

Information for shareholders

with regard to the conversion by merger of the Conservative Bulgaria Mutual Fund into the “UBB Platinum Bulgaria” Mutual Fund

This Information Document has been prepared in accordance with the requirements of Article 151 of the Collective Investment Schemes and Other Undertakings for Collective Investment Act ("**CISOU CIA**") in connection with the proposed conversion (the "**Conversion**") by way of a merger of the *Conservative Bulgaria Mutual Fund* (the "**Conversion Fund**") into the "*UBB Platinum Bulgaria*" Mutual Fund (the "**Host Fund**").

Shareholders in the Conversion Fund and the Host Fund should read this document carefully as it contains important information regarding their investment.

31.01.2023

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I. Circumstances and rationale

1. Type of conversion and collective investment schemes involved

The Conversion will be carried out pursuant to Article 141 paragraph 1, proposal 2 of CISOUICIA through the merger of the Conversion Fund, the *Conservative Bulgaria Mutual Fund*, into the Host Fund – “*UBB Platinum Bulgaria*” Mutual Fund.

As a result of the Conversion, the Conversion Fund will be wound up without liquidation and will transfer to the Host Fund all of their assets and liabilities in exchange for the delivery of Host Fund Shares to the Shareholders of the Conversion Fund on the terms and conditions described in this document.

Information on the Conversion Fund

The Conversion Fund “*Conservative Fund Bulgaria*”, former “*Raiffeisen Conservative Fund Bulgaria*”, is a mutual fund within the meaning of Article 5, paragraph 2 of CISOUICIA, registered in the BULSTAT Register with UIC 175035639. The fund is established (organised) by its entry in the register of collective investment schemes under Article 30, paragraph 1, item 4 of the Financial Supervision Commission Act (“**FSCA**”) on the basis of Decision No. 132-DF/14.02.2006 of the Financial Supervision Commission (“**FSC**”).

The Conversion funds are established (organised) and managed by KBC Investment Management EAD with headquarters and registered address in Sofia, postal code 1407, “Lozenets” district, “Nikola Vaptsarov” № 55, Expo 2000, registered in the Commercial Register and Register of Non-Profit Legal Entities (“**CRRNPLEA**”) at the Registry Agency with UIC 175015558, holding a license to operate as a management company issued by Decision № 786-UD/21.12.2005 of the FSC, and is entered in the register of management companies maintained by the FSC in accordance with Article 1, paragraph 1, item 5 of the FSC Act (“**KBC Investment Management**”).

“KBC Investment Management” EAD, as the management company of the Conversion Fund, has decided in accordance with Article 143 paragraph 3 of the CISOUICIA to carry out the Conversion, by resolution of the Board of Directors of KBC Investment Management EAD dated 29.11.2022.

Host fund information

The Host Fund, “*UBB Platinum Bulgaria*” Mutual Fund, is a mutual fund registered in the BULSTAT register with UIC 131562537. The Host Fund was established (organised) on 23.11.2005, being the date of its registration in the register maintained by the FSC in accordance with Article 30, paragraph 1, item 4 of the FSC Act, pursuant to Decision No. 716-DF / 23.11.2005 of the FSC.

The Host Fund has participated in a transformation, whereby the Host Fund was merged into UBB Platinum Euro Bonds, UBB Balanced Fund, UBB Premium Shares, UBB Patrimonium Earth Fund, UBB Global Farm Invest Fund, UBB Global Children's Fund, UBB Global Growth Fund and UBB Global Dividend Fund in accordance with Decision No 489-DF/13. 07.2021 of the FSC, and has been transformed into a feeder collective investment scheme within the meaning of Article 67 of the CISOUICIA, which invests without complying with the requirements of Article 4 paragraph 1(1), Articles 38, 45, 48 and 49(2)(3) of the CISOUICIA, at least 85% of its assets in shares of Horizon Platinum Portfolio (the “**Master Sub-Fund**”), a sub-fund of Horizon N.V. , an open-ended investment company duly incorporated and existing under the laws of the Kingdom of Belgium with its headquarters and registered address: Havenlaan 2, B-1080, Brussels, Belgium and managed by *KBC Asset Management N.V.* (“**KBC AM**”), pursuant to Decision No. 490-DF/13.07.2021 of the FSC approving the Host Fund's investment in the Master Sub-Fund. The date on which the Host Fund, as the feeder collective investment scheme, started to invest in the Master Sub-Fund is 22.11.2021.

