

**EAST CAPITAL**  
*Société d'investissement à capital variable*  
Registered office: 11, rue Sainte-Zithe, L-2763 Luxembourg,  
Grand Duchy of Luxembourg  
R.C.S. Luxembourg: B 121.268  
(the "**Company**")

## **NOTICE TO THE SHAREHOLDERS OF EAST CAPITAL SUSTAINABLE EMERGING MARKETS**

Luxembourg, 19 February 2019

Dear Shareholder,

Notice is hereby given to you as a Shareholder of East Capital Sustainable Emerging Markets (the "**Merging Sub-Fund**"), of the decision of the board of directors of the Company (the "**Board of Directors**") to merge the Merging Sub-Fund into East Capital Global Frontier Markets, another sub-fund of the Company (the "**Receiving Sub-Fund**"), in accordance with the provisions of article 1 (20) a) and with Chapter 8 of the 2010 Law (the "**Merger**").

This letter provides you with the details of the proposed Merger transaction and the implications for you as Shareholder of the Merging Sub-Fund. In this document, unless the context requires otherwise, the terms shall have the meaning set out in the Glossary in **Appendix 1**. The timetable of key dates in the process to implement the Merger is set out in **Appendix 3**.

### **1. Rationale for the Merger**

The decision to effect the Merger has been taken as a matter of economic rationalization and is expected to consequently create better conditions in terms of overall efficiencies.

The Board is of the opinion that the decision to undertake the Merger is in the best interests of the Shareholders of the Sub-Funds.

### **2. Comparison of the Merging Sub-Fund and the Receiving Sub-Fund**

The Receiving Sub-Fund has similar characteristics as the Merging Sub-Fund, except as otherwise provided hereunder.

The Merging Sub-Fund mainly aims to provide exposure to companies in emerging markets, whereas the Receiving Sub-Fund mainly aims to provide exposure to companies located in frontier markets throughout the world.

The reference currency of the Merging Sub-Fund and the Receiving Sub-Fund is the EUR.

Investors' attention is drawn to the fact that the applicable fees of the Receiving Sub-Fund are slightly higher due to the nature of the markets in which it invests. Please refer to Appendix 2 for further details.

The risk profile, share classes and types of shares, dealing days, and the principles relating to subscriptions, redemptions and conversions of Shares of the Merging and the Receiving Sub-Fund are similar. The Receiving Sub-Fund and the Merging Sub-Fund are managed by the same management team within the Management Company and supported by the same intra-group advisors.

Shareholders of the Merging Sub-Fund have the right to obtain additional information and copies of documents relating to the Receiving Sub-Fund and the Merger as described under "**Additional information**" below.

A comparison of the principal features of the Merging Sub-Fund and the Receiving Sub-Fund is set out in **Appendix 2**.

### *Risk Profiles*

The Synthetic Risk Reward Indicator ("**SRRI**") demonstrates where an investment fund ranks in terms of its potential risk and reward. The higher the figure, the greater the potential reward, but also the greater the risk of losing money. The SRRIs of the share classes of the Merging Sub-Fund and the Receiving Sub-Fund are disclosed in Appendix 2. The SRRIs may change over time and they may not be a reliable indication of the future risk profile of an investment fund.

### **3. Merger procedure**

Shareholders who have not redeemed their Shares in the Merging Sub-Fund (see *What to do next* below) will become Shareholders of the Receiving Sub-Fund on the Effective Date, and will receive corresponding New Shares in the Receiving Sub-Fund (as set out below) in exchange for the transfer of the assets and liabilities of the Merging Sub-Fund to the Receiving Sub-Fund. Shares in the Merging Sub-Fund will be deemed to have been cancelled and will cease to be of any value.

The investment portfolio of the Merging Sub-Fund will be rebalanced before the Merger to align the investment portfolio with the existing investment portfolio of the Receiving Sub-Fund. East Capital believes that the Mergers should not entail a dilution in performance of the Receiving Sub-Fund.

