

Next AM Fund
Société Anonyme - Société d'Investissement à Capital Variable
60, avenue J.F. Kennedy, L - 1855 Luxembourg
R.C.S. Luxembourg: B 168. 626
(the "Company")

NOTICE TO SHAREHOLDERS OF THE SUB-FUND NEXT AM FUND – TENDANCE FINANCE

31st march, 2022

Dear shareholder,

In compliance with the ESMA guidelines on performance fees in UCITS and certain types of AIFs published on 3 April 2020 (the "**ESMA Guidelines**"), the Company's board of directors informs you that the prospectus of the Company (the "**Prospectus**") has been updated in order to take into account the requirements of the ESMA Guidelines.

The paragraphs describing the performance fee in the Prospectus have been redrafted as follows:

"In addition, the Investment Manager is entitled to receive an annual performance fee equal to:

Class A: 20% of the performance with high-water mark

Class B: 20% of the performance over 5% with high-water mark*

Class C: 20% of the performance with high-water mark

Class P: None*

**The share class is not registered in UK*

There is a performance of the Net Asset Value per Share of a considered Class of the Sub-Fund if and only if there is an increase of the Net Asset Value per Share of this Class of the Sub-Fund compared to its reference Net Asset Value at the beginning of the calculation period which is the highest Net Asset Value end of period ever registered ("Reference Net Asset Value"). The first Reference Net Asset Value of the Sub-Fund was on the last Net Asset Value in December 2013.

The reference period for the performance of the Fund is from the 1st trading day of January to the last trading day of December, for each calendar year.

Sampling frequency:

The performance fee is collected for the benefit of the Investment Manager at each calendar year. Under no circumstances, may the reference period of the Sub-Fund can be less than one year.

Performance fee calculation method:

• *During the reference period:*

- If the Sub-Fund's Net Asset Value is greater than the Reference Net Asset Value, the variable portion of performance fees will represent:

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Class A: 20% of the performance with high-water mark

Class B: 20% of the performance over 5% with high-water mark*

Class C: 20% of the performance with high-water mark

Class P: None*

**The share class is not registered in UK*

For each calendar year, a provision for performance fees will be passed on a daily basis, based on the difference between the daily Net Asset Value of the Sub-Fund and the high water mark - This provision is either increased or decreased for each daily calculation of the Net Asset Value depending of its daily level toward the Reference Net Asset Value. In case, the daily Sub-Fund's Net Asset Value is above the high-water mark, the provision will be increased and oppositely in case the daily Sub-Fund's Net Asset Value is below the high-water mark, the provision will be decreased Reversals of provisions are capped at the level of previous provisions.

In the event of redemption, during the reference period, the portion of the variable provision for performance fees, corresponding to the number of units redeemed, is definitively acquired by the Investment Manager.

The performance fee will be calculated net of all costs but without deducting the performance fee itself

- *At the end of the reference period:*

- If the Sub-Fund's Net Asset Value is greater than Reference Net Asset Value, the variable provision of the performance fees during the reference period is definitively acquired by the Investment Manager.*

- If the Sub-Fund's Net Asset Value is lower than Reference Net Asset Value, the variable provision of the performance fees will be equal to zero (excluding the shares acquired by the Investment Manager upon redemption(s) during the reference period).*

From 31 December 2021, the performance fee may only be claimed if the outperformance exceeds any underperformances during the previous five years. Consequently, any underperformance of the Sub-Fund's Net Asset Value during the reference period must be caught up before any new provision for performance fees can be passed.

For example:

Reference period	Performance			
	Reference Net Asset Value	Net Asset Value	Increase of Reference Net Asset Value	Performance fees
D 1 (first trading day of Year 1)	100	100	0,000%	NO

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End of Year 1	100	100	0,000%	NO
End of Year 2	100	105	5,000%	YES
End of Year 3	105	100	-4,762%	NO (Extension of the reference period for 5 additional rolling years) (*)
End of Year 4	100	102	2,000%	NO
End of Year 5	102	103	0,980%	NO (as the underperformance of Year 3 has not been fully compensated)
End of Year 6	103	104	0,971%	NO (as the underperformance of Year 3 has not been fully compensated)
End of Year 7	104	104	0,000%	NO (as the underperformance of Year 3 has not been fully compensated)
End of Year 8	104	106	1,923%	YES (as the underperformance of Year 3 has been fully compensated)
End of Year 9	106	107	0,943%	YES

()The underperformance of the Sub-Fund over the reference period must be compensated within 5 years (up to Year 8 maximum) before the variable management fees become due."*

You will also note that in line with the ESMA Guidelines, the length of the performance reference period has been set to five years. This has no impact on the way the performance fee is calculated and only changes the way the performance fee is charged.

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Any changes made are made to ensure regulatory compliance with the ESMA Guidelines only and do not have an impact on the way the performance fee is calculated.

Shareholders are reminded of the fact that in compliance with the prospectus of the Company: (i) no redemption fee is payable in case of redemption of shares and that (ii) they are entitled to require the redemption of their shares.

The updated version of the Prospectus (reflecting among others the above change) will be available at the registered office of the Company as soon as visa-stamped by the Luxembourg supervisory authority of the financial sector.

Yours faithfully,

On behalf of the Board