

AAZ FUND MANAGEMENT S.A.

Société anonyme

35, avenue Monterey

L-2163 Luxembourg

R.C.S. Luxembourg B 73 617

(the "**Management Company**")

acting in its quality of management company of

AZ MULTI ASSET

35, avenue Monterey

L-2163 Luxembourg

R.C.S. Luxembourg K1454

(the "**Fund**")

Notice to unitholders of the sub-funds Algo Equity Strategies, Flex, Sustainable Hybrid Bonds, Best Value, 5 Years Global Bond, Renaissance Opportunity Bond and ABS

Luxembourg, 23 November 2019

The board of directors of the Management Company (the "**Board**") would like to inform you that the prospectus of the Fund (the "**Prospectus**") has been amended to include the changes described below :

1. Sub-fund "ALGO EQUITY STRATEGIES ": change of investment strategy and policy

As from 1 January 2020, the new name of the sub-fund will be "AZ Alternative – Momentum".

The description of the investment strategy of the sub-fund will be amended in order to better define the "momentum" approach which is followed as part of the management of the sub-fund's portfolio.

The revised investment policy of the sub-fund will further provide that it may invest up to 30% in cash and cash equivalent (while there was no such investment limit before) and in which circumstances.

The new investment policy of the sub-fund will further provide for explicit limits regarding investments in debt securities in terms of type of issuer, issuer domicile, rating and eligible debt securities, while there were no such constraints before.

Finally, the sub-fund will now be able to invest up to 15% of its net assets in ETCs and/or ETFs on commodity indices.

The above-mentioned clarifications and changes will not have any material impact on the allocation of the assets or the risk profile of the sub-fund.

The new investment policy of the sub-fund is available on the following website: www.azfund.com.

2. Sub-fund "FLEX": change of investment strategy and policy

As from 1 January 2020, the new name of the sub-fund will be "AZ Alternative – Flex".

The description of the investment strategy of the sub-fund will be amended in order to better describe the mixed strategy between a "momentum" and a "mean reversion" strategy.

The revised investment policy of the sub-fund will provide that it may invest up to 30% in cash and cash equivalent (while there was no investment limit before) and in which circumstances.

The new investment policy of the sub-fund will further provide for explicit limits regarding investments in debt securities in terms of type of issuer, issuer domicile, rating and eligible debt securities, while there were no such constraints before.

The above-mentioned clarifications and changes will not have any material impact on the allocation of the assets or the risk profile of the sub-fund.

The new investment policy of the sub-fund is available on the following website: www.azfund.com.

3. Sub-fund "SUSTAINABLE HYBRID BONDS": change of investment policy

As from 1 January 2020, the new name of the sub-fund will be "AZ Bond – Sustainable Hybrid".

The investment policy of the sub-fund will be amended so that it will invest at least 70% of its net assets in debt securities which are ESG-compliant (instead of at least 50% of its net assets before).

The revised investment policy of the sub-fund will further provide that it will invest at least 60% of its net assets in securities rated BB+ or above (instead of at least 50% of its net assets in investment grade debt securities).

The new investment policy of the sub-fund will provide that it may invest in credit default swaps ("CDS"), up to 100% of its net assets for hedging purposes, and up to 20% of its net assets for investment purposes.

The investment limits of the portfolio will be better defined by stating that the sub-fund may invest between 75% and 100% of its net assets in developed markets issuers and up to 25% of its net assets in emerging markets debt securities (while there were no issuer domicile or duration constraints before).

Finally, the investment policy of the sub-fund will clarify that it will invest up to 20% of its net assets in contingent convertible bonds (while there was no investment limit before).

The above-mentioned clarifications and changes will not have any material impact on the allocation of the assets or the risk profile of the sub-fund.

The expected level of leverage of the sub-fund will be increased from 100% to 200%. This is mainly due to an increased use of financial derivative instruments (FDIs) for hedging purposes (e.g. currency and duration risk hedging) and the fact that the use of FDIs to manage currency exposures needs to be included in the leverage figures.

The new investment policy of the sub-fund is available on the following website: www.azfund.com.

4. Sub-fund "BEST VALUE": change of investment policy

As from 1 January 2020, the new name of the sub-fund will be "AZ Equity – Best Value".

The investment limits of the portfolio will be better defined by stating that the sub-fund will invest at least 80% of its net assets in equity and equity-related securities, including up to 40% of its net assets in equity and equity-related securities of emerging market issuers (while there was no such constraints before).

The revised investment policy of the sub-fund will provide that it will invest up to 10% of its net assets in debt securities of developed market issuers, in order to minimize cash positions.

