

# Key Information Document

## 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 to help you compare it with other products. You are advised to read it so you can make an informed decision about whether to invest.

## Product

<b>Name of Product:</b>	Maltese Assets Fund	<b>Manufacturer:</b>	HSBC Global Asset Management (Malta) Ltd
<b>Share Class:</b>	Accumulator Shares	<b>Telephone number:</b>	+356 2380 2380
<b>Share Type:</b>	Accumulator	<b>Website:</b>	www.hsbc.com.mt
<b>ISIN:</b>	MT7000018354	<b>Regulator:</b>	Malta Financial Services Authority (MFSA)
<b>Fund Base Currency:</b>	Euro	<b>Data as at:</b>	29/06/2018

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

## What is this product?

**Type:** The Fund is a sub-fund within HSBC Malta Funds SICAV p.l.c. which is a Company is organised under the laws of Malta as a multi-fund investment company with variable share capital (SICAV). The Company consists of separate classes of shares constituting segregated Sub-Funds which are segregated patrimonies.

**Objective:** The Fund aims to achieve a reasonable return in the form of capital gains.

**Investment Policy:** To achieve its objective, the Fund makes long-term investments in Maltese equities and interest-earning assets. To minimise volatility and maintain liquidity, a portion of the Fund's assets will be invested in money-market instruments and debt securities. The Fund's diversified portfolio also includes deposits with credit institutions licensed in Malta and collective investment schemes, with similar objectives to those of the Fund.

It is intended that the spread of listed Maltese equity holdings shall reflect largely the total market value of the individual shares listed on the Malta Stock Exchange. However, this policy is subject to market circumstances, such as the supply and demand of stock, and the prices at which trades can be made. Fluctuations in the size of the Fund could also affect the implementation of this policy.

At least 85% of the Fund's total assets will be situated in Malta. The remaining 15% of the Fund may be invested in non-Maltese assets. These holdings may include deposits with credit institutions, debt securities and money-market instruments. These assets will be rated BBB- or higher as determined by Standard & Poor's or an equivalent rating as determined

by an equivalent rating agent or if unrated, estimated by the Manager to be of comparable quality. Collective investment schemes and equities listed on a regulated market in an eligible state are also allowed.


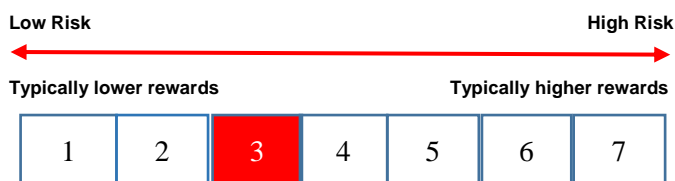
The Fund seeks to diversify its assets to maintain a reasonable balance between risk and return. However, the Fund isn't restricted by the maturity, quality, investment rating (unless otherwise defined), currency of denomination, or type of the assets that it can invest in. In addition, there aren't limitations to the liabilities that the Fund may assume, other than those specified under the general and specific investment restrictions. For full details, kindly refer to the Fund's Prospectus.

**Intended Retail Market:** The Fund aims to meet the needs of all types of investors who are looking for capital growth or income with a medium to long term investment time horizon, i.e. they should plan to hold the Fund for at least five years. The Fund is designed for use either as part of a diversified investment portfolio or as sole diversified investment providing access to the asset class. Investors buying the Fund need to have an understanding about investing in Funds and they also should be prepared to bear losses since the Fund is not guaranteed and they may receive back less than the amount originally invested.

**Term of PRIIPS:** The Fund does not have a maturity date. You can buy, sell and switch shares in the Fund by providing instructions to HSBC Bank Malta p.l.c. on any business day before the dealing deadline as outlined in the prospectus of the Fund. In terms of the Articles of Association of the Company, there may be instances where the Directors may limit the amount of redemptions that can be effected from the Fund on any Dealing Day or suspend dealing in the Fund.

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

### Risk Indicator



- 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 money because of movements in the markets or because the Fund will not be able to pay.

- The risk indicator assumes that you keep the product for 5 years.
- The actual risk can vary significantly if you cash in at an early stage and you may get back less than you originally invested.
- The risk indicator is derived based on a standard volatility measure of historical performance utilising a methodology defined by the PRIIPs regulation, so other factors such as illiquidity would not have been considered.
- Historical data may not be a reliable indication for the future.
- The risk indicator may change in the future and is not guaranteed.
- The lowest rating does not mean a risk-free investment.
- Always refer to the Prospectus for full details on the risks of the Fund.

## Other Risks

The limitations arising from the size and illiquidity of the Maltese capital market, may create potential risks for Investors in that the Fund may sometimes experience delays in liquidating assets in order to maintain the liquidity requirements of that Fund.

When the Fund invest predominantly in one specialist sector, country or geographic area, any decline in that sector or the economy of that country or area may significantly affect the price and value of the shares held by the Fund.

This Fund is not guaranteed and you may therefore not receive back your original capital. Furthermore any amount over this, and any additional return/ income, depends on future market performance and is uncertain. In certain circumstances you may be eligible to benefit from an investor compensation scheme (see the section "What happens if the Fund is unable to pay out"). The risk indicator shown above does not consider this protection. This product does not include any protection from the current and future market performance so you could lose some or all of your investment.

