DNCA Invest
Société d'Investissement à Capital Variable
60, avenue J.F. Kennedy, L-1855 Luxembourg
Grand Duchy of Luxembourg
R.C.S. Luxembourg No B125.012
(the "**Company**")

5 November 2019

Dear Shareholder,

DNCA INVEST – LONG SHORT EQUITY merger with DNCA INVEST - MIURI

We are writing you as a shareholder of DNCA INVEST – LONG SHORT EQUITY (the "**Merging Fund**") to advise you that on 13 December 2019 (the "**Effective Date**"), the Merging Fund will merge with DNCA INVEST - MIURI (the "**Receiving Fund**") (the "**Merger**"). You will receive the equivalent value of shares in the Receiving Fund in place of your current shares in the Merging Fund.

Background and rationale

Upon review, the Board concluded that, given the size of the Merging Fund and the Receiving Fund and the similarity in investment approach between the Merging Fund and the Receiving Fund, shareholders in the Merging Fund and the Receiving Fund will benefit from a merger between the Merger Fund the Receiving Fund. The Merging Fund has approximately EUR 248 million under management, while the Receiving Fund has approximately EUR 362 million under management as of the same date. Shareholders in the Merging Fund will be merged into a sub-fund which, the Board believes, will give shareholders access to a similar investment strategy with a similar risk profile.

The Merger will increase the assets under management of the Receiving Fund and will offer investors an alternative fund with appropriate scale and a broadly similar investment approach.

Therefore, the Board believes that shareholders of the Funds will benefit from the Mergers.

The Board has therefore decided, in accordance with Article 27 of the articles of incorporation of the Company (the "**Articles**") and the provisions of the prospectus of the Company (the "**Prospectus**") and in the interest of both funds' shareholders, to merge the Merging Fund into the Receiving Fund.

Investment objectives and policies

The investment objectives of both the Merging Fund and the Receiving Fund include the achievement of a positive performance higher than their respective composite index with a determined volatility threshold mainly through investment in equities issued in Europe.

In order to achieve its investment objective, the Merging Fund is managed based on a market neutral strategy using Pair Trades (as described in its investment strategy in appendix), whereas the Receiving Fund follows an absolute return strategy.

Share classes and annual investment management fee changes

Both are subject to a performance fee of 20% of the positive performance above their respective composite index. The performance fee calculated for the Merging Fund is subject to a High Water Mark as per the methodology stated in the appendix related to the sub-fund of the Prospectus, whereas the Receiving Fund is not subject to any High Water Mark.

For the calculation of the global exposure within the context of the risk management procedure, the Merging Fund uses the absolute value-at-risk method, whereas the Receiving Fund uses the commitment method. Moreover, the Merging Fund may use derivative to generate overexposure, whereas the Receiving Fund may not exceed its net asset value. Therefore, the SRRI of the Receiving Fund is lower than the SRRI of the Merging Fund.

The table below summarises the maximum annual investment management fees (the "**AMC**") and on-going charges (the "**OGC**") for the share classes of the Merging Fund and the Receiving Fund.

Shareholders in the Merging Fund will be charged lower OGC in all cases as a result of the Merger.

The base currency of both the Merging Fund and the Receiving Fund is EUR. A full summary of which Merging Fund share classes will be merged into which Receiving Fund share classes can be found in the appendix of this common merger proposal.

	Merging Fund		**Receiving Fund**	
Share class	**AMC**	**OGC**	**AMC**	**OGC**[1]
I EUR	1.00%	1.07%	1.00%	1.01%
N EUR	1.10%	1.21%	1.10%	1.16%
A EUR	1.80%	1.90%	1.80%	1.81%
B EUR	2.00%	2.11%	2.00%	2.01%
Q EUR	0.2%	0.31%	0.2%	0.28%

Dealing cut-off time and settlement periods for subscriptions and redemptions

There is no change to the dealing cut-off time or the settlement periods. The dealing cut-off time of the Receiving Fund is 12.00 noon Luxembourg time on the dealing day. Orders that reach BNP Paribas Securities Services ("**BNP**") before the cut-off time will be executed on the dealing day. The settlement periods for subscription and redemption are within two business days following a dealing day.

A key features comparison table of the Merging Fund and the Receiving Fund (including the share class changes) can be found in the Appendix.

Merger

This Merger notice is required by Luxembourg law.

As a result of the Merger, there will be no change of legal entities acting as investment manager, which remains DNCA Finance.

