Information to Unit-Holders

in connection with the restructuring through merger of mutual funds: UBB Platinum Euro Bond, UBB Balanced Fund, UBB Premium Equity, UBB Patrimonium Land, UBB Global Pharm Invest, UBB Global Child Fund, UBB Global Growth and UBB Global Dividend, into UBB Platinum Bond Mutual Fund, and

the conversion of UBB Platinum Bond Mutual Fund into a feeder collective investment scheme within the meaning of Art. 67 of the Collective Investment Schemes and Other Undertakings for Collective Investment Act (CISOUCIA)

This information document has been prepared in accordance with the requirements of Art. 151 and Art. 79, para. 1 of the CISOUCIA in connection with the planned restructuring (**Restructuring**) through merger of mutual funds *UBB Platinum Euro Bond, UBB Balanced Fund, UBB Premium Equity, UBB Patrimonium Land, UBB Global Pharm Invest, UBB Global Child Fund, UBB Global Growth and UBB Global Dividend* (the **Restructuring Funds**) into Mutual Fund *UBB Platinum Bond* (the **Receiving Fund**), as well as the subsequent conversion of the Receiving Fund into a feeder collective investment scheme within the meaning of Art. 67 of the CISOUCIA, which will invest not less than 85% of its assets in shares of the investment sub-fund *Horizon Platinum Portfolio*.

Unit-holders in the Restructuring Funds and in the Receiving Fund should read this document carefully, as it contains important information about their investment.

17.09.2021

Contents

I. Background and rationale

1. Type of restructuring and participating collective investment schemes. Conversion of the Receiving Fund into a feeder collective investment scheme

The restructuring will be carried out pursuant to Art. 141, para. 1, second variation of the CISOUCIA by merging each of the Restructuring Funds - mutual funds *UBB Platinum Euro Bond, UBB Balanced Fund, UBB Premium Equity, UBB Patrimonium Land, UBB Global Pharm Invest, UBB Global Child Fund, UBB Global Growth* and *UBB Global Dividend*, into the Receiving Fund - Mutual Fund *UBB Platinum Bond*.

As a result of the Restructuring, the Restructuring Funds will be dissolved without liquidation and will transfer to the Receiving Fund all their assets and liabilities against the provision of units of the Receiving Fund to the holders of units of the Restructuring Funds under the terms and conditions described in this document.

The following collective investment schemes ("**CIS**") are involved in the Restructuring, which are managed by *KBC Asset Management N.V.*, with seat and registered office at: 1080, Havenlaan 2, B-1080, Brussels, Kingdom of Belgium, identification number 0469.444.267 (**KBC AM** or the **Management Company**), through its branch KBC Asset Management N.V. - Branch, with seat and registered office at: Sofia 1463, Triaditsa district, 89B Vitosha Blvd., Millennium Centre, 6th floor, UIC 205422541 (the **Branch**):

Table No 1

Name	***UIC as per BULSTAT***
Restructuring Funds	
MF UBB Platinum Euro Bond	175882207
MF UBB Balanced Fund	131326575
MF UBB Premium Equity	131562547
MF UBB Patrimonium Land	175527149
MF UBB Global Pharm Invest	175882221
MF UBB Global Child Fund	176999341
MF UBB Global Growth	177002602
MF UBB Global Dividend	177002577
Receiving Fund	
MF UBB Platinum Bond	131562537

The restructuring is carried out in connection with a decision of the Executive Committee of the Board of Directors of KBC AM dated 25.05.2021 (the "**Decision for Restructuring**"), taken in accordance with Art. 143, para. 3 of the CISOUCIA. The Financial Supervision Commission has issued a permission by their Decision No 489 ДФ/13.07.2021 for carrying out the Restructuring.

In addition, with its Decision for Restructuring the Management Company has adopted a number of changes in the constituent rules, the prospectus, the document with key investor information and the other organizational documents of the Receiving Fund. The adopted changes envisage a change in the name of the Receiving Fund to be **MF UBB Platinum Bulgaria**, the implementation of changes in the investment policy and the risk profile of the Receiving Fund and its conversion into a feeder collective investment scheme within the meaning of Art. 67, para. 1 of the CISOUCIA (the "**Conversion**") which will invest at least 85% of its assets in shares of *Horizon Platinum Portfolio* (the "**Master Sub-Fund**"). The Master Sub-Fund is an investment sub-fund of *Horizon N.V.*, an open-ended investment company duly incorporated and existing under the laws of the Kingdom of Belgium, with seat and registered office at: Havenlaan 2, B 1080, Brussels, Kingdom of Belgium, which is managed by the Management

Company in accordance with the requirements of Directive 2009/65/EC*, as transposed into the legislation of the Kingdom of Belgium.

According to the Decision for Restructuring, the changes in the name, investment policy and risk profile, as well as all other changes in the organizational documents of the Receiving Fund, will enter into force on the effective date of the Restructuring. In this regard, according to the Decision for Restructuring and Decision No 490 ДФ / 13.07.2021, whereby the Financial Supervision Commission permits the Conversion, the Receiving Fund will effectively become a feeder collective investment scheme and will start investing in shares of the Master Sub-Fund, respectively, will start to comply with the investment restrictions specified in the CISOUCIA and its implementing acts on feeder collective investment schemes, within one month after the effective date of the Restructuring, i.e. not later than 12.12.2021.

2. Rational of the proposed restructuring

(a) Improved asset management efficiency

One of the main objectives of the proposed Restructuring is to improve the long-term efficiency and profitability of the investment decisions offered by the Management Company to investors in the Restructuring Funds and in the Receiving Fund, in the interest of achieving optimal investment results.

Reduction of fixed costs

The merger of the Restructuring Funds into the Receiving Fund will contribute to this goal by reducing some of the current costs associated with the management of the nine funds participating in the Restructuring.

As a result of the Restructuring, the Restructuring Funds will be dissolved without liquidation and will transfer all their assets to the Receiving Fund. This will eliminate the need for current payment of a number of fixed costs for each of the eight Restructuring Funds, and such costs will be due only by the Receiving Fund. These costs include:

- remuneration of the depository bank of each of the Restructuring Funds;
- remuneration of the registered auditor of each of the Restructuring Funds;
- supervisory fees of the FSC;
- fees of Central Depository AD in connection with the administration of the issues of units of the Restructuring Funds.

These costs are incurred on an ongoing basis by each of the funds participating in the Restructuring, and their amount depends only to a limited extent on the net asset value ("**NAV**") of the respective fund and is most often fixed, regardless of the NAV. This means that the fixed costs charge investors in each of the funds participating in the Restructuring to a greater extent than their weight after the Restructuring, and the effect of these costs on the return on investment is greater for investors in funds with a lower NAV (such as the Restructuring Funds) and correspondingly more limited to investors in high NAV funds (such as the Receiving Fund). Table No 2 illustrates the effect of the fixed costs on the NAV of each of the funds participating in the Restructuring.

Table No 2

Name of the fund	***Average annual NAV for 2020 in BGN***	***Fixed costs for 2020 in BGN***	***Fixed costs for 2020 as % of NAV***
Receiving fund	147 356 082.62	16 511.96	*0.011%*
Restructuring funds totally	136 070 382.88	108 905.47	*0.080%*
MF UBB Balanced Fund	9 763 779.03	7 429.02	*0.076%*

* Directive 2009/65 / EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS)

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MF UBB Premium Equity	11 058 509.76	16 830.22	*0.152%*
MF UBB Patrimonium Land	28 369 695.26	16 993.89	*0.060%*
MF UBB Global Pharm Invest	13 758 504.46	14 438.56	*0.105%*
MF UBB Platinum Euro Bond	64 253 348.37	25 502.60	*0.040%*
MF UBB Global Child Fund	1 967 084.26	9 010.18	*0.458%*
MF UBB Global Growth	3 227 548.91	9 336.70	*0.289%*
MF UBB Global Dividend	3 671 912.83	9 364.30	*0.255%*

As a result of the Restructuring, the fixed costs of the Restructuring Funds listed in Table No 2 will be eliminated. At the same time, the NAV of the Receiving Fund will increase by the NAV of the Restructuring Funds as of the effective date of the Restructuring. Therefore, the effect of the fixed costs borne by the Receiving Fund on its net asset value will be further reduced after the effective date of the Restructuring.

Table No 3 provides ***an example*** of this effect based on 2020 data on the funds participating in the Restructuring.

Table No 3

An example of NAV of the Receiving Fund after its increase with NAV of the Restructuring Funds, according to data for 2020 in BGN	***Fixed costs on the example value of NAV of the Receiving Fund according to data for 2020 in BGN***	**Fixed costs according to data for 2020 as a % of the example value of NAV of the Receiving Fund**
283 426 465.50	17 048.12	*0.006%*

The Restructuring will also allow the realization of additional economies of scale of the Receiving Fund by aggregating overlapping positions in the portfolios of the participating funds, as well as by merging the positions of the same investor in several funds participating in the Restructuring. This will further reduce the costs of administering the funds paid to Central Depository AD, incl. the cost of administering the units.

Increased operational efficiency

In addition, the merger of the eight Restructuring Funds into the Receiving Fund will increase the operational efficiency of the portfolio management of the participating funds. The merging of the nine funds into one common operational unit will create preconditions for more efficient use of the personal and technical resources of the Management Company, limiting the duplication of work processes, reducing the administrative burden on the Management Company. In this way, the operational risk to which funds participating in the Restructuring are exposed will be reduced and the quality of their management will be increased.

Increasing operational efficiency by limiting duplication of work processes is of particular importance for the two largest mutual funds involved in the Restructuring - the Receiving Fund and the Restructuring UBB Platinum Euro Bond. Given that the investment structure of the two funds is very similar and consists of partly overlapping positions in European bonds, there is no objective need to maintain parallel processes for monitoring, valuation and management of their portfolios by KBC AM. In this regard, the fact that the units in MF UBB Platinum Euro Bond are denominated in EUR and those in the Receiving Fund are denominated in BGN is of secondary importance for the implementation of the Restructuring, as the possible risks arising from this are limited by the maintenance of a fixed central exchange rate between BGN and EUR.

The implementation of the Restructuring and the subsequent Conversion of the Receiving Fund into a feeder collective investment scheme, which invests not less than 85% of its assets in the Belgian Master Sub-Fund, will increase the efficiency of asset management of the other Restructuring Funds as well.

In particular, the consolidation of the portfolios of the Restructuring Funds, which invest in a global selection of instruments – MF UBB Global Pharm Invest, MF UBB Global Child Fund, MF UBB Global

Growth, MF UBB Global Dividend and MF UBB Patrimonium Land, in a single portfolio managed at the level of the Master Sub-Fund, will allow the activation of synergies between different regional divisions of the Management Company and/or other companies of the KBC Group, which have a specific expertise in the management of the relevant instruments. Thus, investors in Restructuring Funds with a global focus will have access to highly specialized asset management services. At the same time, managing the assets of each of these funds in a single portfolio will allow for economies of scale and will reduce the management fee paid by investors by more than twice (more information on the impact of the Restructuring can be found in the section on each of the Restructuring Funds - section *III. Expected impact of the proposed Restructuring on the unit-holders of the Restructuring Funds and of the Receiving Fund*, below).

All this will allow more efficient management of the assets of the Restructuring Funds with investment focus on the Bulgarian market - MF UBB Balanced Fund and MF UBB Premium Equity - with the help of the local structures of the Management Company, while the consolidation of the investment portfolios of the funds will improve the operational framework of this process and will reduce the management fee paid by investors more than twice (more information on the impact of the Restructuring can be found in the section on each of the Restructuring Funds - Section *III. Expected Impact of the proposed Restructuring on the unit-holders of the Restructuring Funds and of the Receiving Fund*, below).

(b) Improved prospects for return of the Receiving Fund and MF UBB Platinum Euro Bond

The target distribution of the assets of the Receiving Fund and of the Restructuring MF UBB Platinum Euro Bond is the same - up to 100% debt instruments (government securities and bonds) and up to 20% shares, as the investment portfolios of both funds consist of over 80% of debt instruments from Europe. The historically low return on debt instruments of European issuers in recent years has led to a low return on investment in these funds, with each of the last three years showing a negative result. At the same time, the current macroeconomic environment and easier access to finance for countries and companies do not allow for a forecast for improvement of the yield on debt instruments in the medium term.

Table No 4

Name of the fund	***Change of the NAV per unit of the fund for 2018***	***Change of the NAV per unit of the fund for 2019***	***Change of the NAV per unit of the fund for 2020***
MF UBB Platinum Bond	**- 0.3%**	**- 0.1%**	**1.3%**
MF UBB Platinum Euro Bond	**- 0.1%**	**- 0.2%**	**1.1%**

As a result of the Restructuring and Conversion, the investment portfolio of the Receiving Fund will have a significant indirect exposure to shares and other equity securities, similar to those in which a part of the Restructuring Funds have invested, such as MF UBB Premium Equity, MF UBB Global Pharm Invest, MF UBB Global Child Fund, MF UBB Global Growth and MF UBB Global Dividend.

