

DNCA INVEST

Société d'investissement à capital variable
Registered Office: 60, avenue J.F. Kennedy,
L-1855 Luxembourg,
Grand-Duchy of Luxembourg
R.C.S. Luxembourg B 125.012
(the "**Fund**")

**NOTICE TO THE SHAREHOLDERS OF THE SUB-FUND
DNCA INVEST - CONVERTIBLES
(THE "SUB-FUND")**

Luxembourg, 20 June 2023

Dear Shareholder,

The board of directors of the Fund (the "**Board**") would like to inform you, as shareholders of the Sub-Fund, of its decisions to apply a swing pricing mechanism.

Terms not otherwise defined in this notice will have the same meaning as those defined in the Fund's current prospectus (the "Prospectus").

As from 24 July 2023 (the "**Effective Date**"), the Board has decided to apply a swing pricing mechanism to the Sub-Fund, in order to protect existing shareholders from the performance dilution effects they may suffer as a result of transactions by other investors in a sub-fund and to mitigate the impact of transaction costs associated with large volumes of deals on the net asset value per share.

As a consequence, as from the Effective Date, the following paragraphs will be added in section "6. Determination of the net asset value of shares" of the general part of the Prospectus:

"6. Determination of the net asset value of shares

[...]

Subscriptions and redemptions can potentially have a dilutive effect on the Sub-Funds' net asset value per share and be detrimental to long term investors as a result of the costs, bid-offer spreads or other losses that are incurred by the Fund in relation to the trades undertaken by the Management Company. In order to protect the interest of existing Shareholders, the Board may decide to introduce a swing pricing mechanism to subscriptions and / or redemptions of Shares. This power has been delegated to the Management Company. The decision to use the swing pricing mechanism is under the governance of a swing pricing committee within the Management Company.

The calculation of such adjustments will take into account any provision for the impact of estimated market spreads (bid/offer spread of underlying securities), duties (for example transaction taxes) and charges (for example settlement costs or dealing commission) and other dealing costs related to the acquisition or disposal of investments.

In the usual course of business the application of the swing pricing will be triggered mechanically and on a consistent basis. The need to make a dilution adjustment will depend upon the net value of subscriptions and redemptions received by a Sub-Fund for each Valuation Day. The Fund may therefore apply a dilution adjustment when the total capital activity (aggregate of inflows and outflows) at Sub-Fund level exceeds a pre-determined threshold, as determined by the Fund at its discretion as a percentage of the net assets of that Sub-

Fund for the relevant Valuation day. Where a dilution adjustment is made, it will increase the net asset value per share when there are net inflows into the Sub-Fund and decrease the net asset value per Share when there are net outflows.

Investors are advised that the application of swing pricing may result in increased volatility in a Sub-Fund's valuation and performance, and a Sub-Fund's Net Asset Value may deviate from the underlying investments' performance on a particular Business Day as a result of the application of swing pricing.

As dilution is related to the inflows and outflows of money from the Sub-Fund it is not possible to accurately predict whether dilution will occur at any future point in time. It is also not possible to accurately predict how frequently the Fund will need to make such dilution adjustments.

The Fund may currently apply swing pricing to the Sub-Funds "Convertibles" and "Global Convertibles". The swing pricing is applied on the capital activity at the level of a Sub-Fund and does not address the specific circumstances of each individual investor transaction.

In normal market circumstances the swing pricing is not expected by the Fund to exceed 2% of the last published net asset value per share. In exceptional market circumstances, such as high market volatility, disruption of markets or slowdown of the economy caused by terrorist attack or war (or other hostilities), a serious pandemic or a natural disaster (such as a hurricane or a super typhoon), or any other event that could materially affect the swing pricing, this maximum level may be exceeded on a temporary basis to protect the interests of Shareholders.

Performance fees, if any, are calculated on the basis of the Net Asset Value before the application of swing pricing adjustments.

In the case of special events (Sub-Fund launch, merger, liquidation, subscription or redemption "in kind" etc.) the swing pricing mechanism may not be applied.

[...]"

Please note that the changes above will not entail any additional fees charged by the Fund for their implementation.

All other key features of the Sub-Fund will remain the same.

If you deem that the changes do no longer meet your investments requirements, you may apply for redemption of your shares, free of charge, until 20 July 2023, at 12:00 noon (Luxembourg time).

The changes will be reflected in a new Prospectus to be dated June 2023, a draft of which is available upon request at the registered office of the Fund.

Should you require further information, please contact your financial advisor.

Yours faithfully,

On behalf of the Board