

# Key Information Document

## CHINA EQUITY (THE "SUB-FUND"), A SUB-FUND OF DNCA INVEST (THE "FUND")



Class: I - ISIN: LU2254337558

### 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

Name:	DNCA Invest - CHINA EQUITY - I
Product manufacturer:	DNCA FINANCE (The "Management Company")
ISIN:	LU2254337558
Website:	<a href="http://www.dnca-investments.com">www.dnca-investments.com</a>
Phone:	+33 1 58 62 55 00

The Commission de Surveillance du Secteur Financier (CSSF) is responsible for supervising DNCA FINANCE in relation to this Key Information Document.

This PRIIP is authorised in Luxembourg.

DNCA FINANCE is authorised in France and regulated by the Autorité des Marchés Financiers (AMF).

This key information document is accurate as at 15/11/2023.

### What is this product?

#### TYPE OF PRODUCT

The product is a Sub-Fund of DNCA Invest (the "Fund"), an Undertaking for collective investment in transferable securities (UCITS) under the laws of the Grand-Duchy of Luxembourg.

#### TERM

The Sub-Fund is established for an unlimited duration and liquidation must be decided upon by the Board of Directors.

#### OBJECTIVES

The Sub-Fund seeks to outperform of the MSCI China 10/40 Net Return Index (BBG ticker: MN40CNE) over the recommended investment term of 5 years by investing mainly in equities and equities related securities of Chinese companies of issuers exercising the preponderant part of their economic activities in China.

The Sub-Fund implements active conviction management using a "Quality GARP" (Quality Growth at a Reasonable Price).

The Sub-Fund is actively managed and mainly selects equities of Chinese companies listed and traded in RMB on Chinese stock exchanges such as Shenzhen or Shanghai Stock Exchanges (China A-Shares) or on the Hong Kong Stock Exchange or by investing in American Depositary Receipts (ADRs) or Global Depositary Receipts (GDRs) of Chinese companies. The Sub-Fund may also invest in equity from issuers exercising a preponderant part of their economic activities in China, Republic of China and/or companies operating in the PRC. Exposure to Mainland China securities will be made by investing in A-Shares through Stock Connect, and the RQFII/QFII programs, H-Shares (equities of companies listed in the Hong Kong market that are either registered in Hong Kong or registered in the PRC and approved for listing on the Hong Kong Stock Exchange by the Chinese government). Additionally, exposure to Chinese Market may be achieved through investments in American Depositary Receipts (ADRs) listed on the New York Stock Exchange or the NASDAQ and Global Depositary Receipts (GDRs), or in ADR listed on the London Stock Exchange. The remaining portion of the Sub-Fund may be invested in transferable securities in Money Market Instruments, cash and/or UCITS/other UCI. The Sub-Fund can be exposed to all currencies other than the EUR, bringing the exchange risk to 110% maximum of its net assets. The Sub-Fund may also use derivatives for the purpose of increasing the currency exposure. The Sub-Fund may use exchange traded or OTC derivatives, including but not limited to, futures contracts, options, and non-complex options, for the purpose of hedging or increasing or arbitrage equity exposure or without seeking overexposure. The Sub-Fund may make use of deposits.

The Sub-Fund is actively managed. This means the Management Company is taking investment decisions with the intention of achieving the Sub-Fund's investment objective; this may include decisions regarding asset selection and overall level of exposure to the market. The Management Company is not in any way constrained by the benchmark in its portfolio positioning. The deviation from the benchmark may be complete or significant. The reference benchmark does not intend to be consistent with the environmental or social characteristics promoted by the Sub-Fund.

#### INTENDED RETAIL INVESTORS

The product is suitable for retail investors with limited knowledge of the underlying financial instruments and no financial industry experience. The product is compatible with investors who may bear capital losses and who do not need capital guarantee. The product is compatible with clients looking for growing their capital and who wish to hold their investment over 5 years.

#### OTHER INFORMATION

The Depositary is BNP Paribas, Luxembourg Branch.

The redemption of shares may be requested each day.

Distributable amounts (net income and realised net capital gains or losses) are fully capitalised each year.

The Net Asset Value of the share class is available on [www.dnca-investments.com](http://www.dnca-investments.com) and from the Management Company.

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

### RISK INDICATOR



Lower risk

Higher risk



The risk indicator assumes you keep the product for 5 years.

The risk can be significantly different 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 we are not able to pay you. The essential risks of the Sub-Fund lie in the possibility of depreciation of the securities in which the Sub-Fund is invested.