Thus, the asset structure of the Receiving Fund will be enriched with indirect exposures to equity instruments, and the target distribution in the investment strategy of the Receiving Fund will be changed, as the proportion of eligible investments in shares will be moderately increased from 20% to 30% in view of the target allocation of the portfolio of the Master Sub-Fund, in which the Receiving Fund will invest at least 85% of its assets after the Conversion. This will create better preconditions for improving the return for investors in the Receiving Fund and in the Restructuring MF UBB Platinum Euro Bond without a significant increase in the risk profile of the investment.

(c) Better risk management through improved diversification of investments of the Restructuring Funds

A significant part of the Restructuring Funds invests their assets in specific economic sectors or geographical regions. For example, MF UBB Global Pharm Invest invests in the healthcare sector, MF

UBB Global Child Fund invests in the children's goods sector, and MF UBB Premium Equity invests primarily in instruments issued by Bulgarian issuers.

This concentration creates prerequisites for higher profitability in case of accelerated development of the specific market segment, but is also associated with an increased risk of losses in times of economic shocks or regional economic crises. The risk of concentration is further aggravated by the ongoing humanitarian and economic crisis caused by the spread of COVID-19, which is burdening disproportionately certain economic sectors and countries.

As a result of the Restructuring, the investment portfolios of all participating funds will be merged into the single portfolio of the Receiving Fund, and after the Conversion into the portfolio of the Master Sub-Fund, in which the Receiving Fund will invest at least 85% of its assets. Thus, the final investment of the Receiving Fund will consist of up to 70% of bonds and up to 30% of shares. The investment focus of the Receiving Fund will be global, while at the same time significant positions will be maintained in shares of Bulgarian issuers (up to 15%) and in debt instruments of issuers from Central and Eastern Europe ("**CEE**") (up to 50%). In this regard, the Restructuring will help to build a broadly diversified portfolio that includes investments in a variety of assets with a low level of correlation between them. This will improve the risk profile of the Receiving Fund compared to that of almost all Restructuring Funds, while maintaining good preconditions for achieving a moderate return on investment.

(d) Creating a complete range of investment decisions

The restructuring is a part of the overall strategy of the Management Company and the KBC Group to create a coherent range of investment decisions for its Bulgarian clients. In this regard, the Restructuring aims to create a well-diversified fund with significant positions in issuers from Bulgaria and the region of Central and Eastern Europe, which will complement the UBB ExpertEase sub-funds offered by the Management Company in Bulgaria, which are globally oriented and have graded risk characteristics corresponding to the different risk appetite of potential investors.

As part of the Restructuring Funds have a similar risk profile and global investment focus (e.g. MF UBB Global Growth and MF UBB Global Dividend) with other investment products offered by KBC AM, there is a risk of overlap between the different products to prevent their successful commercialization and building a sustainable size of the NAV. The existence of such an overlap is undesirable, as it would ultimately prevent investors from achieving an optimal investment result according to their personal preferences.

II. Expected impact of the proposed Restructuring on the unit-holders in the Restructuring Funds and in the Receiving Fund

1. Expected impact of the Restructuring on the unit-holders in MF UBB Platinum Euro Bond

To illustrate the expected impact of the Restructuring on the unit-holders in **MF UBB Platinum Euro Bond**, the following table compares the main parameters of the Restructuring Fund and of the Receiving Fund:

Table No 5

Main parameters	***MF UBB Platinum Euro Bond***	***Receiving fund**** ** After the implementation of the Restructuring and the Conversion*
Main characteristics	mutual fund investing directly in financial instruments and liquid assets freely transferable units with a nominal value of **EUR 10** and equal rights, incl. right of liquidation share, right of redemption, right of complaint, right of information daily determination of NAV minimum amount of investment – **EUR 500**	mutual fund investing as a feeder CIS min. 85% in shares of the Master Sub-Fund freely transferable units with a nominal value of **EUR 10** and equal rights, incl. right of liquidation share, right of redemption, right of complaint, right of information daily determination of NAV minimum amount of investment – **BGN 100** (BGN 20 in case of a SIP contract)
Depository bank	Eurobank Bulgaria AD, UIC 000694749	United Bulgarian Bank AD, UIC 000694959
Objectives and investment policy	Debt financial instruments (FI) denominated in euro (up to 100%), equity FI (up to 20%), securities and money market instruments denominated in euro (up to 10%)	shares in the Master Sub-Fund (min. 85%), liquid assets and hedging derivatives (up to 15%); The Master Sub-Fund invests in bonds (up to 70%, including up to 50% of CEE) and shares (up to 30%, including up to 15% of Bulgaria)
Risk profile	Mixed “conservative” fund (Europe) Risk and return indicator according to document with key investor information (DKII) - **2 of 7**	Global mixed “balanced” fund Risk and return indicator according to DKII - **4 of 7**
Risk profile of the target investor	Conservative Recommended holding period - **2 years**	Balanced Recommended holding period – **3 - 5 years**
One-off costs and fees (max.)	Subscription fee: 0.00% Redemption fee: 0.00% after 3 months 0.50% up to 3 months	Subscription fee: 2.50% Redemption fee: 0.00% after 1 month 5.00% up to 1 month
Running costs and charges	Running costs (for 2020): 0.56%, incl. 0.50% management fee Performance fee: no	Running costs (forecast): 1.36%, incl. 1.16% management fee Performance fee: no
Tax treatment of the investment	No capital gain tax	No capital gain tax

Prior to the entry into effect of the Restructuring, no restructuring of the portfolio of **MF UBB Platinum Euro Bond** is envisaged. However, as a result of the Restructuring, there will be some *material changes* in the status of unit-holders in the Fund.

In particular, on the effective date of the Restructuring, **MF UBB Platinum Euro Bond** will be merged into the Receiving Fund, as a result of which the Restructuring Fund will be dissolved without liquidation and all its assets and liabilities will be transferred to the Receiving Fund. Investors, who hold units in **MF UBB Platinum Euro Bond** as at the effective date of the Restructuring, will receive in return units in the Receiving Fund in accordance with the determined exchange ratio, thus becoming unit holders in the Receiving Fund (more information on the method for determining the exchange ratio and the Restructuring schedule can be found in Section IV below).

In essence, the exchange will not affect the rights of investors as holders of units in a collective investment scheme managed by KBC AM through the Branch. The new units will continue to be freely transferable and will provide investors with the same rights in the Receiving Fund, incl. the right to a relevant part of the fund's assets (including in the event of its liquidation), the right of redemption, the right to lodge a complaint and the right to information. The Management Company will continue to issue and repurchase units of the Receiving Fund at prices determined daily on the basis of the NAV per unit of the Fund (taking into account possible subscription and redemption fees), and both the issuance of whole and partial units will be admissible. No change is envisaged in the way all accrued revenues in the Receiving Fund will be treated compared to **MF UBB Platinum Euro Bond**, as they will be reinvested in accordance with the investment policy of the fund.

No changes are envisaged in the manner and periodicity of providing information to unit-holders by the Management Company acting on behalf of the Receiving Fund, as the Management Company, through the Branch, will prepare and disclose half-yearly and annual financial statements for the Receiving Fund, as well as other statutory information in accordance with the requirements of the CISOUCIA and the acts for its implementation.

However, the merger of **MF UBB Platinum Euro Bond** into the Receiving Fund will have a *significant impact* on the nature of the investment, the investment objectives, the risk profile and the structure of costs and fees related to the investment of unit-holders in the Restructuring Fund. This impact includes:

- *Change in the nature of the investment made,* resulting from the conversion of the Receiving Fund into a feeder CIS within the meaning of Art. 67, para. 1 of CISOUCIA, as a result of which the Receiving Fund will not invest directly in various types of debt and equity financial instruments, but will invest not less than 85% of its assets in such instruments indirectly, by subscribing shares in the Master Sub-Fund, which will be actively managed by the Management Company.

- *Change in the investment policy* caused by the difference in the target distribution of the assets of **MF UBB Platinum Euro Bond**, which may invest up to 100% of its assets in debt instruments denominated in euro, and of the Receiving Fund, which will invest no less than 85% of its assets in shares of the Master Sub-Fund, which in turn will invest up to 70% of its assets in debt instruments denominated in different currencies, and will be able to invest up to 30% in shares.

- *Change in the risk profile of the investment* - there is an increase in the level of risk of the investment from low to moderate, as the synthetic indicator of risk and return, defined in the documents with key investor information (**DKII**) of both funds, increases from 2nd to 4th level on the 7-level scale of risk and return[*]. This is partly due to the difference in the structure of investments of **MF UBB Platinum Euro Bond** and the Receiving Fund. While the Restructuring Fund's portfolio includes mainly debt instruments issued in Europe, the Receiving Fund's portfolio will have exposure to a global selection of both debt and, to a lesser extent, equity instruments. In addition, the Receiving Fund, as a feeder CIS, is exposed to some specific risks arising from the master-feeder CIS structure, incl. concentration risk related to the fact that the performance of the Receiving Fund depends essentially on the investment policy and market development of the investments of the Master Sub-Fund, i.e. the fund seeks to achieve diversification at the level of Master Sub-Fund, liquidity risk, etc.

- *Change in costs and fees related to the investment* - the Receiving Fund has a lower minimum amount of investment compared to **MF UBB Platinum Euro Bond** and offers the possibility to conclude a SIP contract. On the other hand, the Receiving Fund is denominated in BGN, while **MF UBB Platinum Euro Bond** is denominated in EUR. Also, unlike the latter, the Receiving Fund

[*] The lowest value does not mean that an investment is risk-free. However, it shows that - compared to higher values - this investment generally provides a lower but more predictable return. This value also indicates the degree of risk associated with the investment. The higher the value, the higher the potential return, but it is also more difficult to predict that return. It is even possible to realize losses

provides for a fee for subscription of units (up to a maximum of 2.50%), as well as a higher redemption fee (up to a maximum of 5%), which is, however, applicable for a shorter period from the date of the initial investment (1 month versus 3 months) and is intended solely to discourage redemption undertaken immediately after the initial investment in the Receiving Fund. It is envisaged that the Receiving Fund will have higher running costs, incl. higher management fee, than the running costs of **MF UBB Platinum Euro Bond** for 2020 (1.36% compared to 0.56%). This change is caused by the different investment policy of the Receiving Fund after the Restructuring, which allows the creation of indirect exposures to higher-yielding, but also riskier instruments. This requires higher costs.* The higher running costs are also related to the indirect assumption by the Receiving Fund, as a shareholder in the Master Sub-Fund, of a respective part of some expenses for the administration of the Master Sub-Fund.

A change in the depository bank is envisaged, as the assets of the Receiving Fund will be kept by United Bulgarian Bank AD, UIC 000694959.

More information on the rights of unit-holders in connection with the Restructuring can be found in Section III below.

2. Expected impact of the Restructuring on the unit-holders in MF UBB Balanced Fund

To illustrate the expected impact of the Restructuring on the unit-holders in **MF UBB Balanced Fund**, the following table compares the main parameters of the Restructuring Fund and of the Receiving Fund:

Table No 6

Main parameters	***MF UBB Balanced Fund***	***Receiving fund**** ** After the implementation of the Restructuring and the Conversion*
Main characteristics	mutual fund investing directly in financial instruments and liquid assets freely transferable units with a nominal value of **BGN 10** and equal rights, incl. right of liquidation share, right of redemption, right of complaint, right of information daily determination of NAV minimum amount of investment – **BGN 100** (incl. in case of a SIP contract)	mutual fund investing as a feeder CIS min. 85% in shares of the Master Sub-Fund freely transferable units with a nominal value of **BGN 10** and equal rights, incl. right of liquidation share, right of redemption, right of complaint, right of information daily determination of NAV minimum amount of investment – **BGN 100** (BGN 20 in case of a SIP contract)
Depository bank	Eurobank Bulgaria AD, UIC 000694749	United Bulgarian Bank AD, UIC 000694959
Objectives and investment policy	Low-risk debt FI (up to 80%), equity FI (up to 60%), securities and money market instruments (up to 10%), liquid assets (min. 5%)	shares in the Master Sub-Fund (min. 85%), liquid assets and hedging derivatives (up to 15%); The Master Sub-Fund invests in bonds (up to 70%, including up to 50% of CEE) and shares (up to 30%, including up to 15% of Bulgaria)
Risk profile	mixed „balanced“ fund (Europe) Risk and return indicator according to DKII– **3 of 7**	Global mixed “balanced” fund Risk and return indicator according to DKII– **4 of 7**
Risk profile of the target investor	Balanced Recommended holding period – **3 years**	Balanced Recommended holding period – **3 - 5 years**

* It should be borne in mind that the remuneration of the Management Company for management of the Receiving Fud will be accrued only on the part of the assets of the Receiving Fud that is invested in financial instruments other than shares issued by the Master Sub-Fund, but the Management Company will collect remuneration, which will be effectively of the same percentage, on the assets of the Master Sub-Fund, which are acquired as a result of the investments made by the Receiving Fund in the Master Sub-Fund, thus this management fee will be indirectly borne by the Receiving Fund as a shareholder in the Master Sub-Fund, which means that it finally indirectly will be borne by the unit-holders in the Receiving Fund. However, in this way there will be no double accrual of management fees on the same assets.

