

Issuer: Architas Multi-Manager Europe Limited

**PRODUCT KEY FACTS**  
**Architas Multi-Manager Global Managed Funds Unit Trust\* –**  
**Architas Flexible Bond**  
**13 May 2022**

***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.  
\*This is not a multi-manager scheme. “Multi-Manager” in the fund name refers to the name of the Manager only.***

### Quick Facts

|   |  |
|---|--|
| <b>Manager</b>                                  | Architas Multi-Manager Europe Limited  |
| <b>Trustee</b>                                  | State Street Custodial Services (Ireland) Limited  |
| <b>Ongoing charges over a year<sup>#1</sup></b> | <p>Institutional Class I (HKD) Units: Currently fixed at 0.90%</p> <p>Retail Class R (HKD) Units: Currently fixed at 1.45%</p> <p>Zero Class Z (HKD) Units: Currently fixed at 0.50%</p> <p>Institutional Class I (USD) Units: Currently fixed at 0.90%</p> <p>Retail Class R (USD) Units: Currently fixed at 1.45%</p> <p>Retail Class R Distribution (USD) Units: Currently fixed at 1.45%</p> <p>Zero Class Z (USD) Units: Currently fixed at 0.50%</p> <p>#1 The total ongoing charges figure represents the sum of all operating expenses accrued by the respective unit classes for the financial year expressed as a percentage of the respective unit classes' average net asset value over the same period. The total ongoing charges figure equals the All-In Fee payable to the Manager which is set out in the “Ongoing fees payable by the Fund” section of this document and captures all the ongoing operating fees and charges (including those of the underlying collective investment schemes in which the Fund is invested) payable by the Fund. In case the actual ongoing operating fees and charges exceeds the amount of All-In Fee, the excess will be borne by the Manager.</p> |
| <b>Base currency</b>                            | USD  |
| <b>Financial year end of this Fund</b>          | 30 September   |
| <b>Dealing frequency</b>                        | Daily  |

|  |  |
|--|--|
| <b>Dividend policy</b>   | <u>Institutional Class I (HKD) Units / Retail Class R (HKD) Units / Zero Class Z (HKD) Units / Institutional Class I (USD) Units / Retail Class R (USD) Units / Zero Class Z (USD) Units</u> |
|  | No dividend distribution (income, if any, will be reinvested)  |
|  | <u>Retail Class R Distribution (USD) Units</u>   |
|  | Distribution will be declared and paid monthly throughout the year, at the discretion of the Manager.  |
| <b>Min. Investment</b>   | Institutional Class I (HKD) Units: HK\$1,000,000 (initial), HK\$1,000,000 (additional)   |
|  | Retail Class R (HKD) Units: HK\$1,000 (initial), HK\$1,000 (additional)  |
|  | Zero Class Z (HKD) Units: HK\$1,000,000 (initial), HK\$1,000,000 (additional)  |
|  | Institutional Class I (USD) Units: US\$1,000,000 (initial), US\$1,000,000 (additional)   |
|  | Retail Class R (USD) Units: US\$1,000 (initial), US\$1,000 (additional)  |
|  | Retail Class R Distribution (USD) Units: US\$1,000 (initial), US\$1,000 (additional)   |
|  | Zero Class Z (USD) Units: US\$1,000,000 (initial), US\$1,000,000 (additional)  |
| <b>What is this product?</b>   |  |
| Architas Flexible Bond (the “ <b>Fund</b> ”) is a sub-fund of Architas Multi-Manager Global Managed Funds Unit Trust (the “ <b>Trust</b> ”) which is an umbrella open-ended unit trust domiciled in Dublin, Ireland. Its home regulator is the Central Bank of Ireland (the “ <b>CBI</b> ”).   |  |
| <b>Investment Objective and Investment Policy</b>  |  |
| <b>Investment Objective</b>  |  |
| The objective of the Fund is to seek to achieve a return for investors over the medium to long term based on a combination of capital growth and income and with a low to medium volatility level mainly through exposure to a diversified range of fixed income investments as described in the investment policy below.  |  |
| <b>Investment Policy</b>   |  |
| In order to achieve its objective, the Fund will invest in collective investment schemes (“ <b>CIS</b> ”) and may make direct investments. It is possible that the Fund may at times invest all its assets (other than cash) in CIS.   |  |
| The Fund intends to hold a minimum of 50% and less than 100% of its net asset value in CIS. The CIS in which the Fund will invest will have a range of underlying investments which may reflect exposure to fixed-income securities, money market instruments, financial derivative instruments (“ <b>FDI</b> ”), financial indices and/or currencies. Some of the CIS in which the Fund will invest will be passively managed whereas others will be actively managed. Some of the CIS invested by the Fund may be leveraged from time to time. The Fund’s portfolio may be mainly invested in units or shares in CIS (including other sub-funds of the Trust). During any period in which the Fund is authorised by the SFC, the Fund may only invest in Eligible SFC CIS, except that not more than 10% of net asset value may be invested in CIS that are not Eligible SFC CIS. Eligible SFC CIS refer to collective |  |