The above-mentioned clarifications and changes will not have any material impact on the allocation of the assets or the risk profile of the sub-fund.

The expected level of leverage of the sub-fund will be increased from 100% to 150%. This is mainly due to an increased use of financial derivative instruments (FDIs) for hedging purposes (e.g. currency and duration risk hedging) and the fact that the use of FDIs to manage currency exposures needs to be included in the leverage figures.

The new investment policy of the sub-fund is available on the following website: www.azfund.com.

5. Sub-fund "5 YEARS GLOBAL BOND": change of investment policy

As from 1 January 2020, the new name of the sub-fund will be "AZ Bond – Target 2021".

The investment limits of the portfolio will be better defined by stating that the sub-fund will invest at least 60% of its net assets in debt securities issued by developed market issuers, up to 40% of its net assets in sovereign bonds and up to 30% of its net assets in debt securities issued by emerging market issuers (instead of at least 50% of its net assets in debt securities with no issuer type or domicile constraint before).

The investment limits of the portfolio will also be better defined by stating that the sub-fund will invest at least 50% of its net assets in sub-investment grade debt securities (while there was no limit before).

The new investment policy of the sub-fund will provide that it may invest in CDS, up to 100% of its net assets for hedging purpose, and up to 20% of its net assets for investment purpose.

The revised investment policy of the sub-fund will provide that it will invest up to 15% of its net assets in asset-backed securities and mortgage-backed securities (ABS/MBS).

The investment limits of the portfolio will be amended so that it may invest up to 20% of its net assets in contingent convertible bonds (instead of up to 35% of its net assets), up to 20% of its net assets in money market instruments (MMIs) (instead of up to 30% of its net assets), up to 5% of its net assets in distressed securities (instead of up to 10% of its net assets) and up to 15% of its net assets in convertible bonds other than contingent convertible bonds (CoCos) (while there was no investment limit before).

The above-mentioned clarifications and changes will not have any material impact on the allocation of the assets or the risk profile of the sub-fund.

The new investment policy of the sub-fund is available on the following website: www.azfund.com.

6. Sub-fund "RENAISSANCE OPPORTUNITY BOND": change of investment policy

As from 1 January 2020, the new name of the sub-fund will be "AZ Bond – Mid Yield".

The investment limits of the portfolio will be better defined by stating that the sub-fund will invest up to 50% of its net assets in developed markets sovereign bonds, up to 50% of its net assets in emerging markets debt securities and at least 40% of its net assets in developed markets corporate bonds (instead of at least 50% in debt securities).

The investment limits of the portfolio will also be better defined so that the sub-fund will invest up to 75% of its net assets in sub-investment grade debt securities (while there was no limit before).

The investment policy of the sub-fund will be amended so that it may no longer invest in equities and equity-related securities.

The investment policy of the sub-fund will be amended so that it may invest up to 20% of its net assets in MMIs (instead of up to 50% of its net assets) and up to 20% of its net assets in CoCos (instead of up to 25% of its net assets).

The above-mentioned clarifications and changes will not have any material impact on the allocation of the assets or the risk profile of the sub-fund.

The new investment policy of the sub-fund is available on the following website: www.azfund.com.

7. Sub-fund "ABS": change of investment policy

As from 1 January 2020, the new name of the sub-fund will be "AZ Bond – ABS".

The investment policy of the sub-fund will be better defined by stating that it will invest up to 30% of its net assets in credit linked notes (while there was no limit before).

The investment policy of the sub-fund will be amended so that it will invest up to 50% of its net assets in ABS of mezzanine classes.

The new investment policy of the sub-fund will be further amended so that it will be able to invest up to 25% of its net assets in sub-investment grade debt securities (instead of up to 15% of its net assets).

Finally, the revised investment policy of the sub-fund will provide that it may invest up to 5% of its net assets in distressed securities (while it was not allowed before).

A small increase in the overall risk profile will occur. Such increase is mainly related to the possibility to invest up to 50% of the sub-fund's net assets in ABS of mezzanine classes (that are of intermediate risk between senior and junior tranches) and the possibility to invest up to 5% of the sub-fund's net assets in distressed ABS. Nevertheless, the risk profile of the sub-fund will not be materially impacted by the abovementioned clarifications and changes.

The new investment policy of the sub-fund is available on the following website: www.azfund.com.

The Prospectus will be updated to *inter alia* reflect the changes described in this notice. A copy of the draft Prospectus and of the revised key investor information documents will be available free of charge upon request at the registered office of the Management Company.

If you are not in agreement with the changes described above, you may redeem your units free of charge until 14:30 Luxembourg time on 27 December 2019 at the latest in accordance with the usual redemption procedure foreseen in the Prospectus.

The Board