KL UCITS ICAV

An Irish collective asset-management vehicle with variable capital constituted as an umbrella fund with segregated liability between sub-funds pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended)

ADDENDUM TO THE PROSPECTUS OF KL UCITS ICAV AND THE SUPPLEMENT RELATING TO KL EVENT DRIVEN UCITS FUND

11 November 2021

Manager

KBA Consulting Management Limited

Investment Manager

Kite Lake Capital Management (UK) LLP

This Addendum forms part of and should be read in the context of and in conjunction with the prospectus for the ICAV dated 29 March 2018 (the "**Prospectus**") and the supplement for KL Event Driven UCITS Fund (the "**Supplement**").

1. DEFINITIONS

The following definitions shall be incorporated into the "Definitions" section of the Prospectus:

"**SFDR**" means EU Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, as may be amended, consolidated or replaced from time to time.

"**Sustainability Risk**" means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment.

Any capitalised words or terms not defined in this Addendum shall have the same meaning given to them in the Supplement and Prospectus.

2. INTEGRATION OF SUSTAINABILITY RISKS AND CONSIDERATION OF ADVERSE IMPACTS ON SUSTAINABILITY FACTORS

2.1 The following section titled "No consideration of adverse impacts on sustainability factors" shall be inserted into the Prospectus as a new section directly following the section titled "General":

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. The Manager and the Investment Manager do not currently consider the adverse impacts of investment decisions on sustainability factors in respect of any Fund, as the investment policies of the Funds do not involve such analysis. The Manager and the Investment Manager will keep the decision not to consider these principle adverse impacts under review.

2.2 The following section titled "Integration of Sustainability Risks" shall be inserted into the Supplement as a new section directly following the section titled "Investment Strategy":

Sustainability Risks are integrated in the investment decision-making and risk monitoring of the Fund. The Investment Manager's investment due diligence process operates in a way that is designed to identify, measure, monitor and manage material Sustainability Risks relating to investments. Because of the nature of the Fund's investment strategies, Sustainability Risks are managed primarily at the level of individual investments.

3. RISK FACTORS

3.1 The following risk factor shall be added to the "Risk Factors" section of the Prospectus following the risk factor entitled "MiFID II Regulatory Risk":

Sustainability Risk

Pursuant to the SFDR, the Manager is required to disclose the manner in which Sustainability Risks are integrated into investment decisions for the relevant Fund and the results of the assessment of the likely impacts of Sustainability Risks on the returns of the relevant Fund.

The impacts of Sustainability Risks on the returns of the relevant Fund may be numerous and vary depending on the specific risk, sector, company and instrument. Where a Sustainability Risk applies to an investment, there could be a negative impact on, or an entire loss of, its value.

Further details are given in the Supplement of each Fund.

3.2 The following risk factor shall be added to the "Investment Risks" section of the Supplement following the risk factor entitled "Consummation of Proposed Transaction":

Sustainability Risks

The Fund will be exposed to Sustainability Risks, which will differ depending on the sectors, companies or instruments in which the Fund invests. Some investments will have greater exposure to Sustainability Risks than others.

In particular, because of the nature of the Fund's investment approach, it is expected that governance risks will arise in respect of certain investments where the actions and decisions of companies are important to the investment thesis. If the governance arrangements within a company are inadequate, the company may make unexpected decisions that could have a significant detrimental effect on the value of the investment. Some investments may also be exposed to longer-term Sustainability Risks that apply to companies and sectors as a whole, such as environmental risks and the risks of social harm, related transition risks and the risk of governmental action against particular sectors or companies to counteract those risks. Investments may also be exposed to unpredictable events linked to Sustainability Risks, such as climate-change linked disasters.

Save for the amendments set out above, the Prospectus and the Supplement shall remain unaltered and in full force and effect.