

PRODUCT KEY FACTS

New Capital UCITS Fund Plc (the "Fund")
New Capital Wealthy Nations Bond Fund (the "Sub-Fund")



Issuer

KBA Consulting Management Limited

5 September 2022

This statement provides you with key information about this product.

This statement forms part of and should be read in the context of and in conjunction with the Prospectus and the Hong Kong Covering Document. This statement and the Hong Kong Covering Document, which contain additional information for Hong Kong investors, together with the Prospectus shall be collectively referred to as the "Hong Kong Offering Document".

You should not invest in this product based on this statement alone.

Quick facts

Fund Manager:	KBA Consulting Management Limited	
Investment Manager:	EFG Asset Management (UK) Limited (external delegation, UK)	
Depository:	HSBC Continental Europe	
Ongoing Charges over a year:	USD O Acc. – 1.40%*	
	USD O Inc. – 1.40%*	
	USD O Inc. (M) – 1.40%*	
	EUR O Acc., EUR O Inc. and SGD O Inc. – 1.40%*	
	HKD O Inc. – 1.40%*	
	AUD O Inc. – 1.40%**	
Dealing frequency:	Daily	
Base currency:	USD	
Currency of Denomination:#	Class	Currency
	USD O Acc.	US Dollar
	USD O Inc.	US Dollar
	USD O Inc. (M)	US Dollar
	EUR O Inc.	Euro
	EUR O Acc.	Euro
	SGD O Inc.	Singapore Dollar

Objectives

The Sub-Fund's investment objective is to seek long term appreciation through a combination of capital growth and income.

Strategy

The Sub-Fund shall invest at least 70%, and may invest up to 100%, of its net asset value (“NAV”) in medium to long term international debt securities. These debt securities are issued (in various currencies) by issuers located in “wealthy nations” and are also listed on regulated stock exchanges and markets in accordance with the requirements of the CBI (a list of these stock exchanges and markets is listed in Appendix II of the Prospectus). Wealthy nations are countries which have both:

- (i) an investment grade rating (Baa3 or above by Moody’s or BBB- or above by Standard and Poor’s or equivalent credit ratings as determined by the Investment Manager); and
- (ii) a level of net indebtedness (determined by its “net foreign assets score”, which is the value of assets a country owns abroad, minus any debts owed to foreigners) at less than 50% of its gross domestic product.

The range of international debt securities invested by the Sub-Fund is broadly diversified, and includes notes, bills, bonds, commercial paper, certificates of deposit and floating rate notes issued by governments, institutions and corporations in both developed and developing markets. The Sub-Fund intends to invest no more than 20% of its NAV in securities that are denominated in the currency of a developing market and / or are listed on a regulated stock exchange and market in accordance with the requirements of the CBI, that is located in a local developing market.

Fixed income assets are selected by a quantitative screen which identifies the best value investment opportunities based on credit quality and maturity. There is no maturity limitation. The Sub-Fund will hold debt securities with investment grade ratings (Baa3 or above by Moody’s or BBB- or above by Standard and Poor’s or equivalent credit ratings as determined by the Investment Manager).

The Sub-Fund does not generally intend to invest in warrants except those held as a result of corporate actions. However, if the Investment Manager decides to so invest, no more than 5% of the NAV of the Sub-Fund will be invested in warrants which do not embed a financial derivative instrument.

The Sub-Fund may use financial derivative instruments for efficient portfolio management and hedging purposes.

The Sub-Fund may invest less than 30% of its NAV in instruments with loss-absorption features, such as in Additional Tier 1, Tier 2 and senior non-preferred debts (e.g. Tier 3) debt instruments.

The Sub-Fund may invest no more than 10% of its NAV in securities issued and / or guaranteed by any single sovereign issuer (including its government, a public or local authority of that country) which has a credit rating that is below investment grade. The Sub-Fund does not invest in asset-backed or mortgage-backed securities.

Under exceptional circumstances (e.g. a market crash or major crisis), the Sub-Fund may be invested temporarily up to 100% of its NAV in ancillary liquid assets such as bank deposits,

certificates of deposit, commercial paper and treasury bills for cash flow management.

