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If you are in any doubt about the contents of this Supplement, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

The Directors of the Company, whose names appear under the heading “Management and Administration” are the persons responsible for the information contained in this Supplement and the Prospectus of the Company dated 9 July 2021 and accept responsibility accordingly. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of the information.

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## **HI NUMEN CREDIT FUND**

*(A fund of Hedge Invest International Funds plc an investment company with variable capital structured as an umbrella fund with segregated liability between sub-funds)*

### **SUPPLEMENT**

**Hedge Invest SGR P.A.**

Investment Manager

**Numen Capital LLP**

Sub-Investment Manager

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This Supplement contains information relating to the HI Numen Credit Fund (the “Fund”), which is a separate fund of Hedge Invest International Funds plc. This Supplement forms part of the current prospectus of the Company (the “Prospectus”) dated 9 July 2021 and should be read in the context of and together with the Prospectus and together with the most recent audited annual report and accounts and if published after such report, a copy of the latest unaudited semi-annual report.

The date of this Supplement is 4 January 2023.

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## DEFINITIONS

Unless otherwise defined herein or unless the context otherwise requires all defined terms used in this Supplement shall bear the same meaning as in the Prospectus

**“Applicable Share Classes”**, the Hurdle Share Classes and the Non-Hurdle Share Classes, for which a Performance Fee may be payable as listed in Schedule A to this Supplement.

**“Business Day”**, any day (except Saturday and Sunday) where the banks in London and Dublin are open for business.

**“CHF” or “Swiss Francs”**, the lawful currency of Switzerland.

**“Dealing Day”**, every Friday (provided that such day is a Business Day and if such day is not a Business Day, the preceding Business Day), or such other days as the Directors may from time to time determine, and notify to Shareholders in advance, provided that there shall be at least one Dealing Day per week.

**“First Valuation Point”**, close of business in the first market on which the Investments of the Company are traded on each Dealing Day.

**“High Water Mark”**, the greater of: (i) the initial offer price per Share of the relevant Applicable Share Class and (ii) the highest Net Asset Value per Share of the relevant Applicable Share Class on the last day of the previous Performance Period for which a Performance Fee was paid.

**“Hurdle Performance”**, the average weekly Euro interbank interest offer rate (“**EURIBOR**”) from the end of the preceding Performance Period until the end of the current Performance Period, expressed as an annual percentage, plus 1.00%, to be adjusted for the actual number of days from the end of the preceding Performance Period until the end of the current Performance Period.

**“Hurdle Share Classes”**, the EUR I Initial Shares, EUR I Shares, EUR R Shares, EUR DM Shares and CHF R Shares.

**“Non-Hurdle Share Classes”**, the EUR I2 Shares, EUR D Shares, EUR DM2 Shares, EUR Super-I Shares, USD D Shares, USD DM2 Shares, USD I2 Shares, CHF D Shares, CHF DM2 Shares, GBP I2 Shares, GBP D Shares and GBP DM2 Shares.

**“Management Shares”**, the EUR M Shares and GBP M Shares.

**“Performance Fee”**, the performance fee that may be payable in respect of the Applicable Share Classes as set out in the section “FEES AND EXPENSES: Performance Fee”.

**“Performance Period”**, with effect from the date of this Supplement, the accounting period for the Company, which ends on 30 June in each year. Prior to the date of this Supplement the Performance Period was each calendar quarter, ending on 31 December, 31 March, 30 June, and 30 September.

**“Sub-Investment Manager”**, Numen Capital LLP and/or such other person or entity as may be appointed, in accordance with the requirements of the Central Bank, to provide investment management services to the Fund.

**“Valuation Point”**, close of business in the relevant markets on each Dealing Day at which time the Net Asset Value is calculated.

## HI NUMEN CREDIT FUND

### INTRODUCTION

This Supplement comprises information relating to the Shares of HI Numen Credit Fund to be issued in accordance with the Prospectus and this Supplement.

The Fund currently has twenty six classes of Shares, designated in different currencies as set out in Schedule A to this Supplement.

The base currency of the Fund is Euro.

The general details set out in the Prospectus apply to the Fund save where otherwise stated in this Supplement. To the extent that there is any inconsistency between this Supplement and the Prospectus, this Supplement shall prevail.

### INVESTMENT OBJECTIVES AND POLICIES

#### Investment Objective

The Fund's investment objective is to generate absolute total rates of return generally in the credit market regardless of economic and market conditions including the level of defaults experienced in the credit market and the general direction of interest rates.

**There can be no assurance that the Fund will achieve its investment objective.**

#### Investment Policy

In pursuit of the Fund's investment objective, the Investment Manager or Sub-Investment Manager will follow a variety of risk/reward strategies (as set out below under the heading "Risk/Reward Strategies").

It is intended that the Fund will seek to achieve its investment objective primarily through investment in credit instruments listed or traded on Regulated Markets globally, including but not limited to, corporate and/or government bonds, debt securities and obligations (which may be either fixed or floating), whether senior or subordinated and loans by way of a participation interest, which will be securitised and freely transferable. Investment in loans may also include collateralised loan obligations, collateralised debt obligations and / or collateralised mortgage obligations.

The Regulated Markets in which the Fund may invest are set out in Appendix I of the Prospectus. These Regulated Markets are listed in accordance with the requirements of the Central Bank, it being noted that the Central Bank does not issue a list of approved exchanges or markets.

The credit instruments may be rated or unrated and, if rated, the Fund may invest without limitation in below investment grade credit instruments. The instruments may be current or may not be current on their contractual obligations. An instrument that is no longer paying a coupon interest would be considered not current on its contractual obligations. Such instruments are likely to be trading at significantly discounted prices. Accordingly, the Investment Manager or Sub-Investment Manager will analyse such instruments before investing, to assess whether it is anticipated that they are likely to become current in their obligations and whether such instruments are likely to be sold for a higher value than the market price paid. The returns of these instruments may be subordinated to preferential and other rights of holders of or participants in instruments, or other securities, rights or

obligations issued by the same or related issuers. The Fund may hold long or short positions in such instruments. Short positions may only be achieved through the use of financial derivative instruments ("**FDI**") (see below under the headings "Investment in FDI" and "Risk/Reward Strategies"). The Investment Manager or Sub-Investment Manager intends to express the majority of the Fund's short positions through credit default swaps in respect of credit securities and long positions in put options or contracts for differences in the case of equity securities (see heading below, entitled "Other Investments", for further details in respect of investment in equities). In addition, the Investment Manager or Sub-Investment Manager may enter into total return swaps to gain short exposure linked to a specific credit security.

