

## PRODUCT KEY FACTS

AB (HK) Global Value Portfolio  
a sub-fund of AB (HK) Unit Trust Series



ALLIANCEBERNSTEIN®

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AllianceBernstein Hong Kong Limited

- *This statement provides you with key information about AB (HK) Global Value Portfolio (the "Sub-Fund").*
- *This statement is a part of the offering document and must be read in conjunction with the Explanatory Memorandum of the Sub-Fund.*
- *You should not invest in this product based on this statement alone.*

### Quick facts

Manager:	AllianceBernstein Hong Kong Limited
Trustee:	State Street Trust (HK) Limited
Dealing frequency:	Daily
Base currency:	USD
Dividend policy:	(i) <u>For Class AD RMB H Units:</u> Aims to declare and pay monthly distributions with a stable distribution rate. Distributions may come from gross income* (before deduction of fees and expenses) and capital attributable to each class.

\*The Manager may in its discretion pay dividends out of gross income while paying all or part of the class' fees and expenses out of the capital, resulting in an increase in distributable income for the payment of dividends and therefore, dividends may be paid effectively out of capital.

(ii) For Class A RMB H Units:  
None

Ongoing charges over a year:	Class AD RMB H Units: 2.00%^ Class A RMB H Units: 2.00%^
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Financial year end of this Sub-Fund:	31 August
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Min. investment:	<u>Classes AD RMB H and A RMB H Units:</u> RMB10,000 initial RMB4,000 additional
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^ The ongoing charges figure is based on expenses for the year ended 31 August 2018. This figure may vary from year to year. The ongoing charges figure is an annual figure calculated by adding the applicable charges and payments deducted from the assets of the Sub-Fund and then dividing by the Sub-Fund's average net asset value for the fiscal year attributable to the relevant class.

### What is this product?

The Sub-Fund is a sub-fund of AB (HK) Unit Trust Series, which is a unit trust established as an umbrella fund under the laws of Hong Kong.

## **Objective and Investment Strategy**

### **Objective**

The Sub-Fund is a feeder fund investing all or substantially all of its assets in the Global Value Portfolio (“**underlying scheme**”), a portfolio under AB FCP I, a mutual investment fund (fonds commun de placement) that is qualified as a UCITS under the laws of Luxembourg and authorised by the SFC.

The investment objective of the underlying scheme is to achieve long-term capital growth by investing in global portfolios of equity securities that are determined by the investment manager of the underlying scheme to be undervalued.

### **Strategy**

The underlying scheme invests primarily in the equities of established companies across a broad range of industries that the investment manager of the underlying scheme has determined to be undervalued. In selecting stocks, the value investment teams of the investment manager of the underlying scheme seek to identify companies whose long-term earning power and dividend paying capability are not reflected in the current market price of their securities.

The underlying scheme invests in a geographically diversified mix of equities in both developed and emerging-market countries, and it may invest in currency-related derivatives to manage the underlying scheme’s currency risk. The underlying scheme is not subject to any limitation on the portion of its total assets that may be invested in any one country or region except that the underlying scheme’s investments in securities of issuers domiciled in emerging market countries are not expected to exceed 30% of the underlying scheme’s net assets. The investment manager of the underlying scheme expects that at least 90% of the underlying scheme’s total assets will be invested in equity securities, and in no case will the amount invested in such securities be less than two-thirds of the underlying scheme’s total assets.

The underlying scheme is entitled to use financial derivative instruments for hedging, risk management, efficient portfolio management and investment purposes. Efficient portfolio management and hedging techniques may include use of exchange-traded and OTC derivative instruments, including swaps, options, futures and currency transactions. These financial derivative instruments will not extensively be invested in for investment purposes.

## **What are the key risks?**

**Investment involves risks. Please refer to the Explanatory Memorandum for details including the risk factors.**

### **1. Investment risk**

The investments held by the Sub-Fund may fall in value and therefore your investment in the Sub-Fund may suffer losses.

### **2. Risks of investing in underlying scheme**

In addition to the expenses and charges charged by the Sub-Fund, investor should note that there may be additional fees involved when investing into the underlying scheme, such as fees and expenses charged by the service providers of the underlying scheme.