The Host Fund is managed by KBC Asset Management N.V. , a company incorporated under the laws of the Kingdom of Belgium with its headquarters and registered address:

1080, Havenlaan 2, B-1080, Brussels, Kingdom of Belgium, registered in the Register of Legal Entities of Brussels with identification number 0469.444.267, through KBC Asset Management N.V. – Branch ("the **Branch**"), a branch of a foreign legal entity established under the laws of Bulgaria, with its headquarters and registered address: . Sofia 1463, "Triaditsa" district, 89B Vitosha blvd., Millennium Centre, fl. 6, registered in the Commercial register and register of non-profit legal entities at the Registry Agency with UIC 205422541. The branch is entered in the register of management companies maintained by the FSC in accordance with Article 30, paragraph 1, item 5 of the FSC Act, by virtue of the decision of the FSC under Protocol No. 55 of 05.07.2018.

KBC AM, in its capacity as the management company of the Host Fund, has made a decision in accordance with Article 143 paragraph 3 of the CISOUCA to carry out the Conversion, by resolution of the Executive Committee of the Board of Directors of KBC AM dated 29.11.2022.

2. Justification of the proposed Conversion

a) Creation of a single range of investment solutions

The Proposed Conversion will be implemented in the context of the acquisition by KBC Group of the Raiffeisen Group's business in the Republic of Bulgaria and the completed acquisition of 100% of the shares in the capital and voting rights in the management company KBC Investment Management EAD (former name

"Raiffeisen Asset Management /Bulgaria/" EAD) by the management company KBC AM (the "**Acquisition**"), in accordance with the decision of the Financial Supervision Commission under Protocol No. 84 dated 22.11.2022, whereby the FSC did not issue a restriction on the Acquisition.

In this regard, the Conversion is intended to consolidate the asset management activities of KBC AM and KBC Investment Management in line with the business development strategy of the KBC Group in the Bulgarian market and to prepare for the full commercial and legal integration of KBC Investment Management into KBC AM, including through the integration of KBC Investment Management's operations into the Branch. This is aimed at realising intra-group synergies and providing the clients of both management companies with a single range of high quality investment solutions.

Essentially, the range of collective investment scheme shares offered by KBC AM, through the Branch, and KBC Investment Management is comparable, with both companies offering primarily shares in feeder collective investment schemes, respectively their sub-funds, possessing graded risk characteristics and a similar investment focus, responding to the different risk appetite and investment preferences of potential investors. The main difference in the two product lines stems from the fact that while the (sub)funds offered by KBC AM, through the Branch, invest in line with the investment strategies, policies and priorities adopted by the KBC Group, incl. by investing in master (sub)funds organized and managed within the KBC Group, the funds offered by KBC Investment Management are organized in accordance with principles developed by the Raiffeisen Group, including investing in master funds organized and managed by Raiffeisen Capital Management GmbH.

This overlap of the investment products offered is undesirable and should be addressed through the Conversion as it is of a nature to prevent their successful commercialisation and to reduce the growth potential of the assets under management in the (sub)funds offered by KBC AM through the Branch. Ultimately, this would prevent the KBC Group from deploying its business strategy and potential investors from achieving an optimal investment outcome.

In planning for the Conversion, KBC AM has taken into account the following indicators to select the most suitable host (sub)fund for the Conversion Fund – similarity in investment policy, in the synthetic risk and return indicator, in the development strategy of the KBC Group and in the currency of the participating (sub)funds.

Specifically, in selecting the Host Fund, KBC AM has taken into account in particular the orientation of the Conversion Fund and the Host Fund towards investments in Bulgaria, in view of the fact that the Host Fund is the only CIS in KBC AM's product range with a focus also on instruments from Bulgaria. In addition, KBC AM recognises the single currency

(Bulgarian lev– BGN) of the Conversion Fund and the Host Fund.

b) Improving operational efficiency

The Conversion will also contribute to reducing the fixed costs associated with the management of the Conversion Fund and the Host Fund, given that a number of fixed costs for the Conversion Fund will no longer need to be paid on an ongoing basis and will only be payable by the Host Fund.

The expenses of the Conversion Fund shall include:

- investment intermediary, bank, central depository, and similar fees and commissions associated with investing the assets of the Fund;
- marketing services, distribution expenses, etc;
- remuneration of the depository bank of the Conversion Fund;
- KBC Investment Management's management fee;
- accounting and auditing expenses;
- legal expenses;

While the costs incurred by the Host Fund are:

- Depository service fee of the depository bank of the Host Fund;
- fees of the servicing investment firms;
- audit fees;
- government fees;
- supervision fees and other regulatory fees paid to the Financial Supervision Commission;
- other operating fees and expenses;
- other ongoing expenses and fees of the Master Sub-Fund;
- KBC AM's management fee for the management of the Host Fund, which is calculated and charged only on that portion of the assets of the Fund that is invested in financial instruments other than shares issued by the Master Sub-Fund;
- the management fee of the Master Sub-Fund and its administrative expenses which are indirectly borne by the Shareholders of the Host Fund.

Investors should also note that the Master Sub-Fund pays other ongoing costs and charges in relation to the investments made by it which are charged on the assets of the Master Sub-Fund acquired as a result of the Host Fund's investment in the Master Sub-Fund. These costs and charges are thus indirectly borne by the Host Fund as a shareholder in the Master Sub-Fund, which means that they are ultimately indirectly borne by the Shareholders in the Host Fund.