One-off costs and fees (max.)	Subscription fee: 0.00% Redemption fee: 0.00% after 12 months 0.40% up to 12 months	Subscription fee: 2.50% Redemption fee: 0.00% after 1 month 5.00% up to 1 month
Running costs and charges	Running costs (for 2020): 2.49%, incl. 2.25% management fee Performance fee: no	Running costs (forecast): 1.36%, incl. 1.16% management fee Performance fee: no
Tax treatment of the investment	No capital gain tax	No capital gain tax

Prior to the entry into effect of the Restructuring, no restructuring of the portfolio of **MF UBB Balanced Fund** is envisaged. However, as a result of the Restructuring, there will be some *material changes* in the status of unit-holders in the Restructuring Fund.

In particular, on the effective date of the Restructuring, **MF UBB Balanced Fund** will be merged into the Receiving Fund, as a result of which the Restructuring Fund will be dissolved without liquidation and all its assets and liabilities will be transferred to the Receiving Fund. Investors, who hold units in **MF UBB Balanced Fund** as at the effective date of the Restructuring, will receive in return units in the Receiving Fund in accordance with the determined exchange ratio, thus becoming unit holders in the Receiving Fund (more information on the method for determining the exchange ratio and the Restructuring schedule can be found in Section IV below).

In essence, the exchange will not affect the rights of investors as holders of units in a collective investment scheme managed by KBC AM through the Branch. The new units will continue to be freely transferable and will provide investors with the same rights in the Receiving Fund, incl. the right to a relevant part of the fund's assets (including in the event of its liquidation), the right of redemption, the right to lodge a complaint and the right to information. The Management Company will continue to issue and repurchase units of the Receiving Fund at prices determined daily on the basis of the NAV per unit of the Fund (taking into account possible subscription and redemption fees), and both the issuance of whole and partial units will be admissible. No change is envisaged in the way all accrued revenues in the Receiving Fund will be treated compared to **MF UBB Balanced Fund**, as they will be reinvested in accordance with the investment policy of the fund.

No changes are envisaged in the manner and periodicity of providing information to unit-holders by the Management Company acting on behalf of the Receiving Fund, as the Management Company, through the Branch, will prepare and disclose half-yearly and annual financial statements for the Receiving Fund, as well as other statutory information in accordance with the requirements of the CISOUCIA and the acts for its implementation.

However, the merger of **MF UBB Balanced Fund** into the Receiving Fund will have a *significant impact* on the nature of the investment, the risk profile and the structure of costs and fees related to the investment of unit-holders in the Restructuring Fund. This impact includes:

- *Change in the nature of the investment made,* resulting from the conversion of the Receiving Fund into a feeder CIS within the meaning of Art. 67, para. 1 of CISOUCIA, as a result of which the Receiving Fund will not invest directly in various types of debt and equity financial instruments, but will invest not less than 85% of its assets in such instruments indirectly by subscribing shares in the Master Sub-Fund, which will be actively managed by the Management Company. However, the investment policies of **MF UBB Balanced Fund** and of the Receiving Fund (given the investment strategy of the Master Sub-Fund, in shares of which at least 85% of the Receiving Fund's assets will be invested) provide for a similar distribution of assets mainly in debt instruments and - to a lesser extent - in shares.
- *Change in the risk profile of the investment* – there is a certain difference in the structure of the investments of **MF UBB Balanced Fund** and the Receiving Fund. While the portfolio of the Restructuring Fund includes mainly instruments from Europe, the portfolio of the Receiving Fund has an exposure to a global selection of financial instruments. In addition, the Receiving Fund, as a feeder CIS, is exposed to some specific risks arising from the master-feeder CIS structure, incl.

concentration risk related to the fact that the performance of the Receiving Fund depends essentially on the investment policy and market development of the investments of the Master Sub-Fund, i.e. the fund seeks to achieve diversification at the level of Master Sub-Fund, liquidity risk, etc. Notwithstanding the above, the risk profile of the Restructuring Fund and of the Receiving Fund remains similar, as the synthetic risk and return indicator, defined in the DKII of the two funds, increases minimally from the 3rd to the 4th level on the 7-level scale of risk and return*.

- *Change in costs and fees related to the investment* - the Receiving Fund has an equal minimum amount of investment as **MF UBB Balanced Fund** but offers the possibility to conclude a SIP contract at a lower initial instalment (BGN 20 compared to BGN 100). On the other hand, unlike the Restructuring Fund, the Receiving Fund provides for a unit subscription fee (up to a maximum of 2.50%) as well as a higher redemption fee (up to a maximum of 5% compared to 0.40%), which is, however, applicable to a significantly shorter period from the date of the initial investment (1 month compared to 12 months) and aims only to discourage redemption undertaken immediately after the initial investment in the Receiving Fund. It is envisaged that the Receiving Fund will have significantly lower running costs, incl. almost twice lower management fee than the running costs of **MF UBB Balanced Fund** for 2020 (1.36% compared to 2.49%). This will be due to the more efficient management of the Receiving Fund's portfolio, which will become possible after the merger into it of the Restructuring Funds and the activation of economies of scale associated with the higher NAV of the Receiving Fund.

A change in the depository bank is envisaged, as the assets of the Receiving Fund will be kept by United Bulgarian Bank AD, UIC 000694959.

More information on the rights of unit-holders in connection with the Restructuring can be found in Section III below.

3. Expected impact of the Restructuring on the unit-holders in MF UBB Premium Equity

To illustrate the expected impact of the Restructuring on the unit-holders in **MF UBB Premium Equity**, the following table compares the main parameters of the Restructuring Fund and of the Receiving Fund:

Table No 7

Main parameters	***"MF UBB Premium Equity***	***Receiving fund**** ** After the implementation of the Restructuring and the Conversion*
Main characteristics	mutual fund investing directly in financial instruments and liquid assets freely transferable units with a nominal value of **BGN 10** and equal rights, incl. right of liquidation share, right of redemption, right of complaint, right of information daily determination of NAV minimum amount of investment - **BGN 100** (BGN 20 in case of a SIP contract)	mutual fund investing as a feeder CIS min. 85% in shares of the Master Sub-Fund freely transferable units with a nominal value of **BGN 10** and equal rights, incl. right of liquidation share, right of redemption, right of complaint, right of information daily determination of NAV minimum amount of investment – **BGN 100** (BGN 20 in case of a SIP contract)
Depository bank	Eurobank Bulgaria AD, UIC 000694749	United Bulgarian Bank AD, UIC 000694959
Objectives and investment policy	shares traded on a regulated market in Bulgaria and abroad (up to 95%), debt securities (up to 50%), securities and money market instruments (up to 10%), liquid assets (min. 5%)	shares in the Master Sub-Fund (min. 85%), liquid assets and hedging derivatives (up to 15%); The Master Sub-Fund invests in bonds (up to 70%, including up to 50% of CEE) and shares (up to 30%, including up to 15% of Bulgaria)

* The lowest value does not mean that an investment is risk-free. However, it shows that - compared to higher values - this investment generally provides a lower but more predictable return. This value also indicates the degree of risk associated with the investment. The higher the value, the higher the potential return, but it is also more difficult to predict that return. It is even possible to realize losses.

Risk profile	Equity fund (Bulgaria) Risk and return indicator according to DKII– **4 of 7**	Global mixed "balanced" fund Risk and return indicator according to DKII– **4 of 7**
Risk profile of the target investor	Risk Recommended holding period – **5 years**	Balanced Recommended holding period – **3 - 5 years**
One-off costs and fees (max.)	Subscription fee: 0.00% Redemption fee: 0.00% after 18 months 0.40% up to 18 months	Subscription fee: 2.50% Redemption fee: 0.00% after 1 month 5.00% up to 1 month
Running costs and charges	Running costs (for 2020): 3.13%, incl. 2.90% management fee Performance fee: no	Running costs (forecast): 1.36%, incl. 1.16% management fee Performance fee: no
Tax treatment of the investment	No capital gain tax	No capital gain tax

Prior to the entry into effect of the Restructuring, no restructuring of the portfolio of **MF UBB Premium Equity** is envisaged. However, as a result of the Restructuring, there will be some *material changes* in the status of unit-holders in the Fund.

In particular, on the effective date of the Restructuring, **MF UBB Premium Equity** will be merged into the Receiving Fund, as a result of which the Fund will be dissolved without liquidation and all its assets and liabilities will be transferred to the Receiving Fund. Investors, who hold units in **MF UBB Premium Equity** as at the effective date of the Restructuring, will receive in return units in the Receiving Fund in accordance with the determined exchange ratio, thus becoming unit holders in the Receiving Fund (more information on the method for determining the exchange ratio and the Restructuring schedule can be found in Section IV below).

In essence, the exchange will not affect the rights of investors as holders of units in a collective investment scheme managed by KBC AM through the Branch. The new units will continue to be freely transferable and will provide investors with the same rights in the Receiving Fund, incl. the right to a relevant part of the fund's assets (including in the event of its liquidation), the right of redemption, the right to lodge a complaint and the right to information. The Management Company will continue to issue and repurchase units of the Receiving Fund at prices determined daily on the basis of the NAV per unit of the Fund (taking into account possible subscription and redemption fees), and both the issuance of whole and partial units will be admissible. No change is envisaged in the way all accrued revenues in the Receiving Fund will be treated compared to **MF UBB Premium Equity**, as they will be reinvested in accordance with the investment policy of the fund.

No changes are envisaged in the manner and periodicity of providing information to unit-holders by the Management Company acting on behalf of the Receiving Fund, as the Management Company, through the Branch, will prepare and disclose half-yearly and annual financial statements for the Receiving Fund, as well as other statutory information in accordance with the requirements of the CISOUCIA and the acts for its implementation.

However, the merger of **MF UBB Premium Equity** into the Receiving Fund will have a *significant impact* on the nature of the investment, the investment objectives, the risk profile and the structure of costs and fees related to the investment of unit-holders in the Restructuring Fund. This impact includes:

- *Change in the nature of the investment made,* resulting from the conversion of the Receiving Fund into a feeder CIS within the meaning of Art. 67, para. 1 of CISOUCIA, as a result of which the Receiving Fund will not invest directly in various types of debt and equity financial instruments, but will invest not less than 85% of its assets in such instruments indirectly by subscribing shares in the Master Sub-Fund, which will be actively managed by the Management Company.
- *Change in the investment policy* caused by the difference in the target distribution of the assets of **MF UBB Premium Equity**, which may invest up to 95% of its assets in shares, and of the Receiving Fund, which will invest no less than 85% of its assets in shares of the Master Sub-Fund, which in turn will invest up to 70% of its assets in debt instruments and will be able to invest only

up to 30% in shares.

- *Change in the risk profile of the investment* – there is a significant difference in the investment structure of **MF UBB Premium Equity** and the Receiving Fund, which implies a reduction of the risk profile of the investment of unit-holders in the Restructuring Fund from “moderate to high” to “moderate” as a result of the Restructuring, and the synthetic indicator of risk and return, defined in the documents with key investor information of both funds, has the same 4th level on the 7-level scale of risk and return*. While the portfolio of the Restructuring Fund includes mainly high-risk positions in shares of Bulgarian issuers, the Receiving Fund will have indirect exposure to lower-risk debt instruments and to a more limited extent - to shares. At the same time, the indirect exposure of the Receiving Fund will not be concentrated in one geographic market, but will be distributed among different geographical regions. This difference in the level of risk of the investment strategies of the two mutual funds can be compensated only in part by the specific risks to which the Receiving Fund is exposed as a feeder CIS arising from the master-feeder CIS structure, incl. concentration risk related to the fact that the performance of the Receiving Fund depends essentially on the investment policy and market development of the investments of the Master Sub-Fund, i.e. the fund seeks to achieve diversification at the level of Master Sub-Fund, liquidity risk, etc.
- *Change in costs and fees related to the investment* – the Receiving Fund and **MF UBB Premium Equity** have the same minimum amount of investment. Unlike the Restructuring Fund, the Receiving Fund provides for a fee for subscription of units (up to a maximum of 2.50%), as well as a higher redemption fee (up to a maximum of 5% compared to 0.40%), which, however, is applicable for significantly shorter period from the date of initial investment (1 month compared to 18 months) and is intended solely to discourage redemption undertaken immediately after the initial investment in the Receiving Fund. It is envisaged that the Receiving Fund will have significantly lower running costs, incl. more than twice lower management fee than the running costs of **MF UBB Premium Equity** for 2020 (1.36% compared to 3.13%). This will be due both to the lower costs associated with managing a lower risk portfolio and to the overall more efficient management of the Receiving Fund, which will become possible after the merger into it of the Restructuring Funds and the activation of economies of scale related to the higher NAV of the Receiving Fund.

