

## PRODUCT KEY FACTS

New Capital UCITS Fund Plc (the "Fund")  
New Capital Asia Pacific Equity Income Fund (the "Sub-Fund")



### Issuer

KBA Consulting Management Limited

30 April 2020

***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

<b>Fund Manager:</b>	KBA Consulting Management Limited	
<b>Investment Manager:</b>	EFG Asset Management (UK) Limited (external delegation, UK)	
<b>Depository:</b>	HSBC France, Dublin Branch	
<b>Ongoing Charges over a year:</b>	USD O Inc. – 1.96%*	
	USD O Acc. – 1.96%*	
	EUR O Inc. – 2.00%*	
	SGD O Inc. – 2.00%*	
	JPY O Inc. – 2.00%**	
	HKD O Inc. – 2.00%**	
<b>Dealing frequency:</b>	Daily	
<b>Base currency:</b>	USD	
<b>Currency of Denomination:#</b>	<b>Class</b>	<b>Currency</b>
	USD O Inc.	US Dollar
	EUR O Inc.	Euro
	JPY O Inc.	Japanese Yen
	SGD O Inc.	Singapore Dollar
	HKD O Inc.	Hong Kong Dollar
	USD O Acc.	US Dollar
<b>Dividend policy:</b>	For the USD O Acc. share class, dividends will	
<b>(Distribution policy)</b>	not be declared. For the USD O Inc. share class,	

dividends (if any) will be declared quarterly, and for all other share classes, dividends (if any) will be declared bi-annually, in each case, dividends will automatically be reinvested unless indicated otherwise. The directors of the Fund do not currently have the power to pay dividends out of the capital of the Sub-Fund. However, the Sub-Fund may at its discretion pay dividends out of gross income while charging all or part of the Sub-Fund's fees (including management fees) and expenses to the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of dividends by the Sub-Fund and therefore, the Sub-Fund may effectively pay dividends out of capital.

**Financial year end of the Sub-Fund:** 30 June

<b>Minimum investment:</b>	<b>Class</b>	<b>Initial</b>	<b>Subsequent</b>
	USD O Inc.	US\$10,000	US\$1,000
	EUR O Inc.	€10,000	€1,000
	JPY O Inc.	¥800,000	¥80,000
	SGD O Inc.	SGD\$10,000	SGD\$1,000
	HKD O Inc.	HK\$50,000	HK\$5,000
	USD O Acc.	US\$10,000	US\$1,000

\* The ongoing charges figure is an annualised figure based on the expenses over the average net asset value of the share class for the period from 1 July 2019 to 31 December 2019. This figure may vary from year to year.

\*\*The share class has been established and is available for subscription by Hong Kong investors. As this Share Class has not yet been seeded, the ongoing charges figure is an annualised estimate based on existing share classes with a similar fee structure and is expressed as a percentage of the expenses over the average net asset value of the share class for the period from 1 July 2019 to 31 December 2019.

#All share classes designated in a currency that is not the base currency (i.e. USD) 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".

## **What is this product?**

New Capital Asia Pacific Equity Income Fund is a Sub-Fund of New Capital UCITS Fund plc, which is constituted in the form of an umbrella investment company with variable capital and limited liability. It is domiciled in Ireland and its home regulator is the Central Bank of Ireland ("CBI").

## **Objective and Investment Strategy**

### **Objectives**

The Sub-Fund's investment objective is to achieve a high level of income relative to the MSCI AC Asia Pacific Ex-Japan Index as well as capital appreciation by investing in securities in countries in the Asia Pacific, excluding Japan (the "**Asia Pacific Region**").

### **Strategy**

The Sub-Fund shall invest at least 70%, and may invest up to 100%, of its net asset value ("**NAV**") in securities in companies of the Asia Pacific Region that offer a combination of attractive dividend yields and / or growing dividend payments with the potential for capital growth. The Sub-Fund will invest in equities and equity-related securities (such as convertible bonds with fixed and/or floating rates of interest) issued by companies that have their registered office in a country in the Asia Pacific Region and whose shares are

listed or traded 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).