The above expenses are incurred on an ongoing basis by the Host Fund and the Conversion Funds and their amount depends only to a limited extent on the net asset value ("**NAV**") of the relevant fund and is usually fixed, independent of the NAV. This means that the effect of fixed charges on the return on an investment made is greater for investors in a fund with a lower NAV (such as the Conversion Funds and the Host Fund individually) and correspondingly more limited for investors in a fund with a higher NAV (such as the Host Fund will be after the Conversion).

In view of the fact that the NAV of the Host Fund will increase by the NAV of the Conversion Funds on the effective date of the Conversion, the effect of the fixed expenses borne by the Host Fund on its NAV will be further reduced after the effective date of the Conversion.

In addition, the merger of the Conversion Fund into the Host Fund will merge two

investment portfolios into a single operating entity and will create the conditions for a more efficient use of the KBC Group's human and technical resources in Bulgaria by limiting the duplication of work processes by the employees of the Branch and KBC Investment Management. This will reduce the operational risk to which the funds involved in the Conversion are exposed and improve the quality of their management.

The fact that the Host Fund is a feeder collective investment scheme that invests no less than 85% of its assets in the Belgian Master Sub-Fund rather than in its own portfolio of individual investment positions, as is the case with the Conversion Fund, will also enhance the efficiency of asset management following the implementation of the Conversion.

II. Expected impact of the proposed Conversion on Shareholders of the Conversion Funds and the Host Fund

1. Expected impact of the Conversion on Shareholders of the Conversion Fund TF “Conservative Fund Bulgaria”

To illustrate the expected impact of the Conversion on shareholders of **TF “Conservative Fund Bulgaria”**, the following table compares the key parameters of the Conversion Fund and the Host Fund:

Table No.1

General parameters	TF “Conservative Fund Bulgaria”	TF “UBB Platinum Bulgaria”
<i>Main characteristics</i>	<p>open-ended mutual fund</p> <p>freely transferable shares with a par value of BGN 1 and equal rights, including the right to a liquidation share, the right of redemption, the right of appeal, the right to information</p> <p>daily determination of NAV</p> <p>minimum investment amount determined by the Distributor KBC Bank Bulgaria EAD – BGN 30 (BGN 30 in the case of money market instruments)</p>	<p>a mutual fund investing as a feeder CIS min. 85% in shares of the Master Sub-Fund</p> <p>freely transferable shares with a par value of BGN 10 and identical rights, including the right to a liquidation share, the right to redemption, the right to appeal, the right to information about the fund and the Master Sub-Fund</p> <p>daily determination of NAV</p> <p>minimum investment amount – BGN 100</p> <p>minimum investment amount in the case of a Systematic Investment Agreement – BGN 20</p>
<i>Depository bank</i>	"Allianz Bank Bulgaria AD, UIC 128001319	"United Bulgarian Bank AD, UIC 000694959
<i>Objectives and investment policy</i>	<p>debt instruments issued or guaranteed by Bulgaria (up to 100%), respectively issued or guaranteed by other CEE countries (up to 30%), corporate debt instruments (up to 10%), cash and short-term deposits (min. 5%)</p>	<p>shares in the Master Sub-Fund (min. 85%), liquid assets and hedging derivatives (up to 15%);</p> <p>The Master Sub-Fund invests partly in a global selection of investments and partly in CEE investments. The target distribution of the Master Sub-Fund's investments across asset classes is 70% in bonds and/or bond-related investments and 30% in shares and shares-like instruments. The target distribution of the share investment component is 15% in a global selection of investments from each region, sector or field and 15% in Bulgarian shares. The target distribution of the bond investment component is 20% in a global selection of debt instruments from each region, sector or area and 50% in a selection of debt instruments from CEE, including Bulgaria.</p> <p>The Master Sub-Fund may use both exchange-traded and OTC derivatives to achieve its investment objectives and to hedge risks.</p> <p>The Host Fund and the Master Sub-Fund do not replicate the composition of an index and are not managed using a benchmark.</p>
<i>Risk profile</i>	risk and return indicator according to KIID – 2 of 7	risk and return indicator according to KIID – 4 of 7
<i>Risk profile of the target investor</i>	<p>Conservative</p> <p>Recommended holding period – min. 2.5</p>	<p>Defensive</p> <p>Recommended retention period – 3 — 5</p>

	years	years
<i>One-off costs and fees (max.)</i>	Subscription fee:..... 0.00% Redemption Fee: after 12 month: 0.00% up to 12 months: 0.30%	Subscription fee: 2.50% Redemption Fee: 0.00% after 1 month 5.00% up to 1 month
<i>Running costs and fees</i>	Running fees: 0.57% including 0.45% management fee Remuneration for results achieved: no	Running fees (estimate) 1.36% Performance Fee: None
<i>Tax treatment of the investment</i>	No capital gains tax	No capital gains tax

Prior to the effective date of the Conversion, no restructuring of the portfolio of “Conservative Fund Bulgaria” TF is envisaged, except for the disposal of the financial instruments in the portfolio of the Conversion Fund, which will be carried out immediately prior to the effective date of the Conversion for the purposes of the technical implementation of the Conversion.