If a credit instrument has been rated by more than one nationally recognised statistical rating organisation the Investment Manager or Sub-Investment Manager may consider the highest rating for the purposes of determining whether the credit instrument is investment grade. The Fund will not necessarily dispose of a credit instrument held by it if its rating falls below investment grade, although the Investment Manager or Sub-Investment Manager will consider whether the credit instrument continues to be an appropriate investment for the Fund.

Investment in credit instruments may be on a global basis in any market, jurisdiction and/or industry. Accordingly, the portfolio of the Fund may consist of credit instruments which are diversified or concentrated in a particular market, jurisdiction or industry.

### ***Other Investments***

While the Fund will primarily invest in credit instruments, the Fund will also have flexibility in relation to the range of instruments in which it may invest so as to enable the Investment Manager, in pursuit of the investment objective, to react to, and take advantage of market conditions. This means that investment will not be limited to credit instruments but may also include exposure on a global basis to equities, currencies and interest rates.

For example, to hedge long exposure to a particular credit instrument the Fund may invest in the equity of the underlying company. Alternatively, the Fund may invest in an equity as opposed to a credit instrument, were the Investment Manager or Sub-Investment Manager believes that it is more advantageous to do so. In addition, the Fund may from time to time hold equities as a result of the conversion of a convertible bond (see below under the heading entitled "Investment in FDI – Options (equity index options and bond options)").

The Fund may invest in currencies through the use of foreign exchange forwards and foreign exchange swaps and currency swaps.

The Fund may gain exposure to interest rates, for example, in seeking to minimise the exposure of the Fund's credit portfolio against fluctuations in the levels of interest rates, the Investment Manager or Sub-Investment Manager may utilise interest rate derivatives, thereby seeking to reduce the sensitivity of the Fund's portfolio to interest rate movements.

Subject to the investment restrictions described in Appendix II of the Prospectus, investments will be made in transferable securities including but not limited to shares and other types of equity securities such as preferred shares, which may be listed or traded on a Regulated Market or unlisted.

The Fund may also engage in repurchase, reverse repurchase and stock lending techniques for efficient portfolio management.

The Fund may also invest no more than 10% of its Net Asset Value in other collective investment schemes, with the same or similar investment objectives and policies to that of the Fund. In addition, the Fund may invest no more than 10% of its Net Asset Value in unlisted securities.

The Fund may also retain amounts in cash or cash equivalents (which shall include, but shall not be limited to, short-term fixed income securities including commercial paper (i.e. investment grade short-term paper issued by credit institutions) and money market obligations such as short and medium-term treasury bills and treasury notes (both fixed and floating rate), certificates of deposit and bankers' acceptances) pending re-investment, or for use as collateral, subject to the requirements of the Central Bank, arising from the Fund's use of FDI if this is considered appropriate to the investment objective.

### ***Investment in FDI***

The Fund may, but is not obliged to, use FDI for investment or efficient portfolio management purposes including, credit default swaps, equity index options and bond options, currency forward exchange contracts, non-deliverable forward contracts, bond futures, equity index futures, total return swaps, warrants, contracts for difference, interest rate swaps, interest rate futures and swaptions. FDI may be exchange-traded or over-the-counter. The reference assets for FDI will be the asset classes as set out above.

The FDI of which the Fund may avail are credit default swaps, foreign exchange forwards and foreign exchange swaps, futures, total return swaps, interest rate swaps, currency swaps, options (equity index options, swaptions and bond options), warrants, contracts for difference and participation notes. Details of these FDIs are set out in the Prospectus under "Investment in Financial Derivative Instruments".

A risk management process ("**RMP**") which enables the Fund to accurately measure, monitor and manage the risks associated with FDI is in place and a document describing it has been prepared and submitted to the Central Bank in accordance with the Central Bank's requirements on the use of FDIs. Only FDI provided for in the RMP document will be utilised.

The Investment Manager or Sub-Investment Manager generally takes long positions in credit instruments that the Investment Manager or Sub-Investment Manager has identified as undervalued and may synthetically sell short positions in credit instruments that the Investment Manager or -Sub-Investment Manager has identified as overvalued by entering into FDI trades such as credit default swaps, total return swaps or CFD. It is generally expected that the Fund will have between 50% and 200% long and 50% and 200% short exposure based on the Net Asset Value of the Fund.

The Fund uses a risk management technique known as absolute value-at-risk to assess the Fund's market risk to seek to ensure that the use of FDI by the Fund is within regulatory limits. The value-at-risk on the portfolio of the Fund shall not exceed 4.47% in any one day. The confidence level of the Fund shall be 99% and the holding period shall be one trading day. The historical observation period will not be less than one year, however, a shorter observation period may be used when appropriate, (e.g. as a result of significant recent changes in price volatility).

The leverage, calculated as the sum of the notionals of the FDI used by the Fund, including the leverage employed as a result of synthetically selling short positions, will be compliant with the Regulations and is expected to be in the region of 250% to 300% of the Net Asset Value of the Fund and can, in certain circumstances, substantially increase the adverse impact to which the Fund's investment portfolio may be subject. In general, the level of

leverage may be at the high-end of the expected range when interest rates are expected to change or when credit spreads are expected to widen or tighten. In addition, the level of leverage might be (on a temporary basis) significantly higher than the above mentioned range when certain derivatives instruments are employed, such as call/put options with low delta but large underlying notional exposures. For example, leverage may be significantly higher where the Sub-Investment Manager purchases certain FDI to hedge against a highly disruptive market event (e.g. a sovereign debt crisis in a particular country) that may be affecting another part of the Fund.

