

KEY INFORMATION DOCUMENT

This document provides you with essential information that you should know about this product. It is not commercial material. It is information required by law to help you understand the nature, risks, costs and potential benefits and losses of this product and to help you compare it with other products.

Buy & Hold Luxembourg - B&H Bonds, Class 3

General information

Product:	Buy & Hold Luxembourg - B&H Bonds, Class 3	ISIN:	LU2278575019
Entity:	BUY & HOLD CAPITAL, SGIIC, S. A.	Group:	BUY & HOLD CAPITAL
Web:	www.buyandhold.es	Regulator:	CSSF
Document date	1 de diciembre de 2023	For more information, call:	963 238 080

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

What is this product?

Kind of product:

This fund complies with Directive 2009/65/EC (UCITS). It is an actively managed fund. This means that the management company, based on its analysis, adjusts the composition of the investment portfolio with the aim of maximizing profitability, trying to obtain a higher return than the market.

The investment decision-making process takes into account environmental, social and governance (ESG) criteria as part of the fundamental analysis carried out on companies, although these ESG criteria are not binding on investment decisions.

In the following link you can find more information about the fund in Spanish and English for free (Brochure, Annual Report, Prices, etc.):

<https://www.buyandhold.es/estrategias-inversion/estrategia-inversion-bonos/bh-bonds-lu/>

The depository of this fund is UBS Europe SE. Administrator: ADEPA Asset Management S.A.

Term:

This fund may not be suitable for investors who plan to withdraw their money in less than 3 years.

Investment Objectives:

The investment objective of Buy & Hold Luxembourg – B&H Bonds (the "Sub-Fund") is to achieve long-term capital appreciation with a higher level of principal stability by investing in fixed income assets issued primarily in Member States of the European Union or candidate countries to join the European Union.

The sub-fund uses the Barclays Euro Agg Corporate Bond Index, a European corporate bond index, as a reference to compare its performance.

Investment Policy:

- In general, the maturities of the portfolio's investments in fixed-income or variable-rate securities are between 0 and 10 years.
- The Sub-Fund may invest in fixed income securities deemed to be high yield by one or more rating agencies, unrated fixed income securities and contingent convertible debt securities.
- The Sub-Fund is focused on high returns and therefore typically invests in non-investment grade securities, which may be high-yield fixed income assets with lower credit ratings, including lower than BBB- (according to S&P), if deemed that the yield premium they offer more than compensates for the greater risk of non-payment of interest and the principal principal of the debt.
- Hedging strategies are used to try to limit exposure to currency movements between the Reference Currency of the Sub-Fund and the currencies of the investments. It cannot be guaranteed that this coverage will be successful.
- The Sub-Fund is exposed to leverage and therefore the value of units may rise or fall more rapidly than if there was no leverage.
- The shareholder may redeem their shares on a daily basis. The Management Company does not allow practices related to Market Timing, that is to say, that an investor subscribes and redeems systematically, within a short period of time, taking advantage of temporary differences and/or imperfections or deficiencies in the method of determining the Net Asset Value.
- This fund is for accumulation, that is, the returns obtained are reinvested.

Retail investor to whom it is addressed:

- Any person of legal age, resident in Spain.
- It is intended for investors who wish to achieve long-term capital growth by investing in a diversified portfolio of fixed-income or variable-rate securities
- This fund may not be suitable for investors who plan to withdraw their money in less than 3 years.
- The investor must be able to assume losses, since their economic rights depend on the value of the underlying assets, exposed to fluctuations in the financial markets.

What risks am I running and what could I get in return?

Risk indicator



The risk indicator assumes that you will keep the product for 3 years. The actual risk can vary considerably in case of early exit, so you may recover less money.

The summary risk indicator is a guide to the level of risk of this product compared to other products. Shows how likely the product is to lose money due to changing markets or because we can't pay you.



We have classified this product in the risk class [2] on a scale of 7, in which 2 means «low risk».

This evaluation qualifies the possibility of suffering losses in future profitability as «low» and the probability that a bad market situation will affect the ability to pay you as a «very unlikely».

The risks to which the policyholder is exposed are interest rate and credit, that is, the underlying investments of the product may be affected in their valuation by variations in the interest rate and movements in the risk premium of the issuers of the assets. in portfolio.

