

11<sup>th</sup> October, 2022

## **NO ACTION REQUIRED**

Dear Investor,

**Re: AQA UCITS Funds SICAV p.l.c. (the “Scheme”) in respect of the Castlestone FAANG+ UCITS Fund (the “Sub-Fund”)**  
- **Proposed Changes to the Sub-Fund’s Offering Supplement**

Reference is made to the latest Prospectus of the Scheme dated the 23<sup>rd</sup> August, 2019 (the “**Prospectus**”), as amended by Addendum No. 1 to the Prospectus dated the 2<sup>nd</sup> March, 2021, and Offering Supplement of the Sub-Fund dated the 1<sup>st</sup> September, 2021 (the “**Offering Supplement**”).

Please be informed that the Board of Directors of the Scheme is in the process of updating the Offering Supplement to include, *inter alia*, the following changes:

- (a) an amendment to the Sub-Fund’s investment policy (the “**Investment Policy**”) which is being updated to also allow the Sub-Fund to limitedly invest up to 5% of its assets in closed-ended collective investment schemes (each, a “**CIS**”), which amendment is considered to be minor for all intents and purposes;
- (b) the inclusion of a new risk factor within the ‘Risk Factors’ sub-section of the Offering Supplement to clarify that the Sub-Fund may invest, pursuant to the above, the Sub-Fund’s assets in eligible CISs managed by the Investment Manager or Investment Advisor (as such terms are defined in the Offering Supplement);
- (c) two additional changes which have been previously approved by the Malta Financial Services Authority (the “**MFSA**”), namely (i) the appointment of Mr Alberto Conca as a director of the Scheme in lieu of Raffaele Rossetti, and (ii) an update to the registered office of the Scheme’s Auditors (namely, Deloitte Audit Limited) to *Deloitte Place, Triq L-Intornjatur, Central Business District, CBD 3050, Malta*; and
- (d) minor cosmetic changes.

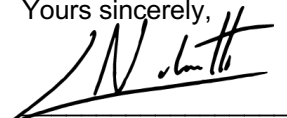
Please find enclosed as **Annex 1** a marked-up version of the Offering Supplement reflecting the changes noted above.

We also enclose as **Annex 2** a comparative table of the current versus the proposed Investment Policy of the Sub-Fund, for ease of reference of the minor changes being proposed to the Investment Policy.

The updates to the Offering Supplement were approved by the Board of Directors of the Scheme on the 27<sup>th</sup> September, 2022, and are now subject to the final approval of the MFSA. It may also be necessary to amend some parts of the updated Offering Supplement due to MFSA requirements and, accordingly, the final, duly approved version of the Offering Supplement shall include such amendments as may be required. The final, dated and stamped version of the Offering Supplement will be circulated to investors following receipt of the MFSA’s approval.

Please feel free to contact the undersigned via email on [nickcalamatta@ccfinancegroup.com](mailto:nickcalamatta@ccfinancegroup.com) should you require any further information and/or clarifications.

