



**Capital Group Investment
Management Limited**
ABN 73 164 174 501

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15 May 2023

Dear Investor

Capital Group Global Equity Fund (AU) ('Fund')
Notice of Proposal to Wind Up the Fund

It is with regret that we inform you that the Fund has received a large redemption that has reduced the value of the Fund to approximately \$4,000,000. At this level of assets under management, it is not possible for Capital Group Investment Management Limited ('Capital Group') to manage the portfolio of the Fund in accordance with its investment objective.

Capital Group has performed a review of the demand for the Fund and found it to be less than required to reinstate the Fund to a level at which it could achieve its investment objective. It is on this basis that Capital Group seeks to wind up the Fund.

Please find attached a Notice of Proposal to Wind Up the Fund outlining the rationale for the closure of the Fund and the rights of investors. Should you and the other investors choose to do nothing, the Fund will commence wind up on 16 June 2023 with initial proceeds of the wind up dispatched to investors shortly thereafter. The Fund has holdings in Russian assets that cannot currently be traded due to sanctions. The Fund is also entitled to dividends and tax reclaims that will be received after 16 June 2023. The available proceeds of the Russian assets and receivables will be paid to investors in due course.

Applications and redemptions in the Fund will no longer be permitted from 15 May 2023.

We remain committed to offering our investment management services in Australia. Should you wish to invest in another Capital Group fund, please refer to the Product Disclosure Statements that are available at capitalgroup.com/au/en.

Please do not hesitate to contact me if you have any questions about your investments with Capital Group.

Thank you for your continued support.

Yours faithfully

Matthew Reynolds
Chairman



Closure of the Capital Group Global Equity Fund (AU) ARSN 087 778 694

Capital Group Investment Management Limited as Responsible Entity

Notice of Proposal to Wind up the Fund

15 May 2023

This notice is issued by Capital Group Investment Management Limited ABN 73 164 174 501, AFSL No. 443118 ('Capital Group' or 'Responsible Entity') as responsible entity of the Capital Group Global Equity Fund (AU) ARSN 087 778 694 APIR WHT0044AU ('Fund').

If you do not understand this document or are in doubt about the action to be taken by you, you should consult your financial adviser, lawyer, accountant or other professional adviser immediately.

The purpose of this notice is to advise members of the Fund that the Responsible Entity proposes to wind up the Fund under section 601NC(1) of the *Corporations Act 2001* (Cth) and to advise members of their rights.

Explanatory Note

This Explanatory Note has been prepared:

- to explain to members why the Responsible Entity proposes to wind up the Fund; and
- to advise members of their right to take action under Division 1 of Part 2G.4 of the *Corporations Act 2001* (Cth):
 - to call a members' meeting to consider the proposed winding up of the Fund; and
 - to vote on any extraordinary resolution members propose about the winding up of the Fund.

Background

The Fund is an unlisted registered managed investment scheme, established 31 October 1997. The investment objective of the Fund is to seek to achieve long-term growth of capital by investing in companies researched and selected from around the world.

As of 4 May 2023, the funds assets under management was approximately \$139 million. Following a redemption of one large investor, and as at the date of this Notice, the funds assets under management is approximately \$4 million. Capital Group has performed a review of the demand for the Fund and found it to be less than required to reinstate the Fund to a level at which it could achieve its investment objective.

Given the above, it is Capital Group's opinion that because of the Fund's lack of scale the Fund's investment objective cannot be achieved. Accordingly, as per section 601NC(1) of the *Corporations Act 2001* (Cth), Capital Group (as Responsible Entity) considers that the purpose of the scheme cannot be accomplished.

Proposal to wind up the Fund

In light of the above circumstances, the Responsible Entity considers that the purpose for which the Fund was established cannot be accomplished and that the Fund should be wound up. The Responsible Entity considers that the orderly winding up of the Fund is in the interest of the members.

In reaching this decision, the Responsible Entity has taken into account factors such as:

- the future size of the Fund;
- the Fund's ability to obtain in-flows and thus grow to a sustainable size;
- the ongoing operating cost burden on the Fund.

The Responsible Entity will waive its entitlement to the management fees and costs of 0.75% p.a. from 16 May 2023.

The effect of the Fund being terminated and wound up

Winding up the Fund will entail the orderly realisation of the assets of the Fund and accounting to members for the net proceeds. If the wind up of the Fund commences on 16 June 2023 initial proceeds of the wind up will be dispatched to members shortly thereafter.

Beyond the realisation of the initial proceeds of the Fund, it is not presently possible to estimate the amount of return to members or timing of any payment, as it will depend on the outcome of the realisation process. The Fund has holdings in Russian assets that cannot currently be traded due to sanctions. The Fund is also entitled to dividends and tax reclaims that will be received after 16 June 2023.

There may be tax consequences of the winding up of the Fund and any distributions to members. You should discuss these consequences with your tax advisor.

Application to the Fund

As of 15 May 2023, the Product Disclosure Statement of the Fund is no longer available, therefore no further applications will be accepted into the Fund.

Redemption from the Fund

As of 15 May 2023, no further redemptions will be accepted from the Fund as permitted by the Fund's constitution.

Your rights as members of the Fund

In light of the above circumstances, the relevant provisions of s601NC of the *Corporations Act 2001* (Cth) set out what follows from the determination of the directors of the Responsible Entity that the Fund should be wound up on the ground that the purpose of the Fund will not be accomplished.

In summary these are that:

- Members have the right to call a meeting of members of the Fund:
 - to consider the proposed winding up of the Fund; and
 - to vote on any extraordinary resolution members propose about the winding up of the Fund.



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- Members should also be aware that the Responsible Entity is permitted to wind up the Fund unless a members meeting is called under Division 1 Part 2G.4 of the *Corporations Act 2001* (Cth) to consider the proposed winding up of the Fund within 28 days of this notice. An extraordinary resolution is one that is passed by at least 50% of the total votes that may be cast by members entitled to vote on the resolution (including members who are not present in person or by proxy).

What actions are you able to take?

There are two (2) actions available to you:

- **Do nothing**
If you agree with the Responsible Entity's proposal to wind up the Fund and you do not wish to call for a meeting of members you need take no further action.
- **Call a meeting**
If you wish to call for a meeting of members you should complete the attached Request for a meeting of members and return the form to the Responsible Entity at the address given on the form not later than 5pm (Sydney local time) on 15 June 2023. In order for such a meeting to proceed, members representing at least 5% of the votes that may be cast on the resolution or at least 100 members must request a meeting. In the absence of sufficient requests from members then Capital Group is entitled to wind up the Fund following the 28 days' notice period.

Should you have any questions regarding the wind up of the Fund, please contact Capital Group's Investor Relations Team on 1800 026 192 or by email at info.au@capgroup.com.



NOTE
If you agree with the proposal that the Fund be wound up, you do NOT need to send this request.

Request for a meeting of members of Capital Group Global Equity Fund (AU)

I/We being a member in the Capital Group Global Equity Fund (AU) ARSN 087 778 694 APIR WHT0044AU ('Fund') request that Capital Group Investment Management Limited call a meeting of members:

- (1) to consider the proposed winding up of the Fund;
- (2) to vote on the following Resolution(s)*:

Investor ID _____

Name of Member(s) _____

Signature of Member(s)

.....

Date.....

*If, in addition to requesting the consideration of the proposal that the Fund be wound up, you also wish the meeting to consider and vote on other resolutions, please set out the terms of the resolution(s).

You should complete and return this form no later than 5pm (Sydney local time) on 15 June 2023, to:

Client_Operations@capgroup.com