

Key Information Document



SEAHAWK CREDIT OPPORTUNITIES (THE "SUB-FUND"), A SUB-FUND OF SEAHAWK SICAV (THE "FUND")

Class: USD-S - ISIN: LU2846853344

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

Name: Seahawk SICAV - Seahawk Credit Opportunities - USD-S
Product Manufacturer: Lemanik Asset Management S.A.
ISIN: LU2846853344
Website: <https://www.lemanikgroup.com/>

Call +352 26 39 60 for more information.

The Commission de Surveillance du Secteur Financier (CSSF) is responsible for supervising Lemanik Asset Management S.A. in relation to this Key Information Document.

This PRIIP is authorised in Luxembourg.

Lemanik Asset Management S.A. is authorised in Luxembourg and regulated by the CSSF.

This Key Information Document is accurate as at 28th October 2024.

What is this product?

TYPE

The product is a sub-fund of Seahawk SICAV, an Undertaking for Collective Investment in Transferable Securities (UCITS) incorporated as a variable capital investment company (SICAV) under the laws of Luxembourg.

TERM

The Fund is established for an unlimited duration. However the Board of Directors may decide to close this product under certain circumstances.

OBJECTIVES

The Sub-Fund pursues an objective to reach a return of 6-8% per annum.

The Sub-Fund is an actively managed fixed-income fund that aims to achieve a long-term positive and predominantly market-independent return. The Sub-Fund invests primarily in bonds of issuers mostly domiciled or have substantial business interests in Europe or North America, but may also invest more globally, including in Emerging Markets (but excluding China), it being understood that investments in Emerging Countries will never represent more than 10% of the assets of the Sub-Fund. This may include senior, subordinated and hybrid bonds, preferred securities, convertibles and other structured bonds of any rating class. The focus of the Fund is to generate a long-term alpha contribution via the bond markets. The investment strategy of the Sub-Fund is to exploit valuation discrepancies between fixed income securities which can be, inter alia, mispriced bonds with a positive catalyst (significant changes at company level) or, pricing deviations within the capital structure primarily between senior and subordinated securities. The Sub-Fund also seeks for investing in senior and secured bonds, that are well covered by underlying asset values focusing on the energy and transportation sectors and related industries. The investment strategy follows a clear investment process with a systematic screening of the global bond markets followed by a quantitative and qualitative analysis, hence based on a bottom-up analysis of the issuers. The bonds are primarily selected in the non-investment grade segment.

The Sub-Fund may take positions in currencies other than the Fund currency. In addition, the Sub-Fund may also take long and short positions in credit derivatives for both positioning and hedging purposes. For sake of clarity, long positions are made via direct investments in bonds or through credit derivatives, short positions will be taken through credit derivatives (namely Credit Default Swaps) and in terms of mitigating/positioning interest rate/duration risk through financial futures contracts.

The Sub-Fund's investment strategy is based on an active management process. The Sub-Fund does not track a securities index, nor does the company use a fixed benchmark for the Fund.

The Sub-Fund is a fixed income fund.

The Sub-Fund invests at least 50% of its net assets in bonds, with a minimum of 50% in sub-investment grades. The Sub-Fund may invest up to 100% of its assets in bonds, including non-investment grade and High Yield Bonds. In case the rating of a Bond is downgraded in a way that is likely to impair the respect of the maximum investment limit in distressed bonds, the downgraded bond will be sold as soon as possible, considering the best available market conditions and best interest of Shareholders.

The Sub-Fund may invest up to 30% of its assets in green bonds. Green bonds are debt securities designed to finance environmentally friendly projects.

In principle, the Sub-Fund has the option of investing up to 33% of its assets in Money Market Instruments, up to 10% in target funds and up to 20% in fixed-term deposits, depending on the market situation and the assessment of Lemanik Asset Management S.A..

Short positions will only be taken through derivative financial instruments. Long positions can be taken through direct investments as well as through derivatives.

