

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

Quick Facts

Manager:	Amundi Hong Kong Limited 東方匯理資產管理香港有限公司	
Trustee:	HSBC Institutional Trust Services (Asia) Limited 滙豐機構信託服務(亞洲)有限公司	
Dealing Frequency:	Daily (any business day during which banks in Hong Kong are open for normal banking business but excluding Saturdays and Sundays, or days as the Manager and the Trustee may agree)	
Ongoing charges over a year[#]:	Class Classic USD – Accumulation	2.22%
	Class Classic USD – Distribution	2.22%
	Class Classic HKD – Distribution	2.22%
	Class Classic RMB – Distribution	2.22%
	Class Classic AUD (hedged) – Distribution	2.22%
	Class Classic CAD (hedged) – Distribution	2.22%
	Class Classic EUR (hedged) – Distribution	2.22%
	Class Classic GBP (hedged) – Distribution	2.22%
	Class Classic NZD (hedged) – Distribution	2.22%
	Class Classic RMB (hedged) – Distribution	2.22%
Base currency:	USD	
Dividend policy:	For Distribution classes: Dividends will be declared and paid monthly (however, the rate of distribution is not guaranteed) [^] For Accumulation classes: No dividends will be declared [^] Dividend payments may, at the sole discretion of the Manager, be made out of the Sub-Fund's income and/or capital, or be paid out of gross income while charging/paying all or part of the Sub-Fund's fees and expenses to/out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of dividends by the Sub-Fund, in which case, the Sub-Fund is effectively paying dividends out of capital. Distributions out of capital or effectively out of capital may result in an immediate decrease of the net asset value per unit of the Sub-Fund.	
Financial year end:	31 December	
Min. Investment:	Initial: USD1,000	
(in USD or equivalent in the relevant class currency)	Additional: USD1,000	

[#]As Amundi HK – Global Education Opportunities Equity Fund (the “Sub-Fund”) is newly set-up, this figure is a best estimate only and represents the sum of the estimated ongoing charges over the first year after the launch of the Sub-Fund and expressed as a percentage of the estimated average net asset value (“NAV”) of the Sub-Fund over the same period. It may be different upon actual operation of the Sub-Fund and may vary from year to year.

What is this product?

Amundi HK – Global Education Opportunities Equity Fund is a sub-fund constituted in a form of unit trust under Amundi HK Portfolios which is an umbrella unit trust governed by the laws of Hong Kong.

Amundi HK – Global Education Opportunities Equity Fund (a sub-fund of Amundi HK Portfolios)

Investment Objectives

The investment objective of the Sub-Fund is to outperform global equity markets over a long-term period by investing in equity securities of companies from anywhere in the world which are involved in the entire education ecosystem.

Investment Strategy

The Sub-Fund aims to achieve the investment objective by investing at least 70% of its NAV in a diversified portfolio of equity securities of companies from anywhere in the world which are involved in educational technology; childcare; school, college and university management; education real estate investment trusts (“REITs”); education financing; publishers and content production; career development / recruitment; and educational supplies and services and all related activities.

The Manager primarily adopts a mix of top-down and bottom-up approach in managing the portfolio. The Manager would first use top-down approach to identify the education sub-sectors with growth potential to be invested based on macroeconomic analysis. Within the selected sub-sectors, the Manager would select the companies for investment based on a bottom-up approach, where the Manager would conduct fundamental research on the companies’ business prospects, competitive advantage, profitability, cash flow projections, market valuation, corporate governance and so on. In the stock selection process, the Manager will also take into account ESG criteria: Environmental issues (such as impact on natural resources), Social issues (such as human rights) and Governance issues (such as the way in which the company is run) based on globally recognised ESG principles / in-house methodology developed by the Amundi Group.

The Sub-Fund may invest up to 100% of its NAV in equities and equity equivalent securities (such as American depository receipts, global depository receipts). The Sub-Fund may invest up to 20% of its NAV in China A-Shares and China B-Shares, where the Sub-Fund will invest in China A-Shares through the Stock Connects which is a securities trading and clearing linked program for mutual stock market access between the Mainland China and Hong Kong. The Sub-Fund is not subject to any limitation on the portion of its NAV that may be invested in any one country or region or any companies with a particular market capitalization

Depending on market conditions, up to 20% of the NAV of the Sub-Fund may be invested in cash and money market instruments.

The Sub-Fund may invest in financial derivative instruments (such as warrants, options and futures) for investment and hedging purposes to the extent permitted under Chapter 7 of the SFC’s Code on Unit Trusts and Mutual Funds and the provisions set out under the section headed “INVESTMENT AND BORROWING RESTRICTIONS” in the Explanatory Memorandum.