Costs and expenses of the Merger

The Merging Fund has no outstanding set-up costs. The expenses incurred in the Merger, including the legal, advisory and administrative costs, will be borne by the Management Company.

The Merging Fund will bear the market-related transaction costs associated with the disposal of any investments that are not in line with the Receiving Fund.

Exchange ratio, treatment of accrued income and consequences of the Merger

On the Effective Date, all the assets and liabilities of the Merging Fund will be transferred to the Receiving Fund. For the shares of each class that you hold in the Merging Fund, you will receive an equal amount

[1] Percentages are per annum and are stated with reference to the net asset value per share. The OGCs include, where applicable, the distribution charge, shareholder servicing charge, investment management fee and other administration costs including the fund administration, custodian and transfer agency costs. They include the management fees and administration costs of the underlying investment funds in the portfolio. The OGCs are as at December 31st, 2018.

by value of shares of the corresponding class (as described under section "Share classes and annual investment management fee changes" above) in the Receiving Fund. The exchange ratio of the Merger will be the result of the ratio between the net asset value of the relevant class of the Merging Fund and the net asset value or initial issue price of the relevant class of the Receiving Fund as of the Effective Date. While the overall value of your holdings will remain the same, you may receive a different number of shares in the Receiving Fund than you had previously held in the Merging Fund.

Any accrued income relating to the Merging Fund's shares at the time of the Merger will be included in the calculation of the final net asset value per share of the Merging Fund and will be accounted for after the Merger in the net asset value per share of the Receiving Fund.

The Merging Fund will cease to exist as of the Effective Date.

You will thus become a shareholder of the Receiving Fund, in the share class which corresponds to your current holding in the Merging Fund. A full summary of which Merging Fund share classes will be merged into which Receiving Fund share classes can be found under section "Existing and New Share Class Mapping" in the Appendix.

The first dealing date for your shares in the Receiving Fund will be 16 December 2019, the related deal cut-off for this dealing day being 12.00 noon Luxembourg time on the dealing day.

Rights of shareholders to redeem/switch

If you do not wish to hold shares in the Receiving Fund from the Effective Date, you have the right to redeem your holding in the Merging Fund or to switch into another sub-fund of the Company at any time up to and including the dealing day on 5 December 2019.

BNP will execute your redemption free of charge or switch instructions in accordance with the provisions of the prospectus of the Company (the "**Prospectus**").

Subscriptions or switches into the Merging Fund from new investors will not be accepted after deal cut-off on 5 December 2019. To allow sufficient time for changes to be made to regular savings plans and similar facilities, subscriptions or switches into the Merging Fund will be accepted from existing investors until 10 December 2019 (deal cut-off at 12.00 noon on 10 December 2019).

Tax status

The conversion of shares at the time of the Merger and/or your redemption or switch of shares prior to the Merger might affect the tax status of your investment. We therefore recommend that you seek independent professional advice in these matters.

Further information

We advise you to read the Receiving Fund's key investor information document (the "**KIID**") which accompanies this letter. It is, together with the KIIDs of all other available share classes, available at www.dnca-investments.com. The Prospectus is also available at that address.

An audit report will be prepared by the approved statutory auditor in relation to the Merger and will be available free of charge upon request from the Management Company.

We hope that you will choose to remain invested in the Receiving Fund after the Merger. If you would like more information, please contact your usual professional adviser or the Management Company on (+352 27 62 13 07).

Yours faithfully,

The Board
DNCA INVEST

Appendix

Key Features Comparison Table

The following is a comparison of the principal features of the Merging Fund and the Receiving Fund. Both are sub-funds of the Company. Full details are set out in the Prospectus and shareholders are also advised to consult the KIID of the Receiving Fund.