The Sub-Fund's benchmark is the ICE BofAML Eurodollar Index (formerly known as the Merrill Lynch Eurodollars and Globals Index) (the "**Index**"), which may be used for comparative purposes only. The Sub-Fund is actively managed and as such does not seek to replicate the Index, but instead may differ from the Index in order to achieve its objective. While certain of the Sub-Fund's securities may be components of the Index, the Sub-Fund is not constrained by the Index in the selection of investments and the Investment Manager will use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities.

Use of Derivatives / Investment in Derivatives

The Sub-Fund's net derivative exposure may be up to 50% of the Sub-Fund's NAV.

What are the key risks?

Investment involves risks. Please refer to the Hong Kong Offering Document for details including the risk factors.

- **Investment Risk**

The investment objective of the Sub-Fund may not be achieved. There is no guarantee that investors will receive their original principal investment back. There is also no guarantee of dividend or distribution payment.

- **Debt Securities Risk**

Debt securities, such as notes and bonds are subject to the risk of an issuer's inability to meet principal and interest payments on the obligation, and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (liquidity risk).

Interest rate risk – The value of the Sub-Fund's investment may be affected by interest rate fluctuations which may be influenced by several elements or events, such as monetary policy, the discount rate, inflation, etc. An increase in interest rates will generally reduce the value of fixed-income securities, whilst a decline in interest rates will generally increase the value of fixed-income securities. Changes in fiscal policy, such as interest rate policies, may have an adverse impact on the pricing of debt securities and, thus, the return of the Sub-Fund.

Credit risk – There can be no assurance that issuers of the securities or other instruments in which the Sub-Fund invests will not be subject to credit difficulties leading to the loss of some or all of the sums invested in such securities or instruments or payments due on such securities or instruments. The performance of the Sub-Fund will therefore partly depend on the ability to anticipate and respond to market interest rate fluctuations, and to utilize appropriate strategies to maximize returns, whilst attempting to minimize credit and liquidity risks to investment capital.

An issuer of an instrument may be unable to make interest payments or repay principal when due. Decrease in the financial strength of an issuer or decrease in the credit rating of a security may adversely affect its value. Fixed income securities are also exposed to the risk that their, or their issuers', credit ratings may be downgraded, which can cause a significant drop in the value of such securities.

The above features may adversely impact the Sub-Fund.

- **Currency Risk**

Assets in the Sub-Fund may be denominated in a currency other than the base currency (i.e. USD) and any income or capital received by the Sub-Fund from these investments may be denominated in the local currency denomination of the relevant asset, whereas the Sub-Fund is denominated in the base currency.

Further, a class of Shares may be designated in a currency other than the base currency of the Sub-Fund. Accordingly, (i) changes in the exchange rate between (a) the base currency and the currency denomination of the relevant asset and (b) the currency denomination of the relevant asset and the currency in which a class of Shares is denominated (i.e. share class currency) may lead to a depreciation of the value of certain assets of the Sub-Fund; and (ii) changes in the exchange rate between the base currency and (a) the share class currency and / or (b) the currency of denomination of the relevant asset may lead to a depreciation of the value of such Shares as expressed in the share class currency.

It may not be possible or practical to hedge against such exchange rate risk. The Sub-Fund may enter into currency exchange transactions and/or use techniques and instruments to seek to protect against fluctuation in the relative value of its portfolio positions. Further, investors should note that all classes of Shares designated in a currency that is not the base currency are hedged classes (i.e. their exposure to the base currency is hedged) except where indicated in the name of the relevant class by use of the description "Unhedged". These transactions limit any potential gain that might be realised should the value of the hedged currency increase. The successful execution of a hedging strategy which matches exactly the profile of the investments of the Sub-Fund cannot be assured. It may not be possible to hedge against generally anticipated exchange or interest rate fluctuations at a price sufficient to protect the assets from the anticipated decline in value of the portfolio positions as a result of such fluctuations. The abovementioned hedging transactions may become ineffective and the Sub-Fund may suffer a substantial loss.

