

## TT International Funds plc

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### Country Supplement

#### TT INTERNATIONAL FUNDS PLC (the “Company”)

#### Additional Information for Investors in Luxembourg

28 February 2020

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**This country supplement dated 28 February 2020 (the “Luxembourg Supplement”) forms part of and should be read in conjunction with the prospectus of the Company dated 28 February 2020, as amended and supplemented from time to time (the “Prospectus”).**

The Prospectus is valid in Luxembourg only if it is accompanied by this Luxembourg Supplement.

Capitalised terms used in this Luxembourg Supplement shall have the same meanings as in the Prospectus, unless otherwise indicated.

#### **Public Distribution in Luxembourg**

The Shares of the Funds have been notified for public distribution in Luxembourg, and will be issued as provided for in the Prospectus.

Société Générale Luxembourg, having its registered office at 11, Avenue Emile Reuter, L-2420 Luxembourg, has been appointed as paying and information agent of the Company (the “Paying and Information Agent”). Accordingly, the Paying and Information Agent is acting as agent of the Company for the payment of distributions (if any) to Shareholders. Investors may also present subscription and redemption requests of Shares to the Paying and Information Agent.

Copies of all documents referred to in the “Documents for Inspection” section of the Prospectus are available for inspection at the registered office of the Paying and Information Agent, including *inter alia* the most recently prepared annual and half yearly investment reports and the Articles of Association of the Company. Copies of the Prospectus and the Key Investor Information Documents may also be obtained at the registered office of the Paying and Information Agent.

The subscription and redemption prices of the Shares can be obtained at the registered office of the Paying and Information Agent.

Any notice required to be sent to Shareholders may be sent either by email or bypost to the address of each Shareholder, or the first named of joint Shareholders on the relevant register of Shareholders.

Shares will be issued non-certified in registered form. Fractions of not less than 0.01 of a Share may be issued.

The Shares are, except to U.S. Persons, generally freely transferable, subject to the conditions set out in the Prospectus.

The Company will pay, out of the assets of the relevant Fund, the fees and out of pocket expenses of the Paying and Information Agent, which shall be calculated at normal commercial rates. The Paying and Information Agent will also be entitled to receive, from the Company, out of the assets of the relevant Fund, transaction charges at normal commercial rates.

## **Taxation of Shareholders**

### **Withholding tax in Luxembourg**

Distributions made to the Shareholders by a non-resident company are not subject to a withholding tax in Luxembourg.

### **Income tax**

For the purposes of this paragraph, a disposal may include a sale, an exchange, a contribution, a redemption and any other kind of alienation of the participation.

### ***Taxation of Luxembourg resident Shareholders***

#### **Luxembourg resident individuals**

Under current Luxembourg law, Shareholders resident for tax purposes in Luxembourg, who act in the course of the management of either their private wealth or their professional/business activity, are, in principle, taxed on dividends or other payments received from the Shares in a Fund at the ordinary progressive rates. A tax credit may be generally granted for foreign withholding taxes, provided it does not exceed the corresponding Luxembourg tax. 50% of the gross amount of dividends received by resident individual Shareholders from (i) a Luxembourg resident fully-taxable company limited by share capital (*société de capitaux*), (ii) a company limited by share capital (*société de capitaux*) resident in a State with which Luxembourg has concluded a double tax treaty and liable to a tax corresponding to Luxembourg corporate income tax or (iii) a company resident in an EU Member State and covered by the amended Directive 90/435 EEC of 23 July 1990 ("EU Parent-Subsidiary Directive") are exempt from income tax.

Capital gains realised on the sale of Shares of a Fund are taxable in the hands of an individual Shareholder (acting in the course of the management of his private wealth) resident for tax purposes in Luxembourg in principle only (i) if the sale is made within six months from the date of acquisition or if their disposal precedes their acquisition and (ii) if such capital gain has been realised on a substantial participation (*i.e.* the Shareholder has held, either alone or together with his spouse/partner and/or his minor children, either directly or indirectly, at any time within the 5 years preceding the contribution, more than 10% of the share capital of the Fund). The Shareholder is also deemed to alienate a substantial participation if he acquired free of charge, within the 5 years preceding the transfer, a participation that represented a substantial participation in the

hands of the alienator (or the alienators in case of successive transfers free of charge within the same 5-year period). Capital gains realized on a substantial participation more than 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).