investment schemes which are authorised by the SFC or recognised jurisdiction schemes as permitted by the SFC from time to time (currently including UCITS domiciled in Ireland, Luxembourg and the United Kingdom, whether authorised by the SFC or not).

In addition to investment in CIS, the Fund may, subject to the indicative overall asset allocations shown below, invest directly in fixed-income securities (including convertible bonds), predominantly USD denominated, which may be government or corporate bonds of fixed or floating rate, across all maturities which are rated investment grade or below investment grade (by a recognised international credit rating agency such as Standard & Poor's, Moody's and/or Fitch) or unrated and which are listed or traded on regulated markets. The Fund may also invest in short-term liquid assets such as money market instruments. The Fund may not invest more than 10% of its net asset value in debt securities issued and/or guaranteed by a single sovereign issuer (including its government, public or local authority) which is below investment grade.

The Fund is not subject to any limitation on the portion of its assets that may be exposed, through direct investment or investment in CIS, to any one country, region or sector. The Fund may be more than 20% of its net asset value exposed to emerging markets through either direct investment or investment in CIS.

The decision to invest in CIS as opposed to direct investments may be made for reasons of diversification, efficiency or to gain access to particular investment managers or asset classes. The Manager will utilise its extensive research and market insight to seek opportunities for outperformance through asset allocation decisions by the Manager. The Manager will carry out qualitative risk assessments and use research tools to analyse historic volatility and correlation of returns of potential investments and to examine how overall portfolio risk may vary as weightings of such potential investments in the portfolio change. In addition, the Manager will carry out quantitative screening assessments to filter the available universe of potential investments in constructing the portfolio.

The table below is an indicative overall asset allocation of the Fund based on asset types (achieved through investment in CIS and/or direct investments) under normal market condition. It is possible that the asset allocation may move out of these ranges from time to time during extreme market conditions (for example, market crash).

| <b>Asset Type</b>       | <b>Indicative Percentage of the Fund's net asset value</b> |
|-------------------------|--|
| Fixed income securities | 70-100%  |
| Cash                    | 0-30%  |

Typically, the Fund may hold less than 30% of its net asset value in cash. In anticipation of or during market crash or unfavourable market conditions, the Fund may defensively hold up to 40% of its net asset value in cash.

It is not the current intention of the Fund to use FDI for all unit classes which are offered to the public of Hong Kong and FDI may only be used for hedging purposes in respect of currency hedged unit classes which are not available to the public of Hong Kong. Also, the Fund does not intend to invest in CIS with net derivative exposures exceeding 50% of their respective net asset values.

The Fund may borrow up to 10% of its net asset value temporarily.

### **Use of derivatives / investment in 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. The following sets out the key risks. Please refer to the offering document for details of other applicable risk factors.

### General investment risk

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

### Risk relating to dynamic asset allocation

- While maintaining the indicative overall asset allocation range under normal market conditions as set out in the "Investment Objective and Investment Policy" section above, the Manager may at times allocate the Fund's assets dynamically between different types of fixed income securities or between different geographical markets. Therefore, the Fund may incur greater transaction costs than a fund with static allocation strategy. Dynamic asset allocation may not enable the Fund to achieve the desired results under all circumstances and market conditions.

### Risk of investing in other collective investment schemes

- The Fund may invest in shares of CIS in accordance with its investment policy. It is possible that the Fund may at times invest all its assets (other than cash) in CIS. Investing in other CIS involves substantially the same risks as investing directly in the underlying investments, but the total return on such investments at the Fund level may be reduced by the operating expenses and fees of such underlying CIS.
- The Fund does not have control of the investments of the underlying CIS and there is no assurance that the investment objective and strategy of the underlying CIS will be successfully achieved which may have a negative impact on the net asset value of the Fund.
- The underlying CIS in which the Fund invests may not be regulated by any regulator (including the SFC).
- There is also no guarantee that the underlying CIS will always have sufficient liquidity to meet the Fund's redemption requests as and when made.

