

**Karoll**

Investment company with variable capital with multiple sub-funds

**PROSPECTUS**  
**FEBRUARY 2026**

## TABLE OF CONTENTS

<b>IMPORTANT INFORMATION</b> .....	<b>3</b>
<b>DIRECTORY</b> .....	<b>5</b>
<b>GLOSSARY</b> .....	<b>7</b>
<b>GENERAL PART</b> .....	<b>11</b>
1. <b>STRUCTURE OF THE COMPANY</b> .....	<b>11</b>
2. <b>INVESTMENT OBJECTIVES AND POLICIES OF THE COMPANY AND THE SUB-FUNDS</b> .....	<b>11</b>
3. <b>RISK MANAGEMENT PROCESS</b> .....	<b>13</b>
4. <b>RISK CONSIDERATIONS</b> .....	<b>14</b>
5. <b>SHARES</b> .....	<b>31</b>
6. <b>HOW TO BUY SHARES</b> .....	<b>34</b>
7. <b>HOW TO SELL SHARES</b> .....	<b>37</b>
8. <b>HOW TO CONVERT SHARES</b> .....	<b>39</b>
9. <b>LATE TRADING</b> .....	<b>40</b>
10. <b>FOREIGN EXCHANGE TRANSACTIONS</b> .....	<b>41</b>
11. <b>NET ASSET VALUE AND DEALING PRICES</b> .....	<b>41</b>
12. <b>DIVIDENDS</b> .....	<b>45</b>
13. <b>CHARGES AND EXPENSES</b> .....	<b>46</b>
14. <b>MANAGEMENT COMPANY</b> .....	<b>48</b>
15. <b>INVESTMENT MANAGER(S)</b> .....	<b>50</b>
16. <b>DEPOSITARY</b> .....	<b>51</b>
17. <b>DOMICILIARY AGENT</b> .....	<b>54</b>
18. <b>ADMINISTRATION</b> .....	<b>55</b>
19. <b>DISTRIBUTOR</b> .....	<b>56</b>
20. <b>CONFLICTS OF INTEREST</b> .....	<b>56</b>
21. <b>MEETINGS AND REPORTS</b> .....	<b>56</b>
22. <b>TAXATION</b> .....	<b>57</b>
23. <b>LIQUIDATION OF THE COMPANY / TERMINATION AND AMALGAMATION OF SUB-FUNDS</b> .....	<b>63</b>
24. <b>PROCESSING OF PERSONAL DATA</b> .....	<b>65</b>
25. <b>BENCHMARK REGULATION</b> .....	<b>67</b>
26. <b>DOCUMENTS AVAILABLE FOR INSPECTION, QUERIES AND COMPLAINTS</b> .....	<b>68</b>
<b>SUB-FUND PARTICULARS 1</b> .....	<b>69</b>
<b>KAROLL – ADVANCE EMERGING EUROPE OPPORTUNITIES</b> .....	<b>69</b>
<b>APPENDICES</b> .....	<b>75</b>
<b>Appendix 1 Investment Restrictions, Use of Financial Derivative Instruments and Investment Techniques</b> .....	<b>75</b>

## IMPORTANT INFORMATION

THE INFORMATION IN THIS PROSPECTUS IS BASED ON THE DIRECTORS' UNDERSTANDING OF CURRENT LAW AND PRACTICE (INCLUDING AS TO TAXATION) AT THE DATE HEREOF. BOTH LAW AND PRACTICE MAY BE SUBJECT TO CHANGE. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS PROSPECTUS, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER FINANCIAL ADVISER.

It should be remembered that the price of Shares of the Company and income from them can go down as well as up and that investors may not receive back the amount they originally invested.

Shares are available for issue on the basis of the information and representations contained in this Prospectus and the relevant KIDs. Any further information given or representations made by any person with respect to any Shares must be regarded as unauthorised.

All Classes of Shares of all Sub-Funds that are in issue may be listed on the Luxembourg Stock Exchange or on any other recognised stock exchange. Trading in Shares of the Company on a stock exchange will be in accordance with the rules and regulations of the relevant stock exchange and subject to normal brokerage fees.

The Directors have taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts, the omission of which would make misleading any statement herein whether of fact or opinion. All the Directors accept responsibility accordingly.

This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer is unlawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation.

The Shares have not been and will not be registered under the United States Securities Act of 1933 (the "**Securities Act**") or under the securities laws of any state and the Company has not been and will not be registered under the Investment Company Act 1940 (the "**Investment Company Act**"). This document may not be distributed within the United States of America.

Investors and applicants should note that under the Foreign Account Tax Compliance Act ("**FATCA**") details of US investors holding assets outside the US will be reported by financial institutions to the Internal Revenue Service ("**IRS**"), as a safeguard against US tax evasion. As a result, and to discourage non-US financial institutions from staying outside this regime, financial institutions that do not comply with the regime will be subject to a 30% withholding tax penalty with respect to certain US sourced income (including dividends) and gross proceeds from the sale or other disposal of property that can produce US sourced income. In order to protect the Shareholders from the effect of any withholding penalty, it is the intention of the Company to be compliant with the requirements of the FATCA regime as this applies to entities such as the Company. For further details please refer to the Section "Taxation" of this Prospectus.

In order to protect the interest of all Shareholders, the Company reserves the right without further notice to restrict or prevent the sale and transfer of Shares to persons targeted by FATCA as permitted by the Articles of Incorporation.

The distribution of this Prospectus and the offering of the Shares may be restricted in certain jurisdictions. It is the responsibility of any persons in possession of this Prospectus and any persons wishing to apply for Shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdictions. Prospective applicants for Shares should inform themselves as to legal requirements so applying and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile.

The KIDs of each Class of each Sub-Fund, the latest annual and semi-annual reports of the Company (if any), are available at the registered office of the Company and/or on the following Management Company's website: <https://www.waystone.com/our-funds/waystone-managed-funds/> and will be sent to investors upon request. Such reports shall be deemed to form part of this Prospectus.

Before subscribing to any Class and to the extent required by local laws and regulations each investor shall consult the relevant KID(s). The KIDs provide information among others on performance scenarios, the summary risk indicator, and charges. Investors may obtain the KIDs in paper form or on any other durable medium agreed between the Management Company or the intermediary and the investor.

Shareholders are informed that, as a matter of general practice, telephone conversations and instructions may be recorded for the purpose of evidencing transactions or related communication. Such recordings will benefit from professional secrecy and privacy rules and shall not be released to third parties, except in cases where the Registrar and Transfer Agent is compelled or entitled to do so by applicable laws and regulations.

Personal data related to identified or identifiable natural persons provided to, collected or otherwise obtained by or on behalf of, the Company (the "**Controller**") will be processed by the Controller in accordance with the Privacy Notice referred to in Section "Processing of Personal Data", a current version of which is available at the registered office of the Company and will be provided upon request. All persons contacting, or otherwise dealing directly or indirectly with, the Controller are invited to read and carefully consider the Privacy Notice, prior to contacting or otherwise so dealing, and in any event prior to providing or causing the provision of any Data directly or indirectly to the Controller.

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise shareholder rights directly against the Company, notably the right to participate in general Shareholders' meetings, if the investor is registered himself and in his own name in the Register. In cases where an investor invests in the Company through a distributor or an intermediary/nominee investing into the Company, (i) it may not always be possible for the investor to exercise certain Shareholder rights directly against the Company and (ii) investors' rights to indemnification in events of Net Asset Value errors, non-compliance with the investment rules applicable to the funds and/or other error within the meaning of CSSF Circular 24/856 may be impacted and only exercisable indirectly. Investors are advised to take advice on their rights.

## DIRECTORY

### **Registered office of the Company**

19, Rue de Bitbourg  
L - 1273 Luxembourg  
Grand Duchy of Luxembourg

### **Board of Directors of the Company**

- Daniel Yovchev Ganev – CEO of Karoll Capital Management EAD
- Hristina Nikolaeva Gabrovska – Legal Counsel of Karoll Capital Management EAD
- Klaus Frank – Independent Director

### **Management Company**

Waystone Management Company (Lux) S.A.  
19, Rue de Bitbourg  
L - 1273 Luxembourg  
Grand Duchy of Luxembourg

### **Members of the Board of Directors of the Management Company**

Denis Harty, Director, Waystone Country Head - Continental Europe  
Alexandra Serban, Director, Head of Business Operations – Continental Europe  
Vasileios Karelakas, Director, Product Lead - Quantitative Solutions in Regulated Fund Solutions  
Timothy Madigan, Chairman, Independent Director

### **Conducting officers of the Management Company**

Mario de Castro, Chief Compliance Officer  
Jérémie Cordier, Head of Investment Risk - Luxembourg  
Pall Eyjolffson, Head of Valuation  
Fabio Giuliani, Head of Relationship Management Luxembourg  
Aurelia Lonchamp, Team Leader of Portfolio Management  
Julie Roeder, Head of Delegate Risk Oversight Luxembourg  
Alexandra Serban, Head of Business Operations – Continental Europe

### **Depositary and Paying Agent**

Quintet Private Bank (Europe) S.A.  
43, Boulevard Royal  
L - 2449 Luxembourg  
Grand Duchy of Luxembourg

### **Administration, Registrar and Transfer Agent**

UI efa S.A.  
2, Rue d'Alsace  
L - 1122 Luxembourg  
Grand Duchy of Luxembourg

**Domiciliary Agent**

Waystone Management Company (Lux) S.A.  
19, Rue de Bitbourg  
L - 1273 Luxembourg  
Grand Duchy of Luxembourg

**Investment Manager**

Karoll Capital Management EAD  
57 Hristo Botev Blvd.  
Sofia 1303  
Bulgaria

**Global Distributor**

Karoll Capital Management EAD  
57 Hristo Botev Blvd.  
Sofia 1303  
Bulgaria

**Auditor**

Deloitte Audit  
20, Boulevard de Kockelscheuer  
L-1821 Luxembourg  
Grand Duchy of Luxembourg

**Legal advisers**

Elvinger Hoss Prussen  
*société anonyme*  
2, Place Winston Churchill  
L-1340 Luxembourg  
Grand Duchy of Luxembourg

## GLOSSARY

Unless otherwise specified in a Sub-Fund Particular:

<b>1915 Law</b>	Luxembourg Law of 10 August 1915 relating to commercial companies, as amended.
<b>2010 Law</b>	Luxembourg Law of 17 December 2010 on undertakings for collective investment, as amended, implementing Directive 2009/65/EC into Luxembourg law.
<b>Administration Agent</b>	UI efa S.A.
<b>Application Form</b>	The application form available at the registered office of the Company and from distributors (if any).
<b>Articles of Incorporation</b>	The articles of incorporation of the Company, as may be amended from time to time.
<b>Auditor</b>	Deloitte Audit.
<b>Base Currency</b>	The base currency of a Sub-Fund, as disclosed in the relevant Sub-Fund Particular.
<b>Benchmark Regulation</b>	Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds.
<b>Board of Directors</b>	The board of directors of the Company. Any reference to the Board of Directors includes a reference to its duly authorised agents or delegates.
<b>Business Day</b>	Any full day on which the banks are open for normal business banking in Luxembourg and any other relevant jurisdictions as further detailed in the relevant Sub-Fund Particular.
<b>Class(es)</b>	Pursuant to the Articles of Incorporation, the Board of Directors may decide to issue, within each Sub-Fund, separate classes of Shares (hereinafter referred to as a " <b>Class</b> ") whose assets will be commonly invested but where a specific initial or redemption charge structure, fee structure, minimum subscription amount, currency, dividend policy or other feature may be applied. If different Classes are issued within a Sub-Fund, the details of each Class are described in the relevant Sub-Fund Particular.
<b>Company</b>	Karoll.

<b>CSSF</b>	<i>Commission de Surveillance du Secteur Financier</i> , the Luxembourg supervisory authority.
<b>Depository</b>	Quintet Private Bank (Europe) S.A.
<b>Directors</b>	The members of the Board of Directors.
<b>Eligible State</b>	Any EU Member State or any other state in Eastern and Western Europe, Asia, Africa, Australia, North and South America and Oceania.
<b>EEA</b>	The European Economic Area.
<b>ESG</b>	Environmental, social and corporate governance criteria.
<b>ESMA</b>	The European Securities and Markets Authority.
<b>EU</b>	The European Union.
<b>EUR</b>	The legal currency of the European Union (the " <b>Euro</b> ").
<b>G20</b>	The informal group of twenty finance ministers and central bank governors from twenty major economies: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, United Kingdom, United States of America and the EU.
<b>Global Distributor</b>	Karoll Capital Management EAD.
<b>Grand-Ducal Regulation of 2008</b>	The Grand-Ducal regulation of 8 February 2008 relating to certain definitions of the Law of 20 December 2002 on undertakings for collective investment.
<b>Institutional Investor(s)</b>	Institutional investor(s) within the meaning of Article 174 of the 2010 Law, as interpreted by the CSSF.
<b>Investment Manager</b>	The entity(ies) set out in the relevant Sub-Fund Particular.
<b>KID(s)</b>	The key information document(s).
<b>Luxembourg</b>	The Grand Duchy of Luxembourg.
<b>Management Company</b>	Waystone Management Company (Lux) S.A.

<b>Member State</b>	A member state of the European Union. The states that are contracting parties to the agreement creating the European Economic Area other than the Member States of the European Union, within the limits set forth by this Agreement and related acts, are considered as equivalent to Member States of the European Union.
<b>Money Market Instruments</b>	Shall mean instruments normally dealt in on the money market which are liquid, and have a value which can be accurately determined at any time.
<b>Net Asset Value</b>	The net asset value of any Class within any Sub-Fund or of any Sub-Fund determined in accordance with the relevant provisions detailed in Section 11. "Net Asset Value and dealing prices".
<b>OECD</b>	Organisation for Economic Co-operation and Development.
<b>Other UCI</b>	An undertaking for collective investment within the meaning of Article 1 paragraph (2), point (a) and point (b) of Directive 2009/65/EC.
<b>Reference Currency</b>	The currency denomination of a Class in which the Net Asset Value per Share of the Class is expressed and calculated as disclosed in the relevant Sub-Fund Particular.
<b>Register</b>	The register of Shareholders of the Company.
<b>Registrar and Transfer Agent</b>	UI efa S.A.
<b>Regulated Market</b>	A regulated market as defined in the Directive 2014/65/EU of 15 May 2014 on markets in financial instruments (MiFID), namely a market which appears on the list of the regulated markets drawn up by each Member State, which functions regularly, is characterized by the fact that regulations issued or approved by the competent authorities define the conditions for the operation of the market, the conditions for access to the market and the conditions that must be satisfied by a financial instrument before it can effectively be dealt in on the market, requiring compliance with all the reporting and transparency requirements laid down by MiFID and any other market which is regulated, operates regularly and is recognised and open to the public in an Eligible State.
<b>Regulation (EU) 2017/1131</b>	Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds.
<b>RESA</b>	<i>Recueil Electronique des Sociétés et Associations</i> , Luxembourg's central electronic platform of official publication.

<b>Share</b>	A share of no par value of any Class of any Sub-Fund in the Company.
<b>Shareholder</b>	A person recorded as a holder of Shares in the Register.
<b>Sub-Fund</b>	A specific portfolio of assets and liabilities within the Company having its own net asset value and represented by one or more Classes.
<b>Sub-Fund Particulars</b>	Part of the Prospectus containing information relating to each Sub-Fund.
<b>Transferable Securities</b>	Shall mean: <ul style="list-style-type: none"> <li>(a) shares and other securities equivalent to shares,</li> <li>(b) bonds and other debt instruments,</li> <li>(c) any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange, excluding techniques and instruments relating to transferable securities and Money Market Instruments.</li> </ul>
<b>UCITS</b>	An undertaking for collective investment in Transferable Securities and other eligible assets authorised pursuant to Directive 2009/65/EC, as amended.
<b>Valuation Day</b>	Any day for which the Net Asset Value is calculated as detailed for each Sub-Fund, in the relevant Sub-Fund Particular.

## GENERAL PART

### 1. STRUCTURE OF THE COMPANY

The Company has been incorporated under the denomination "Karoll".

The Company is an umbrella investment company with variable capital (*société d'investissement à capital variable*) incorporated under the form of a *société anonyme* in the Grand Duchy of Luxembourg. It qualifies as an undertaking for collective investment in transferable securities (UCITS) under Part I of the 2010 Law. As an umbrella structure, the Company may operate separate Sub-Funds, each being distinguished among others by their specific investment policy or any other specific feature as further detailed in the relevant Sub-Fund Particular. Within each Sub-Fund, different Classes with characteristics detailed in the relevant Sub-Fund Particular may be issued.

The Company constitutes a single legal entity, but the assets of each Sub-Fund are segregated from those of the other Sub-Fund(s) in accordance with the provisions of Article 181 of the 2010 Law. This means that the assets of each Sub-Fund shall be invested for the Shareholders of the corresponding Sub-Fund and that the assets of a specific Sub-Fund are solely accountable for the liabilities, commitments and obligations of that Sub-Fund.

The Board of Directors may at any time resolve to set up new Sub-Fund(s) and/or create within each Sub-Fund one or more Classes. The Board of Directors may also at any time resolve to close a Sub-Fund, or one or more Classes within a Sub-Fund, to further subscriptions.

The Company was incorporated for an unlimited period in Luxembourg on 28 August 2025. The capital of the Company shall be equal at all times to its net assets. The minimum capital of the Company shall be the minimum prescribed by the 2010 Law, which at the date of this Prospectus is the equivalent of EUR 1,250,000. This minimum must be reached within a period of 6 months following the authorisation of the Company as a UCITS under the 2010 Law.

The Company was incorporated with an initial capital of EUR 30,000, divided into 3,000,000 fully paid up shares.

The Company is registered with the *Registre de Commerce et des Sociétés, Luxembourg* (Luxembourg register of commerce and companies) under number B299850. The Articles of Incorporation were deposited with the *Registre de Commerce et des Sociétés, Luxembourg* and were published in the RESA on 17 September 2025.

The reference currency of the Company is the EUR and all the financial statements of the Company will be presented in EUR.

### 2. INVESTMENT OBJECTIVES AND POLICIES OF THE COMPANY AND THE SUB-FUNDS

The Company seeks to provide a range of Sub-Fund(s) with the purpose of spreading investment risk and satisfying the requirements of investors seeking to gain capital growth as detailed for each Sub-Fund in the relevant Sub-Fund Particulars.

In pursuing the investment objectives of the Sub-Funds, the Investment Manager at all times seeks to maintain an appropriate level of liquidity in the assets of the relevant Sub-Fund so that redemptions

of Shares under normal circumstances may be made without undue delay upon request by the Shareholders.

Whilst using its best endeavours to attain the investment objectives, the Investment Manager cannot guarantee the extent to which these objectives will be achieved. The value of the Shares and the income from them can fall as well as rise and investors may not realise the value of their initial investment. Changes in the rates of exchange between currencies may also cause the value of the Shares to diminish or to increase.

### ***Integration of sustainability risks into investment decisions***

The Sub-Funds' investments may be subject to sustainability risks. Sustainability risks are environmental, social or governance events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of the Sub-Fund's investments.

While the Sub-Funds are classified as Article 6 products under SFDR and do not actively promote environmental or social characteristics, the Investment Manager acknowledges the importance of sustainability risks and integrates them into its investment decision-making process through its broader risk management framework. The Investment Manager's integration of sustainability risks is reflected in the relevant Investment Manager's ESG/sustainable investment policy (sustainability statement available on <https://karollcapital.bg/en/financial-statements>) and further explained below.

The factors which will be considered by the Investment Manager will vary depending on the security in question, but could typically include ownership structure, board structure and membership, capital allocation track record, management incentives, labour relations history, and climate risks.

The Investment Manager also follows the "UN Principles for Responsible Investing" and applies various approaches, including negative screening and the best-in-play principle.

Information on the Management Company ESG approach and its policy on the integration of sustainability risks is available on the Management Company website: <https://www.waystone.com/waystone-policies/>.

According to its risk management policy, the Management Company will perform an oversight of the Sub-Funds' portfolio exposure to sustainability risks, by checking that key performance indicators were taken into consideration by the Investment Manager while investing.

A sustainability risk event may arise and impact a specific investment or may have a broader impact on an economic sector, geographical or political region or country which may impact the portfolio of a Sub-Fund in its entirety.

For the purposes of 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 ("SFDR"), the Sub-Funds are not subject to Article 8 or Article 9 of SFDR.

The investments underlying the Sub-Funds do not take into account the EU criteria for environmentally sustainable economic activities.

### ***No consideration of adverse impacts of investment decisions on sustainability factors at the level of the Management Company***

The Management Company does not consider the adverse impacts of investment decisions on sustainability factors ("PAI"). As a Management Company for a diverse range of funds, the Management Company typically delegates investment management responsibilities to external portfolio managers. In light of the diverse methodologies applied to environmental, social, and governance (ESG) considerations in respect of each fund, the Management Company has determined that the aggregation at entity level of PAI reporting carried out by individual investment manager in respect of individual funds (where applicable) is of no demonstrable value to individual stakeholders or investors, and, as such, the Management Company has determined not to integrate adverse impacts arising from its investment decisions on sustainability at the entity level. This position will remain under continuous review, with consideration given to evolving market practices and regulatory developments.

The Investment Manager considers PAIs of investment decisions on sustainability factors in accordance with the requirements of SFDR. At the firm level, the Investment Manager has established policies and procedures to assess and monitor PAIs, including but not limited to greenhouse gas emissions, carbon footprint, and exposure to controversial sectors. These assessments inform overall risk management but do not directly drive portfolio construction. The Investment Manager reports on PAIs in line with regulatory requirements and seeks to refine its approach as data availability and industry practices evolve.

### **3. RISK MANAGEMENT PROCESS**

In accordance with the 2010 Law and the applicable regulations, in particular CSSF Circular 11/512, the Management Company will employ a risk-management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each Sub-Fund. The Management Company, on behalf of the Company, will employ, if applicable, a process for accurate and independent assessment of the value of any OTC derivative instruments.