Furthermore, there can be no assurance that 1) the liquidity of the underlying scheme will always be sufficient to meet redemption request as and when made; and 2) the underlying scheme’s investment objectives and strategies will be successfully achieved. These factors may have adverse impact on the Sub-Fund and its investors.

### **3. Country risks**

The underlying scheme may invest in securities of issuers located in various countries and geographic regions. The economies of individual countries may differ favorably or unfavorably from each other in such respects as growth of gross domestic product or gross national product, rate of inflation, capital reinvestment, resource self-sufficiency and balance of payments position. Nationalization, expropriation or confiscatory taxation, currency blockage, political changes, government regulation, political or social instability or diplomatic developments could affect adversely the economy of a country or investments of the Sub-Fund or the underlying scheme in such country.

**4. Emerging markets risks**

The underlying scheme will invest in emerging markets, which are subject to higher risks (for example, liquidity risk, currency risk, political risk, regulatory risk and economic risk) and higher volatility than developed markets. Fluctuations in currency exchange rates may negatively affect the value of an investment or reduce returns - these risks are magnified in emerging markets.

**5. Currency risk**

Underlying investments may be denominated in one or more currencies different from the base currency of the underlying scheme or the Sub-Fund's base currency. This means currency movements in such underlying investments may significantly affect the net asset value of the underlying scheme or the Sub-Fund.

**6. Risk relating to financial derivative instruments**

The underlying scheme is entitled to use financial derivative instruments for hedging and efficient portfolio management purposes, which may involve additional risks. In adverse situations, the use of derivative instruments may become ineffective in hedging or efficient portfolio management and the Sub-Fund or the underlying scheme may suffer significant losses.

**7. Risk relating to RMB class(es)**

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 class(es) of the Sub-Fund. When calculating the value of the RMB class(es), offshore RMB in Hong Kong ("CNH") will be used. The CNH rate may be at a premium or discount to the exchange rate for onshore RMB in China ("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.

Non-RMB based (e.g. Hong Kong) investors may have to convert HKD or other currencies into RMB when investing in the RMB class(es). Subsequently, investors may also have to convert the RMB redemption proceeds (received when selling the units) and RMB distributions received (if any) back to HKD or other currencies. During these processes, investors will incur currency conversion costs and may suffer losses in the event that RMB depreciates against HKD or such other currencies upon receipt of the RMB redemption proceeds and/or RMB distributions (if any).

**8. Risk relating to hedged RMB class(es)**

For hedged RMB class(es), investors have to bear the associated hedging costs which may be significant depending on prevailing market conditions, which will be reflected in the net asset value of the relevant class(es). If the counterparties of the instruments used for hedging purpose default, investors of the hedged RMB class(es) may be exposed to RMB currency exchange risk on an unhedged basis and may therefore suffer further losses. There is no guarantee that the hedging strategy will be effective in which case investors may be subject to the following risks of investing in RMB class(es) on an unhedged basis: since the unit prices of RMB class(es) are denominated in RMB, but the Sub-Fund will have limited RMB-denominated underlying investments and its base currency is USD, so even if the prices of underlying investments and/or value of the base currency rise or remain stable, investors may still incur losses if RMB appreciates against the currencies of the underlying investments and/or the base currency more than the increase in the value of the underlying investments and/or the base currency. Furthermore, under the scenario where RMB appreciates against the currencies of the underlying investments and/or the base currency of the Sub-Fund (i.e. USD), and the value of the underlying investments decreased, the value of investors' investments in RMB class(es) may suffer additional losses.

While the hedging strategy may protect investors against a decline in the value of the Sub-Fund's base currency and/or other currencies of the non-RMB denominated underlying investments relative to RMB, on the other hand, it will limit the hedged RMB class(es) from benefiting from any potential gain resulting from the appreciation of the base currency/other currencies of the non-RMB denominated underlying investments against RMB.

