUND – Solar & Sustainable Energy Fund

Luxembourg, April 2024

IMPORTANT:

THIS LETTER REQUIRES YOUR IMMEDIATE ATTENTION.

**IF YOU HAVE ANY QUESTIONS ABOUT THE CONTENT OF THIS LETTER,
YOU SHOULD SEEK INDEPENDENT PROFESSIONAL ADVICE.**

1. PROPOSED MERGER

- 1.1 You are hereby informed that the board of directors of LUXEMBOURG SELECTION FUND, an investment company with variable capital (*société d'investissement à capital variable - SICAV*) governed and established in accordance with the provisions of Part I of the Luxembourg act of 17 December 2010 relating to undertakings for collective investment, as amended (the **2010 Act**), having its registered office at 33A, Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg, registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés, Luxembourg – RCS*) under number B96268 (the **Merging Fund**), acting for the account of its sub-fund LUXEMBOURG SELECTION FUND - Solar & Sustainable Energy Fund (the **Merging Sub-Fund**) intends to merge the Merging Sub-Fund into the sub-fund PROTEA UCITS II – Solar & Sustainable Energy Fund (the **Receiving Sub-Fund**) (the **Merger**).
- 1.2 The Receiving Sub-Fund is a sub-fund of PROTEA UCITS II, a SICAV governed and established in accordance with the provisions of Part I of the 2010 Act, having its registered office at 15, Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg, registered with the RCS under number B148792 (the **Receiving Fund**).
- 1.3 The board of directors of each of the Merging Fund and the Receiving Fund, being the **Boards**, the Merging Fund and the Receiving Fund, being the **Funds** and the Merging Sub-Fund and the Receiving Sub-Fund, being the **Sub-Funds**.
- 1.4 The Merger has been approved by the Luxembourg supervisory authority, the *Commission de Surveillance du Secteur Financier*.

2. BACKGROUND AND RATIONALE FOR THE PROPOSED MERGER

- 2.1 The rationale for the Merger is that FiNet Asset Management AG, the portfolio manager of the Merging Sub-Fund (the **Portfolio Manager**) was unwilling to continue its mandate and that UBS Third Party Management Company S.A., the management company of the Merging Sub-Fund had a lack of interest in continuing to have the Merging Sub-Fund under its governance. In that context,

Arcane Capital Advisors Pte Ltd, the investment advisor of the Merging Sub-Fund and Swiss-Asia Financial Services Pte Ltd, the investment manager of the Receiving Sub-Fund (the **Investment Manager**) decided to migrate the Merging Sub-Fund into the Receiving Fund. One important benefit of the Merger for the Merging Sub-Fund is that Pictet has the capacity to perform some critical functions for the distribution of the fund which in the past UBS could not offer.

2.2 The Merger is decided in accordance with, among others, Chapter 4 (“Dissolution and Merger of the Fund and of its Subfunds”) of Section II (“General Provision”) of the prospectus of the Merging Fund (the **Merging Fund Prospectus**) and article 24 of the articles of incorporation of the Merging Fund (the **Merging Fund Articles**).

3. EFFECTIVE DATE AND IMPACT ON SHAREHOLDERS OF THE SUB-FUNDS

3.1 The Boards intend to set the effective date of the Merger on 2 May 2024 (the **Effective Date**).

3.2 The Boards intend to proceed to the Merger within the meaning of article 1(20) a) of the 2010 Act. On the Effective Date, the Merging Sub-Fund will transfer all of its assets and liabilities (if any) to the Receiving Sub-Fund. As a consequence, the Merging Sub-Fund will be dissolved without going into liquidation.

3.3 In exchange for their shares in the Merging Sub-Fund, shareholders of the Merging Sub-Fund will receive shares of the corresponding class of shares in the Receiving Sub-Fund as further described under Section 5 below. Subject to the Section 5 below, the shareholders of the Merging Sub-Fund who have not made use of their redemption right will become shareholders of the Receiving Sub-Fund as of the Effective Date. As at the Effective Date the shareholders of the Merging Sub-Fund will become shareholders of the Receiving Sub-Fund, they will be bound by the terms and conditions of the articles of incorporation of the Receiving Fund and the prospectus of the Receiving Fund and, in particular, the special section of the Receiving Sub-Fund outlining the features of the Receiving Sub-Fund.

3.4 The Receiving Sub-Fund is currently a “non-launched compartment” within the meaning of item 1.1 of the CSSF circular 12/540 of 9 July 2012 (i.e., a compartment is considered as non-launched since its approval by the CSSF if that approval is not promptly followed by an issue of its units). Hence, there are currently no shareholders in the Receiving Sub-Fund.

3.5 The Receiving Sub-Fund will be launched as at the Effective Date.

3.6 As the Receiving Sub-Fund is newly created in order to absorb the Merging Sub-Fund on the Effective Date and will not have any shareholders prior to the Effective Date, the Merger will not have any impact on shareholders of the Receiving Sub-Fund because there are none.

4. REDEMPTION RIGHT

4.1 Shareholders in the Merging Sub-Fund who do not wish to participate in the Merger will have the right to request the redemption of their shares free of charge (save for the costs retained to meet disinvestment costs) in accordance with article 73(1) of the 2010 Act, section 22.5 (“*Merger or liquidation of Sub-Fund or share classes*”) of the Merging Fund Prospectus and article 28 of the Merging Fund Articles.

4.2 Redemption requests must be sent in writing to the central administration agent of the Merging Fund (i.e., Northern Trust Global Services SE) (the **Administrative Agent**). The right of the shareholders to request the redemption of their shares in the Merging Sub-Fund in accordance with article 73(1) of the 2010 Act will commence on 22 March 2024 and cease five (5) Business Days prior to the date of calculation of the exchange ratio. As a result, redemption applications in the Merging Sub-Fund must be received by the Administrative Agent at the latest on 23 April 2024 at 4 p.m. (Luxembourg time).

4.3 Any application for subscription, conversion and redemption requests received by the Administrative Agent thereafter will not be accepted anymore until the Effective Date. Any application for subscription, conversion and redemption requests will need to be submitted to the administrative agent of the Receiving Fund, as at the Effective Date.

4.4 The shares held by those shareholders of the Merging Sub-Fund who exercised their right to redeem their shares free of charge (save for the costs retained to meet disinvestment costs) will have been redeemed prior to the Effective Date.