As the Sub-Fund is focused on education sector for which there is no benchmark index, for information purposes only, the MSCI All Country World Net Total Return Index (net dividends reinvested) will be used as reference index to assess the Sub-Fund’s performance in achieving its investment objective to outperform global equity markets, without limiting the management of the Sub-Fund.

The Sub-Fund will not be involved in stock lending, repurchase agreement, or other related similar over-the-counter transactions.

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 your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.

2. Equity, market and volatility risk: The Sub-Fund may invest in equities and equity equivalent securities and thus, is subject to the market risks generally associated with equity investment, namely, the market value of the stocks may go down as well as up. Factors affecting the stock values are numerous, including but not limited to changes in investment sentiment, political environment, economic environment, the business and social conditions in local and global marketplace and issuer-specific factors. Securities exchanges typically have the right to suspend or limit trading in any security traded on the relevant exchange; a suspension will render it impossible to liquidate positions. It is possible that your investment value could suffer substantial loss. High market volatility and potential settlement difficulties in the markets may also result in significant fluctuations

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in the prices of the securities traded on such markets and thereby may adversely affect the value of the Sub-Fund.

3. Concentration risk: The Sub-Fund's investments will be concentrated in the education sector. The Sub-Fund may be adversely affected by or depend heavily on the performance of the education sector. Also, although the Sub-Fund has a global investment universe, its portfolio may, at times, concentrate in certain specific countries or regions. Thus, the value of the Sub-Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting that countries or regions. Investors should also be aware that the Sub-Fund is likely to be more volatile than a broad-based fund which is diversified across different sectors, countries or regions.

4. Risk of investing in education sector: The education sector is vulnerable to a broad range of risks that can threaten development effectiveness. Risks can spring from several factors: opportunities for discretionary decision making, political interference and patronage networks, weak sector institutions, and non-transparent and inefficient systems. These may adversely affect the net asset value of the Sub-Fund which focuses on the education sector.

5. Risk of small and medium companies: The Sub-Fund may invest in small and medium sized companies which may involve a higher degree of risk, due to higher risks of failure or bankruptcy and illiquid nature of the small and medium companies' shares. Small and medium companies' shares may have lower liquidity and their prices are more volatile to adverse economic development than shares of large companies.

6. Risk of investing in REITs: There are particular risks associated with the direct ownership of real estate by REITs. For example, real estate values may fluctuate as a result of general and local economic conditions, overbuilding and increased competition, increases in property taxes and operating expenses, changes in rules and regulations, casualty or condemnation losses, regulatory limitations on rents, changes in neighbourhood values, increases in interest rates, changes in the value of their underlying properties and defaults by borrowers or tenants.

Furthermore, REITs are dependent on specialised management skills. Some REITs may have limited diversification and may be subject to risks inherent in financing a limited number of properties. REITs depend generally on their ability to generate cash flows to make distributions to shareholders or unitholders, and may be subject to defaults by borrowers and to self-liquidations.

Moreover, the ability to trade REITS in the secondary market can be more limited than other stocks.

7. Currency risk: The Sub-Fund may invest in whole or in part in underlying assets quoted in other currencies than the Sub-Fund's base currency. Also, a class of units may be designated in a currency other than the Sub-Fund's base currency. The performance and the NAV of the Sub-Fund may therefore be affected unfavourably by movements in the exchange rate between these currencies and the base currency of the Sub-Fund and by changes in exchange rate controls. As a result of the Sub-Fund's exposure to currency risk, the Sub-Fund may suffer loss.

8. RMB classes related risk (associated with Class Classic RMB – Distribution and Class Classic RMB (hedged) - Distribution):

As RMB is not freely convertible, currency conversion is subject to availability of RMB at the relevant time. Under exceptional circumstances, payment of redemptions and/or dividend payment in RMB may be delayed due to the exchange controls and restrictions applicable to RMB. In case of sizable redemption requests for the RMB classes are received, the Manager has the absolute discretion to delay any payment of redemption requests from the RMB classes where it determines that there is not sufficient RMB for currency conversion by the Sub-Fund for settlement purpose. In any event, for proper redemption requests received before the dealing deadline, realisation proceed will be paid no later than one calendar month after the relevant dealing day when the redemption requests were received.

When calculating the value of the RMB classes, the offshore RMB in Hong Kong (the "CNH") will be used. The CNH rate may be at a premium or discount to the exchange rate for onshore RMB in China (the "CNY") and there may be significant bid and offer spreads. While CNH and CNY represent the same currency, they are traded in different and separate markets which operate independently. As such, CNH does not necessarily have the same exchange rate and may not move in the same direction as CNY. Any divergence between CNH and CNY may adversely impact investors.