Investors holding shares in “Conservative Fund Bulgaria” TF on the effective date of the Conversion will receive shares in the Host Fund in exchange in accordance with the determined exchange ratio, thereby becoming holders of shares in the Host Fund.

More information on the method for determining the Exchange Ratio and the schedule of the Conversion can be found in Section IV *Procedural Matters and Scheduled Effective Conversion Date* below.

Impact on the rights of Shareholders in the Conversion Fund

In substance, the Conversion will have no impact on the existing rights of Shareholders in the Conversion Fund. The shares in the Host Fund that shareholders will receive will be freely transferable and will provide investors with the same basic rights in the Host Fund, including the right of ownership of an appropriate portion of the assets of the Hosting Fund (including the Liquidation share), the right of redemption, the right to complain and the right to information with respect to the Host Fund and the Master Sub-Fund.

Impact on the subscription and redemption process

Prior to the implementation of the Conversion, investors in the Conversion Fund may request subscription for, or redemption of, shares in the Fund between 8:30 a.m. and 4:00 p.m. on any business day on which such activities are carried out at the designated offices of the Distributor of the Conversion Fund,” KBC Bank Bulgaria” EAD. Submitted orders are executed at the issue value, respectively redemption price, determined on the basis of NAV per share of the Conversion Fund on the closest business day following the day of order submission, in accordance with the rules for portfolio valuation and determination of the NAV of the Fund and with the applicable regulations. Orders to subscribe for shares in the Conversion fund or to redeem shares, as the case may be, shall be executed within 7 days from the date of their submission. Investors may acquire both whole shares and fractional shares. The minimum amount of investment in the Conversion Fund, as determined by the Distributor, shall be BGN 30 (thirty) (BGN 30 (thirty) in the case of a money market instrument executed).

Following the Conversion, investors in the Conversion Fund who will receive in exchange shares in the Host Fund will retain the option to request subscription for, or redemption of, shares in the Host Fund at the designated offices of the

Distributor of the Host Fund – “United Bulgarian Bank” AD. Submission of requests will be available on any business day during the business hours of the Distributor of the Host Fund. Submitted requests will be executed at an issue value, or redemption price, determined on the basis of the NAV per share of the Host Fund on the Business Day following the day on which the relevant order is placed. The order for subscription of shares in the Host Fund shall be executed within 7 days from the date of its submission. The order for redemption of the Host Fund Shares shall be executed within 10 days from the date of its submission.

Investors of the Host Fund may submit withdrawal orders until 5:00 p.m. on the same Business Day on which they submitted the subscription order or redemption order, as the case may be, after which their order becomes irrevocable, subject to applicable law. For orders placed after 5:00 p.m., cancellation orders will be accepted until 5:00 p.m. the next business day. Orders shall then be considered non-cancellable.

Subscriptions and redemptions of shares in the Host Fund may be requested on any business day, except in extraordinary circumstances where such activities are suspended in the interest of investors in the Fund. Investors may acquire both whole shares and fractional shares, which are rounded to the fourth decimal place. The minimum amount of investment in the Host Fund determined by the Distributor of the Host Fund is BGN 100 (one hundred), except in the case of a Systematic Investment Agreement executed, where the minimum amount of investment is BGN 20 (twenty).

Impact on the way shares are registered and held

Shares in the Conversion Fund are dematerialised and registered and are registered in the central securities register maintained by the Central Depository AD.

The shares of the Shareholders in the Conversion Fund are held in their sub-accounts opened in the KBC Investment Management EAD Register at the Central Depository AD.

Upon completion of the Conversion, the new shares in the Host Fund to be received by the shareholders in the Conversion Fund will be credited to their sub-accounts opened with the registry of the Distributor of the Host Fund, United Bulgarian Bank AD at the Central Depository AD.

Impact on the manner and periodicity of information provision

In substance, no changes are envisaged in the type and frequency of information provided to Shareholders by KBC AM, through the Branch and the Distributor of the Host Fund, and in addition to the disclosure of the semi-annual and annual financial statements of the Host Fund, periodic information will also be disclosed for the Master Sub-Fund, through the financial statements of its Umbrella Horizon N.V. Fund, and other statutory information in accordance with the requirements of CISOUCA and its implementing regulations.

Notwithstanding the foregoing, there will be certain changes in the manner in which information is provided to shareholders.