Unless otherwise expressly stated in the relevant Sub-Fund Particulars, the commitment approach (as detailed in the ESMA Guidelines 10-788) will be applied to measure the Sub-Funds' risk exposure. When using the commitment approach, the relevant Sub-Fund calculates its global exposure by taking into account the market value of the equivalent position in the underlying asset of the financial derivative instruments or the financial derivative instruments' notional value, as appropriate. This commitment conversion methodology allows in certain circumstances and in accordance with the provisions of the CSSF Circular 11/512 (i) the exclusion of certain types of non-leveraged swap transactions or certain risk free or leverage free transactions and (ii) the consideration of netting and hedging transactions to reduce the global exposure.

In case the relative Value-at-Risk (VaR) approach is used for a Sub-Fund, this will be indicated in the Sub-Fund Particulars. Accordingly, the VaR of the Sub-Fund's portfolio will not exceed twice the VaR on a comparable benchmark portfolio or reference portfolio (i.e. a similar portfolio with no derivatives) which will reflect the Sub-Fund's intended investment style.

The expected leverage will be calculated according to the total of all financial derivative instruments' notional amounts, as described below under Section 4. "Risk Considerations", "leverage".

### ***Liquidity Risk Management***

The Management Company has established, implemented and consistently applies a liquidity risk management process and has put in place prudent and rigorous liquidity management procedures, including liquidity stress test methodologies in accordance with the ESMA guidelines on liquidity stress testing, which enable it to monitor the liquidity risks of the Sub-Funds and to ensure compliance with the internal liquidity thresholds so that a Sub-Fund can normally meet its obligation to redeem its Shares at the request of Shareholders at all times.

Qualitative and quantitative measures are used to monitor portfolios and securities to seek to ensure investment portfolios are appropriately liquid and that Sub-Funds are able to honour Shareholders' redemption requests. In addition, Shareholders' concentrations are regularly reviewed to assess their potential impact on the liquidity of the Sub-Funds.

Sub-Funds are reviewed individually with respect to liquidity risks.

The liquidity risks are further described in Section 4. "Risk Considerations" below.

The Management Company's liquidity management procedure takes into account the investment strategy, the dealing frequency, the underlying assets' liquidity (and their valuation) and Shareholder base. The following liquidity management tools may be used to manage liquidity risk:

- i. a suspension of the redemption of Shares in certain circumstances as described in the Section 11.3 "Temporary suspension";
- ii. the deferral of redemptions in accordance with Section 7.5 "Deferral of redemptions";
- iii. in certain circumstances the acceptance that redemption requests are settled in kind in accordance with sub-section "Redemptions in kind" in Section 7.2 "Settlement";
- iv. swing pricing applied in certain circumstances as described in Section 11.2 "Swing Pricing mechanism".

## **4. RISK CONSIDERATIONS**

Investment in any Sub-Fund carries with it a degree of risk, including, but not limited to, those referred to below. Potential investors should read the Prospectus in its entirety and the relevant KIDs and consult with their legal, tax and financial advisers prior to making a decision to invest.

There can be no assurance that the Sub-Fund(s) of the Company will achieve their investment objectives and past performance should not be seen as a guide to future returns. An investment may also be affected by any changes in exchange control regulation, tax laws, withholding taxes and economic or monetary policies.

**Business risk**

There can be no assurance that the Company or any Sub-Fund will achieve its investment objective. There is no operating history by which to evaluate their likely future performance. The investment results of the Company or any Sub-Fund are reliant upon the success of the Investment Manager and the performance of the markets the Sub-Funds invest in.

**Reliance on the Investment Manager**

The Investment Manager will have the responsibility for each Sub-Fund's investment activities. Investors must rely on the judgment of the Investment Manager which has complete discretionary power in exercising this responsibility. In addition, since the performance of a Sub-Fund is mainly dependent on the skills of the Investment Manager, if the services of the Investment Manager or its principals were to become unavailable, such unavailability might have a detrimental effect on the relevant Sub-Fund and its performance.

Moreover, there can be no assurance that the Investment Manager of any Sub-Fund will successfully implement the strategy of the relevant Sub-Fund.

**Market risk**

The value of investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in the Company. In particular, the value of investments in securities may be affected by uncertainties such as international, political and economic and general financial market developments or changes in government policies, especially in countries where the investments are based.

**Foreign exchange risk**

Because a Sub-Fund's assets and liabilities may be denominated in currencies different to the Base Currency of the relevant Sub-Fund or to the Reference Currency of the relevant Class, the Sub-Fund / relevant Class may be affected favourably or unfavourably by exchange control regulations or changes in the exchange rates between the Base Currency (or the Reference Currency) and other currencies. Changes in currency exchange rates may influence the value of a Sub-Fund's / Class' Shares, the dividends or interest earned and the gains and losses realised. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation and other economic and political conditions.

If the currency in which a security is denominated appreciates against the Base Currency (or the Reference Currency) the value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security.

Where the liabilities of a particular Class exceed the assets pertaining to that Class, creditors pertaining to one Class may have recourse to the assets attributable to other Classes.

**Equity investment risks**

A Sub-Fund may invest directly or indirectly in equity securities. Investing in equity securities may offer a higher rate of return than those investing in short term and longer term debt securities. However, the risks associated with investments in equity securities may also be higher, because the investment performance of equity securities depends upon factors which are difficult to predict. As a result, the market value of the equity securities that it invests in may go down as well as up. Factors affecting the

equity securities are numerous, including but not limited to changes in investment sentiment, political environment, economic environment, and the business and social conditions in local and global marketplace. Securities exchanges typically have the right to suspend or limit trading in any security traded on the relevant exchange; a suspension will render it impossible to liquidate positions and can thereby expose the relevant Sub-Fund to losses.

#### ***Risks of investing in other funds***

A Sub-Fund may invest in underlying funds which are not regulated by the CSSF. In addition to the expenses and charges charged by such Sub-Fund, investors should note that there are additional fees involved when investing into these underlying funds, including fees and expenses charged by investment manager of these underlying funds as well as fees payable by the relevant Sub-Fund during its subscription to or redemption from these underlying funds. Furthermore, there can be no assurance that 1) the liquidity of the underlying funds will always be sufficient to meet redemption request as and when made; and 2) investment objective and strategy will be successfully achieved despite the due diligence procedures undertaken by the Investment Manager and the selection and monitoring of the underlying funds. These factors may have adverse impact on the relevant Sub-Fund and its investors. If a Sub-Fund invests in an underlying fund managed by the Investment Manager or connected person of the Investment Manager, potential conflict of interest may arise. Please refer to the section headed "***Conflicts of Interest***" for details under the circumstances.

#### ***Segregation of Sub-Funds risk***

The Company is an investment fund structured in the form of an "umbrella fund" comprised of separate Sub-Funds. Under Luxembourg law, each Sub-Fund represents a segregated pool of assets and liabilities. By operation of the law, the rights and claims of creditors and counterparties of the Company arising in respect of the creation, operation or liquidation of a Sub-Fund will be limited to the assets allocated to that Sub-Fund. However, while these provisions are binding in a Luxembourg court, these provisions have not been tested in other jurisdictions, and a creditor or counterparty might seek to attach or seize assets of a Sub-Fund in satisfaction of an obligation owed in relation to another Sub-Fund in a jurisdiction which would not recognise the principle of segregation of liability between Sub-Funds. Moreover, under Luxembourg law, there is no legal segregation of assets and liabilities between Classes of the same Sub-Fund. In the event that, for any reason, assets allocated to a Class become insufficient to pay for the liabilities allocated to that Class, the assets allocated to other Classes of the Sub-Fund will be used to pay for those liabilities. As a result, the Net Asset Value of the other Classes may also be reduced.

#### ***Sector and/or geographical concentration***

Sub-Funds which specialise in investing in a particular market sector, type of instrument or geographical region are likely to be more volatile than Sub-Funds with a broader range of investments. This risk is greater in relation to investment in emerging and less developed markets which may experience political and economic changes. The value of the Sub-Funds may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the particular market.

### ***Liquidity risk***

A Sub-Fund is exposed to the risk that a particular investment, position or collateral cannot be easily unwound or offset due to insufficient market depth, market disruption, a sudden change in the perceived value or credit worthiness of the issuer of a security or the security itself/of the counterparty to a position or of the position itself, or due to adverse market conditions generally, in particular an adverse change in demand and supply of a security or bid and ask quotes on a position, respectively.

A common consequence of reduced liquidity of a security/of a position is an additional, as opposed to the usual bid-ask spread charged by the brokers, discount on the selling/liquidation price. In addition, reduced liquidity due to these factors may have an adverse impact on the ability of a Sub-Fund to meet redemption requests, or to meet liquidity needs in response to a specific economic event in a timely manner.

In general, securities purchased/positions entered into by a Sub-Fund are sufficiently liquid, so that no liquidity issues normally arise during the course of the Sub-Fund's business. However, certain securities might be or become illiquid due to a limited trading market, financial weakness of the issuer, legal or contractual restrictions on resale or transfer, political or other reasons.

A Sub-Fund's investment in illiquid securities may reduce the returns of the Sub-Fund because it may be unable to sell the illiquid securities at an advantageous time or price. Investments in foreign securities, derivatives or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk. Illiquid securities may be highly volatile and difficult to value.

The attention of the Shareholders is drawn to the fact that in extreme market situations the liquidity of the securities in which a Sub-Fund may invest may be temporarily limited. Markets where a Sub-Fund's securities are traded could experience such adverse conditions as to cause exchanges to suspend trading activities. The Investment Manager will however take all necessary steps to ensure that the overall liquidity of the portfolio is ensured at any time.

Essentially, liquidity risk is a risk that demand and supply of a financial instrument or any other asset is not sufficient to establish a sound market in this instrument or other asset. Accordingly, it may take longer to sell the instrument. The less liquid an instrument, the longer it might take to sell it.

### ***Risks of investing in IPO securities***

A Sub-Fund may invest in initial public offers ("IPOs") securities. The prices of securities involved in IPOs are often subject to greater and more unpredictable price changes than more established securities. There is the risk that there are inadequate trading opportunities generally or allocations for IPOs which the Investment Manager wishes or is able to participate in. Furthermore, the liquidity and volatility risks associated with investments or potential investments in IPO securities may be difficult to assess, due to the lack of trading history of such IPO securities. These risks may have adverse impact on the relevant Sub-Fund and its investors.

### ***Risks related to investment in special purpose acquisition companies (SPACs)***

SPACs are vehicles formed prior to the acquisition of a target for the purpose of raising capital through an initial public offering to fund the acquisition.

SPACs are subject to certain risk factors such as the target company purchased by a SPAC may not be appropriate for the relevant Sub-Fund or a SPAC may be unable to acquire the target due for instance to the target's shareholders rejecting the merger.

Investments in SPACs may thus include risks such as complexity of and reliability and availability of information with regards to a SPAC structure, dilution, liquidity, conflicts of interests or uncertainty as to the identification, evaluation and eligibility of the target company.

Post-acquisition, SPACs are subject to general risk factors to which equities are exposed to (e.g. volatility, liquidity, smaller companies) and in particular the market risk for newly-public companies.

#### ***Exchange Traded Fund risk***

An Exchange Traded Fund ("**ETF**") may seek to track the performance of certain indices or certain assets, contracts and/or instruments invested in or held by such an ETF and thus the performance of an ETF will be subject to the same risks as affect the underlying assets. These may include, in particular, company-specific factors such as: earnings position, market position, risk situation, shareholder structure and distribution policy of the underlying companies, as well as macroeconomic factors, such as interest rate and price levels on the relevant markets, currency fluctuations and political, legal and regulatory developments.

Liquidity transformation performed by ETFs is a key benefit for investors but could be subject to frictions. ETFs are capable of transforming less liquid assets into more liquid tradable securities. Multiple participants provide liquidity based on their commercial incentives. ETF liquidity is hence jointly determined on primary, secondary and related markets used for hedging activities. Investors face the risk that liquidity may not be higher than the liquidity of the underlying securities in all market conditions. Past experience has shown that disruptions (for example, trading halts, operational glitches at a market-makers) to ETF liquidity can occur in highly liquid markets, such as European or US equity markets, even if these episodes have been short-lived.

#### ***Depository receipts risk***

Depository receipts are instruments in the form of share certificates in a portfolio of shares held in the country of domicile of the issuer. The legal owner of shares underlying the depository receipts is the custodian bank, who at the same time is the issuing agent of the depository receipts. There is a risk that the jurisdiction of issuance of the depository receipts or the jurisdiction to which the custodian agreement is subject does not recognise the purchaser of the depository receipts as the actual beneficial owner of the underlying shares. Therefore, in the event that the custodian bank becomes insolvent or that enforcement measures are taken against such a custodian bank, it may not be possible to exempt the relevant shares from the assets of the custodian bank subject to the insolvency proceedings and the holders of the relevant depository receipts may end up being treated as unsecured creditors of the custodian bank or their rights to the assets of the custodian bank may not be recognised at all, as part of such proceedings. In such circumstances, any amount realised by the holder of the relevant depository receipts may be significantly below their original value.

#### ***Warrants risk***

Investments in and holding of warrants may result in increased volatility of the Net Asset Value of certain Funds, which may make use of warrants, and accordingly are accompanied by a higher degree of risk.

### ***Collateral risk***

Although collateral may be received by a Sub-Fund to mitigate the risk of a counterparty default, there is a risk that the collateral received, especially where it is in the form of securities, when realised will not raise sufficient cash to settle the counterparty's liability. This may be due to factors including inaccurate pricing of collateral, adverse market movements in the value of collateral, a deterioration in the credit rating of the issuer of the collateral, or the illiquidity of the market in which the collateral is traded. Please also refer to paragraph "Liquidity Risk" above in respect of liquidity risk which may be particularly relevant where collateral takes the form of securities.

Where a Sub-Fund is in turn required to post collateral with a counterparty, there is a risk that the value of the collateral that the Sub-Fund places with the counterparty is higher than the cash or investments received by the Sub-Fund.

In either case, where there are delays or difficulties in recovering assets or cash, collateral posted with counterparties, or realising collateral received from counterparties, the Sub-Funds may encounter difficulties in meeting redemption or purchase requests or in meeting delivery or purchase obligations under other contracts.

As a Sub-Fund may reinvest cash collateral it receives, there is a risk that the value on return of the reinvested cash collateral may not be sufficient to cover the amount required to be repaid to the counterparty. In this circumstance the Sub-Fund would be required to cover the shortfall.

As collateral will take the form of cash or certain financial instruments, market risk is also relevant.

Collateral received by a Sub-Fund may be held either by the Depositary or by a third-party custodian. In either case there may be a risk of loss where such assets are held in custody resulting from events such as the insolvency or negligence of the Depositary or a sub-custodian.

### ***Counterparty risk***

The Company on behalf of a Sub-Fund may enter into transactions in over-the-counter markets, which will expose the Sub-Fund to the credit of its counterparties and their ability to satisfy the terms of such contracts.

For example, there is a possibility that a Sub-Fund does not receive cash resources or financial instruments from a counterparty at the settlement date after the Sub-Fund has fulfilled its obligations on certain transactions toward such a counterparty.

The Company on behalf of the Sub-Fund may also enter into forward contracts, options and swap arrangements or other derivative techniques, each of which expose the Sub-Fund to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Sub-Fund could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Company seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights.

There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. In such circumstances, investors may be unable to cover any losses incurred. Derivative contracts such as swap contracts entered into by the Company on behalf of a Sub-Fund involve credit risk that could result in a loss of the Sub-Fund's entire

investment as the Sub-Fund may be fully exposed to the credit worthiness of a single approved counterparty where such an exposure will be collateralised.

### **Legal risk**

There is a risk that agreements and financial derivative instruments are terminated due, for instance, to bankruptcy, supervening illegality or change in tax or accounting laws. In such circumstances, a Sub-Fund may be required to cover any losses incurred.

Furthermore, certain transactions are entered into on the basis of complex legal documents. Such documents may be difficult to enforce or may be the subject of a dispute as to interpretation in certain circumstances. Whilst the rights and obligations of the parties to a legal document may be governed by Luxembourg law, in certain circumstances (for example insolvency proceedings) other legal systems may take priority which may affect the enforceability of existing transactions.

### **Depositary risk**

The assets of the Company and its Sub-Funds shall be held in custody by the Depositary and its sub-custodian(s) and/or any other custodians and/or broker-dealers appointed by the Company. Investors are hereby informed that cash and fiduciary deposits may not be treated as segregated assets and might therefore not be segregated from the relevant depositary, sub-custodian(s), other custodian / third-party bank and/or broker dealer's own assets in the event of the insolvency or the opening of bankruptcy, moratorium, liquidation or reorganization proceedings of the depositary, sub-custodian(s), other custodian / third-party bank or the broker dealer as the case may be. Subject to specific depositor's preferential rights in bankruptcy proceedings set forth by regulation in the jurisdiction of the relevant depositary, sub-custodian(s), other custodian / third-party bank, or the broker dealer, the Company's claim might not be privileged and may only rank *pari passu* with all other unsecured creditors' claims. The Company and/or its Sub-Funds might not be able to recover all of their assets in full.

### **Emerging Markets risks**

The Company may invest in eligible assets which are listed on the securities exchanges of emerging markets countries, as well as investing in companies which are located or have operations within such countries. Emerging markets are typically more volatile than developed markets and can result in increased risk for investors.

In emerging markets, the legal, regulatory and operational framework may not be well developed, which means that investments in these markets may carry higher risks than investments in markets with well-established legal, regulatory and operational frameworks. The risks of investing in emerging markets include those risks listed below.

#### **(a) Political and legal risks**

The Company has greater exposure to political risks, country risks and legal and compliance risks. In emerging markets, investor protection legislation or protection available through other legal avenues (for example concepts of fiduciary duties) may be limited, non-existent, or difficult to enforce in practice. Obligations on companies to publish financial information, or to publish such information in accordance with recognized accounting standards, may also be limited. Governments may make or invoke policy or regulation that changes the established rights of private sector companies. There is a further risk that a government may prevent or limit the repatriation of foreign capital or the availability

of legal redress through the courts. There is also the risk of government intervention in the operation of financial markets, for instance a forced closure of markets.

(b) Market, valuation and settlement risks

Eligible markets which are securities exchanges in emerging markets are likely to be less liquid and less efficient than Regulated Markets. Eligible assets traded on such exchanges can be more difficult to sell and value. Shareholder registers may not be properly maintained and ownership of or interests in such eligible assets may not be (or remain) fully protected. Registration of ownership of securities may be subject to delays and during the period of delay it may be difficult to prove beneficial ownership of the securities. In some market, the concept of beneficial ownership is not recognized or is not well developed.

Custody arrangements for such securities may not be well developed. Settlements may still take place in physical rather than dematerialized form. In some markets there may be no secure method of delivery against payment which would minimise the exposure to counterparty risk. It may be necessary to make payment on a purchase or delivery on a sale before receipt of the securities or, as the case may be, sale proceeds.

A Sub-Fund may invest in securities in jurisdictions (including China) which impose limitations or restrictions on foreign ownership or holdings. In such circumstances, the relevant Sub-Fund may be required to make investments in the relevant markets directly or indirectly. In either case, legal and regulatory restrictions or limitations may have adverse effect on the liquidity and performance of such investments due to factors such as limitations on fund repatriation, dealing restrictions, adverse tax treatments, higher commission costs, regulatory reporting requirements and reliance on services of local custodians and service providers.

(c) Taxation risks

***Investors should note that tax law and practice in emerging market countries is less established than in countries with Regulated Markets. It is therefore possible that current laws, interpretation, guidance, or practices relating to taxation may change, potentially with retrospective effect. This may mean that the Company may have to pay additional taxes or have sales proceeds withheld for tax reasons in circumstances which cannot be anticipated at the time when investments are made, valued or disposed of.***

**Tax Reporting**

Shareholders should note that the Company may be required to disclose information regarding any Shareholders to any tax authority or other governmental agency to enable the Company to comply with any applicable law or regulation or agreement with a governmental authority. Shareholders will be required to provide such information as may be reasonably required by the Company to enable the Company to properly and promptly make such filings or elections as the Company may consider desirable or as required by law, or which the Company considers necessary or desirable in connection with an investment or proposed investment.

Investors should note that in certain circumstances the Company shall be entitled to take steps against a Shareholder who has failed to provide such information, including, but not limited to, ensuring that the relevant Shareholder bears the cost of any tax arising as a result of the failure to provide the information.

### **OECD's BEPS action points**

The Organisation for Economic Co-operation and Development together with the G20 countries have committed to address abusive global tax avoidance, referred to as base erosion and profit shifting ("BEPS") through 15 actions detailed in reports released on 5 October 2015. As part of the BEPS project, new rules dealing inter alia with double tax treaties abuse, the definition of permanent establishments, controlled foreign companies and hybrid mismatch arrangements, are being introduced into respective domestic law of BEPS member states via EU directives and a multilateral instrument. The European Council has adopted two Anti-Tax Avoidance Directives being, Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market ("ATAD I") and Directive 2017/952/EU of 29 May 2017 amending ATAD I as regards hybrid mismatches with third countries ("ATAD II") that address many of the above-mentioned issues. The measures included in ATAD I and ATAD II have been implemented into Luxembourg law on, respectively, 21 December 2018 (the "ATAD I Law") and 20 December 2019 (the "ATAD II Law") and are applicable gradually from 1 January 2019 (with regards to ATAD I Law) to 1 January 2020 and 1 January 2022 (with regards to ATAD II Law). The ATAD I Law and ATAD II Law could have a material impact on how returns to Investors are taxed. In addition, the Company may become subject to audits, reviews and investigations by the Luxembourg tax authorities. At the international level, the "Multilateral Convention to Implement Tax Treaty Related Measures to prevent Base Erosion and Profit Shifting" ("MLI") was published by the OECD on 24 November 2016. The aim of the MLI is to update international tax rules and lessen the opportunity for tax avoidance by transposing the results from the BEPS project into more than 2,000 double tax treaties worldwide. A number of jurisdictions (including Luxembourg) have signed the MLI. The ratification process in Luxembourg has been achieved through the law of 7 March 2019 and the deposit of the ratification instrument with the OECD on 9 April 2019. As a consequence, the MLI entered into force on 1 August 2019. Its application per double tax treaty concluded with Luxembourg will depend on the ratification by the other contracting state and on the type of tax concerned. Subsequent changes in tax treaties negotiated by Luxembourg incurred by the MLI could adversely affect the returns from the Company to its investors.