### **Luxembourg corporate residents**

Dividends and other payments derived from the Shares by a Luxembourg corporate Shareholder are subject to income taxes, unless the conditions of the participation exemption regime, as described below, are satisfied. A tax credit may generally be granted for foreign withholding taxes, provided it does not exceed the corresponding Luxembourg tax. If the conditions of the participation exemption are not met, 50% of the gross amount of dividends received by Luxembourg resident fully-taxable companies from (i) a Luxembourg resident fully-taxable company limited by share capital (*société de capitaux*), (ii) a company limited by share capital (*société de capitaux*) resident in a State with which Luxembourg has concluded a double tax treaty and liable to a tax corresponding to Luxembourg corporate income tax or (iii) a company resident in an EU Member State and covered by the EU Parent-Subsidiary Directive are exempt from income tax.

Under the participation exemption regime, dividends derived from the Shares may be exempt from income tax at the level of the Shareholder if cumulatively (i) the Shareholder is a Luxembourg resident fully-taxable company ("Qualified Parent"), (ii) the distributing company is a qualified subsidiary ("Qualified Subsidiary") and (iii) at the time the dividend is put at the Shareholder's disposal, the Shareholder has held or commits itself to hold for an uninterrupted period of at least 12 months a qualified shareholding ("Qualified Shareholding"). A Qualified Subsidiary means (a) a Luxembourg fully-taxable company, (b) a company covered by Article 2 of the EU Parent-Subsidiary Directive or (c) a non-resident company limited by share capital (*société de capitaux*) liable to a tax corresponding to Luxembourg corporate income tax. A Qualified Shareholding means shares representing a direct participation of at least 10% in the share capital of the Qualified Subsidiary or a direct participation of an acquisition price of at least EUR 1.2 million. Liquidation proceeds are assimilated to a received dividend and may be exempt under the same conditions.

Capital gains realized by a Luxembourg fully-taxable resident company on the disposal of the Shares are subject to income tax at ordinary rates, unless the conditions of the participation exemption regime, as described below, are satisfied. Under the participation exemption regime, capital gains realized on the Shares may be exempt from income tax at the level of the Shareholder if cumulatively (i) the Shareholder is a Qualified Parent, (ii) the distributing company is a Qualified Subsidiary and (iii) at the time the capital gain is realized, the Shareholder has held or commits itself to hold for an uninterrupted period of at least 12 months shares representing a direct participation of at least 10% in the share capital of the Qualified Subsidiary or a direct participation of an acquisition price of at least EUR 6 million. 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.

For the purposes of the participation exemption regime, Shares held through a tax transparent entity are considered as being a direct participation proportionally to the percentage held in the net assets of the transparent entity.

### **Luxembourg residents benefiting from a special tax regime**

Shareholders which are either (i) an undertaking for collective investment governed by the amended law of 17 December 2010, (ii) a specialized investment fund governed by the amended law of 13 February 2007, (iii) a reserved alternative investment fund governed by the law of 14 July 2016 not investing in risk capital, or (iv) a family wealth management company governed by the amended law of 11 May 2007 are exempt from income tax in Luxembourg. Dividends derived from and capital gains realized on the Shares are thus not subject to income tax in their hands.

### ***Taxation of Luxembourg non-resident Shareholders***

Non-resident Shareholders who have neither a permanent establishment nor a permanent representative in Luxembourg to which or whom the Shares are attributable, are not liable to any Luxembourg income tax on income and gains derived from the Shares.

