

Key Information Document

Archer Mid-Cap Europe A sub-fund of DNCA Invest SICAV



Share class: A (EUR) - ISIN: LU1366712435

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

Product name:	Archer Mid-Cap Europe
Name of the manufacturer:	DNCA Finance
ISIN:	LU1366712435
Manufacturer's website:	www.dnca-investments.com
Phone:	For further information call +33158 62 55 00

This Product is managed by DNCA Finance, authorized in France under n°GPO0030 and regulated by the Autorité des marchés financiers. This Product is authorised in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier. Further information is available on the Management Company's website: www.dnca-investments.com. Key Information Document production date: 05/08/2024.

What is this product?

TYPE

This Product is a sub-fund of DNCA Invest SICAV, an investment company with variable capital regulated by Luxembourg law and qualifying as UCITS pursuant to Directive 2009/65/CE.

TERM

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

OBJECTIVES

The Product seeks to achieve superior long term risk adjusted returns (i.e. returns adjusted for volatility) by investing primarily in equities and equity related securities of medium sized and smaller European companies over the recommended investment term (five years). Investors' attention is drawn to the fact that the management style is discretionary and integrates environmental, social / societal and governance (ESG) criteria. The portfolio composition will not attempt to replicate the composition of a benchmark index from a geographical or sectorial perspective. Even so, MSCI EUROPE MID CAP Net Return Euro Index may be used as an ex-post benchmark indicator.

The Product's investment strategy relies on active discretionary management and stock selection based upon fundamental financial analysis. The manager seeks to identify shares trading below the Management Company's estimate of intrinsic value and asymmetric risk reward opportunities whilst paying attention to portfolio volatility. Idea generation stems from a combination of various quantitative screening & qualitative factors. Management Company carefully evaluates industry dynamics, entry barriers, the company's competitive positioning within the industry, its competitive advantage (if any), management quality, incentives and alignment as well as growth and reinvestment prospects. The company's normalized, projected, historical profitability, cash conversion and return on capital are assessed. Attention is paid to the variations between reported earnings and cash generation, off balance sheet liabilities and asset values. The Product is also managed taking into consideration Responsible and Sustainable principles and promotes environmental and/or social characteristics within the meaning of Article 8 of SFDR. The investment process take into account internal scoring based on an extra-financial analysis through a proprietary rating model (ABA, Above & Beyond Analysis) developed internally by DNCA. The risk exists that the models used to make these investment decisions do not perform the tasks they were designed to. The use of the proprietary tool relies on the experience, relationships and expertise of DNCA with the "best in universe" method. There may be a sector bias. The Product will proceed to the extra-financial analysis on at least 90% of its securities, while excluding 20% of the worst issuers from its investment universe. Additional information on SRI strategy may be obtained in the prospectus of the Product. The Product benefits from the French SRI Label. The Product may at any time invest in:

- Equities issued, domiciled or listed in Europe (EEA plus Switzerland and UK) or equivalent financial instruments (such as ETF, futures, CFD and/or DPS, etc.): from 75% to 100% of its net assets;
- Equities issued, domiciled or listed out of EEA plus Switzerland and UK: up to 25% of its net assets;
- Equities with total market capitalisation below 100 million up to 10% of its net assets;
- Fixed income securities (such as Euro zone Government Bonds, corporate bonds, convertible bonds or equivalent): from 0% to 25% of its net assets;
- Money-market instruments or deposits: from 0 to 25% of its net assets;
- Other financial instruments up to 10% of its net assets.

The Product may invest up to 10% of its net assets in units and/or shares of UCITS and/or other UCIs.

Investment in "speculative grade" or non-rated debt securities (i.e. which have a Standard & Poor's rating below A-3 short term rating or BBB-long-term rating or equivalent) may not exceed 20% of its net assets.

The Product may use exchange traded or OTC derivatives up to 25% of the Product's net assets, including but not limited to, futures contracts and non complex options negotiated on regulated markets for the purpose of hedging or increasing equity exposure without seeking overexposure.

The Product can also operate on the foreign exchange markets to cover investments realised in other currency than European currencies and major internationally traded currency. The Product may be exposed to emerging markets for up to 10% of its net assets.

The Product is actively managed and uses the benchmark for the calculation of the performance fee and performance comparison purposes. This means the Management Company is taking investment decisions with the intention of achieving the Product'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.

This is an accumulation share.

