

# Key Information Document ("KID")



## Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by regulation to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

**Product:** ALPHABEE ASSET MANAGEMENT FUND - AlphaBee Multi Arbitrage Fund Class A (EUR)

**Structure:** Public limited liability company (société anonyme)

**ISIN:** LU1619416891

**Manufacturer:** MC Square S.A.

**Website:** [www.mcsquare.lu](http://www.mcsquare.lu)

**Contact Number:** +352 26 92 70 34 82

**KID production date:** 31/03/2023

**You are about to purchase a product that is not simple and may be difficult to understand.**

## What is this product?

### Type

ALPHABEE ASSET MANAGEMENT FUND - AlphaBee Multi Arbitrage Fund Class A (EUR) is a public limited liability company (*société anonyme* (S.A.)) incorporated under the laws of the Grand Duchy of Luxembourg as an investment company with variable share capital (*société d'investissement à capital variable* (SICAV)). The Fund is registered on the official list of Luxembourg specialized investment funds (*fonds d'investissement spécialisés*) maintained by the CSSF pursuant to the SIF Law.

### Objectives

The investment objective of the Sub-Fund is to preserve capital over a rolling 12-month period while keeping volatility low by using a defensive, high-risk return ratio. To achieve this, the Sub-Fund will primarily invest in undertakings for collective investment and identify the most talented investment managers who can exploit financial markets' inefficiencies in liquid traditional and alternative assets such as equities, foreign exchange, and commodities. The Sub-Fund will invest in absolute return and arbitrage strategies in a wide sense and of various characteristics, which are uncorrelated with each other. The investment portfolio is designed to achieve true diversification regardless of the direction and fluctuations of traditional risk factors such as movements of equities and interest rates. The Sub-Fund may hold cash, cash equivalents, and ancillary liquid assets. To neutralize certain market risks, the Sub-Fund may invest in short-term overlay instruments such as futures and options with a gross exposure limited to 20% of the Sub-Fund's Net Asset Value. There are specific investment restrictions, including investing only in target funds having a depositary in the European Union or in a third country subject to prudential regulation and ongoing supervision equivalent to that imposed by the European Union. The Sub-Fund will not acquire more than 25% of the securities issued by a single target fund, except for newly created target funds. If the Sub-Fund acquires a percentage of securities in newly created target funds exceeding 25%, it will use its best endeavours to reduce the holding to represent not more than 25% within six months from the acquisition.

### Intended investor

The Sub-Fund is intended for well-informed investors who are able to make an informed investment decision based on this document and the Offering Memorandum, and who have a risk appetite consistent with the risk indicator below. The Sub-Fund may be appropriate for those Investors who seek capital appreciation over the long-term, do not seek regular income and accept the risks associated with this type of investment. The Sub-Fund has been established for an unlimited period of time and is open-ended. However, it may be dissolved by the Board of Directors of the Fund if they deem it useful to protect your interest. Please refer to the Offering Document of the Fund for further details on closure of sub-funds.

## What are the risks and what could I get in return?

### Risk Indicator



The Recommended Holding Period of the product is 3 years.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because the Fund is not able to pay you. We have classified this Fund as 2 out of 7, which is a low-risk class. This rates the potential losses from future performance at a low level, and poor market conditions will likely impact the Fund's capacity to pay you. **Be aware of currency risk. You will receive payments in a different currency than the official currency of the Member State where the Fund is marketed to you, so the final return you will get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.** You may lose up to the totality of the amount you have invested in the Fund. This product does not include any protection from future market performance so you could lose some or all of your investment. If the Fund is not able to pay you what is owed, you could lose your entire investment.

## Performance Scenarios

Performance Scenarios				
Investment of 1,000,000 EUR (€)		1 year	3 years (rhp)	5 years
<b>Stress scenario</b>	<b>What you might get back after costs</b>	967,764.88	908,014.0	856,064.9
	Average return each year	-3.22%	-3.17%	-3.06%
<b>Unfavourable scenario</b>	<b>What you might get back after costs</b>	1,013,696.90	1,082,145.4	1,165,471.6
	Average return each year	1.37%	2.67%	3.11%
<b>Moderate scenario</b>	<b>What you might get back after costs</b>	1,043,429.02	1,138,221.0	1,244,561.8
	Average return each year	4.34%	4.41%	4.47%
<b>Favourable scenario</b>	<b>What you might get back after costs</b>	1,073,980.41	1,197,133.9	1,329,249.4
	Average return each year	7.40%	6.18%	5.86%

This table shows the money you could get back over the next 5 years, under different scenarios, assuming that you invest EUR (€) 1,000,000. **The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past, and may not anticipate any future performance. What you get back will vary depending on how the markets perform and how long you keep the investment. The stress scenario shows what you might get back in extreme market circumstances and does not take into account the situation where we are not able to pay you.** The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you may get back.

### What happens if MC Square S.A. is unable to pay out?

You may face a financial loss if the Fund is unable to return your investment due to poor performance. The Manager as the manufacturer of this product has no obligation itself to pay out since the product design does not contemplate any such payment being made. Any loss you do suffer as a result of actions of the Manager or the Fund is not covered by an investor compensation or a guarantee scheme.

### What are the costs?

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the product and how well the product does (where applicable). The amounts shown here are illustrations based on an example investment amount and different possible investment periods.

We have assumed:

- In the first year you would get back the amount that you invested minus the total costs (15600.00 EUR (€)), which has an annual cost impact of 1.56%.

#### Cost over time

Investment 1,000,000 EUR (€) Scenarios	If you exit after 1 year	If you exit after 3 years	If you exit after 5 years
<b>Total costs</b>	15600.00	49662.17	87930.71
Annual cost impact*	1.56%	1.50%	1.44%

#### Composition of costs

The table below shows:

- the annual impact of different types of costs on the investment return you may receive at the end of the recommended holding period
- the meaning of the different cost categories.

Impact on return per year for the Recommended Holding Period			
One-off costs annualised over 5 years	Entry costs	0.00%	The impact of the costs you pay when entering your investment. This is the most you will pay, and you could pay less.
	Exit costs	0.00%	An exit fee of 1% to the Fund of your capital applies if you divest/reimburse your investment within the first six months of your investment.

Impact on return per year for the Recommended Holding Period			
Transactional costs	Portfolio transaction costs	0.06%	The impact of the costs of the Fund buying and selling underlying investments for the product.
	Other ongoing costs	1.50%	The impact of other costs which may be incurred, including the management fees paid to the Manager.
Incidental costs	Performance fees	10.00%	Impact of the performance fee (10% p.a.) where no fee will be paid as long as the value of the fund is below its highest value ever (the so-called "high water mark"). The high-water mark is crystallised once a year, on which basis the performance fee is paid annually
	Carried Interest	0.00%	The Fund does not charge Carried Interest.

### How long should I hold it and can I take money out early?

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The Fund has no fixed maturity. Subscriptions to the Fund are made on a monthly basis at the end of a month, with a minimum notice period of three business days. Redemptions into the Fund are made on a monthly basis at the end of a month, with 65 calendar days' notice.

### How can I complain?

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Please write to the management company at its registered office (marked for the attention of the Compliance Officer): 23, Val Fleuri, L-1526 Luxembourg, Grand Duchy of Luxembourg or send an email to [legal@mcsquare.lu](mailto:legal@mcsquare.lu).

### Other relevant information

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Further information on the Fund or other Share classes or Funds of the Company, including the Prospectus, latest annual report and any subsequent semi-annual reports can be obtained [www.mcsquare.lu](http://www.mcsquare.lu).