### **ATAD III**

On December 22, 2021, the European Commission published a proposal for a Directive laying down rules to prevent the misuse of shell entities for tax purposes and amending Directive 2011/16/EU ("ATAD III"), which sets out a number of rules designed to prevent the misuse of shell entities – namely, entities with limited or no economic substance - for tax purposes which might potentially, if applicable, impact under certain circumstances the taxation of intermediate entities or portfolio companies and therefore the return to prospective investors. However, it is currently unclear if and in what form ATAD III might be adopted since to date, Members States have still not been able to reach an agreement on ATAD III proposal whether in relation to the substance criteria or the tax consequences.

### **Pillar One and Pillar Two**

On October 8, 2021, the OECD/G20 Inclusive Framework on BEPS reached agreement on a reform of the international rules on the taxation of the profits of multinational enterprises (commonly referred to as "Pillar One" and "Pillar Two"). Pillar One is focused on the international allocation of tax rights and is designed to ensure that the allocation of taxing rights is more closely aligned with where a

multinational group's consumers are located. Pillar Two is focused on implementing a global minimum tax designed to ensure that large multinationals pay a minimum effective tax rate of 15% in every jurisdiction it operates in. Pillar Two is expected to apply to multinational groups with turnover in excess of €750 million. The Pillar Two proposals involve a framework of complex rules which, broadly, would impose top-up taxes on certain entities within a multinational group where the overall tax paid on the group's profit in any jurisdiction falls below the minimum 15% effective tax rate. On December 14, 2022, the EU Member States adopted a Council Directive (2022/2523) on ensuring a global minimum level of taxation for multinational enterprise (MNE) groups and large-scale domestic groups in the EU ("Minimum Tax Directive"). Member States are required to implement the Minimum Tax Directive in their national laws before December 31, 2023. It is to be noted that the Minimum Tax Directive has been implemented in Luxembourg national law through the law dated 22 December 2023 and applies as from fiscal years starting on or after 31 December 2023. The implementation of Minimum Tax Directive could adversely affect the returns from the Company to its Shareholders. There remains a significant amount of uncertainty as to the implementation and interpretation of the Pillar Two proposals, as well as their interaction with domestic tax law provisions.

#### **FATCA and CRS**

FATCA and CRS rules being particularly complex and although the Company will attempt to satisfy any obligations imposed on it to avoid the imposition of the thirty per cent (30%) withholding tax under FATCA or a penalty or fine under FATCA Law or CRS Law, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a withholding tax as a result of FATCA or a penalty or fine under FATCA Law or CRS Law, the value of Shares held by all Shareholders may be materially affected.

#### **DAC6**

On 25 May 2018, the EU Council adopted a directive (2018/822 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation) that imposes a reporting obligation on parties involved in transactions that may be associated with aggressive tax planning ("DAC6"). DAC6 has been implemented in Luxembourg by the law of 25 March 2020 (the "DAC6 Law").

More specifically, the reporting obligation will apply to cross-border arrangements that, among others, meet one or more "hallmarks" provided for in the DAC6 Law that is coupled in certain cases, with the main benefit test (the "Reportable Arrangements").

In the case of a Reportable Arrangement, the information that must be reported includes inter-alia the name of all relevant taxpayers and intermediaries as well as an outline of the Reportable Arrangement, the value of the Reportable Arrangement and identification of any member states likely to be concerned by the Reportable Arrangement.

The reporting obligation in principle rests with the persons that design, market, organise make available for implementation or manage the implementation of the Reportable Arrangement or provide assistance or advice in relation thereto (the so-called "intermediaries"). However, in certain cases, the taxpayer itself can be subject to the reporting obligation.

Since January 1, 2021, Reportable Arrangements must be reported within thirty days from the earliest of (i) the day after the Reportable Arrangement is made available for implementation or (ii) the day after the Reportable Arrangement is ready for implementation or (iii) the day when the first step in the implementation of the Reportable Arrangement has been made.

The information reported will be automatically exchanged between the tax authorities of all Member States.

In light of the broad scope of the DAC6 Law, transactions carried out by the Company may fall within the scope of the DAC6 Law and thus be reportable.

Prospective investor are encouraged to carefully read the Sections "FATCA" and "CRS" which are stated in Section 22: "Taxation".

### **ESG risks**

ESG (environmental, social and governance) information from third-party data providers may be incomplete, inaccurate or unavailable. As a result, there is a risk that the Management Company or the Investment Manager may incorrectly assess a security or issuer, resulting in the incorrect inclusion or exclusion of a security in the portfolio of a Sub-Fund.

### **Risks Related to Terrorist Attack, War, Natural Disaster or Pandemic**

The operations of the Company and counterparties with which the Company do business could be severely disrupted in the event of a major terrorist attack or the outbreak, continuation or expansion of war or other hostilities.

Additionally, a serious pandemic, or a natural disaster, such as a hurricane or a super typhoon, could severely disrupt the global economy and the operation of the Sub-Fund. In particular, the recent "novel coronavirus" (COVID-19) outbreak in Wuhan, PRC (the People's Republic of China), which has also affected other parts of PRC and the world, could have a material and adverse effect on the operation of the Company, the Management Company, the Investment Manager and other service providers in managing and operating the Company. In the event of a serious pandemic or natural disaster, for safety and public policy reasons, each the Management Company, the Investment Manager and other service providers may, to the extent they are affected by such pandemic or natural disaster, be required to temporarily shut down their offices and to prohibit their respective employees from going to work. Any such closure could severely disrupt the services provided to the Company and materially and adversely affect the Company's operation.

On February 24, 2022, Russian troops began a full-scale invasion of Ukraine and, as of the date of this Prospectus, the countries remain in active conflict. Around the same time, the United States, the UK, the European Union, and several other nations announced a broad array of new or expanded sanctions, export controls, and other measures against Russia, Russia-backed separatist regions in Ukraine, and certain banks, companies, government officials, and other individuals in Russia and Belarus, as well as a number of Russian oligarchs. The ongoing conflict and the rapidly evolving measures in response could be expected to have a negative impact on the economy and business activity globally (including in the countries in which the Sub-Funds invest), and therefore could adversely affect the performance of the Sub-Funds' investments. The severity and duration of the conflict and its impact on global economic and market conditions are impossible to predict, and as a result, present material uncertainty and risk with respect to the Company and the performance of its

investments and operations, and the ability of the Company to achieve its investment objectives. Similar risks will exist to the extent that any service providers or certain other parties have material operations or assets in Russia, Ukraine, Belarus, or the immediate surrounding areas.

#### ***Effect of substantial withdrawals***

Substantial withdrawals by shareholders within a short period of time could require the liquidation of positions more rapidly than would otherwise be desirable, which could adversely affect the value of the assets of the Company. The resulting reduction in the assets of the Company could make it more difficult to generate a positive rate of return or to recoup losses due to a reduced equity base.

#### ***Risk of liquidation***

A Sub-Fund may be terminated in certain circumstances which are summarised under the Section 22. "Liquidation of the Company / Termination and Amalgamation of Sub-Funds". In the event of the termination of a Sub-Fund, such Sub-Fund would have to distribute to the shareholders their pro rata interest in the assets of the Sub-Fund. It is possible that at the time of such sale or distribution, certain investments held by the relevant Sub-Fund will be worth less than the initial cost of acquiring such investments, resulting in a loss to the shareholders. Moreover, any organisational expenses (such as establishment costs) with regard to the relevant Sub-Fund that had not yet been fully amortised would be debited against the Sub-Fund's assets at that time.

#### ***Political and country risks***

The value of the Company's assets may be affected by uncertainties such as political developments, economic and social changes, changes in government policies, cession and war, taxation, currency repatriation restrictions and restrictions on foreign investment in some of the countries in which the Company may invest.

#### ***General economic conditions***

The success of any investment activity is influenced by general economic conditions, which may affect the level and volatility of interest rates and the extent and timing of investor participation in the markets for both equity and interest rate sensitive securities. Unexpected volatility or illiquidity in the markets in which the Company directly or indirectly holds positions could impair the ability of the Company to carry out its business and could cause it to incur losses.

The value of investments held by a Sub-Fund may decline in value due to factors affecting financial markets generally, such as real or perceived adverse economic conditions, changes in the general outlook for revenues or corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. The value of investments may also decline due to factors affecting a particular, industry, area or sector, such as changes in production costs and competitive conditions. During a general downturn in the economy, multiple asset classes may decline in value simultaneously. Economic downturn can be difficult to predict. When the economy performs well, there can be no assurance that investments held by a Sub-Fund will benefit from the advance.

#### ***Small Cap risk***

Securities of small cap companies tend to be traded less frequently and in smaller volumes than those of large cap companies. As a result, the prices of shares of small cap companies tend to be less stable than those of large cap companies. Their value may rise and fall more sharply than other securities, and they may be more difficult to buy and sell.

### ***Specialization risk***

Some Sub-Funds specialize by investing in a particular sector of the economy or part of the world or by using a specific investment style or approach. Specialization allows a Sub-Fund to focus on a specific investment approach, which can boost returns if the particular sector, country or investment style is in favour. However, if the particular sector, country or investment style is out of favour, the value of the Sub-Fund may underperform relative to less specialized investments. Sub-Funds that specialize tend to be less diversified, but may add diversification benefits to portfolios that do not otherwise have exposure to this specialization.

### ***Portfolio concentration risk***

Although the strategy of certain Sub-Funds of investing in a limited number of assets has the potential to generate attractive returns over time, a Sub-Fund which invests in a concentrated portfolio of securities may tend to be more volatile than a Sub-Fund which invests in a more broadly diversified range of securities. If the assets in which such Sub-Fund invests perform poorly, the Sub-Fund could incur greater losses than if it had invested in a larger number of assets.

### ***Large Shareholder risk***

Shares may be purchased or redeemed by investors holding a large portion of the issued and outstanding Shares of a Sub-Fund ("**Large Shareholders**"). If a Large Shareholder redeems all or a portion of its investment in the Sub-Fund, the Sub-Fund may have to incur transaction costs in the process of making the redemption. From this perspective, the redemptions of the Large Shareholders mean a liability-side liquidity risk which is relating to situations when the Sub-Fund is not able to deal with high outflows (net redemptions) from the portfolio. Predicting the redemption behaviour of these investors is usually challenging. Conversely, if a Large Shareholder makes a significant purchase in the Sub-Fund, the Sub-Fund may have to hold a relatively large position in cash for a period of time while the Investment Manager finds suitable investments. This may negatively impact the performance of the Sub-Fund.

### ***Active trading risks***

Frequent trading will result in a higher-than-average portfolio turnover ratio which increases trading expenses, may result in increased financial transaction taxes (if applicable), and may generate higher taxable capital gains (if applicable).

### ***Risks Involving Transfer of Money***

The Sub-Funds may invest in overseas markets and thus, investors may find restrictions on transfer of dividend income and capital gains from the Company and on selling and buying activities. The Sub-Funds, therefore, may be adversely affected by application of investment restrictions of the countries invested in. In addition, delays in or denial of government approval of transfer of money may also arise. Payment of redemption proceeds may be delayed due to changes in the global financial landscape and delays in international settlement process.

### ***Suspension of Share dealings***

Investors are reminded that in certain circumstances their right to redeem or convert Shares may be suspended (see Section 11.2 "Temporary suspension").

### ***Declining Performance with Asset Growth***

Trading large positions may adversely affect prices and performance. In addition, there can be no assurance that appropriate investment opportunities will be available to accommodate future increases in assets under management which may require the Investment Manager to modify its investment decisions for relevant Sub-Fund because the Investment Manager cannot deploy all the assets in the manner it desires.

### ***Net Asset Value Considerations***

The Net Asset Value per Share is expected to fluctuate over time with the performance of the Company's investments. A Shareholder may not fully recover its/her/his initial investment when he chooses to redeem its/her/his Shares or upon compulsory redemption if the Net Asset Value per Share at the time of such redemption is less than the subscription price paid by such Shareholder. It should be remembered that the value of the Shares and the income (if any) derived from them can go down as well as up.

### ***Potential Conflicts of Interest***

The Investment Manager may conduct transactions in which the Investment Manager has, directly or indirectly, an interest which may involve a potential conflict with the Investment Manager's duty to the Company. The Investment Manager shall not be liable to account to the Company for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions nor will the Investment Manager's fees, unless otherwise provided, be abated. Please also refer to Section 19. "Conflicts of interest".

### ***Regulatory risk***

The Company is domiciled in Luxembourg and investors should note that all the regulatory protections provided by their local regulatory authorities may not apply. Additionally, Sub-Funds may be registered in non-EU jurisdictions. As a result of such registrations these Sub-Funds may be subject to more restrictive regulatory regimes. In such cases these Sub-Funds will abide by these more restrictive requirements. This may prevent these Sub-Funds from making the fullest possible use of the investment limits.

### ***Regulatory reforms***

The Prospectus has been drafted in line with currently applicable laws and regulations. It cannot be excluded that the Company and/or the Sub-Funds and their respective investment objective and policy may be affected by any future changes in the legal and regulatory environment. New or modified laws, rules and regulations may not allow, or may significantly limit the ability of, the Sub-Fund to invest in certain instruments or to engage in certain transactions. They may also prevent the Sub-Fund from entering into transactions or service contracts with certain entities. This may impair the ability of all or some of the Sub-Funds to carry out their respective investment objectives and policies. Compliance with such new or modified laws, rules and regulations may also increase all or some of the Sub-Funds' expenses and may require the restructuring of all or some of the Sub-Funds with a view to complying with the new rules. Such restructuring (if possible) may entail restructuring costs. When a restructuring is not feasible, a termination of affected Sub-Funds may be required.

### ***Exchange of information***

Under the terms of the FATCA Law and the CRS Law, the Company is likely to be treated as a Foreign Financial Institution. As such, the Company may require all Investors to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned regulations.

Should the Company become subject to a withholding tax and/or penalties as a result of FATCA and/or penalties as a result of CRS, the value of the Shares held by all the Shareholders may be materially affected.

The Company and/or its Shareholders may also be indirectly affected by the fact that a non U.S. financial entity does not comply with FATCA regulations even if the Company satisfies with its own FATCA obligations.

### ***Operational risk***

The Company's operations (including investment management, distribution and collateral management) are carried out by several service providers and their employees. The Company and/or the Management Company follow a due diligence process in selecting service providers; nevertheless operational risk can occur and have a negative effect on the Company's operations, and it can manifest itself in various ways, including business interruption, poor performance, information systems malfunctions or failures, regulatory or contractual breaches, human error (including employees' mistakes and/or negligent/malicious conduct), negligent execution, employee misconduct, fraud or other criminal acts. In the event of a bankruptcy or insolvency of a service provider, investors could experience delays (for example, delays in the processing of subscriptions, conversions and redemption of Shares) or other disruptions.

***There is also a risk of performing transactions with related persons, the terms of which differ from the market terms and/or are at more disadvantageous terms than the market ones. This risk arises at conclusion of transactions outside a regulated market of financial instruments. Trade execution and selection of brokers and dealers***

The trading techniques used by the Sub-Funds may require the rapid and efficient execution of transactions. Inefficient executions can result in a Sub-Fund being unable to exploit the small pricing differentials that the Investment Manager may seek to exploit and impact, possibly materially, the profitability of a Sub-Fund's positions.

The policy of the Investment Manager regarding purchases and sales for its portfolios is that primary consideration will be given to obtaining the most favourable execution of the transactions in seeking to implement the investment strategy of the relevant Sub-Fund. The Investment Manager will effect transactions with those brokers, dealers, banks and other counterparties (collectively, "**brokers and dealers**") which the Investment Manager believes provide the most favourable net prices and who are capable of providing efficient executions. Additional considerations include the ability of brokers and dealers to provide internal and external research services, special execution capabilities, clearance, settlement or other services including communications and data processing and other similar equipment and services and the furnishing of stock quotation and other similar information. The Investment Manager also may cause a broker or dealer who provides certain services to be paid a commission or, in the case of a dealer, a dealer spread for executing a portfolio transaction, which is in excess of the amount of commission or spread another broker or dealer would have charged for

effecting that transaction ("**soft commissions**"). The Investment Manager is only entitled to these soft commissions in the following circumstances: (i) the Investment Manager must act at all times in the Sub-Fund's best interests whenever it concludes such arrangements; (ii) the services provided must relate directly to the Investment Manager's activities; (iii) brokerage fees on transactions affecting the Sub-Fund's portfolio may only be attributed by the Investment Manager to dealer-brokers that are legal entities and not to private individuals, and (iv) the Investment Manager must provide the Board of Directors and the Management Company with reports concerning the soft commission arrangements concluded with the brokers, including details of the type of services provided. Payment of any soft commissions will be noted in the Company's financial statements.

### ***Cyber Security Risk***

The Company and its service providers are susceptible to operational and information security and related risks of cyber security incidents. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber security attacks include, but are not limited to, gaining unauthorised access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cyber attacks also may be carried out in a manner that does not require gaining unauthorised access, such as causing denial-of-service attacks on websites (i.e., efforts to make services unavailable to intended users).

Cyber security incidents affecting the Company, Management Company, Administration Agent, Depository or other service providers such as financial intermediaries have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, including by interference with the ability to calculate the Net Asset Value of the Sub-Funds; impediments to trading for the Sub-Funds' portfolios; the inability of Shareholders to transact business with the Company; violations of applicable privacy, data security or other laws; regulatory fines and penalties; reputational damage; reimbursement or other compensation or remediation costs; legal fees; or additional compliance costs. Similar adverse consequences could result from cyber security incidents affecting issuers of securities in which the Sub-Funds invest, counterparties with which the Sub-Funds engage in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions and other parties. While information risk management systems and business continuity plans have been developed which are designed to reduce the risks associated with cyber security, there are inherent limitations in any cyber security risk management systems or business continuity plans, including the possibility that certain risks cannot be and/or have not been identified.

### ***Borrowing risks***

The Investment Manager may borrow for the account of a Sub-Fund for various reasons, such as facilitating redemptions or to acquire investments for the account of the relevant Sub-Fund within the limited permitted by the CSSF. Borrowing involves an increased degree of financial risk and may increase the exposure of the relevant Sub-Fund to factors such as rising interest rates, downturns in the economy or deterioration in the conditions of the assets underlying its investments. There can be no assurance that the relevant Sub-Fund will be able to borrow on favourable terms, or that the relevant Sub-Fund's indebtedness will be accessible or be able to be refinanced by the relevant Sub-Fund at any time.

### ***Foreign securities***

A Sub-Fund's investment activities relating to foreign securities may involve numerous risks resulting from market and currency fluctuations, future adverse political and economic developments, the possible imposition of restrictions on the repatriation of currency or other governmental law or restrictions, reduced availability of public information concerning issuers and the lack of uniform accounting, auditing and financial reporting standards or other regulatory practices and requirements comparable to those applicable to companies in the investor's domicile. In addition, securities issued by companies or governments in some countries may be illiquid and have higher price volatility and, with respect to certain countries, there is a possibility of expropriation, nationalization, exchange control restrictions, confiscatory taxation and limitations on the use or removal of Company's or other assets of a Sub-Fund, including withholding of dividends. Certain securities held by a Sub-Fund may be subject to government taxes that could reduce the yield on such securities, and fluctuation in foreign currency exchange rates may affect the price of a Sub-Fund's securities and the appreciation or depreciation of investments. Certain types of investments may result in currency conversion expenses and higher custodial expenses. The ability of a Sub-Fund to invest in securities of companies or governments of certain countries may be limited or, in some cases, prohibited. As a result, larger positions of a Sub-Fund's assets may be invested in those countries where such limitations do not exist. In addition, policies established by the governments of certain countries may adversely affect a Sub-Fund's investments and the ability of a Sub-Fund to achieve its investment objective.

### ***Risk of realizing real yields***

The increasing of inflation always poses uncertainty. As a result, - especially, but not exclusively, during periods of high inflation - the nominal performance of a Sub-Fund may fall short of inflation resulting in negative real yields. Inflation can significantly reduce the return of a Sub-Fund and the intrinsic value of the investment in terms of purchasing power. Different currencies are affected by inflation risk to varying degrees.

### ***Risks relating to Strategies, Indices and swaps (including swap counterparty risk)***

#### **Strategy Risk**

Strategy risk is associated with the failure or deterioration of an entire strategy such that most or all investment managers employing that strategy suffer losses. Strategy specific losses may result from excessive concentration by multiple investment managers in the same investment or general economic or other events that adversely affect particular strategies (e.g., the disruption of historical pricing relationships). The strategies employed by the Sub-Funds may be speculative and involve substantial risk of loss in the event of such failure or deterioration, in which event the performance of the Sub-Funds may be adversely affected.

#### **Equity Indices**

Equity indices are comprised of a synthetic portfolio of shares, and as such, the performance of an equity index is dependent upon the macroeconomic factors relating to the shares that underlie such equity index, such as interest and price levels on the capital markets, currency developments, political factors as well as company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy.

In addition, the rules governing the composition and calculation of an equity index may stipulate that dividends distributed on its components do not lead to a rise in the index level, for example, if it is a "price" index, which may lead to a decrease in the index level if all other circumstances remain the same. As a result, in such cases the investors in any financial instrument linked to a strategy which references such equity index will not participate in dividends or other distributions paid on the components comprising the equity index. Even if the rules of the equity index provide that distributed dividends or other distributions of the components are reinvested in the equity index and therefore result in raising its level, in some circumstances the dividends or other distributions may not be fully reinvested in such equity index.

***Legal and regulatory Risks relating to "Benchmarks"***

Interest rate, equity, commodity, foreign exchange rate and other types of indices, which are widely used as reference in financial transaction, including indices, which may be components of indices or strategies to which a Sub-Fund will seek exposure, may qualify as "benchmarks" and in that capacity would be subject to recent national, international and other regulatory guidance and proposals for reform. This means that, following any such reforms being implemented, such "benchmarks" may perform differently than in the past, or may be discontinued entirely. Any such event could negatively impact any financial instruments linked to such a "benchmark" in a material way, thus resulting in a similar negative impact on the performance of a Sub-Fund.

**5. SHARES**

The Board of Directors may, within each Sub-Fund, decide to create different Classes of Shares whose assets will be commonly invested pursuant to the specific investment policy of the relevant Sub-Fund, but with a specific fee structure, Reference Currency, distribution policy or other specific features.

