

# KEY INVESTOR INFORMATION



This document provides you with key investor information about this Fund. It is not marketing material. The information is required by law to help you to understand the nature and risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

## APS Regular Income Ethical Fund - Class A EUR Accumulator Shares a sub-fund of APS Funds SICAV p.l.c. (ISIN Number: MT7000005716)

This Fund is managed by ReAPS Asset Management Limited, which forms part of the APS Bank group of companies.

### Objectives and Investment Policy

#### Investment Objective

The Fund endeavours to maximise the total return to investors, minimising volatility (price fluctuations) whilst seeking to attain a desirable level of liquidity (how easy or difficult fund investments are to sell), following ethical principles according to the Fund's Ethical Policy.

#### Investment Policy

The Fund invests primarily in a diversified portfolio of government and corporate bonds, in direct equities (shares) and may also hold units in selected funds (Collective Investment Schemes - CISs), bank deposits (fixed term deposits) and cash. The Fund can only invest in government and corporate entities as provided by the Ethical Policy of the Fund, the most recent version of which is available on the website [www.apsfunds.com.mt](http://www.apsfunds.com.mt).

The Fund may be fully invested in government and/or corporate bonds whose credit rating is deemed to be of investment grade quality. The Fund may additionally invest up to 40% of its total net assets in high yield bonds, which are instruments carrying a credit rating below investment grade.

The Fund may invest in bonds both having fixed and floating coupon rates, and may also invest in inflation linked government bonds. The Fund may also invest up to 40% of its total net assets in direct equities or CISs whose main exposure is in equities.

In selecting investments, the Investment Manager is not bound by any geographical restrictions. The Fund will be actively managed according to the Investment Manager's views on the financial markets. The Investment Manager will generally aim for broad diversification across industries and issuers but the Investment Manager may, if warranted by market conditions, increase the allocation to particular industries or issuers.

The Fund will at all times maintain at least 50% of the Fund's net assets denominated in euro.

The Fund may hold ancillary liquid assets such as cash, bank deposits, stocks, short term certificates, commercial paper and treasury bills. The Investment Manager may also invest in financial derivative instruments (FDIs) for the purpose of efficient portfolio management.

#### Income

The Class A EUR Accumulator Shares in the Fund are "accumulation" shares meaning that, rather than paying dividends, income attributable to those shares is re-invested and reflected in the share price.

#### Fund Currency

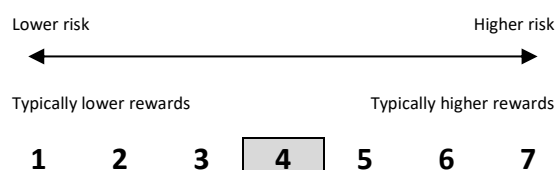
The Shares are designated in euro.

#### Buying and Selling Shares

You may buy or sell shares in the Fund on Wednesday of every week (or the next Business Day if this is a holiday in Malta) subject to certain cut-off times and minimum amounts.

**Recommendation: this Fund may not be appropriate for investors who plan to withdraw their money within five years.**

### Risk and Reward Profile



The Fund's rating on the risk and reward indicator is based on historical data and therefore may not be a reliable indication of the future risk profile of the Fund. It should be noted that even the lowest category on the indicator does not mean risk free.

The rating shown is not guaranteed and may change over time.

#### Why is the Fund in this Category?

The Fund is in category 4 (Synthetic Risk and Reward Indicator - SRRI) as some of the asset classes that it invests in such as shares and units in funds tend to be more volatile. This volatility may result in gains or losses for the Fund. The Fund's risk and reward category accordingly reflects the historical volatility of investments held by the Fund.

#### Additional Risks

The Fund's risk and reward category may not capture all material risks to which the Fund may be subject, such as:

**Liquidity Risk** – This is the risk that investments held by the Fund may become hard to value or trade without significantly impacting the market price. This may occur due to unfavourable market conditions or because assets are listed on smaller stock exchanges.

**Credit Risk** – This is the risk that the issuer of a bond or any other debt instrument experiences financial difficulty and subsequently defaults on its debt obligations to the Fund. Debt instruments that are subordinated or which have a lower credit rating are generally considered to have higher credit risk, and thus carry a greater possibility of default than higher rated and/or unsubordinated securities.

**Use of FDIs** – The Fund may use FDIs for the purpose of efficient portfolio management. FDIs also involve risks that are different from, and in certain cases, greater than, the risk presented by more traditional investments.

