# Key Information Document (KID)

**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.

## Alken Fund Small Cap Europe - Class A

### A Sub-Fund of the Alken Fund SICAV (Fund) - ISIN: LU0524465548 - Currency: EUR

Manufacturer: AFFM S.A. (we or AFFM) is authorized in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier (CSSF).
The Sub-Fund is authorized in Luxembourg and supervised by the CSSF. For more information, please refer to www.affm.lu or call +352 260 967 242.

The date of production of this KID is: **05/06/2025**

## What is this product?

**Type:** This product is an open-ended common fund (UCITS).

**Term:** There is no maturity date for this product. The board of directors of the Fund has the authority to decide on a liquidation or closure of the Fund and it may be wound up by decision of an extraordinary general meeting of its shareholders.

**Objectives and Investment Policy:** We aim to provide you with an increase in your capital over the long term.

We take investment decisions on the basis of our analysis of companies' financial figures and management conditions. This analysis allows us to buy companies that are likely to experience an increase in their value or companies whose share price is undervalued in comparison to their intrinsic value.

The Sub-Fund will be exposed (through investments or cash) to other currencies than the base currency. The Sub-Fund may use complex financial instruments ("derivatives") such as futures, options, forwards and swaps to optimise the management of your portfolio or protect its value against adverse movements in financial markets. A derivative is a financial instrument which derives its value from the value of an underlying asset. The use of derivative is not cost or risk-free.

Benchmark: The Sub-Fund follows an active management approach and seeks to outperform the MSCI Europe Small Cap Index (EUR). The Sub-Fund's Benchmark plays a role for the Sub-Fund's performance objectives and measures. Although our deviation from the investment universe, weightings, and risk characteristics of the Benchmark is likely to be material in our own discretion, most of the Sub Fund's investments may consist of components of the Benchmark. The Sub Fund's Benchmark is not aligned with the environmental and social characteristics of the Sub-Fund.

**Intended retail investor:** Suitable for investors with all levels of knowledge and/or experience, seeking capital growth and who have a 5 years investment horizon. The product does not have any capital guarantee and up to 100% of their capital is at risk.

### Practical information

**Dealing Frequency:** You can buy and sell this product on any business day in Luxembourg.
**Distribution Policy:** Any income arising from the product is reinvested into it.
**Depositary bank:** Bank Pictet & Cie (Europe) AG, succursale de Luxembourg.

You can find more detail on the investment objective and policy of the Sub-Fund in the "Investment Objective" and "Investment Policy" sections of the Prospectus.

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

### Risk Indicator

Lower Risk — Higher Risk

| 1 | 2 | 3 | **4** | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

- 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.
- We have classified this product as 4 out of 7, which is a medium risk class. This rates the potential losses from future performance at a medium level, and poor market conditions could impact the capacity of the product to pay you.
- **Be aware of currency risk. Your local currency may be different from the currency of the product. You may receive payments in a currency that is not your local currency, so the final return you will get may depend on the exchange rate between the two currencies.**
- This product does not include any protection from future market performance so you could lose some or all of your investment. If we are not able to pay you what is owed, you could lose your entire investment.
- Besides the risk included in the risk indicator, additional risks such as operational risks, derivatives risks, sustainability risks and market liquidity risks may have a material impact on the product's performance. Please refer to the "Risk Considerations" and "Sub-Fund in Operation" sections of the Prospectus for more details.

**The actual risk can vary significantly if you cash in at an early stage and you may get back less.**
**The risk indicator assumes you keep the product for 5 years.**

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## Performance Scenarios

This table shows the money you could get back over the next 5 years, under different scenarios, assuming that you invest 10 000 EUR. The unfavourable, moderate, and favourable scenarios presented represent examples using the best and worst performance, as well as the average performance of the product and/or appropriate benchmark over the last 10 years. The markets could develop very differently in the future.

**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 stress scenario shows what you might get back in extreme market circumstances.
**Unfavourable scenario:** This type of scenario occurred for an investment in the product between March 2015 and March 2020.
**Moderate scenario**: This type of scenario occurred for an investment in the product between May 2016 and May 2021.
**Favourable scenario**: This type of scenario occurred for an investment in the product between March 2020 and March 2025.