The New Shares to be issued to Shareholders pursuant to the Merger are as follows:

<b>Merging Sub-Fund: East Capital Sustainable Emerging Markets</b>		<b>Receiving Sub-Fund: East Capital Global Frontier Markets</b>	
<b>Merging Share Class</b>	<b>ISIN code</b>	<b>Receiving Share Class</b>	<b>ISIN code</b>
A EUR	LU1496893543	A EUR	LU1125674454
A SEK	LU1496893899	A SEK	LU1125674611
A USD	LU1496893626	A USD	LU1125674538

C EUR	LU1496893972	C EUR	LU1831154213*
C SEK	LU1638942976	C SEK	LU1920202048*
P EUR	LU1496894194	P EUR	LU1125674702
R EUR	LU1496894350	R EUR	LU1125674967
R GBP	LU1496894434	R GBP	LU1139920265
X EUR	LU1496894277	X EUR	LU1125674884
Z EUR	LU1638919214	Z EUR	LU1920202394*

\* New Receiving Share Class to be launched on the Effective Date.

New Shares will be issued to each Shareholder invested in the Merging Sub-Fund according to the following formula:  $N = (S \times P) / R$

Where:

N = Number of New Shares to be issued to such Shareholder

S = Number of Shares of the corresponding Merging Share Class owned by such Shareholder immediately prior to the Effective Date

P = Price per Share of the corresponding Merging Share Class owned by such Shareholder for purposes of the Merger

R = Price per New Share of the relevant Receiving Share Class

The price of each New Share (R) to be issued in respect of the existing Receiving Share Classes shall be the price based on the net asset value of the Receiving Share Class calculated in accordance with the articles of incorporation and the prospectus of the Company immediately prior to the Effective Date.

The price of each New Share (R) to be issued in respect of new Receiving Share Classes to be launched on the Effective Date shall be 100 in the reference currency of the relevant new Receiving Share Class.

The number of New Shares to be issued to each Shareholder will (if necessary) be rounded up to the nearest fraction (three decimal places).

The total value of New Shares issued will correspond to the total value of the Shares held in the Merging Sub-Fund. While the overall value of the Shareholders' holding will remain the same, they may receive a different number of Shares in the Receiving Sub-Fund than they had previously held Shares in the Merging Sub-Fund.

New Shares in the Receiving Sub-Fund to be allocated to Shareholders of the Merging Sub-Fund in exchange for their Shares in the Merging Sub-Fund as part of the Merger will be free of any initial sales charge, redemption fee or switching commission.

#### 4. Costs

All costs of the Merger will be borne by the Management Company including legal, accounting, custody and other administrative expenses.

#### 5. Tax implications

Please be aware that the Merger may create a chargeable tax event in your country of tax residence. Your tax position may change as a result of the Merger under the tax

laws in the country of your nationality, residence, domicile or incorporation and we strongly suggest seeking advice from your financial advisor to ensure that the Receiving Sub-Fund, in which you will become a Shareholder, is in line with your requirements and situation.

## **6. What to do next**

If you do not redeem or convert your Shares as described below, you will automatically become a Shareholder of the Receiving Sub-Fund on the Effective Date and will be sent a confirmation shortly afterwards detailing your holding of New Shares. Dealing in New Shares will begin on 1 April 2019, being the first business day following the Effective Date.

You have the right to redeem your Shares in the Merging Sub-Fund free of charge or to convert your Shares into shares of another sub-fund of the Company in accordance with the provisions of the prospectus until 16.30 (CET) on 20 March 2019. Thereafter, subscriptions, redemptions and conversions in respect of the Merging Sub-Fund will be suspended.

## **7. Additional Information**

A copy of the KIIDs of the Receiving Sub-Fund which should be carefully read is enclosed hereto. You may also obtain copies of the prospectus and the instrument of incorporation of the Company, a copy of the relevant KIIDs of the Receiving Sub-Fund, a copy of the auditor's report, a copy of the common terms of merger, and a copy of the respective confirmation statements made by the depositary in respect of the Merger, in each case free of charge, upon written request to the Management Company.

