SPARINVEST SICAV
Société d'investissement à capital variable - société anonyme
Registered office: 2, Place de Metz, L-1930 LUXEMBOURG
R.C.S. Luxembourg: B 83.976
(the "**Company")**

NOTICE TO SHAREHOLDERS OF THE SUB-FUND "SPARINVEST – CORPORATE VALUE BONDS"

Luxembourg, 17 August 2015

Dear Shareholder,

The board of directors of the Company has decided to merge the sub-funds "SPARINVEST – HIGH YIELD VALUE BONDS" and "SPARINVEST – ETHICAL HIGH YIELD VALUE BONDS" (the "**Merging Sub-Funds**") into the sub-fund "SPARINVEST – CORPORATE VALUE BONDS" (the "**Receiving Sub-Fund**") following an overall analysis of the fund range by Sparinvest S.A., the management company, with the aim of optimizing and streamlining the fund range.

The Merging Sub-Funds have, except for the component of ethical screening, almost the same investment objective and policy as well as a similar portfolio. The investment objective and policy of the Receiving Sub-Fund resembles the one of the Merging Sub-Funds and it will be adjusted at the merger in order to reflect Sparinvest's high yield value bonds strategy. For efficient fund management purposes, the assets of the Merging Sub-Funds and the Receiving Sub-Fund shall be amalgamated so that, following the merger, shareholders of all three sub-funds will benefit from the merger in terms of economies of scale.

The merger will be carried out on 25 September 2015 in accordance with applicable Luxembourg laws (the "**Merger**") and the changes to the existing investment objective and policy as well as the fee structure of the Receiving Sub-Fund will become effective on the same date.

This notice provides you with detailed information on the amendments to the existing investment objective and policy (Part A), on the changes to the fee structure (Part B) as well as on the possible impact of the Merger (Part C).

Shareholders, who do not wish to keep their investment in the Receiving Sub-Fund following the Merger, may convert their shareholding to a different sub-fund or redeem their investment free of charge until 22 September at 5 p.m..

A copy of the merger report issued by the Company's auditor, the common merger proposal as well as the statement of the Company's depositary bank are available upon request and free of charge.

Please contact Sparinvest S.A. for further information or in case of questions.

On behalf of the board of directors of the Company

Part A - Changes to the investment objective and policy of SPARINVEST – CORPORATE VALUE BONDS

<table>
<tr><th>Existing investment objective and policy</th><th>New investment objective and policy after the merger</th></tr>
<tr><td>The Sub-Fund aims at providing a positive return over the long term by investing at least 2/3 of its total net assets globally in high yield and investment grade corporate fixed income securities and, to a limited extent, meaning less than 1/3 of the total net assets, in convertible securities and warrants on transferable securities that are admitted to official listing on a stock exchange or that are traded on a Regulated Market (as defined in Part A of this Prospectus) within both developed and emerging markets.</td><td>The Sub-Fund aims at providing a positive return over the long term by investing in high yield corporate bonds.
The Sub-Fund invests at least 2/3 of its total net assets in high yield corporate bonds listed on an exchange and/or traded on a Regulated Market within OECD countries, EU Member States, Singapore or Hong Kong.
The high yield corporate bonds are to be rated less than Baa3/BBB- by Moody's, Standard & Poor's or Fitch.</td></tr>
<tr><td>The Sub-Funds may invest a maximum of 50% of its total net assets in high yield and investment grade corporate fixed income securities issued by corporations domiciled in countries not classified as developed countries in the MSCI Market Classification Framework.</td><td>Up to 15% of the Sub-Fund's total net assets may be invested in corporate bonds in Emerging Markets.</td></tr>
<tr><td>Further, the Sub-Fund may invest in investment grade sovereign fixed income securities for reasons of liquidity and duration management.</td><td></td></tr>
<tr><td>The Sub-Fund invests in fixed income transferable securities, which are not required to meet a minimum rating standard and may not be rated for creditworthiness by an internationally recognized rating agency.</td><td>The Sub-Fund may invest up to 30% of its total net assets in non-rated corporate bonds.</td></tr>
<tr><td>The Sub-Fund may, to a lesser extent, invest in fixed income transferable securities which are not encompassed by the definition of the first, second and third paragraph but which are nevertheless Eligible Assets as described in Part A of this Prospectus, and / or in liquid assets such as cash and/or regularly traded money market instruments with a residual term of a maximum of 12 months.</td><td>The Sub-Fund may also, to a lesser extent, meaning less than 1/3 of its total net assets, invest in bonds, which are not encompassed by the definition of the first and second paragraphs, and/or in liquid assets such as cash and/or regularly traded money market instruments with a residual term of a maximum of 12 months.</td></tr>
<tr><td>The Sub-Fund may hold up to 10% of its total net assets in equities and equity-like instruments in case of restructurings or similar events.</td><td>If in case of a restructuring of an issuing company or another corporate event the Sub-Fund receives other financial instruments than bonds (for example equities and/or equity-like securities), the Sub-Fund is allowed to keep these financial instruments for up to 10% of the Sub-Fund's total net assets.</td></tr>
<tr><td></td><td>The Sub-Fund applies an ethical screening that identifies the companies that do not fulfill an ethical framework, and they are excluded. Companies with controversial activities, such as production of alcohol, gambling, tobacco and pornography do not qualify for investment
(where investment is made in the form of equity or debt securities), whereas a 5% tolerance is applied for companies who distribute products derived from these controversial activities.
Companies with production of combat equipment do not qualify for investment (where investment is made in the form of equity or debt securities), whereas a 5% tolerance is applied for production of military equipment and other military related services.
Further, companies that do not comply with global standards, and most importantly the UN Global Compact and the OECD Guidelines for Multinational Enterprises on Environmental Protection, Human Rights, Labour Standards and Anti-corruption do not qualify for investment. The Management Company delegates the tasks of ethical screening and definition of criteria to an internationally acknowledged consulting firm specializing in ethical and social responsible screenings of companies worldwide.</td></tr>
<tr><td colspan="2">Undertakings for collective investments, financial derivative instruments, structured financial instruments and securities lending may be used within the limits described in Part A of this Prospectus.</td></tr>
<tr><td colspan="2">The Reference Currency of the Sub-Fund is Euro.</td></tr>
<tr><td colspan="2">The Sub-Fund may without any limitation invest in assets denominated in currencies other than the Reference Currency (Euro), although at least 75% of currency exposure to other currencies than the Reference Currency is hedged against Euro. Currency exposure between Danish Kroner (DKK) and Euro may be hedged depending on the market conditions.</td></tr>
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Part B – Changes to the fee structure

The management fee will be increased after the merger as follows:

Concerned type of share classes	Existing management fee	New management fee after merger
R / RD (all currencies)	1.00%	1.25%
R X (all currencies)	0.50%	0.625%
I / ID (all currencies)	0.55%	0.65%

Part C - Possible impact of the Merger

Main impact	• At the merger, the investment policy will be adjusted (as set out under part A): • Addition of ethical screening • Investment grade corporate bonds will no longer be an investment after the merger
Potential benefits	• Growth in assets • More efficient fund management • Economies in scale
Potential disadvantages	• Rebalancing of the portfolio of the Receiving Sub-Fund will be required in preparation for the merger.
Other considerations	• Any legal, advisory or administrative costs associated with the preparation and completion of the Merger will be borne by the management company Sparinvest S.A.. • Performance information for the Merging and Receiving Sub-Funds can be found in the relevant KIID or factsheet which is available at sparinvest.lu • We recommend that shareholders seek independent tax and investment advice before making any final decision about their holdings affected by the merger.