A separate Net Asset Value per Share, which may differ as a consequence of these variable factors, will be calculated for each Class.

The Board of Directors may at any time decide to issue further Classes in each Sub-Fund.

**Classes of Shares available for subscription**

The Company, at its absolute discretion, has the power to issue in any of the Sub-Funds, Share Classes with the following features:

Class of Shares	Reference Currencies	Minimum initial investment amount	Minimum holding amount	Eligible Investors
A <sup>1</sup>	EUR	1,000 EUR	1,000 EUR	All investors
B	EUR	1 million EUR	1 million EUR	All investors
C	EUR	1 million EUR	1 million EUR	Institutional Investors
D	EUR	10 million EUR	10 million EUR	Institutional Investors
I	EUR	N/A	N/A	Initiator and its affiliates qualifying as Institutional Investors

The minimum initial investment amount and minimum holding amounts may be waived or reduced at the discretion of the Board of Directors.

Further details regarding the Classes in relation to each Sub-Fund and their fee structure are set out in the relevant Sub-Fund Particulars.

Not all Share Classes and categories are available in all Sub-Funds, and some Share Classes (and Sub-Funds) that are available in certain jurisdictions may not be available in others.

An up-to-date list of launched Classes, as well as information on available Classes, including information on the distribution policy, any offering price and offering period, can be obtained at the registered office of the Company and/or on the following websites: (i) <https://www.waystone.com/our-funds/waystone-managed-funds/> and (ii) <https://karollcapital.bg/en>.

### **Class characteristics**

Each of the Classes may be made available as capital-accumulation Shares and/or as distribution Shares, denominated in different Reference Currencies.

- Capital-accumulation Shares are identifiable by an "ACC" following the Class names and do not pay any dividends.
- Distribution Shares are identifiable by a "DIS" following the Class names and may declare and pay out dividends at least annually.

---

<sup>1</sup> The minimum initial investment amount and minimum holding amount of the Share Class "A" do not apply to the Shareholders who invested in this Share Class before 28 February 2026. Shareholders who were holding shares of this Share Class before 28 February 2026 can remain invested in this Share Class even if their holdings are below the minimum holding requirement. However, in case these investors decide to further increase their investment in this Share Class, they will have to comply with the minimum investment amount.

- The Reference Currency of a Class is identified by a standard international currency acronym added as a suffix to the Class name, e.g. "ACC EUR" for a capital-accumulation Class in Euro.

Each Class is also identified by an International Securities Identification Number (ISIN).

Fractions of Shares up to four (4) decimal places will be issued if so decided by the Board of Directors. Such fractions shall not be entitled to vote but shall be entitled to participate in the net assets and any distributions attributable to the relevant Class on a pro rata basis.

All Shares must be fully paid-up; they are of no nominal value and carry no preferential or pre-emptive rights. Each Share of the Company, irrespective of its Sub-Fund, is entitled to one vote at any general meeting of Shareholders, in compliance with Luxembourg law and the Articles of Incorporation. The Company will recognise only one holder in respect of each Share. In the event of joint ownership, the Company may suspend the exercise of any voting right deriving from the relevant Share(s) until one person shall have been designated to represent the joint owners vis-à-vis the Company.

Shares will in principle be freely transferable to investors complying with the eligibility criteria of the relevant Class and provided that Shares are neither acquired nor held by or on behalf of any person in breach of the law or requirements of any country or governmental or regulatory authority, or which might have adverse taxation (including inter alia any liability that might derive from the FATCA, DAC6, CRS or any similar provisions) or other pecuniary consequences for the Company, including a requirement to register under any securities or investment or similar laws or requirements of any country or authority. The Directors may in this connection require a Shareholder to provide such information as they may consider necessary to establish whether such Shareholder is the beneficial owner of the Shares held by the same. The transfer of a Share shall be effected by a written declaration of transfer inscribed on the register of Shareholders. Such declaration of transfer, in a form acceptable to the Company, shall state the full name and address of transferor and transferee and be dated and signed by the transferor and the transferee or by persons holding suitable powers of attorney to act therefore. The Company may also accept as evidence of transfer other instruments of transfer satisfactory to the Company.

The Company or the Administration Agent may decline to register a transfer of Shares unless the transfer form is deposited with the Company or its delegate together with such information as may reasonably be required including evidence required to show the right of the transferor to make the transfer and satisfy the Administration Agent as to its requirements with respect to AML & KYC. A potential transferee (not being an existing Shareholder) will be required to complete such documentation as would have been required had that transferee subscribed for Shares before the proposed transfer is approved for registration.

In accordance with the 2010 Law, the issue and redemption of Shares shall be prohibited:

- (i) during the period where the Company has no depositary; and
- (ii) where the Depositary is put into liquidation or declared bankrupt or seeks an arrangement with the creditors, a suspension of payment or a controlled management or is the subject of similar proceedings.

## **6. HOW TO BUY SHARES**

### **Application**

Applicants buying Shares for the first time need to complete the Application Form which can be sent first by fax and as detailed in the Application Form to the Registrar and Transfer Agent along with the relevant AML & KYC documentation as defined under Section 6.4 "Anti-money laundering and prevention of terrorist financing" below). The original Application Form and AML & KYC documentation have to be sent before the cut-off time for any applicable Valuation Day to the Registrar and Transfer Agent by post. Any subsequent purchase of Shares can be made by Swift, fax or any other electronic form of transmission previously agreed upon between the applicant and the Registrar and Transfer Agent.

### **Dealing cut-off times**

The dealing cut-off times are indicated in the relevant Sub-Fund Particulars.

Applications received after the relevant cut-off times will normally be dealt on the next applicable Business Day.

### **Acceptance**

The right is reserved by the Company, represented by its Directors, to reject any subscription or conversion application in whole or in part without giving the reasons thereof. If an application is rejected, the application monies or balance thereof will be returned at the risk and at the expense of the applicant and without interest as soon as practicable.

A Sub-Fund may, from time to time and without notice to Shareholders, be closed to new subscriptions or conversions in (but not to redemptions or conversions out) if the Directors are of the opinion that the closure is necessary to protect the interests of the existing Shareholders. This may happen in circumstances such as where a Sub-Fund has reached a size above which the portfolio management can no longer be optimal as the capacity of the market has been reached. As a result, permitting additional inflows would be detrimental to the interests of the existing Shareholders. Once closed, a Sub-Fund will not be re-opened until, in the opinion of the Directors, the circumstances which required closure no longer prevail.

If this occurs, no new investors will be entitled to subscribe Shares in these Sub-Funds. Existing Shareholders should contact their local distributor to enquire on opportunities for ongoing subscriptions (if any). All existing Shareholders wishing to subscribe on a given Valuation Day will be treated equitably.

### **Anti-money laundering and prevention of terrorist financing**

In accordance with international regulations and Luxembourg laws and regulations (including, but not limited to, the Law of 12 November 2004 on the fight against money laundering and financing of terrorism, as amended, the Grand Ducal Regulation dated 1 February 2010, CSSF Regulation 12-02 of 14 December 2012, as amended, CSSF Circulars 13/556, 15/609 and 17/650 concerning the fight against money laundering and terrorist financing, and any respective amendments or replacements), obligations have been imposed on all professionals of the financial sector in order to prevent undertakings for collective investment from occurrences of money laundering and financing of terrorism ("**AML & KYC**").

As a result of such provisions, the registrar and transfer agent of a Luxembourg UCI shall ascertain the identity of each relevant new Shareholder subscribing Shares for the first time in accordance with Luxembourg laws and regulations. The Registrar and Transfer Agent may require applicants to provide any AML & KYC document it deems necessary to effect such identification. In addition, the Register and Transfer Agent, as delegate of the Company, may require any other information that the Company may require in order to comply with its legal and regulatory obligations, including but not limited to the above-mentioned laws and regulations, the CRS Law and/or the FATCA Law (as defined hereinafter).

The Registrar and Transfer Agent is also obliged to identify any beneficial owners of the investment. The requirements apply to both purchases made directly to the Company and indirect purchases received from an intermediary or nominee. In case of a subscription for an intermediary and/or nominee acting on behalf of his customer, enhanced customer due diligence measures for this intermediary and/or nominee will be applied in accordance with the Law of 12 November 2004 on the fight against money laundering and financing of terrorism, as amended, and the CSSF Regulation 12-02, as amended. In this context, investors must inform without delay the Registrar and Transfer Agent or the Company when the person(s) designated as beneficial owner(s) change and in general, ensure at all times that each piece of information and each document provided to the Registrar and Transfer Agent or intermediary and/or nominee remains accurate and up-to-date.

In case of delay or failure by an applicant to provide the documents required, the subscription request will not be accepted and in the event of redemption, payment of redemption proceeds delayed. Neither the Company, the Management Company, nor the Registrar and Transfer Agent nor any of their delegates or agents will be held responsible for said delay or for failure to process deals resulting from not providing or providing incomplete documentation.

From time to time, Shareholders may be requested to supply additional or updated identification documents in accordance with clients' ongoing due diligence obligations according to the relevant laws and regulations.

The list of identification documents to be provided by each applicant to the Registrar and Transfer Agent will be based on the AML & KYC requirements as stipulated in the CSSF's circulars and regulations as amended from time to time. These requirements may be amended following any new Luxembourg regulations.

Applicants may be asked to produce additional documents for verification of their identity before acceptance of their applications. In case of refusal by the applicant to provide the documents required, the application will not be accepted.

Before redemption proceeds are released, the Registrar and Transfer Agent will require original documents or certified copies of original documents to comply with the Luxembourg regulations.

The Investment Manager shall ensure that due diligence measures on the Company's investments are applied on a risk-based approach in accordance with Luxembourg applicable laws and regulations.

#### **Luxembourg register of beneficial owners**

The Luxembourg law of 13 January 2019 creating a register of beneficial owners (the "**RBO Law**") entered into force on 1 March 2019. According to the provisions of the RBO Law, each entity registered in Luxembourg with the Luxembourg companies register (*Registre de Commerce et des Sociétés*),

including the Company, has to identify its beneficial owners ("**Beneficial Owners**"). The Company must register Beneficial Owner-related information with the Luxembourg register of beneficial owners, which is established under the authority of the Luxembourg Ministry of Justice.

The RBO Law broadly defines a Beneficial Owner as any natural person(s) who ultimately owns or controls the relevant entity through direct or indirect ownership of a sufficient percentage of the units (more than 25%) or voting rights or ownership interests in the entity (as applicable), or through control via other means, other than a company listed on a Regulated Market that is subject to disclosure requirements consistent with EU or subject to equivalent international standards which ensure adequate transparency of ownership information.

In case the Beneficial Owner criteria are fulfilled by an investor with regard to the Company, this investor and/or nominee is obliged by the RBO Law to provide the required supporting documentation and information necessary for the Company to fulfil its obligations under the RBO Law.

Failure by the Company and the relevant Beneficial Owners to comply with their respective obligations deriving from the RBO Law will be subject to criminal fines.

### **Settlement**

#### *IN CASH*

Subscription proceeds will be paid in the Reference Currency of the relevant Class specified in the relevant Sub-Fund Particular within the timeframe provided for in the relevant Sub-Fund Particular (settlement date).

Settlement may be made by electronic transfer net of bank charges to the relevant correspondent bank(s) quoting the applicant's name and stating the appropriate Sub-Fund/Class into which settlement monies are paid. Details of the relevant correspondent bank(s) are given on the Application Form or may be obtained from a distributor.

If, on the settlement date, banks are not open for business in the country of the currency of settlement, then settlement date will be on the next Business Day on which those banks are open. Payment should arrive in the appropriate bank account opened with the Depository, as specified in the Application Form by the settlement date at the latest as specified in the relevant Sub-Fund Particulars and subject to the foregoing. If timely settlement is not made, an application may lapse and be cancelled at the cost of the applicant or his/her financial intermediary. Failure to make good settlement by the settlement date may result in the Company bringing an action against the defaulting investor or his/her financial intermediary or deducting any costs or losses incurred by the Company or Management Company against any existing holding of the applicant in the Company, including but not limited to overdraft charges and interests incurred.

#### *IN KIND*

The Directors may, at their discretion, decide to accept securities as valid consideration for a subscription provided that these comply with the investment policy and restrictions of the relevant Sub-Fund. A special report of the Company's Auditors will be issued. Additional costs resulting from a subscription in-kind (including the costs of the Auditors' report) will be borne exclusively by the subscriber concerned, unless the Board of Directors considers that the subscription in-kind is in the best interests of the Company or made to protect the interests of the Company, in which case such costs may be borne in all or in part by the Company.

## **Share allocation**

Shares are provisionally allotted but not allocated until settlement has been received by the Company or to its order. Payment for subscribed Shares must be received by the Company or by a correspondent bank to its order, not later than the deadlines set forth in the relevant Sub-Fund Particular.

If settlement is not received by the Company or to its order by the due date, the Company reserves the right to cancel the provisional allotment of Shares without prejudice to the right of the Company to obtain compensation of any loss directly or indirectly resulting from the failure of an applicant to effect settlement.

## **Contract notes**

Contract notes which are no proofs of ownership are provided to the investor as soon as practicable after the allotment of Shares.

## **Form of Shares**

Shares are only issued in registered form and could be held in clearing centers and ownership of Shares will be evidenced by entry in the Register. Shareholders will receive a confirmation of their shareholding as soon as reasonably practicable after the relevant Valuation Day.

## **7. HOW TO SELL SHARES**

The terms and conditions applying to the redemption of the Shares of the Company are detailed, for each Sub-Fund, in the relevant Sub-Fund Particulars.

### **Request**

Redemption requests should be made directly to the Registrar and Transfer Agent. Such requests may be made by Swift, fax or any other form of transmission previously agreed upon between the applicant and the Registrar and Transfer Agent.

In compliance with the forward pricing principle, redemption requests received after the applicable cut-off time (as detailed, for each Sub-Fund in the relevant Sub-Fund Particular) will be deferred to the next applicable Business Day.

### **Settlement**

#### *IN CASH*

Redemption proceeds will be paid in the Reference Currency of the relevant Class specified in the relevant Sub-Fund Particular within the timeframe provided for in the relevant Sub-Fund Particulars. If, in exceptional circumstances, the liquidity of the relevant Sub-Fund is insufficient to enable redemption proceeds to be paid within that period, or if there are other reasons, such as exchange controls or other regulations which delay payment, payment will be made as soon as reasonably practicable thereafter, but without interest.

If, on the settlement date, banks are not open for business in the country of the currency of settlement of the relevant Class, then settlement will be on the next Business Day on which those banks are open.

## *IN KIND*

At a Shareholder's request, the Company may elect to make a redemption in-kind subject to a special report from the Company's Auditors, having due regard to the interests of all Shareholders, to the industry sector of the issuer, to the country of issue, to the liquidity and/or to the marketability and the markets on which the investments distributed are dealt in and to the materiality of investments. Additional costs resulting from redemption in-kind will be borne exclusively by the Shareholder concerned, unless the Board of Directors considers that the redemption in-kind is in the best interests of the Company or made to protect the interests of the Company, in which case such costs may be borne in all or in part by the Company.

### **Contract notes**

Contract notes are sent to Shareholders as soon as practicable after the transaction has been effected.

### **Compulsory redemption**

If a redemption/conversion instruction or transfer of Shares would reduce the value of a Shareholder's residual holding in any one Sub-Fund or Class to below the minimum holding requirement as set forth (the case being) in the relevant Sub-Fund Particular, the Company may decide to compulsorily redeem the Shareholder's entire holding in respect of that Sub-Fund.

The Company may also compulsorily redeem any Shares that are acquired or held by or on behalf of any person in breach of the Prospectus, the law or requirements of any country or governmental or regulatory authority, or which might have adverse taxation (including inter alia any liability that might derive from the FATCA, DAC6, CRS or any similar provisions) or other pecuniary consequences for the Company, including a requirement to register under any securities or investment or similar laws or requirements of any country or authority, as further detailed in the Articles of Incorporation.

If it appears at any time that a holder of Shares of a Class or of a Sub-Fund reserved to Institutional Investors (in the meaning of Article 174 of the 2010 Law) is not an Institutional Investor, the Board of Directors will convert the relevant Shares into Shares of a Class or of a Sub-Fund which is not restricted to Institutional Investors (provided that there exists such a Class of Shares or of a Sub-Fund with similar characteristics) or compulsorily redeem the relevant Shares in accordance with the provisions set forth in the Articles of Incorporation.

### **Deferral of redemptions**

In order to ensure that Shareholders who remain invested in the Company are not disadvantaged by the reduction of the liquidity of the Company's portfolio as a result of significant redemption applications received over a limited period, the Directors may apply the procedures set out below in order to permit the orderly disposal of securities to meet redemptions.

The Company, having regard to the fair and equal treatment of Shareholders, on receiving requests to redeem Shares exceeding 10% of the Net Asset Value of any Sub-Fund or Class shall not be bound to redeem on any Business Day a number of Shares representing more than 10% of the Net Asset Value of any Sub-Fund or Class. If the Company receives requests on any Business Day for redemption of a greater number of Shares, the Board of Directors may decide at its discretion that such redemptions exceeding the 10% limit may be deferred until sufficient liquidity is available. On the next applicable Business Day, redemption requests the processing of which has been deferred will be met in priority to later requests, still subject to the aforementioned 10% limit. Unless otherwise decided by the Board

of Directors on the basis of exceptional circumstances, the deferral period should in principle not exceed 10 Business Days.

Payment of redemption proceeds may be delayed if there are any specific statutory provisions such as foreign exchange restrictions, or any circumstances beyond the Company's control which make it impossible to transfer the redemption proceeds to the country where the redemption was requested.

### **Cancellation right**

Requests for redemption once made may in principle only be withdrawn in the event of a suspension or deferral of the right to redeem Shares of the relevant Sub-Fund or the relevant Class. In exceptional circumstances, the Board of Directors may however, in its sole discretion and taking due consideration of the principle of equal treatment between Shareholders, the interests of the relevant Sub-Fund or the relevant Class and applicable market timing rules, decide to accept any withdrawal of an application for redemption.

### **Prevention of market timing practices**

The Company does not knowingly allow investments which are associated with market timing or late trading as described in CSSF circular 04/146. In addition, the Company does not allow excessive short term trading practices as such practices may adversely affect the interests of all Shareholders.

In general, market timing refers to the investment behaviour of an individual or company or a group of individuals or companies buying, selling or exchanging shares or other securities on the basis of predetermined market indicators by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the value of such shares or other securities. Market timers may also include individuals or groups of individuals whose securities transactions seem to follow a timing pattern or are characterised by frequent or large exchanges.

The Registrar and Transfer Agent may combine Shares which are under common ownership or control for the purposes of ascertaining whether an individual or a group of individuals can be deemed to be involved in market timing practices. Accordingly, the Board of Directors reserves the right to cause the Registrar and Transfer Agent to reject any application for conversion and/or subscription of Shares from applicants whom the former considers market timers.

## **8. HOW TO CONVERT SHARES**

To the extent provided for in the relevant Sub-Fund Particular, Shareholders will be entitled to request the conversion of the Shares they hold in one Sub-Fund into Shares of another Sub-Fund or to request the conversion of the Shares they hold in one Class into another Class of the same Sub-Fund by making application to the Registrar and Transfer Agent in Luxembourg or through a distributor by Swift, fax or any other form of transmission previously agreed upon between the applicant and the Registrar and Transfer Agent by no later than the cut-off time (as further specified in the relevant Sub-Fund Particular).

Such application must include the following information: the name of the holder, the number of Shares or amount to be switched (if it is not the total holding) and, if possible, the reference number on any Share of each Sub-Fund or Class to be switched and the proportion of value of those Shares to be allocated to each new Sub-Fund or Class (if more than one).

Conversions will be subject to the condition that all conditions to subscribe in Shares relating to the new Sub-Fund(s)/Class(es) are met.

Unless otherwise provided for in the relevant Sub-Fund Particulars, conversions (when authorised) may be accepted for each Valuation Days in both applicable Sub-Funds/Classes.

If compliance with conversion instructions would result in a residual holding in any one Sub-Fund or Class of less than the minimum holding, the Company may compulsorily redeem the residual Shares at the redemption price ruling on the relevant Business Day and make payment of the proceeds to the Shareholder.

The basis of conversion is related to the respective Net Asset Value per Share of the Sub-Fund or Class concerned. The Company will determine the number of Shares into which a Shareholder wishes to convert his existing Shares in accordance with the following formula:

$$A = \frac{(B \times C \times D) - F}{E}$$

The meanings are as follows:

- A: the number of Shares to be issued in the new Sub-Fund/Class
- B: the number of Shares in the original Sub-Fund/Class
- C: Net Asset Value per Share to be converted
- D: currency conversion factor
- E: Net Asset Value per Share to be issued
- F: Conversion charge (as detailed in the relevant Sub-Fund Particular)

The Company will provide a confirmation including the details of the conversion to the Shareholder concerned.

Any conversion request shall in principle be irrevocable, except in the event of a suspension of the calculation of the Net Asset Value of the Class or of the Sub-Fund concerned or deferral. The Board of Directors may however, in its sole discretion and taking due consideration of the principle of equal treatment between Shareholders and the interests of the relevant Sub-Fund, decide to accept any withdrawal of an application for conversion.

In compliance with the forward pricing principle, requests for conversions received after the cut-off time (as detailed, for each Sub-Fund, in the relevant Sub-Fund Particular) will be deferred to the next applicable Business Day.

The rules applicable to the deferral of redemptions will apply mutatis mutandis to conversion requests.

## **9. LATE TRADING**

The Company determines the price of its Shares on a forward basis. This means that it is not possible to know in advance the Net Asset Value per Share at which Shares will be bought or sold (exclusive of any subscription or redemption commission).

Late trading is to be understood as the acceptance of a subscription, conversion or redemption order after the time limit fixed for accepting orders ("cut-off time") on the relevant day and the execution of such order at the price based on the Net Asset Value applicable to such same day.

The Company considers that the practice of late trading is not acceptable as it violates the provisions of the Prospectus which provide that an order received after the cut-off time is dealt with at a price based on the next applicable Net Asset Value. As a result, subscriptions, conversions and redemptions of Shares shall be dealt with at an unknown Net Asset Value. The cut-off time for subscriptions, conversions and redemptions is set out in the Sub-Fund Particulars.

