

# Tikehau Fund - Tikehau SubFin Fund

Share class A-Dis-EUR (ISIN LU1585264507)

A Sub-Fund of Tikehau Fund. A UCITS managed by Tikehau Investment Management

## Investment objectives and policy

Tikehau SubFin Fund (the "Sub-Fund") is a sub-fund of Tikehau Fund (the "Fund"). The Sub-Fund aims to achieve an annualised outperformance of the benchmark BoAML euro 3-5 Index, after deducting management fees, with an investment horizon of more than 3 years.

Investors' attention is drawn to the fact that the management style of the portfolio will never consist of reproducing the composition of a benchmark indicator.

The investment strategy is to manage, on an active and discretionary basis, a diversified portfolio mainly composed of private and public debt securities (mostly subordinated debt securities: Tier 1, Upper or Lower Tier 2 or others). The portfolio will have a minimum average rating of B+ (Standard and Poor's rating), or a Moody's rating of B1, while the minimum rating will be CCC.

Debt securities that belong to the subordinated financing category pose a greater default risk, in exchange for a higher reward. A debt is known as subordinated when its repayment depends on other creditors (senior creditors and unsecured creditors) being repaid first. Thus, subordinated creditors will be repaid after unsecured creditors, but before shareholders.

The Sub-Fund may invest up to 130% of its net assets in debt securities issued in the euro zone (including convertible bonds and contingent convertible bonds ("CoCo"), up to 100% of the net assets of the Sub-Fund).

For hedging or exposure purposes, the Sub-Fund may invest up to 100% of its net assets in financial derivative instruments, such as futures, options, swaps, credit derivatives and Contracts for Difference. It may also invest in efficient portfolio management techniques.

The Sub-Fund may also invest up to 10% of its net assets in UCITS and/or other UCIs (including those managed by Tikehau Investment Management).

The Sub-Fund may have an exposure of up to 10% of its net assets to the equity markets, either directly by means of shares in companies of all market capitalisations and all geographic regions, through UCITS or financial derivative instruments.

The Sub-Fund may invest its excess cash in term deposit accounts. These deposits may amount to up to 100% of the Sub-Fund's assets.

The Sub-Fund may invest up to 10% of its net assets in ABS/MBS instruments and up to 10% of its net assets in defaulted/distressed securities as a result of the potential downgrading of the issuers (i.e. securities which are highly vulnerable to non-payment and the rating of which is below "CCC" according to Standard & Poor's or the equivalent by any other agency).

Finally, the investment team also applies a responsible investment policy materialised by: (i) the respect of the Tikehau Capital Group exclusions (e.g. thermal coal, tobacco and controversial weapons) when selecting issuers; and (ii) the integration of Environmental, Social and Governance ("ESG") factors throughout the life cycle of the investment.

The range of sensitivity to the bond market will lie between 0 and 6.

The recommended investment horizon is at least 3 years.

Orders for subscription and redemption must be received by the registrar and transfer agent before 12:00 noon on each valuation day, and will be settled at the latest on the second Bank Business Day following the applicable valuation date

A-Dis-EUR shares are distribution shares.

A-Dis-EUR shares are reserved for sophisticated investors being of sufficient experience and having sufficient knowledge to appraise the risks inherent to invest in complex financial instruments such as CoCos, ABS/MBS instruments, and distressed/defaulted securities and whose minimum initial investment is EUR 1,000.

## Risk and reward profile



This share class of the Sub-Fund belongs to risk category 4 due to the volatility of its net asset value. The volatility of the net asset value is the result of the volatility of the prices of the assets held in the portfolio, which influences the valuation of the share class which also takes into account the various fees and expenses applied to it.

Historical data, such as those used to calculate the synthetic indicator, may not be a reliable indication for the future of the risk profile of the Sub-Fund.

The risk category of this Sub-Fund is not guaranteed and may change over time.

The lowest category does not mean "risk-free".

Investors receive no guarantee that they will get back the capital they initially invest.

### Key risks not taken into account in this indicator :

**Credit risk:** Credit risk involves the risk that an issuer of a bond (including money-market instruments) held by the Sub-Fund may default on its obligations to pay interest and repay principal and the Sub-Fund will not recover its investment. **DISCLAIMER : THIS SUB-FUND MAY INVEST UP TO 100% OF ITS ASSETS IN BONDS OF LOW CREDIT QUALITY, AND THEREFORE PRESENTS A VERY HIGH CREDIT RISK.**

**Liquidity risk:** this refers to the difficulty or impossibility of disposing of certain securities held on portfolio in timely fashion and at the portfolio valuation price, because of the reduced size of the market or the lack of volume on the market where these securities are usually traded.

**Counterparty risk:** the Sub-Funds will be subject to the risk of the inability of any counterparty (including the Depositary and Clearing Brokers) to perform with respect to transactions, whether due to its own insolvency or that of others, bankruptcy, market illiquidity or disruption or other causes and whether resulting from systemic or other reasons.

**Financial derivative instruments risk:** The Sub-Fund may use forward financial instruments, which may pose the risk of a more significant and faster decrease in the Sub-Fund net asset value than the one on the markets in which the Sub-Fund is invested.

For a description of all risks, please refer to the Fund's prospectus.