In particular, information about the Host Fund will be published in Bulgarian on the websites of the Branch – www.ubbam.bg, (*Focus Strategies*), and of the Distributor of the Host Fund – www.ubb.bg (*Individual Clients, Savings and Investments, Mutual Fund Investments, Low-risk*), and that for the Master Sub-Fund will be available in English and Dutch (and the Master Sub-Fund's Key Information Document ("KID") in Bulgarian) on the KBC Group website at <https://www.kbc.be/retail/en/legal-information/investment-legal-documents.html?zone=breadcrumb>. Information about the Host Fund and the Master Sub-Fund will be available free of charge and on request on paper during normal business hours with customers of the offices of UBB AD designated for subscription and redemption of shares in the Host Fund.

Impact on asset holding

The depository bank of the Host Fund is different from that of the Conversion Funds and the assets of the Host Fund will be held by “United Bulgarian Bank” AD,

Impact on the investment policy and risk profile of the investment

The Conversion Fund invests in debt instruments issued or guaranteed by Bulgaria (up to 100%), respectively issued or guaranteed by other CEE countries (up to 30%), corporate debt instruments (up to 10%), cash and short-term deposits (min. 5%).

Unlike the Conversion Fund, the Host Fund is a feeder fund and invests at least 85% of its assets in the Master Sub-Fund, which in turn invests partly in a global selection of instruments and partly in instruments issued in CEE countries, incl. Bulgaria. The target distribution of the Master Sub-Fund's investments across asset classes is 70% in bonds and/or bond-related investments and 30% in shares and shares-like instruments. The target distribution of the share investment component is 15% in a global selection of investments from each region, sector or field and 15% in Bulgarian shares. The target distribution of the bond investment component is 20% in a global selection of debt instruments from each region, sector or area and 50% in a selection of debt instruments from CEE, including Bulgaria. In addition, the Host Fund may invest up to 15% of its assets in liquid assets (cash), holding limited positions in derivatives (e.g. futures) to hedge market risk.

Consequently, after giving effect to the Conversion, the nature of the investment of Shareholders in the Conversion Fund will change as the Host Fund, as a feeder CIS, will not invest directly in various types of debt and equity instruments, but will invest no less than 85% of its assets in such instruments indirectly through subscriptions for shares in the Master Sub-Fund.

However, the investment focus of the Conversion Fund and the Host Fund remains comparable, it should be noted that the Conversion Fund's and the Host Fund's exposure to different assets also differs insofar as the investment policy of the Master Sub-Fund provides for a relatively higher proportion of investments in equity instruments and a broader geographical spread of the investments made than the Conversion Fund.

In this regard, the risk profile of the investment in the two Funds is different, as the synthetic risk and return indicator set out in the Key Investor Information Document ("**KIID**") of the Conversion Fund is Grade 2 on the 7-grade scale of the indicator, whereas the KIID of the Host Fund is Grade 4 on the 7-grade scale of the indicator.

No change is envisaged in the way in which any accrued income in the Host Fund will be treated versus the Conversion Fund, as it will be reinvested in accordance with the Host Fund's investment policy.

Impact on costs and fees associated with the investment

The Conversion Fund does not provide for a subscription fee, while the Host Fund provides for a subscription fee at a maximum rate of 2.50%, which as of the date hereof is 1.50%. Both the Conversion Fund and the Host Fund provide for a redemption fee at a specified time after the investment. The Conversion Fund has a redemption fee of up to 0.30% for an investment term of less than twelve months, and there is no redemption fee after the twelfth month of investment. At the same time, the Host Fund provides for a higher redemption fee (up to 5.00%), but for a significantly shorter period (one month of investment versus six months for the Conversion Fund), and there is no redemption fee after that period.

The Conversion Fund's effective management fee is 0.57%, while the Host Fund's is at a higher rate of 1.36%. This is linked to the investment policy of the Master Sub-Fund, which allows for the creation of exposure to a more diversified portfolio of investments (in terms of geographic spread and type of instruments), the management of which requires higher costs borne by the Host Fund and indirectly by its Shareholders.

The Host Fund and the Conversion Fund do not charge a performance fee.

2. Expected impact of the Conversion on shareholders of the Host Fund – “UBB Platinum Bulgaria” TF

No restructuring of the portfolio of the Host Fund is envisaged before or after the implementation of the Conversion. The Conversion is not expected to have any impact on Shareholders in the Host Fund and their investment in the Host Fund.

III. Specific rights of shareholders in respect of the proposed conversion

1. Right of redemption in connection with the Conversion

In connection with the consummation of the Conversion, Shareholders will have the right, within 45 days after the date of publication of this document (the "**Notice to Shareholders**") on the web pages specified in Section IV, Par. 1 below (the "**Redemption Period**"), to request redemption of their Shares from the Conversion Funds, or the Host Fund, as applicable, without paying any expenses, other than those related to covering early termination expenses, in order to free up funds to satisfy redemption requests. KBC Investment Management, with respect to the Conversion Fund, and KBC AM, with respect to the Host Fund, will set these expenses equal to the applicable redemption fee for shares in the Conversion Fund and the Host Fund, respectively, to the extent such fee is available (information on applicable redemption fees can be found in the section on each fund participating in the Conversion in Section II above).

