

Key Information Document



Purpose

This document provides you with key investor 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. You are advised to read it so you can make an informed decision about whether to invest.

Castlestone Low Volatility Income Class D USD Shares - MT7000024584 Castlestone Low Volatility Income, a sub-fund of AQA UCITS Funds SICAV p.l.c.

This Sub-Fund is managed by AQA Capital Limited, part of the AQA group of companies.
AQA UCITS Funds SICAV p.l.c. is authorised in Malta and regulated by the Malta Financial Services Authority
The Sub-Fund's depository is Swissquote Financial Services (Malta) Ltd

PRIIP Category: 2*

This document is accurate as at 31st January 2025

* Category 2 consists of products which offer non-leverage exposure to the prices of the underlying investments, or a leverage exposure on underlying investments that pays a constant multiple of the prices of these underlying investments.

For more information contact us on www.aqa-capital.com . info@aq-capital.com Tel +356 23479800

What is this Product ?

Product Type:

Undertaking for Collective Investment in Transferable Securities (UCITS) Fund.

Investment Objective :

The Castlestone Low Volatility Income UCITS Fund (the "Sub-Fund") aims at generating capital growth by targeting equities that may exhibit lower volatility relative to the broader US equity market.

Maturity:

The Duration of the Sub-Fund is indefinite.

Income:

This Class is an accumulator class so the income from investments held for the Class will not be paid out as dividends. Instead, income will be re-invested and reflected in the value of the Shares. The Directors reserve the right to pay Dividends at any time if they consider that a payment of a Dividend is appropriate.

Buying and Selling of Shares:

You may buy and sell Class USD D Shares (this "Class") on each business day (Monday to Friday other than public and bank holidays in Malta) subject to certain cut off times.

Currency:

The Class in the Sub-Fund is denominated in USD.

Target Investors:

The Sub-Fund is generally suitable for investors willing to hold their investment for a minimum period of five years.

Investment Policy:

The Investment Manager ("We") are expected to invest mainly in listed equities and/or eligible ETFs (the underlying of which will be exchange traded equities). Exposure to these asset classes may be achieved both directly or indirectly through eligible UCITS funds having similar investment policies and objectives as those of the Sub-Fund. In aggregate, no more than 10% of the Sub-Fund's assets will be invested in units or shares of UCITS, including those which are established as exchange traded funds. The Sub-Fund may also invest in writing (selling) covered call options in order to ensure efficient portfolio management. The Sub-Fund may limitedly invest up to 10% of its assets in closed-ended CISs satisfying the requirements of the Eligible Assets Directive.

Where deemed to be in the best interests of investors, the Sub-Fund may also limitedly invest a portion of its assets in convertible debt instruments.

The Sub-Fund is expected to invest mainly in the US equity market with focus on equities listed by issuers domiciled or with country of risk being the United States of America, which in aggregate are expected to have lower volatility characteristics relative to the broader U.S. equity market. Up to 100% of the assets of the Sub-Fund may be invested in equities. The Sub-Fund is however not expected to have any specific industry, market capitalisation or market sector bias.

The Sub-Fund may also make use of OTC currency forwards for risk reduction purposes. Any costs related to these will be borne by the Sub-Fund itself. The underlying of OTC derivatives will be limited to currencies. OTC derivatives will be entered into with Approved Counterparties.

The Sub-Fund may hold cash and cash equivalents for cash management purposes pending investment in accordance with its investment policy and to meet operating expenses and redemption requests. The Sub-Fund is being actively managed.

Further information about the Sub-Fund can be obtained from the Prospectus and related offering supplement as well as the latest annual and half-yearly financial reports available free of charge in English as well as in other languages of countries where the Sub-Fund is registered.

The NAV per Share will be published on the website and/or platform of the most recognised data providers. The NAV per Share will also be available at the offices of the Administrator and the Investment Manager

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

Risk Indicator

1	2	3	4	5	6	7
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The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less. You may not be able to cash in early or you may have to pay significant extra costs to cash in early. You may not be able to sell your product easily or you may have to sell at a price that significantly impacts on how much you get back.

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 our capacity to pay you.

There is no minimum guaranteed return. You could lose some or all of your investment. (see the section 'what happens if we are unable 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.

Liquidity Risk - While the Sub-Fund shall generally invest in financial instruments which are sufficiently liquid, under certain circumstances these may also be exposed to low liquidity levels.

Duplication of Fees – Given that the Sub-Fund may invest in other collective investment schemes, there may be a risk of duplication of fees and commissions charged against the capital of the Sub-Fund.

Exchange Rate Risk – The Sub-Fund may invest in assets denominated in currencies other than Usd, thereby exposing the Sub-Fund to fluctuations in exchange rates.