The Sub-Fund is able to acquire assets in a foreign currency and may therefore be subject to foreign currency exposure.

Units in UCITS or other UCI may be acquired up to a maximum limit of 10% of the Sub-Fund's net assets, making the Sub-Fund eligible as a target fund. With regard to the target funds that can be acquired for the Sub-Fund, there is no restriction on the permitted types of target funds that can be acquired.

Investments in distressed securities, convertible bonds, contingent convertible bonds and asset-backed securities are permitted up to a maximum limit – altogether - of 10% of the Sub-Fund's assets. The use of these financial instruments may give rise to increased risks which, together with the functionality and other risks, are described in more detail in the "Risk information" section of the Sales Prospectus.

The use of derivatives is permitted in order to achieve the above-mentioned investment objectives, as well as for investment and hedging purposes. This includes, inter alia, options, Unfunded TRS (on bonds, bond indices and credit default indices) financial futures contracts, FX forwards and swaps (including but not limited to interest rate swaps, CDS, index swaps and FX swaps), money market instruments, financial indices within the meaning of Article 9(1) of Directive 2007/16/EC and Article XIII of the ESMA Guidelines 2014/937, interest rates, exchange rates, currencies and investment funds pursuant to Article 41(1)(e) of the 2010 Law.

The use by the Sub-Fund of Unfunded TRS, which is limited to cases where similar risks parameters cannot be hedged via CDS or futures, is subject to gross exposure limits describe in the Prospectus.

The underlying assets of Unfunded TRS will be bonds, bond indices and credit default indices.

Investments in transferable securities and money market instruments other than those referred to in Article 41(1) of the 2010 Law are limited to a total of 10% of the Fund's net assets.

In particular, credit default swaps are used to generate additional capital or income through the transaction itself or through the reinvestment of the cash collateral. The notional amount of such credit default swaps may represent up to a maximum of 200% of the Net Asset Value of the Sub-Fund. Under normal circumstances, it is generally expected that the notional amount of such credit default swap will not exceed 125% of the Net Asset Value.

The Sub-Fund may hold ancillary liquid assets (i.e., bank deposits at sight, such as cash held in current accounts with a bank accessible at any time) up to 20% of its net assets for treasury purposes. The above mentioned 20% limit may be temporarily breached for a period of time strictly necessary if justified by exceptionally unfavourable market conditions in order to take measures to mitigate risks relative to such exceptional market conditions in the best interests of the Shareholders.

In order to achieve its investment goals, for treasury purposes, and/or in case of unfavourable market conditions, the Sub-Fund may hold cash equivalent (i.e., bank deposits, money market instruments or money market funds that meet the criteria of Article 41(1) of the 2010 Law) pursuant to the applicable investment restrictions.

For the avoidance of doubt, the Sub-Fund may also invest in:

- fixed income securities, such as contingent convertible bonds, ABS, MBS, Distressed or defaulted securities (having a rating below C, or equivalent) with a limit of 10% of net assets provided that these are transferable securities pursuant to Art. 41.1 of the 2010 Law.
- Non investment grade bonds or high yield bonds.

Income of this unit class is distributed.

INTENDED RETAIL INVESTOR

The Sub-Fund is suitable for speculative investors. Due to the composition of the Sub-Fund's net assets, there is a very high degree of overall risk, but also a very high degree of profit potential. The Fund is intended as a long term investment. Investors should consider their own personal circumstances and seek additional advice from their financial advisor or other professional advisor on their risk tolerance and investment horizon before investing in the Sub-Fund. The product is suitable for any type of investor. The product is compatible with investors who may bear capital losses and who do not need capital guarantee. The product is compatible with clients looking for receiving regular income and who wish to hold their investment over 5 years.

OTHER INFORMATION

The Depository is CACEIS Bank, Luxembourg Branch.