The risks attached to the use of FDI by the Fund are set out in the section headed “Risks Associated with Financial Derivative Instruments” in the Prospectus.

The Investment Manager or Sub-Investment Manager may seek to hedge the foreign currency exposure of the Fund to currencies other than the base currency through the use of spot and forward foreign exchange contracts or other methods (as set out above) of reducing exposure to currency fluctuations. The Investment Manager or Sub-Investment Manager does not intend to invest in currencies as its primary strategy.

### ***Risk/Reward Strategies***

The Fund will have flexibility in relation to the range of risk/reward strategies which it may utilise (provided that such risk/reward strategies do not conflict with the investment objective, investment policy and investment restrictions applicable to the Fund), to enable the Investment Manager or Sub-Investment Manager, in pursuit of the investment objective, to react to, and take advantage of, market conditions including, but not limited to, directional strategies fundamentally driven, relative value strategies fundamentally driven, capital structures strategies, derivatives basis strategies and macro trading as described below.

**Directional strategies fundamentally driven** – these involve the Investment Manager or Sub-Investment Manager monitoring securities issued by both corporates and governments and making an assessment as to the fair value of such securities by incorporating various quantitative and qualitative analytical tools. If the Investment Manager or Sub-Investment Manager forms a view that there is a relevant discrepancy between their view as to the fair value of the securities and the value of the securities in the market, the Investment Manager or Sub-Investment Manager will establish either a long or short position accordingly in respect of these securities.

**Relative value strategies fundamentally driven** – these involve the Investment Manager or Sub-Investment Manager, based upon fundamental analysis, establishing a long position in the securities of a company/sector/government versus a short position in the securities of a competing company/sector/government. The Investment Manager or Sub-Investment Manager may pursue this strategy (among many other variables) on a market segment level, an industrial sector level, or a geographical level.

**Capital structures strategies** – these involve the Investment Manager or Sub-Investment Manager selecting issuers for which the Investment Manager or Sub-Investment Manager has assessed notable discrepancies in valuation evident in different layers of the capital structures, for example between a company’s debt and equity securities. The Investment Manager or Sub-Investment Manager may then endeavour to minimise the Fund’s exposure to the overall quality of the specific issuers by having a long exposure in the portion of the liabilities which the Investment Manager or Sub-Investment Manager has formed the view appear to be below fair value, against an offsetting short position on the expensive layer of such securities. The Investment Manager or Sub-Investment Manager is of the view that this strategy is particularly attractive for large issuers with complex liability structures such as banks and large corporations.

**Derivatives basis strategies** – these involve the Investment Manager or Sub-Investment Manager establishing a long position in an underlying security, either bond or equity issued by a company, and an FDI which has that same security as its only or one of its reference underlying assets. The rationale behind this strategy is to exploit pricing anomalies by capturing excessive valuation gaps between the FDI and its underlying assets. Two simple applications are basis trades and hedged convertibles. In a basis trade the Investment Manager or Sub-Investment Manager will be long a specific bond and have a credit default swap on the issuer of that same bond. In a hedged convertible bond the Investment Manager or Sub-Investment Manager will have a long position in a convertible but will hedge the exposure both of the credit and equity components of the underlying through FDI.

**Macro trading** - the Investment Manager or Sub-Investment Manager, using his knowledge and understanding of the credit markets, may detect specific macro trends driven primarily by credit dynamics and may decide to express them through long/short position in diversified credit indexes and possibly hedge those positions against other indexes in equity, fixed income and commodity markets to be more narrowly exposed to the out/under-performance of credit as an asset class versus other asset classes.

## **General**

The Investment Manager or Sub-Investment Manager intends to achieve the investment objective and policies of the Fund by relying on bottom-up fundamental research based on an assessment of quantitative and qualitative factors, including balance sheet; cash-flow and cash generation potential; dividend yield and its sustainability; revenue and earnings estimate; competitive advantages in its own sector; quality of management, including analysis of professional skills and ethical behaviour and financial and technical ratios appropriate to industry and sector and on top-down macro research including global macroeconomic fundamentals, political environment and world industry and consumer trends. Whilst the Investment Manager or Sub-Investment Manager expects the risk management procedure to minimise the volatility of returns, it should be noted that the nature of the Investments held by the Fund could potentially lead to sudden and substantial movements in the value of the portfolio. **Accordingly, investors should note that the Net Asset Value of the Fund is likely to have a high volatility due to its investment policies.**

In order to maintain the value of an investment, the Investment Manager or Sub-Investment Manager may from time to time seek representation on creditors' committees, equity holders' committees or other groups to seek to ensure preservation or enhancement of the Fund's position as a creditor, equity holder or other instrument holder. The Company will not take legal or management control of any of the entities in which its underlying investments are made. Typically representation on such committees is taken by the Investment Manager or Sub-Investment Manager on behalf of the Fund with the intention to either (a) protect economic rights that the Fund is entitled to by virtue of its ownership of these investments (b) or enhance the above economic rights. It typically entails conversation and discussion among a group of holders of the same instrument to have a single voice when it is discussing with the borrower/issuer of these instruments. In many cases, this group of holders might choose to work with professional financial and legal advisers to achieve a desired course of action.

**As Investments may be made in emerging markets and below investment grade securities, an Investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**



## CURRENCY HEDGING

The Fund may enter into transactions for the purpose of hedging currency exposure, in accordance with the terms of the Prospectus.

The Fund will utilise FDI, in the form of forward contracts but may also include currency options, futures and other OTC FDI contracts, for the purposes of hedging the currency exposure of the USD I2 Shares, USD D Shares, USD DM2 Shares, CHF R Shares, CHF D Shares, CHF DM2 Shares, GBP M Shares, GBP I2 Shares, GBP M Shares and GBP DM2 Shares. The Fund will not be leveraged as a result of its use of FDI for hedging purposes. For further information on the Fund's hedging policy and the use of FDI, please refer to the sections headed "Currency Hedging at Class Level" and "Investment in Financial Derivative Instruments Efficient Portfolio Management/Direct Investment" in the Prospectus.