The Sub-Fund may invest in companies that do not have their registered office in a country in the Asia Pacific Region but either (i) carry out a predominant proportion of their business activity in the Asia Pacific Region, or (ii) are holding companies which predominantly own companies which have their registered office in the Asia Pacific Region.

Investment in convertible bonds is expected to be nominal but, in any event, will not exceed 30% of the NAV of the Sub-Fund. The Sub-Fund may also invest in open-ended and closed ended collective investment schemes which provide exposure to equities and equity-related securities (convertible bonds) of companies but such investments will not exceed 10% of the NAV of the Sub-Fund.

The Sub-Fund is permitted to invest less than 30% of its NAV China A shares which are listed on the Shanghai Stock Exchange using the Shanghai-Hong Kong Stock Connect or on the Shenzhen Stock Exchange using the Shenzhen Hong Kong Stock Connect. Alternatively the Sub-Fund may gain indirect exposure to China A shares via participatory notes issued by Qualified Foreign Institutional Investors and via investment in other collective investment schemes which primarily invest in China A shares. The Sub-Fund will not invest in China B shares.

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

The Sub-Fund may invest no more than 10% of its NAV in securities which are 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.

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 MSCI AC Asia Pacific Ex-Japan Index, which may be used for comparative purposes only.

#### **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.

- **Investing in Equity Securities**

The fundamental risk associated with any equity portfolio is the risk that the value of the investments it holds might decrease in value. Equity security values may fluctuate in response to the activities of an individual company or in response to general market and/or economic conditions. The value of, and income derived from, equity securities held may fluctuate and the Sub-Fund may not recoup the original amount invested in such securities. The prices of, and the income generated by, equity securities may decline in response to certain events, including the activities and results of the issuer, general economic and market conditions, regional or global economic instability and

currency and interest rate fluctuations, which may have an adverse impact on the NAV of the Sub-Fund.

- **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; (v) lack of independence and effective government supervision of company registrars; (vi) the absence of developed legal structures governing private or foreign investment and private property; and (vii) the legal infrastructure and accounting, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets. The Sub-Fund's NAV and your investment may be correspondingly impacted by any of the abovementioned risks and lead to losses.

- **Risks of Investing in Companies Located in Mainland China**

The Sub-Fund may invest in companies located in Mainland China by investing in their shares which are listed on stock exchanges globally. Investments in such companies involve certain risks and special considerations not typically associated with investment in more developed economies or markets, such as greater political, tax, economic, foreign exchange, liquidity and regulatory risk. The Mainland Chinese government exercises significant control over Mainland China's economy through the allocation of resources, by controlling payment of foreign currency-denominated obligations, by setting monetary policy and by providing preferential treatment to particular industries or companies. As the Sub-Fund may invest in companies exposed to these risks, changes in the Mainland Chinese government's policies may have an adverse effect on the value of the Sub-Fund.

Companies located in Mainland China are required to follow Mainland Chinese accounting and auditing standards and practices, which only follow international accounting standards to a certain extent. In addition, the accounting, auditing and financial reporting standards and practices applicable to companies located in Mainland China may be less rigorous, and there may be significant differences between financial statements prepared in accordance with Mainland Chinese accounting standards and practices and those prepared according with international accounting standards. Consequently, investors may not be provided the same degree of protection or information as would generally be available in developed countries and the Sub-Fund may be exposed to significant losses.

- **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 hedged 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.

- **Risk in connection with Investing in Convertible Bonds**

The Sub-Fund may invest in convertible bonds, which are a hybrid between debt and equity, permitting holders to convert into Shares in the company issuing the bond at a specified future date. On one hand, convertible bonds are subject to interest rate risk and credit risks. On the other hand, the prices of convertible bonds will be affected by the changes in the price of the underlying equity securities which, in turn, may have an unfavourable impact on the NAV of the Sub-Fund. Further, convertible bonds may have call provisions and other features which may give rise to the risk of a call which may adversely affect the value of the Sub-Fund.