A change in the depository bank is envisaged, as the assets of the Receiving Fund will be kept by United Bulgarian Bank AD, UIC 000694959.

More information on the rights of unit-holders in connection with the Restructuring can be found in Section III below.

4. Expected impact of the Restructuring on the unit-holders in MF UBB Patrimonium Land

To illustrate the expected impact of the Restructuring on the unit-holders in **MF UBB Patrimonium Land**, the following table compares the main parameters of the Restructuring Fund and of the Receiving Fund:

Table No 8

Main parameters	***MF UBB Patrimonium Land***	***Receiving fund**** ** After the implementation of the Restructuring and the Conversion*
Main characteristics	mutual fund investing directly in financial instruments and liquid assets	mutual fund investing as a feeder CIS min. 85% in shares of the Master Sub-Fund

* The lowest value does not mean that an investment is risk-free. However, it shows that - compared to higher values - this investment generally provides a lower but more predictable return. This value also indicates the degree of risk associated with the investment. The higher the value, the higher the potential return, but it is also more difficult to predict that return. It is even possible to realize losses.

	freely transferable units with a nominal value of **BGN 10** and equal rights, incl. right of liquidation share, right of redemption, right of complaint, right of information daily determination of NAV minimum amount of investment - **BGN 100** (BGN 20 in case of a SIP contract)	freely transferable units with a nominal value of **BGN 10** and equal rights, incl. right of liquidation share, right of redemption, right of complaint, right of information daily determination of NAV minimum amount of investment – **BGN 100** (BGN 20 in case of a SIP contract)
Depository bank	Eurobank Bulgaria AD, UIC 000694749	United Bulgarian Bank AD, UIC 000694959
Objectives and investment policy	Shares in REITs investing in non-residential real estates (up to 95%), shares in issuers in agricultural and food sectors (up to 50%), debt securities (up to 50%), liquid assets (min. 5%)	shares in the Master Sub-Fund (min. 85%), liquid assets and hedging derivatives (up to 15%); The Master Sub-Fund invests in bonds (up to 70%, including up to 50% of CEE) and shares (up to 30%, including up to 15% of Bulgaria)
Risk profile	Global equity fund Risk and return indicator according to DKII– **4 of 7**	Global mixed "balanced" fund Risk and return indicator according to DKII– **4 of 7**
Risk profile of the target investor	Risk Recommended holding period – **5 years**	Balanced Recommended holding period – **3 - 5 years**
One-off costs and fees (max.)	Subscription fee: 0.00% Redemption fee: 0.00% after 18 months 0.25% up to 18 months	Subscription fee: 2.50% Redemption fee: 0.00% after 1 month 5.00% up to 1 month
Running costs and charges	Running costs (for 2020): 3.01%, incl. 2.90% management fee Performance fee: no	Running costs (forecast): 1.36%, incl. 1.16% management fee Performance fee: no
Tax treatment of the investment	No capital gain tax	No capital gain tax

Prior to the entry into effect of the Restructuring, no restructuring of the portfolio of **MF UBB Patrimonium Land** is envisaged. However, as a result of the Restructuring, there will be some *material changes* in the status of unit-holders in the Fund.

In particular, on the effective date of the Restructuring, **MF UBB Patrimonium Land** will be merged into the Receiving Fund, as a result of which the Restructuring Fund will be dissolved without liquidation and all its assets and liabilities will be transferred to the Receiving Fund. Investors, who hold units in **MF UBB Patrimonium Land** as at the effective date of the Restructuring, will receive in return units in the Receiving Fund in accordance with the determined exchange ratio, thus becoming unit holders in the Receiving Fund (more information on the method for determining the exchange ratio and the Restructuring schedule can be found in Section IV below).

In essence, the exchange will not affect the rights of investors as holders of units in a collective investment scheme managed by KBC AM through the Branch. The new units will continue to be freely transferable and will provide investors with the same rights in the Receiving Fund, incl. the right to a relevant part of the fund's assets (including in the event of its liquidation), the right of redemption, the right to lodge a complaint and the right to information. The Management Company will continue to issue and repurchase units of the Receiving Fund at prices determined daily on the basis of the NAV per unit of the Fund (taking into account possible subscription and redemption fees), and both the issuance of whole and partial units will be admissible. No change is envisaged in the way all accrued revenues in the Receiving Fund will be treated compared to **MF UBB Patrimonium Land**, as they will be reinvested in accordance with the investment policy of the fund.

No changes are envisaged in the manner and periodicity of providing information to unit-holders by the Management Company acting on behalf of the Receiving Fund, as the Management Company, through the Branch, will prepare and disclose half-yearly and annual financial statements for the Receiving Fund, as well as other statutory information in accordance with the requirements of the CISOUCIA and the acts for its implementation.

However, the merger of **MF UBB Patrimonium Land** into the Receiving Fund will have a *significant impact* on the nature of the investment, the investment objectives, the risk profile and the structure of costs and fees related to the investment of unit-holders in the Restructuring Fund. This impact includes:

- *Change in the nature of the investment made,* resulting from the conversion of the Receiving Fund into a feeder CIS within the meaning of Art. 67, para. 1 of CISOUCIA, as a result of which the Receiving Fund will not invest directly in various types of debt and equity financial instruments, but will invest not less than 85% of its assets in such instruments indirectly by subscribing shares in the Master Sub-Fund, which will be actively managed by the Management Company.
- *Change in the investment policy* caused by the difference in the target distribution of the assets of **MF UBB Patrimonium Land**, who invests its assets in shares of REITs and thus indirectly - in commercial real estate, and of the Receiving Fund, which will invest no less than 85% of its assets in shares of the Master Sub-Fund, which in turn will invest up to 70% of its assets in debt instruments and will be able to invest only up to 30% in shares.
- *Change in the risk profile of the investment* - there is a significant difference in the investment structure of **MF UBB Patrimonium Land** and of the Receiving Fund, which implies a reduction of the risk profile of the investment of unit-holders in the Restructuring Fund from "moderate to high" to "moderate" as a result of the Restructuring, as the synthetic indicator of risk and return, defined in the documents with key investor information of both funds, has the same 4th level on the 7-level scale of risk and return[*]. While the Restructuring Fund's portfolio includes mainly high-risk positions in non-residential real estate, the Receiving Fund's portfolio will have diversified, globally oriented indirect exposure to lower-risk debt instruments and, to a lesser extent, to equities. This difference in the level of risk of the investment strategies of the two mutual funds is partially offset by the specific risks to which the Receiving Fund is exposed as a feeder CIS, arising from the master-feeder CIS structure, incl. concentration risk related to the fact that the performance of the Receiving Fund depends essentially on the investment policy and market development of the investments of the Master Sub-Fund, i.e. the fund seeks to achieve diversification at the level of Master Sub-Fund, liquidity risk, etc.
- *Change in costs and fees related to the investment* – The Receiving Fund and **MF UBB Patrimonium Land** have the same minimum amount of investment. Unlike the Restructuring Fund, the Receiving Fund provides for a fee for subscription of units (up to a maximum of 2.50%), as well as a higher redemption fee (up to a maximum of 5% compared to 0.25%), which, however, is applicable for significantly shorter period from the date of initial investment (1 month compared to 18 months) and is intended solely to discourage redemption undertaken immediately after the initial investment in the Receiving Fund. It is envisaged that the Receiving Fund will have significantly lower running costs, incl. more than twice lower management fee than the running costs of **MF UBB Patrimonium Land** for 2020 (1.36% compared to 3.01%). This will be due both to the lower costs associated with managing a lower risk portfolio and to the overall more efficient management of the Receiving Fund, which will become possible after the merger into it of the Restructuring Funds and the activation of economies of scale related to the higher NAV of the Receiving Fund.

A change in the depository bank is envisaged, as the assets of the Receiving Fund will be kept by United Bulgarian Bank AD, UIC 000694959.

More information on the rights of unit-holders in connection with the Restructuring can be found in Section III below.

5. Expected impact of the Restructuring on the unit-holders in MF UBB Global Pharm Invest

[*] The lowest value does not mean that an investment is risk-free. However, it shows that - compared to higher values - this investment generally provides a lower but more predictable return. This value also indicates the degree of risk associated with the investment. The higher the value, the higher the potential return, but it is also more difficult to predict that return. It is even possible to realize losses.

To illustrate the expected impact of the Restructuring on the unit-holders in **MF UBB Global Pharm Invest**, the following table compares the main parameters of the Restructuring Fund and of the Receiving Fund:

Table No 9

Main parameters	***MF UBB Global Pharm Invest***	***Receiving fund**** ** After the implementation of the Restructuring and the Conversion*
Main characteristics	mutual fund investing directly in financial instruments and liquid assets freely transferable units with a nominal value of **BGN 19.5583** and equal rights, incl. right of liquidation share, right of redemption, right of complaint, right of information daily determination of NAV minimum amount of investment - **BGN 100** (incl. in case of a SIP contract)	mutual fund investing as a feeder CIS min. 85% in shares of the Master Sub-Fund freely transferable units with a nominal value of **BGN 10** and equal rights, incl. right of liquidation share, right of redemption, right of complaint, right of information daily determination of NAV minimum amount of investment – **BGN 100** (BGN 20 in case of a SIP contract)
Depository bank	Eurobank Bulgaria AD, UIC 000694749	United Bulgarian Bank AD, UIC 000694959
Objectives and investment policy	shares of issuers in the healthcare sector, traded on a regulated market in Bulgaria and abroad (up to 95%), debt securities (up to 50%), securities and money market instruments (up to 10%), liquid assets (min. 5%)	shares in the Master Sub-Fund (min. 85%), liquid assets and hedging derivatives (up to 15%); The Master Sub-Fund invests in bonds (up to 70%, including up to 50% of CEE) and shares (up to 30%, including up to 15% of Bulgaria)
Risk profile	Global equity fund Risk and return indicator according to DKII– **5 of 7**	Global mixed “balanced” fund Risk and return indicator according to DKII– **4 of 7**
Risk profile of the target investor	Risk Recommended holding period – **5 years**	Balanced Recommended holding period – **3 - 5 years**
One-off costs and fees (max.)	Subscription fee: 2.00% Redemption fee: 0.00%	Subscription fee: 2.50% Redemption fee: 0.00% after 1 month 5.00% up to 1 month
Running costs and charges	Running costs (for 2020): 3.18%, incl. 3.00% management fee Performance fee: no	Running costs (forecast): 1.36%, incl. 1.16% management fee Performance fee: no
Tax treatment of the investment	No capital gain tax	No capital gain tax

Prior to the entry into effect of the Restructuring, no restructuring of the portfolio of **MF UBB Global Pharm Invest** is envisaged. However, as a result of the Restructuring, there will be some *material changes* in the status of unit-holders in the Fund.

In particular, on the effective date of the Restructuring, **MF UBB Global Pharm Invest** will be merged into the Receiving Fund, as a result of which the Restructuring Fund will be dissolved without liquidation and all its assets and liabilities will be transferred to the Receiving Fund. Investors, who hold units in **MF UBB Global Pharm Invest** as at the effective date of the Restructuring, will receive in return units in the Receiving Fund in accordance with the determined exchange ratio, thus becoming unit holders in the Receiving Fund (more information on the method for determining the exchange ratio and the Restructuring schedule can be found in Section IV below).

In essence, the exchange will not affect the rights of investors as holders of units in a collective investment scheme managed by KBC AM through the Branch. The new units will continue to be freely transferable and will provide investors with the same rights in the Receiving Fund, incl. the right to a relevant part of the fund's assets (including in the event of its liquidation), the right of redemption, the right to lodge a complaint and the right to information. The Management Company will continue to issue and repurchase units of the Receiving Fund at prices determined daily on the basis of the NAV per unit of the Fund (taking into account possible subscription and redemption fees), and both the issuance of whole and partial units will be admissible. No change is envisaged in the way all accrued revenues in the Receiving Fund will be treated compared to **MF UBB Global Pharm Invest**, as they will be reinvested in accordance with the investment policy of the fund.

No changes are envisaged in the manner and periodicity of providing information to unit-holders by the Management Company acting on behalf of the Receiving Fund, as the Management Company, through the Branch, will prepare and disclose half-yearly and annual financial statements for the Receiving Fund, as well as other statutory information in accordance with the requirements of the CISOUCIA and the acts for its implementation.

