

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

Quick facts

Investment Manager:	FIL Investment Management (Hong Kong) Limited	
Trustee and Custodian:	HSBC Institutional Trust Services (Asia) Limited	
Dealing frequency:	Daily	
Base currency:	USD	
Ongoing charges over a year[^]:	Ordinary Units:	0.88%
	Administration Units:	1.33%
	Savings Units:	1.37%
	[^] The ongoing charge figure for each class of units is based on ongoing expenses chargeable to the relevant class for the year ended 31 December 2021 expressed as a percentage of the average net asset value of the relevant class for the same period. This figure may vary from year to year.	
Dividend policy:	No dividends will be paid. All interest and other income earned on the investment will be retained in the fund.	

Financial year end of this fund: 31 December

Minimum investment:	<u>Initial Investment</u>	<u>Subsequent Investment</u>
Ordinary Units	USD 500,000	Nil
Administration Units	USD 500,000	Nil
Savings Units	Nil	USD 1,000
The Manager has discretion to accept subscriptions for lower amounts than specified above.		

What is this product?

Fidelity Advantage Portfolio Fund is a unit trust constituted by the Trust Deed and governed by Hong Kong law. The fund is a feeder fund that invests in the Fidelity Global Investment Fund – Global Bond Fund.

Objectives and Investment Policy

- The fund aims to achieve long-term capital growth in US dollar terms for investors including savings plans and retirement benefits schemes.
- The objective of the fund is to produce returns that are related to those achieved on the major bond market indices.
- The fund is a feeder fund that invests in the Fidelity Global Investment Fund – Global Bond Fund (the “**Underlying Fund**”). The Underlying Fund focuses investment (i.e. at least 70% of its net asset value) in debt securities (including but are not limited to convertible bonds, corporate bonds and government bonds) globally (including emerging markets).
- Subject to the requirements under the Mandatory Provident Fund Schemes (General) Regulation and the requirements and guidance issued by the SFC, the Underlying Fund may invest less than 30% of its net asset value in instruments with loss-absorption features which may include instruments classified as non-preferred senior bonds (which may also be known as Tier 3 bonds) and other instruments eligible to be counted as loss-absorbing capacity under the resolution regime for financial institutions, in compliance with its investment policy and limits. These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger event(s). However, for the avoidance of doubt, the Underlying Fund will not invest in contingent convertible securities (CoCos).
- The Underlying Fund may invest up to 10% of its net asset value in onshore Mainland China debt securities. The Underlying Fund intends to limit the volatility of returns in the short term.
- The largest ten holdings/securities to which the Underlying Fund may have exposure may account for 50% or more of its net asset value, resulting in a reasonably concentrated portfolio.

Use of derivatives

The fund's net derivative exposure may be up to 50% of the fund's net asset value.

What are the key risks?

Investment involves risks. Please refer to the Explanatory Memorandum for details including the risk factors. Where applicable, reference to the fund in this section includes reference to the Underlying Fund.

Risk to Capital and Income (Investment Risk)

- The assets of the fund are subject to fluctuations (increase or decrease) in value. There is no guarantee of repayment of principal and you may not get back the original amount invested. Past performance is no guarantee of future performance.

Risks of investing in other collective investment schemes/funds

The fund by investing solely in the Underlying Fund is subject to the following risks associated with the Underlying Fund:

- The fund does not have control of the investments of the Underlying Fund and there is no assurance that the investment objective and strategy of the Underlying Fund will be successfully achieved. This may have a negative impact to the net asset value of the fund.
- There may be additional costs involved when investing into the Underlying Fund. There is also no guarantee that the Underlying Fund will always have sufficient liquidity to meet the fund's redemption requests as and when made.

Foreign Currency Risk

- The fund's assets may be denominated in currencies other than the base currency of the fund. Fluctuations in the exchange rates between these currencies and the base currency as well as changes in exchange rate controls may adversely affect the fund's net asset value.

Bonds and Other Debt Instruments

- The value of bonds or other debt instruments will fluctuate depending on e.g. market interest rates, the credit quality of the issuer, the currency of the investment (when it is different from the base currency of the fund) and liquidity considerations. In general, the prices of debt instruments 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 fund may be adversely affected. The investment manager of the Underlying Fund may or may not be able to dispose of the debt instruments that are being downgraded.

