

# Key Investor Information

This document provides you with key investor information about this Fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

## Castel Residential Property Fund (the "Sub-Fund") Class A USD (LU0871405121) a sub-fund of KMG SICAV SIF S.A. (the "Fund")

This Fund is managed by KMG Capital Markets Ltd

### Objectives and Investment Policy

#### Investment Objective:

The investment objective of The Castel Residential Property Fund is to achieve medium to long-term capital growth and income through investment in residential assets located within the United Kingdom. The Castel Residential Property Fund will purchase and develop quality residential housing with the primary objective of renting this housing, in conjunction with a specialist charity, to UK local authorities. The UK local authorities have a requirement for high quality housing to provide long term permanent accommodation for individuals who require 24/7 professional care. The largest proportion of users will be adults with learning difficulties.

Investment Policy: Residential Properties.

Geographical allocation: United Kingdom

Factors driving performance: As with all residential property assets, the performance will be driven by both a rising net rental yield, and increases of the assets' capital values; these are affected by the sector's specific dynamics, the overall situation of the UK economy, inward investment by foreign investors as well as the asset management - both at micro and strategic levels - by the Investment Manager.

The choice of assets is guided by growth.

#### Income

Incomes of this Share Class are capitalised.

#### Share Class Currency

The reference currency of the Class of Share is USD.

#### Dealing frequency

NAV frequency: Monthly

Shares are redeemed at their Net Asset Value per Share on any Valuation Day less any applicable redemption fees.

The use of hedging / arbitrage / leverage techniques may determine the fund's performance as follows:

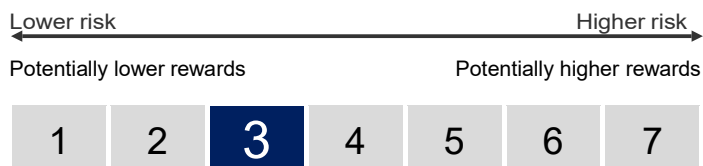
Hedging: The Castel Residential Property Fund offers currency hedge share classes (EUR and USD). The hedged share classes aim to provide investors with a return correlated to the base currency performance of the Sub-Fund (GBP), by reducing the effect of exchange rate fluctuations between the base and hedged currency.

Borrowings: The Castel Residential Property Fund or any subsidiary is permitted to utilise borrowings for the purpose of purchasing property as investments. The Castel Residential Property Fund may borrow significant sums from banks and other third parties.

Recommendation: this Sub-Fund may not be appropriate for investors who plan to withdraw their money within 5 years.

Benchmark: The Sub-Fund does not refer to a benchmark.

### Risk and Reward Profile



#### Risk Disclaimer

The risk and reward indicator illustrates where the Sub-Fund is positioned in terms of its possible risks relative to its potential rewards. The higher the Sub-Fund's position on this scale, the greater the possible reward, but also the greater risk of losing money. This risk indicator is calculated using historical data of the prices of the fund (or its benchmark in case of a new sub-fund) which may not be a reliable indicator of the future risk profile of the Class. The lowest risk category cannot be regarded as being risk-free. The value of shares can rise and fall and accordingly, an investor may not get back the full amount invested.

#### Why is this Sub-Fund in this category?

Based on preliminary calculations, the level of the risk-reward profile is 3='medium-low'

#### Risks not adequately captured by the risk indicator

Identified risks applicable to the Castel Residential Property Fund are described below. Where the Risks are more fully described in the main part of the Offering Document (Section titled Risk Considerations), the reader is referred accordingly.

- Market Risks (incl. Equity risk; Currency risk; Interest rate risk)
- Counterparty risk/ Default risk (incl. Investments made with local or other joint venture partner)
- Credit Risk
- Liquidity Risk and Inefficient Markets
- Operational Risk
- Valuation Risk
- External Risks (incl. Regulation Risk; Government Policy Risk, Political and Economic Risks, Tax Risks, Natural Disaster Risk)
- Concentration risk
- UCI/CIS risks (risks of investing in other Collective Investment Schemes and Hedge Funds)
- Risks of Real Estate Investments (incl. risks associated with rentals)
- Project Development Risk
- Capital Risk
- Leverage and Borrowing Risks
- Risk of uninsured losses
- Unforeseen capital expenditure Risk

Further information on the risks of investing in this Sub-Fund are available in the prospectus.

