

Key Information Document



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

Quadriga Investors - Aqua Fund- Share class: A - USD ISIN: LU1871084460

A Luxembourg société d'investissement à capital variable-fonds d'investissement spécialisé in the form of a société anonyme

PRIIP Manufacturer: QUADRIGA ASSET MANAGERS SGIIC S.A.
Website for PRIIPS Manufacturer: www.quadrigafunds.es

Call + 0034 - 678- 650-048 for more information
Address: 6, Cuesta del Sagrado Corazón 6 E-28016 Madrid, Spain

Comision Nacional del Mercado de Valores (CNMV) is responsible for supervising QUADRIGA ASSET MANAGERS SGIIC S.A. in relation to this Key Information Document.

This document was last updated on 1st January 2024.

You are about to purchase a product that is not simple and may be difficult to understand.

What is this product?

Type:

Open-ended Investment Company with Variable Capital.

Period:

The Sub-Fund has no maturity date.

Investment Objective and Policy:

The objective of **Quadriga Investors – Aqua Fund** (the “**Sub-Fund**” in the present section) is to provide investors provide investors with a liquid absolute return strategy with a dual objective of capital preservation and upside participation to the long-term performance of equity indices and precious metals sector, principally gold, but also silver, platinum and palladium. The strategy ensures risk spreading through, notably, the investment in liquid assets.

The Sub-Fund will seek to achieve its objective of upside participation to the long-term performance of equity indices compliant with the CSSF circular 14/592 via investments in listed futures and options and OTC derivatives, and upside participation to the long-term performance of precious metals sector via investments in a diversified basket of derivatives and transferable securities, including exchange traded commodities (“ETCs”) that reflect the movement price of gold, silver, platinum or palladium, but also equity and equity related securities of companies engaged in the production of, notably, gold. The Sub-Fund will not invest directly in physical gold, silver, platinum or palladium bullion.

The Sub-Fund will seek to achieve its objective of capital preservation via price insurance instruments that seek to protect, partially or totally, the value of the long portfolio against lower prices. The most common price insurance instruments are long put options that seek to protect, partially or totally, the long portfolio. Worth noting the combination of a long position and a long-put option creates a synthetic call option that retains full participation to higher prices whilst protecting against lower prices, where the worst-case-scenario would be capped at the loss of the option premium spent. The strategy can also achieve its desired exposure and objectives by investing directly via long call options, which also retain full participation to higher prices whilst protecting against lower prices. The Sub-Fund is also able to grant covered calls against existing longs to take advantage of market conditions and reduce risk. The Sub-Fund will never sell any naked call options. From the above, for the avoidance of doubt, the Sub-Fund seeks to use price insurance instruments for capital preservation and risk-reduction purposes only.

In order to provide for sufficient risk spreading over the underlying, the net exposure to gold ETCs will remain at all times below 35% of the Sub-Fund's net assets. Net global exposure to ETCs on other eligible precious metals, namely silver, platinum, and palladium, will not exceed 20% of the Sub-Fund's net assets. The rest of the Sub-Fund long portfolio will be invested in equity indices, diversified mining equities, price insurance instruments and liquid assets including government bonds.

The Sub-Fund may also invest up to 30% of its net assets into money market instruments, treasury bills and deposits, this to achieve its investment goals, for treasury purposes and/or in case of unfavorable market conditions.

The Sub-Fund may hold ancillary liquid assets, such as bank deposits at sight, for up to 20% of its net assets.

The Sub-Fund shall not invest in shares of other sub-funds, UCITS and/or other UCIs above 10% of the net assets of the Sub-Fund.

As the Sub-Fund may invest in instruments issued by entities located in multiple countries, including emerging countries, it may frequently have significant exposure to foreign currencies and investments. Movements in both non-USD denominated securities and non-USD denominated currencies can influence the Sub-Fund's return. Currency hedging may be implemented using spot, OTC derivatives, including forward and options.

The Sub-Fund is significantly exposed to commodity-related industries. The commodities and mineral sectors are becoming increasingly regulated due to the increase of scrutiny around human rights abuses and Sustainability Risks specific to these sectors. These risks can range from child labour, lack of health and safety protocols and mineral sourcing in conflict and high risk areas. With the increase in due diligence requirements throughout the commodities and minerals supply chains, companies may be faced with legal liability risks and reputational risks if appropriate due diligence and traceability mechanisms are not implemented and monitored, which may undermine the value of the Sub-Fund's investments. These events may therefore have an impact on the return of the Sub-Fund.

The Sub-Fund will be actively managed without reference to a benchmark.

Use of derivatives or other investment techniques and instruments

The Sub-Fund will enter in financial derivatives instruments for both investment and/or hedging purposes as described above.

In particular, financial derivatives instruments used for in relation to the first component of the investment policy may include listed bond futures, listed interest rates futures, swaps, swaptions, eonia swaps, credit default swaps, credit default swaps options, equity index futures, equity options, forex options.

