

# Key Information Document

## Purpose

*This document provides you with key information about this investment Product. It is not marketing material. The information is required by law 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

### **LIOR GP - Alpha Fund**

**a compartment of LIOR GP**

Management Company Name : LEMANIK ASSET MANAGEMENT S.A.

**N/A (EUR) ISIN : LU2263803962**

**Website : [www.LIOR-GP.com](http://www.LIOR-GP.com). Please call : +377 92 00 01 86 for more information.**

**The Commission de Surveillance du Secteur Financier (CSSF) is responsible for supervising LEMANIK ASSET MANAGEMENT S.A.**

**LEMANIK ASSET MANAGEMENT S.A. is authorised in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier (CSSF).**

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**Production date of the Key Information Document : 01.01.2024**

Warning: You are about to purchase a Product that is not simple and may be difficult to understand.

## What is this Product ?

### **Type**

This Product (or the "Fund") is a sub-fund of LIOR GP, an open-ended umbrella fund, organized as a Luxembourg investment company with limited liability and with variable capital (a "SICAV"), a UCITS investment fund.

### **Term**

The lifespan of this Product is not limited.

### **Objectives**

The Product investment objective is to achieve a positive return in any type of market condition by investing across fixed Income, equities, currency markets on global basis (absolute return strategy). Specifically, the Product seeks to outperform the euro short-term rate (€STR) (compounded daily) Index, over any 3-year holding period, while offering controlled risk exposure.

The Product is actively managed and uses the €STR (compounded daily) Index, as a posteriori reference indicator to assess its performance ("Benchmark"). There is no constraint relative to such Benchmark restraining portfolio construction.

The Product will seek to achieve the active management of the portfolio's exposure to global bond risk (modified duration) via directional strategies among the four main OECD government bond markets (United States for the dollar zone, Germany for the Eurozone, the United Kingdom and Japan). The Product will also use relative value strategies (purchase of modified duration on certain markets, sale of modified duration on others).

The Product may also invest up to 30% in equities securities (amongst which up to 10% of net assets in China A-shares and China B-shares) and up to 20% of its assets in investment grade bonds which are backed by other investments. These are bonds, referred to as ABS or MBS, which represent a pool of assets, and whose value and income payments of these types of bonds are dependent on the pool of relevant assets.

It is not intended that any of the Product's assets are invested in other UCIs but in the event that the Product does invest in other UCIs (for example for cash management purposes), this will not exceed 10% of the Product's assets.

The Product generally promotes social and/or environmental characteristics but does not have as its objective sustainable investment within the meaning of SFDR.

The Product seeks to always outperform the average ESG score of its investment universes such as Sovereign Debt, Credit Debt, Equity Market. To this end, it applies a holistic ESG approach consisting in considering all ESG pillars globally at the same time. The IM will rely on recognized third-party data providers determining the comparable universe and the ESG sub-factors, scores, selection, exclusion and monitoring process. The ESG analysis is taken into account at each phase of the investment process and ESG criteria are reviewed on each Business Day, in accordance with the periodicity of the net asset value calculation. The main drivers of the ESG strategy consist in combining Fundamental analysis and ESG analysis via score screening, exclusionary screening and selecting issuers with an overall positive ESG tilt. As basis of the securities selection and process, standards and exclusion internal policies are applied.

### **Intended retail investor**

This Product is intended for retail investors.

### **Practical information**

Depositary: CACEIS Bank, Luxembourg Branch

The latest prospectus and the latest periodical regulatory documents, as well as all other practical information including the latest net asset values, are available in English free of charge from Caceis Bank, Luxembourg Branch, 5, Allée Scheffer, L-2520 Luxembourg, Grand-Duchy of Luxembourg or at the following e-mail address: [LB-CAIS-Legal@caceis.com](mailto:LB-CAIS-Legal@caceis.com).

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

### Risk Indicator



←----->  
Lower risk Higher risk



The summary risk indicator assumes you keep the Product until maturity end of the recommended holding period (3 years). The actual risk can vary significantly if you cash in at an early stage and you may get back less. 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 Manufacturer is not able to pay you.

We have classified this Product as 4 out of 7, which is a medium risk class. This rates the potential losses from future performance at a medium level, and poor market conditions could impact our capacity to pay you.

In addition, you will be exposed to the following risks (not captured in the synthetic risk indicator), namely:

**Credit risk and interest rate risk:** The Product invests in bonds, cash or other money market instruments. There is a risk that the issuer may default. The likelihood of this happening will depend on the credit-worthiness of the issuer. The risk of default is usually greatest with bonds that are rated as sub-investment grade. An increase in interest rates may cause the value of fixed-income securities held by the Product to decline. Bond prices and yields have an inverse relationship, when the price of a bond falls the yield rises.

**Liquidity risk:** Liquidity risk exists when particular investments are difficult to purchase or sell. This can reduce the Product's returns because the Product may be unable to transact at advantageous times or prices. This can be the result of shocks of unprecedented intensity and severity such as but not limited to pandemics and natural disasters.

**Risk linked to the use of derivative instruments:** The Product uses derivative instruments, which means financial instruments whose value depends on those of an underlying asset. Therefore, fluctuations in the price of an underlying asset, even if minor, could lead to significant variations in the price of the corresponding derivative instrument. With the use of over-the-counter derivatives, there is a risk that the counterparty to the transactions will wholly or partially fail to honour its contractual obligations. This may result in a financial loss to the Product.

**Risk linked to the holding of ABS/MBS securities:** The Product may invest in asset-backed securities ("ABS"), including mortgage-backed securities ("MBS"), which are debt securities based on a pool of assets or collateralised by the cash flows from a specific pool of underlying assets. ABS and MBS assets may be highly illiquid, and therefore prone to substantial price volatility.

