

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 Income Fund - Class B EUR Distributor Shares a sub-fund of APS Funds SICAV p.l.c. (ISIN Number: MT0000075565)

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

### Objectives and Investment Policy

#### The Investment Objective

The Fund endeavours to maximise the total level of 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).

#### Investment Policy

The Fund invests primarily in Malta Government Bonds ("MGS") and corporate bonds listed on the Malta Stock Exchange, predominantly in EURO currency and which may be at a fixed or floating rate, rated or unrated. The fund may also hold selected equities, deposits and cash.

The Fund may invest up to 15% of its total assets in assets situated outside Malta. Bonds acquired and / or held under this cohort are rated by Moody's, or equivalent and the average quality of these holdings will usually be Baa2, but may fluctuate. Lower quality companies may be a focus at certain times. In selecting non-Malta focused investments, the Investment Manager is not bound by any geographical restrictions or particular credit ratings.

The Fund will be actively managed according to the Investment Manager's views on the financial markets particularly interest rates, bond yields (expected income) and currencies. 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 Fund's allocation to particular industries or issuers or even invest up to 100% in MGS.

The Fund may make use of exchange traded or over-the-counter financial derivative instruments for the purpose of efficient portfolio management. The Fund will invest primarily in EUR denominated assets or assets hedged back to EUR assets. However, at times, up to 25% of the Fund's total assets may be denominated in non-EUR currencies that may not be hedged back to EUR.

#### Income

The Class B EUR Distributor Shares in the Fund are "distribution" shares meaning that most or all income will be distributed to investors appearing on the register as of 30 June and 31 December in each year.

#### Fund Currency

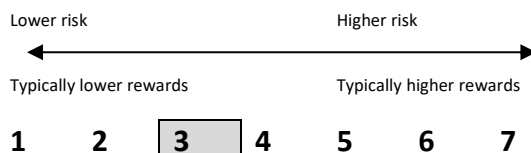
The Shares are designated in euro.

#### Buying and Selling Shares

You may buy or sell shares in the Fund on any business day 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 3 (Synthetic Risk and Reward Indicator -SRRI) as although it invests primarily in MGS and bonds, which, as an asset-class, tend not to be subject to significant volatility it may invest in shares and other asset classes that are. 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 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.

**Malta Stock Exchange Risk** - The Fund is expected to have a material exposure to investments listed on the Malta Stock Exchange (MSE) which is, by international standards, considered to be a small stock exchange. This means that the choice of issuers and industry sectors is smaller than if the Fund had a broader mandate and may lead to concentration to one or more sectors. Further trading volumes tend to be low leading to increased liquidity risk.

**Use of FDIs** – The Fund may make use of exchange traded or over-the-counter financial derivative instruments for the purpose of efficient portfolio management. FDIs 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, 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	
Subscription Fee	Up to 1.5%
This is the maximum that might be taken out of your money before it is invested.	
Redemption Fee	Nil
This is the maximum that might be taken out of your money before the proceeds of your investments are paid out.	
Charges taken from the Fund over each year	
Ongoing charge	0.98%
Charges taken from the Fund under specific conditions	
Performance Fee	N/A

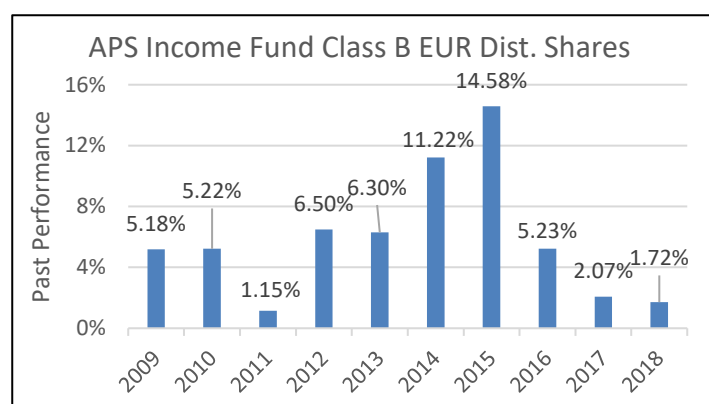
The **Subscription Fee** shown is a maximum figure. In some cases you might pay less – you can find this out from your financial adviser.

The **ongoing charges** 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 B EUR Distributor 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 on the basis that any gross distributable income of the Fund has been reinvested at dividend payment date.

The performance data includes tax, ongoing charges and portfolio transaction costs but excludes any entry and exit charges.

The Class B EUR Distributor Shares was launched on 22 April 2008.

## Practical Information

- The Fund's depository 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 2,000 and a minimum additional investment of EUR 100.
- An accumulator class of shares is 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, 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.