5. TRANSFER OF ASSETS AND LIABILITIES AND EXCHANGE OF SHARES

5.1 Transfer of assets and liabilities

(a) The purpose of the Merger is the transfer of all assets and liabilities (if any) of the Merging Sub-Fund to the Receiving Sub-Fund in exchange for the issue of shares of the corresponding class of shares in the Receiving Sub-Fund to existing shareholders of the Merging Sub-Fund on the Effective Date. The Merging Sub-Fund will be dissolved without going into liquidation thereafter.

(b) The unamortised costs of the Merging Sub-Fund will be transferred as a liability to the Receiving Sub-Fund. Any accrued but unpaid income in the Merging Sub-Fund will be included in the final net asset value of the Merging Sub-Fund as of the Effective Date and will be accounted for in the net asset value of the relevant class of shares of the Receiving Sub-Fund.

(c) The costs of the Merger will be borne by the management company of the Receiving Sub-Fund.

5.2 Exchanges of Shares/Classes of Shares

(a) As from 23 April 2024 at 4 p.m. (Luxembourg time) (last day of the free redemption period), no further requests for subscription in the Merging Sub-Fund will be accepted.

(b) The subscriptions, conversions and redemptions of shares/shares in the Merging Sub-Fund will be suspended for the purpose of the Merger, as described under Sections 4.2, 4.3 and 5.2(a).

(c) The Receiving Sub-Fund will in exchange for the transfer of the assets and liabilities (if any) of the Merging Sub-Fund issue shares in the Receiving Sub-Fund to the shareholders of the Merging Sub-Fund. More precisely, the shareholders of the different classes of shares of the Merging Sub-Fund will receive shares of the following classes of shares of the Receiving Sub-Fund:

| Class of shares of the Merging Sub-Fund | Corresponding class of shares of the Receiving Sub-Fund |
|---|---|
| Class A1 (ISIN: LU0405846410) | Class A1 (ISIN: LU0405846410) |
| Class A2 (ISIN: LU0405860593) | Class A2 (ISIN: LU0405860593) |
| Class A3 (ISIN: LU0405863852) | Class A3 (ISIN: LU0405863852) |

- (d) As a result of the Merger, on the Effective Date, all shares in the Merging Sub-Fund will be cancelled. Shareholders who directly hold registered shares of a specific classes of shares of the Merging Sub-Fund will be removed from the register of shareholders of the Merging Sub-Fund and registered in the register of shareholders of the Receiving Sub-Fund in the corresponding class of shares for a number of shares determined based on the exchange ratio as of the Effective Date. The shares in the Receiving Sub-Fund will be issued in registered form as of the Effective Date.
- (e) The administrative agent of the Receiving Fund will notify the relevant shareholders of the Merging Sub-Fund of their admission to the register of shareholders of the Receiving Sub-Fund.

6. VALUATION OF THE ASSETS AND LIABILITIES AND METHOD FOR CALCULATING THE EXCHANGE RATIO

- 6.1 The assets and liabilities (if any) of the Merging Sub-Fund will be valued as per the Effective Date based on the closing prices as of 30 April 2024.
- 6.2 All the assets of the Merging Sub-Fund will be contributed to the Receiving Sub-Fund. The Merging Sub-Fund will be dissolved without going into liquidation further to this Merger. In exchange, the contributing investors of the Merging Sub-Fund will receive a number of shares in the Receiving Sub-Fund equivalent to the number of shares of the corresponding class of shares of the Merging Sub-Fund as of the Effective Date. **The exchange ratio will therefore be 1:1.** The shares in the Receiving Sub-Fund will be issued at a price equal to the net asset value per class of shares of existing shares of the Merging Sub-Fund as of the Effective Date.
- 6.3 The calculation method of exchange ratio will be validated by the auditor of the Merging Fund in accordance with article 71 of the 2010 Act.

7. MAIN DIFFERENCES BETWEEN THE SUB-FUNDS

The below sets out the principal features and differences between the Merging Sub-Fund and the Receiving Sub-Fund:

7.1 Investment objective, investment strategy and investment policy

- (a) The investment objectives of the Merging Sub-Fund and the Receiving Sub-Fund are substantially the same.
- (b) The investment strategies and restrictions of the Receiving Sub-Fund and the Merging Sub-Fund are substantially the same as further set out in the table below. The differences are essentially clarifications linked to regulatory updates that do not change the investment objective. As a consequence, there will be no rebalancing of the portfolio of the Merging Sub-Funds prior to the Effective Date.
- (c) Any defined terms used in the below table have the meaning ascribed to such term in the relevant prospectus of the Merging Sub-Fund and the Receiving Sub-fund, respectively.

| Merging Sub-Fund | Receiving Sub-Fund |
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| This Subfund promotes environmental and/or social characteristics and complies with Article 8 of SFDR. Further information related to | |

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| <p>environmental and/or social characteristics is available in Annex 2 to this document (SFDR RTS Art. 14(2)).</p> | |
| | <p>The objective of this Compartment is to achieve capital appreciation over the long term by investing mainly in equities securities with a key focus on renewable energy transition.</p> <p>The Compartment is actively managed. The Compartment has no benchmark index and is not managed in reference to a benchmark index.</p> <p>The Compartment is managed to promote, among other characteristics, a combination of environmental and social characteristics within the meaning of article 8 of SFDR but does not have as its objective Sustainable Investments. The investee companies in which the Compartment invests will follow good governance practices based on such policies which are further detailed in Annex 1 of this Compartment’s appendix (the “Annex”). The Compartment will invest at least 60% of its NAV into Sustainable Investments.</p> |
| <p>The Subfund invests in companies in the renewable energy sector, based on the thesis that the primary driver of the energy transition will be an accelerating worldwide switch to ever more cost-competitive solar energy. Apart from solar, other carbon-free sources of energy are also seen to help drive this transition, such as wind-power, hydro and geothermal energy. The Subfund therefore targets suitable investments in all such industries, as well as those which are involved in energy storage technologies and electric transportation.</p> <p>Investment decisions are based on independent research, comprising both fundamental and valuation analysis. Companies in the investment universe of the Subfund comprise both equipment manufacturers (e.g. solar and wind) as well as power producers and, more generally, companies engaged in activities related to the production, transmission and distribution of sustainable energy. This may also include suppliers of materials, components, electronics, software and services, as well as companies holding patents and key technologies. The Subfund may also invest in companies that</p> | <p>The Compartment invests in companies in the renewable energy sector, based on the thesis that the primary driver of the energy transition will be an accelerating worldwide switch to ever more cost-competitive solar energy. Apart from solar, other carbon-free sources of energy are also seen to help drive this transition, such as wind-power, hydro and geothermal energy. The Compartment therefore targets suitable investments in all such industries, as well as those which are involved in energy storage technologies and electric transportation, including green Hydrogen.</p> <p>Investment decisions are based on independent research, comprising both fundamental and valuation analysis. Companies in the investment universe of the Compartment comprise both equipment manufacturers (e.g. solar and wind) as well as power producers and, more generally, companies engaged in activities related to the production, transmission and distribution of sustainable energy. This may also include suppliers of materials, components, electronics, software and services, as well as companies holding patents and key technologies. The</p> |

