

**LUXEMBOURG SUPPLEMENT
E.I. STURDZA FUNDS PLC (THE "COMPANY")**

This Luxembourg Supplement forms part of, and should be read in conjunction with, the Prospectus of the Company dated 29 November 2018 (the "Prospectus"), as same may be amended and supplemented from time to time in relation to those Funds of the Company registered in Luxembourg for public distribution:

- **Strategic China Panda Fund**
- **Nippon Growth (UCITS) Fund**
- **Strategic Europe Value Fund**
- **Strategic Bond Opportunities Fund**
- **Sturdza Family Fund**

The Prospectus as supplemented by the Supplements is valid in Luxembourg only if it is accompanied by this Luxembourg Supplement.

All capitalised terms contained herein shall have the same meaning in this Luxembourg Supplement as in the Prospectus unless otherwise indicated.

The Directors of the Company, whose names appear under the heading "Management and Administration" in the Prospectus accept responsibility for the information contained in the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Luxembourg Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

ADDITIONAL INFORMATION FOR INVESTORS IN LUXEMBOURG

PUBLIC DISTRIBUTION IN LUXEMBOURG

The Company has notified the Luxembourg supervisory authority, the *Commission du Surveillance du Secteur Financier (CSSF)* of its intention to publicly distribute the Shares of the Company in Luxembourg in accordance with the requirements of Luxembourg Law on Undertakings for Collective Investment dated 17 December, 2010 Chapter 7, "UCITS situation in Other Member States of the European Union which market their units in Luxembourg" (the "2010 Law"), and is authorised to do since the end of the notification procedure.

PAYING AGENT IN LUXEMBOURG

Pursuant to the Paying Agent Agreement dated 27 February 2017 the Company has appointed Caceis Bank, Luxembourg Branch, established at 5, Allée scheffer, L-2520 Luxembourg, Grand Duchy of Luxembourg, as paying agent in Luxembourg in respect of all Shares (the "Paying Agent"). Shareholders resident in Luxembourg may request the subscription and redemption of Shares and the payment of distributions in accordance with the provisions of the Prospectus.

Copies of the documents referred to in the section "Documents available for Inspection" of the Prospectus may be obtained free of charge from the registered office of the Paying Agent.

PUBLICATION OF NET ASSET VALUE PER SHARE

The Net Asset Value per Share shall be made available on the internet at www.eisturdza.com and updated following each calculation of Net Asset Value. In addition, the Net Asset Value per Share may be obtained from either the Distributor or the Administrator during normal business hours. The Net Asset Value of any Fund or attributable to a Class whose Shares are listed will

also be notified to the Irish Stock Exchange by the Administrator immediately upon calculation.

COMMUNICATIONS AND NOTICES TO SHAREHOLDERS

Communications and Notices to Shareholders or the first named of joint Shareholders shall be deemed to have been duly given as described in the section "Communications and Notices to Shareholders" of the Prospectus.

RECORD

Telephone conversations between Shareholders and the Paying Agent may be recorded and any such tape recordings may be submitted in evidence in any proceedings when it is needed.

DISTRIBUTOR

E.I. Sturdza Strategic Management Limited, 3rd Floor, Frances House, Sir William Place, St Peter Port, Guernsey GY1 IGX, has been appointed as Global Distributor of the Shares.

LUXEMBOURG TAXATION

The following information is of a general nature only and is based on the Company's understanding of certain aspects of the laws and practice in force in Luxembourg as of the date of this Luxembourg Supplement to the Company's Prospectus. It does not purport to be a comprehensive description of all of the tax considerations that might be relevant to an investment decision. It is included herein solely for preliminary information purposes. It is not intended to be, nor should it be construed to be, legal or tax advice. It is a description of the essential material Luxembourg tax consequences with respect to the Shares and may not include tax considerations that arise from rules of general application or that are generally assumed to be known to Shareholders. This summary is based on the laws in force in Luxembourg on the date of this Luxembourg Supplement to the Company's Prospectus and is subject to any change in law that may take effect after such date. Prospective Shareholders should consult their professional advisors with respect to particular circumstances, the effects of state, local or foreign laws to which they may be subject and as to their tax position.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*) as well as personal income tax (*impôt sur le revenu*) as well as a temporary equalisation tax (*impôt d'équilibrage budgétaire temporaire*) generally. Corporate taxpayers may further be subject to net worth tax (*impôt sur la fortune*), as well as other duties, levies or taxes. Corporate income tax, municipal business tax, as well as the solidarity surcharge invariably apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax, the solidarity surcharge and the temporary equalization tax. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

LUXEMBOURG TAXATION OF SHAREHOLDERS

Income Tax

A Luxembourg resident Shareholder is not liable to any Luxembourg income tax on reimbursement of share capital previously contributed to the Company.

Luxembourg Resident Individuals

Dividends and other payments derived from the Shares by a resident individual Shareholder, who acts in the course of the management of either his/her private wealth or his/her professional or

business activity, are subject to income tax at the ordinary progressive rates.