However, the Board of Directors may decide to accept a subscription, conversion or redemption order, where the distributor submits the relevant order to the Registrar and Transfer Agent after the cut-off time provided that such order request has been received by the distributor from the relevant investor prior the relevant cut-off time.

## **10. FOREIGN EXCHANGE TRANSACTIONS**

The subscription and redemption proceeds are paid in Reference Currency only. In case subscription proceeds are in another currency than the Reference Currency of the relevant Class, the necessary foreign exchange transactions will be arranged by the remitter's bank in advance for the account, at the expenses and on the instructions of the applicant. In case redemption proceeds are to be converted in another currency than the Reference Currency of the relevant Class, the necessary foreign exchange transactions will be arranged by the beneficiary's bank at receiving the redemption proceeds in the Reference Currency for the account, at the expenses and on the instructions of the applicant.

## **11. NET ASSET VALUE AND DEALING PRICES**

### **Calculation of Net Asset Value**

#### ***Valuation Principles***

The Net Asset Value of each Class within each Sub-Fund (expressed in the Reference Currency of the Class) is determined by aggregating the value of securities and other permitted assets of the Company allocated to that Class and deducting the liabilities of the Company allocated to that Class. The Net Asset Value per Share in each Class will be calculated by dividing the net assets attributable to that Class by the total number of Shares outstanding of that Class and by rounding the resulting amount to the nearest smallest unit of the currency concerned/up or down to four (4) decimal places.

The total net assets of the Company will be expressed in the Base Currency and correspond to the difference between the Company's assets and its liabilities. For the purpose of this calculation, any portion of the net assets of a Sub-Fund that is denominated in another currency, is converted into the Base Currency at the prevailing exchange rate on the Valuation Day.

The assets of each Class within each Sub-Fund are valued as of the Valuation Day, as defined in the relevant Sub-Fund Particulars, as follows:

1. The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making

such discount as the Company may consider appropriate in such case to reflect the true value thereof.

2. The value of securities and/or financial derivative instruments which are listed or dealt in on any stock exchange is based on the last available price.
3. The value of securities and/or financial derivative instruments dealt in on any other Regulated Market is based on the last available price and if such securities are dealt in on several markets, on the basis of the latest known price on the stock exchange which is normally the principal market for such securities.
4. In the event that any of the securities held in the Company's portfolios on the relevant day are not listed or dealt in on any stock exchange or other regulated market or if, with respect to securities quoted or dealt in on any stock exchange or dealt in on any other Regulated Market or if the price as determined pursuant to sub-paragraphs 2) or 3) is not representative of the fair market value of the relevant securities, the value of such securities will be determined based on the reasonably foreseeable sales price determined prudently and in good faith.
5. The financial derivative instruments which are not listed on any official stock exchange or traded on any other Regulated Market will be valued in a reliable and verifiable manner on a daily basis and verified by a competent professional appointed by the Company in accordance with market practice.
6. Units or shares of UCITS and/or Other UCIs shall be valued at their last available Net Asset Value reduced by any applicable redemption charge, or, if such price is not representative of the fair market value of such assets, then the price shall be determined by the Board of Directors on a fair and equitable basis.
7. Liquid assets and Money Market Instruments may be valued at mark-to-market, mark-to-model and/or using the amortised cost method.
8. All other securities and other assets will be valued at fair market value, as determined in good faith pursuant to procedures established by the Board of Directors.
9. In the event that the above mentioned calculation methods are inappropriate or misleading, the Board of Directors may adjust the value of any investment or permits another method of valuation to be used if it considers that such valuation better reflects the fair value of any assets of the Company.
10. In circumstances where the interests of the Company or its Shareholders so justify (including but not limited to, avoidance of market timing practices, for example), the Board of Directors may take any appropriate measures (such as, for example, applying a fair-value pricing methodology) to adjust the value of the Company's assets.

The consolidated accounts of the Company for the purpose of its financial reports shall be expressed in EUR.

#### ***Swing Pricing mechanism***

On any Business Day, the Board of Directors may determine to apply an alternative Net Asset Value calculation method (i.e. swing pricing mechanism) to include such reasonable factors as they see fit to

the Net Asset Value per Share. This method of valuation is intended to pass the estimated costs of underlying investment activity of the Company to the active Shareholders by adjusting the Net Asset Value of the relevant Share and thus to protect the Company's long-term Shareholders from costs associated with ongoing subscription and redemption activity.

The Company may operate a swing pricing mechanism which is applied when the total capital activity (aggregate of inflows and outflows) at a Sub-Fund level exceeds a pre-determined threshold, as determined as a percentage of the net assets of that Sub-Fund for the Valuation Day. Sub-Funds can operate a full swing pricing mechanism where the threshold is set to zero or a partial swing pricing mechanism where the threshold is greater than zero.

The swing pricing mechanism may be applied across all Sub-Funds. Such adjustment may vary from Sub-Fund to Sub-Fund and will not exceed 2% of the original Net Asset Value per Share under normal conditions. The Board of Directors can approve an increase of this limit in case of exceptional circumstances, unusually large Shareholders trading activities, and if it is deemed to be in the best interest of Shareholders.

This alternative Net Asset Value calculation method may take account of trading spreads on the Company's investments, the value of any duties and charges incurred as a result of trading (including the purchase or sale prices of the underlying investments) and may include an allowance for market impact. Typically, such adjustment will increase the Net Asset Value per Share when there are net inflows into the Company and decrease the Net Asset Value per Share when there are net outflows. The Net Asset Value per Share of each Share Class in a Sub-Fund will be calculated separately but any adjustment will, in percentage terms, affect the Net Asset Value per Share of each Share Class in a Sub-Fund identically. Swing pricing does not address the specific circumstances of each individual investor transaction.

Where the Board of Directors, based on the prevailing market conditions and the level of subscriptions or redemptions requested by Shareholders or potential Shareholders in relation to the size of the relevant portfolio, has determined for a particular portfolio to apply an alternative Net Asset Value calculation method, the portfolio may be valued either on a bid or offer basis.

Because the determination of whether to value the Company's Net Asset Value on an offer or bid basis is based on the net transaction activity of the relevant day, Shareholders transacting in the opposite direction of the Company's net transaction activity may benefit at the expense of the other Shareholders in the Company. In addition, the Company's Net Asset Value and short-term performance may experience greater volatility as a result of this alternative Net Asset Value calculation method. Investors are advised that the volatility of the Net Asset Value might not reflect the true portfolio performance as a consequence of the application of swing pricing.

For certain Share Classes, the Investment Manager may be entitled to a performance fee, where applicable, this will be based on the unswung Net Asset Value.

Additional information on swing pricing can be provided upon request to the Management Company.

## Temporary suspension

The Company, as represented by the Board of Directors may suspend the issue, allocation and redemption of Shares relating to any Sub-Fund/Class as well as the right to convert Shares and the calculation of the Net Asset Value per Share relating to any Sub-Fund/Class during:

- a) any period when any of the principal stock exchanges or markets on which any substantial portion of the investments of the Company attributable to such Sub-Fund/Class of Shares from time to time are quoted or dealt in is closed otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended;
- b) the existence of any state of affairs which constitutes an emergency as a result of which disposals or valuation of assets owned by the Company attributable to such Sub-Fund/Class of Shares would be impracticable; or
- c) any breakdown or restriction in the means of communication normally employed in determining the price or value of any of the investments attributable to any particular Sub-Fund/Class of Shares or the current price or values on any stock exchange; or
- d) any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of such Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of such Shares cannot in the opinion of the Directors be effected at normal rates of exchange; or
- e) if the Board of Directors has determined that there has been a material change in the valuations of a substantial proportion of the investments of the Company attributable to a particular Sub-Fund/Class of Shares in the preparation or use of a valuation or the carrying out of a later or subsequent valuation; or
- f) during any other circumstance or circumstances where a failure to do so might result in the Company or its Shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or any other detriment which the Company or its Shareholders might so otherwise have suffered; or
- g) during any period when the determination of the Net Asset Value per Share of and/or the redemptions in the underlying investment funds representing a material part of the assets of the relevant Sub-Fund/Class is suspended; or
- h) any period when, in the opinion of the Board of Directors, there exists unusual circumstances where it would be impracticable or unfair towards the Shareholders to continue dealing in the Shares of any Sub-Fund/Class of the Company; or
- i) in the event of winding up or liquidation or merger of the Company or of a Sub-Fund/Class, in which event the Board of Directors may decide to suspend the determination of the Net Asset Value as from the date of its decision to propose to the Shareholders the winding up or liquidation or merger of the Company or the date of its decision to wind up or liquidate or merge the relevant Class; or
- j) while the Net Asset Value of any subsidiary of the Company may not be determined accurately; or
- k) when the master UCITS of a feeder UCITS Class temporarily suspends the repurchase, redemption or subscription of its units, whether on its own initiative or at the request of its competent authorities;
- l) any period where circumstances exist that would justify the suspension for the protection of Shareholders in accordance with the Law; or

- m) such other circumstance or situation exists as set out in the relevant Sub-Fund Particular.

The Company may cease the issue, allocation, conversion and redemption of Shares forthwith upon the occurrence of an event causing it to enter into liquidation or upon the order of the CSSF.

The suspension of the calculation of the Net Asset Value of a Sub-Fund shall have no effect on the calculation of the Net Asset Value per Share, the issue, redemption and conversion of Shares of any other Sub-Fund which is not suspended.

To the extent legally or regulatory required or decided by the Company, Shareholders who have requested conversion or redemption of their Shares will be promptly notified in writing of any such suspension and of the termination thereof. The Board of Directors may also make public such suspension in such a manner as it deems appropriate.

#### **Offer price**

Shares will be issued at a price based on the Net Asset Value calculated for the relevant Valuation Day increased by any applicable sales charge detailed in the relevant Sub-Fund Particulars (if applicable). Subscription proceeds shall be paid within the timeframe disclosed in the relevant Sub-Fund Particulars.

Any sales charge (if applicable) may be payable to entities involved in a Sub-Fund's distribution such as any distributors.

#### **Redemption price**

Shares will be redeemed at a price based on the Net Asset Value calculated for the relevant Valuation Day less any applicable redemption charge disclosed in the relevant Sub-Fund Particulars (if applicable). The redemption price will be payable within the timeframe disclosed in the relevant Sub-Fund Particulars.

Any redemption charge (if applicable) may be payable to entities involved in the Sub-Fund's redemption process, such as any redemption agents or distributors.

#### **Information on prices**

The Net Asset Value per Share in each Sub-Fund and information on historical performance is available at the registered office of the Company during normal business hours. The Net Asset Value per Share of each Class may also be published on <https://www.fundinfo.com>. The Board of Directors may discontinue such publication or undertake publications in other media at its sole discretion.

## **12. DIVIDENDS**

The Directors may issue distribution and capital-accumulation Shares, as further specified in the relevant Sub-Fund Particular.

- i) Capital-accumulation Shares do not pay any dividends to Shareholders.
- ii) The distribution policy of the distribution Shares, as further specified in the Articles of Incorporation, can be summarised as follows:

Distribution of dividends may be made out of investment income, capital gains and/or capital. In the ordinary course of business, distribution of dividends by the Company will be made out of investment income.

Dividends will be declared by the relevant Shareholders at the annual general meeting of Shareholders or any other Shareholder meeting. During the course of a financial year, the Board of Directors may declare interim dividends in respect of certain Sub-Fund(s) or distribution Shares.

In the absence of any instruction to the contrary, dividends will be paid out. Holders of registered Shares may however, by written request to the Registrar and Transfer Agent or by completion of the relevant section of the Application Form, elect to have dividends relating to any distribution Class of any Sub-Fund reinvested automatically in the acquisition of further shares relating to that Sub-Fund. Such Shares will be purchased no later than on the next Valuation Day after the date of payment of the dividend. Shares allocated as a result of such reinvestment will not be subject to any sales charge.

### **13. CHARGES AND EXPENSES**

#### **Subscription, Conversion and Redemption Fees**

Unless otherwise specified in the Sub-Fund Particulars, no fees are levied in relation to the subscription, conversion or redemption of Shares.

#### **Management Company Fee**

In consideration for the management company services provided to the Company, the Management Company is entitled to receive a management company fee up to 4,5 basis points per annum of the applicable Net Asset Value, subject to a minimum fee of EUR 75 000 (EUR 60 000 first year) per per annum (the "**Management Company Fee**"). Unless otherwise provided for in the relevant Sub-Fund Particular, this fee will be accrued on each Valuation Day and payable quarterly in arrears out of the assets of the relevant Sub-Fund.

The Management Company shall also be entitled to receive out of the assets of the Company additional fees corresponding to the provision of additional services, as agreed from time to time, allowing the Company to comply with any new regulatory requirements impacting the Company.

In addition, the Management Company shall be entitled to receive from the Company, if any, reimbursement for its reasonable disbursements including, but not limited to, reasonable out-of-pocket expenses, incurred in the performance of its duties.

Moreover, where applicable, any value added tax ("VAT") associated with the above fees and reimbursements will be charged to the Company.

#### **Investment Management Fee**

The investment management fee for each Sub-Fund is expressed as maximum basis points of the net assets of the relevant Class as further detailed in the relevant Sub-Fund Particulars (the "**Investment Management Fee**") out of which the Investment Manager will be remunerated, not subject to any minimum fee and as further detailed in the relevant Sub-Fund Particulars. Unless otherwise provided for in the relevant Sub-Fund Particulars, this fee will be accrued on each Valuation Day and payable monthly in arrears.

### **Administration Fee**

For the services performed under the administration agreement by the Administration Agent, it will be entitled to receive out of the assets of the Company an administration fee of EUR €19 800 per Sub-Fund per annum and up to 0.016% per annum calculated on the basis of the end of period's average Net Assets Value under administration, accrued daily and payable monthly in arrears. The Administration Agent will also be entitled to receive other fees as set out in the Administration Agreement. Fees of the Administration Agent will be exclusive of value added tax (if any).

The Administration Agent will also be reimbursed for all reasonable out-of-pocket expenses incurred in the performance of its duties as detailed in the Administration Agreement.

### **Depository Fee**

The Depository is entitled to receive out of the assets of the Company, a remuneration for its services as agreed in the Depository and Paying Agent agreement entered into between the Depository and the Company (the "**Depository and Paying Agent Agreement**"). In addition, the Depository is entitled to be reimbursed by the Company for its reasonable out-of-pocket expenses and disbursements and for the charges of any correspondents.

For the services performed under the Depository and Paying Agent Agreement, the Depository will be entitled to receive out of the assets of each Sub-Fund a depository fee accrued daily and payable monthly in arrears of up to 0,06% per annum of the Net Asset Value, subject to a minimum fee of EUR 2 500 per Sub-Fund per month.

### **Domiciliary Agent Fee**

For the services performed under the domiciliation agreement by the Domiciliary Agent, it will be entitled to receive fixed fees of up to EUR 15,000 per annum of the assets of the Company (subject to indexation adjustments and/or adjustments related to the provision of additional services, as agreed from time to time between the Domiciliary Agent and the Company).

### **Performance Fee**

To the extent provided for in the relevant Sub-Fund Particular, the Investment Manager may also be entitled to receive a performance fee (the "**Performance Fee**"), the details of which will (where applicable) be disclosed in the relevant Sub-Fund Particular.

### **Other charges and expenses**

To the extent not expressly covered in the other fees mentioned above, the Company will pay all brokerage and any other fees arising from transactions involving securities in the Sub-Fund's portfolios (including costs related to proxy voting of the investments/investee companies and costs related to hedging transactions in relation to certain Share Classes) as well as all charges and expenses incurred in the operation of the Company including, without limitation, taxes, expenses for legal and auditing services, brokerage, governmental duties and charges, regulatory reporting costs, research costs, stock exchange listing expenses and fees due to supervisory authorities in various countries, including the costs incurred in obtaining and maintaining registrations so that the Shares of the Company may be marketed in different countries; expenses incurred in the issue, switch and redemption of Shares and payment of dividends, registration fees, insurance, interest and the costs of computation and publication of Share prices and postage, telephone, facsimile transmission and the use of other electronic communication; costs of printing, preparing, translating and distribution of proxies,

statements, Share certificates or confirmations of transactions, Shareholders' reports, prospectuses and supplementary documentation, KIDs explanatory brochures and any other periodical information or documentation; Directors' fees and reasonable out of pocket expenses.

In addition, and where applicable, the Company will pay:

- any fees, costs and expenses (including, as the case may be, valuation experts, subscription to pricing sources, providers fees or appraiser fees) incurred in connection with valuing assets where the valuation principles in this Prospectus do not seem accurate for the purpose of determining the fair value of the Company's assets. Such charges are subject to the approval of the Board of Directors; and/or
- any fees, costs and expenses of compliance with the SFDR and any other related applicable legislation or regulations including all license or data provider service fee of the Company, Management Company and the Investment Manager. The Board of Directors will reserve the right to adopt such arrangements as it deems necessary or desirable to comply with any applicable requirements of the SFDR and any other related applicable legislation or regulations.

Any extraordinary expenses including, without limitation, litigation expenses and the full amount of any tax, levy, duty or similar charge and any unforeseen charges imposed on the Company or its assets will be borne by the Company.

In case of liquidation or restructuring of Sub-Funds, the related costs are borne by the relevant Sub-Funds that will be liquidated or restructured to the extent permitted by applicable laws and regulations.

The costs and expenses for the formation of the Company and the initial issue of its Shares will be borne by the first Sub-Funds of the Company and amortized over a period not exceeding 5 years. Any additional Sub-Fund(s) which may be created in the future shall bear their own formation expenses and the cost of listing their Shares on any stock exchange, which will be amortized over a period not exceeding 5 years.

The Company shall indemnify any Director or officer, and his or her heirs, executors and administrators, against expenses reasonable incurred by him or her in connection with any action, suit or proceeding to which he or she may be made a party by reason of his being or having been a Director or officer of the Company or, at its request, of any other corporation of which the Company is a shareholder or creditor and from which he is not entitled to be indemnified, except in relation to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or misconduct; in the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Company is advised by counsel that the person to be indemnified did not commit such a breach of duty. The foregoing right of indemnification shall not exclude other rights to which he may be entitled.

#### **14. MANAGEMENT COMPANY**

The Board of Directors has appointed Waystone Management Company (Lux) S.A. as management company (the "**Management Company**") to perform investment management, administration and

marketing functions for the Company pursuant to an agreement effective as of 28 August 2025 between the Company and the Management Company (the "**Management Company Services Agreement**"). The Management Company Services Agreement has been concluded for an unlimited period and can be terminated by either party upon giving to the other party three months written notice. The responsibilities of the Company remain unchanged further to the appointment of the Management Company.

The Management Company is a company incorporated under Luxembourg law with registered office located at 19, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg companies register under number B 96 744. The Management Company was incorporated in Luxembourg on 23 October 2003 in the form of a public limited company (société anonyme) for an undetermined period, and the latest revision of the articles of association were published in the RESA on 19 July 2023. Its fully paid-up share capital amounts to EUR 3,950,000.

The Management Company is governed by Chapter 15 of the 2010 Law.

In the provision of the services, the Management Company is authorised, in order to conduct its business efficiently, to delegate with the consent of the Company (and to the extent applicable, the CSSF), under its responsibility and control, part or all of its functions and duties to any third party. As of the date of this Prospectus, the Management Company has delegated some of its functions to the entities described below.

The Management Company will monitor on a continuing basis the activities of third parties to which it has delegated functions. The agreements entered into between the Management Company and the relevant third parties provide that the Management Company can give further instructions to such third parties at any time and that it can withdraw the mandate of any or all such third party with immediate effect at any time if this is in the interest of the shareholders. The Management Company's liability towards the Company is not affected by the fact that it has delegated certain functions to third parties.

The name of other funds for which Waystone Management Company (Lux) S.A. has been appointed as management company is available on request or on its website: <https://www.waystone.com/our-funds/waystone-management-company-lux-s-a/>.

The Management Company has adopted various procedures and policies, as may be applicable, in accordance with Luxembourg laws and regulations (including but not limited to CSSF regulation 10-04 and CSSF Circular 18/698, as amended from time to time). Among others, the Management Company has in place a remuneration policy in line with Directive 2009/65/EC of 13 July 2009.

The remuneration policy sets out principles applicable to the remuneration of senior management, all staff members having a material impact on the risk profile of the financial undertakings as well as all staff members carrying out independent control functions.

In particular, the remuneration policy complies with the following principles in a way and to the extent that is appropriate to the size, internal organisation and the nature, scope and complexity of the activities of the Management Company:

1. it is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or the Articles of Incorporation;
2. if and to the extent applicable, the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the Company in order to ensure that the assessment process is based on the longer-term performance of the Company and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period;
3. it is in line with the business strategy, objectives, values and interests of the Management Company and the Company and of the Shareholders, and includes measures to avoid conflicts of interest;
4. fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component.

The remuneration policy is determined and reviewed at least on an annual basis by a remuneration committee.

The details of the up-to-date remuneration policy of the Management Company, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of the persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee, are available on: <https://www.waystone.com/our-funds/waystone-management-company-lux-s-a/>, a paper copy will be made available free of charge upon request at the registered office of the Management Company.

## **15. INVESTMENT MANAGER(S)**

The Management Company may delegate all or part of its portfolio management duties to one or more investment managers (each an "**Investment Manager**").

The Management Company has appointed, as the Investment Manager of the Sub-Funds, Karoll Capital Management EAD, a solely owned joint stock company incorporated under the laws of the Republic of Bulgaria and having its registered office at 57 Hristo Botev Blvd., Sofia 1303, Bulgaria, registered with the Bulgarian Commercial Register and Non-Profit Legal Entities Register held by the Bulgarian Registry Agency of the Ministry of Justice under UIC 131134055 and operating as licensed management company under the supervision of Bulgarian Financial Supervision Commission (FSC) with License № 11-UD/2006, renewed with License № 63-UD/2019 and registered in the official public register of management companies kept by FSC.