Credit/Default risk

- Investments may be adversely affected if any of the institutions with which money is deposited suffers insolvency or are otherwise unable to pay interest or principal (default). Credit risk also arises from the uncertainty about the ultimate repayment of principal and interest from bond or other debt instrument investments by the issuers of such securities. In both cases the entire deposit or purchase price of the debt instrument is at risk of loss if there is no recovery after default.

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.

Sovereign Debt Risk

- The 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 fund to participate in restructuring such debts. The fund may suffer significant losses when there is a default of sovereign debt issuers.

Valuation Risk

- Valuation of the fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the fund.

Eurozone Risk

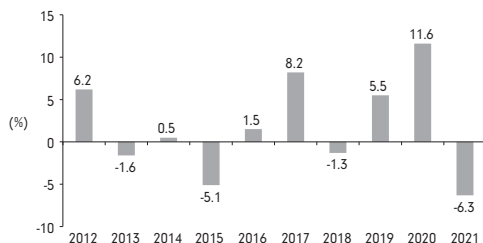
- In light of ongoing concerns on the sovereign debt risk of certain countries within the Eurozone, the fund's investments in the region may be subject to higher volatility, liquidity, currency, and default risks. Any adverse events, such as credit downgrade of a sovereign or exit of EU members from the Eurozone, may have a negative impact on the value of the fund.

Financial Derivative Instruments

- Although the fund will not use derivatives for investment purposes, the use of derivatives may give rise to liquidity risk, counterparty credit risk, volatility risk, valuations risks and over-the-counter transaction risk at times. Exposure to financial derivative instruments may lead to a high risk of significant loss by the fund.

Fidelity Advantage Portfolio Fund – World Bond Fund

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 the Ordinary Units increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding any subscription fees and realisation fees you might have to pay.
- Fund launch date: 2003
- Ordinary Units launch date: 2003
- The Investment Manager views Ordinary Units, having the longest track record and denominated in the fund's base currency, as the most appropriate representative unit class.

Is there any guarantee?

This fund does not have any guarantees. You may not get back the full amount of money you invested.

What are the fees and charges?

Charges which may be payable by you

You have to pay the following fees when dealing in units of the fund.

Classes of Units	Subscription Fee	Switching Fee	Realisation Fee
Ordinary	Currently waived	5.0% of issue price of Unit in New Sub-Fund	N/A
Administration	Currently waived	5.0% of issue price of Unit in New Sub-Fund	N/A
Savings	Currently waived	Nil	N/A

Ongoing fees payable by the fund

The following expenses will have to be paid out of the fund. They affect you because they reduce the return you get on your investments.

Classes of Units	Investment Management Fee	Trustee Fee	Performance Fee	Administration Fee
Ordinary	0.75% p.a. of net asset value	Currently waived	N/A	N/A
Administration	0.75% p.a. of net asset value	Currently waived	N/A	0.45% p.a. of net asset value attributable to Administration Units
Savings	0.75% p.a. of net asset value	Currently waived	N/A	0.50% p.a. of net asset value attributable to Savings Units

Other Fees

You may have to pay other fees when dealing in units of the fund. Any other fees and charges are described in the Explanatory Memorandum. You should note that some fees may be increased, up to a specified permitted maximum, by giving Unitholders at least three months' prior notice. For details, please refer to the Explanatory Memorandum.

Additional Information

- You generally buy, redeem or switch units at the fund's next-determined net asset value after your request is received in good order at or before 12.00 noon (Hong Kong time) on a dealing day, being the fund's dealing cut-off time.
- The net asset value of this fund is calculated and the price of units is published each business day. Unit prices of the fund will be published on www.fidelity.com.hk.¹
- For further information on the past performance of other unit classes offered to Hong Kong investors, please refer to www.fidelity.com.hk.¹
- Investors may obtain information from Fidelity Investor Hotline at (852) 2629 2629.

¹ Please note that the website has not been reviewed by the 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.