

Daiwa SBI Lux Funds SICAV
Société d'Investissement à Capital Variable
Registered Office: 80, route d'Esch,
L-1470 Luxembourg
Grand Duchy of Luxembourg
R.C.S. Luxembourg: B 181.392
(the "**Company**")

NOTICE TO SHAREHOLDERS OF DSBI JAPAN EQUITY FUNDAMENTAL ACTIVE, DSBI JAPAN EQUITY SMALL CAP ABSOLUTE VALUE AND DSBI JAPAN EQUITY SUSTAINABLE DIVIDEND FUND (THE "SUB-FUNDS")

Luxembourg, 14 November 2019

Dear Shareholder,

The board of directors of the Company (the "**Board**") would like to inform you of its decision to make the following change to be reflected in the prospectus of the Company:

Clarification of the Sub-Funds' investment principles, in order to ensure compliance with Section 2 Paragraph 8 of the German Investment Tax Act, respectively as follows:

1. DSBI Japan Equity Fundamental Active

"the Sub-Fund invests more than seventy-five percent (75%) of its total assets in Japanese equity securities included in the Benchmark which constitute "equity participation" within the meaning of Section 2 Paragraph 8 of the German Investment Tax Act (2018)".

2. DSBI Japan Equity Small Cap Absolute Value and DSBI Japan Equity Sustainable Dividend Fund

"the Sub-Fund invests more than seventy-five percent (75%) of its total assets in Japanese equity securities which constitute "equity participation" within the meaning of Section 2 Paragraph 8 of the German Investment Tax Act (2018). The remaining part of the portfolio will be invested in cash or cash related instruments".

The Board confirms that in respect of this clarification of the Sub-Funds' investment principles that the Sub-Funds' investment style and investment philosophy will remain the same.

The above changes will be reflected in an updated version of the prospectus to be dated November 2019 which is available free of charge at the Company's registered office.

Should you require further information, please contact the Management Company, your financial advisor or your local distributor.

Yours faithfully,

On behalf of the Board