- Example Investment: 10 000 EUR
- Recommended holding period (RHP): 5 years

| Performance Scenarios | | If you exit after 1 year | If you exit after 5 years (RHP) |
|---|---|---|---|
| **Minimum** | **There is no minimum guaranteed return. You could lose some or all of your investment.** | | |
| **Stress scenario** | **What you might get back after costs** | 2 376 EUR | 2 574 EUR |
| | Average return each year | -76.24% | -23.77% |
| **Unfavourable scenario** | **What you might get back after costs** | 6 961 EUR | 7 754 EUR |
| | Average return each year | -30.39% | -4.96% |
| **Moderate scenario** | **What you might get back after costs** | 11 084 EUR | 12 592 EUR |
| | Average return each year | 10.84% | 4.72% |
| **Favourable scenario** | **What you might get back after costs** | 16 084 EUR | 29 361 EUR |
| | Average return each year | 60.84% | 24.04% |

- The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator.
- What you get will vary depending on how the market performs and how long you keep the investment. 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 happens if AFFM is unable to pay out?

A separate pool of assets is invested and maintained for each Sub-Fund of the Fund. The Sub-Fund's assets are segregated from those of AFFM and other Sub-Funds. The Fund has entrusted the depositary bank with the safekeeping of the assets, which are kept separated from the depositary bank's assets. A default of AFFM will therefore have no impact on the value of your investment in the product. There is no investor compensation or guarantee scheme provided for this product.

## What are the costs?

The person selling you or advising you about 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 over time. If the product is included as part of another product, e.g. unit linked insurance, there may be other costs for that product.

### 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 and how long you hold the product. 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.

| Scenarios | If you exit after 1 year | If you exit after 5 years (RHP) |
|---|---|---|
| **Total costs** | 268 EUR | 1 829 EUR |
| **Impact on return per year*** | 2.68% | 2.88% |

(*) This illustrates how costs reduce your return each year over the holding period. For example it shows that if you exit at the RHP your average return per year is projected to be 7.60% before costs and 4.72% after costs.

## Composition of costs

| One-off costs upon entry or exit | | If you exit after 1 year |
|---|---|---|
| Entry costs | **0.00%** AFFM does not charge an entry fee, however the person selling you the product may charge you up to a maximum of 3%. | 0 EUR |
| Exit costs | **0.00%** AFFM does not charge an exit fee, however the person selling you the product may charge you up to a maximum of 3%. | 0 EUR |
| **Ongoing costs taken each year** | | |
| Management costs and other administrative and operating costs | **2.31%** The impact of the costs that we take each year for managing your investment. This is an estimate based on actual costs over the last year. | 231 EUR |
| Transaction costs | **0.19%** The impact of the costs of buying and selling underlying investments for the product. The actual amount will vary depending on how much we buy and sell. | 19 EUR |
| **Incidental costs** | | |
| Performance fees | **0.18%** The actual amount will vary depending on how well your investment performs. The aggregated cost estimate includes the average over the last five years. The performance fee is accrued daily and payable annually. 10% of positive returns the Sub-Fund achieves above that of the MSCI Europe Small Cap Index (EUR).<br><br>Even if the absolute performance in a performance fee period is negative, a performance fee will be charged if an outperformance against the benchmark index is achieved. | 18 EUR |

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

**Recommended holding period (RHP): 5 years. It was defined and based on the risk and reward profile of the product.**

Investors are able to redeem on a daily basis (on Luxembourg bank business days) as described in the prospectus without any additional fee. Any redemption occurring before the end of the RHP may adversely impact the performance profile of the product.

## How can I complain?

If you want to make a complaint about the product, the Manager, or a person advising on, or selling, the product, please visit www.affm.lu. Alternatively, write to AFFM S.A., Complaints Manager at 3, Boulevard Royal L-2449 Luxembourg, Luxembourg or by E-Mail to compliance@affm.lu. If you have a complaint about the person who advised you about this product, or who sold it to you please contact them for their complaints process. More information on the complaint handling process are available on www.affm.lu.

## Other relevant information

This Sub-Fund is promoting environmental and/or social characteristics as per Article 8 of Regulation (EU) 2019/2088 (SFDR). We invest in shares of European companies, with a focus on small and medium size companies, which are dealt in on a stock exchange and which adopted a sustainable development approach following the ESG investment policy of the Investment Manager Alken Asset Management Ltd., please refer to www.alken am.com/esg. Voting rights are methodically exercised and there may be engagement with companies to positively influence ESG practices.

You may find the prospectus, statutes, KID, notices to investors, financial reports, and further information documents relating to the product including various published policies of the product on our website www.affm.lu. You may also request a copy of such documents at the registered office of AFFM. Further information in respect of the past performance of the product including previous performance scenario calculations which are published monthly may be found at www.affm.lu. Performance information of the product for the past 10 years is available at www.affm.lu.