

**RAM Public OFC
RAM Hong Kong Government Bond Fund (“Sub-Fund”)**

November 2024

Issuer: RAM Investment Advisors Limited

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the Offering Document.***
- ***You should not invest in this product based on this statement alone.***

Quick facts

Manager:	RAM Investment Advisors Limited	
Custodian:	BOCI-Prudential Trustee Limited	
Ongoing charges over a year*:	Class A USD (ACC)	1.05%
	Class A USD (DIST)	1.05%
	Class A HKD (ACC)	1.05%
	Class A HKD (DIST)	1.05%
	Class A AUD (ACC)	1.05%
	Class A AUD (DIST)	1.05%
	Class A EUR (ACC)	1.05%
	Class A EUR (DIST)	1.05%
	Class A RMB (ACC)	1.05%
	Class A RMB (DIST)	1.05%
	Class B USD (ACC)	1.55%
	Class B USD (DIST)	1.55%
	Class B HKD (ACC)	1.55%
	Class B HKD (DIST)	1.55%
	Class B AUD (ACC)	1.55%
	Class B AUD (DIST)	1.55%
	Class B EUR (ACC)	1.55%
	Class B EUR (DIST)	1.55%
	Class B RMB (ACC)	1.55%
	Class B RMB (DIST)	1.55%
	Class C USD (ACC)	1.85%
	Class C USD (DIST)	1.85%
	Class C HKD (ACC)	1.85%
	Class C HKD (DIST)	1.85%
	Class C AUD (ACC)	1.85%
	Class C AUD (DIST)	1.85%
	Class C EUR (ACC)	1.85%
	Class C EUR (DIST)	1.85%
	Class C RMB (ACC)	1.85%
	Class C RMB (DIST)	1.85%

* As the Sub-Fund is newly set up, this figure is a best estimate only. The actual figure may be different upon the actual operation of the Sub-Fund and may vary from year to year. The ongoing charges figure represents the estimated ongoing expenses chargeable to the relevant class over a 12-

month period expressed as a percentage of the estimated average Net Asset Value (“NAV”) of the relevant class over the same period.

Dealing Frequency:

Daily

Financial year end:

31 December

Base Currency:

HKD

Dividend policy:

Distribution (DIST) classes: The Manager may at its discretion pay dividends (if any) on a monthly basis. However, there is no guarantee of regular distribution, nor where distribution is made, the amount being distributed. Distributions will be paid in the class currency of the relevant class of shares. Dividends may be paid out of capital or effectively out of capital and may result in an immediate reduction of the NAV per share of the relevant class of shares.

Accumulation (ACC) classes: No distributions will be made.

Minimum investment:

Class A USD (DIST)/(ACC): USD2,000 initial, USD1,000 additional
Class A HKD (DIST)/(ACC): HKD15,000 initial, HKD8,000 additional
Class A AUD (DIST)/(ACC): AUD10,000 initial, AUD10,000 additional
Class A EUR (DIST)/(ACC): EUR2,000 initial, EUR1,000 additional
Class A RMB (DIST)/(ACC): RMB15,000 initial, RMB8,000 additional
Class B USD (DIST)/(ACC): USD2,000 initial, USD1,000 additional
Class B HKD (DIST)/(ACC): HKD15,000 initial, HKD8,000 additional
Class B AUD (DIST)/(ACC): AUD10,000 initial, AUD10,000 additional
Class B EUR (DIST)/(ACC): EUR2,000 initial, EUR1,000 additional
Class B RMB (DIST)/(ACC): RMB15,000 initial, RMB8,000 additional
Class C USD (DIST)/(ACC): USD2,000 initial, USD1,000 additional
Class C HKD (DIST)/(ACC): HKD15,000 initial, HKD8,000 additional
Class C AUD (DIST)/(ACC): AUD10,000 initial, AUD10,000 additional
Class C EUR (DIST)/(ACC): EUR2,000 initial, EUR1,000 additional
Class C RMB (DIST)/(ACC): RMB15,000 initial, RMB8,000 additional

What is this product?