This product does not include any protection against future market developments, so you could lose part or all of your investment.

The product may have exposure to currency risk.

Investing in low-credit-quality fixed income or small-cap equities may adversely affect the liquidity of the fund.

This summary risk indicator does not take into account the eventual sustainability risk of the product.

Profitability scenarios

What you get from this product will depend on future market developments, which are uncertain and cannot be accurately predicted.

The unfavorable, moderate, and favorable scenarios shown are illustrations based on the lowest, average, and highest profitability of the product over the past 10 years. Markets could evolve very differently in the future.

Recommended maintenance period:	3 years		
Investment:	€10.000	Leave after 1 year	Leave after 3 years

Scenarios

Minimum: There is no guaranteed minimum return. You could lose part or all of your investment.

	What you could receive after costs	€6.790	€8.740
Stress	Average yield each year	-32,08%	-4,39%
Unfavorable	What you could receive after costs	€8.930	€8.860
	Average yield each year	-10,68%	-3,97%
Moderate	What you could receive after costs	€10.310	€11.360
	Average yield each year	3,13%	4,33%
Favorable	What you could receive after costs	€12.560	€12.300
	Average yield each year	25,55%	7,14%

The figures presented include all the costs of the product itself, but may not include all the costs that you may have to pay to your adviser or distributor. The figures do not take into account your personal tax situation, which may also influence the amount you receive.

The stress scenario shows what you could receive in extreme market circumstances.

The return to the holding period in the unfavorable scenario occurred in the period: 31/08/2021 - 30/09/2022 from the benchmark composed of: LECPTREU Index. The return to the holding period in the moderate scenario occurred in the period: 31/01/2014 - 31/01/2017 from the benchmark composed of: LECPTREU Index. The profitability to the maintenance period in the favorable scenario occurred in the period: 31/12/2018 - 31/12/2021 from the benchmark composed of: LECPTREU Index.

What happens if Buy & Hold, S.G.I.I.C. can not pay?

As it is a collective investment institution, the insolvency situation of Buy & Hold SGIIC would not affect the assets invested in the product. The performance of the underlying assets in which the IIC invests are those that will determine the possibility of non-payment of the investment. There is no compensation or guarantee regime that protects the retail investor.

What are the costs?

Costs over time

The tables show the amounts that are taken out of your investment to cover different types of costs. These amounts depend on how much you invest and how long you have the product. The amounts shown 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 you invested (0% annual return). For the other holding periods, we have assumed that the product behaves as shown in the moderate scenario.

10,000 EUR are invested.

Investment term	Leave after 1 year	Leave after 3 years
Total Costs	10 €	28 €
Annual cost impact (*)	0,1%	0,1%

(*)Reflects the extent to which costs reduce their performance each year throughout the maintenance period. For example, it shows that if you exit at the end of the recommended holding period, the average return you are expected to earn each year will be 4,42% before deducting the costs and the 4,33% after deducting costs.

Composition of costs

Annual incidence of costs in case of after 1 year

One-time costs at entry or exit

Entry costs	There is no entry fee for this product.	0 €
Exit costs	There is no exit fee for this product.	0 €

Recurring costs charged each year

Management fees and other administrative or operating costs	0,05% of the value of your investment per year. This is an estimate based on actual costs from last year. Management commission, depositary costs and other operating costs are included, such as audit expenses.	6 €
Operating costs	0,04% of the value of your investment per year. This is an estimate of the costs incurred when buying and selling the underlying assets of this product. The actual amount will vary depending on the volume of purchases and sales.	4 €

Ancillary costs charged in specific circumstances

Commissions on results (and participation in account)	There is no performance commission for this product.	0 €
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How long do I have to keep the investment and can I withdraw money early?

Recommended holding period: 3 años

The shareholder may subscribe and redeem their shares on a daily basis. Orders placed by the participant after 4:00 p.m. CTE or on a non-business day will be processed together with those made the next business day. For these purposes, a business day is understood to be every day from Monday to Friday, except holidays in Luxembourg.

There is no commission for redemption.

How can I claim?

In the event of any claim or query, participants may contact our website www.buyandhold.es. With regard to claims, participants may contact us through the following communication channels:

Link: relacionconinversores@buyandhold.es

Other data of interest

<https://www.buyandhold.es/ftpdata/files/PRIIPBonds.pdf>