## PROFILE OF A TYPICAL INVESTOR

As the Fund may have high volatility due to its investment policies, it may be suitable for investors who are more concerned with maximising long term returns rather than minimising possible short term losses, having a risk tolerance broadly similar to that found in the global credit market. The Fund may be suitable for investors seeking an investment horizon of at least twelve months.

## INVESTMENT AND BORROWING RESTRICTIONS

The investment and borrowing restrictions set out in the Prospectus apply in their entirety to the Fund.

## EFFICIENT PORTFOLIO MANAGEMENT

Investors are referred to the section entitled "Investment in Financial Derivative Instruments Efficient Portfolio Management / Direct Investment" in the Prospectus.

## RISK FACTORS

Investors should consider the risk factors set out in the Prospectus.

### **Proposals to reform LIBOR and global benchmark reform**

The Fund currently utilises EURIBOR (for these purposes, each a "**Benchmark**") for the purposes of the calculation of the Hurdle Performance in the calculation of the Performance Fee. In addition, certain of the Fund's floating or adjustable-rate investments may calculate interest by reference to Benchmark.

EURIBOR is a "critical benchmark" under Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmarks Regulation**"). The Benchmarks Regulation has already and may further affect how EURIBOR, as well as other benchmarks, are calculated and administered.

In general, the Benchmarks Regulation imposes requirements on certain European "supervised entities" that are "users" of benchmarks (such as the Company), including maintaining written plans regarding their use of benchmarks. In circumstances where the Fund is using benchmarks in accordance with the Benchmarks Regulation, the Company is required to ensure that the benchmark is either provided by a benchmark administrator included in the register maintained by ESMA or is a benchmark which is included in the register maintained by ESMA. The Benchmarks Regulation contains transitional provisions

allowing existing benchmark administrators a period of time to apply for authorisation or registration under the Benchmarks Regulation. During that period of time, the Fund is permitted to use such benchmarks in accordance with the Benchmarks Regulation.

## **ESG Integration**

In managing the assets of the Fund, the Sub-Investment Manager takes account of any sustainability risks arising and the potential financial impact of such risks on the return of an investment as part of its rigorous investment process. A sustainability risk is an environmental, social or governance (“ESG”) event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment (sustainability risks are referred to in this Supplement as “ESG risks”). The Sub-Investment Manager believes that consideration of ESG risks as part of the overall risk assessment of investments is an important aspect of evaluating the risk associated with the relevant investment and, accordingly, the return to the Fund. By taking ESG risks into consideration during its investment decision making process, the intention of the Sub-Investment Manager is to manage such ESG risks in a way that ESG risks do not have a material impact on the performance of the Fund over and above the risks in relation to the investment which are already highlighted in risk factors set out in the Prospectus. As the integration of ESG risks forms part of the Sub-Investment Manager's overall risk assessment of investments, it is expected that the potential impact on the return of the Fund is limited. The consideration of ESG risks and any impact on the value of the Fund is part of the ongoing assessment and management of investments carried out by the Sub-Investment Manager for the full life cycle of the Fund.

Given the investment objective and investment policy of the Fund, the Sub-Investment Manager does not currently consider the adverse impact of investment decisions on sustainability factors, as it believes focusing on the identification and analysis of investment opportunities for the Fund to be a greater use of its resources.

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

## **MANAGEMENT AND ADMINISTRATION**

Detailed descriptions of the Directors, the Manager and other service providers to the Fund are set out in the Prospectus.

### **SUB-INVESTMENT MANAGER**

The Investment Manager has appointed Numen Capital LLP as Sub-Investment Manager.

The Sub-Investment Manager was established in May 2008 in England and is authorised and regulated by the UK Financial Conduct Authority.

Pursuant to the Sub-Investment Management Agreement, the Sub-Investment Manager may delegate certain investment management or advisory functions to other investment manager/advisers. Details of such entities, where appointed, will be provided to Shareholders on request and will be published in the periodic reports.

The fees and expenses of the Sub-Investment Manager and any further investment manager/adviser will be discharged by the Investment Manager out of its fee.

## DIVIDEND POLICY

Each of the Share classes in the Fund are accumulating share classes, therefore no dividends will be declared. The income and profits will be accumulated and reinvested in the Fund on behalf of the Shareholder.

## SUBSCRIPTIONS AND REDEMPTIONS

### Procedures for Subscriptions

#### Application Forms

All applicants must complete a signed subscription form prescribed by the Directors in relation to the Fund ("**Application Form**"). The Application Form sets out the methods by which and to whom the subscription monies must be sent. Application Forms shall (save as determined by the Directors) be irrevocable and may be sent by facsimile or such other means in accordance with the requirements of the Central Bank, at the risk of the applicant. Where requested, the original documentation, including the application form, shall also be sent to the Administrator.

Moreover, applicants will not receive redemption proceeds until the Administrator has received the Application Form together with relevant accompanying documentation that facilitates the Administrator's verification of the applicant's identity (including any documents in connection with anti-money laundering procedures) and the anti-money laundering procedures have been completed.

The Administrator and/or the Directors have reserved the right to reject in whole or in part any application for Shares or to request further details or evidence of identity from an applicant for Shares. Where an application for Shares is rejected, the subscription monies shall be returned to the applicant as soon as is reasonably practicable after the date of such application.

#### Subscriptions

The initial offer period for EUR I Shares, EUR I Initial Shares, EUR M Shares, EUR DM Shares, EUR FOF Shares, GBP M Shares, EUR I2 Shares, CHF R Shares, EUR DM2 Shares, CHF DM2 Shares, EUR R Shares, USD DM2 Shares, EUR D Shares, CHF D Shares, USD D Shares and USD I2 Shares ("**Launched Classes**") is closed and Shares in Launched Classes are offered at the Subscription Price per Share.