### Index fund risk

- The Fund may invest in CIS which seeks to track or replicate an index. This exposes the Fund to the market risks associated with fluctuations in the securities comprising the index and the value of securities comprised in the underlying CIS. Where the underlying CIS is passively managed, its manager will not have discretion to adapt to market changes due to the inherent investment nature of the underlying CIS. Falls in the relevant index are expected to result in corresponding falls in the value of the underlying CIS. There is no guarantee that the underlying CIS's investment objective will be achieved and automatic and continuous tracking of the relevant index tracked or replicated by the underlying CIS cannot be guaranteed.

### Fixed income risk

The Fund may invest in fixed income securities which expose the Fund to the following risks:

#### (a) Credit risk

- Credit risk is the risk that the issuer or guarantor of a debt security or counterparty to the Fund's investments will be unable or unwilling to make timely principal and/or interest payments, or otherwise will be unable or unwilling to honour its financial obligations. The actual or perceived reduction in the creditworthiness of debt issuers generally will have adverse effects on the values of their debt securities.

#### (b) Interest rate risk

- A rise in interest rates causes the value of a bond to decrease, and vice-versa. The longer the term of a bond or fixed income instrument, the more sensitive it will be to fluctuations in value from interest rate changes.

*(c) Lower rated or unrated securities ("junk bonds") risk*

- Bonds rated below investment grade or unrated are speculative in nature, involve greater risk of default by the issuing entity and may be subject to greater market fluctuations than higher rated fixed income securities. The retail secondary market for these "junk bonds" may be less liquid than that of higher rated securities. Adverse conditions could make it difficult at times to sell these "junk bonds" or could result in lower prices than their valuation used in calculating the Fund's net asset value.

*(d) Downgrading risk*

- The credit rating of a debt security or its issuer may subsequently be downgraded. In the event of such downgrading, the value of the Fund may be adversely affected. The Manager may or may not be able to dispose of the debt securities that are being downgraded.

*(e) 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.

**Eurozone risk**

- In light of the ongoing concerns on the sovereign debt risk of certain countries within the Eurozone, the Fund which may invest 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 Member States from the Eurozone, may have a negative impact on the value of the Fund.

**Emerging markets risk**

- The Fund which invests in emerging markets may be subject to greater risk of loss than a fund which invests in a developed market. The risks associated with emerging market include, but not limited to, generally less liquid and less efficient securities markets; generally greater price volatility; exchange rate fluctuations and exchange control; imposition of restrictions on the expatriation of funds or other assets; imposition of restrictions on foreign investment; the existence of certain national policies which may restrict investment opportunities, including restrictions on investment in issuers or industries deemed sensitive to national interests; less publicly available information about issuers; higher transaction and custody costs; settlement delays and risk of loss; difficulties in enforcing contracts; smaller market capitalisations; less well-regulated markets; different accounting and disclosure standards; governmental interference; higher inflation and rapid fluctuations in inflation rates; social, economic and political uncertainties; lack of available currency hedging instruments; custodial and/or settlement systems which may not be fully developed; the risk of expropriation of assets and the risk of war; legal and taxation risks.

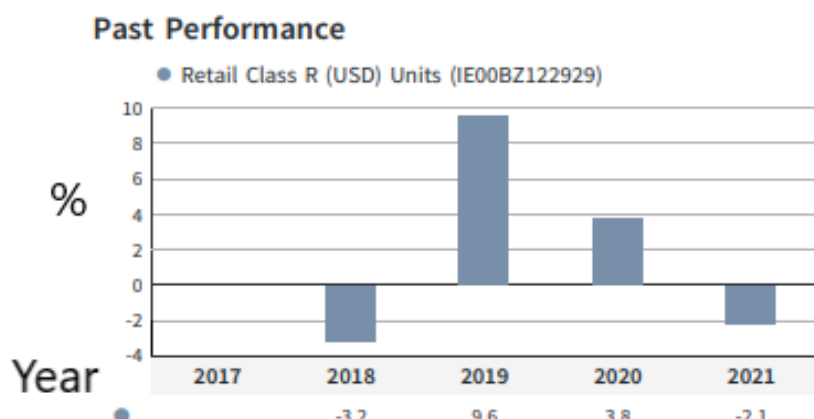
**Valuation risk**

- 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.

