

## Explanatory Memorandum

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**This Explanatory Memorandum is important and requires your immediate attention.**

**It should be read in its entirety before making a decision on how to vote on the Extraordinary Resolution.**

This Explanatory Memorandum sets out the proposed changes to be made to the investment objective of APS Global Equity Fund, a sub-fund of APS Funds SICAV p.l.c. (the “**Sub-Fund**” and the “**Company**” respectively) by way of extraordinary resolution (special business) to be considered and, if deemed fit, approved and passed at the Extraordinary General Meeting that is being held on 22 July 2024 at 19:00 hrs at The Phoenicia Malta, The Mall, Floriana, Malta (the “**EGM**”).

### **PURPOSE OF THE EXPLANATORY MEMORANDUM**

This Explanatory Memorandum is being sent to all holders of Class A EUR Accumulator Shares and Class B EUR Distributor Shares in the Sub-Fund (the “**Members**”) entitled to participate and vote at the EGM so as to assist them to make a properly informed decision about the extraordinary resolution being put to vote.

IN THE EVENT THAT MEMBERS RECEIVING THIS DOCUMENT ARE IN ANY DOUBT AS TO THE IMPORTANCE OF THIS DOCUMENT OR AS TO ANY ACTION REQUIRED OF THEM IN CONNECTION THEREWITH, THEY ARE URGED TO CONSULT THEIR INDEPENDENT PROFESSIONAL ADVISORS.

As established in the applicable Offering Supplement of the Sub-Fund as approved by the Malta Financial Services Authority dated 21 November 2022, the current investment objective reads as follows:

*The investment objective of the Sub-Fund is to achieve long-term capital appreciation through investment, primarily, in a diversified portfolio of equity securities.*

Through a restructuring of the Company and its sub-funds as brought forward by ReAPS Asset Management Limited (the “**Investment Manager**”), the Sub-Fund will aim to apply an ethical approach in the selection of investment instruments, which is further defined in the Ethical Policy that has been established by the Investment Manager and approved by the Company. The Board believes that the proposed amendment signifies a strategic shift towards incorporating ethical principles, which is being highlighted in the investment objective.

If the change is approved, the Sub-Fund’s objective will read as follows:

*The investment objective of the Sub-Fund is to achieve long-term capital growth and income generation following the principles of the Ethical Policy. The Sub-Fund’s strategy is to adapt to varying market conditions to optimize returns while managing risk through a diversified asset allocation approach.*

The Board highlights that while the previous investment objective was focused mainly on equity securities, the updated objective outlines a bigger diversification across asset classes, primarily bonds. By broadening the investment scope of the Sub-Fund to include income generation and diversified asset allocation, the Sub-Fund will aim to enhance long-term capital growth opportunities, while maintaining alignment with ethical considerations as per the Company’s Ethical Policy.

The Board, having undertaken the necessary considerations, is of the view that the proposed extraordinary resolution is in the best interest of the Members and recommends that Members vote in favour of this extraordinary resolution at the forthcoming EGM.