The initial offer period for all Share classes (including the GBP I2 Shares (which were previously in issue and subsequently fully redeemed) and the GBP DM2 Shares (which were previously in issue and subsequently fully redeemed)) other than Launched Classes, is open and shall end on the earlier of: (i) the first subscription by an investor into a Share class; or (ii) 5pm (Irish time) on 5 July 2023, or such earlier or later date as the Directors shall determine, in accordance with the requirements of the Central Bank (the "**Closing Date**").

Following the close of the initial offer period, Shares in the Fund will be offered at the Subscription Price per Share calculated as of the Valuation Point.

The Application Form or subscription form (in the case of subsequent purchases) should be received by the Closing Date, in the case of subscriptions during the initial offer period and thereafter, by 2pm (Irish time) two Business Days preceding the relevant Dealing Day (the "**Subscription Cut-Off Time**") or in exceptional circumstances, such later time/or date as the Directors shall determine in respect of a specific application, provided that the application

is received before the First Valuation Point. Subsequent faxed subscription requests into a Shareholder's account may be processed without the requirement to submit a subscription form. However, any amendments to a Shareholder's registration details and payment instructions will only be effected on receipt of relevant documentation. It is the responsibility of the Distributor or their appointed agents to ensure that the orders placed through them are transmitted on a timely basis. Any subscription form received after the Subscription Cut-Off Time will, except in exceptional circumstances, be held over until the next Dealing Day.

The Directors may limit or close, permanently or on a temporary basis, subscriptions for Shares of any other Class in their discretion. In such cases, the Administrator will inform prospective investors on receipt of a relevant Application Form for that particular Class

### **Payment of Subscription Monies**

For payment instructions concerning purchases, investors should refer to the bank account specified in the Application Form or contact the Distributor or the Administrator.

#### Method of Payment

Subscription payments net of all bank charges must be paid in the designated currency of the relevant Share class and should be paid by telegraphic transfer to the bank account specified in the Application Form. No interest will be paid in respect of payments received in circumstances where the application is held over until the next Dealing Day.

#### Currency of Payment

Subscription monies are payable in the designated currency of the relevant Share class by telegraphic transfer to the account set out on the Application Form.

#### Timing of Payment

Payment in full in cleared funds in respect of a subscription (including the Sales Fee, if any) must be received no later than the Closing Date, in the case of subscriptions during the initial offer period and thereafter, 5pm (Irish time) three Business Days after the relevant Dealing Day (or within such other periods as may be permitted by the Directors). If payment has not been received by the time for receipt by the Administrator on behalf of the Fund, any allotment of Shares made in respect of such application will be cancelled. In such event and notwithstanding cancellation of the application, the Directors may charge the applicant interest on the outstanding subscription monies at normal commercial rates and for any expense incurred by the Company for any loss to the Fund arising out of such non-receipt.

In addition, the Company will have the right to sell all or any part of the applicant's holding of Shares in any Fund in order to meet these charges. The Company reserves the discretion to require receipt of subscription monies on the Dealing Day that the Shares are to be issued and the Company may exercise this discretion, for example, with respect to new investors in a Fund. In exercising this discretion, the Company will take into account legal considerations, timing matters and other considerations. Investors will be notified in advance, should the Company exercise this discretion.

Subscription monies representing less than the Subscription Price for one Share will not be returned to the applicant. Fractions of up to two decimal places of Shares will be issued where any part of the subscription monies for Shares represents less than the Subscription Price for one Share.

#### Registrations and Confirmations

Contract notes confirming ownership will generally be sent to applicants within five Business Days of the relevant Dealing Day, setting out details of the Shares which have been allotted.

Share certificates will not be issued. For security and administration purposes Shareholders will be issued with a holder number which should be quoted in all future correspondence in relation to their holding.

### **Procedures for Redemptions**

A redemption request in the form of a signed redemption form must be received by the Administrator prior to 2pm (Irish time) two Business Days preceding the relevant Dealing Day (or in exceptional circumstances, such later time/or date as the Directors shall determine in respect of a specific application, provided that the application is received before the First Valuation Point). Instructions by facsimile or such other means in accordance with the requirements of the Central Bank will be accepted only where payment is made to the account of record.

### **Payment of Redemption Monies**

#### Method of Payment

Redemption payments will be sent by telegraphic transfer at the risk and expense of the Shareholder to the bank account detailed on the Application Form or in exception circumstances as subsequently notified to the Administrator in writing. The Administrator will not make redemption payments to a party other than the Shareholder.

#### Currency of Payment

Shareholders will be repaid in the designated currency of the relevant Share class. In the case of a partial redemption of a Shareholder's holding, the Administrator will advise the Shareholder of the remaining Shares held by him.

#### Timing of Payment

Provided that the Application Form (including any documents in connection with anti-money laundering procedures and the anti-money laundering procedures have been completed) has been received, redemption proceeds will be sent by telegraphic transfer at the risk and expense of the Shareholder to the Shareholder's designated bank account, usually within three Business Days after the relevant Dealing Day.

### **FEES AND EXPENSES**

The Fund shall bear its attributable proportion of the organisational expenses of the Company.

The costs of establishing the Fund, did not exceed €75,000 and are being borne by the Fund and amortised over the first five years of the Fund (or such other period as may be determined by the Directors in their discretion), and will be charged as between the various classes thereof established by the Company within the amortisation period and in such manner as the Directors deem fair and equitable and provided that class thereof will bear its own direct establishment costs. If the effect of this accounting treatment becomes material in the future and there is a requirement to write off the unamortised balance of establishment and organisational costs, the Directors will reconsider this policy.

A research payment account (“**RPA**”) may be established for the Fund. In the event an RPA is established, it will be funded with a specific research charge to the Fund and will be deducted from the resources of the Fund over the year. The research charge will be based on a written policy and an annual budget approved by the Investment Manager based on a reasonable assessment of the need for third party research. The research charge may include provision for any out-of-pocket expenses of the Investment Manager or Sub-Investment Manager in the operation of the RPA including value added taxes or other ancillary expenses.