- **Emerging Markets Risk**

The Sub-Fund may invest in securities of companies in emerging markets which may involve a high degree of risk and may be considered speculative. Risks include but are not limited to the following: (i) greater risk of expropriation, confiscatory taxation, nationalization, privatization, corruption, organized crime and social and political and economic instability; (ii) the small current size of the markets for securities of emerging markets issuers and the currently low or non-existent volume of trading, resulting in lack of liquidity and in price volatility; (iii) certain national policies which may restrict the Sub-Fund's investment opportunities including restrictions on investing in issuers or industries deemed sensitive to relevant national interests; (iv) uncertainties in international political developments, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuation and other developments in the laws and regulations of countries in which investments may be made; (v) it may not be possible for the Sub-Fund to repatriate capital, dividends, interest and other income from certain countries; (vi) lack of independence and effective government supervision of company registrars; (vii) the absence of developed legal structures governing private or foreign investment and private property; (viii) investment in illiquid, insufficiently liquid or highly volatile markets with less regulation than those in developed markets. The Sub-Fund's NAV and your investment may be correspondingly impacted by any of the abovementioned risks and lead to losses.

- **Concentration Risk**

Concentration risk may arise as the Sub-Fund focuses on investments in the

securities of particular regions or asset class. Although the Sub-Fund's portfolio will be well diversified in terms of the number of holdings, the Sub-Fund is likely to be more volatile than a more broad-based fund, as it is more susceptible to fluctuations in value resulting from adverse conditions in its particular focus region. In case of default or downgrading of an issuer to which the Sub-Fund has significant exposure, the Sub-Fund may be subject to significant losses in its investments.

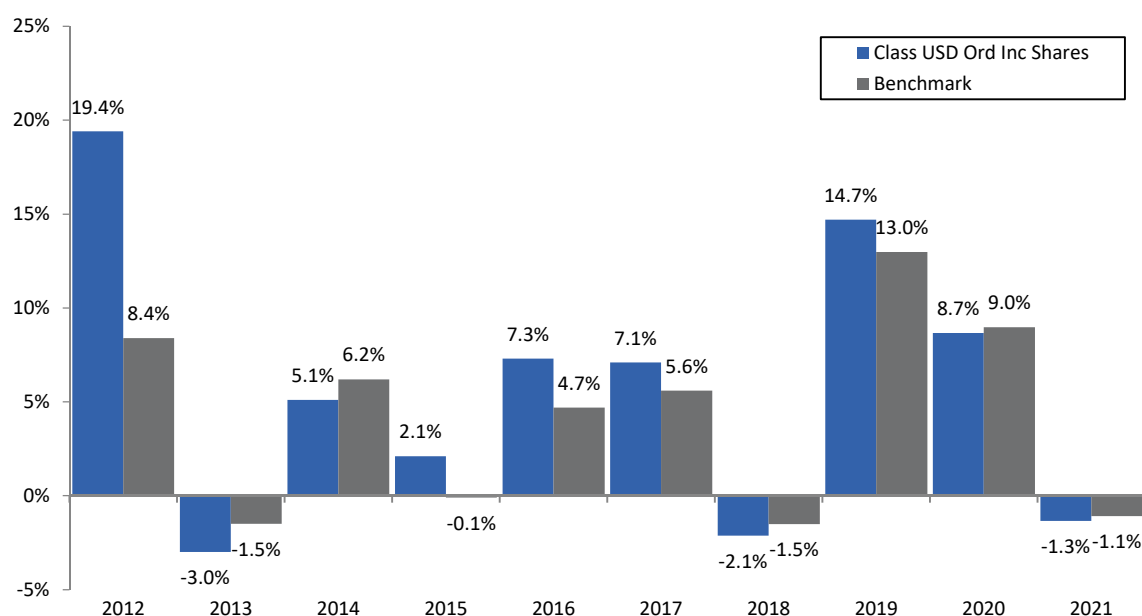
- **Derivatives Risk**

The use of financial derivative instruments presents risks different from, and, possibly, greater than, the risks associated with investing directly in traditional securities. There can be no assurance that the use of hedging strategies and derivatives will fully and effectively eliminate the risk exposure of the Sub-Fund. The use of financial derivative instruments and currency hedging strategies may be ineffective and the Sub-Fund may suffer substantial losses.

