

## 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 Private Investments III

Class B. A Sub-Fund of MFO RAIF F.C.I.C. PLC (the "Fund").

**CySEC's Registration Number:** RAIF74\_4

**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 a Closed-Ended Umbrella Registered Alternative Investment Fund, namely MFO RAIF F.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 term of the Sub-Fund is 10 years from the final closing date, plus 3 additional one-year periods at the discretion of the Manufacturer. The final closing date is not later than 2 years following the initial closing date. The initial closing date is the date upon which the Manufacturer accepts the first commitment from investors for a subscription of Investor Shares. Any additional extensions to the term or the final closing date of the Sub-Fund may be passed by written consent of at least 75% of the holders of Investor Shares in the Sub-Fund.

**Objectives:** The investment objective of the Sub-Fund is to provide attractive, long term investment returns to investors by investing in a portfolio of private equity funds mainly focused on venture capital and growth capital strategies with the ability of investing without limitation in other private equity strategies deemed by the Manufacturer to be in line with the Sub Fund's investment objective. The Sub-Fund may invest in both open-ended and closed-ended investment funds as deemed appropriate by the Manufacturer for liquidity management purposes. The Sub-Fund may invest more than 50% of its NAV in a single private equity fund. The Sub-Fund is actively managed without any benchmark

reference.

**Depository:** Bank of Cyprus Public Company 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 long 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, through exposure to the US private equity market. The investor shall be willing to assume a high level of investment risk.

**Subscriptions and Redemption:** Investors can commit their capital to the Sub-Fund, until the final closing date, in accordance with section 14 of the Fund's Prospectus at the applicable Net Asset Value calculated in accordance with section 20 of the Fund's Prospectus. Capital will be called for subscription in the Sub-Fund on a pro rata basis to each Investor's commitment and at the discretion of the Manufacturer, in an amount not to exceed the uncalled commitments, with a minimum of 5 Business Days prior notice to Investors. Investors are not authorised to request the redemption of their Investor Shares.

**Distribution Policy:** The proceeds arising from investments made by the Sub-Fund and any other income may be distributed to the Investors. Distributions from the Sub-Fund may be made at any time as determined by the sole discretion of the Manufacturer. It is however expected that the majority of distributions will only be made at the termination of the Sub-Fund.

**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

The risk indicator assumes you keep the product for 10 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less. You cannot cash in early. You may have to pay significant extra costs to cash in early.

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 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 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.**

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 Investment Compartment, 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: 10 years	
Example Investment: USD 10,000	
Scenarios	If you exit after 10 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 (\$) <b>8,249</b>
	Average return each year <i>-1.91%</i>
Unfavourable scenario	What you might get back after costs (\$) <b>8,249</b>
	Average return each year <i>-1.91%</i>
Moderate scenario	What you might get back after costs (\$) <b>12,050</b>
	Average return each year <i>1.88%</i>
Favourable scenario	What you might get back after costs (\$) <b>16,394</b>
	Average return each year <i>5.07%</i>

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 2008 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 Sub-Fund. The Sub-Fund is operating with a depositary in accordance with section 135 (5) of the Alternative Investment Funds Law of 2018. The depositary of the Sub-Fund is Bank of Cyprus Public Company Ltd. The Sub-Fund 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. We have assumed USD 10,000 is invested.

Scenarios	If you exit after 10 years
<b>Total Costs</b>	9,364
<b>Annual Cost Impact*</b>	6.0%

\* 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 7.9% before costs and 1.9% after costs.

### Composition costs

One-off costs upon entry or exit		If you exit after 10 year
<b>Entry costs</b>	We do not charge an entry fee.	\$ -
<b>Exit costs</b>	We do not charge an exit fee.	\$ -
Ongoing costs taken each year		
<b>Management fees and other administrative or operating costs</b>	5.58% of the value of your investment per year.	\$ 9,364
<b>Transaction costs</b>	0.00% 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.	\$ -
Incidental costs taken under specific conditions		
<b>Performance fees</b>	There is no performance fee for this product.	\$ -

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

### Recommended holding period: 10 years

The Sub-Fund is designed for long term investments based on the time required for private equity funds to deploy their strategies and achieve an optimum exit strategy. You cannot disinvest from this Product until its termination. 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/cmspages/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

**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.