The value of the RMB classes thus calculated will be subject to fluctuation. The exchange rate of RMB may rise or fall. There can be no assurance that RMB will not be subject to devaluation. Any devaluation of RMB could adversely affect the value of investors' investments in the RMB classes of the Sub-Fund. Non-RMB based (e.g. Hong Kong) investors may have to convert Hong Kong dollar or other currencies into RMB when investing in the RMB classes. Subsequently, investors may also have to convert the RMB redemption proceeds (received when selling the units) and RMB dividends received (if any) back to Hong Kong dollar or other currencies.

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During these processes, investors will incur currency conversion costs and may suffer losses in the event that RMB depreciates against Hong Kong dollar or such other currencies upon receipt of the RMB redemption proceeds and/or RMB dividends (if any).

9. Hedging Risk: Each of the hedged classes of units will hedge the Sub-Fund's base currency back to its currency of denomination, on a best effort basis, with an objective to align the performance of the hedged classes to that of the equivalent class denominated in the Sub-Fund's base currency. The effects of hedging will be reflected in the net asset values of the hedged classes. The Manager is also permitted but not obliged to use hedging techniques to attempt to offset market risks. However, there is no guarantee that the hedging techniques employed by the Manager will fully and effectively achieve the desired result and effect. Furthermore, the volatility of the hedged classes may be higher than that of the equivalent class denominated in the Sub-Fund's base currency. The hedging strategy will limit the hedged class from benefiting from any potential gain resulting from the appreciation of the base currency against the hedged class currency of denomination and investors have to bear the associated hedging costs which may be significant depending on the prevailing market conditions.

10. Risks related to distribution policy: For distribution classes, the Manager may at its discretion determine to pay dividends out of capital and/or effectively out of capital of the Sub-Fund, amounting 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 unit of the Sub-Fund. The distribution amount and NAV of the hedged unit classes may be adversely affected by exchange rate fluctuation resulting from differences in the interest rates of the reference currency of the hedged unit classes and the Sub-Fund's base currency, leading to an increase in the amount of distribution that is paid out of capital and/or effectively out of capital (as the case may be) and hence a greater erosion of capital than other non-hedged unit classes.

In addition, returns to investors will vary from year to year depending on the dividend income and capital returns generated by the underlying investments. The Manager will declare and pay dividends every calendar month for those registered unitholders as at the end of a calendar month. However, the rate of distribution is not guaranteed and is subject to the discretion of the Manager.

How has the fund performed?

As the Sub-Fund is newly launched for less than a complete calendar year, there is insufficient data to provide a useful indication of past performance to investors.

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 units of the Sub-Fund.

Fee	What you pay
Subscription fee (Preliminary Charge)	Classic Classes: 4.5% of the issue price (maximum)
Switching fee	Classic Classes: 1% of the issue price of the new units (maximum)
Redemption fee (Realisation Charge)	Classic Classes: Currently is none (maximum is 1% of the realisation price)

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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.

	Annual rate (as a % of the NAV of the Sub-Fund)
Management fee[^]	Classic Classes: 1.65% (maximum is 2.00%)
Trustee fee	Classic Classes: currently is 0.11%, subject to an annual minimum fee of up to USD40,000
Performance fee	Not Applicable
Administration fee	None
Registrar's fee	An annual maintenance fee of USD4,000 for maintaining the register of unitholders for the first 30 unitholders and thereafter USD100 per annum per unitholder

[^]The Manager will donate, in the name of the Manager, 3% of the management fee received from the Sub-Fund at each financial year end for education purpose. The actual amount of the donation and the name(s) of the recipient(s) will be disclosed in the annual reports and accounts of the Sub-Fund. Please refer to the Explanatory Memorandum for details of the donation arrangement.

Other fees

You may have to pay other fees when dealing in the units of the Sub-Fund. The Sub-Fund will also bear the costs which are directly attributable to it, as set out in the Explanatory Memorandum.

Additional Information

- You generally buy and redeem units at the Sub-Fund's next-determined NAV after HSBC Institutional Trust Services (Asia) Limited, the Trustee of the Sub-Fund, receives your request in good order on or before 5 p.m. (Hong Kong time) being the dealing cut-off time. Investors are reminded that the distributors may have different cut-off time. Please pay attention to the dealing cut-off time of the respective distributors.
- The NAV of this Sub-Fund is calculated and the price of units published each business day. They are available online at http://www.amundi.com.hk/retail* in English and http://www.amundi.com.hk/zh_retail* in Chinese.
- The compositions of dividends (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) are available by the Manager on request and can be found online at http://www.amundi.com.hk*.

*The above website has not been reviewed by the Securities and Futures Commission ("SFC").

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.