The Sub-Fund is a sub-fund of RAM Public OFC (“**Company**”), a Hong Kong domiciled public open-ended fund company with variable capital with limited liability and segregated liability between sub-funds registered and incorporated under Part IVA of the Securities and Futures Ordinance (Cap. 571) (“**SFO**”). The Company and the Sub-Fund are authorised under section 104 of the SFO. It is governed by the laws of Hong Kong.

Investment Objective and Investment Strategy

Investment Objective

The investment objective of the Sub-Fund is to achieve long-term capital growth by investing in debt securities issued by and/or guaranteed by the Hong Kong government, Hong Kong Monetary Authority or other securities fulfilling requirements set out in the Sub-Fund’s investment policies.

Investment Strategy

The Sub-Fund will invest primarily (i.e. at least 70% of its NAV) in a diversified portfolio of debt securities issued or guaranteed by the Hong Kong government, the Hong Kong Monetary Authority or issued by companies, agencies or bodies wholly owned beneficially by the government of Hong Kong. The debt securities which the Sub-Fund may invest in include, but are not limited to bonds, certificate of deposits, treasury bills, exchange fund bills, exchange fund notes, convertible bonds, discount securities and fixed and floating rate securities.

The Sub-Fund may also invest up to 30% of its NAV in debt securities issued or guaranteed by non-Hong Kong governmental related entities including debt instruments issued in Hong Kong by the Ministry of Finance of the People's Republic of China and local people's governments at any level in the PRC).

The Sub-Fund may also invest up to 30% of its NAV in debt securities issued or guaranteed by non-governmental related entities including bonds issued and/or guaranteed by (A) companies listed on the Hong Kong Stock Exchange and traded in Hong Kong Dollars (HKD) or Renminbi (RMB) and (B) supranational bodies, international agency, financial institutions and banks, and corporate entities which are domiciled in, based in, or carry out the larger part of their business in Asia (including Hong Kong).

The Sub-Fund may invest less than 30% of its NAV in debt securities issued within Mainland China (including urban investment bonds, i.e. debt instruments issued by the local government financing vehicles ("LGFVs") traded on the China Interbank Bond Market via Bond Connect. These LGFVs are separate legal entities established by local governments and/or their affiliates to raise financing for public welfare investment or infrastructure projects.

The Sub-Fund may also invest up to 20% of its NAV in securities listed in recognised global exchanges, including but not limited to exchange traded funds and interests in REITs.

The Sub-Fund may also invest no more than 20% of its NAV in inflation-linked securities and hybrid securities, including convertible notes.

The Sub-Fund may also hold no more than 30% of its NAV in cash, bank deposits, cash equivalents and/or money market instruments under normal market circumstances, but may temporarily increase its holding up to 100% of its NAV in cash, bank deposits, cash equivalents and/or money market instruments under exceptional circumstances (e.g. market crash or major crisis such as during periods of significant downturn in the economic or political turmoil) in the best interests of Shareholders in order to protect the assets of the Sub-Fund, mitigate risk or maintain liquidity of the Sub-Fund.

The debt securities which the Sub-Fund may also invest includes convertible bonds, collateralised and/or securitised products (such as asset-backed securities, mortgage-backed securities, loan-backed securities and securitised notes). Investments in convertible bonds, collateralised and/or securitised products will be less than 20% of the Sub-Fund's NAV.

