

CPR Invest
Société d'Investissement à Capital Variable (SICAV)
5, allée Scheffer, L-2520 Luxembourg, Luxembourg
R.C. Luxembourg: B 189795

(the “**Company**”)

NOTICE TO SHAREHOLDERS

Luxembourg, May 18th 2020

The shareholders of the Company are hereby informed of the below decisions taken by the board of directors of the Company (the “**Board of Directors**”).

In accordance with the prospectus of the Company (the “**Prospectus**”), the Board may adjust the net asset value (NAV) of each compartment (i) to protect shareholders from the dilutive effect of portfolio trading costs (bid/offer spreads, broker commissions, taxes, etc.) incurred as a result of subscriptions and redemptions and (ii) to more closely reflect the actual prices on the underlying transactions (the “**Swing Pricing Mechanism**”).

What is the Swing Pricing Mechanism?

When an investor buys or sells shares in an investment fund, the fund incurs dealing costs. If there is no mechanism to protect the interests of other shareholders, these costs are shared across all of the fund’s shareholders. As a result, the activity of one shareholder can be to the detriment of other investors in the fund.

The Swing Pricing Mechanism is a technique designed to reduce the negative impact of subscriptions and redemptions on “non-trading” investors in a fund.

As further explained in the Prospectus in a dedicated paragraph under section 13.6 “*Determination of the net asset value of the Shares*”, the Board of Directors applies a “**partial swing methodology**” and determines, for each compartment, at which level of estimated net flows on each dealing day (i.e. absolute value of the balance of subscriptions and redemptions) the subsequent trading costs will have a dilutive impact that requires the application of the Swing Pricing Mechanism (the “**Trigger Threshold**”).

The Swing Pricing Mechanism is only applied if the net flows within the relevant compartment on the relevant dealing day exceed the relevant Trigger Threshold.

The adjustment on the NAV further to the application of the Swing Pricing Mechanism is based on estimated dealing spreads, costs, and other market and trading considerations (the “**Swing Factor**”).

As indicated in the Prospectus, the Swing Factor will normally not be larger than 2% of the NAV of the relevant compartment, but the Board of Directors can raise, as authorized in the Prospectus, this limit when necessary to protect the interests of shareholders.

As a result of exceptional higher market volatility due to the ongoing coronavirus (**COVID-19**) pandemic, the Swing Pricing Mechanism may be applied, for each compartment, with a Swing Factor higher than 2% of the NAV of the relevant compartment.

This possibility to increase the Swing Factor above than 2% of the NAV has been effective as from **12th March 2020** (the “**Effective Date**”) and will apply until 30th December 2020, unless decided otherwise by the Board of Directors who will then inform you of such decision. For the avoidance of doubt, the Swing Factor for each compartment will not exceed 5% of the NAV of the relevant compartment.

Since the Effective Date, a Swing Factor higher than 2% of the (i.e. equal to 2.34%) NAV has been applied only once, on the 19th March 2020, in respect of the net outflows within the compartment “CPR Invest – Smart Beta Credit” (i.e. the NAV of this compartment has been adjusted downwards according to a Swing Factor equal to 2.34%).

The Board of Directors considers that the decision to increase the maximum Swing Factor from 2% to 5% of the NAV of the relevant Compartment has been taken in the best interest of the shareholders of the Company and accepts responsibility for the accuracy of the information contained in this notice.

Should you have any questions or concerns about the foregoing, please contact the Company at its registered office in Luxembourg or the representative of the Company in your jurisdiction. You should inform yourself of, and where appropriate take advice on, the tax consequences of the foregoing in your country of citizenship, residence or domicile.

The Board of Directors