However, the merger of **MF UBB Global Pharm Invest** into the Receiving Fund will have a *significant impact* on the nature of the investment, the investment objectives, the risk profile and the structure of costs and fees related to the investment of unit-holders in the Restructuring Fund. This impact includes:

- *Change in the nature of the investment made,* resulting from the conversion of the Receiving Fund into a feeder CIS within the meaning of Art. 67, para. 1 of CISOUCIA, as a result of which the Receiving Fund will not invest directly in various types of debt and equity financial instruments, but will invest not less than 85% of its assets in such instruments indirectly by subscribing shares in the Master Sub-Fund, which will be actively managed by the Management Company.
- *Change in the investment policy* caused by the difference in the target distribution of the assets of **MF UBB Global Pharm Invest**, which may invest up to 95% of its assets in shares, and of the Receiving Fund, which will invest no less than 85% of its assets in shares of the Master Sub-Fund, which in turn will invest up to 70% of its assets in debt instruments and will be able to invest only up to 30% in shares.
- *Change in the risk profile of the investment* - there is a significant difference in the investment structure of **MF UBB Global Pharm Invest** and the Receiving Fund, which implies decrease of the risk profile of the investment of unit-holders in the Restructuring Fund from “moderate to high” to “moderate” as a result of implementation of the Restructuring, as the synthetic indicator of risk and return, defined in the documents with key investor information of both funds, decreases from 5th to 4th level on the 7-level scale of risk and return[*]. While the portfolio of the Restructuring Fund includes mainly high-risk positions in shares of issuers operating in the healthcare sector, the portfolio of the Receiving Fund will have a diversified globally oriented indirect exposure to lower-risk debt instruments and - to a lesser extent - to shares without being limited to a specific economic sector. This difference in the level of risk of the investment strategies of the two mutual funds can be compensated only in part by the specific risks to which the Receiving Fund is exposed as a feeder CIS arising from the master-feeder CIS structure, incl. concentration risk, liquidity risk, etc.
- *Change in costs and fees related to the investment* – the Receiving Fund has the same minimum amount of investment as **MF UBB Global Pharm Invest**, but offers the possibility to conclude a SIP contract with a lower initial instalment (BGN 20 compared to BGN 100). At the same time, both the Restructuring Fund and the Receiving Fund provide for a fee for subscription of units in a similar amount (up to a maximum of 2% and 2.50%, respectively). Unlike **MF UBB Global Pharm Invest**, the Receiving Fund has a redemption fee (up to a maximum of 5%), which, however, is only applicable for a short period of time after the initial investment (1 month), and is intended solely to discourage redemption undertaken immediately after the initial investment in the Receiving Fund. It is envisaged that the Receiving Fund will have significantly lower running costs, incl. more than twice lower management fee, than the running costs of **MF UBB Global Pharm Invest** for 2020 (1.36% compared to 3.18%). This will be due both to the lower costs associated with managing a lower risk portfolio and to the overall more efficient management of the Receiving Fund, which will become possible after the merger into it of the Restructuring Funds and the

[*] The lowest value does not mean that an investment is risk-free. However, it shows that - compared to higher values - this investment generally provides a lower but more predictable return. This value also indicates the degree of risk associated with the investment. The higher the value, the higher the potential return, but it is also more difficult to predict that return. It is even possible to realize losses.

activation of economies of scale related to the higher NAV of the Receiving Fund.

A change in the depository bank is envisaged, as the assets of the Receiving Fund will be kept by United Bulgarian Bank AD, UIC 000694959.

More information on the rights of unit-holders in connection with the Restructuring can be found in Section III below.

6. Expected impact of the Restructuring on the unit-holders in MF UBB Global Child Fund

To illustrate the expected impact of the Restructuring on the unit-holders in **MF UBB Global Child Fund**, the following table compares the main parameters of the Restructuring Fund and of the Receiving Fund:

Table No 10

Main parameters	***MF UBB Global Child Fund***	***Receiving fund**** ** After the implementation of the Restructuring and the Conversion*
Main characteristics	mutual fund investing directly in financial instruments and liquid assets freely transferable units with a nominal value of **BGN 10** and equal rights, incl. right of liquidation share, right of redemption, right of complaint, right of information daily determination of NAV minimum amount of investment – **BGN 100** (incl. in case of a SIP contract)	mutual fund investing as a feeder CIS min. 85% in shares of the Master Sub-Fund freely transferable units with a nominal value of **BGN 10** and equal rights, incl. right of liquidation share, right of redemption, right of complaint, right of information daily determination of NAV minimum amount of investment – **BGN 100** (BGN 20 in case of a SIP contract)
Depository bank	Eurobank Bulgaria AD, UIC 000694749	United Bulgarian Bank AD, UIC 000694959
Objectives and investment policy	shares of issuers in the sector of children's goods and services traded on a regulated market in Bulgaria and abroad (up to 95%), debt securities (up to 50%), securities and money market instruments (up to 10%), liquid assets (min. 5%)	shares in the Master Sub-Fund (min. 85%), liquid assets and hedging derivatives (up to 15%); The Master Sub-Fund invests in bonds (up to 70%, including up to 50% of CEE) and shares (up to 30%, including up to 15% of Bulgaria)
Risk profile	Global equity fund Risk and return indicator according to DKII– **5 of 7**	Global mixed “balanced” fund Risk and return indicator according to DKII– **4 of 7**
Risk profile of the target investor	Risk Recommended holding period – **5 years**	Balanced Recommended holding period – **3 - 5 years**
One-off costs and fees (max.)	Subscription fee: 2.00% for order up to BGN 25 000 (incl.) 1.50% for order from BGN 25 000,01 up to BGN 100 000 (incl.) 1.00% for order from BGN 100 000,01 up to BGN 200 000 (incl.) 0.00% for order over BGN 200 000 (incl.) Redemption fee: 0.00%	Subscription fee: 2.50% Redemption fee: 0.00% after 1 month 5.00% up to 1 month
Running costs and charges	Running costs (for 2020): 3.42%, incl. 2.50% management fee Performance fee: no	Running costs (forecast): 1.36%, incl. 1.16% management fee Performance fee: no
Tax treatment of the investment	No capital gain tax	No capital gain tax

Prior to the entry into effect of the Restructuring, no restructuring of the portfolio of **MF UBB Global Child Fund** is envisaged. However, as a result of the Restructuring, there will be some *material changes* in the status of unit-holders in the Fund.

In particular, on the effective date of the Restructuring, **MF UBB Global Child Fund** will be merged into the Receiving Fund, as a result of which the Restructuring Fund will be dissolved without liquidation and all its assets and liabilities will be transferred to the Receiving Fund. Investors, who hold units in **MF UBB Global Child Fund** as at the effective date of the Restructuring, will receive in return units in the Receiving Fund in accordance with the determined exchange ratio, thus becoming unit holders in the Receiving Fund (more information on the method for determining the exchange ratio and the Restructuring schedule can be found in Section IV below).

In essence, the exchange will not affect the rights of investors as holders of units in a collective investment scheme managed by KBC AM through the Branch. The new units will continue to be freely transferable and will provide investors with the same rights in the Receiving Fund, incl. the right to a relevant part of the fund's assets (including in the event of its liquidation), the right of redemption, the right to lodge a complaint and the right to information. The Management Company will continue to issue and repurchase units of the Receiving Fund at prices determined daily on the basis of the NAV per unit of the Fund (taking into account possible subscription and redemption fees), and both the issuance of whole and partial units will be admissible. No change is envisaged in the way all accrued revenues in the Receiving Fund will be treated compared to **MF UBB Global Child Fund**, as they will be reinvested in accordance with the investment policy of the fund.

No changes are envisaged in the manner and periodicity of providing information to unit-holders by the Management Company acting on behalf of the Receiving Fund, as the Management Company, through the Branch, will prepare and disclose half-yearly and annual financial statements for the Receiving Fund, as well as other statutory information in accordance with the requirements of the CISOUCIA and the acts for its implementation.

However, the merger of **MF UBB Global Child Fund** into the Receiving Fund will have a *significant impact* on the nature of the investment, the investment objectives, the risk profile and the structure of costs and fees related to the investment of unit-holders in the Restructuring Fund. This impact includes:

- *Change in the nature of the investment made,* resulting from the conversion of the Receiving Fund into a feeder CIS within the meaning of Art. 67, para. 1 of CISOUCIA, as a result of which the Receiving Fund will not invest directly in various types of equity and debt financial instruments, but will invest not less than 85% of its assets in such instruments indirectly by subscribing shares in the Master Sub-Fund, which will be actively managed by the Management Company.
- *Change in the investment policy* caused by the difference in the target distribution of the assets of **MF UBB Global Child Fund**, which may invest up to 95% of its assets in shares, and of the Receiving Fund, which will invest no less than 85% of its assets in shares of the Master Sub-Fund, which in turn will invest up to 70% of its assets in debt and will be able to invest only up to 30% in shares.
- *Change in the risk profile of the investment* – there is a significant difference in the investment structure of **MF UBB Global Child Fund** and the Receiving Fund, which implies a decrease of the risk profile of the investment of unit-holders in the Restructuring Fund from "moderate to high" to "moderate" as a result of implementation of the Restructuring, as the synthetic indicator of risk and return, defined in the documents with key investor information of both funds, decreases from 5th to 4th level on the 7-point level of risk and return[*]. While the portfolio of the Restructuring Fund includes mainly high-risk positions in shares of issuers operating in the children's goods and services sector, the portfolio of the Receiving Fund will have a diversified globally oriented indirect exposure to lower-risk debt instruments and - to a lesser extent - to shares, without being limited to a specific economic sector. This difference in the level of risk of the investment strategies of the two mutual funds cannot be compensated by some specific risks to which the Receiving Fund, as a feeder CIS, is exposed arising from the master-feeder CIS structure, incl. concentration risk related to the fact that the performance of the Receiving Fund depends essentially on the

[*] The lowest value does not mean that an investment is risk-free. However, it shows that - compared to higher values - this investment generally provides a lower but more predictable return. This value also indicates the degree of risk associated with the investment. The higher the value, the higher the potential return, but it is also more difficult to predict that return. It is even possible to realize losses.

investment policy and market development of the investments of the Master Sub-Fund, i.e. the fund seeks to achieve diversification at the level of Master Sub-Fund, liquidity risk, etc.

- *Change in costs and fees related to the investment* - the Receiving Fund has the same minimum amount of investment compared to **MF UBB Global Child Fund** but offers the possibility of concluding a SIP contract at a lower initial instalment (BGN 20 compared to BGN 100). At the same time, both the Restructuring Fund and the Receiving Fund provide for a fee for subscription of units in a similar amount (up to a maximum of 2% for a typical investment of up to BGN 25,000, respectively up to 2.50%). Unlike **MF UBB Global Child Fund**, the Receiving Fund has a redemption fee (up to a maximum of 5%), which, however, is only applicable for a short period of time after the initial investment (1 month) and is intended solely to discourage redemption undertaken immediately after the initial investment in the Receiving Fund. It is envisaged that the Receiving Fund will have significantly lower running costs, incl. more than twice lower management fee, than the running costs of **MF UBB Global Child Fund** for 2020 (1.36% compared to 3.42%). This will be due both to the lower costs associated with managing a lower risk portfolio and to the overall more efficient management of the Receiving Fund, which will become possible after the merger into it of the Restructuring Funds and the activation of economies of scale related to the higher NAV of the Receiving Fund.

A change in the depository bank is envisaged, as the assets of the Receiving Fund will be kept by United Bulgarian Bank AD, UIC 000694959.

More information on the rights of unit-holders in connection with the Restructuring can be found in Section III below.

7. Expected impact of the Restructuring on the unit-holders in MF UBB Global Growth

To illustrate the expected impact of the Restructuring on the unit-holders in **MF UBB Global Growth**, the following table compares the main parameters of the Restructuring Fund and of the Receiving Fund:

Table No 11

Main parameters	***MF UBB Global Growth***	***Receiving fund**** ** After the implementation of the Restructuring and the Conversion*
Main characteristics	mutual fund investing directly in financial instruments and liquid assets freely transferable units with a nominal value of **BGN 10** and equal rights, incl. right of liquidation share, right of redemption, right of complaint, right of information daily determination of NAV minimum amount of investment – **BGN 100** (incl. in case of a SIP contract)	mutual fund investing as a feeder CIS min. 85% in shares of the Master Sub-Fund freely transferable units with a nominal value of **BGN 10** and equal rights, incl. right of liquidation share, right of redemption, right of complaint, right of information daily determination of NAV minimum amount of investment – **BGN 100** (BGN 20 in case of a SIP contract)
Depository bank	Eurobank Bulgaria AD, UIC 000694749	United Bulgarian Bank AD, UIC 000694959
Objectives and investment policy	shares of issuers whose income and profit are expected to be above the average for the respective market, traded on a regulated market in Bulgaria and abroad (up to 95%), debt securities (up to 50%), securities and money market instruments (up to 10%), liquid assets (min. 5%)	shares in the Master Sub-Fund (min. 85%), liquid assets and hedging derivatives (up to 15%); The Master Sub-Fund invests in bonds (up to 70%, including up to 50% of CEE) and shares (up to 30%, including up to 15% of Bulgaria)
Risk profile	Global equity fund Risk and return indicator according to DKII– **6 of 7**	Global mixed “balanced” fund Risk and return indicator according to DKII– **4 of 7**
Risk profile of the target investor	Risk Recommended holding period – **5 years**	Balanced Recommended holding period – **3 - 5 years**

One-off costs and fees (max.)	Subscription fee: 2.00% for order up to BGN 25 000 (incl.) 1.50% for order from BGN 25 000,01 up to BGN 100 000 (incl.) 1.00% for order from BGN 100 000,01 up to BGN 200 000 (incl.) 0.00% for order over BGN 200 000 (incl.) Redemption fee: 0.00%	Subscription fee: 2.50% Redemption fee: 0.00% after 1 month 5.00% up to 1 month
Running costs and charges	Running costs (for 2020): 3.16%, incl. 2.50% management fee Performance fee: no	Running costs (forecast): 1.36%, incl. 1.16% management fee Performance fee: no
Tax treatment of the investment	No capital gain tax	No capital gain tax

Prior to the entry into effect of the Restructuring, no restructuring of the portfolio of **MF UBB Global Growth** is envisaged. However, as a result of the Restructuring, there will be some *material changes* in the status of unit-holders in the Fund.