	Merging Fund **DNCA Invest – LONG SHORT EQUITY**	**Receiving Fund** **DNCA Invest - MIURI**
Investment Objective and Strategy	Objective: The Sub-Fund seeks to achieve a positive performance higher than the risk-free rate represented by the EONIA rate. This performance is sought by associating it to a lower volatility than 10% in normal market conditions. Strategy: The investment strategy of the Sub-Fund is as follows: The Sub-Fund's strategy qualifies as Long/Short equity and its investment strategy relies on fundamental financial analysis. It invests in equities issued in Europe (EEA, Switzerland and UK). With a net exposure limited to +/- 20% of the assets under management, it is not significantly dependent on the equity market trends and the performance depends essentially on the capacity of the Investment Manager to take the right decisions as to the physical and/or synthetic long positions (through purchase of a share and/or CFD, DPS, options or futures to benefit from its upside potential) and synthetic short position (sale of a share through CFD or DPS to benefit from its downside potential). The Sub-Fund is managed based on a market neutral strategy using Pair Trades, where a "Pair Trade" (i) refers to the combination of a long and a short position in two different equities having a positive correlation with the objective of benefiting from either a relative positive or negative trend, in a same sector or industry-group, or not, and (ii) exposes the Sub-Fund to the relative performance difference between the short position and the long position within each Pair Trade.	Objective: *Until the Effective Date:* The Sub-Fund seeks to achieve a higher annual performance than the risk-free rate represented by the EONIA rate. This performance is sought by associating it to a lower annual volatility than 5%. *As from the Effective Date:* The Sub-Fund seeks to achieve a higher annual performance than the risk-free rate represented by the EONIA rate. The Investment Manager's team (hereinafter the "team") will try to reach this target with an average annual volatility around 5% in normal market conditions, throughout the recommended investment period. Strategy: The Sub-Fund's strategy qualifies as absolute return equity and such strategy relies on fundamental financial analysis. It invests in equities issued by European issuers (EEA plus Switzerland). The gross equity exposure associated with investments of the Sub-Fund (Longs and Shorts) cannot exceed 200% of the net assets of the Sub-Fund. With a net exposure limited to +/- 30% of the assets under management, it is not significantly dependent on the equity market trends and the performance depends essentially on the Investment Manager's capacity in identifying equities that have the characteristics to outperform their market indexes or their sector indexes. More precisely, the strategy of the Sub-Fund is based on: - Investment Manager's capacity in identifying the securities that can potentially outperform their market index.

	Merging Fund **DNCA Invest – LONG SHORT EQUITY**	**Receiving Fund** **DNCA Invest - MIURI**
	More precisely, the Long/Short strategy allows: - to take physical and/or synthetic long positions (through purchase of a share or through CFD, DPS, options or futures) on equity markets when the management team considers that the issuers are undervalued; - to take short synthetic positions (mainly through the sale of equity CFD, DPS, options), when it considers that the issuers are overvalued. The Sub-Fund may also take short synthetic positions through the sale of futures on indices and futures on sectors (directly or through DPS). *Description of categories of assets and financial contracts:* The Sub-Fund may at any time invest in: - Equities issued in Europe (EEA, Switzerland and UK) or equivalent financial instruments (such as ETF, futures, CFD and/or DPS, etc.): from 0 to 100% of its net assets; - Equities issued out of EEA, Switzerland and UK: up to 10% of its net assets, - Equities with total market capitalisation below 150 million Euros: up to 5% of its net assets; - Euro zone Ordinary Bonds, convertibles bonds or equivalent: from 0% to 100% of its net assets; - Money market instruments or deposits, from 0 to 100% of its net assets; - Other financial instruments: up to 10% of its net assets. The currency risk will not exceed 10% of the net assets of the Sub-Fund. The proportion of the Sub-Fund's investments in UCITS or regulated AIFs open to non-professional investors (according to the European directive 2011/61/EU) and qualifying as other UCIs according to Article 41(1) of the	To reach this objective, the Investment Manager buys equities that could outperform and sells at the same time a future contract on market index. The performance will come from the difference of performance between the equity bought and the index sold. - Investment Manager's capacity in identifying the securities that can potentially outperform their sector index, or another related sector. To reach this objective, the Investment Manager buys equities that could outperform their sector of activity or a related sector and sells at the same time a future contract on the sector index (even ETF). The performance will come from the difference of performance between the equity bought and the future contract on sector index or related one sold. *Description of categories of assets and financial contracts:* The Sub-Fund may at any time invest in: - Equities issued in Europe (EEA, Switzerland and UK) or equivalent financial instruments (such as ETF, futures, CFD and/or DPS, etc.): from 0 to 100% of its net assets; - Equities issued out of EEA, Switzerland and UK: up to 5% of its net assets, - Equities with total market capitalisation below 150 million Euros: up to 5% of its net assets; - Euro zone Ordinary Bonds, convertibles bonds or equivalent: from 0% to 100% of its net assets; - Money market instruments or deposits, from 0 to 100% of its net assets; - In other financial instruments: up to 10% of its net assets. The exchange risk will not exceed 10% of the net assets of the Sub-Fund.