## Charges

One-off charges that may be taken before or after you invest	
Entry charge	0%
Exit charge	0%
Share Creation charge	0.0834% per month (over 48 months)
This is the maximum that might be taken out of your money before it is invested	
Charges taken from the Fund over a year	
Ongoing charge	2.3%
Charges taken from the Fund under certain specific conditions	
Performance fee: The AIFM will receive a Performance Fee equal to 20% of any net profits (realised and unrealised) after a monthly hurdle rate of 0.6667% is achieved. Such fee will be accrued monthly. A high water mark principle will apply. Each Net Asset Value which generates a Performance Fee is a high water mark. A subsequent Performance Fee in respect of a Share that was in issue at the date of such high water mark will be payable only if and so far as the subsequent Net Asset Value exceeds such high water mark as increased at the monthly hurdle rate.	

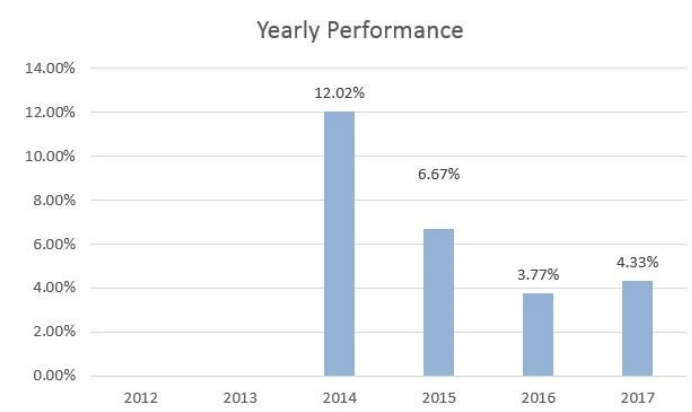
The charges you pay are used to pay the costs of running the Sub-Fund, including the costs of marketing and distribution. These charges reduce the potential growth of your investment. The actual entry and exit charges can be found out from your adviser or distributor.

The ongoing charges figure is based expenses for the year ending 31 December 2017. This figure may vary from year to year and excludes:

- Performance fees (if applicable)
- Portfolio transaction costs, except in the case of entry/exit charges paid by the Sub-Fund when buying or selling units in another collective investment undertaking.

For more information about charges, please refer to the section of the Sub-Fund's prospectus which details charges. This prospectus is available from the registered office of the Fund.

## Past Performance



This Share Class was launched on 30/04/2013.

Please be aware that performance in the past is not a reliable indicator of future results

The past performance presented includes the fees except the entry and exit fees which are excluded from the calculation of past performance.

The past performance has been calculated in USD.

## Practical Information

### Depositary

KBL European Private Bankers S.A

### Further Information

Information about the Fund, its sub-funds and available share classes as well as copies of its prospectus and its latest annual report can be found in English. These documents are prepared for the entire Fund. They are available free of charge for the investors and can be found at the registered office of the Fund, the Depositary and the Administrative and Domiciliary Agent.

This key investor information document describes one share class under one sub-fund of the SICAV and is available in English.

### Remuneration policy

The remuneration policy details are available on the website of the KMG Capital Markets Ltd at [www.kmgcapitalmarkets.com](http://www.kmgcapitalmarkets.com). A hard copy of the remuneration policy statement is available free of charge upon request.

### Liability Statement

KMG Capital Markets Ltd 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 for the Fund.

### Tax Legislation

The Sub-Fund is subject to the tax laws and regulations of Luxembourg. Depending of your own country of residence, this may have an impact on your investment. For more information, please consult a tax adviser.

### Price Publication

The latest net asset values per share are available on the website of the KMG Capital Markets Ltd at [www.kmgcapitalmarkets.com](http://www.kmgcapitalmarkets.com).

### Specific Fund Information

This key investor information document describes the class of a Sub-Fund of the Fund. For more information about other share classe(s) or sub-fund(s), please refer to the prospectus and periodic reports of the Fund. The assets and liabilities of each sub-fund are segregated by law, which means that performance of the assets in other sub-funds does not influence the performance of your investment.