Operational/Counterparty Risk – The Sub-Fund may be exposed to operational/counterparty risk following any delegation made by the Custodian.

Financial Derivative Instrument Risk – The Manager may make use of FDIs which can be highly volatile and expose investors to a high risk of loss.

Charges and Expenses - Charges and expenses will be charged against capital, which may have the effect of constraining capital growth.

The Sub-Fund may also be exposed to additional risks which are not adequately captured by the risk indicator and may cause additional loss.

This Risk and Reward section is not a guarantee that it will remain unchanged. More information regarding risks may be found in the "Risk Factors" section in the Company's Prospectus.

Performance Scenarios

The table below shows the money you could get back over the next 5 years, under different scenarios, assuming an investment of USD 10,000. 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 stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you. The figures shown include all the costs of the product itself, and includes the costs of your advisor or distributor. The figures do not take into account your personal tax situation which may also affect how much you get back.

Recommended Holding Period 5 years		Investment USD 10,000		
Scenarios		1 year	3 years	5 years
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	6,561.12	7,585.95	8,524.93
	Average return each year	-34.39%	-8.80%	-3.14%
Unfavourable Scenario	What you might get back after costs	9,521.77	6,610.90	6,026.64
	Average return each year	-4.78%	-12.89%	-9.63%
Moderate Scenario	What you might get back after costs	11,249.88	9,561.24	10,372.40
	Average return each year	12.50%	-1.48%	0.73%
Favourable Scenario	What you might get back after costs	13,229.05	13,765.02	17,844.18
	Average return each year	32.29%	11.24%	12.28%

What happens if AQA Capital Limited is unable to pay out?

The Sub-Fund is a segregated portfolio whose assets and liabilities are to be treated as a patrimony separate from the assets and liabilities of each other sub-fund and of the Company. The Classes of the Sub-Fund do not constitute segregated portfolios. Please refer to the Prospectus for further details.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest USD 10,000. The figures are estimates and may change in the future.

Costs Over Time

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 show you the impact that all costs will have on your investment over time.

The costs are based on the following assumptions:

- 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 favourable scenario.
- Investment amount of USD 10,000.

Investment USD 10,000			
Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years
Total costs in USD	1246.58	3651.47	6789.44
Annual Cost Impact per annum	12.47%	9.80%	9.47%

(*) '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 12.28% before costs and 2.81% after costs.'

Composition of Costs

The table below shows the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period. It also shows the meaning of the different categories.

This table shows the impact on return per year			
One-off costs	Entry costs	0.00%	The % of the amount you pay when entering this investment.
	Exit costs	4.00%	The % of your investment before it is paid out to you.
Ongoing costs	Management fees and other Administrative and Operating costs	9.16%	The % of the value of your investment per year. This is an estimate based on actual costs over the last year.
	Transaction costs	0.31%	The % value of your investment per year. This is an estimate of the cost incurred when we buy and sell the underlying investments from the product. The actual amount will vary depending on how much we buy and sell
Incidental costs	Performance fees & Carried Interest	0.00%	No Performance Fee will be charged in this Class

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

Recommended Holding Period (RHP): 5 years

The recommended holding period is based on our assessment of the risk and reward and time frame in which it is expected to achieve the investment objective of the Sub-Fund. Your specific risk appetite needs to be considered for any investments made. You may receive less than expected if you cash in earlier than the RHP. There is no guarantee that the investment objective of the Sub-Fund will be achieved and investment results may vary substantially over time.

How can I complain?

If you are not entirely satisfied and wish to make a complaint about this product, please visit <https://www.aqa-capital.com/contact/>. Alternatively, write to AQA Capital Limited registered office 171, Old Bakery Street, Valletta, VLT 1455

Other relevant information

This Key Investor Information document is specific to the Class USD D Shares in the Sub-Fund. However, the Prospectus, annual and half-yearly financial reports are prepared for the entire Company. The Sub-Fund's assets and liabilities as well as its legal liability are segregated from other Sub-Funds of the Company.

The Sub-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, speak to an adviser. AQA Capital 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 Sub-Funds Offering Supplement. Investors may switch investment to any other sub-fund of the Company or to other classes of the Sub-Fund (if others are in issue). Details on how to switch are provided in the Prospectus. Copies of the Prospectus, Audited Annual Financial Statements and half-yearly reports and past performance are available from AQA Capital Limited registered office 171, Old Bakery Street, Valletta, VLT 1455 or by visiting www.aqa-capital.com. NAV pricing can be collected from the administrator and Investment Manager office. The remuneration policy is available free-of-charge on request and may be collected from our registered office 171, Old Bakery Street, Valletta, VLT 1455 or by visiting www.aqa-capital.com.