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| <p>manufacture energy-saving devices (e.g. heat pumps, LED lights) and electric vehicles.</p> | <p>Compartment may also invest in companies that manufacture energy-saving devices (e.g. heat pumps, led lights) and electric vehicles.</p> |
| <p>The transferable securities, primarily equities, in which the Subfund will invest, will be essentially listed on approved stock exchanges in Asia, Europe and the United States, but they may also, to a certain extent, be traded on unlisted markets provided such markets are recognised as regulated markets that operate regularly and are recognised and open to the public.</p> <p>Fundamental analysis and valuation analysis are applied to all companies comprising the investment universe. This methodology takes into account not only macro- and micro-economic factors, but also quantitative and qualitative variables. Each investment in a security will be automatically limited to 10% of the Subfund's assets. In accordance with applicable regulations, the total value of assets held by the Subfund from companies in which it invests more than 5% of its assets may not exceed 40% of the total Net Asset Value of the Subfund. In addition, the Subfund may not invest more than 10% of its assets in other investment funds (UCITS and/or other UCIs) as defined below in Chapter 19 "Investment Restrictions" of Section II "General Provisions" under number 1 lit. A (h).</p> | <p>In order to attain the objective described above, the Compartment will mainly invest in transferable equities (such as shares, up to 40% in American depositary receipts (ADRs), GDRs, bonds that are convertible into shares, equity-linked notes, participating notes and stock options), in which the Compartment will invest, will be essentially listed on approved stock exchanges in Asia, Europe and the United States. The Compartment may invest a maximum of 70% of net assets in emerging markets, including in China through, up to 70% A shares via Stock Connect, H shares and ADRs.</p> <p>Up to 30% of the Compartment's net assets may be invested outside the aforementioned investment universe in equities of issuers of other business segments than the ones described above. Furthermore, for treasury purposes (in normal market conditions), the Compartment may invest in money market instruments, money market UCIs (within the 10% limit below and have term deposits).</p> <p>The Compartment will not invest more than 10% of its net assets in UCITS and/or other UCIs.</p> |
| <p>The investments will be made in shares, American depositary receipts (ADRs), bonds that are convertible into shares, equity-linked notes, participating notes and stock options. In order to provide hedging and efficient portfolio management, the following instruments may be used (futures contracts on indices, forward exchange contracts on currency or other types of financial derivative instruments. The Subfund is also authorized, within the limits provided in Section II, General Provisions, Chapter 19 Investment restrictions, for purposes of hedging and/or efficient portfolio management, use techniques and instruments on transferable securities, money market instruments, indices, currencies and interest rates.</p> <p>Subject to the conditions set out in Chapter 19 "Investment Restrictions" of Section II "General Provisions" under number 1 lit. B (d), the</p> | <p>For hedging and for investment purposes, within the limits set out in Section 21 "Investment restrictions" of the main body of the Prospectus, the Compartment may use all types of financial derivative instruments traded on a Regulated Market and/or OTC Derivatives provided they are contracted with leading financial institutions specialised in this type of transactions and subject to regulatory supervision. However, in normal market conditions the Investment Manager intends to use principally, for hedging purposes, currency derivatives such as forward exchange contracts. Those investments may not be used to elude the investment policy of the Compartment.</p> |

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| <p>Subfund's assets may hold liquid assets on an ancillary basis to provide for redemptions or to meet other liquidity needs.</p> <ul style="list-style-type: none"> Options on transferable securities/indices: an option on transferable securities or on indices gives the purchaser, or "Holder", the right, but not the obligation, to purchase, in the case of a call option, or sell, in the case of a put option, a set amount of the underlying at a fixed price by a stated expiration date. The Holder pays a commission (a 'premium') for the option but cannot lose more than this amount, plus associated transaction fees. Compared with futures, options only impose an obligation on the seller or 'Issuer'. If the option is exercised by the Holder, the Issuer is obliged to settle the transaction by surrendering the underlying asset or the cash, based on the value of the underlying asset. An option becomes worthless for the holder if it is not exercised within the period of validity. Such options may be traded officially on a stock exchange or traded OTC with first-class financial institutions specialising in this type of transaction. When purchasing an OTC option, the holder will be subject to the default risk of the issuer; for this reason, the purchase of this type of option may require that a guarantee be provided in the form of a margin deposit. Futures: a future is a bilateral contract conferring the purchase or sale of a fixed amount of financial instruments (such as index or other instrument) at a stated time in the future for a fixed price. Under these terms, a future has a specific redemption date at which the index value must be surrendered by the seller and acquired by the buyer. The purchase or sale of futures differs from the purchase or sale of transferable securities or other types of instrument in that no initial purchase price is paid. Instead, a variable cash sum no greater than the contract value is deposited with a broker as an 'initial margin'. Subsequent payments from or to the broker will be made daily taking into account the variation, for example, of the index. The use of futures instead of investing in the underlying has the advantage of lower transaction fees. | |
| <p>Partial exemption under the German Investment Tax Act 2018</p> | <p>The Compartment will, on a continuous basis, invest more than 50% of its total assets in equity investments as defined by Sec. 2 para. 8 in</p> |

