

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

MFO Asset Allocation Fund

A Sub-Fund of MFO II RAIF V.C.I.C. PLC (the "Fund").

ISIN: CYF000002636, **Bloomberg Ticker:** MFOALLO CY Equity

CySEC's Registration Number: RAIF123_1

Manufacturer: MFO Asset Management Ltd ("AIFM")

Call +357 22 692 030 or visit <http://www.mfoasset.com> for more information.

The Cyprus Securities and Exchange Commission ("CySEC") is responsible for supervising MFO Asset Management Ltd in relation to this Key Information Document. MFO Asset Management Ltd is authorised in Cyprus and regulated by CySEC. This Key Information Document is accurate as at 31/01/2023.

You are about to purchase a product that is not simple and may be difficult to understand.

What is this product?

Type: Investor shares of a Sub-Fund of an Open-Ended Umbrella Registered Alternative Investment Fund, namely MFO II RAIF V.C.I.C. PLC, as provided in the Alternative Investment Fund Law, or in any other law which replaces or amends it. The RAIF is not authorised by CySEC and this registration into the RAIF's Register is not equivalent to authorisation by CySEC.

Term: The Sub-Fund is set up for an indefinite period but may be liquidated in accordance with section 18 of the Fund's Prospectus.

Objectives: The investment objective is to achieve attractive, medium-term investment returns to investors, from capital appreciation and/or income return in the form of dividends and/or interest, by investing in a diversified portfolio of various asset classes which targets a medium risk asset allocation. The Sub-Fund may gain exposure either through direct investment in individual securities, or through investment into collective investment schemes or other investment vehicles providing similar exposure. In terms of asset allocation, the AIFM targets a medium risk approach through exposure in various asset classes, such as cash and cash equivalents, equities, fixed income and alternative investments, with a maximum exposure of 60% on each asset class.

Depository: Mega Equity Securities and Financial Services Public Ltd.

SFDR Classification: Article 6

Intended Retail Investor: The Sub-Fund is addressed to Professional and Well-Informed Investors, with sufficient knowledge and experience and a medium investment horizon, who can accept a possible loss on the investment amount. The Sub-Fund aims to generate its returns firstly from capital gains and to a lesser extent from periodic income. The investor shall be willing to assume a medium level of investment risk.

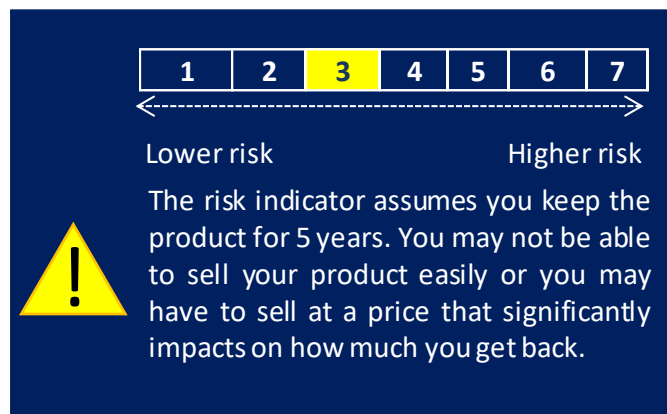
Subscriptions and Redemption: Investor can subscribe or redeem their Investor Shares on a monthly basis at the applicable Net Asset Value calculated based on the provisions of the Fund's Prospectus. There is a redemption notice period of at least 7 calendar days.

Distribution Policy: The External Manager shall declare dividends in respect of Investor Shares out of the net income and net realized capital gains (Net Distributable Income) meaning after the payment of or making appropriate provisions (if any) for costs and expenses, as well as working capital requirements of the Sub-Fund, attributable to the said Investor Shares in its absolute discretion where it considers it appropriate to do so.

Further Information: You can get further information annual about this Fund, including the Prospectus, latest annual report, any subsequent half-yearly report and the latest NAV, from the AIFM at 66 Akropoleos Avenue, 1st Floor, Acropolis Tower, 2012, Strovolos, Nicosia. They are available free of charge in English.