- **Concentration Risk**

Concentration risk may arise as the Sub-Fund focuses on investments in the securities of particular regions (i.e. the Asia Pacific Region) 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**

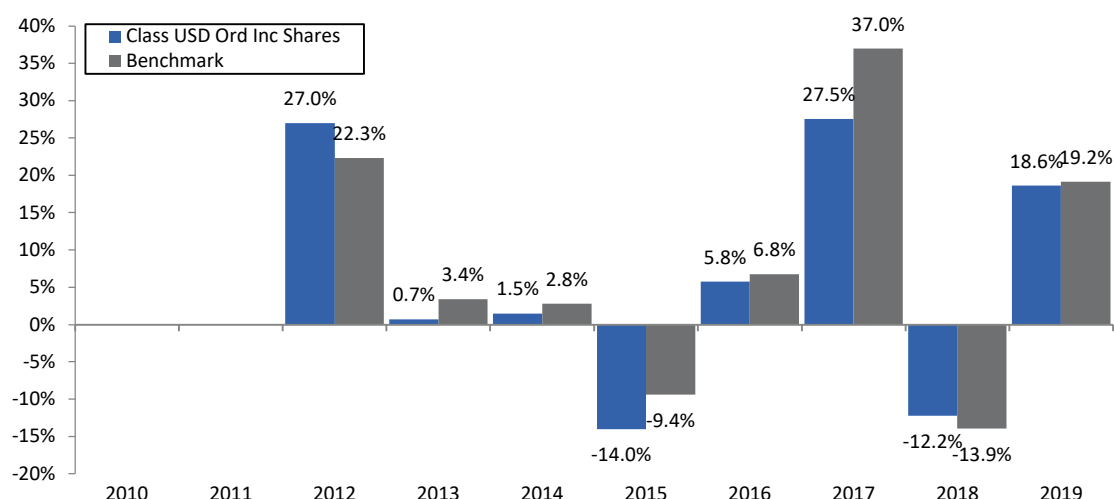
The use of financial derivative instruments presents risks different from, and, possibly, greater than, the risks associated with investing directly in traditional securities. There can be no assurance that the use of hedging strategies and derivatives will fully and effectively eliminate the risk exposure 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 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 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.
- Where no past performance is shown there was insufficient data available in that year to provide performance.
- The benchmark of the Sub-Fund is the MSCI AC Asia Pacific Ex-Japan Index.
- Fund launch date: 14 January 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: 14 January 2011

## Is there any guarantee?

This Sub-Fund does not have any guarantees. You may not get back the full amount of money you invest.

## What are the fees and charges?

### Charges which may be payable by you

You may have to pay the following fees when dealing in the shares of the Sub-Fund.

#### Fee

#### What you pay

#### Subscription fee (Sales Charge)

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

<b>Switching fee (Conversion Charge)</b>	Nil
<b>Redemption fee</b>	Nil
<b>Ongoing fees payable by the Sub-Fund</b> The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.	
	<b>Annual rate (as a % p.a. of the Sub-Fund's value)</b>
<b>Management Fee</b>	1.5% attributable to all other Class (up to a maximum of 3% of NAV of the relevant Class)
<b>Depository Fee</b>	(i) 0.02% plus value-added tax (" <b>VAT</b> "), 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.
<b>Performance Fee</b>	Not applicable
<b>Administration Fee</b>	not exceeding 0.09% of the NAV (plus VAT, if any), subject to a minimum fee of US\$1,500 per month
<b>Other fees</b> You may have to pay other fees when dealing in the shares of the Sub-Fund. <b>Further information in relation to fees and expenses is detailed in the Hong Kong Offering Document.</b>	
<b>Additional information</b> <ul style="list-style-type: none"> <li>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.</li> <li>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 <a href="http://www.newcapitalfunds.com">www.newcapitalfunds.com</a><sup>1</sup>.</li> <li>The NAV of this Sub-Fund is calculated and the price of shares published each "business day". They are available online at <a href="http://www.bloomberg.com">www.bloomberg.com</a><sup>1</sup> and <a href="http://www.newcapitalfunds.com">www.newcapitalfunds.com</a><sup>1</sup>.</li> <li>Investors may obtain information on the past performance of the remaining share classes offered from the Fund's website at <a href="http://www.newcapitalfunds.com">www.newcapitalfunds.com</a><sup>1</sup>.</li> </ul> <p><sup>1</sup> 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.