If you have any questions or would like any further information, please contact us at our registered office.

Yours faithfully,

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For and on behalf of the board of directors of East Capital

## Appendix 1

### Glossary

<b>2010 Law</b>	the Luxembourg law of 17 December 2010 regarding undertakings for collective investment, as amended;
<b>CET</b>	Central European Time;
<b>Effective Date</b>	The effective date of such Merger (expected to be 29 March 2019 at 23:59 (Luxembourg time)) or such other time and/or date as may, prior to such other time and/or date, be agreed;
<b>KIID</b>	a short document containing key information for investors, the so-called key investor information document according to article 78 of EU Directive 2009/65/EC;
<b>Management Company</b>	East Capital Asset Management S.A., the appointed management company of East Capital;
<b>Merger</b>	the merger of the Merging Sub-Fund into the Receiving Sub-Fund;
<b>Merging Share Classes</b>	the classes of Shares within the Merging Sub-Fund;
<b>New Shares</b>	Shares of the appropriate Class in the Receiving Sub-Fund to be issued pursuant to the Merger;
<b>Receiving Share Classes</b>	the classes of Shares within the Receiving Sub-Fund;
<b>Shares</b>	any shares of any class of a Merging Sub-Fund or Receiving Sub-Fund;
<b>Shareholders</b>	in respect of the Merging Sub-Fund and the Receiving Sub-Fund, each person entered as a shareholder;
<b>UCITS</b>	an undertaking for collective investment in transferable securities established in accordance with the EU Directive 2009/65/EC

## Appendix 2

### Merger of East Capital Sustainable Emerging Markets into East Capital Global Frontier Markets

#### Comparison of the Principal Features

Feature	Merging Sub-Fund	Receiving Sub-Fund
<b>Company</b>	East Capital	East Capital
<b>Sub-Fund</b>	East Capital Sustainable Emerging Markets	East Capital Global Frontier Markets
<b>Type of Fund</b>	UCITS	UCITS
<b>Management Company</b>	East Capital Asset Management S.A.	East Capital Asset Management S.A.
<b>Portfolio Management Company</b>	N/A	N/A
<b>Investment Adviser(s)</b>	The Management Company may appoint one or more investment advisers to advise it on the management of the fund.	The Management Company may appoint one or more investment advisers to advise it on the management of the fund.
<b>Depository</b>	Skandinaviska Enskilda Banken S.A.	Skandinaviska Enskilda Banken S.A.
<b>Dealing</b>	Daily	Daily
<b>Dealing Days</b>	any day that is a business day in Luxembourg and Sweden (except on 24 December) and which are also days where stock exchanges and/or regulated markets in countries where the Sub-Fund is materially invested are open for normal trading.	any day that is a business day in Luxembourg and Sweden (except on 24 December) and which are also days where stock exchanges and/or regulated markets in countries where the Sub-Fund is materially invested are open for normal trading.
<b>Deferred Redemption</b>	If redemption requests for more than 10% of the net asset value of a Sub-Fund are received, then the Board of Directors shall have the right to limit redemptions, so they do not exceed this threshold amount of 10%.	If redemption requests for more than 10% of the net asset value of a Sub-Fund are received, then the Board of Directors shall have the right to limit redemptions, so they do not exceed this threshold amount of 10%.
<b>Investment Objective and Policy</b>	<p>The investment objective of the Sustainable Emerging Markets Sub-Fund is to achieve superior capital growth through exposure to companies located in Emerging Markets (as defined below) throughout the world.</p> <p>Sustainable investing recognises that economic, health, environmental, social and governance factors directly influences the long-term business</p>	<p>The investment objective of the Global Frontier Markets Sub-Fund is to provide long-term capital growth through exposure to companies located in frontier markets throughout the world.</p> <p>The Sub-Fund will invest at least 75% of its assets directly or indirectly in equity or equity-related securities (such as, but not limited to, ADRs and GDRs) of companies domiciled in frontiers markets or</p>