The Sub-Fund is not subject to any requirements on the minimum credit rating of the debt securities it may hold and consequently it may hold debt securities that are rated investment grade, below investment grade or unrated. A debt security is considered investment grade if its credit rating is BBB- or above by Standard and Poor's or Fitch Ratings or Baa3 or above by Moody's or equivalent rating as rated by an international credit rating agency. For split credit ratings, the highest credit rating issued to the debt securities will be deemed as the reference credit rating. For Mainland China debt securities, a debt security is considered investment grade if it has a minimum credit rating of AA+ as rated by China Chengxin International Credit Rating Co., Ltd or China Lianhe Credit Rating Co., Ltd, or equivalent ratings by one of the local rating agencies recognised by the relevant authorities in Mainland China. For split credit ratings, the highest credit rating issued to the debt securities will be deemed as the reference credit rating.

The Sub-Fund's investment in below investment grade and unrated debt securities shall be no more than 30% of the Sub-Fund's NAV. The Sub-Fund, however will not invest more than 10% of its NAV in debt securities issued or guaranteed by a single sovereign issuer (including its government, public or local authority) with a credit rating below investment grade and/or unrated.

For the Sub-Fund's portfolio of debt securities, the Manager intends to maintain a weighted average duration of no more than 3 years.

The Sub-Fund may also invest no more than 30% of its NAV in collective investment schemes which are either authorised by the SFC or eligible schemes (as defined in SFC's Code on Unit Trusts and Mutual Funds). The Sub-Fund's investment in collective investment schemes which are non-eligible schemes and are not authorised by the SFC may not exceed 10% of the Sub-Fund's NAV.

The Sub-Fund may borrow up to 10% of its NAV on a temporary basis for the purposes of meeting realisation requests or defraying operating expenses.

The Sub-Fund may use financial derivative instruments (“**FDI**”), including but not limited to swaps, forwards, futures and options, for hedging purposes only to hedge market, interest rate and currency risks.

The Manager does not currently intend to engage in securities lending, repurchase and reverse repurchase transactions in respect of the Sub-Fund. The approval of the SFC will be sought and at least one month’s prior notice will be given to shareholders.

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 Explanatory Memorandum for details including the risk factors.

1 General investment risk

The Sub-Fund’s investment portfolio may fall in value due to any of the key risk factors below and therefore, investors’ investments in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.

2 Currency risk

Underlying investments of the Sub-Fund may be denominated in currencies other than the base currency of the Sub-Fund. Also, a class of shares may be designated in a currency other than the base currency of the Sub-Fund. The NAV of the Sub-Fund may be affected unfavourably by fluctuations in the exchange rates between these currencies and the base currency and by the changes in exchange rate controls.

3 Risks associated with debt securities

- *Credit / counterparty risk:* The Sub-Fund is exposed to the credit or default risk of issuers of the debt securities that the Sub-Fund invests in. The issuers of such instruments may incur difficulties in making full and timely repayments of principal and interests, which may lead to a default and, ultimately, a fall in the value of the Sub-Fund.
- *Interest rate risk:* Investment in the Sub-Fund is subject to interest rate risk. In general, the prices of debt securities rise when interest rates fall, whilst their prices fall when interest rates rise.
- *Downgrading risk:* The credit rating of a debt instrument or its issuer may subsequently be downgraded. In the event of such downgrading, the value of the Sub-Fund may be adversely affected. The Manager may or may not be able to dispose of the debt securities that are being downgraded.
- *Risk associated with debt securities rated below investment grade and/or unrated:* The Sub-Fund may invest in debt securities which are below investment grade or unrated. Such securities are subject to lower liquidity, higher volatility and higher credit risk and greater risk of loss of principal and interest than more high-rated debt instruments.
- *Sovereign debt risk:* The Sub-Fund’s investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Sub-Fund to participate in restructuring such debts. The Sub-Fund may suffer significant losses when there is a default of sovereign debt issuers.
- *Risks associated with collateralised and/or securitised products:* The Sub-Fund invests in asset backed securities, mortgage-backed securities, loan-backed securities and securitised notes which may be highly illiquid and prone to substantial price volatility. These instruments may be subject to greater credit, liquidity and interest rate risk compared to other debt securities. They are often exposed to extension and prepayment risks and risks that the payment obligations

relating to the underlying assets are not met, which may adversely impact the returns of the securities.