| <p>In addition to the investment restrictions set out in the special investment policies of the Subfund, the Management Company will manage the Subfund in accordance with the partial exemption regime according to Sec. 20 para. 1 and 2 of the German Investment Tax Act 2018 (“GITA”).</p> <p>On that basis, the Subfund will invest more than 50% of its relevant total assets in equity investments (as defined by Sec. 2 para. 8 GITA and associated guidance), on a continuous basis, in order to establish eligibility as an “equity fund” according to Sec. 2 para. 6 GITA for the partial exemption according to Sec. 20 para. 1 GITA.</p> <p>German investors should consult their tax advisors regarding the tax consequences of investing into an “equity fund”, “mixed fund” or “other fund” under the German Investment Tax Act.</p> | <p>connection with para. 6 German Investment Tax Act as amended from time to time (“GITA”). German investors should consult their tax advisors regarding the tax consequences (including any tax consequences under GITA) of investing into the Compartment.</p> | | | | | | |
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| <p>Securities financing transactions</p> <p>The Subfund uses securities financing transactions in form of securities lending for efficient portfolio management purposes. Securities financing transactions will be used on a continuous basis but depending on market conditions it may be decided from time to time to suspend or reduce the exposure to securities financing transactions.</p> <p>The use of such financial instruments is not expected to affect the Subfund’s over-all risk profile.</p> <p>A maximum of 50% of the assets held by the Subfund can be subject to securities lending transactions. The expected percentage of the assets subject to securities lending is between 0% and 40 %.</p> <p>All the revenues arising from securities financing transactions in the form of securities lending, the net of direct and indirect operational costs/fees, will be returned to the Subfund.</p> <p>Any direct and indirect operational costs/fees arising from securities financing transactions in the form of securities lending, that may be</p> | <p>Securities financing transactions</p> <p>The Compartment will not use Repurchase Transactions nor TRS. However, the Compartment will enter into Securities Lending transactions within the following limits:</p> <table border="1" data-bbox="858 1317 1423 1765"> <thead> <tr> <th>Type of transactions</th> <th>Expected proportion of the Compartment’s Net Asset Value under normal circumstances</th> <th>Maximal proportion of the Compartment’s Net Asset Value under certain circumstances</th> </tr> </thead> <tbody> <tr> <td>Securities Lending</td> <td>30%</td> <td>50%</td> </tr> </tbody> </table> <p>The difference between the maximum percentage and the expected percentage of the use of securities lending transactions is linked to market conditions.</p> <p>The Compartment will only use SFTs when employing EPM Techniques. SFTs will be used</p> | Type of transactions | Expected proportion of the Compartment’s Net Asset Value under normal circumstances | Maximal proportion of the Compartment’s Net Asset Value under certain circumstances | Securities Lending | 30% | 50% |
| Type of transactions | Expected proportion of the Compartment’s Net Asset Value under normal circumstances | Maximal proportion of the Compartment’s Net Asset Value under certain circumstances | | | | | |
| Securities Lending | 30% | 50% | | | | | |

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| <p>deducted from the revenue delivered to the relevant Subfund must not include hidden revenue. Such direct and indirect operational costs/fees will be paid to the entities outlined in the annual and semi-annual report of the Fund, which shall indicate if the entities are related to the Management Company or the Depositary.</p> <p>Service providers that provide securities lending services to the Fund have the right to receive a fee in line with market standards in return for their services. The amount of this fee is reviewed and adapted, where appropriate, on an annual basis. 60% of the gross revenue received in the context of securities lending transactions negotiated at arm's lengths is credited to the relevant Subfund, while 30% of the gross revenue are retained as fees by UBS Switzerland AG as the securities lending service provider, responsible for the ongoing securities lending activities and collateral management, and 10% of the gross revenue are retained as fees by UBS Europe SE, Luxembourg Branch as the securities lending agent, responsible for the transactions management, ongoing operational activities and collateral safekeeping. All fees of running the securities lending programme are paid from the securities lending agents' portion of the gross income. This covers all direct and indirect costs generated by the securities lending activities. UBS Europe SE, Luxembourg Branch and UBS Switzerland AG are part of the UBS Group.</p> <p>The Subfund will not make use of other securities financing transactions, i.e. (i) repurchase transactions (ii) commodities lending and securities or commodities borrowing (iii) buy-sell back transactions or sell-buy back transactions, (iv) margin lending transactions, and also not of total return swaps.</p> | <p>on a temporary basis only. The Compartment will employ SFTs for generating additional capital or income.</p> <p>The Investment Manager has appointed Banque Pictet & Cie S.A. as SFT Agent for the Compartment engaging in Securities Lending. The Compartment pays 30% of the gross revenues generated from Securities Lending activities as cost/fees to SFT Agent and retains 70% of the gross revenues generated from Securities Lending activities. This includes all direct and indirect costs/fees generated by the Securities Lending activities.</p> |
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7.2 Pre-contractual disclosure – Environmental and/or social characteristics

- (a) The pre-contractual disclosure annex for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 (the **Pre-Contractual Disclosure**) of the Merging Sub-Fund and the Pre-Contractual Disclosure of the Receiving Sub-fund contain certain differences.
- (b) The main differences between the Pre-Contractual Disclosure of the Merging Sub-Fund and the Pre-Contractual Disclosure of the Receiving Sub-Fund are in respect of:
 - (i) the environmental and/or social characteristics that are promoted;

- (ii) the objectives of the sustainable investments that the Sub-Funds partially intend to make and the manner in which the sustainable investments of the Sub-Funds contribute to such objectives;
- (iii) the indicators for adverse impacts on sustainability factors;
- (iv) the manner in which the Sub-Funds considers principal adverse impacts (**PAIs**) on sustainability factors;
- (v) the investment strategy used by the Sub-Funds;
- (vi) the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics that are promoted; and
- (vii) the manner in which the use of derivatives attain the environmental or social characteristics promoted by the Sub-Funds.

More detailed information is available in the Pre-Contractual Disclosure of the Merging Sub-Fund and the Pre-Contractual Disclosure of the Receiving Sub-Fund, which should be read carefully.

7.3 Risk profile

- (a) In both Sub-Funds, the investments of the Sub-Funds are subject to normal market fluctuation and other risks inherent in investing in securities and there can be no assurance that capital appreciation or distribution payments would occur. The value of investments and income from them, and therefore the value of the shares of the Sub-Funds, can go down as well as up and an investor may not get back the amount invested.
- (b) The risk profile of the Merging Sub-Fund and the Receiving Sub-Fund are substantially the same.
- (c) The global risk exposure of both the Merging Sub-Fund and the Receiving Sub-Fund are monitored by the commitment approach.

| Merging Sub-Fund | Receiving Sub-Fund |
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| The risks associated with investments made in equities and other similar transferable securities can be summarised as follows: sharp fluctuations in market price, negative information on issuers or markets and subordination of equities to bonds issued by the same enterprise. Potential investors should also consider fluctuations in exchange rates, the possibility of controls on foreign exchange and other restrictions. | The Compartment is subject to the specific risks linked to markets, risks linked to investments in equity securities, risks linked to investment in UCIs, and more specifically to risks related to investments in securities in the emerging markets. For full details of the risks applicable to investing in this Compartment, Shareholders are advised to refer to the Section 15 “Risk Considerations” of the Prospectus. |
| Due to possible use of techniques and instruments relating to transferable securities and money market instruments for purposes of | |