INTENDED RETAIL INVESTORS

The Product is intended for retail investors who have no financial knowledge or experience of the financial sector. The Product is intended for investors who can withstand capital losses and who do not require a capital guarantee.

OTHER INFORMATION

The Depository is BNP Paribas, Luxembourg Branch.

The Product is eligible to the French *Plan d'Epargne en Actions (PEA)*.

The full prospectus and latest key information document, as well as latest annual report are available on the website www.dnca-investments.com or directly from the manufacturer: DNCA Finance at 19 Place Vendôme 75001 Paris.

The NAV is available on the website: www.dnca-investments.com.

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

RISK INDICATOR



Lower 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 Product lie in the possibility of depreciation of the securities in which the Product is invested.

Higher risk

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.

Other risks materially relevant to the Product and which could lead to a fall in the net asset value to which the indicator gives too little consideration: liquidity risk and operational risk.

This Product does not include any protection from future market performance, so you could lose some or all of your investment.

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.

The stress scenario shows what you might get back in extreme market circumstances. What you get will depend on market trends and how long you keep the Product.

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.		
Stress	What you might get back after costs Average return each year	EUR 7 070 -29.3%	EUR 2 050 -27.1%
Unfavourable	What you might get back after costs Average return each year	EUR 7 860 -21.4%	EUR 9 720 -0.6%
Moderate	What you might get back after costs Average return each year	EUR 10 800 8.0%	EUR 14 710 8.0%
Favourable	What you might get back after costs Average return each year	EUR 16 380 63.8%	EUR 20 410 15.3%

- The unfavourable scenario occurred for an investment in the Product between December 2021 and June 2024.
- The moderate scenario occurred for an investment in the Product between July 2018 and July 2023.
- The favourable scenario occurred for an investment in the Product between October 2016 and October 2021.

What happens if DNCA Finance is unable to pay out?

The Product is a co-ownership of financial instruments and deposits separate from DNCA Finance. In the event of the default of DNCA Finance, the assets of the Product held by the depository will not be affected. In the event of default by the depository, the risk of financial loss of the Product is mitigated due to the legal segregation of the depository's assets from those of the Product.

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
Total costs	EUR 482	EUR 2 371
Annual cost impact (*)	4.8%	3.3% each year

* The annual cost impact 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 11.3% before costs and 8.0% after costs.

We may share part of costs with the person selling you the Product to cover the services they provide to you. These figures include the maximum distribution fee and which amount of 100% of costs. This person will inform you of the actual distribution fee.

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 Product will inform you of the actual charge.	Up to EUR 200
Exit costs	We do not charge an exit fee for this Product.	None
Ongoing costs taken each year		
Management fees and other administrative or operating costs	1.72% of the value of your investment per year. This is an estimate based on actual costs over the last year.	EUR 172
Transaction costs	0.08% 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 8
Incidental costs taken under specific conditions		
Performance fees	20.00% of the positive performance net of any fees above MSCI EUROPE MID CAP Net Return Euro Index. 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 102

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

Recommended holding period: 5 years.

Shareholders may redeem shares on demand and executed on each NAV calculation and publication day before 12.00 noon (Luxembourg time).

The recommended holding period was chosen depending on the asset class, investment strategy and risk profile of the Product, to enable it to achieve its investment objective while minimizing the risk of loss.

You can redeem all or part of your investment at any time before the end of the recommended holding period, or hold it longer. There are no penalties for early divestment. However, if you request redemption before the end of the recommended holding period, you may receive less than expected.

The Product has a redemption capping system known as « Gates » described in the prospectus.

How can I complain?

If you have any complaints about the Product, you can send a written request with a description of the problem either by e-mail dnca@dnca-investments.com or to the following address: DNCA Finance, 19 Place Vendôme, 75001 Paris.

Other relevant information

The Product promotes environmental or social and governance (ESG) criteria within the meaning of Article 8 of Regulation (EU) 2019/2088 on sustainability reporting in the financial services sector ("SFDR Regulation").

The Product's prospectus and the latest key information document, as well as the latest annual report and information on past performance, can be obtained free of charge from the website of the manufacturer: www.dnca-investments.com.

When this Product is used as a unit-linked carrier in a life insurance or capitalization contract, additional information on this contract, such as the costs of the contract, which are not included in the costs indicated in this document, the contract in the event of a claim and what happens in the event of default by the insurance company, are presented in the key information document for this contract, which must be provided by your insurer or broker or any other insurance intermediary in accordance with its legal obligation.