In particular, on the effective date of the Restructuring, **MF UBB Global Growth** will be merged into the Receiving Fund, as a result of which the Restructuring Fund will be dissolved without liquidation and all its assets and liabilities will be transferred to the Receiving Fund. Investors, who hold units in **MF UBB Global Growth** as at the effective date of the Restructuring, will receive in return units in the Receiving Fund in accordance with the determined exchange ratio, thus becoming unit holders in the Receiving Fund (more information on the method for determining the exchange ratio and the Restructuring schedule can be found in Section IV below).

In essence, the exchange will not affect the rights of investors as holders of units in a collective investment scheme managed by KBC AM through the Branch. The new units will continue to be freely transferable and will provide investors with the same rights in the Receiving Fund, incl. the right to a relevant part of the fund's assets (including in the event of its liquidation), the right of redemption, the right to lodge a complaint and the right to information. The Management Company will continue to issue and repurchase units of the Receiving Fund at prices determined daily on the basis of the NAV per unit of the Fund (taking into account possible subscription and redemption fees), and both the issuance of whole and partial units will be admissible. No change is envisaged in the way all accrued revenues in the Receiving Fund will be treated compared to **MF UBB Global Growth**, as they will be reinvested in accordance with the investment policy of the fund.

No changes are envisaged in the manner and periodicity of providing information to unit-holders by the Management Company acting on behalf of the Receiving Fund, as the Management Company, through the Branch, will prepare and disclose half-yearly and annual financial statements for the Receiving Fund, as well as other statutory information in accordance with the requirements of the CISOUCIA and the acts for its implementation.

However, the merger of **MF UBB Global Growth** into the Receiving Fund will have a *significant impact* on the nature of the investment, the investment objectives, the risk profile and the structure of costs and fees related to the investment of unit-holders in the Restructuring Fund. This impact includes:

- *Change in the nature of the investment made,* resulting from the conversion of the Receiving Fund into a feeder CIS within the meaning of Art. 67, para. 1 of CISOUCIA, as a result of which the Receiving Fund will not invest directly in various types of equity and debt financial instruments, but will invest not less than 85% of its assets in such instruments indirectly by subscribing shares in the Master Sub-Fund, which will be actively managed by the Management Company.
- *Change in the investment policy* caused by the difference in the target distribution of the assets of **MF UBB Global Growth**, which may invest up to 95% of its assets shares, and of the Receiving Fund, which will invest no less than 85% of its assets in shares of the Master Sub-Fund, which in turn will invest up to 70% of its assets in debt and will be able to invest only up to 30% in shares.
- *Change in the risk profile of the investment* - there is a significant difference in the investment

structure of **MF UBB Global Growth** and the Receiving Fund, which implies a decrease of the risk profile of the investment of unit-holders in the Restructuring Fund from “high” to “moderate” as a result of the Restructuring, as the synthetic indicator of risk and return, defined in the documents with key investor information of both funds, decreases from 6th to 4th level on the 7-level scale of risk and return*. While the Restructuring Fund's portfolio includes mainly high-risk positions in equities of issuers whose activities are expected to demonstrate dynamic development, the Receiving Fund's portfolio will have a diversified, globally oriented indirect exposure to lower-risk debt instruments and - to a lesser extent - to shares, without being limited to a specific type of issuer or economic sector. This difference in the level of risk of the investment strategies of the two funds cannot be compensated by some specific risks to which the Receiving Fund is exposed, arising from the master-feeder CIS structure, incl. concentration risk, related to the fact that the performance of the Receiving Fund depends essentially on the investment policy and market development of the investments of the Master Sub-Fund, i.e. the fund seeks to achieve diversification at the level of Master Sub-Fund, liquidity risk, etc.

- *Change in costs and fees related to the investment* - the Receiving Fund has the same minimum amount of investment compared to **MF UBB Global Growth,** but offers the possibility for conclusion of a SIP contract at a lower initial instalment (BGN 20 compared to BGN 100). At the same time, both the Restructuring Fund and the Receiving Fund provide for a fee for subscription of units in a similar amount (up to a maximum of 2% for a typical investment of up to BGN 25,000, respectively up to 2.50%). Unlike **MF UBB Global Growth**, the Receiving Fund has a redemption fee (up to a maximum of 5%), which, however, is only applicable for a short period of time after the initial investment (1 month) and is intended solely to discourage redemption undertaken immediately after the initial investment in the Receiving Fund. It is envisaged that the Receiving Fund will have significantly lower running costs, incl. more than twice lower management fee, than the running costs of **MF UBB Global Growth** for 2020 (1.36% compared to 3.16%). This will be due both to the lower costs associated with managing a lower risk portfolio and to the overall more efficient management of the Receiving Fund, which will become possible after the merger into it of the Restructuring Funds and the activation of economies of scale related to the higher NAV of the Receiving Fund.

A change in the depository bank is envisaged, as the assets of the Receiving Fund will be kept by United Bulgarian Bank AD, UIC 000694959.

More information on the rights of unit-holders in connection with the Restructuring can be found in Section III below.

8. Expected impact of the Restructuring on the unit-holders in MF UBB Global Dividend

To illustrate the expected impact of the Restructuring on the unit-holders in **MF UBB Global Dividend**, the following table compares the main parameters of the Restructuring Fund and of the Receiving Fund:

Table No 12

Main parameters	***MF UBB Global Dividend***	***Receiving fund**** ** After the implementation of the Restructuring and the Conversion*
Main characteristics	mutual fund investing directly in financial instruments and liquid assets freely transferable units with a nominal value of **BGN 10** and equal rights, incl. right of liquidation share, right of redemption, right of complaint, right	mutual fund investing as a feeder CIS min. 85% in shares of the Master Sub-Fund freely transferable units with a nominal value of **BGN 10** and equal rights, incl. right of liquidation share, right of redemption, right of complaint, right

* The lowest value does not mean that an investment is risk-free. However, it shows that - compared to higher values - this investment generally provides a lower but more predictable return. This value also indicates the degree of risk associated with the investment. The higher the value, the higher the potential return, but it is also more difficult to predict that return. It is even possible to realize losses.

	of information daily determination of NAV minimum amount of investment – BGN **100** (incl. in case of a SIP contract)	of information daily determination of NAV minimum amount of investment – **BGN 100** (BGN 20 in case of a SIP contract)
Depository bank	Eurobank Bulgaria AD, UIC 000694749	United Bulgarian Bank AD, UIC 000694959
Objectives and investment policy	shares of issuers with high revenue potential (up to 95%), debt securities (up to 50%), securities and money market instruments (up to 10%), liquid assets (min. 5%)	shares in the Master Sub-Fund (min. 85%), liquid assets and hedging derivatives (up to 15%); The Master Sub-Fund invests in bonds (up to 70%, including up to 50% of CEE) and shares (up to 30%, including up to 15% of Bulgaria)
Risk profile	Global equity fund Risk and return indicator according to DKII– **5 of 7**	Global mixed “balanced” fund Risk and return indicator according to DKII– **4 of 7**
Risk profile of the target investor	Risk Recommended holding period – **5 years**	Balanced Recommended holding period – **3 - 5 years**
One-off costs and fees (max.)	Subscription fee: 2.00% for order up to BGN 25 000 (incl.) 1.50% for order from BGN 25 000,01 up to BGN 100 000 (incl.) 1.00% for order from BGN 100 000,01 up to BGN 200 000 (incl.) 0.00% for order over BGN 200 000 (incl.) Redemption fee: 0.00%	Subscription fee: 2.50% Redemption fee: 0.00% after 1 month 5.00% up to 1 month
Running costs and charges	Running costs (for 2020): 3.05%, incl. 2.50% management fee Performance fee: no	Running costs (forecast): 1.36%, incl. 1.16% management fee Performance fee: no
Tax treatment of the investment	No capital gain tax	No capital gain tax

Prior to the entry into effect of the Restructuring, no restructuring of the portfolio of **MF UBB Global Dividend** is envisaged. However, as a result of the Restructuring, there will be some *material changes* in the status of unit-holders in the Restructuring Fund.

In particular, on the effective date of the Restructuring, **MF UBB Global Dividend** will be merged into the Receiving Fund, as a result of which the Restructuring Fund will be dissolved without liquidation and all its assets and liabilities will be transferred to the Receiving Fund. Investors, who hold units in **MF UBB Global Dividend** as at the effective date of the Restructuring, will receive in return units in the Receiving Fund in accordance with the determined exchange ratio, thus becoming unit holders in the Receiving Fund (more information on the method for determining the exchange ratio and the Restructuring schedule can be found in Section IV below).

In essence, the exchange will not affect the rights of investors as holders of units in a collective investment scheme managed by KBC AM through the Branch. The new units will continue to be freely transferable and will provide investors with the same rights in the Receiving Fund, incl. the right to a relevant part of the fund's assets (including in the event of its liquidation), the right of redemption, the right to lodge a complaint and the right to information. The Management Company will continue to issue and repurchase units of the Receiving Fund at prices determined daily on the basis of the NAV per unit of the Fund (taking into account possible subscription and redemption fees), and both the issuance of whole and partial units will be admissible. No change is envisaged in the way all accrued revenues in the Receiving Fund will be treated compared to **MF UBB Global Dividend**, as they will be reinvested in accordance with the investment policy of the fund.

No changes are envisaged in the manner and periodicity of providing information to unit-holders by the Management Company acting on behalf of the Receiving Fund, as the Management Company, through the Branch, will prepare and disclose half-yearly and annual financial statements for the Receiving Fund, as well as other statutory information in accordance with the requirements of the CISOUCIA and the acts for its implementation.

However, the merger of **MF UBB Global Dividend** into the Receiving Fund will have a *significant impact* on the nature of the investment, the investment objectives, the risk profile and the structure of costs and fees related to the investment of unit-holders in the Restructuring Fund. This impact includes:

- *Change in the nature of the investment made,* resulting from the conversion of the Receiving Fund into a feeder CIS within the meaning of Art. 67, para. 1 of CISOUCIA, as a result of which the Receiving Fund will not invest directly in various types of equity and debt financial instruments, but will invest not less than 85% of its assets in such instruments indirectly by subscribing shares in the Master Sub-Fund, which will be actively managed by the Management Company.
- *Change in the investment policy* caused by the difference in the target distribution of the assets of **MF UBB Global Dividend**, which may invest up to 95% of its assets in shares, and of the Receiving Fund, which will invest no less than 85% of its assets in shares of the Master Sub-Fund, which in turn will invest up to 70% of its assets in debt instruments denominated in different currencies, and will be able to invest up to 30% in shares.
- *Change in the risk profile of the investment* - there is a significant difference in the investment structure of **MF UBB Global Dividend** and of the Receiving Fund, which implies a decrease of the risk profile of the investment of unit-holders in the Restructuring Fund from "moderate to high" to "moderate" as a result of the Restructuring, as the synthetic indicator of risk and return, defined in the documents with key investor information of both funds, decreases from 5th to 4th level on the 7-level scale of risk and return[*]. While the Restructuring Fund's portfolio includes mainly high-risk positions in shares with high revenue potential, the Receiving Fund's portfolio will have diversified, globally oriented indirect exposure to lower-risk debt instruments and - to a lesser extent - to equities, without being limited to a specific type of issuer or economic sector. This difference in the level of risk of the investment strategies of the two mutual funds cannot be compensated by some specific risks to which the Receiving Fund, as a feeder CIS, is exposed arising from the master-feeder CIS structure, incl. concentration risk related to the fact that the performance of the Receiving Fund depends essentially on the investment policy and market development of the investments of the Master Sub-Fund, i.e. the fund seeks to achieve diversification at the level of Master Sub-Fund, liquidity risk, etc.
- *Change in costs and fees related to the investment* - the Receiving Fund has the same minimum amount of investment compared to **MF UBB Global Dividend** but offers the possibility for conclusion of a SIP contract at a lower initial instalment (BGN 20 compared to BGN 100). At the same time, both the Restructuring Fund and the Receiving Fund provide for a fee for subscription of units in a similar amount (up to a maximum of 2% for a typical investment of up to BGN 25,000, respectively up to 2.50%). Unlike **MF UBB Global Dividend**, the Receiving Fund has a redemption fee (up to a maximum of 5%), which, however, is only applicable for a short period of time after the initial investment (1 month) and is intended solely to discourage redemption undertaken immediately after the initial investment in the Receiving Fund. It is envisaged that the Receiving Fund will have significantly lower running costs, incl. more than twice lower management fee, than the running costs of **MF UBB Global Dividend** for 2020 (1.36% compared to 3.05%). This will be due both to the lower costs associated with managing a lower risk portfolio and to the overall more efficient management of the Receiving Fund, which will become possible after the merger into it of the Restructuring Funds and the activation of economies of scale related to the higher NAV of the Receiving Fund.

