

Tikehau European High Yield

Unit class R-Acc-EUR (ISIN FR0010460493)
UCITS managed by Tikehau Investment Management

Objectives and investment policy

Tikehau European High Yield (the “**Fund**”) is a fund of the category “Bonds and other international debt securities”. The Fund aims to achieve an annualized outperformance net of management fees, of the ICE BofA Euro High Yield Constrained Index (HECO), with an investment horizon of more than 3 years.

Investors should note that the Fund is managed dynamically, and therefore uses its benchmark index solely as an ex-post performance indicator and, where relevant, to calculate the performance fee.

The investment strategy is the active and discretionary management of a diversified portfolio. The Fund will invest at least 70% of its net assets in high yield debt securities (rated BB+ to CCC- by Standard & Poor’s and Fitch or Ba1 to Caa3 by Moody’s) issued by entities in the private or public sectors, and being speculative in nature, without any constraints in terms of industry or size. This category of high-yield financial instruments is more speculative and has a greater risk of default but offers a higher return.

The Fund will invest at least 50% of its net assets in securities issued by entities located in Europe, including Switzerland and the United Kingdom. The Fund may also invest up to 25% of its net assets in securities denominated in hard currencies (currencies used as a store of value on a foreign exchange market, for example: US dollar, euro, Swiss franc, sterling, yen). At least 95% of currency risk will be hedged systematically. The Fund may also invest up to 25% of its net assets in contingent convertible bonds (CoCos). For each of the following categories, up to 10% of the Fund’s net assets may be held in (i) equities, indirectly, when debt securities held by the Fund are converted into or redeemed as equity capital, or through investments in funds, (ii) units or shares of funds.

In order to achieve the investment objective or for hedging its assets against certain risks (interest rate, credit, currency), the Fund may invest up to 100% of its net assets in financial contracts negotiated on regulated or over-the-counter markets, including up to 10% of the net assets in contracts for differences (CFD) and total return swaps (TRS), to gain exposure or synthetic overexposure to certain segments of the bond market. The range of modified duration will lie between 0 and 8. The net asset value is calculated every day (D) and is available on the Management Company’s website in D+1. Subscription and redemption requests may be sent at any time and are centralised each NAV day (D) until 12:00 (CEST) from the Custodian. They are executed based on the net asset value for the current day and their settlement-delivery takes place on D+2.

R-Acc-EUR units are accumulation units, reserved for investors whose minimum initial subscription is 100 euros.

Risk and reward profile



This Fund belongs to risk category 4 due to its overall exposure to the fixed-income markets through speculative-grade securities of the high yield category, which represent a greater return in exchange for a higher risk of default.

Historical data, such as those used to calculate the synthetic indicator, may not be a reliable indication of the future risk profile of the Fund.

The risk category of this Fund is not guaranteed and may change over time.

The lowest category does not mean “risk-free”.

Investors receive no guarantee that they will get back the capital they initially invest.

Key risks not taken into account in this indicator:

Credit risk: the risk of a sudden deterioration in the issuer’s credit quality or its default. **WARNING: THIS FUND CAN INVEST 100% OF ITS ASSETS IN BONDS WITH LOW CREDIT QUALITY, IT THEREFORE CARRIES VERY HIGH CREDIT RISK.**

Liquidity risk: this refers to the difficulty or impossibility of selling certain debt securities held in the portfolio in a timely fashion and at the portfolio valuation price, because of the reduced size of the market or the lack of volumes on the market on which these securities are usually traded.

Counterparty risk: the risk of a deterioration in the issuer’s credit quality or default of a market counterparty or a borrower, leading to a payment default. Payment default by a counterparty may result in a decline in the net asset value of the Fund.

For a description of all risks, please refer to the Fund’s prospectus. The materialisation of one of these risks could lead to a drop in the Fund’s net asset value.