The Investment Manager has the discretion to acquire and dispose of securities of the Sub-Funds, subject to and in accordance with the legal and regulatory requirements applicable to the Company and the guidelines received from the Management Company from time to time, and in accordance with the investment objectives and restrictions of the Sub-Funds. While the Investment Manager must

act strictly in the best interests of the Shareholders, individual Shareholders shall not be involved in investment management activities.

The Investment Manager will have the possibility to appoint sub-investment managers, subject to the Management Company's prior consent.

The Investment Manager appointed as well as the period of the appointment and the assets under management are stated in the annual report.

Shareholders may at any time request details from the Management Company about the Investment Manager.

The Investment Manager has been appointed to manage the portfolio of securities and other eligible assets, subject to the supervision of the Management Company, and will execute all relevant transactions in conformity with the specified investment restrictions.

The Management Company may terminate the agreement with an Investment Manager with immediate effect if and to the extent necessary to protect the interests of investors.

The Investment Manager may also appoint one or more investment advisers (each an "**Investment Adviser**") to advise it on the portfolio management of one or more Sub-Fund(s).

## **16. DEPOSITARY**

Quintet Private Bank (Europe) S.A. has been appointed by the Company as depositary and paying agent for the Company pursuant to a depositary and paying agent agreement entered into as from 28 August 2025 for an indefinite period (the "**Depositary Agreement**").

Quintet Private Bank (Europe) S.A. is a credit institution established in Luxembourg, whose registered office is situated at 43, Boulevard Royal, L-2449 Luxembourg, and which is registered with the Luxembourg register of commerce and companies under number B 6395. It is licensed to carry out banking activities under the terms of the Luxembourg law of 5 April 1993 on the financial services sector, as amended.

As Depositary, Quintet Private Bank (Europe) S.A. will carry out its functions and responsibilities in accordance with the provisions of the 2010 Law. The Depositary will, in accordance with the 2010 Law:

- a) ensure that the sale, issue, repurchase, redemption and cancellation of shares of the Company are carried out in accordance with the applicable Luxembourg law and the Articles of Incorporation;
- b) ensure that the value of the shares of the Company is calculated in accordance with the applicable Luxembourg law and the Articles of Incorporation;
- c) carry out the instructions of the Company, unless they conflict with the applicable Luxembourg law, or with the Articles of Incorporation;
- d) ensure that in transactions involving the assets of the Company any consideration is remitted to the Company within the usual time limits;
- e) ensure that the income of the Company is applied in accordance with the applicable Luxembourg law and the Articles of Incorporation.

The Depositary shall ensure that the cash flows of the Company are properly monitored, and, in particular, that all payments made by, or on behalf of, investors upon the subscription of Shares of the Company have been received, and that all cash of the Company has been booked in cash accounts that are:

- a) opened in the name of the Company or of the Depositary acting on behalf of the Company;
- b) opened at an entity referred to in points (a), (b) and (c) of Article 18(1) of Commission Directive 2006/73/EC of 10 August 2006 implementing the Directive 2004/39/EC of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive (the Directive 2006/73/EC); and
- c) maintained in accordance with the principles set out in Article 16 of Directive 2006/73/EC.

The assets of the Company shall be entrusted to the Depositary for safekeeping as follows:

- a) for financial instruments that may be held in custody, the Depositary shall:
  - (i) hold in custody all financial instruments that may be registered in a financial instruments account opened in the Depositary's books and all financial instruments that can be physically delivered to the Depositary;
  - (ii) ensure that all financial instruments that can be registered in a financial instruments account opened in the Depositary's books are registered in the Depositary's books within segregated accounts in accordance with the principles set out in Article 16 of Directive 2006/73/EC, opened in the name of the Company, so that they can be clearly identified as belonging to the Depositary in accordance with the applicable law at all times;
- b) for other assets, the Depositary shall:
  - (i) verify the ownership by the Company of such assets by assessing whether the Company holds the ownership based on information or documents provided by the Company and, where available, on external evidence;
  - (ii) maintain a record of those assets for which it is satisfied that the Company holds the ownership and keep that record up to date.

The assets held in custody by the Company may not be reused unless specific circumstances, as provided for in the 2010 Law.

In order to effectively conduct its duties, the Depositary may delegate to third parties the functions referred to in the above paragraph, provided that the conditions set out in the 2010 Law are fulfilled. When selecting and appointing a delegate, the Depositary shall exercise all due skill, care and diligence as required by the 2010 Law and with the relevant CSSF regulations, to ensure that it entrusts the Company's assets only to a delegate who may provide an adequate standard of protection.

The list of such delegates is available on <https://www.quintet.lu/en-lu/regulatory-affairs> and is made available to investors free of charge upon request.

In this context, investors should note that investor data (such as name and address) may be transferred by or on the Depositary's behalf to intra-group or other third party service providers, such

as processing agents, located in various jurisdictions. The list of countries is accessible on the following website: <https://www.quintet.lu/en-lu/general-terms-and-conditions> (Outsourcing table). It will be updated prior to any transfer of investor data to intra-group or other third-party service provider located in a new country and investors will be notified by the Company.

### **Conflicts of interests**

In carrying out its duties and obligations as depositary of the Company, the Depositary shall act honestly, fairly, professionally, independently and solely in the interest of the Company and its investors.

As a multi-service bank, the Depositary may provide the Company, directly or indirectly, through parties related or unrelated to the Depositary, with a wide range of banking services in addition to the depositary services.

The provision of additional banking services and/or the links between the Depositary and key service providers to the Company, may lead to potential conflicts of interests with the Depositary's duties and obligations to the Company.

In order to identify different types of conflict of interest and the main sources of potential conflicts of interests, the Depositary shall take into account, at the very least, situations in which the Depositary, one of its employees or an individual associated with it is involved and any entity and employee over which it has direct or indirect control.

The Depositary is responsible for taking all reasonable steps to avoid those conflicts of interest, or if not possible, to mitigate them. Where, despite the aforementioned circumstances, a conflict of interest arises at the level of the Depositary, the Depositary will at all times have regard to its duties and obligations under the Depositary agreement with the Company and act accordingly. If, despite all measures taken, a conflict of interest that bears the risk to significantly and adversely affect the Company or the investors of the Company, may not be solved by the Depositary having regard to its duties and obligations under the Depositary agreement with the Company, the Depositary will notify the conflicts of interests and/or its source to the Company which shall take appropriate action. Furthermore, the Depositary shall maintain and operate effective organizational and administrative arrangements with a view to take all reasonable steps designed to properly (i) avoid them prejudicing the interests of its clients, (ii) manage and resolve such conflicts according to the Company decision and (iii) monitor them.

As the financial landscape and the organizational scheme of the Company may evolve over time, the nature and scope of possible conflicts of interests as well as the circumstances under which conflicts of interests may arise at the level of the Depositary may also evolve.

In case the organizational scheme of the Company or the scope of Depositary's services to the Company is subject to a material change, such change will be submitted to the Depositary's internal acceptance committee for assessment and approval. The Depositary's internal acceptance committee will assess, among others, the impact of such change on the nature and scope of possible conflicts of interests with the Depositary's duties and obligations to the Company and assess appropriate mitigation actions.

Situations which could cause a conflict of interest have been identified as at the date of this Prospectus as follows (in case new conflicts of interests are identified, the list will be updated accordingly):

- Conflicts of interests between the Depositary and the sub-custodians:

- The selection and monitoring process of sub-custodians is handled in accordance with the 2010 Law and is functionally and hierarchically separated from possible other business relationships that exceed the subcustody of the Company's financial instruments and that might bias the performance of the Depositary's selection and monitoring process. The risk of occurrence and the impact of conflicts of interests is further mitigated by the fact that none of the sub-custodians used by the Depositary for the custody of the Company's financial instruments is part of the Quintet Group.

- The Depositary may act as depositary to other UCITS funds and may provide additional banking services beyond the depositary services and/or act as counterparty of the Company for over-the-counter derivative transactions (maybe over services within Quintet):

- The Depositary will do its utmost to perform its services with objectivity and to treat all its clients fairly, in accordance with its best execution policy.

The Depositary shall be liable to the Company and its investors for the loss by the Depositary or a third party with whom the custody of financial instruments are held in custody in accordance with the 2010 Law. The Depositary shall not be liable if it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

For other assets, the Depositary shall be liable only in case of negligence, intentional failure to properly fulfil its obligations.

The Depositary is not involved, directly or indirectly, with the business affairs, organisation, sponsorship or management of the Company. The Depositary shall not be liable for the contents of this Prospectus and will not be liable for any insufficient, misleading or unfair information contained herein. The Depositary is not responsible for any trading decisions of the Company or the effect of such investment decisions on the performance of the Company.

The Depositary Bank agreement may be terminated by either party on giving to the other party a notice in writing specifying the date of termination which will not be less than ninety (90) days after giving such notice. If a new depositary has not been appointed by the end of the notice period, the CSSF shall remove the Company from the list provided for in Article 130, paragraph 1 of the 2010 Law.

### **Paying Agent**

Pursuant to the Depositary Agreement, Quintet Private Bank (Europe) S.A. also acts as paying agent. As principal paying agent Quintet Private Bank (Europe) S.A. will be responsible for distributing income and dividends, if applicable, to the Shareholders of the Company.

## **17. DOMICILIARY AGENT**

Waystone Management Company (Lux) S.A., with registered office at 19, Rue de Bitbourg, L - 1273 Luxembourg, Grand Duchy of Luxembourg, will act as the Company's domiciliary agent (the "**Domiciliary Agent**").

## 18. ADMINISTRATION

### Administration, Registrar and Transfer Agent

UI efa S.A. ("EFA") acts as the Administration Agent of the Company.

The Administration Agent is responsible for, notably, maintaining the books and financial records of the Company, preparing the Company's financial statements, calculating the amounts of any distribution, if any, and calculating the Net Asset Value of each class of Shares.

The relationship between the Management Company, EFA acting as the Administration Agent and the Company is subject to the terms of a service agreement (the "**Administrative, Registrar and Transfer Agent Agreement**"). Any of the Management Company, EFA and the Company may terminate the aforementioned agreement on at least 90 calendar days' prior written notice.

The Administrative, Registrar and Transfer Agent Agreement may also be terminated on shorter notice in certain circumstances.

The Administration Agent has also been appointed by the Company as Registrar and Transfer Agent.

EFA, as Administration Agent, is notably responsible for the registrar function, the Net Asset Value calculation and accounting function, and the client communication function.

In order to improve the efficiency and quality of its services, the Administration Agent may delegate/outsource all or part of its functions/duties to service providers (located in jurisdictions inside or outside of the EEA) which, in view of functions/duties to be delegated/outourced, have to be qualified and competent for performing them (the "**Service Providers**"). Unless otherwise permitted under applicable laws and regulations, the Administration Agent's liability shall not be affected by such delegation/outourcing arrangements. In this context, the Administration Agent may be required to disclose and transfer to the Service Providers personal and confidential information about or related to the Shareholders, such as (where applicable) identification data and/or contact details (e.g. name, address, gender, marital status, date and/or place of birth, country of residence, etc.), tax identification number and/or tax status, banking details (including the account number and/or the account balance), type of relationship, title or function, profession, curriculum vitae, knowledge, experience, skills, wealth, risk rating, invested amount and/or origin of the funds, transaction information, contractual or other information/documentation, etc.

Such personal and confidential information may be transferred to Service Providers established in countries where professional secrecy or confidentiality obligations are not equivalent to the professional secrecy/confidentiality obligations imposed by Luxembourg law. In any event, the Service Providers are either subject to a professional secrecy obligation by application of law or contractually bound to comply with confidentiality rules. Further specific details regarding the delegated/outourced services, the type of personal and confidential information transmitted in this context and the Service Providers (including their country of establishment) may be obtained upon written request to the Company or the Administration Agent. Investors will be notified by the Company by way of a notice prior to any transfer of investor data to intra-group or Service Providers located in a new country.

## **19. DISTRIBUTOR**

The Management Company has appointed Karoll Capital Management EAD, in relation to the distribution of the Sub-Funds' Shares.

As the Global Distributor, Karoll Capital Management EAD will assume all duties that arise in connection with the distribution of the Sub-Funds.

The Global Distributor may appoint sub-distributors.

## **20. CONFLICTS OF INTEREST**

The Management Company, the Investment Manager, the sales agents, the Administration Agent, the Registrar and Transfer Agent, the Depositary, the Global Distributor and any of their delegates may from time to time act as management company, investment manager or adviser, sales agent, administrator, registrar and transfer agent, depositary or distributor in relation to, or be otherwise involved in, other funds which have similar investment objectives to those of the Company or any Sub-Fund. It is therefore possible that any of them may, in the due course of their business, have potential conflicts of interest with the Company or any Sub-Fund. In such event, each will at all times have regard to its obligations under any agreements to which it is party or by which it is bound in relation to the Company or any Sub-Fund(s). In particular, but without limitation to its obligations to act in the best interests of the Shareholders when undertaking any dealings or investments where conflicts of interest may arise, each will respectively endeavour to ensure that such conflicts are resolved fairly.

There is no prohibition on the Company entering into any transactions with the Management Company, the Investment Manager, the sales agents, the Administration Agent, the Registrar and Transfer Agent, the Depositary, the Global Distributor or with any of their affiliates or any of their delegates, provided that such transactions are carried out as if effected on normal commercial terms negotiated at arm's length. The Investment Manager or any affiliates or delegates acting in a fiduciary capacity with respect to client accounts may recommend to or direct clients to buy and sell Shares of the Company.

## **21. MEETINGS AND REPORTS**

The annual general meeting of Shareholders of the Company (the "**Annual General Meeting**") is normally held at the registered office of the Company or such other place as may be specified in the notice of meeting in the Grand Duchy of Luxembourg within six months from the end of the Company's financial period. The first Annual General Meeting will be held in 2027. Other general meetings of Shareholders will be held at such time and place as are indicated in the notices of such meetings.

Notices of general meetings are given in accordance with Luxembourg Law. Notices will specify the place and time of the meetings, the conditions of admission, the agenda, the quorum and the voting requirements. The requirements as to attendance, quorum and majorities at all general meetings will be those laid down in the Articles of Incorporation.

Under the conditions set forth in Luxembourg laws and regulations, the notice of any general meeting of Shareholders may provide that the quorum and the majority at this general meeting shall be

determined according to Shares issued and outstanding at midnight (Luxembourg time) on the fifth day prior to the general meeting (the "**Record Date**"), whereas the right of a Shareholder to attend a general meeting of Shareholders and to exercise the voting rights attaching to his Shares shall be determined by reference to the Shares held by this Shareholder as at the Record Date.

Financial periods of the Company end on 31 December in each year (and ended for the first time on 31 December 2026). The annual report containing the audited consolidated financial accounts of the Company expressed in EUR in respect of the preceding financial period and with details of each Sub-Fund in the relevant Base Currency is made available at the Company's registered office, at least 8 days before the Annual General Meeting.

The semi-annual report dated as of 30 June each year (and the first time as at 30 June 2026) will be available at the Company's registered office, at the latest two months after the end of the period to which it relates.

Copies of all reports are available at the registered office of the Company. Copies of annual/semi-annual reports are accessible online at: <https://www.waystone.com/our-funds/waystone-managed-funds/>.

## **22. TAXATION**

The following information is based on the laws, regulations, decisions and practice currently in force in Luxembourg and is subject to changes therein, possibly with retrospective effect. This tax section is a short summary of certain Luxembourg tax principles that may be or may become relevant with respect to the investments in the Company. IT DOES NOT PURPORT TO BE A COMPREHENSIVE DESCRIPTION OF ALL LUXEMBOURG TAX LAWS AND CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO INVEST IN, OWN, HOLD, OR DISPOSE OF SHARES. IT DOES NOT CONSTITUTE AND SHOULD NOT BE CONSIDERED AS TAX ADVICE TO ANY PARTICULAR INVESTOR OR POTENTIAL INVESTOR. Prospective investors should consult their own professional advisers as to the implications of buying, holding or disposing of Shares and to the provisions of the laws of the jurisdiction in which they are subject to tax. This summary does not describe any tax consequences arising under the laws of any state, locality or other taxing jurisdiction other than Luxembourg.

### **Taxation of the Company**

The Sub-Funds are, in principle, subject to a subscription tax (*taxe d'abonnement*) levied at the rate of 0.05% per annum based on their Net Asset Value at the end of the relevant quarter, calculated and paid quarterly.

A reduced subscription tax rate of 0.01% per annum under conditions is applicable to:

- (a) UCIs as well as individual compartments of UCIs with multiple compartments that are authorised as money market funds in accordance with Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds, hereinafter, "Regulation (EU) 2017/1131", without prejudice to Article 175(b) of the 2010 Law;
- (b) individual compartments of UCIs with multiple compartments referred to in the 2010 Law as well as for individual classes of securities issued within a UCI or within a compartment of a UCI

with multiple compartments, provided that the securities of such compartments or classes are reserved to one or more institutional investors.

As from 1 January 2021, the Company or its individual compartments, may benefit from reduced subscription tax rates depending on the value of its net assets invested in economic activities that qualify as environmentally sustainable within the meaning of Article 3 of EU Regulation 2020/852 of 18 June 2020 (the “**Qualifying Activities**”). The reduced subscription tax rates would be of:

- 0.04% if at least 5% of the total net assets of the Company, or of its individual compartment, are invested in Qualifying Activities;
- 0.03% if at least 20% of the total net assets of the Company, or of its individual compartment, are invested in Qualifying Activities;
- 0.02% if at least 35% of the total net assets of the Company, or of its individual compartment, are invested in Qualifying Activities; and
- 0.01% if at least 50% of the total net assets of the Company, or of its individual compartment, are invested in Qualifying Activities.

The subscription tax rates mentioned above would only apply to the net assets invested in Qualifying Activities.

A Subscription tax exemption applies to:

- the portion of any Sub-Fund’s assets (*pro rata*) invested in a Luxembourg investment fund or any of its sub-fund to the extent it is subject itself to the subscription tax under conditions;
- any Sub-Fund (i) whose securities are reserved for Institutional Investor(s), and (ii) that are authorised as short-term money market funds in accordance with Regulation (EU) 2017/1131 and (iii) that have obtained the highest possible rating from a recognised rating agency. If several Classes are in issue in the relevant Sub-Fund meeting (ii) to (iii) above, only those Share Classes meeting (i) above will benefit from this exemption;
- any Sub-Fund if the securities issued by the relevant Sub-Fund are reserved for (i) institutions for occupational retirement pension and similar investment vehicles, set-up on the initiative of one or more employer for the benefit of their employees and (ii) companies of one or more employers investing funds they hold to provide retirement benefits to their employees and (iii) savers in the context of a pan-European personal pension product established under Regulation (EU) 2019/1238 of the European Parliament and of the Council of 20 June 2019 on a pan-European personal pension product (PEPP). If there are several Classes within the relevant Sub-Fund, the exemption applies only to those Classes whose securities are reserved for the investors referred to in points (i), (ii) and (iii) of this paragraph;
- any Sub-Fund whose main objective is the investment in microfinance institutions;
- any Sub-Fund, (i) whose securities are listed or traded on at least one stock exchange or another regulated market operating regularly, recognized and open to the public and (ii) whose exclusive object is to replicate the performance of one or more indices. If several Classes are in issue in the relevant Sub-Fund meeting (ii) above, only those Classes meeting (i) above will benefit from this exemption;

- any Sub-Fund that is authorised as European long-term investment funds within the meaning of Regulation (EU) 2015/760 of the European Parliament and of the Council of 29 April 2015 on European long-term investment funds;
- any Sub-Fund whose Shares are traded throughout the day on at least one regulated market or on a multilateral trading facility and of which at least one market maker intervenes to ensure that the price of their units or shares does not vary significantly from their net asset value and, where applicable, from their indicative net asset value.

## **Withholding tax**

### Investor withholding tax

Distributions made by the Company as well as capital gains realised on a disposal or a redemption of Shares are not subject to withholding tax in Luxembourg.

### Withholding tax in source countries

Interest and dividend income received by the Company may be subject to non-recoverable withholding tax in the source countries. The Company may further be subject to tax on the realised or unrealised capital appreciation of its assets in the countries of the investments. However, the Company may benefit from double tax treaties entered into by Luxembourg, which may provide for exemption from withholding tax or reduction of withholding tax rate.

Distributions by the Company as well as liquidation proceeds and capital gains derived therefrom are made free and clear from withholding tax in Luxembourg.

## **Taxation of the Shareholders**

### Luxembourg Resident Shareholders

#### *i) Individual Shareholders*

A Luxembourg resident individual Shareholder is subject to Luxembourg personal income tax levied at progressive rates with respect to income or gains derived from the Shares.

Capital gains realised upon the disposal of the Shares held by a resident individual Shareholder who acts in the course of the management of his/her private wealth, are not subject to income tax, unless said capital gains qualify either as speculative gains or as gains on a substantial participation:

- Speculative gains are subject to income tax at progressive ordinary rates if the Shares are disposed of within six months after their acquisition.
- Capital gains realised on a substantial participation more than six months after the acquisition thereof are taxed at half the average combined tax rate. A shareholding is considered as substantial when the seller, alone or with his/her spouse and underage children, has participated either directly or indirectly at any time during the five years preceding the date of the disposal in the ownership of more than 10% of the capital or assets of the Company. An investor is also deemed to alienate a substantial participation if he/she acquired free of charge, within the five years preceding the transfer, a participation that constituted a substantial participation in the hands of the alienator (or the alienators in case of successive transfers free of charge within the same five-year period).

## *ii) Corporate Shareholders*

A fully taxable resident corporate Shareholder will in principle be subject to corporate taxation (including the Luxembourg corporate income tax, the solidarity surcharge and the municipal business tax) at ordinary rate ("**Corporation Taxes**"), in respect of income or gain derived from the Shares.

Luxembourg corporate resident Shareholders which benefit from a special tax regime, such as, for example, (i) UCI subject to the 2010 Law, (ii) specialized investment funds subject to the law of 13 February 2007 relating to specialized investment funds, (iii) reserved alternative investment funds (not opting for the treatment as a venture capital vehicle for Luxembourg tax purposes) subject to the law of 23 July 2016 relating to reserved alternative investment funds or (iv) family wealth management companies subject to the law of 11 May 2007 related to family wealth management companies, are exempt from Corporation Taxes in Luxembourg and are instead subject to an annual subscription tax (*taxe d'abonnement*) and thus income derived from the Shares, as well as gains realized thereon, are not subject to Luxembourg corporate taxes.