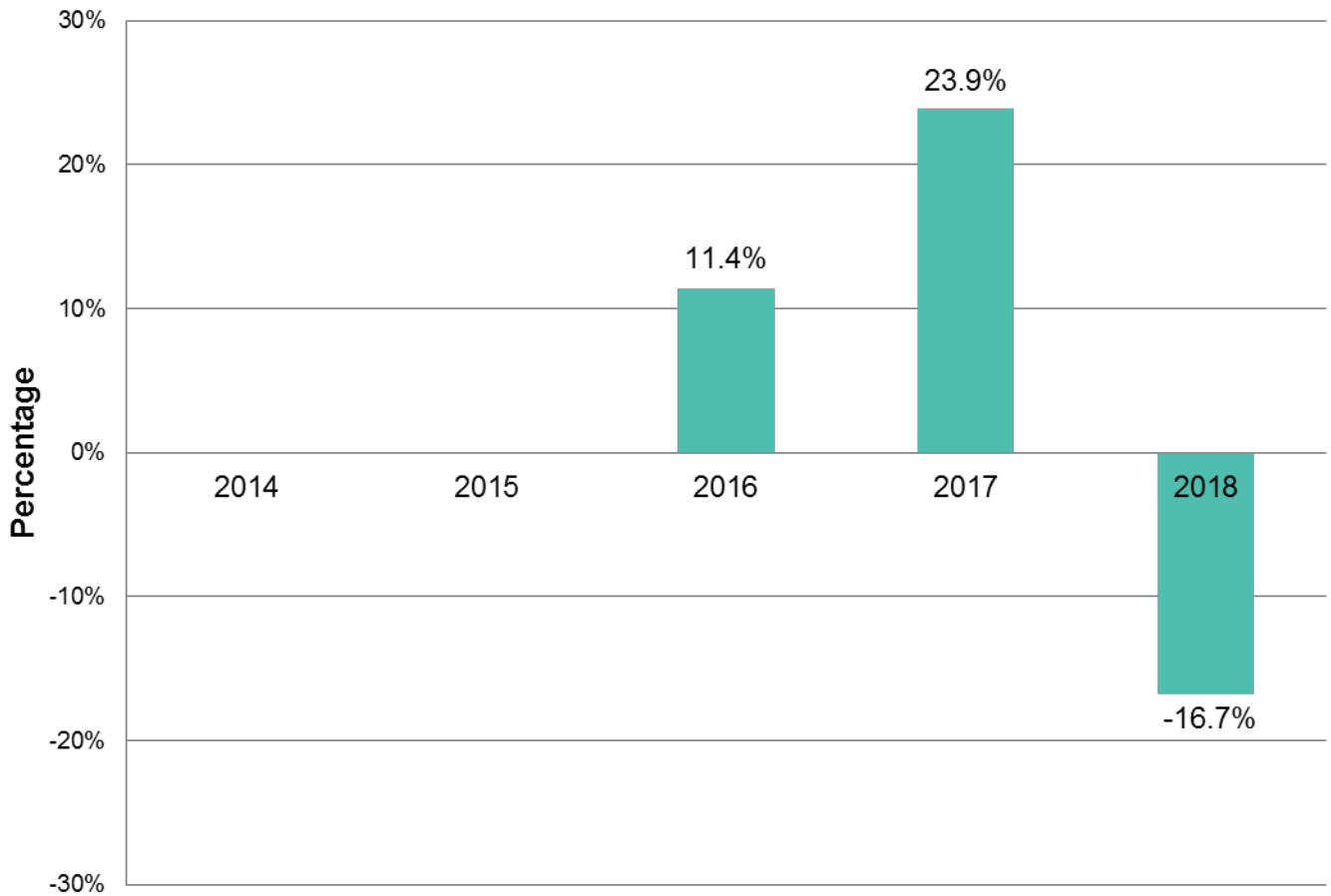
**9. Risks associated with payment of dividends out of capital**

The Manager has the sole and absolute discretion to amend the dividend policy, subject to the SFC's prior approval and by giving no less than one month's prior notice to investors. Dividend yield is not indicative of return of the Sub-Fund. Dividends may be paid effectively out of the capital of the Sub-Fund at the discretion of the Manager, which may amount to a partial return or withdrawal of an investor's original investment or from any capital gains attributable to that original investment, and result in an immediate decrease of the net asset value of the relevant units.

## AB (HK) Unit Trust Series - AB (HK) Global Value Portfolio

### How has the fund performed?

The bar chart below shows the past performance of Class A RMB H Units, which has been designated as the representative unit class by the Manager as it is a focus unit class made available to Hong Kong investors.



