

## KEY INVESTOR INFORMATION

This document provides you with key investor information about this fund. It is not marketing material. This information is required by law to help you to 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.

# UBB ExpertEase Defensive Balanced (EUR)

Sub-fund of umbrella fund UBB ExpertEase, registered in the BULSTAT Register under UIC 177477645

ISIN-code: BG9000004218

managed by KBC Asset Management N.V. through KBC Asset Management N.V. – KLON

## OBJECTIVES AND INVESTMENT POLICY

The sub-fund is a global mixed “balanced” investment compartment of umbrella fund UBB ExpertEase, which is a feeder UCITS within the meaning of article 67 of Activities of Collective Investment Schemes and Other Undertakings for Collective Investment Act (“**ACISOUICIA**”), and is a feeder sub-fund, which invests at least 85% of its assets in the Euro denominated Institutional F share BG class of master sub-fund Horizon KBC ExpertEase Defensive Balanced, which is an investment compartment of Horizon N.V., an open-ended investment company duly incorporated and existing under the laws of Belgium, having its seat and registered office at Havenlaan 2, B-1080, Brussels, Belgium, and managed by KBC Asset Management N.V. The sub-fund participated as a receiving fund in a conversion, within the framework of which DF Raiffeisen (Bulgaria) Active Protection in Euro and DF Raiffeisen (Bulgaria) Global Mix joined the sub-fund. As a result of the conversion, all the assets and liabilities of these funds have been acquired and transferred to the sub-fund, thus its assets also include the assets and liabilities of those funds that have been terminated.

The investment objective of the sub-fund is to invest at least 85% of its assets in shares of the master sub-fund and up to 15% of its assets in cash and derivatives. The investment objective of the master sub-fund is to generate the highest possible return for its shareholders in accordance with its investment policy. This is reflected in its pursuit of capital gains and income. To this end, the assets of the master sub-fund are invested, either directly or indirectly via correlated financial instruments, primarily in bonds.

The sub-fund’s investment returns are expected to be very similar to those of the master sub-fund, considering that the sub-fund will invest all or substantially all of its assets in the master sub-fund and may hold up to 15% of its assets in:

- (i) ancillary liquid assets (cash) up to an amount necessary for the sub-fund to fulfil redemption orders submitted by investors and to meet other ongoing expenses;
- (ii) limited derivative positions (e.g. in futures) to hedge market risk resulting from the timing difference between fulfilment of redemption and subscription orders in the sub-fund and their fulfilment in the master sub-fund.

The master sub-fund invests directly or indirectly in various asset classes, such as shares and/or share-related investments (the ‘stock component’), bonds and/or bond-related investments (the ‘bond component’), money market instruments, cash and cash equivalents, and/or alternative investments (including indirect investments in real estate and financial instruments that are linked to price movements on the commodity market). The target allocation is 30% for the stock component and 70% for the bond component. However, this allocation may be significantly deviated and therefore the master sub-fund may invest a sizeable portion of its assets in asset classes that are not included in the target allocation (such as money market instruments and cash). The stock component can amount to a maximum of 45% of the master sub-fund. Ongoing analysis is made of the

financial and economic developments and prospects for specific regions, sectors and themes. If conditions on the financial markets are uncertain, volatile or both, part of the portfolio can also be converted into investments with a lower level of risk (such as money market instruments and cash). If the stock component outperforms the bond component, or vice versa, the managers of the master sub-fund can likewise use part of the portfolio to buy additional assets in the best-performing of these two classes and sell assets in the worst-performing one.

The managers of the master sub-fund pay twice as much attention to the downside risk as to the upside potential. The more attention that is paid to downside risk, the larger the portion of the portfolio that can be converted into investments with a lower level of risk, such as cash and money market instruments, in times of uncertain and/or volatile markets. This part of the portfolio will ultimately amount to between 40% and 80% of the assets. This limit is indicative and may be reviewed annually based on the long-term trend of the financial markets.

The stock component is invested in a worldwide selection of shares that may come from any region, sector or theme. The bond component is invested in bonds and debt securities issued by both companies and governments. The bonds can have different terms to maturity. Investments may be selected from any region, sector or theme.

The master sub-fund may make limited use of listed and unlisted derivatives (e.g. futures, options, swaps) both to achieve the investment objectives and to hedge risks. This means it can use derivatives to help achieve the investment objectives (for instance, to increase or decrease exposure to one or more market segments in line with the investment strategy) or to neutralize the portfolio’s sensitivity to market factors (by hedging an exchange rate risk, for example).

The portfolio of the master sub-fund is put together primarily from funds managed by a member of the KBC Group based on criteria such as how transparent the investment policy of those funds is and whether or not their strategy is in line with the master sub-fund’s investment strategy.