The Shares shall be part of the taxable net wealth of the Luxembourg resident corporate Shareholder subject to net wealth tax levied on a yearly basis at a rate of 0.5%. A reduced rate of 0.05% is available for the part of the net wealth exceeding EUR 500,000,000.

Luxembourg corporate resident Shareholders which benefit from a special tax regime, such as, for example, (i) UCI subject to the 2010 Law, (ii) vehicles governed by the law of 22 March 2004 on securitization, (iii) companies governed by the law of 15 June 2004 on venture capital vehicles, (iv) specialized investment funds subject to the law of 13 February 2007 relating to specialized investment funds, (v) reserved alternative investment funds subject to the law of 23 July 2016, relating to reserved alternative investment funds or (vi) family wealth management companies subject to the law of 11 May 2007 related to family wealth management companies, or (vii) professional pension institutions governed by the law of 13 July 2005 on institutions for occupational retirement provision in the form of pension savings companies with variable capital and pension savings associations are exempt from net wealth tax.

A minimum net wealth tax may however be due under certain circumstances by certain resident corporate Investors.

### *Non-resident Shareholders*

Non-resident Shareholders without a permanent establishment, a permanent representative, or a fixed place of business in Luxembourg to which the Shares are attributable, are not, in principle, subject to any capital gains tax, income tax, withholding tax or net wealth tax in Luxembourg.

The tax consequences for Shareholders wishing to purchase, subscribe, acquire, hold, convert, sell, redeem or dispose Shares will depend on the relevant laws of any jurisdiction to which the Shareholder is subject.

### *Residence*

An Investor will not become resident, or deemed to be resident, in Luxembourg by reason only of holding the Shares.

## **Automatic Exchange of Information**

### CRS

The Organisation for Economic Co-operation and Development ("**OECD**") has developed a common reporting standard ("**CRS**") to achieve a comprehensive and multilateral automatic exchange of information on a global basis.

On 29 October 2014, Luxembourg signed the OECD's multilateral competent authority agreement ("**Multilateral Agreement**") to automatically exchange information under the CRS. On 9 December 2014, Council Directive 2014/107/EU amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation ("**DAC2**") was adopted to implement the CRS among the EU Member States. The CRS and the DAC2 were implemented into Luxembourg law by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation ("**CRS Law**").

The CRS Law requires Luxembourg financial institutions to identify their financial account holders (including certain entities and their controlling persons) and establish if they are fiscally resident in (i) an EU Member State other than Luxembourg or (ii) a jurisdiction which has signed the Multilateral Agreement and which is identified in the list of reportable jurisdictions published by Grand Ducal Decree ("**CRS Reportable Accounts**"). The first official list of CRS reportable jurisdictions was published on 24 March 2017 and is updated from time to time. Luxembourg financial institutions will then report the information on such CRS Reportable Accounts to the Luxembourg tax authorities (*Administration des Contributions Directes*), which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis.

Accordingly, the Company or the Administration, Registrar and Transfer Agent on its behalf may require the investors in the Company to provide information or documentation in relation to the identity and fiscal residence of financial account holders (including certain entities and their controlling persons) in order to ascertain their CRS status; and report information regarding an investor and his/her/its account holding in the Company to the Luxembourg tax authorities (*Administration des Contributions Directes*) if such an account is deemed a CRS Reportable Account under the CRS Law.

By investing in the Company, the investors acknowledge that (i) the Company is responsible for the treatment of the personal data provided for in the CRS Law; (ii) the personal data will *inter alia* be used for the purposes of the CRS Law; (iii) the personal data may be communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*) and to the tax authorities of CRS reportable jurisdictions; (iv) responding to CRS-related questions is mandatory; and (v) the investors have a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*).

The Company reserves the right to refuse any subscription for Shares if the information provided or not provided does not satisfy the requirements under the CRS Law.

Prospective Investors should consult their professional advisor on the individual impact of the CRS.

### **FATCA**

The Foreign Account Tax Compliance Act ("**FATCA**") requires financial institutions outside the U.S. ("**foreign financial institutions**" or "**FFIs**") to pass information about "**Financial Accounts**" held by

"Specified U.S. Persons", directly or indirectly, to the U.S. tax authorities (the Internal Revenue Service, "IRS") on an annual basis. A 30% withholding tax is imposed on certain U.S. source income of any FFI that fails to comply with this requirement.

On 28 March 2014, the Grand Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement ("**Luxembourg IGA**") with the United States of America and a memorandum of understanding in respect thereof. The Company would hence have to comply with this Luxembourg IGA as implemented into Luxembourg law by the Law of 24 July 2015 relating to FATCA ("**FATCA Law**") in order to comply with the provisions of FATCA rather than directly complying with the U.S. Treasury Regulations implementing FATCA. Under the FATCA Law and the Luxembourg IGA, the Company may be required to collect information aiming to identify its financial account holders (including certain entities and their controlling persons) that are Specified U.S. Persons for FATCA purposes ("**FATCA Reportable Accounts**"). Any such information on FATCA Reportable Accounts provided to the Company will be shared with the Luxembourg tax authorities (*Administration des Contributions Directes*) which will exchange that information on an automatic basis with the IRS.

The Company intends to comply with the provisions of the FATCA Law and the Luxembourg IGA to be deemed compliant with FATCA and will thus not be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of the Company. The Company will continually assess the extent of the requirements that FATCA, and notably the FATCA Law, place upon it.

To ensure the Company's compliance with FATCA, the FATCA Law and the Luxembourg IGA in accordance with the foregoing, the Company or the Administration, Registrar and Transfer Agent on its behalf may:

- a) request information or documentation, including W-9 or W-8 tax forms, a Global Intermediary Identification Number, if applicable, or any other valid evidence of an Investor's FATCA registration with the IRS or a corresponding exemption, in order to ascertain that Investor's FATCA status;
- b) report information concerning an Investor and his/her/its account holding in the Company to the Luxembourg tax authorities (*Administration des Contributions Directes*) if such account is deemed a FATCA Reportable Account under the FATCA Law and the Luxembourg IGA;
- c) report information to the Luxembourg tax authorities (*Administration des Contributions Directes*) concerning accounts held by recalcitrant account holders;
- d) deduct applicable U.S. withholding taxes from certain payments made to an Investor by or on behalf of the Company in accordance with FATCA, the FATCA Law and the Luxembourg IGA; and
- e) divulge any such personal information to any immediate payer of certain U.S. source income as may be required for withholding and reporting to occur with respect to the payment of such income.

By investing in the Company, the investors acknowledge that (i) the Company is responsible for the treatment of the personal data provided for in the FATCA Law; (ii) the personal data will inter alia be used for the purposes of the FATCA Law; (iii) the personal data may be communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*) and to the IRS; (iv) responding

to FATCA-related questions is mandatory; and (v) the Investors have a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*).

The Company reserves the right to refuse any subscription for Shares if the information provided or not provided does not satisfy the requirements under FATCA, the FATCA Law and the Luxembourg IGA.

Prospective investors should consult their professional advisor on the individual impact of FATCA.

### **Prospective investors**

Prospective investors should inform themselves of, and whether appropriate take advice on the laws and regulations in particular those relating to taxation (but also those relating to foreign exchange controls) applicable to the subscription, purchase, holding conversion and redemption of Shares in the country of their citizenship, residence or domicile and their current tax situation and the current tax status of the Company in Luxembourg.

### **Applicable law**

The Luxembourg District Court is competent for all legal disputes between the Shareholders and the Company. Luxembourg law applies. The English version of this Prospectus is the authoritative version and shall prevail in the event of any inconsistency with any translation hereof.

Statements made in this Prospectus are based on the laws and practice in force at the date of this Prospectus in the Grand Duchy of Luxembourg, and are subject to changes in those laws and practice.

## **23. LIQUIDATION OF THE COMPANY / TERMINATION AND AMALGAMATION OF SUB-FUNDS**

### **Liquidation of the Company**

With the consent of the Shareholders expressed in the manner provided for by Articles 450-3 and 1100-2 of the 1915 Law, the Company may be liquidated.

If at any time the value at their respective Net Asset Values of all outstanding Shares falls below two thirds of the minimum capital for the time being prescribed by Luxembourg Law, the Board of Directors must submit the question of dissolution of the Company to a general meeting of Shareholders acting, without minimum quorum requirements, by a simple majority decision of the Shares represented at the meeting.

If at any time the value at their respective Net Asset Values of all outstanding Shares is less than one quarter of the minimum capital for the time being required by Luxembourg Law, the Directors must submit the question of dissolution of the Company to a general meeting, acting without minimum quorum requirements and a decision to dissolve the Company may be taken by the Shareholders owning one quarter of the Shares represented at the meeting.

Any voluntary liquidation will be carried out in accordance with the provisions of the 2010 Law and the 1915 Law which specify the steps to be taken to enable Shareholders to participate in the liquidation distribution(s) and in that connection provides for deposit in escrow at the *Caisse de Consignation* of any such amounts to the close of liquidation. Amounts not claimed from escrow within

the prescription period would be liable to be forfeited in accordance with the provisions of Luxembourg laws.

### **Liquidation, merger, split or consolidation of Sub-Fund(s)/Classes**

The Directors may decide to liquidate a Sub-Fund / Class if the net assets of such Sub-Fund / Class fall below EUR 10,000,000 or its equivalent in the relevant Reference Currency of the Sub-Fund or Class or if the Net Asset Value of a Class has decreased to, or has not reached, the minimum level for that Class to be managed and/or administered in an efficient manner or if a change in the economic or political situation relating to the Sub-Fund or Class concerned would justify such liquidation or if the interests of the Shareholders would justify it. The decision of the liquidation will be published or notified to the Shareholders by the Company as decided from time to time by the Directors, prior to the effective date of the liquidation and the publication/notification will indicate the reasons for, and the procedures of, the liquidation operations. Unless the Board of Directors otherwise decides in the interests of, or to keep equal treatment between the Shareholders, the Shareholders of the Sub-Fund or Class concerned may continue to request redemption or conversion of their Shares (free of charge). Assets which could not be distributed to their beneficiaries upon the close of the liquidation of the Sub-Fund or Class concerned will be deposited with the *Caisse de Consignation* on behalf of their beneficiaries.

Where the Board of Directors does not have the authority to do so or where the Board of Directors determines that the decision should be put for Shareholders' approval, the decision to liquidate a Sub-Fund or Class may be taken at a meeting of Shareholders of the Sub-Fund or Class to be liquidated instead of being taken by the Board of Directors. At such Class or Sub-Fund meeting, no quorum shall be required and the decision to liquidate must be approved by Shareholders with a simple majority of the votes cast. The decision of the meeting will be notified to the Shareholders and/or published by the Company. The decision to liquidate the last Sub-Fund of the Company will be taken with the consent of the Shareholders in accordance with the provisions of Section 22.1 above.

Any split or consolidation of a Sub-Fund/Class of Shares shall be decided by the Board of Directors unless the Board of Directors decides to submit the decision for a split/consolidation to a meeting of Shareholders of the Sub-Fund (or Class as the case may be) concerned. No quorum is required for this meeting and decisions are taken by the simple majority of the votes cast.

The Directors may decide to merge any Sub-Fund with another existing Sub-Fund within the Company (the "**new Sub-Fund**") and to redesignate the Shares of the Classes concerned as Shares of the new Sub-Fund. The Directors may also decide to merge any Sub-Fund with another undertaking for collective investment organised under the provisions of Part I of the 2010 Law or under the legislation of a Member State of the European Union, or a member state of the European Economic Area, implementing Directive 2009/65/EC or with a compartment within such other undertaking for collective investment.

The Directors may also decide to submit the decision for a merger to a meeting of Shareholders of the Sub-Fund concerned. No quorum is required for this meeting and decisions are taken by the simple majority of the votes cast.

In case of a merger of one or more Sub-Fund(s) where, as a result, the Company ceases to exist, the merger shall be decided by a meeting of Shareholders for which no quorum is required and that may decide with a simple majority of votes cast. In addition, the provisions on mergers of UCITS set forth

in the 2010 Law and any implementing regulation (relating in particular to the notification to the Shareholders concerned) shall apply.

## 24. PROCESSING OF PERSONAL DATA

In accordance with the applicable data protection law that is the EU General Data Protection Regulation (Regulation (EU) 2016/679) and any other EU or national legislation which implements or supplements the foregoing on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the "**Data Protection Laws**"), the Company (the "**Controller**") processes information relating to several categories of identified or identifiable natural persons (including in particular, but not limited to, prospective or existing investors in the Company, their beneficial owners and other natural persons related to prospective or existing investors in the Company) who are hereby referred to as the "Data Subjects".

This information has been, is and/or will be provided to, obtained by, or collected by or on behalf of, the Controller directly from the "Data Subjects" or from other sources (including intermediaries such as distributors, wealth managers and financial advisers, as well as public sources) and is hereby referred to as the "Data".

Detailed and up-to-date information regarding the processing of Data by the Controller is contained in a privacy notice (the "**Privacy Notice**"). All persons contacting, or otherwise dealing directly or indirectly with, any of the Controller or their service providers in relation to the Company are invited to obtain and take the time to carefully consider and read the Privacy Notice.

Any question, enquiry or solicitation regarding the Privacy Notice and the processing of Data by the Controller in general may be addressed to the Company at the registered office of the Company for the attention of the Board of Directors.

The Privacy Notice is available and can be accessed at the registered office of the Company.

The Privacy Notice notably sets out and describes in more detail:

- the legal basis for processing the Data; and where applicable the categories of Data processed, from which source the Data originates, and the existence of automated decision-making, including profiling;
- that Data will be disclosed to several categories of recipients; that some of these recipients are processing the Data on behalf of the Controller (the "**Processors**"); that the Processors include the majority of the service providers of the Controller; and that Processors shall act as processors on behalf of the Controller and may also process Data as controllers for their own purposes;
- that Data will be processed by the Controller and the Processors for several purposes (the "**Purposes**") and that these Purposes include (i) the general holding, maintenance, management and administration of prospective and existing investments in the Company, (ii) enabling the Controller and Processors to perform their services for the Company, and (iii) enabling the Controller and Processors to comply with legal, regulatory and/or tax (including FATCA/CRS) obligations;

- that Data may, and where appropriate will, be transferred outside of the European Economic Area, including to countries whose legislation does not ensure an adequate level of protection as regards the processing of personal data;
- that any communication (including telephone conversations) (i) may be recorded by the Controller and the Processors and (ii) will be retained for a period of 10 years from the date of the recording;
- that failure to provide certain Data may result in the inability to deal with or maintain an investment in the Company;
- that Data will not be retained for longer than necessary with regard to the Purposes, in accordance with applicable laws and regulations, subject always to applicable legal minimum retention periods;
- that Data Subjects have certain rights in relation to the Data relating to them, including the right to request access to such Data, or have such Data rectified or deleted, the right to ask for the processing of such Data to be restricted or to object thereto, the right to portability, the right to lodge a complaint with the relevant data protection supervisory authority, or the right to withdraw any consent after it was given.

All persons contacting, or otherwise dealing directly or indirectly with, the Controller or its service providers in relation to the Company acknowledge that they have obtained and/or have been provided access to the Privacy Notice; that the Privacy Notice may be amended at the sole discretion of the Controller; that they may be notified of any change to or update of the Privacy Notice by any means that the Controller deems appropriate; that they have authority to provide or cause to provide any Data relating to third-party natural persons to the Controller; that, if necessary and appropriate, they are required to obtain the (explicit) consent of the relevant third-party natural persons whose Data may be processed; that these third-party natural persons have been informed of the processing of the Data by the Controller and the Processors as described herein and their related rights; that these third-party natural persons have been informed of, and provided with, easy access to the Privacy Notice; that when notified of a change or update of the Privacy Notice they will notify this change to these third-party natural persons accordingly; and that they shall indemnify and hold the Controller harmless from and against any and all liability arising from any breach of the foregoing.

By subscribing for shares of the Company, investors agree to the processing of their personal data and in particular, the disclosure of their personal data to, and the processing of their personal data by, the parties referred to above including affiliates situated in countries outside of the EU that in the views of the European Commission do not provide an equivalent level of protection of Personal Data. investors acknowledge that the transfer of their personal data to these parties may occur via and/or their personal data may be processed by parties in countries which may not have data protection requirements deemed equivalent to those prevailing in the EU. In such case, these parties will ensure that appropriate or suitable safeguards are implemented to protect Personal Data, in particular by using standard data protection clauses approved by the European Commission.

The investor may, at its discretion, refuse to communicate the Data to the Company. In this case, however, the Company may reject its request for subscription or holding of Shares in the Company or

proceed with the compulsory redemption of all Shares already held, as the case may be, under the terms and conditions set forth in the Articles and in the Prospectus.

The investors agree that the Company, will report any relevant information in relation to their investments in the Company to the Luxembourg tax authorities which will exchange this information on an automatic basis with the competent authorities as agreed in the FATCA Law, CRS Law or similar laws and regulations in Luxembourg or at EU level.

In accordance with the conditions laid down by the Data Protection Law, the investor acknowledges its right to:

- access its personal Data;
- correct its personal Data where it is inaccurate or incomplete;
- object to the processing of its personal Data;
- restrict the use of its personal Data;
- ask for erasure of its personal Data;
- ask for personal Data portability.

The investors may exercise the above rights by writing to the Controller at the registered office of the Company.

The Investor also acknowledges the existence of its right to lodge a complaint with the local competent data protection supervisory authority.

The investors' personal Data shall not be held for longer than necessary with regard to the purpose of data processing, subject to applicable legal minimum retention periods.

## **25. BENCHMARK REGULATION**

Regulation (EU) 2016/1011 of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmark Regulation**") introduces a requirement for all benchmark administrators providing indices which are used or intended to be used as benchmarks in the European Union to be authorized or registered by the competent authority. In respect of the Sub-Funds, the Benchmark Regulation prohibits the use of benchmarks unless they are produced by a European Union administrator authorized or registered by the European Securities and Markets Authority ("**ESMA**") or are non-EU benchmarks that are included in ESMA's register under the Benchmark Regulation's third country regime.

At the date of this Prospectus, no Sub-Fund currently uses benchmarks falling within the scope of the Benchmark Regulation.

## **26. DOCUMENTS AVAILABLE FOR INSPECTION, QUERIES AND COMPLAINTS**

### **Documents available for inspection**

The following documents are available for inspection during usual business hours on any Business Day at the registered office of the Company:

- i) The Articles of Incorporation;
- ii) The most recent Prospectus;
- iii) The KIDs;
- iv) The latest annual and semi-annual reports; and
- v) The material agreements of the Company.

In addition, the following documents may be obtained free of charge upon request at the registered office of the Company:

- i) copies of the Articles of Incorporation;
- ii) the most recent Prospectus;
- iii) the KIDs; and
- iv) the latest financial reports.

In addition, the KIDs may be obtained in paper form or on any other durable medium agreed between the Management Company or the intermediary and the investor.

### **Information to the Shareholders**

Any relevant notifications or other communications to Shareholders concerning their investment in the Sub-Funds (including changes to the Prospectus) may be posted on the following websites: (i) <https://www.waystone.com/our-funds/waystone-managed-funds/> and (ii) <https://karollcapital.bg/en>. The Shareholders are therefore invited to regularly consult this website. Such notifications or communications may also be communicated to a Shareholder via electronic means of communication in accordance with applicable Luxembourg laws and regulations, in case the Shareholder has consented and provided an e-mail address to the Management Company or its delegate. In addition, and where required by Luxembourg law or the CSSF, Shareholders will also be notified in writing or in such other manner as prescribed under Luxembourg law.

### **Queries and complaints**

Any person who would like to receive further information regarding the Company or who wishes to make a complaint about the operation of the Company should contact the Company or the Management Company. Further information regarding the Company and its Sub-Funds can also be found on the following websites: (i) <https://www.waystone.com/our-funds/waystone-managed-funds/> and (ii) <https://karollcapital.bg/en>. Further information about the Management Company complaints procedure can be found at: [https://www.waystone.com/wp-content/uploads/Policy/LUX/Waystone-Management-Company-\(Lux\)-SA/Waystone-Management-Company-\(Lux\)-SA-Complaints-Handling-Policy.pdf](https://www.waystone.com/wp-content/uploads/Policy/LUX/Waystone-Management-Company-(Lux)-SA/Waystone-Management-Company-(Lux)-SA-Complaints-Handling-Policy.pdf)

**SUB-FUND PARTICULARS 1**  
**KAROLL – ADVANCE EMERGING EUROPE OPPORTUNITIES**

**1. Name of the Sub-Fund**

Karoll – Advance Emerging Europe Opportunities (the "**Sub-Fund**")

**2. Base Currency**

EUR

**3. Investment objective, policy and strategy**

***Investment Objective***

The Sub-Fund's investment objective is to achieve long-term growth through capital appreciation, by investing mainly in an actively managed portfolio of listed equities and participating actively in initial public offers ("IPO") transactions in emerging market countries of Central and Eastern Europe.

***Investment Policy***

The Investment Manager will seek to achieve the Sub-Fund's objective by investing up to 100% of its net assets in shares of companies that are traded on the stock exchanges of the countries of Central and Eastern Europe (including, but not limited to, Poland, the Czech Republic, Hungary, Austria, Slovenia, Greece, Romania, Croatia, Estonia and Lithuania). The Sub-Fund may also invest in shares of companies generating revenues in the region of Central and Eastern Europe traded on stock exchanges in other EU countries or non-EU Member States.

The Investment Manager will assess the macroeconomic environment and outlook at both the country and sector levels. However, when constructing the portfolio, the primary focus will be on individual stock selection. This selection process will involve analysing the issuers' financial health, growth potential, price appreciation prospects, and management quality. Investment decisions will be guided by a combination of fundamental analysis and regular engagement with investee companies. A long-term investment horizon will be adopted, applying an ownership mindset. At the same time, strict discipline will be maintained to manage concentration and liquidity risks effectively.

The Sub-Fund also strives to participate actively, up to 10% of its net assets, in IPO transactions, mainly (but not limited to) in Central and Eastern Europe region. In cases where the transactions are in countries outside of Central and Eastern Europe region, but within the European Economic Area, the aim will be to take tactical advantage of attractive opportunities, with shorter than usual investment horizon.