The administration of the RPA may be delegated to a third party and the payment of the research charge into the RPA shall be arranged in such manner as considered appropriate. This may include collecting the charge alongside transaction commission payments made to execution brokers. The subsequent allocation of the research budget in the purchase of third party research will be subject to appropriate controls and oversight by the Investment Manager designed to ensure that the budget is managed and used in the best interests of the Fund and its Shareholders and will include regularly assessing the quality of the research purchased.

Information on the amount budgeted for research in respect of the Fund will be provided to the Fund together with the estimated research charge to be allocated to the Fund, the frequency with which it will be deducted and any subsequent increases in the budget. On an annual basis the Fund will also be provided with information on the actual costs incurred for such third party research. The Company and Shareholders will be provided with disclosure in relation to such arrangement upon request.

The Investment Manager may, by waiver of fees or otherwise, agree to pay certain of the organisational and operational expenses of the Company and the Fund.

Details of other fees and expenses relating to the Company and Shareholders are set out in the Prospectus under the heading “Fees and Expenses”.

### **Fees and Other Features of Each Share Class**

Shares in the Fund distinguished by minimum initial subscription, minimum holding, minimum redemption requirements and levels of fees and charges levied are as set out in the Schedule to this Supplement. The Directors or the Manager may, in their discretion, waive the minimum amounts below, generally or in relation to any specific subscription, holding or redemption.

Class DM and DM2 Shares may be offered only a) through distribution agents, platforms or financial intermediaries that are not eligible to receive commissions under local adviser charging rules or that decide not to receive commissions, or b) to intermediaries, investing on behalf of individual clients under discretionary mandates, or c) to insurance companies, or d) to pension funds, or f) to such other investors as may be determined by the Directors or the Manager. Purchases of Class DM and DM2 Shares are not subject to an initial sales charge or servicing charge. Shareholders cannot switch Class DM and DM2 Shares into another Class of Shares in the Fund or a different sub-fund without the prior approval of the Board of Directors or the Manager.

The EUR FOF Shares are available to fund of fund investors managed by the Investment Manager or such other investors as may be determined by the Directors or the Manager.

The EUR D Shares, CHF D Shares, GBP D Shares and USD D Shares are available to investors, investing through distributors, other than the Investment Manager and the Sub-

Investment Manager, or such other investors as may be determined by the Directors or the Manager.

The EUR I2 Shares, EUR Super-I Shares, GBP I2 Shares and USD I2 Shares are available to investors who are clients of the Investment Manager or Sub-Investment Manager. The EUR Super-I Shares are intended for investors that are able to meet the higher minimum initial subscription and minimum holdings requirements.

The EUR M Shares and GBP M Shares are available only to investors who have a current agreement with the Investment Manager in order to be entitled to subscribe for such Shares or such other investors as may be determined by the Directors or the Manager.

### **Manager's Fees**

The Manager shall be paid a fee out of the assets of the Fund, calculated and accrued on each Dealing Day and payable monthly in arrears, of an amount up to 0.04% of the Net Asset Value of the Fund (plus VAT, if any), subject to a minimum monthly fee up to €4,000 per month (plus VAT, if any) to be prorated across the Funds of the Company proportionate to each Fund's assets under management. The Manager is also entitled to receive out of the assets of the Fund reasonable and properly vouched out of pocket expenses, which will be at normal commercial rates.

### **Investment Manager's Fees**

The Investment Manager is entitled to a fee, payable out of the assets of the Fund, based on a percentage per annum of the Net Asset Value attributable to the relevant Share class as set out above, which is accrued as of each Dealing Day and paid monthly in arrears in Euro (the "**Investment Management Fee**").

The Investment Manager shall also be entitled to be reimbursed all reasonable, properly vouched out-of-pocket expenses incurred by the Investment Manager in the performance of his duties and responsibilities under the Investment Management Agreement. The Investment Manager is responsible for the fees of any advisers it utilises.

### **Performance Fee**

#### *Management Shares*

No Performance Fees are payable in respect of the Management Shares.

#### *Hurdle Share Classes*

Provided that the increase of the Net Asset Value per Shares of any relevant Hurdle Share Class exceeds the Hurdle Performance in the relevant Performance Period, the Investment Manager is entitled to receive a Performance Fee in respect of the relevant Hurdle Share Class, equal to 10% (in the case of the EUR I Initial Shares) and 15% (in the case of the EUR DM Shares, EUR I Shares, EUR R Shares and CHF R Shares) of the increase of the Net Asset Value per Share of the relevant Hurdle Share Class outstanding in respect of each Performance Period above the Hurdle Performance and subject to the High Water Mark.

For the avoidance of doubt, the Hurdle Performance shall be non-cumulative and will apply only to the relevant Performance Period. Thus, if the increase in the Net Asset Value per Share of a Hurdle Share Class for a Performance Period is less than the Hurdle Performance for the relevant Performance Period no performance is payable and such underperformance will not be carried forward to subsequent Performance Periods.

### *Non-Hurdle Share Classes*

The Investment Manager is entitled to receive a Performance Fee in respect of the relevant Non-Hurdle Share Class, equal to 20% of the increase of the Net Asset Value per Share of the relevant Non-Hurdle Share Class, outstanding in respect of each Performance Period and subject to the High Water Mark.

The Performance Fee shall accrue and shall be taken into account in calculating the Net Asset Value per Share of the Applicable Share Class in issue at each Valuation Point. In the event that a Shareholder repurchases Shares prior to the end of a Performance Period, an amount equal to any accrued but unallocated Performance Fee in respect of such Shares will be deducted from the redemption proceeds and such accrued Performance Fee will crystallise in due proportions be re-allocated to the Investment Manager promptly thereafter. The Performance Fee in respect of each Performance Period will be calculated by reference to the Net Asset Value before the deduction of any accrued Performance Fee to the extent it is in the Shareholder's best interests. The initial offer price per Share of the relevant class is taken as the starting price for the calculation of any performance fee.