### 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 shown are illustrations using the worst, average, and best performance of the product and a suitable proxy over the last 10 years. Markets could develop very differently in the future.

Recommended holding period:  
Example investment

5 years  
EUR 10 000

If you exit after  
1 year

If you exit after  
5 years

#### Scenarios

Minimum	There is no minimum guaranteed return. You could lose some or all of your investment.			
<b>Stress scenario</b>	<b>What you might get back after costs</b>	EUR 2 790	EUR 1 770	
	Average return each year	-72.1%	-29.3%	
<b>Unfavourable scenario</b>	<b>What you might get back after costs</b>	EUR 6 290	EUR 5 160	This type of scenario occurred for an investment in the product between January 2021 and September 2023.
	Average return each year	-37.1%	-12.4%	
<b>Moderate scenario</b>	<b>What you might get back after costs</b>	EUR 10 500	EUR 13 960	This type of scenario occurred for an investment in the proxy between October 2014 and October 2019.
	Average return each year	5.0%	6.9%	
<b>Favourable scenario</b>	<b>What you might get back after costs</b>	EUR 18 050	EUR 20 230	This type of scenario occurred for an investment in the proxy then the product between January 2016 and January 2021.
	Average return each year	80.5%	15.1%	

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

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

There is no guarantee in place against the default of the Sub-Fund and you could lose your capital if this happens.

The Sub-Fund's assets are held with BNP Paribas, Luxembourg Branch and are segregated from the assets of other sub-funds of the Fund. The assets of the Sub-Fund cannot be used to pay the debts of other sub-funds.

The Sub-Fund would not be liable in the event of failure or default of the Fund.

## What are the costs?

**The person advising on or selling you 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 and how well the product does.

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 is invested.

Investment of EUR 10 000	If you exit after 1 year	If you exit after 5 years
<b>Total costs</b>	EUR 346	EUR 1 283
<b>Annual cost impact (*)</b>	3.5%	1.9%

(\*) 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 8.8% before costs and 6.9% after costs.

## COMPOSITION OF COSTS

One-off costs upon entry or exit		If you exit after 1 year
Entry costs	Up to 2.00% of the amount you pay in when entering this Investment. This is the most you will be charged. The person selling you the production will inform you of the actual charge.	Up to EUR 200
Exit costs	We do not charge an exit fee for this product.	EUR 0
<b>Ongoing costs taken each year</b>		
Management fees and other administrative or operating costs	1.45% of the value of your investment per year. This is an estimate based on actual costs over the last year.	EUR 145
Transaction costs	0.01% 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.	EUR 1
<b>Incidental costs taken under specific conditions</b>		
Performance fees	20.00% of the positive performance net of any fees above the MSCI China 10/40 Index with High Water Mark. The actual amount will vary depending on how well your investment performs. The aggregated cost estimation above includes the average over the last 5 years.	EUR 0

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

### Recommended Holding Period (RHP): 5 years.

The RHP was chosen to provide a consistent return less dependent on market fluctuations.

Redemptions for Shares in the Sub-Fund can be made on any Business Day. Applications for redemptions will normally be satisfied on the Business Day following the applicable Valuation Day, provided that the application is received by 12.00 noon (Luxembourg time) on the Valuation Day.

## How can I complain?

In the event a natural or legal person wishes to file a complaint with the Fund in order to recognize a right or to redress a harm, the complainant should address a written request that contains description of the issue and the details at the origin of the complaint, either by email or by post, in an official language of their home country to the following address:

**DNCA FINANCE, 19 Place Vendôme, F-75001 Paris**

[dnca@dnca-investments.com](mailto:dnca@dnca-investments.com)

[www.dnca-investments.com](http://www.dnca-investments.com)

## Other relevant information

Investors' attention is drawn to the fact that the management style is discretionary and integrates environmental, social / societal and governance (ESG) criteria.

The Sub-Fund is managed taking into consideration responsible and sustainable principles. The Sub-Fund promotes environmental and/or social characteristics (ESG) within the meaning of Article 8 of SFDR.

Further information about the share class's Net Asset Value and the Sub-Fund's documentation including the prospectus, the articles of incorporation, the most recent financial statements and the latest prices of shares are available free of charge at [www.dnca-investments.com](http://www.dnca-investments.com) or at the registered office of the Management Company.

The past performance and the previous performance scenarios are available on [www.dnca-investments.com](http://www.dnca-investments.com).