The Sub-Fund may hold up to 20% of its net assets in ancillary liquid assets (bank deposits at sight, such as cash held in current accounts with a bank accessible at any time).

The Sub-Fund may also invest, for liquidity management purposes, in term deposits with credit institutions, payable on demand or which carry the right to be withdrawn at any time and with a maturity date not more than 12 months, Money Market Instruments, and money market funds.

Under exceptionally unfavourable market conditions (e.g. market crash, major crisis, adverse market conditions or periods of increased market volatility such as during periods of political or economic instability etc.) and if justified in the interest of the investors, the Sub-Fund may be invested temporarily up to 100% of its net assets in ancillary liquid assets and other liquid instruments. Additionally, in such exceptional market conditions, the net Sub-fund assets may temporarily deviate from the specified investment focus or policy, provided that the overall investment strategy is maintained, including liquid asset holdings.

The Sub-fund will invest in assets denominated in foreign currencies, which may result in exposure to foreign exchange risk and currency risk up to 100% of the Sub-Fund's net assets.

Investments in UCITS or other UCIs ("target funds") are allowed up to a maximum of 10% of the Sub-fund's assets, making the Sub-fund eligible as a target fund.

The Sub-Fund may also invest in preferred stocks that are listed or traded on a Regulated Market.

The Sub-Fund may invest up to 10% of its net assets in special purpose acquisition companies ("SPACs") that are listed and traded on a Regulated Market.

In alignment with the Investment Manager's strategy, sustainability risks are considered in the investment decision-making process of the Sub-Fund. When investing in corporate securities, acquisitions are permitted only if the companies follow sound corporate governance practices and do not fall under the general exclusion criteria.

The Sub-Fund will not utilize leverage, short-selling, stock-lending, repo/reverse repo transactions, valuable (precious) metals and certificates for them, or make use of derivatives for investment or hedging purposes.

In case of breach of the investment restrictions for reasons beyond the control of the Sub-Fund or as a result of exercising subscription rights, the Sub-Fund must in due time, but not later than six months of the occurrence of the breach, bring its assets in compliance with the investment restrictions, while taking into account the interests of the shareholders.

### ***Benchmark***

The Sub-Fund is actively managed without reference to any benchmark.

#### 4. Sub-Fund Share Classes

The Sub-Fund issues Share Classes with the following features:

Class of Shares	Reference Currencies	Minimum initial investment amount	Minimum holding amount	Eligible Investors
A <sup>2</sup>	EUR	1,000 EUR	1,000 EUR	All investors
B	EUR	1 million EUR	1 million EUR	All investors
C	EUR	1 million EUR	1 million EUR	Institutional Investors
D	EUR	10 million EUR	10 million EUR	Institutional Investors
I	EUR	N/A	N/A	Initiator and its affiliates qualifying as Institutional Investors

The minimum initial investment amount and minimum holding amounts may be waived or reduced at the discretion of the Board of Directors.

#### 5. Profile of the typical investor

The Sub-Fund's risk profile is such that you should have an investment horizon of at least three years.

The Sub-Fund may be appropriate for investors who:

- seek capital appreciation over the long term,
- do not seek current income from their investment,
- are willing to take on the increased risk associated with the investment.

---

<sup>2</sup> The minimum initial investment amount and minimum holding amount of the Share Class "A" do not apply to the Shareholders who invested in this Share Class before 28 February 2026. Shareholders who were holding shares of this Share Class before 28 February 2026 can remain invested in this Share Class even if their holdings are below the minimum holding requirement. However, in case these investors decide to further increase their investment in this Share Class, they will have to comply with the minimum investment amount.

## 6. Fees and expenses

The fees detailed in the table below shall be calculated as further defined in the general part of the Prospectus.

Class of Shares	A	B	C	D	I
Investment Management Fee*	1.5 % p.a.	1.2 % p.a.	1 % p.a.	0.85 % p.a.	0.85 % p.a.
Performance Fee	N/A	N/A	N/A	N/A	N/A
Sales Charge	Up to 1,5%**	0%	0%	0%	0%
Redemption Charge	0%	0%	0%	0%	0%

(\*) The Investment Management Fee, to be paid out of the assets of the Sub-Fund, is used to pay the Investment Manager<sup>3</sup>.

(\*\*) The sales charge may be waived or reduced at the discretion of the Board of Directors or the Global Distributor.

## 7. Valuation Day and Net Asset Value calculation

With respect to this Sub-Fund, a Valuation Day means any day on which banks are open for normal business banking in Luxembourg.

The Net Asset Value per Share of each Class will be calculated for each Valuation Day and will be available from the Administration Agent. The publication of the Net Asset Value will usually take place on the next Business Day after a Valuation Day.

## 8. Business Day

With respect to this Sub-Fund, a Business Day means each Valuation Day.

---

<sup>3</sup> In accordance with the provisions of the agreement between the Company, the Management Company and the Investment Manager, the Investment Manager will receive from the Sub-Fund 100% of the Investment Management Fee.

## **9. Subscription**

Shares will be issued at a price based on the Net Asset Value per Share calculated on the relevant Valuation Day.

Applications must be received by the Registrar and Transfer Agent no later than 4 p.m. (Luxembourg time) on the relevant Valuation Day in order to be dealt with on the basis of the Net Asset Value per Share for that Valuation Day calculated on the next Business Day. Any applications received after the applicable deadline will be deemed to be received on the next Business Day.

Payment for subscribed Shares has to be made no later than two Business Days after the relevant Valuation Day.

## **10. Redemption**

Shares will be redeemed at a price based on the Net Asset Value per Share calculated for the relevant Valuation Day.

Applications must be received by the Registrar and Transfer Agent no later than 4 p.m. (Luxembourg time) on the relevant Valuation Day in order to be dealt with on the basis of the Net Asset Value per Share for that Valuation Day calculated on the next Business Day. Any applications received after the applicable deadline will be deemed to be received on the next Business Day.

Payment for redeemed Shares has to be made no later than three Business Days after the relevant Valuation Day.

If, in exceptional circumstances, the liquidity of the Sub-Fund is insufficient to enable redemption proceeds to be paid within that period, or if there are other reasons, such as exchange controls or other regulations which delay payment, payment will be made as soon as reasonably practicable thereafter, but without interest.

## **11. Conversions**

Investors may request conversions of their Shares from one Class to another of the same Sub-Fund or to Shares of another Sub-Fund.

Applications must be received by the Registrar and Transfer Agent no later than 4 p.m. (Luxembourg time) on the relevant Valuation Day in both applicable Sub-Funds/Classes. Any applications received after the application deadline will be processed in respect of the next Business Day.

## **12. Historical Performance**

The KID includes a link to the information on the Sub-Fund's historical performance, if available.

## **13. Dividends**

Income and capital gains arising in the Sub-Fund in relation to Accumulating Shares (ACC) will be reinvested. The value of the Shares of each such Class will reflect the capitalisation of income and gains.

As of the date of this Prospectus, all Shares in the Sub-Fund are Accumulating Shares.

#### **14. Calculation of global exposure**

The commitment approach (as detailed in the ESMA Guidelines 10-788) is applied to monitor and measure the global risk exposure of the Sub-Fund. Using the commitment approach, the Sub-Fund calculates its global exposure by taking into account the market value of the equivalent position in the underlying asset of the financial derivative instruments or the financial derivative instruments' notional value, as appropriate. This commitment conversion methodology allows in certain circumstances and in accordance with the provisions of the CSSF Circular 11/512 (i) the exclusion of certain types of non-leveraged swap transactions or certain risk free or leverage free transactions and (ii) the consideration of netting and hedging transactions to reduce the global exposure.

The Sub-Fund will not invest in financial derivative instruments for hedging purposes, investment purposes or efficient portfolio management purposes.

#### **15. Specific risk warnings**

Investors are advised to carefully consider the risks of investing in the Sub-Fund.

For a complete description of all the risks for the Sub-Fund that the Company is aware of, please refer to the Section 4. "Risk considerations" in the general part of the Prospectus and especially to the risk considerations relating to: Market risk, Emerging Markets risk, Liquidity risk, Operational risk, Portfolio Concentration risk.

## APPENDICES

### APPENDIX 1 INVESTMENT RESTRICTIONS, USE OF FINANCIAL DERIVATIVE INSTRUMENTS AND INVESTMENT TECHNIQUES

#### General Investment Restrictions

The Company or where a UCITS comprises more than one compartment, each such Sub-Fund or compartment shall be regarded as a separate UCITS for the purposes of this Appendix. The Directors shall, based upon the principle of spreading of risks, have power to determine the investment policy for the investments of the Company in respect of each Sub-Fund and the currency of denomination of a Sub-Fund subject to the following restrictions:

- I. (1) The Company may invest in:
  - a) Transferable Securities and Money Market Instruments admitted to or dealt in on a Regulated Market;
  - b) Transferable Securities and Money Market Instruments dealt in on another market in a Member State which is regulated, operates regularly and open to the public;
  - c) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange in a non-Member State of the European Union in Europe, Asia, Oceania (including Australia), the American continents and Africa (as acceptable by the Luxembourg supervisory authority including but not limited to any member state of the Organisation for Economic Cooperation and Development ("OECD"), Singapore, Hong Kong or any member state of the G20) or dealt in on another market in a non-Member State of the European Union which is regulated, operates regularly and is recognised and open to the public provided that the choice of the stock exchange or market has been provided for in the constitutional documents of the UCITS;
  - d) recently issued Transferable Securities and Money Market Instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on a Regulated Market and such admission is secured within a year of the issue;
  - e) units of UCITS and/or Other UCI, whether situated in a Member State or not, provided that:
    - such Other UCIs have been authorised under the laws which provide that they are subject to supervision considered by the Luxembourg supervisory

authority to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured;

- the level of protection for unitholders in such Other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of Directive 2009/65/EC, as amended;
  - the business of such Other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;
  - no more than 10% of the assets of the UCITS or of the Other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or Other UCIs.
- f) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a country which is a Member State or if the registered office of the credit institution is situated in a non-Member State provided that it is subject to prudential rules considered by the Luxembourg supervisory authority as equivalent to those laid down in Community law;
- g) financial derivative instruments, including equivalent cash-settled instruments, dealt in on an Regulated Market and/or financial derivative instruments dealt in over-the-counter ("**OTC derivatives**"), provided that:
- the underlying consists of instruments covered by this section (1), financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Fund(s) may invest according to its/their investment objective;
  - the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Luxembourg supervisory authority;
  - the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative.
- and/or
- h) Money Market Instruments other than those dealt in on a Regulated Market and defined in the Glossary, if the issue or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:

- issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, a non-Member State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong; or
- issued by an undertaking any securities of which are dealt in on Regulated Markets; or
- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by the Community law, or by an establishment which is subject to and complies with prudential rules considered by the Luxembourg supervisory authority to be at least as stringent as those laid down by Community law; or
- issued by other bodies belonging to the categories approved by the Luxembourg supervisory authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least ten million euro (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

(2) In addition, the Company may invest a maximum of 10% of the net assets of any Sub-Fund in Transferable Securities and Money Market Instruments other than those referred to under (1) above.

II. The Company may hold ancillary liquid assets. Each Sub-Fund may invest up to 20% of its net assets in ancillary liquid assets (deposits at sight or as defined by CSSF regulatory practice). Under exceptionally unfavourable market conditions and if justified in the interest of the investors, each Sub-Fund may temporarily invest up to 100% of its net assets in ancillary liquid assets and other liquid instruments.

III. a) (i) The Company will invest no more than 10% of the net assets of any Sub-Fund in Transferable Securities and Money Market Instruments issued by the same issuing body.

(ii) The Company may not invest more than 20% of the total net assets of such Sub-Fund in deposits made with the same body. The risk exposure of a Sub-Fund to a counterparty in an OTC derivative transaction may not exceed 10% of its net assets

when the counterparty is a credit institution referred to in I. (1) f) above or 5% of its net assets in other cases.

- b) Moreover where the Company holds on behalf of a Sub-Fund investment in Transferable Securities and Money Market Instruments of any issuing body which individually exceed 5% of the net assets of such Sub-Fund, the total of all such investments must not account for more than 40% of the total net assets of such Sub-Fund.

This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits laid down in paragraph III. a), the Company shall not combine, where this would lead to investing more than 20% of its assets in a single body, any of the following for each Sub-Fund:

- investments in Transferable Securities or Money Market Instruments issued by that body,
  - deposits made with that body, or
  - exposures arising from OTC derivative transactions undertaken with that body.
- c) The limit of 10% laid down in sub-paragraph III. a) (i) above will be increased to a maximum of 35% in respect of Transferable Securities or Money Market Instruments which are issued or guaranteed by a Member State, its local authorities, or by another Eligible State or by public international bodies of which one or more Member States are members.
- d) The limit of 10% laid down in sub-paragraph III. a) (i) may be of a maximum of 25% for covered bond as defined under article 3, point 1 of Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU (hereafter "Directive (EU) 2019/2162"), and for certain bonds when they are issued before 8 July 2022 by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of these bonds issued before 8 July 2022 must be invested in conformity with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in case of bankruptcy of the issuer, would be used on a priority basis for the repayment of principal and payment of the accrued interest.

If a Sub-Fund invests more than 5% of its net assets in the bonds referred to in this sub-paragraph and issued by one issuer, the total value of such investments may not exceed 80% of the Net Asset Value of the Sub-Fund.

- e) The Transferable Securities and Money Market Instruments referred to in paragraphs III. c) and III. d) shall not be included in the calculation of the limit of 40% stated in paragraph III. b) above.

The limits set out in sub-paragraphs a), b) c) and d) may not be aggregated and, accordingly, investments in Transferable Securities and Money Market Instruments issued by the same issuing body, in deposits or in financial derivative instruments effected with the same issuing body may not, in any event, exceed a total of 35% of any Sub-Fund's net assets;

Companies which are part of the same group for the purposes of the establishment of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in this paragraph III.

The Company may cumulatively invest up to 20% of the net assets of a Sub-Fund in Transferable Securities and Money Market Instruments within the same group.

- f) **Notwithstanding the above provisions, the Company is authorised to invest up to 100% of the net assets of any Sub-Fund, in accordance with the principle of risk spreading, in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities or agencies, or by another member state of the OECD, Singapore, Hong Kong or any member state of the G20 or by public international bodies of which one or more Member States are members, provided that such Sub-Fund must hold securities from at least six different issues and securities from one issue do not account for more than 30% of the total net assets of such Sub-Fund.**
- IV. a) Without prejudice to the limits laid down in paragraph V., the limits provided in paragraph III. are raised to a maximum of 20% for investments in shares and/or bonds issued by the same issuing body if the aim of the investment policy of a Sub-Fund is to replicate the composition of a certain stock or bond index which is sufficiently diversified, represents an adequate benchmark for the market to which it refers, is published in an appropriate manner and disclosed in the relevant Sub-Fund's investment policy.
- b) The limit laid down in paragraph a) is raised to 35% where this proves to be justified by exceptional market conditions, in particular on Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.
- V. The Company may not acquire Shares carrying voting rights which should enable it to exercise significant influence over the management of an issuing body.

Each Sub-Fund may acquire no more than:

- 10% of the non-voting Shares of the same issuer;

- 10% of the debt securities of the same issuer;
- 10% of the Money Market Instruments of the same issuer.

The limits under the second and third indents may be disregarded at the time of acquisition, if at that time the gross amount of debt securities or of the Money Market Instruments or the net amount of the instruments in issue cannot be calculated.

The provisions of paragraph V. shall not be applicable to Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or its local authorities or by any other Eligible State, or issued by public international bodies to which one or more Member States of the EU are members.

These provisions are also waived as regards Shares held by the Company in the capital of a company incorporated in a non-Member State of the EU which invests its assets mainly in the securities of issuing bodies having their registered office in that state, where under the legislation of that state, such a holding represents the only way in which the Company can invest in the securities of issuing bodies of that state provided that the investment policy of the company from the non-Member State of the EU complies with the limits laid down in paragraphs III., V. and VI. a), b), c) and d).

- VI. a) The Company may acquire units of the UCITS and/or Other UCIs referred to in paragraph I. (1) e), provided that no more than 10% of a Sub-Fund's net assets be invested in the units of other UCITS or Other UCI, unless otherwise provided in the Sub-Fund Particular in relation to a given Sub-Fund.

In case a Sub-Fund may invest more than 10% in UCITS or Other UCIs, such Sub-Fund may not invest more than 20% of its net assets in units of a single UCITS or Other UCI.

For the purpose of the application of the investment limit, each compartment of a UCI with multiple compartments is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various compartments vis-à-vis third parties is ensured.

Investments made in units of Other UCIs may not, in aggregate, exceed 30% of the net assets of such Sub-Fund.

- b) The underlying investments held by the UCITS or Other UCIs in which the Company invests do not have to be considered for the purpose of the investment restrictions set forth under III. above.
- c) When the Company invests in the units of other UCITS and/or Other UCIs linked to the Company by common management or control, no subscription or redemption fees may be charged to the Company on account of its investment in the units of such other UCITS

and/or Other UCIs.

In respect of a Sub-Fund's investments in UCITS and Other UCIs linked to the Company as described in the preceding paragraph (excluding any performance fee, if any), the total management fee charged to such Sub-Fund itself and the other UCITS and/or Other UCIs concerned shall not exceed 3% of the relevant assets per annum. The Company will indicate in its annual report the total management fees charged both to the relevant Sub-Fund and to the UCITS and Other UCIs in which such Sub-Fund has invested during the relevant period.

- d) Each Sub-Fund may acquire no more than 25% of the units of the same UCITS and/or Other UCI. This limit may be disregarded at the time of acquisition if at that time the gross amount of the units in issue cannot be calculated.

VII. In compliance with the applicable laws and regulations any Sub-Fund of the Company (hereinafter referred to as a "**Feeder Sub-Fund**") may be authorised to invest at least 85% of its assets in the units of another UCITS or portfolio thereof (the "**Master Fund**"). A Feeder Sub-Fund may hold up to 15% of its assets in one or more of the following:

- ancillary liquid assets in accordance with II;
- financial derivative instruments, which may be used only for hedging purposes;
- movable and immovable property which is essential for the direct pursuit of its business.

For the purposes of compliance with article 42(3) of the 2010 Law, the Feeder Sub-Fund shall calculate its global exposure related to financial derivative instruments by combining its own direct exposure under the second indent of the first sub-paragraph with either:

- the Master Fund actual exposure to financial derivative instruments in proportion to the Feeder Sub-Fund investment into the Master Fund; or
- the Master Fund potential maximum global exposure to financial derivative instruments provided for in the Master Fund management regulations or instruments of incorporation in proportion to the Feeder Sub-Fund investment into the Master Fund.

A Sub-Fund of the Company may in addition and to the full extent permitted by applicable laws and regulations but in compliance with the conditions set-forth by applicable laws and regulations, be launched or converted into a Master Fund in the meaning of Article 77(3) of the 2010 Law.

VIII. A Sub-Fund (the "**Investing Sub-Fund**") may subscribe, acquire and/or hold securities to be issued or issued by one or more Sub-Fund of the Company (each a "**Target Sub-Fund**") without

the Company being, subject to the requirements of the 1915 Law with respect to the subscription, acquisition and/or the holding by a company of its own Shares; under the condition however that:

- unless otherwise provided in the Sub-Fund Particular, the Investing Sub-Fund may not invest more than 10% of its Net Asset Value in a single Target Sub-Fund; and
- the Target Sub-Fund(s) do(es) not, in turn, invest in the Investing Sub-Fund invested in this (these) Target Sub-Fund (s); and
- the investment policy(ies) of the Target Sub-Fund(s) whose acquisition is contemplated does not allow such Target Sub-Fund(s) to invest more than 10% of its(their) Net Asset Value in UCITS and UCIs; and
- voting rights, if any, attaching to the Shares of the Target Sub-Fund(s) held by the Investing Sub-Fund are suspended for as long as they are held by the Investing Sub-Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and
- in any event, for as long as these securities are held by the Investing Sub-Fund, their value will not be taken into consideration for the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of the net assets imposed by the 2010 Law.

- IX. The Company shall ensure for each Sub-Fund that the global exposure relating to derivative instruments does not exceed the total net assets of the relevant Sub-Fund.

The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions. This shall also apply to the following subparagraphs.

If the Company invests in financial derivative instruments, the exposure to the underlying assets may not exceed in aggregate the investment limits laid down in restriction III. When the Company invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in restriction III.

When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be taken into account when complying with the requirements of this restriction.

- X. a) The Company may not borrow for the account of any Sub-Fund amounts in excess of 10% of the total net assets of that Sub-Fund, any such borrowings to be from banks and to be effected only as a temporary basis provided that the purchase of foreign currencies by way of back to back loans remains possible.

- b) The Company may not grant loans to or act as guarantor on behalf of third parties.

This restriction shall not prevent the Company from (i) acquiring Transferable Securities, Money Market Instruments or other financial instruments referred to in I. (1) e), g) and h) which are not fully paid, and (ii) performing permitted securities lending activities (if applicable) that shall not be deemed to constitute the making of a loan.

- c) The Company may not carry out uncovered sales of Transferable Securities, Money Market Instruments or other financial instruments.

- d) The Company may not acquire movable or immovable property.

- e) The Company may not acquire either precious metals or certificates representing them.

- XI. If the percentage limitations set forth in the above restrictions are exceeded for reasons beyond the control of the Company or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.

The Company will in addition comply with such further restrictions as may be required by the regulatory authorities in which the Shares are marketed.

During the first six months following its launch, a new Sub-Fund may derogate from restrictions III., IV. and VI. a), b) and c) while ensuring observance of the principle of risk spreading.

### **Financial Derivative Instruments**

As of the date of this Prospectus, it is not expected that any Sub-Fund invest in financial derivative instruments for hedging purposes, investment purposes or efficient portfolio management purposes.

**It is currently not intended for the Sub-Funds to enter into Total Return Swaps nor into any securities financing transaction** as defined in Regulation (EU) 2015/2365 on transparency of securities transaction and of reuse and amending Regulation (EU) 648/2012 (the "**SFT Regulation**"). This Prospectus will be updated prior to any Sub-Fund entering into such transactions.