**Currency risk**

- Investments of the Fund may be denominated in currencies other than the base currency. Also, a unit class may be designated in a currency other than the base currency. Unfavourable fluctuations in currency exchange rates and exchange rate controls of these currencies will negatively affect the net asset value of the 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 Retail Class R (USD) Units increased or decreased in value during the calendar year being shown. The Retail Class R (USD) Units is the representative class of units selected as it is the class of units in which Hong Kong investors will invest and is denominated in the Fund's base currency. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- Where no past performance is shown there was insufficient data available in that year to provide performance.
- Fund launch date: 03/10/2017
- Retail Class R (USD) Units launch date: 03/10/2017

## Is there any guarantee?

This 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 Fund.

| Fee                                   | What you pay  |
|---------------------------------------|---|
| Subscription fee (or preliminary fee) | All classes: Up to 5% of the net asset value per unit |
| Switching fee                         | All classes: Nil                                      |
| Redemption fee                        | All classes: Up to 3% of the net asset value per unit |

### Ongoing fees payable by the Fund

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

|   | <b>Annual rate (as a % of the net asset value of the relevant unit class unless otherwise indicated)</b>   |
|---|--|
| Management Fee  | <p>Currently included in the All-In Fee</p> <p>The maximum rate for each unit class is set out below:</p> <p>Institutional Class I (HKD) Units: Up to 2.00%</p> <p>Retail Class R (HKD) Units: Up to 3.00%</p> <p>Zero Class Z (HKD) Units: Up to 2.00%</p> <p>Institutional Class I (USD) Units: Up to 2.00%</p> <p>Retail Class R (USD) Units: Up to 3.00%</p> <p>Retail Class R Distribution (USD) Units: Up to 3.00%</p> <p>Zero Class Z (USD) Units: Up to 2.00%</p>  |
| Trustee Fee   | Included in the All-In Fee   |
| Performance Fee   | N/A  |
| Administration Fee  | Included in the All-In Fee   |
| All-In Fee <sup>#2</sup>  | <p>Institutional Class I (HKD) Units: Currently fixed at 0.90% (maximum 3.00%)</p> <p>Retail Class R (HKD) Units: Currently fixed at 1.45% (maximum 3.00%)</p> <p>Zero Class Z (HKD) Units: Currently fixed at 0.50% (maximum 3.00%)</p> <p>Institutional Class I (USD) Units: Currently fixed at 0.90% (maximum 3.00%)</p> <p>Retail Class R (USD) Units: Currently fixed at 1.45% (maximum 3.00%)</p> <p>Retail Class R Distribution (USD) Units: Currently fixed at 1.45% (maximum 3.00%)</p> <p>Zero Class Z (USD) Units: Currently fixed at 0.50% (maximum 3.00%)</p> |
| <p>#2 Currently, all the ongoing operating fees and charges payable by the Fund are presented as an All-In Fee payable to the Manager which is fixed at the rate as set out above. For the avoidance of doubt, the All-In Fee also captures the ongoing operating fees and charges of each underlying CIS in which the Fund is invested. In case the actual ongoing operating fees and charges (including those of the underlying CIS in which the Fund is invested) exceeds the amount of All-In Fee, the excess will be borne by the Manager. No less than one month's prior notice will be given to impacted Unitholder(s) for any increase of the current All-In Fee rate up to the maximum rate as stated above.</p> |  |
| <p><b>Other fees</b></p> <p>You may have to pay other fees when dealing in the units of the Fund.</p>   |  |
| <p><b>Additional Information</b></p> <ul style="list-style-type: none"> <li>You generally buy, switch or redeem units at the Fund's next determined net asset value after your request is received by State Street Fund Services (Ireland) Limited (the Administrator) in good order on or before 9:30am (Irish time) on a dealing day of the Fund. Dealing requests may also be submitted to the authorized distributors who may have a different earlier dealing cut-off</li> </ul>   |  |

time. Investors should pay attention to the applicable dealing cut-off time of the authorized distributors.

- The net asset value of the Fund is calculated and the price of units is published each business day. They are available online at [www.architas.com](http://www.architas.com). Please note that this website has not been reviewed by the SFC and may contain information of funds not authorized 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.