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

Risk Indicator



1 2 3 4 5 6 7

←-----→

Lower risk Higher risk

The risk indicator assumes you keep the product for 5 years. You may not be able to sell your product easily or you may have to sell at a price that significantly impacts on how much you get back.

This rates the potential losses from future performance at a medium-low level, and poor market conditions are unlikely to impact our capacity to pay you.

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

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 value because of movements in the markets or because we are not able to pay you. We have classified this product as risk class 3 out of 7, which is a medium-low risk class.

This product does not include any protection from future market performance, so you could lose some or all of your investment. If we are not able to pay you what is owed, you could lose your entire investment. For a full disclosure of risks entailed by investing in the Product, please refer to the “Risk Factors” section of the Fund’s Prospectus.

Performance Scenarios

The unfavourable, moderate, and favourable scenarios shown are illustrations using the worst, average, and best performance of a suitable benchmark over the last 10 years. Markets could develop very differently in the future. What you get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted.

| Recommended holding period: 5 years | | Example Investment: USD 10,000 | |
|-------------------------------------|---|--------------------------------|---------|
| Scenarios | | If you exit after | |
| | | 1 year | 5 years |
| 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 (\$) | 2,990 | 3,336 |
| | Average return each year | -70.10% | -19.71% |
| Unfavourable scenario | What you might get back after costs (\$) | 9,375 | 9,969 |
| | Average return each year | -6.25% | -0.06% |
| Moderate scenario | What you might get back after costs (\$) | 10,246 | 11,180 |
| | Average return each year | 2.46% | 2.26% |
| Favourable scenario | What you might get back after costs (\$) | 11,765 | 12,217 |
| | Average return each year | 17.65% | 4.09% |

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. The stress scenario shows what you might get back in extreme market circumstances. This type of scenario occurred between 2013 and 2022. An appropriate proxy was used to calculate the performance of the product.

What happens if MFO Asset Management Ltd is unable to pay out?

MFO Asset Management Ltd is the management company of the Product. The Product is operating with a depositary in accordance with section 26 of the Alternative Investment Funds Law of 2018. The depositary of the Product is Mega Equity Securities and Financial Services Public Ltd. The Product does not offer any guaranteed returns and is not covered by any guaranteed compensation scheme. Investors can lose the whole of their investments. The Sub Fund’s assets are segregated from those of the External Manager and from other sub-funds.

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 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, and 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 will 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.

| Scenarios | If you exit after 1 year | If you exit after 5 years |
|----------------------------|--------------------------|---------------------------|
| Total Costs | 65 | 371 |
| 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 2.9% before costs and 2.3% after costs.

Composition costs

| One-off costs upon entry or exit | | If you exit after 1 year |
|--|--|--------------------------|
| Entry costs | We do not charge an entry fee. | \$ - |
| Exit costs | We do not charge an exit fee. | \$ - |
| Ongoing costs taken each year | | |
| Management fees and other administrative or operating costs | 0.40% of the value of your investment per year. | \$ 40 |
| Transaction costs | 0.25% of the value of your investment per year. This is an estimate of the costs when we buy and sell the underlying investments for the product. The actual amount will vary depending on how much we buy and sell. | \$ 25 |
| Incidental costs taken under specific conditions | | |
| Performance fees | There is no performance fee for this product. | \$ - |

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

Recommended holding period: 5 years

The Sub-Fund is designed for medium term investments based on the target balanced allocation among asset classes. You can disinvest according to Fund Prospectus without penalty. Refer to the "What are the costs?" section for the impact of the costs on your investment return when you exit.

How can I complain?

The External Manager has a Complaints Policy through which investors can submit their complaint. Details about the Complaints Policy of the External Manager can be found at <https://www.mfoasset.com/cms/cmsspages/policy>.

Other relevant information

Further Information: Refer to "What is this Product" section for how you can find additional relevant documents for this product.

Tax Legislation: The product is subject to the tax legislation of the Republic of Cyprus, which may have an impact on your personal tax position.

Reference Currency: United States Dollar "USD"

Past performance & Previous performance scenarios:

There is insufficient data to provide a useful indication of past performance. Previous performance scenario calculations are available upon request, free of charge.

Liability: MFO Asset Management Ltd may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Fund's Prospectus.