The performance fee shall be calculated and accrued on each Dealing Day. The payment of a Performance Fee, if any, will crystallise on the last Valuation Point of the Performance Period and will become payable to and be credited to the Investment Manager. The Performance Fee, if any, will be made within 14 calendar days of the end of each Performance Period. The first Performance Period in respect of any Applicable Share Class will be the period commencing on the Business Day immediately following the close of the Initial Offer Period for that Class and ending on the following June 30 in the next financial year.

The Applicable Share Classes will be charged a Performance Fee which is proportionate to the performance of the relevant Applicable Share Class as a whole. The Performance Fee is calculated based on the Net Asset Value of the relevant Applicable Share Class and no Shareholder level equalisation is undertaken. This may result in inequalities as between Shareholders in an Applicable Share Class in relation to the payment of performance fees (with some Shareholders in an Applicable Share Class paying disproportionately higher performance fees in certain circumstances) and may also result in certain Shareholders having more of their capital at risk at any time than others. In order to limit inequalities as between Shareholders in an Applicable Share Class, the High Water Mark of the relevant Applicable Share Class will be adjusted in the case of subscriptions into the Applicable Share Class, provided that the High Water Mark shall never be adjusted below: (i) the initial offer price for the relevant Share class; or (ii) the highest Net Asset Value per Share of the relevant Share class on the last day of the previous Performance Period for which a Performance Fee was paid. Notwithstanding this, the methodology may in certain circumstances, result in certain Shareholders being charged a performance fee in circumstances where the Net Asset Value per Share of their Shares has not increased over the relevant calculation period as a whole.

**The Performance Fee is based on net realised and net unrealised gains and losses and as a result, incentive fees may be paid on unrealised gains which may subsequently never be realised. Whilst the key objectives of the Performance Fee are to further strengthen the alignment of interest between the Investment Manager and Shareholders and to reward out-performance, the payment of a Performance Fee, if any, shall reduce the investment return of the relevant Shareholders.**

Calculation of the any performance fee must be verified by the Depositary and will not be open to the possibility of manipulation. The amount of the Performance Fee will be calculated by the Administrator and verified by the Depositary. As the Performance Fee



depends on the performance of the Net Asset Value per Share of the class in question, it is not possible to predict the amount of Performance Fee that will be payable and there is in effect, no maximum Performance Fee as it is impossible to quantify any outperformance in advance.

Please refer to Schedule B to this Supplement for an example of the calculation of the Performance Fee. The tabulation is provided as an illustration for information only. The tabulation does not constitute any warranty as to success and is qualified in its entirety by the express provisions of the Prospectus and this Supplement. Investors may request additional information on the way in which the Performance Fee calculation works from the Company.

The Investment Manager may at its discretion, pay part of its Investment Management Fee or Performance Fee to the Sub-Investment Manager or any sub-distributors.

### **Service Fee**

The Investment Manager shall be entitled to a service fees of 0.20% of the Net Asset Value per Share of the EUR D Shares, CHF D Shares, GBP D Shares and USD D Shares, to compensate it for provision of certain services in respect of the distribution of the Fund through third party distributors (the “**Service Fee**”).

The Service Fee shall be calculated and accrued on each Dealing Day and be payable monthly in arrears.

### **Sales Fee**

A waivable Sales Fee of up to 3% of the subscription proceeds may be payable by applicants in respect of Share classes other than the DM Share classes and the EUR FOF Share class, in addition to the Subscription Price, such Sales Fee being payable as a disclosable retrocession to sub-distributors.

No Sales Fee shall be charged in respect of the DM Share classes and the EUR FOF Share class. In the event the Directors or the Manager resolve to impose a Sales Fee in respect of the DM Share classes and the EUR FOF Share class, Shareholders in this class will be given reasonable notification to enable them redeem their Shares prior to implementation of the charge. In the event of a Sales Fee being charged, Shareholders should view their investment as medium to long-term.

### **Redemption Fee**

No Redemption Fee shall be charged in respect of the EUR FOF Shares.

The Fund may, at the discretion of the Directors or the Manager, impose a Redemption Fee of up to 3% of the redemption proceeds in respect of Share classes other than the EUR FOF Share class. It is not currently the intention of the Directors or the Manager to charge a Redemption Fee.

In the event the Directors or the Manager resolve to impose a Redemption Fee, Shareholders will be given reasonable notification to enable them redeem their Shares prior to implementation of the charge. In the event of a Redemption Fee being charged, Shareholders should view their investment as medium to long-term.

### **Switching Fee**

Shareholders of a class of Shares within the Fund may switch to a class of Shares within the Fund or such other fund of the Company, at the discretion of the Directors or the Manager, provided however that all of the criteria applicable to switching between funds as set out in the Prospectus are complied with. Shareholders may be subject to a switching fee of up to 1% on the switching of Shares which shall be calculated as a percentage of the Redemption Price of Shares in the original fund. It is not currently the intention of the Directors or the Manager to charge a switching fee.

### **Administrator's Fees**

The Company shall pay the Administrator out of the assets of the Fund an annual fee, calculated and accrued daily and payable monthly in arrears at a rate of up to a maximum of 0.10% per annum of the Net Asset Value of the Fund (subject to a minimum annual administration fee of €50,000).

The Administrator is also entitled to charge to the Fund all agreed fees and transaction charges, at normal commercial rates, together with any reasonable and properly vouched out-of-pocket expenses, incurred on behalf of the Fund, which shall include legal fees, couriers' fees and telecommunication costs and expenses together with VAT, if any, thereon.

### **Depositary Fees**

The Company shall pay the Depositary out of the assets of the Fund an annual trustee fee, calculated and accrued daily and payable monthly in arrears at a rate of up to a maximum of 0.03% per annum of the Net Asset Value of the Fund (subject to a minimum annual custody fee of €40,000 at the Company level and a minimum annual trustee fee of €24,000 per sub-fund).

The Depositary shall also receive custody charges, transaction charges, sub-custodial fees, and reasonable, properly vouched out-of-pocket expenses as shall be agreed, which shall be at normal commercial rates.