Shareholders' redemption rights may be exercised within 45 days* after the date of publication of this Information Document and will terminate on 17 March 2023, which date falls 6 Business Days before the date for calculating the Exchange Ratio in connection with the Conversion. The Redemption Right shall terminate upon the expiry of the Redemption Period.

Redemption Orders will be accepted on each Business Day up to and including **17 March 2023**. Investors in the Conversion Fund may request redemption of Shares in the Fund between 8:30 a.m. and 4:00 p.m. on any Business Day on which such activities are conducted at the designated offices of the Distributor of the Conversion Fund, KBC Bank Bulgaria EAD. Investors in the Host Fund may request redemption of shares in the Fund between 8:30 a.m. and 5:00 p.m. at the designated offices of the distributor of the Host Fund, United Bulgarian Bank AD.

It is not intended that Shareholders in the Conversion Fund and in the Host Fund may request conversion of their Shares into Shares of another CIS with similar investment objectives managed by the Host Fund's Management Company or by another company with which it is affiliated by common management or control or by substantial direct or indirect participation.

2. Right to receive further information about the Conversion

All interested persons, including Shareholders in the Conversion Funds, Shareholders in the Host Fund or potential investors in shares of the Host Fund, can obtain further information in relation to the Conversion and the Host Fund on the Branch's website – www.ubbam.bg, News section of the KBC Investment Management website, www.kbcinvestment.bg, in the section "News and Media Center" with respect to the Conversion Funds and on the websites of the Distributor of the Conversion Funds, www.kbcbank.bg, in the section "About Us" – "News", and the Host Fund Distributor, www.ubb.bg, in the section "About UBB" – "News", and at the offices of the Distributor of the Conversion Funds and the Distributor of the Host Fund, where shares of both funds respectively are offered.

Interested persons may obtain a list of the offices of the Distributor of the Host Fund at

* The redemption period of 45 days has been established to allow sufficient time for notice of the Conversion to be given to all Shareholders, including by the mailing of letters with return receipt requested, thereby ensuring that the redemption right referred to above may be exercised by any Shareholder in a period of at least 30 days prior to the expiration of such period. KBC Investment Management and KBC AM set a time limit of 15 days for the completion of the notification taking into account the standard delivery times for domestic mail shipments according to . [GTC](http://gtc.government.bg) Of Bulgarian Post EAD, which the Management Companies consider to be the standard for this service.

which shares of the Host Fund are offered and their addresses from the contact centre of the Distributor of the Host Fund by calling 0700 117 17. Interested persons may obtain a list of the offices of the Distributor of the Conversion Fund where shares of the Conversion Fund are offered and their addresses at the following internet address: <https://www.kbcbank.bg/bg/ofisi-bankomati/>.

At the above locations, interested persons may inspect and obtain/download a copy of the Host Fund's Key Information Document and the Master Sub-Fund's Key Information Document (in Bulgarian) free of charge.

In addition, interested persons may also inspect the information contained in this Notice to Shareholders and the attached KIID of the Host Fund, as well as to download from the websites of the Branch and KBC Investment Management, free of charge, an electronic copy of the Notice to Shareholders and the accompanying KIID of the Host Fund, or to obtain a paper copy free of charge from the offices of the Distributor of the Conversion Fund and the Distributor of the Host Fund, respectively.

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

Pursuant to Article 150, paragraph 1 of the CISOU CIA, certain parameters of the Conversion are subject to review by a registered auditor under the Independent Financial Audit Act. In this regard, the verification of the Conversion, to the extent required under Article 150 paragraph 1 of the CISOU CIA, has been entrusted to the audit firm Mazars OOD, UIC 204638408, registered with the Institute of Chartered Certified Accountants with registration No. 169 (the "**Inspecting Auditor**").

Subject to the requirements of the applicable law, the Inspecting Auditor shall verify the following parameters of the Conversion:

- a) The criteria adopted for the valuation of the assets and liabilities at the date of calculation of the replacement ratio;
- b) the method used to calculate the replacement ratio and the actual replacement ratio calculated at the date of calculation of the replacement ratio.

As a result of the verification, the verifying auditor shall prepare a report setting out the results of the verification. A copy of the report prepared shall be made available to the Financial Supervision Commission and shall be made available free of charge upon request to Shareholders in the Conversion Fund and in the Host Fund in accordance with the preceding paragraph.

