

SMD-AM Funds
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 THE SHAREHOLDERS OF THE SUB-FUND
DSBI Japan Equity Small Cap Absolute Value
(the "Sub-Fund")

Luxembourg, 16 October 2026

Dear Shareholder,

The board of directors of the Company (the "**Board**") would like to inform you of amendments to the Prospectus associated with SMD-AM Funds. We would like to inform you of a change to the Sub-Fund mentioned above from the 17 November 2026:

The prospectus of the Company (the "**Prospectus**") will be updated to introduce the possibility to use additional liquidity management tools for the Sub-Fund to comply with the requirements of Directive (EU) 2024/927 of the European Parliament and of the Council of 13 March 2024 amending Directives 2011/61/EU and 2009/65/EC as regards delegation arrangements, liquidity risk management, supervisory reporting, the provision of depositary and custody services and loan origination by alternative investment funds ("**AIFMD II**").

With respect to the Prospectus, the Board has decided to update section "Swing Pricing" of the Prospectus to introduce a swing pricing mechanism in the Sub-Fund, in line with the requirements of AIFMD II.

For the avoidance of doubt, these change changes will not impact the Sub-Fund's investment objectives or investment principles.

The updated Prospectus reflecting, *inter alia*, the change described above will be available free of charge at the Company's registered office or via our website at www.smd-am.co.uk.

All capitalised terms used herein and not otherwise defined shall have the meaning ascribed to such terms in the Prospectus.

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

Yours faithfully,

On behalf of the Board

Germany:

For German investors, FE fundinfo (Luxembourg) S.à.r.l at 6 Boulevard des Lumières, Belvaux, 4369, Luxembourg is the facilities service provider according to Sec. 306a (1) German Investment Code (KAGB) and the relevant Prospectus and key information documents for packaged retail and insurance-based investment products (PRIIPs-KIDs), the Certificate of Incorporation and Memorandum and Articles of Association and the annual and semi-annual reports are available there free of charge in paper form.

Switzerland:

For Swiss investors, the Swiss Representative is 1741 Fund Solutions AG, Multergasse 5, CH-9000 St. Gallen. The Paying Agent is Founders Bank Ltd (formerly Tellco Bank Ltd., name change effective 16.09.2026), Bahnhofstrasse 4, CH-6430 Schwyz. The prospectus, the articles of association, the key information document (KID) and the respective annual and semi-annual reports can be obtained free of charge from the representative. In respect of the units offered in Switzerland, the place of performance is the registered office of the representative. The place of jurisdiction is at the registered office of the representative or at the registered office or place of residence of the investor.