## Charges

The charges and fees paid cover the costs of running the Sub-Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

### One-off charges taken before or after you invest

|                      |       |  |
|----------------------|-------|--|
| <b>Entry charges</b> | 1.00% | The percentage indicated is the maximum that may be deducted from your capital before it is invested, or before you are paid the returns on your investment. In certain cases, the charges paid may be lower than those published. Investors may request the exact amount of entry and exit charges from their financial advisor or distributor. |
| <b>Exit charges</b>  | None  |  |

### Charges taken from the Sub-Fund over a year

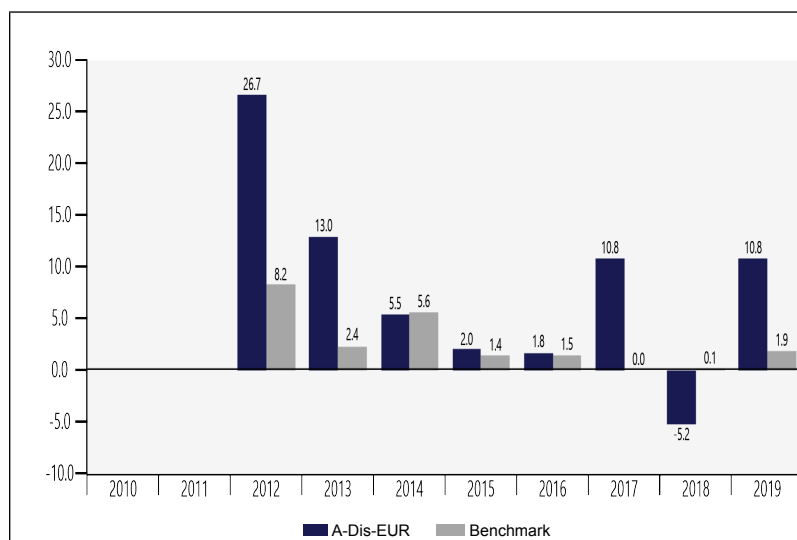
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|------------------------|-------|--|
| <b>Ongoing charges</b> | 1.66% | The percentage shown is based on the charges for the previous financial year (fixed management fees and transfer fees) ending 31 December 2019. These charges may vary from one financial year to another. They do not include: performance fees and portfolio intermediary fees, except in the case of an entry/exit charge paid by the Sub Fund when buying or selling units in another collective investment undertaking. |
|------------------------|-------|--|

### Charges taken from the Sub-Fund under specific conditions

|                        |   |  |
|------------------------|---|--|
| <b>Performance fee</b> | 10% of outperformance over the benchmark, BoAML 3-5, with a High Water Mark. Amount of performance fee charged in the last financial year : 0.95% |  |
|------------------------|---|--|

For further information, please refer to the "Expenses" section of the Fund prospectus available on the website [www.tikehaucapital.com](http://www.tikehaucapital.com), or from Tikehau Investment Management, 32 rue de Monceau, 75008 Paris.

## Past performance



The Sub-Fund was created on 24/07/2017.  
Share class A-Dis-EUR was created on 24/07/2017.  
Past performance varies over time and is not an indication of future performance.  
Performances of the Sub-Fund are presented after deduction of all fees charged.  
The performances displayed opposite are expressed as percentages.

The base currency of the share is EUR.  
The base currency of the Sub-Fund is EUR.  
The performances opposite are expressed as a percentage. Investors' attention is drawn to the fact that the management style of the portfolio will never consist of reproducing the composition of a benchmark indicator. This benchmark indicator may be used as a performance indicator in the future.  
Benchmark : BoAML euro 3-5 Index.

## Practical information

Custodian: CACEIS Bank, Luxembourg branch

**Taxation:** Depending on your tax status, potential capital gains and income arising from holding shares in this Sub-Fund may be subject to taxation. We recommend that you obtain further information on this matter from the Fund's marketer or from your financial adviser. This Sub-Fund share has not been registered under the US Securities Act of 1933. It may not be offered or sold, directly or indirectly, in the United States to or for the account or benefit of, a "US Person", as defined by the United States "Regulation S".

The prospectus of the Sub-Fund and the latest annual and interim as well as the remuneration policy documents will be sent to holders on request, addressed to: Tikehau Investment Management - 32 rue de Monceau 75008 Paris / Tel.: +33 (0)1 53 59 05 00 / E-mail: [client-service@tikehaucapital.com](mailto:client-service@tikehaucapital.com).

The net asset value is calculated each bank business day in Luxembourg and in France and is available from Tikehau Investment Management, on its website : [www.tikehaucapital.com](http://www.tikehaucapital.com).

Tikehau Investment Management may be held liable solely on the basis of any information contained in this document that is misleading,

inaccurate or inconsistent with the relevant parts of the prospectus of the Sub-Fund.

The Sub-Fund may be made up of other types of share classes. You will be able to find more information on these share classes in the Sub-Fund prospectus or on the company's website.

Each Sub-Fund corresponds to a distinct part of the assets and liabilities of the Fund. As a consequence, the assets of each Sub-Fund are exclusively available to satisfy the rights of investors in relation to that Sub-Fund and the rights of creditors whose claims have arisen in connection with the creation, operation or liquidation of that Sub-Fund.

This document describes a Sub-Fund of the Fund.

This Sub-Fund is authorised in Luxembourg and regulated by the Luxembourg financial markets authority, the *Commission de Surveillance du Secteur Financier au Luxembourg* (CSSF).

Tikehau Investment Management is a portfolio management company authorised in France and regulated by the French financial markets authority, the *Autorité des Marchés Financiers* (AMF).

This key investor information is accurate as at 02/12/2020.