IV. Procedural matters and intended effective date of Conversion

1. Provision of information to shareholders and redemption rights

Following receipt of the FSC's approval to implement the Conversion, the management companies of the Conversion Fund and the Host Fund have prepared a final timetable of the steps to implement the Conversion and have published a Notice to Shareholders of the Conversion Fund and the Host Fund in the form of this Information Document. In this regard, Shareholders of the Funds participating in the Conversion may find a table containing the timetable for the implementation of the Conversion in paragraph 7 below. Also attached to this Notice to Shareholders is the key investor information document for the Host Fund.

This Information Document was posted on the Branch's website, www.ubbam.bg, in the section "News", on the Host Fund Distributor's website, www.ubb.bg, in the section "About UBB" – "News", and on KBC Investment Management's website, www.kbcinvestment.bg, in the section "News and Media Centre", and the Conversion Fund Distributor's website, www.kbcbank.bg, in the section "About Us" – "News" on 31 January 2023.

2. Redemption Period in Connection with the Conversion

The Shareholders' redemption right referred to in Section III(1) above may be exercised within 45 days after the date of publication of this Information Document in accordance with the preceding paragraph and will terminate on **17 March 2023**, which date falls 6 Business Days before the date for calculating the Exchange Ratio in connection with the Conversion.

3. Dates of final suspension of the issue and redemption of Shares by the Conversion Funds and of suspension of the issue and redemption of Shares by the Host Fund

On **1 February 2023**, being the date that is the first Business Day following the date of publication of this Information Document on the websites referred to in paragraph 1 above, KBC Investment Management will permanently suspend the issue of Shares in the Conversion Fund and instruct the Distributor of the Conversion Fund to suspend the offer of Shares in the Conversion Fund.

On **20 March 2023**, which date is the first business day following the expiration of the Redemption Period (the "**Suspension Date**"), KBC Investment Management will permanently suspend the issuance and redemption of Shares in the Conversion Fund and KBC AM, through the Branch, will temporarily suspend the issuance and redemption of Shares in the Host Fund.

In this regard, on the Suspension Date, KBC Investment Management will instruct the Distributor of the Conversion Fund to permanently suspend the redemption of shares of the Conversion Fund and KBC AM, through the Branch, will instruct the Host Fund Distributor to suspend both the offering and redemption of Host Fund Shares and accordingly resume the issuance and redemption of Host Fund Shares on the first Business Day following the effective date of the Conversion.

The issue and redemption of Shares in the Host Fund will resume on the first Business Day following the effective date of the Conversion, **30 March 2023**.

4. Date of calculation of the Exchange Ratio

The Exchange Ratio Calculation Date will be on **27 March 2023**, which date falls 6 Business Days after the Redemption Period. Exchange Ratio as the ratio of the NAV per Share in each of the Conversion Fund to the NAV per Share in the Host Fund determined on the basis of data for the day falling

two Business Days prior to the date of calculation of the Exchange Ratio (the "**Reference Date**").

The number of Shares in the Host Fund that each Shareholder in the Conversion Fund will receive on the effective date of the Conversion will be calculated in accordance with the following formula:

$$A = B \times (C / D), \text{ where:}$$

A = number of new shares in the Host Fund

B = number of Shares held in the Conversion Fund

C = NAV per share in the Conversion Fund*

D = NAV per share in the Host Fund*

* Determined on the business day preceding the date of calculation of the replacement ratio based on data for the Reference Date.

The Exchange Ratio will be rounded to the sixth decimal place and the number of Shares in the Host Fund will be rounded to the fourth decimal place. It is therefore not necessary or intended to make any cash payments to Shareholders in order to achieve an equivalent Exchange Ratio in the Conversion.

The table below sets out **Example** for determining the Exchange Ratio and the number of Shares in the Host Fund that would be received by an investor holding 1 312 Shares in the Conversion Fund if 07.10.2022 is taken as the *hypothetical* date of calculation of the Exchange Ratio and 05.10.2022 is accordingly taken as the Reference Date for the purposes of the example:

Table No.2

Number of shares in the TF "Conservative Fund Bulgaria"	B = 1312 shares
NAV per share in TF "Conservative Fund Bulgaria" on 06.10.2022 based on data for 05.10.2022.	C = BGN 1,4029.
NAV per share in "UBB Platinum Bulgaria" TF on 06.10.2022 based on data for 05.10.2022.	D = BGN 13,3844.
Exchange ratio	C / D = 0,104816
Number of shares in "UBB Platinum Bulgaria" TF	A = B x (C / D) 1312 x 0,104816 137,5186 shares

5. Effective conversion date

The effective date of the Conversion (the "**Effective Date**") will be on 29.03.2023, which date falls on the second Business Day following the date of calculation of the Exchange Ratio, i.e. 8 Business Days after the expiry of the Redemption Period.