Capital gains realized upon the disposal of the Shares by a resident individual Shareholder, who acts in the course of the management of his/her private wealth, are not subject to income tax, unless said capital gains qualify either as speculative gains or as gains on a substantial participation. Capital gains are deemed to be speculative and are thus subject to income tax at ordinary rates if the Shares are disposed of within six (6) months after their acquisition or if their disposal precedes their acquisition. A participation is deemed to be substantial where a resident individual Shareholder holds or has held, either alone or together with his spouse or partner and/or minor children, directly or indirectly at any time within the five (5) years preceding the disposal, more than ten percent (10%) of the share capital of the company whose Shares are being disposed of. A Shareholder is also deemed to alienate a substantial participation if he acquired free of charge, within the five (5) years preceding the transfer, a participation that was constituting a substantial participation in the hands of the alienator (or the alienators in case of successive transfers free of charge within the same five-year period). Capital gains realized on a substantial participation more than six (6) months after the acquisition thereof are taxed according to the half-global rate method (*i.e.* the average rate applicable to the total income is calculated according to progressive income tax rates and half of the average rate is applied to the capital gains realized on the substantial participation). A disposal may include a sale, an exchange, a contribution or any other kind of alienation of the participation.

Capital gains realized on the disposal of the Shares by a resident individual Shareholder, who acts in the course of the management of his/her professional/business activity, are subject to income tax at ordinary rates. Taxable gains are determined as being the difference between the price for which the Shares have been disposed of and the lower of their cost or book value.

Luxembourg Resident Companies

A Luxembourg resident company (*société de capitaux*) must include any profits derived, as well as any gain realized on the sale, disposal or redemption of Shares, in its taxable profits for Luxembourg income tax assessment purposes.

Luxembourg Residents Benefiting From a Special Tax Regime

Shareholders which are Luxembourg resident companies benefiting from a special tax regime, such as (i) undertakings for collective investment subject to the amended 2010 Law, (ii) specialized investment funds subject to the amended Law of 13 February 2007 and (iii) family wealth management companies governed by the amended law of 11 May 2007, are income tax exempt entities in Luxembourg, and are thus not subject to any Luxembourg income tax.

Luxembourg Non-Resident Shareholders

A non-resident, who has neither a permanent establishment nor a permanent representative in Luxembourg to which or whom the Shares are attributable, is generally not liable to any Luxembourg income tax on income received and capital gains realized upon the sale, disposal or redemption of the Shares.

A non-resident company which has a permanent establishment or a permanent representative in Luxembourg to which or to whom the Shares are attributable, must include any income received, as well as any gain realized on the sale, disposal or redemption of Shares, in its taxable income for Luxembourg tax assessment purposes. The same inclusion applies to an individual, acting in the course of the management of a professional or business undertaking, who has a permanent establishment or a permanent representative in Luxembourg, to which the Shares are attributable. Taxable gains are determined as being the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

Withholding Tax

Under the Luxembourg law dated 23 December 2005, as amended (the "Law"), a Luxembourg paying agent or a paying agent established in another European Union ("EU") member state, in a

member state of the European Economic Area or in a dependent or associated territory of an EU Member State (within the meaning of the Law) is required since 1 July 2005 to withhold tax on interest and other similar income paid by it to (or under certain circumstances, to the benefit of) a Luxembourg resident individual.

The withholding tax rate is currently 10% and the Luxembourg paying agent bears the responsibility of the payment of the tax.

Net Wealth Tax

A Luxembourg resident, or a non-resident who has a permanent establishment or a permanent representative in Luxembourg to which the Shares are attributable, is subject to Luxembourg net wealth tax on such Shares, except if the Shareholder is (i) a resident or non-resident individual taxpayer, (ii) an undertaking for collective investment subject to the amended 2010 Law, (iii) a securitization company governed by the amended law of 22 March 2004 on securitization, (iv) a company governed by the amended law of 15 June 2004 on venture capital vehicles, (v) a specialized investment fund governed by the amended law of 13 February 2007, (vi) a family wealth management company governed by the amended law of 11 May 2007 or (vii) a professional pension institution governed by the amended law of 13 July 2005. However, (i) a securitization company governed by the amended law of 22 March 2004 on securitization, (ii) a company governed by the amended law of 15 June 2004 on venture capital vehicles and (iii) a professional pension institution governed by the amended law of 13 July 2005 remain subject to a minimum net wealth tax.

Other Taxes

There is no Luxembourg registration tax, stamp duty or other similar tax or duty payable by the Shareholders in Luxembourg by reason only of the issuance or transfer of Shares.

Under Luxembourg tax law, where an individual Shareholder is a resident of Luxembourg for tax purposes at the time of his/her death, the Shares are included in his or her taxable base for inheritance tax purposes. On the contrary, no inheritance tax is levied on the transfer of the Shares upon death of a Shareholder in cases where the deceased was not a resident of Luxembourg for inheritance purposes.

Gift tax may be due on a gift or donation of the Shares, if the gift is recorded in a Luxembourg notarial deed or otherwise registered in Luxembourg.

Shareholders and interested persons are recommended to consult their tax advisers regarding their specific tax situation resulting from the purchase and holding of shares as well as the disposition of their holding and disposition of their shares.

DATED: 21 December 2018