- **Risks associated with charging of certain fees and expenses to capital**

Payment of dividends effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any payment of dividends effectively out of the Sub-Fund's capital may result in an immediate reduction of the NAV per Share. The Fund may amend the policy with respect to payment of dividends out of capital of the Sub-Fund subject to the Securities and Futures Commission ("SFC")'s prior approval and by giving not less than one month's prior notice to investors.

How has the fund performed?



- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-To-NAV, with dividend reinvested.
- These figures show by how much Class USD O Inc. Shares increased or decreased

<p>in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.</p> <ul style="list-style-type: none"> • The benchmark of the Sub-Fund is the ICE BofAML Eurodollar Index (formerly known as the Merrill Lynch Eurodollars and Globals Index). • Fund launch date: 15 November 2011 • Representative share class: Class USD O Inc. Shares (selected as they represent the largest group of shareholdings of the Sub-Fund) • Class USD O Inc. Shares launch date: 15 November 2011 	
<p>Is there any guarantee?</p> <p>This Sub-Fund does not have any guarantees. You may not get back the full amount of money you invest.</p>	
<p>What are the fees and charges?</p> <p>Charges which may be payable by you</p> <p>You may have to pay the following fees when dealing in the shares of the Sub-Fund.</p>	
Fee	What you pay
Subscription fee (Sales Charge)	<p>Nil, although the Fund may, in the future and with at least one month's prior notice, impose a charge of up to 5% of the amount you buy*</p> <p>* Investors should note that additional fees and other service charges in respect of subscriptions for shares may be payable to sub-distributors or intermediaries through whom the investor invests as set out under the section headed "Sub-Distributor / Intermediary Charges" of the Prospectus. Investors should consult his/her relevant sub-distributor or intermediary on the amount of fees which will be charged.</p>
Switching fee (Conversion Charge)	Nil
Redemption fee	<p>Nil[#]</p> <p>[#] Investors should note that no redemption fees shall be levied by the Fund in relation to the Sub-Fund and its Classes, however charges of this nature may be levied by third party nominees, distributors or intermediaries if you invest in the Fund through a Hong Kong-based financial intermediary.</p>
<p>Ongoing fees payable by the Sub-Fund</p> <p>The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.</p>	
Annual rate (as a % p.a. of the Sub-Fund's NAV)	
Management Fee	No more than 0.025% of the NAV of the Fund attributable to the Sub-Fund (exclusive of value added tax ("VAT"))

Investment Management Fee	1.25% of the NAV attributable to the relevant Class (up to a maximum of 2.175% of NAV attributable to the relevant Class)
Depository Fee	(i) 0.02% of the NAV plus VAT, if any, subject to a minimum fee of US\$1,000 per month; and (ii) an annual fee of US\$3,000 in respect of oversight services.
Performance Fee	Not applicable
Administration Fee	Not exceeding 0.09% of the NAV (plus VAT, if any), subject to a minimum fee of US\$1,500 per month
Other fees You may have to pay other fees when dealing in the shares of the Sub-Fund. Further information in relation to fees and expenses is detailed in the Hong Kong Offering Document.	
Additional information <ul style="list-style-type: none"> You generally buy and redeem shares at the Sub-Fund's next-determined NAV after the Hong Kong Representative receives your request in good order on or before 4pm HK Time on a Valuation Day which is also a Hong Kong Business Day, being the dealing cut-off time. The Hong Kong representative may impose different dealing deadlines for receiving requests from investors. Different distributors may impose different dealing deadlines (which may be earlier than the Hong Kong Dealing Deadline) for receiving requests from investors. The compositions of the dividends (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Hong Kong representative on request and also on the Fund's website www.newcapital.com¹. The NAV of this Sub-Fund is calculated and the price of shares published each "business day". They are available online at www.bloomberg.com¹ and www.newcapital.com¹. Investors may obtain information on the past performance of the remaining share classes offered from the Fund's website at www.newcapital.com¹ <p>¹ These websites have not been reviewed by the SFC and may contain information relating to funds and Classes of Shares not authorized by the SFC.</p>	
Important If you are in doubt, you should seek professional advice. The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.	