**Further information on risks may be found in the section entitled "Risk Factors" in the Fund's Prospectus.**

**The "Practical Information" section below explains how you may obtain a free copy of the Prospectus and other useful information.**

## Charges

The charges you pay are used to pay the costs of running the Fund, and amongst other things include the costs of marketing and distributing the Fund. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
<b>Subscription Fee</b>	<b>Up to 2%</b>
<i>This is the maximum that might be taken out of your money before it is invested.</i>	
<b>Redemption Fee</b>	<b>Nil</b>
<i>This is the maximum that might be taken out of your money before the proceeds of your investments are paid out.</i>	
Charges taken from the Fund over each year	
<b>Ongoing charge</b>	<b>1.26%</b>
Charges taken from the Fund under specific conditions	
<b>Performance Fee</b>	<b>N/A</b>

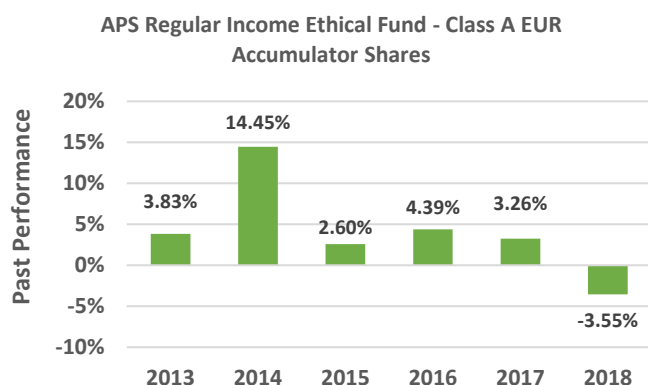
The **subscription fee** shown is a maximum figure. In some cases you might pay less – you can find this out from your financial adviser.

The **ongoing charge** figure is based on expenses for the calendar year 2018. This figure may vary from year to year. It generally excludes:

- Performance fees;
- Portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling units in another collective investment undertaking.

**For more detailed information about charges and how these are calculated, please see the Prospectus and the Fund's Offering Supplement. The section entitled "Practical Information" below explains how you may obtain a free copy of the Prospectus, the Fund's Offering Supplement, and other useful information.**

## Past Performance



**Past performance is not a reliable indicator of future results.**

The chart on the left shows the Class A EUR Accumulator Shares' annual performance in EUR for each full calendar year over the period displayed in the chart. It is expressed as a percentage change of the net asset value at each year-end. The performance data includes tax, ongoing charges and portfolio transaction costs but excludes any entry and exit charges.

The Class A EUR Accumulator Shares was launched in Malta on 25 July 2012.

## Practical Information

- The Fund's depositary bank is Bank of Valletta p.l.c.
- This Key Investor Information Document is specific to the Fund as a sub-fund of APS Funds SICAV plc (the "**Company**"). However, the Prospectus, annual and half-yearly financial reports are prepared for the entire Umbrella. The Prospectus is supplemented by an Offering Supplement specific to each sub-fund including the Fund.
- The Fund's assets and liabilities as well as its legal liability are segregated from other sub-funds of the Company.
- This share class carries a minimum lump sum investment of EUR 100,000 and a minimum additional investment of EUR 10,000.
- Distributor classes of shares are also available for this Fund.
- Further information about the Fund can be obtained from the Prospectus and related Offering Supplement as well as the latest annual and half-yearly financial reports. These documents are available, along with other information such as unit prices and the Ethical Policy of the Fund, on [www.apsfunds.com.mt](http://www.apsfunds.com.mt).
- The Fund is subject to Maltese tax laws. Depending on your country of residence, this might have an impact on how you are taxed on your investment. For further details, please speak to your adviser.
- The Company and ReAPS Asset Management Limited may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Prospectus or the Offering Supplement.
- Investors may exchange all or part of their holdings into investor shares in another sub-fund of the Company.
- Details of the remuneration policy of ReAPS Asset Management Limited will be available on [www.apsfunds.com.mt](http://www.apsfunds.com.mt). A hard copy of the remuneration policy is available upon request and free of charge from the registered office of ReAPS Asset Management Limited.

**Authorisation:** The Fund is authorised in Malta and regulated by the Malta Financial Services Authority (the "MFSA"). ReAPS Asset Management Limited is authorised in Malta and regulated by the MFSA.

**Date of KIID:** This Key Investor Information document is accurate as at 30<sup>th</sup> April, 2019.