A change in the depository bank is envisaged, as the assets of the Receiving Fund will be kept by United Bulgarian Bank AD, UIC 000694959.

More information on the rights of unit-holders in connection with the Restructuring can be found in Section III below.

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[*] The lowest value does not mean that an investment is risk-free. However, it shows that - compared to higher values - this investment generally provides a lower but more predictable return. This value also indicates the degree of risk associated with the investment. The higher the value, the higher the potential return, but it is also more difficult to predict that return. It is even possible to realize losses.

9. Expected impact of the Restructuring on the unit-holders in MF UBB Platinum Bond

To illustrate the expected impact of the Restructuring on the rights of unit-holders in the Receiving Fund, the following table compares the main parameters of the Receiving Fund before and after the effective date of the Restructuring:

Table No 13

Main parameters	***MF UBB Platinum Bond **** ** Before the entry into effect of the Restructuring*	***MF UBB Platinum Bulgaria ***** *** After the implementation of the Restructuring and the Conversion*
Main characteristics	mutual fund investing directly in financial instruments and liquid assets freely transferable units with a nominal value of **BGN 10** and equal rights, incl. right of liquidation share, right of redemption, right of complaint, right of information daily determination of NAV minimum amount of investment – **BGN 100** (BGN 20 in case of a SIP contract)	mutual fund investing as a feeder CIS min. 85% in shares of the Master Sub-Fund freely transferable units with a nominal value of **BGN 10** and equal rights, incl. right of liquidation share, right of redemption, right of complaint, right of information daily determination of NAV minimum amount of investment – **BGN 100** (BGN 20 in case of a SIP contract)
Depository bank	Eurobank Bulgaria AD, UIC 000694749	United Bulgarian Bank AD, UIC 000694959
Objectives and investment policy	Fixed-income debt FI (up to 100%), equity FI (up to 20%), securities and money market instruments (up to 10%)	shares in the Master Sub-Fund (min. 85%), liquid assets and hedging derivatives (up to 15%); The Master Sub-Fund invests in bonds (up to 70%, including up to 50% of CEE) and shares (up to 30%, including up to 15% of Bulgaria)
Risk profile	Mixed „conservative" fund (Europe) Risk and return indicator according to DKII– **2 of 7**	Global mixed "balanced" fund Risk and return indicator according to DKII– **4 of 7**
Risk profile of the target investor	Conservative Recommended holding period – **2 years**	Balanced Recommended holding period – **3 - 5 years**
One-off costs and fees (max.)	Subscription fee: 0.00% Redemption fee: 0.00% after 5 months 0.50% up to 5 months	Subscription fee: up to 2.50% Redemption fee: 0.00% after 1 month 5.00% up to 1 month
Running costs and charges	Running costs (for 2020): 0.56%, incl. 0.50% management fee Performance fee: no	Running costs (forecast): 1.36%, incl. 1.16% management fee Performance fee: no
Tax treatment of the investment	No capital gain tax	No capital gain tax

Prior to the entry into effect of the Restructuring, no restructuring of the portfolio of the Receiving Fund is envisaged. However, as a result of the Restructuring and the subsequent Conversion of the fund into a feeder CIS within the meaning of Art. 67, para. 1 of CISOUCIA, there will be some *material changes* in the status of unit-holders in the Fund, including there will be significant changes in the structure of the Fund's portfolio.

In particular, on the effective date of the Restructuring, the Restructuring funds will merge into the Receiving Fund, as a result of which the Restructuring Funds will be dissolved without liquidation and all their assets and liabilities will be transferred to the Receiving Fund. Investors, who hold units in the Restructuring funds as at the effective date of the Restructuring, will receive in return units in the Receiving Fund in accordance with the determined exchange ratio, thus becoming unit holders in the Receiving Fund (more information on the method for determining the exchange ratio and the

Restructuring schedule can be found in Section IV below).

In essence, the Restructuring will not affect the rights of investors in the Receiving Fund. Its units will continue to be freely transferable and will provide investors with the same rights in the Receiving Fund, incl. the right to a relevant part of the fund's assets (including in the event of its liquidation), the right of redemption, the right to lodge a complaint and the right to information. The Management Company will continue to issue and repurchase units of the Receiving Fund at prices determined daily on the basis of the NAV per unit of the Fund (taking into account possible subscription and redemption fees), and both the issuance of whole and partial units will be admissible. No change is envisaged in the way all accrued revenues in the Receiving Fund will be treated, as they will be reinvested in accordance with the investment policy of the fund.

No changes are envisaged in the manner and periodicity of providing information to unit-holders by the Management Company acting on behalf of the Receiving Fund, as the Management Company, through the Branch, will prepare and disclose half-yearly and annual financial statements for the mutual fund, as well as other statutory information in accordance with the requirements of the CISOUCIA and the acts for its implementation.

However, the Restructuring and the Conversion of the Receiving Fund will have a *significant impact* on the nature of the investment, the investment objectives, the risk profile and the structure of costs and fees related to the investment of unit-holders in the Fund. This impact includes:

- *Change in the nature of the investment made,* resulting from the conversion of the Receiving Fund into a feeder CIS within the meaning of Art. 67, para. 1 of CISOUCIA, as a result of which in future the mutual fund will not invest directly in various types of equity and debt financial instruments, but will invest not less than 85% of its assets in such instruments indirectly by subscribing shares in the Master Sub-Fund, which will be actively managed by the Management Company.
- *Change in the investment policy* - there is a difference in the target distribution of the assets of the Receiving Fund before the Restructuring - up to 100% in debt instruments and up to 20% in equity instruments mainly from the region of Europe, and after the Restructuring - the Receiving Fund will invest no less than 85% of its assets in shares of the Master Sub-Fund, which in turn will invest up to 70% of its assets in debt instruments and will be able to invest up to 30% in shares. The target distribution of the Master Sub-Fund's investments is further divided into 20% in a global selection of debt instruments and 50% in a selection of debt instruments from CEE, with equity investments to be allocated to 15% in a global selection of equity investments from each region, sector or sphere and 15% in Bulgarian shares.
- *Change in the risk profile of the investment* - there is an increase in the level of risk of the investment from low to moderate, as the synthetic indicator of risk and return, defined in the document with key investor information of the fund, increases from 2nd to 4th level on the 7-level scale of risk and return[*]. This is partly due to the difference in the structure of investments of the Receiving Fund before and after the Restructuring. While before the Restructuring the mutual fund's portfolio includes mainly lower risk debt instruments issued in Europe, after the effective date of the Restructuring the portfolio will have indirect exposure to a global selection of debt instruments and more significant exposure to higher risk equity instruments (shares). In addition, due to its Conversion into a feeder CIS, the Receiving Fund will be exposed to some specific risks arising from the master-feeder CIS structure, incl. concentration risk related to the fact that the performance of the Receiving Fund depends essentially on the investment policy and market development of the investments of the Master Sub-Fund, i.e. the fund seeks to achieve diversification at the level of Master Sub-Fund, liquidity risk, etc.
- *Change in costs and fees related to the investment* – as a result of the Restructuring, the Receiving Fund will start charging a fee for subscription of units (up to a maximum of 2.50%), as well as a higher redemption fee (up to a maximum of 5% compared to 0.50%), which is, however, applicable for a shorter period from the date of the initial investment (1 month versus 5 months)

[*] The lowest value does not mean that an investment is risk-free. However, it shows that - compared to higher values - this investment generally provides a lower but more predictable return. This value also indicates the degree of risk associated with the investment. The higher the value, the higher the potential return, but it is also more difficult to predict that return. It is even possible to realize losses.

and is intended solely to discourage redemption undertaken immediately after the initial investment in the Receiving Fund. It is also envisaged that the Receiving Fund will have higher running costs, incl. higher management fee, than its running costs for 2020 (1.36% compared to 0.56%). This change is caused by the different investment policy of the Receiving Fund after the Restructuring, which allows the creation of indirect exposures to higher-yielding, but also riskier instruments. This requires higher costs. The higher running costs are also related to the assumption by the Receiving Fund, as a shareholder in the Master Sub-Fund, of a respective part of some expenses for the administration of the Master Sub-Fund, incl. payment of a management fee to the Management Company.

A change in the depository bank is envisaged, as the assets of the Receiving Fund will be kept by United Bulgarian Bank AD, UIC 000694959.

More information on the rights of unit-holders in connection with the Restructuring can be found in Section III below.

III. Specific rights of unit - holders in respect of the proposed restructuring

1. Right of redemption in connection with the Restructuring and the Conversion

In connection with the implementation of the Restructuring and the Conversion of the Receiving Fund into a feeder CIS, the unit-holders in each of the Restructuring Funds and in the Receiving Fund may request redemption of their units without paying any fees other than those related only to coverage of the expenses for early termination of investments, in order to release funds for satisfaction of the requests for redemption of units, which the Management Company, including in application of the requirements of Art. 79, para 1, item 4 of CISOUCIA in connection with the Transformation, sets equal to the applicable redemption fee for units in the relevant fund participating in the Restructuring, insofar as such a fee exists (information on the applicable redemption fees can be found in the section for each fund participating in the Restructuring in Section II above).

The right of redemption of unit-holders may be exercised within 47 days[*] after the date of publication of this information document and shall terminate on 03.11.2021, which date falls 5 working days before the date of calculation of the exchange ratio in relation to the Restructuring ("Redemption Term").

Redemption orders will be accepted every working day until **03.11.2021**, inclusive, in the time interval from 8:30 am to 5:00 pm in the designated offices of the distributor of the funds participating in the Restructuring - United Bulgarian Bank AD, UIC 000694959 (the "**Distributor**"). Interested parties can obtain a list of the offices of United Bulgarian Bank AD, in which units of the funds participating in the Restructuring are offered, as well as their addresses, from the contact centre of United Bulgarian Bank AD at phone number 0700 117 17.

It is not envisaged that unit-holders in the Restructuring Funds and in the Receiving Fund may request the conversion of their units into units of another CIS with similar investment purposes, managed by the Management Company or by another company to which it is related by joint management or control or

[*] The 47-day period is set in order to allow sufficient time for the Restructuring and Conversion to be notified to all unit-holders, including by sending letters with acknowledgment of receipt, thus ensuring that the right of redemption referred to in the preceding sentence may be exercised by any unit-holder for a period of at least 30 days before the expiry of that period. KBC AM sets a deadline of 17 days for the completion of the notification, taking into account the standard deadlines for delivery of domestic postal items according to the General Terms and Conditions of Bulgarian Posts EAD.

through substantial direct or indirect participation.

2. Right to receive additional information regarding the Restructuring and the Conversion

All interested parties, including unit-holders in the Restructuring Funds, unit-holders in the Receiving Fund or potential investors in units of the Receiving Fund, may obtain additional information in connection with the Restructuring and the Receiving Fund, including in connection with the Conversion and all the resulting changes in the investment policy of the Receiving Fund, its investment strategy, costs and fees and other related changes, on the website of the Branch - www.ubbam.bg, "News" section, as well as in all offices of the Distributor, where units of the Receiving Fund are offered. Interested parties may obtain a list of the Distributor's offices in which units of the funds participating in the Restructuring are offered, as well as their addresses, from the Distributor's contact centre at phone number 0700 117 17.

On the above mentioned website of the Branch, as well as in the offices of United Bulgarian Bank AD, the interested parties can get themselves acquainted and receive/download a free copy of the updated document with key investor information on the Receiving Fund, updated prospectus and rules of the Receiving Fund, which reflect the necessary changed information about the Receiving Fund in connection with the Conversion, as well as the document with key information for the investors in the Master Sub-Fund. Copies of the updated document with key investor information on the Receiving Fund and the document with the key investor information on the Master Sub-Fund are also attached to this document.

The Management Company recommends that unit-holders in the Restructuring Funds and in the Receiving Fund carefully read the documents with key investor information on the Receiving Fund and the Master Sub-Fund before deciding whether to exercise their redemption right in connection with the Restructuring and the Conversion.

