

## 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

### Chikara Japan Alpha Fund (the "Fund") a sub-fund of Chikara Funds plc (the "Company") Class I USD (the "Class") (IE00BKRC2W48)

**Manufacturer:** Chikara Investments LLP

This PRIIP is authorised in Ireland.

Chikara Funds plc (the "Company") is authorised in Ireland and regulated by the Central Bank of Ireland (CBI).

This product is managed by Chikara Investments LLP (the "Investment Manager") which is regulated in the United Kingdom by the FCA.

For more information on this product, please call +44 207 321 3470, visit [www.chikarainvestments.com](http://www.chikarainvestments.com) or email [enquiries@chikarainvestments.com](mailto:enquiries@chikarainvestments.com)

This document was produced on 3 August 2023.

## What is this product?

### Type:

This product is a UCITS Fund.

### Term:

Open Ended Fund.

### Objectives:

The Fund's objective is to generate income alongside capital gains. The investment objective will be achieved by investing primarily in a concentrated portfolio of equities of companies listed or traded on Recognised Exchanges in Japan which have their registered office or conduct a predominant part of their economic activity in Japan and are seen as undervalued with strong balance sheets and sound business franchises but also can offer a return to shareholders through either dividend yields or share buybacks. The Fund will not follow any particular sectoral focus or market capitalisation.

The Investment Manager selects equities through research using fundamental, bottom-up stock selection techniques. The Fund is actively managed, which means that the Investment Manager has discretion over the composition of the Fund's portfolio, subject to the Fund's stated investment objective and policy. Accordingly, although the performance fee of the Class is calculated in reference to the Benchmark (as defined in the Prospectus), the Investment Manager will select the Fund's investments based entirely on its stock selection techniques, irrespective of whether such stocks are components of the

Benchmark.

The Fund may also invest up to 10% of its Net Asset Value in exchange traded funds ("ETFs") which have exposure to recognised exchanges referred to above. Such ETFs shall be UCITS and/or non- UCITS schemes and may be open ended or closed ended.

The Fund may use forward foreign exchange contracts for hedging purposes.

*Holding Period:* The Investment Manager recommends a minimum holding period of 5 years.

*Distribution policy:* The Class intends to accumulate any net income in the net asset value of the Class.

*Dealing and Redemptions:* The Fund deals daily. Investors may redeem their shares in the Fund on any Dealing Day being any Business Day i.e. any day, except Saturday and Sunday, on which banks are open for business in Dublin, London and Tokyo. Redemption requests must be submitted by noon, Irish time, on the Business Day before Dealing Day.

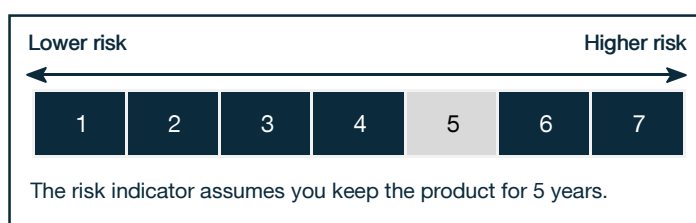
Please refer to the Prospectus for further information.

### Intended retail investor:

The shares are suitable for investors, who may have basic or no knowledge and experience of investing in financial markets, as well as experienced investors, who are seeking an investment that aims to deliver capital growth who have the ability to bear any losses which may result from the investment. The shares are suitable for investors with a long investment time horizon.

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

### Risk Indicator



The actual risk can vary significantly if you cash in at an early stage and you may get back less.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 5 out of 7, which is a medium-high risk class. This rates the potential losses from future performance at a medium-high level and poor market conditions will likely impact the value of your investment.

**Be aware of currency risk. You will receive payments in a different currency to the base currency of the fund, so the final return you will get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.**

The Fund is also subject to risks which are not included in the calculation of the summary risk indicator as follows: liquidity risk, credit and counterparty risks and emerging market risk. Please read the Fund's prospectus available at [www.fundinfo.com](http://www.fundinfo.com) for more information.