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| <p>efficient portfolio management, investors may be exposed to greater risks and no assurance can be given that the objective sought from such use will be achieved. For further details about risks linked to instruments and techniques, please refer to the ‘Risks associated with the use of financial derivative instruments’ section. Finally, the attention of potential investors is drawn to the fact that the Subfund will invest in companies relevant in the renewable energy sector.</p> | |
| | <p>There can be no guarantee that the Compartment’s objective will be achieved.</p> |
| | <p>Trading in Emerging Markets</p> <p>Trading practices in certain emerging market countries including China, (“Emerging Countries” or “Emerging Markets”) are significantly different from those in developed countries such as the United States (“Developed Countries”). Brokerage commissions and other transaction costs are generally higher than in the Developed Countries, although the Compartment will endeavor to achieve the most favorable net results in its portfolio transactions.</p> <p>(a) Social, Political and Economic Factors</p> <p>The Emerging Countries may be subject to a greater degree of social, political and economic instability than is the case with Developed Countries.</p> <p>The economies of individual Emerging Countries may differ favorably or unfavorably and significantly from the economies of Developed Countries in such respects as the rate of growth of their gross domestic products or gross national products, rates of inflation, currency depreciations, capital reinvestments, savings rates, fiscal balances, resource self-sufficiencies, structural unemployment and balance of payment positions. Governments of many Emerging Countries have exercised and continue to exercise substantial influence over many aspects of the private sector and own or control many companies, including some of the largest in their respective countries. Accordingly, government actions in the future could have a significant effect on economic</p> |

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| | <p>conditions in an Emerging Country, which could materially adversely affect the Compartment.</p> <p>The economies of certain Emerging Countries are heavily dependent upon international trade and accordingly are affected by protective trade barriers and the economic conditions of their trading partners and the economies of Emerging Countries are vulnerable to weaknesses in world prices for their commodity exports and natural resources.</p> <p>(b) Legal Risks</p> <p>Emerging Countries often lack a fully developed consistent legal system and the body of commercial law and practice found in countries with more sophisticated market economies. Local laws and regulations, in particular those concerning foreign investment and taxation, may change quickly and unpredictably without prior notice. Inconsistencies and discrepancies among the vast number of local, regional and national laws, the lack of judicial or legislative guidance on unclear or conflicting laws, frequent corruption and broad discretion on the part of government and judicial authorities implementing the laws produce additional legal uncertainties.</p> <p>(c) Accounting practices</p> <p>Accounting and auditing systems do not necessarily comply with international standards. Reports may contain inaccurate information, even if they comply with international standards. The obligation incumbent on companies in terms of the publication of financial statements may be restricted.</p> <p>(d) Supervision of Emerging Markets</p> <p>With respect to Emerging Country investments, less information might be available to the Compartment than about investments in Developed Countries and, in certain of these countries, less information may be available to the Compartment than to local market participants.</p> |
| <p><i>Risks associated with the use of financial derivative instruments</i></p> | |

While the prudent use of financial derivative instruments may be beneficial, financial derivative instruments are also subject to different risks that, in certain cases, may be greater than the risks associated with more traditional investments. These include: market risk, which is associated with all types of investment; management risk, as the use of financial derivative instruments requires understanding not just of the underlying but also of the financial derivative instrument itself; credit risk, which is the result of the default risk, if the counterparty to the financial derivative instrument fails to respect the terms of the derivatives contract.

The credit risk for financial derivative instruments traded on a regulated market is generally lower than for OTC derivatives, because the clearing agents, which assume the function of issuer or counterparty in relation to each financial derivative instrument traded over the counter, assume a performance guarantee. This guarantee is provided via the margin deposit requirements for purposes of reducing global credit risk. In the case of financial derivative instruments traded over-the-counter, there is no comparable clearing agent. As a result, the rating of each counterparty must be analysed in order to evaluate the potential credit risk.

Liquidity risk exists when a particular instrument is difficult to purchase or sell and it might not be possible to conclude the transaction or liquidate a position at an advantageous price.

The other risks associated with using financial derivative instruments include the valuation risk or the impossibility of perfectly correlating financial derivative instruments with the underlying assets and indices.

Risks associated with the use of securities financing transactions in the form of securities lending

Securities lending involve certain risks and there can be no assurance that the objective sought to be obtained from the use of such techniques will be achieved.

The principal risk when engaging in securities lending is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations to return securities or cash to the Subfund as required by the terms of the transaction. Counterparty risk is generally mitigated by the transfer or pledge of collateral in favour of the Subfund. However, there are certain risks associated with collateral management, including difficulties in selling collateral and/or losses incurred upon realization of collateral, as described in Chapter 19, Investment Restrictions – Collateral Policy and Management of the Prospectus. Should the borrower of securities fail to return the securities lent by the Subfund, there is a risk that the collateral received may be realized at a lower value than the securities lent, whether due to inaccurate pricing of the collateral, adverse market movements, decrease in the credit rating of the issuer of the collateral, the illiquidity of the market in which the collateral is traded, negligence or insolvency of the custodian holding collateral or termination of legal agreements, due to, for instance, insolvency which could adversely impact the performance of the Subfund. If the other party to a securities lending transaction should default, the Subfund might suffer a loss to the extent that the proceeds from the sale of the collateral held by the Fund in connection with the securities lending transaction are less than the value of the securities lent. In addition, in the event of the bankruptcy or similar proceedings of the other party to the securities lending transaction or its failure to return the securities as agreed, the Subfund could suffer losses, including loss of interest on or principal of the securities and costs associated with delay and enforcement of the securities lending agreement.