The Effective Date is the date on which the Conversion becomes effective and pursuant to Article 154, paragraph 4 of the CISOU CIA, the Conversion cannot be declared null and void after such date. In connection therewith, on the Effective Date, all of the assets and liabilities of the Conversion Fund will be transferred to the Host Fund, in exchange for which Shareholders in the Conversion Fund will receive an attributable number of whole and fractional shares in the Host Fund, with the value of the

fractional shares, if applicable, will be rounded to the fourth decimal place in accordance with the exchange ratio determined (more information on how the number of shares in the Host Fund that each investor in the Conversion Fund will receive will be determined can be found in section 4 above).

As a result of the Conversion, upon the Effective Date, the Conversion Fund will cease to exist without liquidation.

Upon the occurrence of the Effective Date, KIC Investment Management and the Branch will post an announcement on their websites (the "**Conversion Notice**") to publicly announce the effectiveness of the Conversion. The Conversion Notice will set out information about the Effective Date on which the Conversion is effective and the actions taken to transfer the assets and liabilities of the Conversion Fund to the Host Fund and to make Shares of the Host Fund available to Shareholders in the Conversion Fund.

Simultaneously with the publication of the Conversion Notice, the Branch will notify the Financial Supervision Commission of the occurrence of the Effective Date and the giving effect to the Conversion.

On the Effective Date, after giving effect to the Conversion and the transfer of the assets and liabilities of the Conversion Fund to the Host Fund, the Branch will notify the Host Fund's depository bank, UBB, in writing of the completion of the transfer of the assets and liabilities of the Conversion Fund to the Host Fund.

In addition, on the Effective Date, the necessary applications will be made to the Central Securities Depository AD for deregistration (deregistration) from the central securities register of the Conversion Fund and the issue of Shares issued by it and for the issue of a deed of registration in respect of the issue of Shares of the Host Fund evidencing the delivery of the relevant number of New Shares of the Host Fund to the Shareholders in the Conversion Fund.

Within seven days from the Effective Date, the removal of the Conversion Fund from the register maintained by the FSC pursuant to Article 30, paragraph 1, item 4 of the FSC Act, and in this regard it will be provided with a de-registration certificate for the Conversion Fund and the issue of Shares issued by it and a registration certificate in respect of the issue of Shares of the Host Fund containing details of the Shares in the Host Fund issued by Central Depository AD to the Shareholders of the Conversion Fund. Within the same period, the Branch will provide a final Auditor's Report to the FSC.

Following the deregistration of the Conversion Fund from the register maintained by the FSC under Article 30, paragraph 1, item 4 of the FCS Act, the deletion of the Conversion Fund from the register of the BULSTAT will also be requested.

Shareholders in the Conversion Fund will be able to exercise all their rights as Shareholders in the Host Fund, including the right to redeem, as of the first business day following the effective date of the Conversion, **30 March 2023**, on which date the issuance and redemption of Shares in the Host Fund will resume.

6. Expenses to Shareholders in connection with the Conversion

No additional costs are expected to be incurred by Shareholders in the Conversion Fund and the Host Fund in connection with the Conversion.

Shareholders will have the opportunity during the Redemption Period to direct the redemption of their Shares in the Conversion Fund the Host Fund, respectively, without incurring any additional expenses, other than those related to covering the costs of early termination of investments to release funds to satisfy redemption requests, which are set equal to the applicable redemption fee for Shares in the Conversion Fund and the Host Fund, respectively, to the extent such fee is available.

In addition, it should be borne in mind that, pursuant to Article 153 of CISOUCIA, the legal, advisory and

administrative expenses shall not be borne by the Conversion Fund and the Host Fund or their Shareholders.

All such costs in connection with the Conversion will therefore be borne by the Branch.

7. Schedule for implementation of the Conversion

Table No.3

	Event	Date
1.	Issuance of authorisation to carry out the Conversion by the Financial Supervision Commission	05.01.2023
2.	Publication of the Notice to Shareholders Sending notices to Shareholders in the Conversion Fund and the Host Fund Commencement of redemption period	31.01.2023
3.	Final suspension of the issue of Shares in the Conversion Fund	01.02.2023
4.	End of Redemption Period	17.03.2023
5.	Final suspension of redemption of Shares in the Conversion Fund and suspension of issuance and redemption of Shares in the Host Fund	20.03.2023
6.	Date of calculation of exchange ratio	27.03.2023
7.	Effective conversion date Publication of a notice disclosing the effectiveness of the Conversion Submission of applications to the Central Depository AD for deregistration from the central securities register of the Conversion Fund and the issue of Shares by it and for the issue of a deed of registration in respect of the issue of Shares of the Host Fund	29.03.2023
8.	Resumption of the issue and redemption of Shares in the Host Fund	30.03.2023
9.	Submission of an application to the FSC for deregistration of the Conversion Fund from the register maintained by the FSC pursuant to Article 30, paragraph 1, item 4 of the FSC Act	by 05.04.2023