- *Valuation risk:* Valuation of the Sub-Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the NAV calculation of the Sub-Fund.
- *Credit rating risk:* Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.

4 Concentration risk

The Sub-Fund will focus its investment in debt securities whose predominant business will benefit from or is related to the economic growth in Hong Kong. The Sub-Fund is likely to be more volatile than a more diverse portfolio of investments. The value of the Sub-Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the Hong Kong market.

5 Emerging market risk

The Sub-Fund may invest in emerging markets (such as Mainland China) which may involve increased risks and special considerations not typically associated with investments in more developed markets, such as liquidity risks, currency risk/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility.

6 Distributions out of/effectively out of capital risk

Payments of dividends out of capital or 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 such distributions may result in an immediate reduction of the NAV per share.

7 Risks associated with investment in FDI

The Fund may use FDIs for hedging purposes only and in adverse situations its use of FDIs may become ineffective and/or cause the Fund to suffer significant loss.

Risks associated with FDI include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of an FDI can result in a loss significantly greater than the amount invested in the FDI by the Sub-Fund. Exposure to FDI may lead to a high risk of significant loss by the Sub-Fund.

How has the Sub-Fund performed?

There is insufficient data to provide a useful indication of past performance to investors as the Sub-Fund is newly launched.

Is there any guarantee?

The Sub-Fund does not have any guarantee. 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	Class A: Up to 5% of the total subscription amount ¹ Class B: Up to 5% of the total subscription amount ¹ Class C: Up to 5% of the total subscription amount ¹

Redemption Fee	Class A / Class B / Class C: Nil ¹
Conversion Fee	Class A / Class B / Class C: 0.25% of the total amount being converted

¹ The fees may be increased up to a specified permitted maximum as set out in the Explanatory Memorandum by giving shareholders at least one month's prior notice.

Ongoing fees payable by the Sub-Fund

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

Fee	Annual rate (as a % of the Sub-Fund's NAV unless otherwise specified)
Management Fee*	Class A: 0.75% p.a. Class B: 1.25 % p.a. Class C: 1.55 % p.a.
Custodian Fee and Administration Fee*	Up to 0.125% p.a of the Sub-Fund's NAV, subject to a monthly minimum fee of USD5,000
Performance Fee	Not applicable

* The fees may be increased up to the specified permitted maximum level as set out in the Explanatory Memorandum by giving not less than one month's notice to Shareholders.

Other Fees

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

Please refer to the section "Fees and Expenses" of the Explanatory Memorandum for details of other fees and expenses.

Additional Information

- You generally buy and redeem shares at the Sub-Fund's next determined NAV after the authorised distributor receives your request in good order on or before 4:00 p.m. (Hong Kong time) on the applicable dealing day, being the dealing cut-off time. The authorised distributor may impose different dealing deadlines for receiving requests from investors. Investors should pay attention to the arrangements of the authorised distributor concerned.
- The NAV of the Sub-Fund is calculated and the price of shares is published on each business day. They are available on the Manager's website at <https://ramgroup.com.hk/>¹.
- You may obtain the past performance information of other share classes offered to Hong Kong investors from the Manager's website at <https://ramgroup.com.hk/>¹.
- You may obtain information on the Manager from the website: <https://ramgroup.com.hk/>¹.
- The composition of dividends (if any) (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months will also be available from the Manager on request and published on the Manager's website: <https://ramgroup.com.hk/>¹.

¹ Investors should note that this website has not been reviewed by the SFC.

Important

SFC registration and authorisation do not represent a recommendation or endorsement of the Company or the Sub-Fund nor do they guarantee the commercial merits of the Company or the Sub-Fund or their performance. They do not mean the Company or the Sub-Fund is suitable for all investors nor do they represent an endorsement of its suitability for any particular investor or class of investors.

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.