Securities lending also entail liquidity risks due, inter alia, to locking cash or securities positions in transactions of excessive size or duration relative to the liquidity profile of the Subfund or delays in recovering cash or securities paid to the counterparty. These circumstances may delay or restrict the ability of the Subfund to meet redemption requests. The Subfund may also incur operational risks such as, inter alia, non-settlement or delay in settlement of

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| <p>instructions, failure or delays in satisfying delivery obligations under sales of securities, and legal risks related to the documentation used in respect of such transactions.</p> | |
| <p><i>Sustainability Risks</i></p> <p>"Sustainability Risk" 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 investments made by the Subfund.</p> <p>Such Sustainability Risks are principally linked to climate-related events resulting from climate change (i.e. physical risks) or to the society's response to climate change (i.e. transition risks), which may potentially affect the Subfund's returns. Social events (e.g. inequality, inclusiveness, labour relations, investment in human capital, accident prevention, changing customer behavior, etc.) or governance shortcomings (e.g. recurrent significant breach of international agreements, bribery issues, products quality and safety, selling practices, etc.) may also translate into Sustainability Risks.</p> <p>In general, where a Sustainability Risk occurs in respect of an asset, there will be a negative impact on, or entire loss of, its value. As such, for a company in which the Subfund invests, this may be because of damage to its reputation resulting in a consequential fall in demand for its products or services, loss of key personnel, exclusion from potential business opportunities, increased costs of doing business and/or increased cost of capital. A company may also suffer the impact of fines and other regulatory sanctions. The time and resources of the company's management team may be diverted from furthering its business into dealing with the Sustainability Risk event, including changes to business practices and dealing with investigations and litigation. Sustainability Risk events may also give rise to loss of assets and/or physical loss including damage to real estate and infrastructure. The utility and value of assets held by companies to which the Subfund is exposed may also be adversely impacted by a Sustainability Risk event.</p> <p>A Sustainability Risk event may arise and impact a specific investment or may have a</p> | <p><i>Risks related to using ESG criteria for investments</i></p> <p>Applying ESG and sustainability criteria to the investment process may exclude securities of certain issuers for non-investment reasons and therefore some market opportunities available to funds that do not use ESG or sustainability criteria may be unavailable for the Compartment, and the Compartment's performance may at times be better or worse than the performance of comparable funds that do not use ESG or sustainability criteria. The selection of assets may in part rely on a proprietary ESG scoring process or ban lists that rely partially on third party data. The lack of common or harmonised definitions and labels integrating ESG and sustainability criteria at EU level may result in different approaches by the Investment Manager when setting ESG objectives and determining that these objectives have been met by the funds they manage. This also means that it may be difficult to compare strategies integrating ESG and sustainability criteria to the extent that the selection and weightings applied to select investments may, to a certain extent, be subjective or based on metrics that may share the same name but have different underlying meanings. Investors should note that the subjective value that they may or may not assign to certain types of ESG criteria may differ substantially from the Investment Manager's methodology. The lack of harmonised definitions may also potentially result in certain investments not benefitting from preferential tax treatments or credits because ESG criteria are assessed differently than initially thought.</p> <p><i>Taxonomy Regulation</i></p> <p>In the context of the Taxonomy Regulation, in view of its ESG strategy, the Compartment promotes environmental or social characteristics or a combination thereof and does not aim to invest in environmentally sustainable economic activities. Therefore, the investments underlying the Compartment do not take into account the</p> |

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| broader impact on an economic sector, geographical or political region or country. | EU criteria for environmentally sustainable economic activities, within the meaning of the Taxonomy Regulation. As a consequence thereof, the “do no significant harm” principle does not apply to the investments underlying the Compartment. |
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7.4 Profile of the typical investor

The profile of the typical investor in the Sub-Funds is substantially the same. The Sub-Funds are intended for investors considering an investment in the Sub-Funds as a mean of participating in the capital markets and who do not need regular income. Investors must be able to accept considerable annual volatility in order to possibly reap high returns in the long-term. As a result, the Sub-Funds are intended for investors who can afford, in principle, to set aside their capital as investment capital for a period of at least three (3) years.

7.5 Reference currency

The Reference Currency of the Sub-Funds is the Euro (EUR).

7.6 Term

The Sub-Funds have been created for an unlimited period of time.

7.7 Financial Year

The financial year of the Merging Fund runs from 1 May to 30 April.

The financial year of the Receiving Fund runs from 1 January to 31 December.

7.8 Subscription/redemption/conversion of shares of the Sub-Funds

| | Merging Sub-Fund | Receiving Sub-Fund |
|--|---|---|
| Cut-off / Subscription Cut-Off Time, Redemption Cut-Off Time, Conversion Cut-Off Time | <p>Subscription: no later than 4 p.m. on the Business Day preceding the Valuation Day (as defined in the Merging Fund Prospectus)</p> <p>Redemption: no later than 4 p.m. on the Business Day preceding the Valuation Day (as defined in the Merging Fund Prospectus)</p> <p>Conversion: no later than 4 p.m. on the Business Day preceding the Valuation Day (as defined in the Merging Fund Prospectus)</p> | <p>Subscription: 4 p.m. Luxembourg time, the Business Day preceding the Valuation Day (as defined in the prospectus of the Receiving Sub-Fund)</p> <p>Redemption: 4 p.m. Luxembourg time, 3 Business Days preceding the Valuation Day (as defined in the prospectus of the Receiving Sub-Fund)</p> <p>Conversion: 4 p.m. Luxembourg time, 3 Business Days preceding the Valuation Day (<i>as defined in the prospectus of the Receiving Sub-Fund</i>)</p> |

| | | |
|--|---|--|
| Valuation day (pricing day) | The last Business Day preceding the Valuation Day (as defined in the Merging Fund Prospectus) | The last Business Day preceding the Calculation Day. |
| Calculation day / NAV calculation day | Each Business Day (as defined in the Merging Fund Prospectus) | Each Business Day |
| Settlement day | <p>Subscription: at the latest two (2) Business Days in Luxembourg after the Valuation Day.</p> <p>Redemption: within two (2) Business Days after the calculation of the redemption price (within the limits set out in the Merging Fund Prospectus)</p> <p>Conversion: within two (2) Business Days after the calculation of the redemption price (within the limits set out in the Merging Fund Prospectus)</p> | <p>Subscription: within three (3) Business Days after the relevant Valuation Day</p> <p>Redemption: within seven (7) Business Days after the relevant Valuation Day</p> <p>Conversion: within seven (7) Business Days after the relevant Valuation Day</p> |
| Swing Pricing / Dilution Levy | N/A | <p>If investment and /or disinvestment costs may have an adverse effect on the Shareholders' interest in the Fund, the Board of Directors has the power to charge a dilution levy on the issue, redemption and / or conversion of Shares to prevent this dilution.</p> <p>The dilution levy shall not exceed 2% of the Net Asset Value per Share.</p> <p>The dilution levy for each Compartment will be calculated by reference to the costs of dealing in the underlying investments of that Compartment, including any dealing spreads, commission and transfer taxes.</p> |