	<p>profitability of companies. The Sub-Fund intends to gain exposure to companies that demonstrate sustainable practices and processes, which enable them to maintain, and grow, their profits in a changing environment over the long-term.</p> <p>For the purpose of this Sub-Fund, "Emerging Markets" are defined as countries not classified as developed by the recognised major indices, or which are considered as low or middle income countries by the World Bank.</p> <p>The Sub-Fund will invest at least 75% of its assets directly or indirectly in equity or equity-related securities (such as, but not limited to, ADRs and GDRs) of companies domiciled in Emerging Markets or that exercise a significant part of their economic activity there.</p> <p>Indirect exposure to companies located in Emerging Markets will be achieved, inter alia, by investing in UCITS, other UCIs, as well as through UCITS eligible structured products such as participatory notes and/or equity-linked notes.</p> <p>The Sub-Fund may invest directly up to 30% of its net assets in China A-Shares through the Shanghai-Hong Kong Stock Connect, or through any similar acceptable securities trading and clearing linked program or other eligible means providing PRC stock market access which may be available to the Sub-Fund in the future. A description of the above programs as well as risks linked thereto can be found under section "Specific risk factors for China" in Appendix II of this Prospectus.</p> <p>Under normal market conditions, investment in debt instruments of any kind will not exceed 25% of the Sub-Fund's assets.</p> <p>The Sub-Fund may hold liquid assets on an ancillary basis.</p>	<p>that exercise a significant part of their economic activity there.</p> <p>Indirect exposure to companies located in frontier markets will be achieved, inter alia, by investing in UCITS, other UCIs, equity swaps as well as through UCITS eligible structured products such as participatory notes and/or equity-linked notes.</p> <p>For the purpose of this Sub-Fund frontier markets are defined as less advanced and less accessible emerging market countries that are included in Frontier Markets-related indices. The Sub-Fund may also invest in any country which is classified as an Emerging Market, or any other market not yet classified as Frontier Markets, but which, in the opinion of the Management Company, demonstrates economic characteristics of countries included in the Frontier Markets-related indices.</p> <p>Under normal market conditions, investment in debt instruments of any kind will not exceed 25% of the Sub-Fund's assets.</p> <p>The Sub-Fund may hold liquid assets on an ancillary basis.</p> <p>The Sub-Fund may use financial derivative instruments and techniques and instruments relating to transferable securities and money market instruments for efficient portfolio management and hedging purposes and for investment purposes.</p> <p>The Sub-Fund will hold a diversified portfolio of equity securities unconstrained as to geography, sector or market capitalisation.</p>
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	The Sub-Fund will hold a diversified portfolio of equity securities unconstrained as to geography, sector or market capitalisation.	
<b>Base currency</b>	EUR	EUR
<b>Typical Investor Profile</b>	The Sub-Fund mainly invests in Emerging Markets. Whilst the long-term growth potential of each one of these markets make this Sub-Fund attractive for investors looking for high investment returns, investors in the Sub-Fund need to be comfortable with the additional political and economic risks associated with Emerging Markets investments. The Sub-Fund may, therefore, be suitable for investors who already have a globally diversified portfolio and now want to expand into riskier assets in order to potentially boost returns. Because these stock markets can be very volatile, investors should also have an investment horizon of at least five years.	The Sub-Fund mainly invests in Frontier Markets. Whilst the long-term growth potential of each one of these markets make this Sub-Fund attractive for investors looking for high investment returns, investors in the Sub-Fund need to be comfortable with the additional political and economic risks associated with Frontier Markets investments. The Sub-Fund may, therefore, be suitable for investors who already have a globally diversified portfolio and now want to expand into riskier assets in order to potentially boost returns. Because these stock markets can be very volatile, investors should also have an investment horizon of at least five years.
<b>Derivatives</b>	The Sub-Fund may use financial derivative instruments and techniques and instruments relating to transferable securities and money market instruments for efficient portfolio management and hedging purposes and for investment purposes.	The Sub-Fund may use financial derivative instruments and techniques and instruments relating to transferable securities and money market instruments for efficient portfolio management and hedging purposes and for investment purposes.
<b>Risk Management Approach</b>	Commitment Approach	Commitment Approach
<b>Synthetic Risk Reward Indicator (SRRI)</b>	6 (All Share Classes)	5 (All Share Classes)
<b>Management Fee (maximum)</b>	Class A, B and G Shares: 1.50% pa Class C and D Shares: 1.00% pa Class P Shares: 0.75% pa Class R Shares: 1.10% pa Class S Shares: 1.00% pa Class X Shares: 0% pa Class Z Shares: 0.50% pa	Class A, B and G Shares: 2.00% pa Class C and D Shares: 1.50% pa Class P Shares: 1.1% pa Class R Shares: 2.00% pa Class S Shares: 1.50% pa Class X Shares: 0% pa Class Z Shares: 1.20%
<b>Performance Fee in respect to Class P Shares</b>	Performance Fee Rate of 15%. The "Performance Fee Benchmark" is the MSCI Emerging Markets Index.	Performance Fee Rate of 20%. The "Performance Fee Benchmark" is the MSCI Frontier Markets Index.
<b>Operating,</b>	Class A, B and G Shares: 0.45% pa	Class A, B and G Shares: 0.5% pa