	Merging Fund **DNCA Invest – LONG SHORT EQUITY**	**Receiving Fund** **DNCA Invest - MIURI**
	2010 Law, shall not exceed 10% of its net asset. For the purpose of hedging or increasing equity or currency risk, the Sub-Fund also operates on regulated markets of futures on European indexes (included or not in a DPS), as well as in UCITS, including UCITS qualifying as ETFs. The Sub-Fund may use exchange traded or OTC derivatives (other than CFD and DPS), including but not limited to, futures contracts, listed options on equity or index, and non-complex options for the purpose of hedging or increasing equity exposure. The Sub-Fund may also operate on the foreign exchange markets to cover investments realised outside the euro area or relating to the United Kingdom, Switzerland or Scandinavia.	The proportion of the Sub-Fund's investments in UCITS or regulated AIFs open to non-professional investors (according to the European directive 2011/61/EU) and qualifying as other UCIs according to Article 41(1) of the 2010 Law, including ETFs, shall not exceed 10% of its net asset. For the purpose of hedging or increasing equity or currency risk without seeking overexposure, the Sub-Fund also operates on regulated markets of futures on European indexes and future on sectors (included or not in a DPS), as well as in UCITS, including UCITS qualifying as ETFs. The Sub-Fund may use neither options nor any complex financial instrument requiring a valuation through the probabilistic method. The Sub-Fund also operates on the foreign exchange markets to cover investments realised outside the euro area or relating to the United Kingdom, Switzerland or Scandinavia.
Investment Manager	DNCA Finance	DNCA Finance
Synthetic Risk and Reward Indicator (SRRI)	Category 4	Category 3

	Merging Fund **DNCA Invest – LONG SHORT EQUITY**	**Receiving Fund** **DNCA Invest - MIURI**
Risk profile	The Sub-Fund's risk profile is suited for an investment horizon from two to five years. The risks to which the investor is exposed via the Sub-Fund are the following: - Discretionary management risk; - Equity risk; - Counterparty risk; - Securities liquidity risk; - Risk of loss of capital; - Interest-rate risk; - Currency risk; - Risk of investing in derivative instruments.	The Sub-Fund's risk profile is suited for an investment horizon from two to five years. The risks to which the investor is exposed via the Sub-Fund are the following: - Discretionary management risk; - Equity risk; - Counterparty risk; - Securities liquidity risk; - Risk of loss of capital; - Interest-rate risk; - Exchange rate risk; - Risk of investing in derivative instruments (such as contract for difference and dynamic portfolio swap).
Profile of the Typical Investor	All investors, in particular investors looking for a European share market exposure with no reference to any market index. The Sub-Fund is aimed at investors who agree to be exposed to all risks set forth in the risk profile of the Sub-Fund.	All investors, in particular investors looking for a European share market exposure with no reference to any market index. The Sub-Fund is aimed at investors who agree to be exposed to all risks set forth in the risk profile of the Sub-Fund.
Fund Category	Long/Short market-neutral Fund	Absolute Return Fund
Fund Currency	EUR	EUR
Launch Date	16 November 2009	14 December 2011
Dealing Cut-off Time and Settlement Periods for Subscriptions and Redemptions	Orders must reach the Management Company before 12:00 noon Luxembourg time on the dealing day to be executed that day. The settlement periods for subscription and redemption are within two business days following a dealing day.	Orders must reach the Management Company before 12:00 noon Luxembourg time on the dealing day to be executed that day. The settlement periods for subscription and redemption are within two business days following a dealing day.
Risk Management Method	Value-at-Risk	Commitment

	Merging Fund **DNCA Invest – LONG SHORT EQUITY**	**Receiving Fund** **DNCA Invest - MIURI**
Sales commission	For all classes: up to 2.00% of the total subscription amount	For all classes: up to 2.00% of the total subscription amount
Management Fees by Share Class	I EUR: Up to 1.00% per annum A EUR: Up to 1.80% per annum B EUR: Up to 2.00% per annum N EUR: Up to 1.10% per annum Q EUR: Up to 0.2% per annum	I EUR: Up to 1.00% per annum A EUR: Up to 1.80% per annum B EUR: Up to 2.00% per annum N EUR: Up to 1.10% per annum Q: Up to 0.2% per annum
Performance Fees	I EUR, A EUR, B EUR and N EUR: 20% of the outperformance over EONIA index with High Water Mark Q EUR: N/A	I EUR, A EUR, B EUR and N EUR: 20% of the outperformance over EONIA index Q EUR: N/A
Existing and New Share Class Mapping	**Existing Share Class Held**	**New Share Class to be Held**
	I EUR	I EUR
	A EUR	A EUR
	B EUR	B EUR
	N EUR	N EUR
	Q EUR	Q EUR

The Merger will also apply to any additional share classes launched prior to the Effective Date.