Further information about the Fund (including the current Prospectus and most recent annual report) is available in english, and information about the Sub-Fund and other share classes (including the latest prices of shares and translated versions of this document), are available free of charge on www.fundsquare.net or by making a written request to Lemanik Asset Management S.A., 106, route d'Arlon, L-8210 Mamer, Luxembourg or by emailing fund.reporting@lemanik.lu.

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

Risk indicator



The risk indicator assumes you keep the product for 5 years.

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.

The essential risks of the investment fund lie in the possibility of depreciation of the securities in which the fund is invested.

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. 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 best performance of the product and a suitable proxy over the last 10 years. Markets could develop very differently in the future.

Recommended holding period: Example investment:		5 years USD 10 000		
		If you exit after 1 year	If you exit after 5 years	
Scenarios				
Minimum	There is no minimum guaranteed return. You could lose some or all of your investment.			
Stress scenario	What you might get back after costs Average return each year	USD 7 500 -25.0%	USD 7 410 -5.8%	
Unfavourable scenario	What you might get back after costs Average return each year	USD 7 500 -25.0%	USD 8 090 -4.2%	This type of scenario occurred for an investment in the proxy between June 2021 and September 2024.
Moderate scenario	What you might get back after costs Average return each year	USD 10 080 0.8%	USD 10 870 1.7%	This type of scenario occurred for an investment in the proxy between August 2019 and August 2024.
Favourable scenario	What you might get back after costs Average return each year	USD 13 980 39.8%	USD 14 350 7.5%	This type of scenario occurred for an investment in the proxy between January 2016 and January 2021.

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

What happens if Lemanik Asset Management S.A. is unable to pay out?

Lemanik Asset Management S.A. is not making any payment to you in relation to this Fund and you would still be paid in case of a default from Lemanik Asset Management S.A..

The Sub-Fund's assets are held with CACEIS Bank, Luxembourg Branch and are segregated from the assets of other sub-funds of the Fund. The assets of the Sub-Fund cannot be used to pay the debts of other sub-funds of the Fund.

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 periods we have assumed the product performs as shown in the moderate scenario.
- USD 10 000 is invested.

Investment of USD 10 000	If you exit after 1 year	If you exit after 5 years
Total costs	USD 73	USD 398
Annual cost impact (*)	0.7%	0.7%

(*) 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 2.4% before costs and 1.7% 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.	USD 0
Exit costs	We do not charge an exit fee for this product.	USD 0
Ongoing costs taken each year		
Management fees and other administrative or operating costs	0.53% of the value of your investment per year. This is an estimate based on actual costs over the last year.	USD 53
Transaction costs	0.21% 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.	USD 21
Incidental costs taken under specific conditions		
Performance fees	Up to 10% of the Fund's performance, provided previous depreciations in value have been off set. Payment is made annually. 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.	USD 0

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

Recommended holding period: 5 years.

The recommended holding period was chosen to provide a consistent return less dependent on market fluctuations.

Each Valuation Day is a Redemption Day. The Cut-Off Time for redemption applications is 14:00 pm CET on the Business Day prior to the Redemption Day.

How can I complain?

In the event a natural or legal person wishes to file a complaint with the Fund in order to recognize a right or to redress a harm, the complainant should address a written request that contains description of the issue and the details at the origin of the complaint, either by email or by post, in an official language of their home country to the following address:

Lemanik Asset Management S.A.,
106 Route d'Arlon,
L-8210 Mamer,
Luxembourg
<https://www.lemanikgroup.com/>
complaintshandling@lemanik.lu

Other relevant information

Further information about the Fund including the Prospectus, most recent financial statements, latest prices of shares are available free of charge on www.fundsquare.net or at the registered office of the product manufacturer.

The past performance and the previous performance scenarios are available at the registered office of the product manufacturer.

As the share does not yet have performance data for one complete calendar year, there is insufficient data to provide a useful indication of past performance to investors.