In addition, on the website of the Branch and in the offices of United Bulgarian Bank AD the interested parties can also get themselves acquainted with the information contained in this document, as well as download from the website of the Branch a free copy of it on electronic media, respectively to receive a free copy on paper in the offices of United Bulgarian Bank AD.

The holders of units in the Restructuring Funds and the Receiving Fund will be sent e-mail notifications, to the e-mail addresses provided by the unit-holders in connection with their relations with the Restructuring Funds, respectively with the Receiving Fund, if they have provided such, respectively notifications by sending letters with acknowledgment of receipt, if the unit-holders have not provided e-mail addresses, which notifications will contain the necessary information on how they can get acquainted themselves with this information document on the website of the Branch, www.ubbam.bg, in the News section, respectively data on the offices of United Bulgarian Bank AD, where they can receive it on paper.

3. Right to receive a copy of the auditor's report

In accordance with Art. 150, para 1 of CISOUCIA certain parameters of the Restructuring are subject to inspection by a registered auditor according to the Independent Financial Audit Act. In this regard, the verification of the Restructuring, within the scope required under Art. 150, para. 1 of the CISOUCIA, is assigned to the auditing company Mazars OOD, UIC 204638408, registered with the Institute of Certified Public Accountants under registration No 169 (the "Verifying Auditor").

In compliance with the requirements of the applicable legislation, the Verifying Auditor verifies the following parameters of the Restructuring:

- the adopted criteria for valuation of assets and liabilities as at the date of calculation of the exchange ratio, in accordance with the rules set out in the restructuring plan prepared by the Management Company;
- the method for calculating the exchange ratio, as well as the actual exchange ratio calculated on the date of calculation of the exchange ratio according to the rules specified in the restructuring plan prepared by the Management Company.

As a result of the performed audit, the Verifying Auditor shall prepare a report in which the results of the performed inspection are to be indicated. A copy of the prepared report shall be provided to the Financial Supervision Commission, and shall be provided free of charge upon request to the unit-holders in the Restructuring Funds and in the Receiving Fund in the order under the previous item.

4. Right to cash payment to achieve an equivalent exchange ratio in connection with the Restructuring

The number of units in the Receiving Fund that will be acquired by the unit-holders in each of the Restructuring Funds will be determined as the product of the units, held by them in the respective Restructuring Fund, and the exchange ratio, rounded to the fourth decimal place. Therefore, no cash payments are envisaged in favour of unit-holders in the Restructuring Funds to achieve an equivalent exchange ratio upon the Restructuring.

IV. Procedural issues and planned effective date of the Restructuring

1. Provision of information to unit-holders and redemption rights

After receiving permission from the Financial Supervision Commission to carry out the Restructuring, the Management Company prepared a final schedule for the steps for the implementation of the Restructuring and the Conversion and published a notice to the unit holders in the Restructuring Funds and the Receiving Fund in the form of this information document. In this regard, the unit-holders of the funds participating in the Restructuring can find a table containing the schedule for the implementation of the Restructuring and Conversion in item 7 below.

This information document was published on the website of the Branch, www.ubbam.bg, in the "News" section, on 17.09.2021.

2. Redemption period in connection with the Restructuring and the Conversion

The right of redemption of unit-holders referred to in Section III, item 1 above, may be exercised within 47 days after the date of publication of this information document pursuant to the order in the preceding paragraph, and shall terminate on **03.11.2021** which date falls 5 working days before the date for calculating the exchange ratio in connection with the Restructuring.

3. Dates of permanent suspension of issuance and redemption of units of the Restructuring Funds and of temporary suspension of issuance and redemption of units of the Receiving Fund

On **20.09.2021**, which is the first working day after the date of publication of this information document on the website of the Branch, the Management Company will permanently suspend, through the Branch, the issuance of units in the Restructuring Funds.

On **04.11.2021**, which is the first working day after the expiration of the Redemption Term, the Management Company will also permanently suspend, through the Branch, the redemption of units in the Restructuring Funds, as well as will temporarily suspend the issuance and redemption of units in the Receiving Fund ("**Suspension Date**").

The issuance and redemption of units in the Receiving Fund will be resumed on the third working day following the effective date of the Restructuring - **17.11.2021**.

In this regard, on the first working day following the date of publication of this information document on the Branch's website, the Branch will instruct the Distributor to stop offering units of the Restructuring Funds, and on the Suspension Date will instruct the Distributor to suspend also the redemption of units of the Restructuring Funds and the offer and redemption of units of the Receiving Fund, and will order the Distributor to resume the issuance and repurchase of units of the Receiving Fund on the third working day following the effective date of the Restructuring.

4. Date of calculation of the exchange ratio

The date of calculation of the exchange ratio will be on **10.11.2021**, which date falls 6 working days after the expiration of the Redemption Term. On this date, the Management Company will determine, through the Branch, the exchange ratio that will be applied to determine the ratio at which unit-holders in the Restructuring Funds will receive units in the Receiving Fund, as well as the number of units in the Receiving Fund which each unit-holder in a Restructuring Fund will receive on the effective date of the Restructuring.

The number of units in the Receiving Fund that each unit-holder in a Restructuring Fund will receive on the effective date of the Restructuring will be calculated in accordance with the following formula:

A = B x (C / D), where:

A = the number of new units in the Receiving Fund

B = the number of units held in a Restructuring Fund

C = the NAV per unit in the Restructuring Fund*

D = the NAV per unit in the Receiving Fund*

* Determined on the date of calculation of the exchange ratio.

The exchange ratio will be rounded to the sixth decimal place and the number of units in the Receiving Fund - to the fourth decimal place. It is therefore not necessary or envisaged to make cash payments in favour of unit-holders in order to achieve an equivalent exchange ratio upon the Restructuring.

The table below represents ***Example 1*** for determining the exchange ratio and the number of units in the Receiving Fund that an investor holding 112 units in the Restructuring Fund UBB Balanced Fund would receive, based on data for 30.03.2021 as *a hypothetical* date of calculation of the exchange ratio for the purposes of the example:

Table No 14

Number of units in UBB Balanced Fund	**B** = 112 units
***NAV per unit in UBB Balanced Fund* on 30.03.2021**	**C** = BGN 16,3996
***NAV per unit in the Receiving Fund* on 30.03.2021**	**D** = BGN 14,8795
Exchange ratio	**C / D** = 1,102161
Number of units in the Receiving Fund	**A** = **B x (C / D)** 112 x 1,102161 **123,4420 units**

The table below represents ***Example 2*** for determining the exchange ratio and the number of units in the Receiving Fund that an investor, holding 369 units in the Restructuring Fund UBB Platinum Euro Bond, would receive, based on data for 30.03.2021 as a *hypothetical* date for calculating the exchange ratio for the purposes of the example:

Table No 15

Number of units in UBB Platinum Euro Bond	**B** = 369 units
***NAV per unit in UBB Platinum Euro Bond* on 30.03.2021, in EUR and in BGN**	**C** = EUR 11,0070* BGN 21,5278 * *EUR 1 = BGN 1,95583 on 30.03.2021
***NAV per unit in the Receiving Fund* on 30.03.2021**	**D** = BGN 14,8795
Exchange ratio	**C / D** = 1,446809
Number of units in the Receiving Fund	**A** = **B x (C / D)** 369 x 1,446809 **533,8725 units**

After the date of calculation of the exchange ratio, the Branch will cease to permanently calculate the net asset value and the net asset value per unit of the Restructuring Funds.

5. Effective Restructuring Date

The effective date of the Restructuring (the **"Effective Date**") will be **12.11.2021**, which date falls on the second working day after the date of calculation of the exchange ratio, i.e. 8 working days after the expiration of the Redemption Term.

The effective date is the date on which the Restructuring takes effect and according to Art. 154, para. 4 of the CISOUCIA after this date the Restructuring cannot be declared null and void.

In this regard, on the Effective Date all assets and liabilities of the Restructuring Funds will be transferred to the Receiving Fund, in return for which the holders of units in the Restructuring Funds will receive a corresponding number of whole and partial units in the Receiving Fund; the value of the partial shares, if applicable, will be rounded to the fourth decimal place, according to the determined exchange ratio in application of the rules for determining it, set out in the previous point.

Holders of units in the Restructuring Funds will be able to exercise all their rights as holders of units in the Receiving Fund, incl. the right of redemption, as of the third working day following the effective date of the Restructuring - **17.11.2021**, on which date the issuance and redemption of units in the Receiving Fund will be resumed.

As a result of the Restructuring, after the Effective Date, the Restructuring Funds will cease to exist without liquidation.

Upon the Effective Date, the Branch will publish a notice on its website, which will publicly announce the effect of the Restructuring. Simultaneously with the publication of the Restructuring notice, the Branch will also notify the Financial Supervision Commission of the occurrence of the Effective Date and the entry into force of the Restructuring.

On the Effective Date, after the entry into force of the Restructuring and the transfer of the assets and liabilities of the Restructuring Funds to the Receiving Fund, the Branch will notify in writing the current depository bank - Eurobank Bulgaria AD, and United Bulgarian Bank AD, which will replace Eurobank Bulgaria AD as the new depository bank of the Receiving Fund, for completion of the procedure for transfer of the assets and liabilities of the Restructuring Funds to the Receiving Fund, as well as will submit the necessary applications to Central Depository AD for deregistration from the central register of securities of the Restructuring Funds and the units issued by them, as well as for issuance of a registration act regarding the issue of units of the Receiving Fund, which will certify the provision of the respective number of new units from the Receiving Fund to the unit-holders in the Restructuring Funds.

Within seven days from the Effective Date, the Branch will apply before the FSC for the deregistration of the Restructuring Funds from the register kept by the FSC under Art. 30, para 1, point 4 of the FSCA and will provide it in this connection with an act for deregistration of the Restructuring Funds and the units issued by them and a registration act with regard to the issue of units of the Receiving Fund, containing data on the units in the Receiving Fund provided to the holders of units in the Restructuring Funds, issued by Central Depository AD in its capacity as an entity keeping the central register of securities, respectively in its capacity of a central depository of securities, in case the specified acts cannot be issued from the data in the central register of securities until the expiration of the seven-day term. Within the same period, the Branch will submit to the FSC the final Auditor's Report.

After the deregistration of the Restructuring Funds from the register kept by the FSC under Art. 30, para. 1, item 4 of the FSCA, the Branch will declare the deletion of the Restructuring Funds from the BULSTAT register as well.

No later than one month after the Effective Restructuring Date, i.e. not later than **12.12.2021**, the Receiving Fund will effectively become a feeder collective investment scheme and will start investing in shares of the Master Sub-Fund, respectively will begin to comply with the investment restrictions set out in the CISOUCIA and its implementing acts on feeder collective investment schemes.

6. Expenses for unit-holders in connection with the Restructuring

No additional costs are foreseen for the unit-holders in the Restructuring Funds and in the Receiving Fund in connection with the Restructuring.

Unit-holders will have the opportunity during the Redemption Term to order redemption of their units in the Restructuring Funds, respectively in the Receiving Fund, without incurring additional costs other than those related to covering the costs of early termination of investments, in order to release funds to satisfy redemption requests.

In addition, it should be borne in mind that according to Art. 153 of the CISOUCIA, the legal, consulting and administrative expenses incurred in connection with the preparation and implementation of the Restructuring shall not be borne by the Restructuring Funds or the Receiving Fund or by the holders of their units.

Therefore, all such costs related to the Restructuring will be borne by the Management Company.

7. Schedule for the implementation of the Restructuring and the Conversion

Event	Date
Issuance of approval for the Conversion by the Financial Supervision Commission	**13.07.2021**
Issuance of a permit by the Financial Supervision Commission for carrying out the Restructuring	**13.07.2021**
Publication of this information document for unit-holders in connection with the Restructuring on the Branch's website Sending notifications to the unit-holders of the funds participating in the Restructuring Start of redemption term	**17.09. 2021**
Permanent suspension of the issuance of units in the Restructuring Funds	**20.09.2021**
End of the Redemption Term	**03.11.2021**
Permanent suspension of redemption of units in the Restructuring Funds and temporary suspension of issuance and redemption of units in the Receiving Fund	**04.11.2021**

Date of calculation of the exchange ratio	**10.11.2021**
Effective Restructuring Date Publication of a message announcing the entry into effect of the Restructuring Submission of applications to Central Depository AD for deregistration from the central register of securities of the Restructuring Funds and the units issued by them, as well as for issuance of a registration act regarding the issue of units of the Receiving Fund	**12.11.2021**
Resumption of the issuance and repurchase of units in the Receiving Fund	**17.11.2021**
Submission of an application to the FSC for deregistration of the Restructuring Funds from the register kept by the FSC under Art. 30, para 1, item 4 of the FSCA	**until 19.11.2021**
Commencement of the investment of not less than 85% of the assets of the Receiving Fund in shares of the Master Sub-Fund in compliance with the requirements of the CISOUCIA to feeder CIS	**until 12.12.2021**