<b>Administrative and Servicing Expenses</b>	Class C and D Shares: 0.35% pa Class P Shares: 0.35% pa Class R Shares: 0.45% pa Class S Shares: 0.35% pa Class X Shares: 0.35% pa Class Z Shares: 0.25% pa	Class C and D Shares: 0.35% pa Class P Shares: 0.35% pa Class R Shares: 0.45% pa Class S Shares: 0.35% pa Class X Shares: 0.35% pa Class Z Shares: 0.35% pa
<b>Subscription Fee</b>	A subscription fee of up to 5% of the net assets value of the Class A Shares (except for Class A SEK) and B Shares being subscribed may be charged for the benefit of distributors and other financial intermediaries. No subscription fee will be charged to the other Share Classes and Class A SEK Shares unless otherwise specified for a relevant Share Class.	A subscription fee of up to 5% of the net assets value of the Class A Shares (except for Class A SEK) and B Shares being subscribed may be charged for the benefit of distributors and other financial intermediaries. No subscription fee will be charged to the other Share Classes and Class A SEK Shares unless otherwise specified for a relevant Share Class.
<b>Redemption Fee</b>	No redemption charge will be charged.	No redemption charge will be charged.
<b>Conversion Fee</b>	East Capital may charge redemption and subscription fees (if any)	East Capital may charge redemption and subscription fees (if any)
<b>Initial Investment Minima in EUR or its equivalent in the reference currency of the relevant Share Class</b>	Class A, B and G Shares: N/A Class C and D Shares: 500,000 Class P Shares: 500,000 Class R Shares: N/A Class S Shares: 20,000,000 Class X Shares: 2,000,000 Class Z Shares: N/A	Class A, B and G Shares: N/A Class C and D Shares: 500,000 Class P Shares: 500,000 Class R Shares: N/A Class S Shares: 20,000,000 Class X Shares: 2,000,000 Class Z Shares: N/A
<b>Accounting year</b>	1 January until 31 December each year	1 January until 31 December each year

### Appendix 3

#### Timetable of the Merger

<b>ACTION</b>	<b>DATE</b>
Cut-off for receipt of deals in Merging Sub Fund	20 March 2019 16.30
Suspension of dealing in Merging Sub-Fund	21 March 2019
<b>Effective Date of the Merger</b>	expected to be 29 March 2019 at 23:59 CET
Open for dealing in New Shares	1 April 2019