Non-resident Shareholders who have a permanent establishment or a permanent representative in Luxembourg to which or whom the Shares are attributable, must include any income received, as well as any gain realized on the disposal of the Shares, in their taxable income for Luxembourg tax assessment purposes unless the conditions of the participation exemption regime, as described below, are satisfied. If the conditions of the participation exemption regime are not fulfilled, 50% of the gross amount of dividends received from (i) a Luxembourg resident fully-taxable company limited by share capital (*société de capitaux*), (ii) a company limited by share capital (*société de capitaux*) resident in a State with which Luxembourg has concluded a double tax treaty and liable to a tax corresponding to Luxembourg corporate income tax or (iii) a company resident in an EU Member State and covered by the EU Parent-Subsidiary Directive may however be exempt from income tax. 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.

Under the participation exemption regime, dividends derived from the Shares may be exempt from income tax if cumulatively (i) the Shares are attributable to a qualified permanent establishment ("Qualified Permanent Establishment"), (ii) the distributing company is a Qualified Subsidiary and (iii) at the time the dividend is put at the disposal of the Qualified Permanent Establishment, it has held or commits itself to hold for an uninterrupted period of at least 12 months a Qualified Shareholding. A Qualified Permanent Establishment means (a) a Luxembourg permanent establishment of a company covered by Article 2 of the EU Parent-Subsidiary Directive, (b) a Luxembourg permanent establishment of a company limited by share capital (*société de capitaux*) resident in a State having a double tax treaty with Luxembourg and (c) a Luxembourg permanent establishment of a company limited by share capital (*société de capitaux*) or a cooperative society (*société coopérative*) resident in a Member State of the European Economic Area other than an EU Member State. Liquidation proceeds are assimilated to a received dividend and may be exempt under the same conditions.

Under the participation exemption regime, capital gains realized on the Shares may be exempt from income tax if cumulatively (i) the Shares are attributable to a Qualified Permanent Establishment, (ii) the distributing company is a Qualified Subsidiary and (iii) at the time the capital gain is realized, the Qualified Permanent Establishment has held or commits itself to hold for an uninterrupted period of at least 12 months Shares representing a direct participation in the share capital of the Qualified Subsidiary of at least 10% or a direct participation in the Qualified Subsidiary of an acquisition price of at least EUR 6 million.

### **Net Wealth Tax**

Luxembourg resident Shareholders, as well as non-resident Shareholders who have a permanent establishment or a permanent representative in Luxembourg to which the Shares are attributable, are 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 law of 17 December 2010, (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 professional pension institution governed by the amended law dated 13 July 2005 (vii) a family wealth management company governed by the amended law of 11 May 2007 or (viii) a reserved alternative investment fund governed by the law of 14 July 2016 not investing in risk capital.

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 (iii) a professional pension institution governed by the amended law dated 13 July 2005 remain subject to a minimum net wealth tax and (iv) a reserved alternative investment fund governed by the law of 14 July 2016 investing in risk capital.

Under the participation exemption regime, a Qualified Shareholding held in a Qualified Subsidiary by a Qualified Parent or attributable to a Qualified Permanent Establishment may be exempt.

### **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 inheritance tax purposes at the time of his/her death, the Shares are included in his or her taxable basis for inheritance tax 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.

The above information is not exhaustive and does not constitute legal or tax advice. Prospective investors should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, exchanging or disposing of Shares of a Fund.

## **Exchange of Information**

On 9 December 2014, the Council of the European Union adopted the Directive 2014/107/EU amending the Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation which now provides for an automatic exchange of financial account information between EU Member States. The adoption of the aforementioned directive implements the Organization for Economic Co-operation and Development's ("OECD") Common Reporting Standards ("CRS") and generalizes the automatic exchange of information within the European Union. Furthermore, a number of jurisdictions (including Ireland) signed the OECD's multilateral competent authority agreement ("Multilateral Agreement") to automatically exchange information under the CRS. As the Company is subject to Irish Law, Irish Law may require the Company to provide certain information to the Irish Revenue Commissioners about Shareholders resident or established in an EU Member State or in a jurisdiction which is party to such Multilateral Agreement (the information will in turn be provided to the relevant tax authorities).

## **Risk Factors**

Luxembourg Investors' attention is drawn to the risk factors set out in the "Risk Factors" section of the Prospectus.

The directors of the Company are responsible for the contents of the Prospectus and this Luxembourg Supplement.