Yours sincerely,



Nick Calamatta

Director

For and on behalf of

**AQA UCITS Funds SICAV p.l.c.**

*Encls.*

**Annex 1 – Revised Offering Supplement of the Sub-Fund (in mark-up)**

## Annex 2 – Comparative Table of the Sub-Fund’s Current versus Proposed Investment Policy

<b>Castlestone FAANG+ UCITS Fund</b>  <b>Current Investment Policy</b>	<b>Castlestone FAANG+ UCITS Fund</b>  <b>Proposed Investment Policy</b>
<p>The Sub-Fund is expected to primarily invest in a universe of listed equities and/or eligible ETFs (the underlying of which will be exchange traded equities). The Sub-Fund may invest in these asset classes both directly or indirectly through the use of eligible UCITS funds. Such UCITS funds shall have similar investment policies and objectives as the Sub-Fund. The Sub-Fund is not expected to invest in eligible UCITS funds managed by the Investment Manager. The Sub-Fund may also engage in writing (selling) covered call options for efficient portfolio management.</p> <p>The Sub-Fund will invest in the world’s largest technology stocks and global technology equities that have been familiarized by the acronym “FAANG” which defines some of the most well-known technology equities. These are Facebook, Amazon, Apple, Netflix and Google. The Sub-Fund may at any point in time deviate from allocating assets to the FAANG equities if this is deemed feasible in order to achieve the investment objective of the Sub-Fund.</p> <p>The Sub-Fund will not be biased towards any specific market capitalisation. From a sector perspective, the Sub-Fund will bias the portfolio towards securities within the technology, electronic technology, communication, computer hardware and software, media and information services and semiconductors and semiconductor equipment sectors. The Sub-Fund may be biased towards the United States of America.</p> <p>The Investment Manager may invest up to 100% of the assets of the Sub-Fund in equities. The Investment Manager will invest in companies which are expected to benefit from the development, advancement, and use of technology and communication services and equipment.</p> <p>The selection process will be based on a combination of:</p> <p>Macroeconomic Analysis: An accurate assessment and a top down analysis of macroeconomic variables shall be performed in order to achieve diversification through an optimal macro asset- allocation.</p> <p>Fundamental Analysis: The Investment Manager shall analyse investments with both a qualitative and quantitative approach. This shall enable the Investment Manager to identify and accordingly invest into the companies and sectors that offer the best risk/reward profile.</p> <p>The “value” approach will in general prevail over the growth style of investments, but this could change depending on market conditions.</p>	<p>The Sub-Fund is expected to primarily invest in a universe of listed equities and/or eligible ETFs (the underlying of which will be exchange traded equities). The Sub-Fund may invest in these asset classes both directly or indirectly through the use of eligible UCITS funds. Such UCITS funds shall have similar investment policies and objectives as the Sub-Fund. The Sub-Fund is not expected to invest in eligible UCITS funds managed by the Investment Manager. The Sub-Fund may also engage in writing (selling) covered call options for efficient portfolio management.</p> <p>The Sub-Fund will invest in the world’s largest technology stocks and global technology equities that have been familiarized by the acronym “FAANG” which defines some of the most well-known technology equities. These are Facebook, Amazon, Apple, Netflix and Google. The Sub-Fund may at any point in time deviate from allocating assets to the FAANG equities if this is deemed feasible in order to achieve the investment objective of the Sub-Fund.</p> <p><b>The Sub-Fund may limitedly invest up to 5% of its assets in closed-ended CISs satisfying the requirements of the Eligible Assets Directive. To the extent that such CISs are managed by the Investment Manager or Investment Advisor, the underlying CIS will re-imburse the Sub-Fund any Investment Management Fees, Performance Fees, Subscription Fees and/or Redemption Fees (if and to the extent payable to the Investment Manager or Investment Advisor, as applicable) received in connection with the Sub-Fund’s investment in the eligible CIS.</b></p> <p>The Sub-Fund will not be biased towards any specific market capitalisation. From a sector perspective, the Sub-Fund will bias the portfolio towards securities within the technology, electronic technology, communication, computer hardware and software, media and information services and semiconductors and semiconductor equipment sectors. The Sub-Fund may be biased towards the United States of America.</p> <p>The Investment Manager may invest up to 100% of the assets of the Sub-Fund in equities. The Investment Manager will invest in companies which are expected to benefit from the development, advancement, and use of technology and communication services and equipment.</p> <p>The selection process will be based on a combination of:</p>

The Investment Manager shall manage credit risk through credit analysis and diversification over a broad base of issuers, industries and geographies.

The Sub-Fund will also utilise a bottom up approach via direct investment in listed equities.

Notwithstanding paragraphs B13 and B14 of the Investment Objectives, Policies and Restrictions Section of the Prospectus, this Sub-Fund shall not invest, in aggregate, more than 10% of its assets in units or shares of other UCITS, including those which are established as exchange traded funds.

The Sub-Fund is also expected to use OTC currency forwards for the reduction of risk. The underlying of the OTC derivative instruments will be limited to currencies. The Sub-Fund will bear the associated costs and fees in connection with the use of such instruments. These fees will generally be payable to counterparties in OTC FDIs. Such counterparties are not expected to be related to the Company and/ or the Investment Manager. The Sub-Fund shall enter into OTC derivatives with Approved Counterparties. The counterparties will not have any discretion in relation to the composition or management of the Sub-Fund's investment portfolio or over the underlying of the financial derivative instruments, and the Sub-Fund will not require any approval from the counterparty in relation to any investment portfolio transaction.

The Sub-Fund may also hold cash and cash equivalents on an ancillary basis for cash management purposes, pending investment in accordance with its Investment Policy and to meet operating expenses and redemption requests.

Macroeconomic Analysis: An accurate assessment and a top down analysis of macroeconomic variables shall be performed in order to achieve diversification through an optimal macro asset- allocation.

Fundamental Analysis: The Investment Manager shall analyse investments with both a qualitative and quantitative approach. This shall enable the Investment Manager to identify and accordingly invest into the companies and sectors that offer the best risk/reward profile.

The "value" approach will in general prevail over the growth style of investments, but this could change depending on market conditions.

The Investment Manager shall manage credit risk through credit analysis and diversification over a broad base of issuers, industries and geographies.

The Sub-Fund will also utilise a bottom up approach via direct investment in listed equities.

Notwithstanding paragraphs B13 and B14 of the Investment Objectives, Policies and Restrictions Section of the Prospectus, this Sub-Fund shall not invest, in aggregate, more than 10% of its assets in units or shares of other UCITS, including those which are established as exchange traded funds.

The Sub-Fund is also expected to use OTC currency forwards for the reduction of risk. The underlying of the OTC derivative instruments will be limited to currencies. The Sub-Fund will bear the associated costs and fees in connection with the use of such instruments. These fees will generally be payable to counterparties in OTC FDIs. Such counterparties are not expected to be related to the Company and/ or the Investment Manager. The Sub-Fund shall enter into OTC derivatives with Approved Counterparties. The counterparties will not have any discretion in relation to the composition or management of the Sub-Fund's investment portfolio or over the underlying of the financial derivative instruments, and the Sub-Fund will not require any approval from the counterparty in relation to any investment portfolio transaction.

The Sub-Fund may also hold cash and cash equivalents on an ancillary basis for cash management purposes, pending investment in accordance with its Investment Policy and to meet operating expenses and redemption requests.