

## PURPOSE

*This document provides key investor information about the Fund. It is not a marketing material. Information made available are required by law to help one understand the nature and risks associated with an investment in this Fund. It is advised that one reads this material carefully to make an informed decision about whether to invest.*

## PRODUCT

# LONGCHAMP DALTON JAPAN LONG ONLY UCITS FUND

Longchamp Asset Management

SHARE CLASS I1H : FR0013321973

For more information you may call +33 1 71 70 40 30.

Longchamp Asset Management is authorized and regulated by the French law the Autorité des Marchés Financiers (AMF).

Longchamp Asset Management is approved to operate in France under licence No. GP - 13000009 and is regulated by the AMF.

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

## WHAT IS THIS PRODUCT?

**Type:** Investment company with variable capital

**Period:** This SICAV was created for a period of 99 years.

**Objectives:** The Longchamp Dalton Japan Long Only UCITS Fund (the "Sub-Fund") is a UCITS Sub-fund. The Sub-Fund's objective is to generate an annualized net performance higher than that of its benchmark over a recommended 5-year minimum holding period. The benchmark (the "Benchmark") to which the Sub-Fund's performance can be compared is the MSCI Daily Total Return Net Japan 100% Hedged to EUR Index (symbol: MXJPHEUR Index), compiled by MSCI Inc, which is a total return (dividends reinvested), free float-adjusted capitalization weighted index that is designed to track the performance of Japanese securities listed on the Tokyo Stock Exchange, Osaka Stock Exchange, JASDAQ and Nagoya Stock Exchange hedged against euro.

To achieve its objectives, Longchamp AM, as Investment Manager, has chosen to delegate the investment management to a Japanese Equity market specialist, Dalton Investments INC., based in Las Vegas Nevada, United States (the "Delegated Investment Manager").

The investment strategy aims to mainly buy securities of companies that are domiciled in Japan, or that derive, or are expected to derive, a significant portion of their present and/or future revenue from Japan. The Sub-Fund focuses on identifying and investing in (a) "value" investments in securities that the Delegated Investment Manager believes are underpriced relative to their intrinsic value or fundamental value or which are expected to appreciate in value if circumstances change or an anticipated event occurs, (b) direct investments in operating and service businesses (not private equity investments, but investments in publicly traded companies in a minority stake) and (c) other investments in securities or instruments that Dalton believes are undervalued or likely to appreciate. The Sub-Fund invests its assets in equities with a primary exposure to the Japanese market, across sectors and industries as determined by the Delegated Investment Manager in its sole discretion. The Sub-Fund may invest in exchange traded funds ("ETFs") subject to the overall limit on investments in collective investment schemes. The Sub-Fund will not take physical short positions. The maximum net long exposure of the Sub-Fund is limited to 100% of the Sub-Fund's NAV.

Investments may include securities of companies with any market capitalization range but will be mainly focused on those of companies with a market capitalization in excess of USD 0.5 billion.

Alignment of interest between company management and shareholders, history of share buyback programs and dividend increases are important factors considered by the Delegated Investment Manager when assessing an opportunity.

Generally, the Sub-Fund will be exposed to the equity market. However, the Sub-Fund may, in case a devaluation of the equity market is anticipated, invest in money market and bond instruments of the OECD area, denominated in Yen. Selected securities may be invested in both public and private sectors. The sensitivity range to interest rate risk will range between 0 and 2. Securities will at least be rated Investment Grade.

The ratio of equity securities in the Sub-Fund will range from 0% to 100%.

The ratio of money market and bond instruments in the Sub-Fund will range from 0% to 100%.

The Delegated Investment Manager will be responsible for the allocation of equities as well as money market and bonds instruments.

Finally, for this Share Class I1H, the Euro/Yen currency risk will be systematically and totally hedged with a tolerance threshold of +/-5%.

The Delegated Investment Manager takes environmental, social and governance (ESG) criteria into account in investment decisions among others; however, sizing of individual positions is based on a larger scope of criteria than ESG only.

**Allocation of income:** Capitalization.

**Recommended investment period:** 5 years minimum. This Sub-Fund would not be suitable for investors planning to pull out their investment before this period.

**Subscription and redemption terms:** Subscription and redemption orders are centralized daily by 12:00PM (DD-2), Paris time with exception of holidays as defined in Article L. 3133-1 of the French Labor Code and/or days when the Paris Stock Exchange is closed (official calendar of Euronext Paris SA) and executed on the basis of the Sub-Fund's net asset value as calculated on the closing market price of the following 2nd business day (DD). Redemption orders received by 12:00 PM of every business day (DD-3) (as per official calendar of Euronext Paris SA) are executed on the basis of the net asset value calculated on the closing market prices of the following 3rd Dealing Day (DD). Delivery of shares and moneys for subscriptions and redemptions shall occur within the following 3 business days (DD+3). The net asset value of the Sub-Fund is calculated 1 business day after each dealing day (DD+1), except for bank holidays and days when the Paris Stock Exchange and the Japanese stock exchange are closed.

**Eligible investors:** This fund unit class is available to all investors (except for U.S. Persons).

**Depositary:** Société Générale

**Additional information:** You may obtain more information about this fund, including, its prospectus and financial reports, free of charge upon request directly to Longchamp AM, 30 rue Galilée, 75116 Paris.

The fund's net asset value is available online at: [www.longchamp-am.com](http://www.longchamp-am.com).

## WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?

Summary Risk Indicator (SRI):



This risk indicator assumes that you stay invested for at least five years. The actual risk incurred may be quite different if you leave the fund prematurely, and this may adversely affect your return. This risk indicator measures this product's level of risk relative to that of other investment products. It reflects the probability that adverse market movements may cause this financial product to suffer a loss, or that we may not be able to pay you.

We have given this product a medium risk class rating of 4 out of 7. This means that it has a medium level potential for loss, and that Longchamp Asset Management may not be able to fully redeem your investment if market conditions deteriorate. This may affect Longchamp AM's ability to pay you.

The SICAV may also be exposed to the following risks which are not covered by the risk indicator:

**Counterparty risk:** This is the risk that a counterparty to an over-the-counter transaction with the fund may be unable to honour its contractual obligations.

**Liquidity Risk:** This is the risk that a financial market will be unable to accommodate the volume of trading.

**Credit Risk:** Deterioration in the credit quality of an issuer.

## PERFORMANCE SCENARIOS

The figures shown below account for all the costs that are inherent to the financial product, but not necessarily all of the fees you may owe to your advisor or distributor. They also do not take into account your personal tax situation, which may also affect the amounts you receive.

Your return from this fund depends on the future performance of financial markets. Future market movements are random and cannot be accurately predicted. The unfavourable, intermediate and favourable scenarios presented below are examples based respectively on the fund's worst, median and best returns and on the average performance of the appropriate benchmark index over the last five years.

Markets may behave quite differently in the future. The stress scenario shows what you might get in extreme market situations. It is not easy to liquidate an investment in this product. You have no guarantee if you leave the fund before the end of the recommended holding period.

| Recommended detention period: 5 years<br>Example of investment: € 10 000 |                                              | If you exit after 1 year | If you exit after 5 years |
|--------------------------------------------------------------------------|----------------------------------------------|--------------------------|---------------------------|
| Stress                                                                   | What the Investor might get back after costs | -                        | -                         |
|                                                                          | Average return each year (%)                 | -                        | -                         |
| Unfavorable                                                              | What the Investor might get back after costs | -                        | -                         |
|                                                                          | Average return each year (%)                 | -                        | -                         |
| Moderate                                                                 | What the Investor might get back after costs | -                        | -                         |
|                                                                          | Average return each year (%)                 | -                        | -                         |
| Favorable                                                                | What the Investor might get back after costs | -                        | -                         |
|                                                                          | Average return each year (%)                 | -                        | -                         |

## WHAT HAPPENS IF LONGCHAMP ASSET MANAGEMENT IS NOT ABLE TO MAKE THE PAYMENTS?

The product is a co-ownership of financial instruments and deposits separate from the portfolio management company. In case of default of the portfolio management company, the assets of the product kept by the custodian will not be affected. In case of default of the custodian, the risk of financial loss of the product is mitigated due to the legal segregation of the assets of the custodian from those of the product.

## WHAT ARE THE COSTS?

The person selling you this product or giving you advice about it may ask you to pay additional costs. If so, that person will tell you about those costs and show you how those costs affect your investment. The tables below show the amounts taken from your investment to cover the various costs. These amounts depend on the amount you invest and on how long you hold your investment. The amounts shown here are examples based on a hypothetical investment amount and different possible investment periods.

We have assumed the following:

- that in the first year you would get back the amount you invested (0% annual return)
- that for the other holding periods the product will perform as shown in the intermediate scenario.
- EUR 10 000 is invested.

## COSTS OVER TIME

|                                     | If you exit after 1 year | If you exit after 5 years |
|-------------------------------------|--------------------------|---------------------------|
| Total costs                         | -                        | -                         |
| Impact on return (RIY) per year (*) | -                        | -                         |

## COMPOSITION OF COSTS

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;
- the meaning of the different cost categories

| One-off costs upon entry or exit                            | Annual cost impact if you exit after 1 year.                                                                                                                                                                              |     |
|-------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| Entry costs                                                 | 0.00% of the amount you pay in when entering this investment                                                                                                                                                              | 0 € |
| Exit costs                                                  | 0.00% of your investment before it is paid out to you                                                                                                                                                                     | 0 € |
| Ongoing costs taken each year                               |                                                                                                                                                                                                                           |     |
| Management fees and other administrative or operating costs | % of the value of your investment per year. This is an estimate based on actual costs over the last year.                                                                                                                 | -   |
| Transaction costs                                           | % of the value of your investment per year. This is an estimate of the costs incurred when we buy and sell the underlying investments for the product. The actual amount will vary depending on how much we buy and sell. | -   |
| Incidental costs taken under specific conditions            |                                                                                                                                                                                                                           |     |
| Performance fees                                            | There is no performance fee for this product.                                                                                                                                                                             | -   |

## HOW LONG SHOULD I HOLD IT AND CAN I TAKE MY MONEY OUT EARLY?

REQUIRED MINIMUM HOLDING PERIOD: 5 YEARS

This fund may not be appropriate for investors who plan to withdraw their money within less than five years. The recommended holding period is intended to minimise the risk of capital loss on your investment if redeemed after this period. It does not however constitute a guarantee.

## HOW CAN I COMPLAIN?

Shareholders have the right to complain free of charge and have the possibility to lodge their complaints at the registered office of the Company: Longchamp Asset Management, 30 rue Galilée - 75116 - Paris, and on our website: [www.longchamp-am.com](http://www.longchamp-am.com).

## OTHER RELEVANT INFORMATION

The legal documents are available on request and free of charge from the management company or on the website: [www.longchamp-am.com](http://www.longchamp-am.com)