Neither the sub-fund nor the master sub-fund has an index-tracking objective or is managed with reference to a benchmark.

The sub-fund is denominated in Euro.

The minimum subscription amount is 10 Euro.

The sub-fund will reinvest any income received in the manner set out in the prospectus.

Each investor may request redemption of its units in the sub-fund. Orders for sub-fund’s units, including for redemption of units, can be placed each business day (for more details, see section 4. *Information concerning the subscription of units in the Sub-Fund* of the information for this sub-fund in the prospectus).

Recommendation: it is possible this sub-fund not to be suitable for investors, which contemplate to withdraw their funds within 3 years.

## RISK AND REWARD PROFILE



This figure is based on data from the past, which is not always a reliable indication of risk and return in the future. The risk and reward indicator is assessed regularly and can therefore go up or down. The lowest figure does not mean that the investment is entirely free of risk. However, it does indicate that, compared with the higher figures, this product will generally provide a lower, but more predictable return. While the figure gives an indication of the return the sub-fund might

generate, it also indicates the risk involved. The higher the figure, the greater the potential return, but also the more difficult it is to predict this return. You might even sustain a loss. The figure has been calculated from the viewpoint of an investor domiciled in Bulgaria.

### Why does this sub-fund have a risk and reward indicator of 4?

4 indicates that this sub-fund invests predominantly (at least 85% of its assets) in the master sub-fund, which in turn invests in different assets, which show certain sensitivity to the market movements. Therefore, this indicator is between the figures for typical bond fund (3) and typical equity fund (6). The risk and reward profile of the sub-fund does not differ materially from that of the master sub-fund.

Investment in the sub-fund involves liquidity risk, which will exist if the sub-fund invests its assets exclusively in the master sub-fund and redemption orders from a large number of investors are placed simultaneously. Other than that, the arrangements of the sub-fund and the master sub-fund for subscription and

redemption of units are aligned as to minimize the liquidity risk for the sub-fund. Investors in the sub-fund are also exposed to risk from the use of derivatives for risk hedging purposes, incl. counterparty risk, liquidity risk and performance risk. Since the sub-fund invests at least 85% of its assets in the master sub-fund, the investors are further exposed to a risk arising from the master-feeder structure, due to the fact that the sub-fund's performance depends substantially on the investment policy as well as the market trends of individual investments of the master sub-fund. Hence, the investments of the sub-fund are not be diversified, but instead the sub-fund seeks to achieve diversification at master sub-fund level.

Moreover, the investors in this sub-fund are *indirectly* exposed as a result of the sub-fund's investment in the master sub-fund to the following:

- A moderate level of market risk: due to the volatility of the equity component of the master sub-fund's investments.
- A moderate level of inflation risk: the master sub-fund's bond component does not provide any protection against an increase in inflation.

## CHARGES

These charges are used to cover, among other things, the management costs of the sub-fund, including marketing and distribution expenses. They reduce the investment's ability to grow. You can find additional information on the charges in section 5. *Type of units and fees and charges* of the information concerning this sub-fund in the prospectus.

### One-off charges taken before or after you invest

Entry charge 2.50%\*

\*for the period 14.11.2022-

31.03.2023 the entry charge is 0%

This is the *maximum* that might be taken out of your money before it is invested or before the proceeds of your investment are paid out. In some cases you will pay less. For more information on the actual entry and exit charges, please contact your financial adviser or distributor.

Exit charge 5.00% on sale within one month of purchase

If you would like to exchange your units in this sub-fund for units in another sub-fund of umbrella fund UBB ExpertEase in the same currency or in another fund in the same currency, managed by KBC Asset Management N.V. – KLON, you will be charged a fee comprising the Exit charge – if any – for the old sub-fund and the Entry charge for the new (sub) fund. If you redeem units from KBC ExpertEase and subscribe for units in this sub-fund, you will not be charged a subscription fee.

### Charges taken from the sub-fund over a year

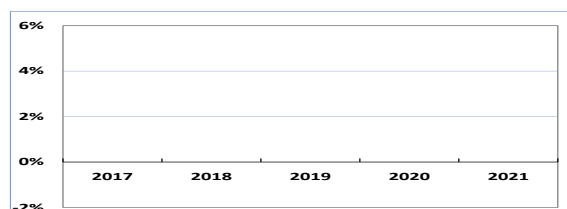
Ongoing charge 1.69%

The presented value is calculated for the period from the start of the public offering of the sub-fund on 19.05.2021 to 30.04.2022. This figure also includes the management fee for management of the sub-fund, charged on assets, invested outside the master sub-fund, management fee for the management of the master sub-fund, charged on assets invested by the sub-fund, as well as ongoing charges of the master sub-fund, which are indirectly borne by the sub-fund as an investor in the master sub-fund. However, it does not include transaction charges and may change from year to year. The Fund's annual report for each financial year will contain detailed information on the exact ongoing charges.