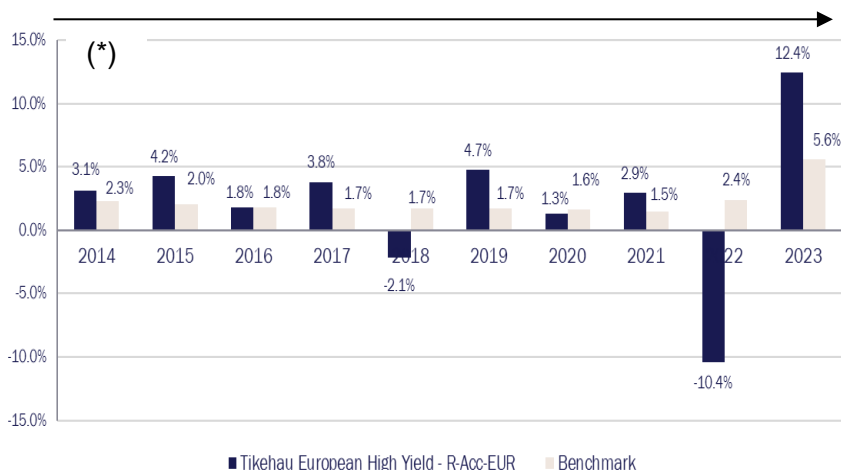
Charges

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest		
Entry charges	until 100 €	
Exit charges	None	We do not charge any exit costs for this product.
Charges taken from the Fund over a year		
Management fees and other administrative or operating fees	130 €	1.30% of the value of your investment per year. This estimate is based on actual costs charged last year.
Transaction costs	56 €	0.56% 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.
Charges taken from the Fund under specific conditions		
Performance fee	23 €	15% of the annual performance net of management fees greater than that of the benchmark index ICE BofA Euro High Yield Constrained Index (HECO) over a five-year reference period, provided that this performance fee is greater than 0 during the reference period in question. The effective amount will vary depending on how well your investment performs

The strategy implemented could lead to the regular rotation of the Fund's portfolio and result in additional transaction costs with respect to those mentioned above. For further information, please refer to the "Fees and Expenses" section of the Fund's prospectus available on the website <http://www.tikehaucapital.com>, or from Tikehau Investment Management, 32 rue de Monceau, 75008 Paris.

Past performance



The Fund was created on 25/06/2007. Unit class R-Acc-EUR was created on 25/06/2007. The performances shown opposite are expressed as percentages.

The Fund's performances are shown after deduction of all fees charged, and calculated each year dividends reinvested. Past performance varies over time and is not an indication of future results.

The base currency is the euro.

Investors should note that the Fund's management style will never involve replicating the composition of a benchmark index. The benchmark index can nevertheless be used as an ex-post performance indicator, notably to calculate the amount of the performance fee.

(*) Benchmark: Prior to 01/01/2024 the benchmark used for performance was Euribor 3M + 200bps. As of 01/01/2024, the benchmark used is now ICE BofA Euro HY Constrained®.

Practical information

Custodian: CACEIS Bank

Taxation: Depending on your tax status, potential capital gains and income arising from holding units in this Fund may be subject to taxation. We recommend that you obtain further information from the Fund's marketer or from your financial adviser. This UCITS share/unit has not been registered under the US Securities Act of 1933. It may not be offered or sold, directly or indirectly, in the United States to or for the account or benefit of a "US Person", in accordance with United States "Regulation S".

The Fund's prospectus and the latest annual and interim documents as well as the remuneration policy will be sent to holders on request, addressed to: Tikehau Investment Management - 32 rue de Monceau 75008 Paris / Tel.: +33 (0)1 53 59 05 00 / E-mail: client-service@tikehaucapital.com and are available on the Management Company's website: <http://www.tikehaucapital.com>.

The net asset value is calculated each day and is available on the Management Company's website.

Tikehau Investment Management may be held liable solely on the basis of any information contained in this document that is misleading, inaccurate or inconsistent with the relevant sections of the Fund's prospectus.

The Fund may be made up of other types of unit classes. You will be able to find more information on these unit classes in the Fund's prospectus or on the company's website. This Fund is authorised in France and regulated by the French financial markets authority, the Autorité des Marchés Financiers (AMF). Tikehau Investment Management is a portfolio management company authorised in France and regulated by the AMF.

This key investor information is accurate and up to date as at 09/2024.