**Derivative for hedging purpose:** The use of derivatives for hedging in a rising market may restrict potential gains.

**Sustainability risk:** Given the Product's investment strategy, risk profile and investment universe, the sustainability risk is expected to be medium. Investors shall note that the Product's sustainability risk may differ from the sustainability risk of its investment comparable universe.

Beware of currency risk. If an Investment Product is denominated in a currency other than the official currency of the State in which this Product is marketed, the final gain will therefore depend on the exchange rate between the two currencies. This risk is not taken into account in the indicator above.

This Product does not include any protection from future market performance so you could lose some or all of your investment.

### Performance Scenarios

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 get back.

What you will get from this Product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted.

The unfavourable, moderate and favourable, scenarios presented represent examples using the best and worst performances, as well as the average performance of the Product and/or the appropriate benchmark indicator over the last 10 years.

Markets could develop very differently in the future.

The stress scenario shows what you might get back in extreme market circumstances.

#### Investment EUR 10,000

The recommended holding period is 3 years.		1 year	3 years
<b>Scenarios</b>			
<b>Minimum</b>	<b>There is no minimum guaranteed return. You could lose some or all of your investment.</b>		
<b>Stress</b>	<b>What you might get back after costs</b>	EUR 7,550	EUR 6,050
	<b>Average return each year</b>	-24.5%	-15.4%
<b>Unfavourable</b>	<b>What you might get back after costs</b>	EUR 9,440	EUR 9,280
	<b>Average return each year</b>	-5.6%	-2.5%
<b>Moderate</b>	<b>What you might get back after costs</b>	EUR 9,960	EUR 9,890
	<b>Average return each year</b>	-0.4%	-0.4%
<b>Favourable</b>	<b>What you might get back after costs</b>	EUR 10,330	EUR 10,070
	<b>Average return each year</b>	3.3%	0.2%

This table shows the money you could get back over the recommended holding period of 3 years, under the different scenarios, assuming you invest EUR 10,000.

Unfavourable scenario : this scenario occurred for an investment between 07/2019 and 07/2022.

Moderate scenario : this scenario occurred for an investment between 02/2016 and 02/2019.

Favourable scenario : this scenario occurred for an investment between 05/2018 and 05/2021.

### What happens if the manufacturer is unable to pay out ?

The Product's ability to pay out would not be affected by the insolvency of the manufacturer. You may however face a financial loss should the Depositary default on its obligations. Such default risk is limited as the Depositary is required by law and regulation to segregate its own assets from the assets of the Product. There is no compensation or guarantee scheme in place which may offset, all or any of, these potential losses.

## What are the costs ?

The person advising on or selling this Product may charge you other costs. If so, this person will provide you with information about these costs and how they affect your investment.

### Costs over time

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. 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 (0% annual return). For the other holding periods we have assumed the Product performs as shown in the moderate scenario
- EUR 10 000 per year is invested

Investment EUR 10,000	If you cash in after 1 year	If you cash in after 3 years (recommended holding period)
<b>Total costs</b>	EUR 308	EUR 1,109
<b>Impact on return (RIY) per year</b>	3.1%	3.6%

(\*) This illustrates how costs reduce your return each year over the holding period. For example, it shows that if you exit at the recommended holding period your average return per year is projected to be % before costs and -0.37% after costs.

### Composition of costs

Investment EUR 10,000 and annual cost impact if you exit after 1 year

One-off costs		If you exit after 1 year
Entry costs	We do not charge an entry fee.	EUR 0
Exit costs	We do not charge an exit fee for this Product (but the person selling the Product may do).	EUR 0
Ongoing costs		
Management fees and other administrative or operating costs	2.09% of the value of your investment per year. This figure is based on actual costs over the past year.	EUR 209
Portfolio transaction costs	0.99% of the value of your investment per year. This is an estimate of the costs incurred when we buy or sell the underlying investments for the Product. The actual amount will vary depending on how much we buy and sell.	EUR 99
Incidental costs		
Performance fees and carried interest	20% of the yield from the Net Asset Value per share compared to the High Water Mark, defined as the highest Net Asset Value per share. In the event of the Share outperforming its benchmark indicator and, even if its performance is negative, a performance fee may be charged over the reference period.	EUR 0

The table below shows the impact of the different types of costs on the investment return you might get at the end of the recommended holding period and what the different cost categories mean.

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

**Recommended holding period : 3 years**

This Product is designed for medium term investments ; you should be prepared to stay invested for at least three years. However, you can redeem your investment without penalty at any time during this time, or hold the investment longer.

You may redeem your shares in the Product on a daily basis in accordance with the terms specified in the prospectus.

## How can I complain ?

If you choose to invest in the Product and subsequently have a complaint about the Product or the Manufacturer or the person advising on or selling the Product, you should in the first instance contact Caceis Bank, Luxembourg Branch, 5, Allée Scheffer, L-2520 Luxembourg, Grand-Duchy of Luxembourg. If your complaint is not satisfactorily resolved you may log your complaint via our website <http://www.LIOR-GP.com>.

## Other relevant information

Performance scenarios : You can find previous performance scenarios updated on a monthly basis at [www.LIOR-GP.com](http://www.LIOR-GP.com).

Past performance : You can download the past performance over the last 2 year(s) from our website at [www.LIOR-GP.com](http://www.LIOR-GP.com).

The details of the up-to-date remuneration policy, including, but not limited to a description of how remuneration and benefits are calculated, the identity of the persons responsible for awarding the remuneration and benefits, are available on the [www.LIOR-GP.com](http://www.LIOR-GP.com). A paper copy is available free of charge upon request.

This information document is updated annually.