### Charges taken from the sub-fund under certain specific conditions

Performance fee None

## PAST PERFORMANCE



As the sub-fund was established in 2021, there is insufficient data to give investors a useful indication of past performance.

## PRACTICAL INFORMATION

The custodian of umbrella fund UBB ExpertEase is United Bulgarian Bank AD, licensed credit institution, having UIC (*ENIK*) 000694959, with seat and headquarters address at 89B Vitosha Blvd, Millennium Center, Triaditsa District, 1463, Sofia, Republic of Bulgaria.

You can find the prospectus and the latest annual and semi-annual financial statements of umbrella fund UBB ExpertEase, as well as this key investor information document in Bulgarian language free of charge in all branches of the distributor United Bulgarian Bank AD during their normal business hours, as well as on its website – [www.ubb.bg](http://www.ubb.bg) and on the website of KBC Asset Management N.V. – KLON – [www.ubbam.bg](http://www.ubbam.bg). Upon request you can receive a paper copy of these documents in Bulgarian language free of charge in all branches of the distributor United Bulgarian Bank AD, during their normal business hours.

You can find the most recent net asset value, issue and redemption prices of the sub-fund on the abovementioned websites, where you can also read other practical information. Updated information on the remuneration policy, applied by the management company can be obtained in Bulgarian at: [www.ubbam.bg](http://www.ubbam.bg), and a hard copy will be presented upon request.

You can find the prospectus and the latest periodic financial disclosures of Horizon N.V., as well as the key investor information document of the master sub-fund and its current issuance and redemption prices in English and Dutch languages on KBC Group's website – <https://www.kbc.be/retail/en/legal-information/investment-legal-documents.html?zone=breadcumb>. Upon request, you can receive a paper copy of the prospectus and the latest annual and semi-annual financial statements of Horizon N.V. free of charge in all branches of the distributor United Bulgarian Bank AD, during their normal business hours.

Bulgarian tax legislation applies. This could affect your personal tax situation.

The country of establishment of Horizon N.V. and the master sub-fund is the Kingdom of

- A moderate level of exchange rate risk: since there are investments of the master sub-fund in securities that are denominated in currencies other than the Euro or the Lev, there is a real chance that the value of an investment will be affected by movements in exchange rates.

- A moderate level of credit risk: the master sub-fund's bond component invests primarily - but not exclusively - in bonds with an investment grade rating. Consequently, the risk that an issuer can no longer meet its obligations is higher than in an investment that consists only of bonds with an investment grade rating.

- A moderate level of performance risk, which reflect the volatility of the equity component of the master sub-fund's investments.

There is no capital protection.

You can find additional information of the sub-funds' risk profile in section G. *General information on the risk profile of the Sub-Funds* of part I of the prospectus and section 3. *Risk of the information on this sub-fund in the prospectus*.

Belgium, while the country of establishment of UBB ExpertEase and the sub-fund is the Republic of Bulgaria, which may affect the applicable tax treatment of UBB ExpertEase and the sub-fund. KBC Asset Management N.V. may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant sections of the prospectus for UBB ExpertEase and the sub-fund.

This document containing key investor information describes UBB ExpertEase Defensive Balanced (EUR), which is a sub-fund of UBB Expert Ease – an umbrella common fund established under Bulgarian law. The prospectus and periodic reports are drawn up for umbrella fund UBB Expert Ease, which is designated in the beginning of the present document. Each sub-fund of UBB Expert Ease should be considered as a separate pool of assets. Your rights as an investor are restricted to the assets of the sub-fund. The obligations of each individual sub-fund are covered only by the assets of that sub-fund.

You can exchange your investment in this sub-fund with an investment in another (sub)fund managed by KBC Asset Management N.V. – KLON by redeeming your units in the sub-fund and subscribing units in the other (sub)fund in accordance with the general rules for unit subscription and redemption of the respective (sub)fund (for more details, see section 4. *Information concerning the subscription of units in the Sub-Fund* of the information for this sub-fund in the prospectus). This fund is authorised in Bulgaria by permission of FSC No 87-ДФ/18.02.2021 and regulated by the Financial Supervision Commission. KBC Asset Management N.V. is authorised in Belgium and regulated by the Financial Services and Markets Authority (FSMA).

This key investor information is accurate as at 31.01.2023.