**SCHEDULE A**  
**Subscription and Fee Information<sup>1</sup>**

<b>Class</b>	<b>Initial Offer Price</b>	<b>Minimum Subscription/ Minimum Holding</b>	<b>Additional Subscription</b>	<b>Minimum Redemption</b>	<b>Investment Management Fee per annum</b>	<b>Performance Fee</b>	<b>Service Fee</b>
<b>EUR FOF Shares</b>	n/a	€1,000	€1,000	€1,000	1.75%	Nil	Nil
<b>EUR M Shares</b>	n/a	€100,000	€100,000	€25,000	0%	Nil	Nil
<b>GBP M Shares</b>	n/a	£100,000	£100,000	£25,000	0%	Nil	Nil
<b>EUR I2 Shares</b>	n/a	€100,000	€50,000	€50,000	1.5%	20% of the outperformance above the High Water Mark	Nil
<b>GBP I2 Shares</b>	£100	£100,000	£50,000	£50,000	1.5%	20% of the outperformance above the High Water Mark	Nil
<b>USD I2 Shares</b>	n/a	\$100,000	\$50,000	\$50,000	1.5%	20% of the outperformance above the High Water Mark	Nil
<b>EUR DM2 Shares</b>	n/a	€10,000	€1,000	€1,000	1.3%	20% of the outperformance above the High Water Mark	Nil
<b>CHF DM2 Shares</b>	n/a	CHF 10,000	CHF 1,000	CHF 1,000	1.3%	20% of the outperformance above the High Water Mark	Nil
<b>USD DM2 Shares</b>	n/a	\$10,000	\$1,000	\$1,000	1.3%	20% of the outperformance above the High Water Mark	Nil
<b>GBP DM2 Shares</b>	£100	£10,000	£1,000	£1,000	1.3%	20% of the outperformance above the High Water Mark	Nil
<b>EUR D Shares</b>	n/a	€10,000	€1,000	€1,000	1.75%	20% of the outperformance above the High Water Mark	0.20%

<sup>1</sup> Dechert comment: Hedge Invest to please confirm in respect of any updates required for launched share classes.

<b>Class</b>	<b>Initial Offer Price</b>	<b>Minimum Subscription/ Minimum Holding</b>	<b>Additional Subscription</b>	<b>Minimum Redemption</b>	<b>Investment Management Fee per annum</b>	<b>Performance Fee</b>	<b>Service Fee</b>
<b>CHF D Shares</b>	n/a	CHF 10,000	CHF 1,000	CHF 1,000	1.75%	20% of the outperformance above the High Water Mark	0.20%
<b>USD D Shares</b>	n/a	\$10,000	\$1,000	\$1,000	1.75%	20% of the outperformance above the High Water Mark	0.20%
<b>GBP D Shares</b>	£100	£10,000	£1,000	£1,000	1.75%	20% of the outperformance above the High Water Mark	0.20%
<b>EUR I Initial Shares</b>	n/a	n/a	n/a	€50,000	1%	10% per outperformance of the Hurdle Performance and subject to the High Water Mark	Nil
<b>EUR DM Shares</b>	n/a	n/a	n/a	€2,500	1%	15% per outperformance of the Hurdle Performance and subject to the High Water Mark	Nil
<b>EUR I Shares</b>	n/a	n/a	n/a	€50,000	1.5%	15% per outperformance of the Hurdle Performance and subject to the High Water Mark	Nil
<b>EUR R Shares</b>	n/a	n/a	n/a	€2,500	1.75%	15% per outperformance of the Hurdle Performance and subject to the High Water Mark	Nil
<b>CHF R Shares</b>	n/a	n/a	n/a	CHF 2,500	1.75%	15% per outperformance of the Hurdle Performance and subject to the High Water Mark	Nil

<b>Class</b>	<b>Initial Offer Price</b>	<b>Minimum Subscription/ Minimum Holding</b>	<b>Additional Subscription</b>	<b>Minimum Redemption</b>	<b>Investment Management Fee per annum</b>	<b>Performance Fee</b>	<b>Service Fee</b>
<b>EUR Super-I Shares</b>	€100	€75,000,000	€100,000	€100,000	0.20%	20% per outperformance above the High Water Mark	Nil

## SCHEDULE B

### Example of the calculation of the Performance Fee

The following table shows a concrete example of the Performance Fee methodology incorporating events that may occur during a Performance Fee Period.

EUR D Shares	Initial Issue Price / Net Asset Value at the start of the Performance Period	High Water Mark	Net Asset Value (pre-performance fee accrual) at the end of the Performance Period	Performance Fee payable from a Performance Fee percentage of 20%	Net Asset Value (pre-performance fee accrual) at the end of the Performance Period after the Performance Fee crystallises	Comments
Period 1	€100	€100	€90	€0	€90	In this example, as performance during the Performance Period has not exceeded the High-Water Mark, no Performance Fee becomes payable and the High Water Mark is carried over to the next Performance Period.
Period 2	€90	€100	€110	€2	€108	<p>In this example, as the High-Water Mark during the Performance Period 1 was not exceeded, it has been carried forward to the Performance Period 2.</p> <p>As performance during the Performance Period 2 has exceeded the High-Water Mark, a Performance Fee will crystallise at the end of the Performance Period 2 and will be payable.</p> <p>The Performance Fee amount corresponds to the</p>

						outperformance over the High-Water Mark (10) * Performance Fee Percentage of 20%.
Period 3	€108	€108	€120	€2.40	€117.60	<p>In this example, as a Performance Fee was paid in the previous Performance Period, the High-Water Mark resets to the Performance Period 2 crystallisation Net Asset Value per Share.</p> <p>As performance during the Performance Period 3 has exceeded the High-Water Mark, a Performance Fee will crystallise at the end of the Performance Period 3 and will be payable.</p> <p>The Performance Fee amount corresponds to the Fund's outperformance over the High-Water Mark (12) * Performance Fee Percentage of 20%.</p>