This product does not include any protection from future market performance so you could lose some or all of your investment.

## Performance scenarios

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor / and includes the costs of your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back. 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 the best performance of the class over the last 10 years. Where no share price history is available for any part of the last 10 years, a representative benchmark is used.

The stress scenario shows what you might get back in extreme market circumstances.

Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some the possible outcomes based on historical returns. Actual returns could be lower.

Recommended Holding Period: 5 years

Investment: USD 10,000

Minimum: There is no minimum guaranteed return if you exit before 5 years

Scenarios		If you exit after 1 year	If you exit after 5 years (recommended holding period)
Stress	What you might get back after costs Average return each year	2,610 USD -73.85%	1,090 USD -35.83%
Unfavourable <sup>1</sup>	What you might get back after costs Average return each year	6,090 USD -39.13%	6,100 USD -9.40%
Moderate <sup>2</sup>	What you might get back after costs Average return each year	11,310 USD 13.06%	17,630 USD 12.01%
Favourable <sup>3</sup>	What you might get back after costs Average return each year	16,560 USD 65.59%	25,620 USD 20.70%

<sup>1</sup> This type of scenario occurred for an investment between October 2021 and June 2023.

<sup>2</sup> This type of scenario occurred for an investment between September 2014 and September 2019.

<sup>3</sup> This type of scenario occurred for an investment between August 2016 and August 2021.

## What happens if Chikara Funds plc is unable to pay out?

There is no compensation or guarantee scheme in place which may offset all or any loss, so in the worst case you could lose some or all of your investment.

## What are the costs?

The person advising on or selling you this product may charge you other costs. If so, this person will provide you with information about these costs and how they affect your investment.

### Costs over time

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 period, we have assumed the fund performs as shown in the moderate scenario and the investment is USD 10,000.

Investment: USD 10,000	If you exit after 1 year	If you exit after 5 years
Total costs	313 USD	2,460 USD
Annual cost impact (*)	3.1%	3.3%

(\*) 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 15.3% before costs and 12.0% after costs.

## Composition of costs

One-off costs upon entry or exit		If you exit after 1 year
Entry costs	We do not charge an entry fee.	0 USD
Exit costs	We do not charge an exit fee for this product.	0 USD
Ongoing costs taken each year		If you exit after 1 year
Management fees and other administrative or operating costs	The impact of the management fee payable to the investment manager and the other administrative expenses is 1.3%. This is an estimate based on actual costs over the last year.	125 USD
Transaction costs	0.6% 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.	62 USD
Incidental costs taken under specific conditions		If you exit after 1 year
Performance fees	The impact of performance fees (based on previous averages) if the Net Asset Value of the Class exceeds the indexed net asset value of the Class (which includes an adjustment for the Benchmark return). The actual amount will vary depending on how well your investment performs. The aggregated cost estimation above includes the average over the last 5 years.	126 USD

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

Recommended holding period: 5 years

The Fund is designed to be held over the medium term and we recommend that you hold this investment for at least 5 years.

You can request to take out some or all of your money at any time. You can typically request to buy or sell shares in the Fund on any business day (as set out in the Fund's prospectus).

If you cash in at an early stage this will increase the risk of lower investment returns or a loss.

## How can I complain?

If you have any complaints about the product or the conduct of the manufacturer these can be lodged in writing to the Compliance Officer, Chikara Investments LLP, 31/32 St James's Street, London SW1A 1HD or to [enquiries@chikarainvestments.com](mailto:enquiries@chikarainvestments.com).

## Other relevant information

**Additional Information:** Copies of the Prospectus and the latest annual report and any subsequent half-yearly report of the Company in English, may be obtained free of charge from Administrator, Northern Trust International Fund Administration Services (Ireland) Limited, George's Court, 54 – 62 Townsend Street, Dublin 2 or the Investment Manager, Chikara Investments LLP, 31-32 St James's Street, London SW1A 1HD.

**Past Performance & Performance scenarios:** Please visit <https://chikarainvestments.com/priips-performance-charts>.