- 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 Class A RMB H Units increased or decreased in value during the calendar year being shown. Performance data has been calculated in RMB including ongoing charges and excluding any 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.
- Sub-Fund launch year: 2015
- Class A RMB H Units launch year: 2015

### 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.

## AB (HK) Unit Trust Series - AB (HK) Global Value Portfolio

### **Fee**

Subscription Charge  
(% of Issue Price)

### **What you pay**

All Classes: up to 5.00%

Exchange Fee<sup>+</sup>

(% of the total amount being exchanged)

All Classes: Nil <sup>(Note 1)</sup>

Redemption Charge

(% of redemption amount)

Not applicable

<sup>+</sup> Any additional fees charged by distributors may still apply.

### **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.

	<b>The Sub-Fund</b>	<b>The underlying scheme</b>	<b>Aggregate fees <sup>(Note 2)</sup></b>
<b>Management Fee</b>	All Classes: 1.50% p.a. of net asset value <sup>(Note 1)</sup>	Class SD shares: Nil	All Classes: 1.50% p.a. of net asset value
<b>Trustee Fee</b>	All Classes: 0.035% p.a. of net asset value <sup>(Note 1)</sup>	Not applicable	All Classes: 0.035% p.a. of net asset value
<b>Administration Fee</b>	All Classes: Up to 1% p.a. of net asset value	Up to 1.00% p.a. of net asset value of the underlying scheme	Please refer to Note 2
<b>Custodian / Depositary Fee</b>	Included in Trustee Fee		Please refer to Note 2
<b>Registrar / Transfer Agent Fee</b>	Up to 0.50% p.a. of net asset value		Please refer to Note 2
<b>Administration Fee payable to the management company</b>	Not applicable	Lesser of US\$50,000 or 0.01% p.a. of average daily net asset value	Please refer to Note 2
<b>Performance Fee</b>	Not applicable	Not applicable	Not applicable

Note 1: You should note that the current rate of exchange fee, management fee and trustee fee may be increased, up to a specified permitted maximum, by giving unitholders at least one month's prior notice. For details please refer to the sections headed "Exchange" and "Fees and Expenses" in the Explanatory Memorandum.

Note 2: For as long as the Sub-Fund is a feeder fund of the underlying scheme, the Manager has voluntarily undertaken that, in any fiscal year, the aggregate fees and expenses with respect to a class of the Sub-Fund (including any management fee, trustee fee and all other fees and expenses but exclusive of certain other taxes, brokerage or other transactional cost and interest on borrowings) shall not exceed the aggregate of (i) 1.90% p.a. of the net asset value for the fiscal year and (ii) the fees and expenses attributable to class SD shares of the underlying scheme (which is subject to a cap of 0.12% p.a. of the average net asset value for the fiscal year attributable to such share class), i.e. 2.02% p.a. in aggregate (the "Cap"). In the event that the fees and expenses with respect to a class of the Sub-Fund exceed the Cap, the Sub-Fund may deduct from the payment to be made to the Manager, or the Manager will otherwise bear, such excess fees and expenses. If the actual aggregate fees and expenses with respect to a class of the Sub-Fund are below or equal to the Cap, the actual aggregate fees and expenses will be charged and borne by the relevant class.

### **Other fees**

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

**Additional Information**

- You may generally buy and redeem units at the Sub-Fund's issue price and realisation price after the registrar (through the authorised distributors) receives your request in good order on or before 5:00 p.m. (Hong Kong time) on the business day immediately preceding the relevant dealing day, being the dealing cut-off time. The distributors may impose an earlier cut-off time before the dealing deadline for receiving instructions for subscriptions or redemptions. Investors should confirm the arrangements with the distributors concerned.
- The issue price and realisation price of the Sub-Fund are calculated and published on each dealing day on the Manager's website [www.alliancebernstein.com.hk](http://www.alliancebernstein.com.hk) or alternatively, you may contact the Manager at +852 2918 7888. This website is not reviewed or authorised by the SFC.
- The following information can be obtained from the Manager on request:
  - the composition of the distributions (i.e. the relative amounts paid out of net distributable income and capital) for the last 12 months.

**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.