In addition, the Sub-Fund may use listed options on bond futures and interest rates futures in respect of the second and third components of the investment policy.

Risk Management Process

The average expected level of leverage based on the sum of all notional amounts should range between 100% and 300% of the net asset value of the Sub-Fund. The highest leverage level should remain below 300% always. The global risk exposure will be calculated by using the absolute VaR approach.

The absolute VaR of the Sub-Fund may not exceed 20% of the Net Asset Value of the Sub-Fund using a confidence interval of 99% and a holding period of one month.

Recommendation: he recommended investment period is five years minimum.

Investor Profile:

Investment in this Sub-Fund is suitable for investors with a reasonable level of knowledge of the sector of gold and other precious metals, seeking a stable income with moderate level of volatility.

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

Summary Risk Indicator (SRI):



The Summary Risk Indicator (SRI) makes it possible to assess the level of risk of this product in relation to others. It indicates the likelihood that this product will incur losses in the event of market movements. The risk indicator assumes that you will keep the product for 5 years. This product has been categorized into risk class 5 out of 7, which is a risk between medium and high.

The risk category associated with this SICAV is likely to change over time. The lowest category does not mean risk-free investment.

The Fund may also be exposed to the following risks that are not adequately addressed by the above risk indicator:

Counterparty risk: This is the risk that a counterparty to an over-the-counter transaction with the fund may be unable to honor its contractual obligations.

Liquidity Risk: This is the risk that a financial market will be unable to accommodate the volume of trading.

Credit Risk: Deterioration in the credit quality of an issuer.

As this product offers no protection against market fluctuations, you could lose all or part of your investment.

Performance Scenarios

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/a suitable benchmark over the last 10 years. The scenarios shown are illustrations based on results from the past and on certain assumptions. The stress scenario shows what you might get back in extreme market circumstances.

Recommended holding period: 5 years Example Investment: 10 000 \$		If you exit after 1 year	If you exit after 5 years
Minimum	There is no guaranteed return no matter when you exit		
Stress	What you might get back after costs	2 780 \$	1 720 \$
	Average return each year	-72.20%	-29.70%
Unfavourable	What you might get back after costs	5 440 \$	4 670 \$
	Average return each year	-45.60%	-14.10%
Moderate	What you might get back after costs	10 190 \$	9 700 \$
	Average return each year	1.90%	-0.60%
Favourable	What you might get back after costs	15 980 \$	19 070 \$
	Average return each year	59.80%	13.80%

The unfavourable scenario occurred for an investment in the product between July 2020 and December 2023.

The moderate scenario occurred for an investment in the product between April 2014 and April 2019.

The favourable scenario occurred for an investment in the product between July 2015 and July 2020.

What happens if the Issuer is unable to pay out?

Losses are not covered by an investor compensation or guarantee scheme. If QUADRIGA ASSET MANAGERS SGIIC S.A. is unable to pay out, the Investor may not recover the sums invested and the Investor may therefore face a financial loss, and will not be able to make a claim to the CNMV.

What are the costs?

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.

— USD 10 000 per year is invested.

COSTS OVER TIME

	If you exit after 1 year	If you exit after 5 years
Total costs	465 \$	2 472 \$
Impact on return (RIY) per year (*)	4.65%	4.61%

(*) 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 4.01% before costs and -0.60% after costs.

COMPOSITION OF COSTS

One-off costs upon entry or exit	Annual cost impact if you exit after 1 year.	
Entry costs	0.00% of the amount you pay in when entering this investment.	0 \$
Exit costs	0.00% of your investment before it is paid out to you.	0 \$
Ongoing costs [taken each year]		
Management fees and other administrative or operating costs	4.50% of the value of your investment per year. This is an estimate based on actual costs over the last year.	450 \$
Transaction costs	0.15% 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.	15 \$
Incidental costs taken under specific conditions		
Performance fees	There is no performance-related fee for this product.	0 \$

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

REQUIRED MINIMUM HOLDING PERIOD: 5 YEARS

This Fund may not be suitable for investors who plan to withdraw their contribution within 5 years.

How can I complain?

Shareholders have the right to complain free of charge and have the possibility to lodge their complaints at the registered office of the Company: QUADRIGA ASSET MANAGERS SGIIC S.A. 6, Cuesta del Sagrado Corazón 6 E-28016 Madrid, Spain.

Other relevant information

The information contained in this KID is supplemented by the private placement memorandum ("PPM") and the articles of association, which will be provided to the Investor before subscription.

Further information and documentation may be obtained free of charge, in English from the PRIIP Manufacturer. A paper copy of the KID is available upon request and free of charge from the PRIIP Manufacturer. The KID is available on the PRIIP Manufacturer's website at www.quadrigafunds.es