## Performance Scenarios

Investment of €10,000		1 year	3 years	5 years (Recommended holding period)
Scenarios				
Stress scenario	What you might get back after costs (€)	9,090	8,456	8,038
	Average return each year (%)	-9.10	-5.44	-4.27
Unfavourable scenario	What you might get back after costs (€)	10,120	11,182	12,525
	Average return each year (%)	1.20	3.79	4.61
Moderate scenario	What you might get back after costs (€)	10,743	12,404	14,322
	Average return each year (%)	7.43	7.45	7.45
Favourable scenario	What you might get back after costs (€)	11,412	13,770	16,388
	Average return each year (%)	14.12	11.25	10.38

- This table shows the money you could get back over the next 5 years, under different scenarios, assuming that you invest €10,000.
- 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 transaction fee applicable in cases where you effect more than 3 redemptions in a calendar year is also not included.
- The figures do not take into account your personal tax situation, which may also affect how much you get back.
- The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products however please note the above performance scenarios are based on 5 year historical performance utilising a methodology defined by the PRIIPs regulation (so for a meaningful comparison you should compare products based on same criteria).
- The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment. The actual performance of your investment may be different to the performance shown in the scenarios and you should not base your investment decision on the expectation that any of these scenarios will occur. The stress scenario show what you might get back in extreme market circumstances, and it does not take into account the situation where the Fund is not able to pay you.

## What happens if the Fund is unable to pay out?

If the Fund is unable to pay out, you may lose all of your investment.

## What happens if I lose money due to other service providers?

If you lose money due to bad or misleading advice, negligent management of your investments, misrepresentation or fraud you might have recourse against the firm that offered such advice, which may include HSBC Bank Malta p.l.c. Find out more at [www.financialarbiter.org.mt](http://www.financialarbiter.org.mt) or call the Office of the Arbiter for Financial Services on +356 80072366 or +356 21249245.

Furthermore, you may be eligible for compensation from the Investor Compensation Scheme, which is a rescue fund for customers for failed investment firms which are licensed by the Malta Financial Services Authority. The Investor Compensation Scheme can only pay compensation if a licensed investment firm is unable or likely to be unable to pay claims against it. Find out more at [www.compensationschemes.org.mt](http://www.compensationschemes.org.mt) or call on +356 2144 1155.

## What are the costs?

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

## Costs over time

Investment of €10,000 Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years
<b>Total costs (€)</b>	175	618	1,209
<b>Impact on return (RIY) (%)</b>	1.75	1.75	1.75

## Composition of costs

This table shows the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period, as well as what the different cost categories mean.

This table shows the impact on return per year (%)			
<b>One-off costs</b>	<b>Entry costs</b>	0.00	The impact of the costs you pay when entering your investment.
	<b>Exit costs *</b>	0.00	The impact of the costs of exiting your investment.
<b>Ongoing costs</b>	<b>Portfolio transaction costs</b>	0.05	The impact of the costs of buying and selling underlying investments for the Fund.
	<b>Other ongoing costs</b>	1.60	The impact of the costs that HSBC and other service providers take each year for managing/ servicing the Fund.
<b>Incidental costs</b>	<b>Performance fees</b>	0.00	The impact of the performance fee.
	<b>Carried interests</b>	0.00	The impact of carried interests.

\*A transaction fee of €23.29 shall apply on all redemptions in excess of 3 per calendar year.

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

You should aim to hold the investment for at least 5 years. There are no exit costs if you wish to redeem your holdings in the Fund at any time and take out your money early. Redemptions in excess of 3 per calendar year will however incur a transaction fee.

Investment in this Fund should be regarded as a medium to long term investment. You can redeem your holdings in the Fund from Monday to Friday (excluding public/bank holidays) by instructing HSBC Bank Malta p.l.c. as your nominee. Past performance of investments is not necessarily a guide to future performance and the value of investments and of the currency in which they are denominated can go down as well as up and investors may not always get back their initial investment. Over time, inflation may also erode the value of your investment.

## How can I complain?

If you're an existing customer of HSBC Bank Malta p.l.c. and use the HSBC Internet Banking, then the quickest and most secure way is to login to your Personal Internet Banking, click on the 'Contact centre' menu, on the left hand side of the screen, and choose the 'Send message' option. If you do not currently use HSBC Personal Internet Banking, you can send us your complaint in writing or by completing our online complaint form or else by contacting us on +356 2380 2380. We will then provide you with a definitive reply as soon as the relevant facts of the complaint have been investigated.

If you then feel that your concern has not been dealt with to your complete satisfaction, you may also direct your complaint to the Arbitrator of Financial Services at the: Office of the Arbitrator for Financial Services, First Floor, St Calcedonius Square, Floriana FRN5130, Malta. or by visiting the website : [www.financialarbitrator.org.mt](http://www.financialarbitrator.org.mt) Complaints with the Arbitrator for Financial Services' Office should always be made in writing.

## Other relevant information

Before deciding on an investment and for full details on the Fund, you are advised to obtain and read a copy of the Prospectus. Copies of the Prospectus, Annual and Audited Financial Statements and the Interim Report of the Fund are available, free of charge, on request from HSBC Global Asset Management (Malta) Ltd, from all branches of HSBC Bank Malta p.l.c., by calling Customer Service +356 2380 2380 or by visiting [www.hsbc.com.mt](http://www.hsbc.com.mt).

HSBC Global Asset Management (Malta) Ltd will provide most of its documentation in English. Investors may however communicate with the company in either English or Maltese. HSBC Global Asset Management (Malta) Ltd may be held liable solely on the basis of any statement contained in this Key Information Document that is inaccurate or inconsistent with the relevant parts of the Prospectus of the Fund.

**Approved and issued by HSBC Global Asset Management (Malta) Ltd.  
80, Business Banking Centre, Mill Street, Qormi QRM 3101.  
Company Reg No C20653 which is authorised to provide investment services by the Malta Financial Services Authority.**

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