7.9 Service Providers of the Sub-Funds

| Merging Sub-Fund | Receiving Sub-Fund |
|--|--|
| <ul style="list-style-type: none"> Management Company: UBS Third Party Management Company S.A., | <ul style="list-style-type: none"> Management Company and Central Administration Agent: FundPartner |

| | |
|---|---|
| <p>domiciled at 33A avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg</p> <ul style="list-style-type: none"> • Central Administrative Agent: Northern Trust Global Services SE, domiciled at 10, rue du Château d'Eau, L-3364 Leudelange, Grand Duchy of Luxembourg • Depositary : UBS Europe SE, Luxembourg Branch, with its place of business at 33A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg • Portfolio Manager: FiNet Asset Management AG, domiciled at Neue Kasseler Strasse 62 C-E, 35039 Marburg, Germany • Investment Advisor: Arcane Capital Advisors Pte Ltd, domiciled at 50 Raffles Place #30-09, Singapore 048623 • Auditor: PricewaterhouseCoopers Luxembourg, <i>Société coopérative</i>, domiciled at 2, rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg, Grand Duchy of Luxembourg. | <p>Solutions (Europe) S.A., 15, avenue John F. Kennedy, L- 1855 Luxembourg, Grand Duchy of Luxembourg</p> <ul style="list-style-type: none"> • Depositary: Bank Pictet & Cie (Europe) AG, succursale de Luxembourg, 15A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg • Investment Manager: Swiss-Asia Financial Services Pte Ltd, whose registered office is at 9 Raffles Place, #53-01, Republic Plaza, Singapore 048619 • Auditor: Deloitte Audit, <i>société à responsabilité limitée</i>, 20, boulevard de Kockelscheuer, L-1821 Luxembourg, Grand Duchy of Luxembourg |
|---|---|

7.10 Taxation

- (a) The tax regime of the Receiving Sub-Fund should, in principle, be identical to the tax regime of the Merging Sub-Fund. **For the avoidance of doubt, shareholders of the Merging Sub-Fund should be aware that there is no guarantee that the Merger will not have an impact on the tax regimes applicable to them and the tax treatment of investors in the Merging Sub-Fund may, depending on their own statement, be substantially affected by the Merger.**
- (b) **Prospective investors in the Receiving Sub-Fund should consult their own tax advisers as to the applicable tax consequences of the ownership of the shares, based on their particular circumstances.**

7.11 Comparison of key differences between the Merging Sub-Fund and the Receiving Sub-Fund

| | Merging Sub-Fund | | | Receiving Sub-Fund | | |
|------------|------------------|----|----|--------------------|----|----|
| Categories | A1 | A2 | A3 | A1 | A2 | A3 |
| | | | | | | |

| | | | | | | |
|----------------------------------|--|-------------------------|-------------|-------------------------|--|-------------|
| | | | | | | |
| Distribution policy | Accumulation | | | Accumulation | | |
| Reference Currency | EUR | EUR | USD | EUR | EUR | USD |
| Minimum investment amount | None | EUR 100,000 | EUR 100,000 | None | EUR 100,000 | USD 100,000 |
| Eligible Investors | Qualified “retail” investors | Institutional investors | | Institutional investors | Institutional / professional investors | |
| Subscription fee | max. up to 3% of the Net Asset Value (as defined in the Merging Fund Prospectus) | | | Up to 3% | | |
| Redemption fee | None | | | Up to 1% | | |
| Conversion fee | None | | | Up to 1% | | |

7.12 Service provider fees

(a) Overview

| | Merging Sub-Fund | | | Receiving Sub-Fund | | |
|----------------------------------|--|-------------|----|---|----|----|
| Categories | A1 | A2 | A3 | A1 | A2 | A3 |
| Management company fee | EUR 12,800, payable every six (6) months during the month following the relevant semester directly out of the assets of the Merging Sub-Fund, subject to a maximum of 0.025% of the net assets of the Merging Sub-Fund at the end of the relevant semester | | | 0.15% (with a minimum of USD 40,000 amount for the Receiving Sub-Fund) | | |
| Investment Management Fee | 0.90% p.a.* | 0.60% p.a.* | | 2.00% p.a.** | | |

| | | | | |
|-----------------------------------|--|-----------|---|---|
| Investment Advisor fee | 1% p.a. | 0.8% p.a. | | Not paid directly out of the sub-fund assets. The Investment Manager will remunerate Arcane Capital Advisors Pte Ltd out of its own assets pursuant to the investment advisory agreement. |
| Central Administration Fee | Up to a maximum amount of 0.07% (with a minimum of EUR 30,000) per year. | | 0.20% (with a minimum of USD 50,000 amount for the Receiving Sub-Fund) | |
| Depository Fee | Up to a maximum amount of 0.07% (with a minimum of EUR 30,000) per year. | | 0.15% (with a minimum of USD 40,000 amount for the Receiving Sub-Fund) | |
| Performance Fee | 10% p.a. of the appreciation in the Net Asset Value per share in excess of the High-on-High (as defined in the Merging Fund Prospectus) / as further described below under section 5.11 (b)) | | 10% as further described below under section 5.11 (b) | |
| Taxe d'abonnement | 0.05% | 0.01% | 0.01% | 0.01 % |

* The investment management fee of the Merging Sub-Fund is calculated and accrued at each Valuation Day (as defined in the Merging Fund Prospectus) and payable on a monthly basis during the following month directly out of the assets of the Merging Sub-Fund.

** The investment management fee of the Receiving Sub-Fund is payable quarterly in arrears by the Fund to the Investment Manager and calculated on the total net assets.

(b) Performance fee

The performance fee calculation method for the Merging Sub-Fund¹

The Portfolio Manager will be entitled to receive a performance-based fee out of the assets of the Subfund (the “**Performance Fee**”). The Performance Fee will be calculated in respect of each financial year of the Fund (the “**Calculation Period**”) ending on 30 April (the “**Crystallisation Date**”), it being clarified that the first Calculation Period in respect of any share class will be the period commencing on the date such class is issued and ending on the Crystallisation Date of the next year such share class is issued. If the Crystallisation Date is not a Business Day, it shall designate the last Business Day in April.

The Performance Fee will be calculated and accrued as an expense of the Subfund at each Valuation Day and will be crystallised at the Crystallisation Date and payable to the Portfolio Manager in arrears as soon as reasonably practicable as of the Crystallisation Date upon the final determination of the Administrative Agent (as defined in the Merging Fund Prospectus).

The “**Performance Reference Period**”, which is the period at the end of which the past losses can be reset, corresponds to the whole life of the Subfund. Any underperformance or loss previously incurred

¹ Any capitalised terms used in this sub-paragraph and not otherwise defined therein have the meaning ascribed to them in the Merging Fund Prospectus.

during the Performance Reference Period should be recovered before a Performance Fee becomes payable.

