

Key Information Document

ZO CHINA VALUE FUND (THE "SUB-FUND"), A SUB-FUND OF CONVERGENCE LUX (THE "FUND")



Class: A-EUR - ISIN: LU2091132360

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: Convergence Lux - ZO China Value Fund - A-EUR
Product Manufacturer: Lemanik Asset Management S.A.
ISIN: LU2091132360
Website: www.lemanikgroup.com

Call +352 26 39 60 for more information.

The Commission de Surveillance du Secteur Financier (CSSF) is responsible for supervising Lemanik Asset Management S.A. in relation to this Key Information Document.

This PRIIP is authorised in Luxembourg.

Lemanik Asset Management S.A. is authorised in Luxembourg and regulated by the CSSF.

This Key Information Document is accurate as at 31st May 2024.

What is this product?

TYPE OF PRODUCT

The product is a sub-fund of Convergence Lux, an Undertaking for Collective Investment in Transferable Securities (UCITS) incorporated as a variable capital investment company (SICAV) under the laws of Luxembourg.

TERM

The Fund is established for an unlimited duration. However the Board of Directors may decide to close this product under certain circumstances.

OBJECTIVES

The objective of the Sub-Fund is to generate long-term return by investing primarily in equity securities issued by Chinese companies.

In order to achieve its investment objective, the Sub-Fund will invest directly up to 100% and with a minimum of 40% of its total net assets in China A Shares and China B Shares (including participating in IPO subscriptions) issued by companies established or operating in the PRC which are listed on the Shanghai Stock Exchange and the Shenzhen Stock Exchange.

The Sub-Fund may also invest up to 35% of its total net assets in Hong Kong listed shares, including but not limited to China H Shares.

The Sub-Fund may hold ancillary liquid assets.

The investment manager supports the objectives of the SFDR regulation which aims to improve transparency to clients but, after evaluating the PAI regime requirements and considering the nature and the size of its activities as well the nature of the Sub-Fund, it concluded it would be challenging in that time to consider principal adverse impacts of investment decisions on sustainability factors (PAI) for various reasons. Accordingly, the Sub-Fund will not consider PAI.

The investment manager will at least on an annual basis review this point and reserves to change its decision in the future in order to consider adverse impacts of investment decisions on sustainability factors.

The Fund is active and managed without any reference to a benchmark. The Investment Manager has discretion over the composition of its portfolio subject to this objective and investment policy.

Please refer to the Prospectus for more information about the Sustainable Finance Disclosure Regulation ("SFDR") classification of the Fund.

The Fund does not intend to distribute dividends. Any income arising from the Fund's investments is reinvested and reflected in the value of your shares.

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 3 years.

OTHER INFORMATION

The Depository is Caceis Bank, Luxembourg Branch.

Further information about the Company (including the current Prospectus and most recent annual report) is available in English, and information about the Fund and other share classes (including the latest prices of shares and translated versions of this document), are available free of charge on www.fundsquare.net or by making a written request to Lemanik Asset Management S.A., 106, route d'Arlon, L-8210 Mamer, Luxembourg or by emailing fund.reporting@lemanik.lu.

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

Risk indicator



The risk indicator assumes you keep the product for 3 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 investment fund lie in the possibility of depreciation of the securities in which the 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:		3 years		
Example investment		EUR 10 000		
		If you exit after 1 year	If you exit after 3 years	
Scenarios				
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	EUR 3 390	EUR 2 510	
	Average return each year	-66.1%	-36.9%	
Unfavourable scenario	What you might get back after costs	EUR 5 930	EUR 6 310	This type of scenario occurred for an investment in the product between December 2021 and October 2023.
	Average return each year	-40.7%	-14.2%	
Moderate scenario	What you might get back after costs	EUR 10 110	EUR 10 380	This type of scenario occurred for an investment in the product between March 2020 and March 2023.
	Average return each year	1.1%	1.3%	
Favourable scenario	What you might get back after costs	EUR 22 520	EUR 15 580	This type of scenario occurred for an investment in the proxy then the product between December 2018 and December 2021.
	Average return each year	125.2%	15.9%	

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

What happens if Lemanik Asset Management S.A. is unable to pay out?

Lemanik Asset Management S.A. is not making any payment to you in relation to this Fund and you would still be paid in case of a default from Lemanik Asset Management S.A.

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

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 3 years
Total costs	EUR 303	EUR 744
Annual cost impact (*)	3.0%	2.4%

(*) 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 3.7% before costs and 1.3% after costs.

We have classified this product as 5 out of 7, which is a medium-high risk class.

This rates the potential losses from future performance at a medium-high level, and poor market conditions will likely impact our capacity to pay you.

Be aware of currency risk. You will receive payments in a different currency, so the final return you will get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

Please refer to the Prospectus for more information on the specific risks relevant to the product not included in the summary risk indicator.

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.

Composition of costs

One-off costs upon entry or exit		If you exit after 1 year
Entry costs	We do not charge an entry fee.	EUR 0
Exit costs	Up to 1.00% of your investment before it is paid out to you.	Up to EUR 101
Ongoing costs taken each year		
Management fees and other administrative or operating costs	1.64% of the value of your investment per year. This is an estimate based on actual costs over the last year.	EUR 164
Transaction costs	0.38% 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 38
Incidental costs taken under specific conditions		
Performance fees	15% performance fee with MSCI CHINA A Share as hurdle. 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): 3 years.

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

Each Valuation Day is a Subscription Day and a Redemption Day. The Cut-Off Time for subscription and redemptions applications is 11:00 a.m. (Luxembourg time) one Business Day prior to the relevant Subscription Day or Redemption 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:

Lemanik Asset Management S.A.,
106 Route d'Arlon,
L-8210 Mamer,
Luxembourg
<https://www.lemanikgroup.com/>
complaintshandling@lemanik.lu

Other relevant information

Further information about the Fund including the prospectus, PRIIPS KIDs, most recent financial statements, latest prices of shares are available free of charge on www.fundsquare.net or at the registered office of the product manufacturer.

The past performance and the previous performance scenarios are available on website <https://www.bonhote.ch//produits-financiers/performance-de-nos-fonds>. Past performance data is presented over the last 4 years.

Additional information for investors in Switzerland : The Representative in Switzerland is REYL & Cie Ltd, rue du Rhône 4, CH-1204 Geneva, www.reyl.com. The prospectus for Switzerland, the Key Information Document, the Memorandum & Articles of Association, the annual and semi-annual reports may be obtained free of charge from the Swiss Representative of the Fund. The Swiss Paying Agent of the Fund is Banque Cantonale de Genève, 17, quai d' l'Île, CH-1204 Geneva, Switzerland. Current share prices and documents are available on www.swissfunddata.ch. The risk indicator and the performance scenarios have been calculated and presented according to the provision of the home jurisdiction of the Fund. The past performance is no indication of current or future performance and the performance data does not take account of the commissions and costs incurred on the issue and redemption of shares.