

EAST CAPITAL

Société d'investissement à capital variable

Registered office: 11, rue Sainte-Zithe, L-2763 Luxembourg,
Grand Duchy of Luxembourg
R.C.S. Luxembourg: B 121.268
(the "**Fund**")

NOTICE TO THE SHAREHOLDERS OF EAST CAPITAL RUSSIA

15 April 2025

Dear Shareholder,

We are writing to you in relation to the sub-fund East Capital Russia (the "**Sub-Fund**").

As announced in the notice to the shareholders dated 1 March 2022, the calculation of the Net Asset Value of the Sub-Fund was suspended as of 1 March 2022 due to difficulties with trading and settlement under reliable conditions in Russian assets and assets impacted by the conflict between Russia and Ukraine.

The board of directors of the Fund (the "**Board**") together with East Capital Asset Management S.A. (the "**Management Company**"), the management company of the Fund, have reviewed possible actions to be taken to preserve the remaining value in the Sub-Fund.

Since the suspension on 1 March 2022, East Capital Financial Services AB, the investment manager of the Sub-Fund (the "**Investment Manager**"), continues to perform dedicated portfolio maintenance activities. Such activities include, but are not limited to, contact with local authorities and key market participants, representation by the Sub-Fund at portfolio company shareholder meetings, safeguarding shareholder interests, engaging with portfolio companies, negotiating and executing certain trades on a highly selective basis after a thorough and enhanced due diligence process, in the best interests of shareholders. At the same time, the Investment Manager secures that expert resources are always available, with sufficient skills and experience to carry out such tasks.

As a result of the aforementioned efforts, the Investment Manager was able to execute certain trades in the interests of shareholders of the Sub-Fund resulting in liquidities in the Sub-Fund.

The Sub-Fund remains suspended for redemptions, but in order to provide its shareholders with some liquidity, the Board has decided to return capital to the shareholders of the Sub-Fund by way of distributions, paying out current and future available liquidities to the shareholders on a *pro rata* basis and in one or more instalments at the Board's discretion.

No action is required for shareholders who agree to receive such payments now and in the future. Shareholders who do not wish to receive such payments, shall inform ecg@eastcapital.com by 15 May 2025. The Board will continuously review further possible actions to be performed and assess options in the best interests of the shareholders while maintaining fair treatment for all shareholders of the Sub-Fund.

Please be aware that the distribution of cash may create a chargeable tax event in your country of tax residence. We strongly suggest seeking advice from your financial advisor.

As of 15 May 2025, the Sub-Fund will pay all costs for the dedicated portfolio maintenance activities performed by the Investment Manager (as described above) since 1 March 2022, as well as for depositary, administration, legal services, audit services and the Luxembourg *taxe d'abonnement*.

In addition, the Board has decided to include a provision for costs and charges with respect to the Sub-Fund for a 5-year period from 15 May 2025. Third party costs are estimated at approximately 180,000 EUR per year. The charge for portfolio maintenance is estimated approximately at 297,000 EUR per year.

The costs incurred for depositary, administration, legal services, audit services and the Luxembourg *taxe d'abonnement* (the “**Third party costs**”) and other costs related to the assets of the Sub-Fund are equivalent to maximum 10 basis points (“**bps**”) per annum on the assets under management of the Sub-Fund (calculated as of 25 February 2022 and based on the actual costs).

The Investment Manager will charge for portfolio maintenance activities on the Russian and Russia-related assets at cost, based on actual time spent by investment professionals within the team as the intention is to return further capital to the shareholders of the Sub-Fund.

The Investment Manager charges an hourly rate of 250 EUR. The charge related to the activity performed on the assets is equivalent to a maximum of 32 bps per annum on the assets under management of the Sub-Fund (calculated as of 25 February 2022 and based on the actual costs).

The Board will, at all times, ensure the costs are closely monitored, correctly calculated and, to the extent possible, minimized by ongoing dialogue with each of the service providers. At the point of suspension lifting, or at the end of the 5 years, whichever comes first, any amounts remaining in the provision will be returned to the Sub-Fund as liquid assets.

Shareholders will be informed on a bi-annual basis, through the semi-annual and annual reports, and on an ad-hoc basis in case of any event relating to the assets of the Sub-Fund.

Due to the specific circumstances pertaining to the conflict between Russia and Ukraine, the Sub-Fund cannot promote environmental and/or social characteristics for all portfolio companies and meet the related reporting requirements under Regulation 2019/2088 on sustainability-related disclosures (the “SFDR”). The Sub-Fund, in these circumstances, cannot promote environmental and social characteristics.

If you have any questions or would like any further information, please contact us at our registered office.

Yours faithfully,

For and on behalf of the board of directors of East Capital