The Performance Fee in respect of each of the relevant share classes for each Calculation Period will be equal to 10% p.a. of the appreciation in the Net Asset Value per share in excess of the High-on-High (as defined below). For the first Calculation Period of a share class, the starting point to be considered in the calculations of the Performance Fee should be the initial offering price per share.

A Performance Fee shall only be payable where the Net Asset Value per share of the relevant class exceeds the Net Asset Value at which the Performance Fee was last crystallised during the Performance Reference Period (the “High-on-High”).

The Performance Fee will be calculated and accrued as at each Valuation Day (as defined in the Merging Fund Prospectus) and paid annually in arrears. The Performance Fee in respect of each Calculation Period will be calculated by reference to the Net Asset Value per share after deduction of all fees but before deduction for any accrued Performance Fee. The Performance Fee calculation will also be adjusted on each Valuation Day by any subscriptions, redemptions or dividend distribution which have taken place during the Calculation Period.

If shares are redeemed during a Calculation Period, the Performance Fee will be calculated as though the relevant redemption day was the end of a Calculation Period and an amount equal to any accrued Performance Fee in respect of such shares will be paid to the Portfolio Manager. The accrued Performance Fee in respect of those shares will be paid to the Portfolio Manager as of the next Crystallisation Date if any Performance Fee is due. The above applies mutatis mutandis in case of (i) conversion of shares into other shares of any share class of this Subfund or another Subfund and (ii) transfer of assets or merger of a share class or the Subfund with another share class or existing Subfund (or other existing UCITS funds). However, no Performance Fee shall be payable where this Subfund or a share class of this Subfund is merged with a newly established receiving fund or subfund with no performance history and with an investment policy not substantially different from that of this Subfund. In that case, the Performance Reference Period of this Subfund shall continue applying in the receiving fund or subfund.

If the portfolio management agreement is terminated during a Calculation Period, the Performance Fee in respect of the then current Calculation Period will be calculated and paid as though the date of termination were the end of the relevant Calculation Period.

The performance fee calculation method for the Receiving Sub-Fund

The Investment Manager will receive, with respect to such share classes as referred to under section 7.12(a) a performance fee, accrued on each valuation date, paid yearly, based on the net asset value (NAV), equivalent to 10% of the performance of the NAV per share exceeding the High Water Mark (as defined hereafter). The performance fee is calculated on the basis of the NAV after deduction of all expenses, liabilities, and management fees (but not performance fee), and is adjusted to take account of all subscriptions and redemptions.

The financial year of the Receiving Sub-Fund runs from 1 January to 31 December of each year (the **Business Year**).

The performance fee is equal to the outperformance of the NAV per share multiplied by the number of shares in circulation during the Calculation Period. No performance fee will be due if the NAV per share before performance fee turns out to be below the High Water Mark for the Calculation Period in question.

The “**High Water Mark**” is defined as the greater of the following two figures:

- The last highest Net Asset Value per Share on which a performance fee has been paid and;
- The initial NAV per share.

The High Water Mark will be decreased by the dividends paid to shareholders.

Provision will be made for this performance fee on each Valuation Point. If the NAV per share decreases during the calculation period, the provisions made in respect of the performance fee will be reduced accordingly. If these provisions fall to zero, no performance fee will be payable. The performance reference period corresponds to the whole life of the Compartment.

If shares are redeemed on a date other than that on which a performance fee is paid while provision has been made for performance fees, the performance fees for which provision has been made and which are attributable to the shares redeemed will be paid at the end of the period even if provision for performance fees is no longer made at that date. Gains which have not been realized may be taken into account in the calculation and payment of performance fees.

In case of subscription, the performance fee calculation is adjusted to avoid that this subscription impacts the amount of performance fee accruals. To perform this adjustment, the performance of the NAV per share against the High Water Mark until the subscription date is not taken into account in the performance fee calculation. This adjustment amount is equal to the product of the number of subscribed shares by the positive difference between the subscription price and the High Water Mark at the date of the subscription. This cumulated adjustment amount is used in the performance fee calculation until the end of the relevant period and is adjusted in case of subsequent redemptions during the period.

The “**Calculation Period**” shall correspond to each Business Year.

Performance fees are payable within twenty (20) Business Days following the closing of the yearly accounts.

The formula for the calculation of the performance fee is as follows:

| | | |
|---------------------------------------|-------------|---|
| (1) F | (2) = | (3) 0 If (B / E - 1) <= 0 |
| (4) F | (5) = | (6) (B / E - 1) * E * C * A If (B / E - 1) > 0 |
| (7) The new high water mark | (8) = | (9) if F>0; D (10) If F=0 ; E |
| (11) Number of shares outstanding | (12) = (13) | A |
| (14) NAV per share before performance | (15) = (16) | B |
| (17) Performance fee rate (10%) | (18) = (19) | C |
| (20) NAV per share after performance | (21) = (22) | D |
| (23) High water mark | (24) = (25) | E |

(26) Performance fees (27) = (28) F

The first Calculation Period shall last at least 12 months and will end on the last Business Day of the following Business Year. Therefore, the Investment Manager of the Receiving Sub-Fund will receive, if any, the first Performance Fee as of the Calculation Period ending on 31 December 2025.

8. AUDITOR AND DEPOSITARY REPORT

The following documents are available on request and free of charge to the shareholders of the Merging Sub-Fund and at the registered office of the Merging Fund.

- (a) the report of the auditor of the Merging Fund validating the criteria adopted for the valuation of the assets and liabilities (if any) of the Merging Sub-Fund on the Effective Date and the calculation method of the exchange ratio as well as the actual exchange ratio determined at the date of calculation of the exchange ratio;
- (b) the confirmations of the depositary of each of the Merging Fund and the Receiving Fund verifying the conformity of:
 - (i) the identification of the type of the Merger,
 - (ii) the Effective Date; and
 - (iii) the rules applicable to the transfer of the assets and the exchange ratio with the provisions of the 2010 Act and the articles of incorporation of the Merging Fund and Receiving Fund respectively;
- (c) the common terms of Merger; and
- (d) the latest visa-stamped prospectus of the Receiving Fund.

9. KEY INVESTOR INFORMATION DOCUMENT

- (a) A copy of the KIDs of the Receiving Sub-Fund is attached hereto.
- (b) Shareholders are strongly advised to read the KID of the relevant class of shares of the Receiving Sub-Fund they will hold after the Merger.

Please contact your financial adviser or the registered office of the Merging Fund if you have questions regarding this matter

The board of directors of LUXEMBOURG SELECTION FUND