

*Upon completion of the merger, you will own shares in a sub-fund of a SICAV governed by Luxembourg law. All questions and disputes relating to your rights and obligations vis-à-vis the SICAV will fall within the jurisdiction of the Luxembourg courts.*

*The way Luxembourg registers operate may deprive you of the exercise of your investor rights before the Luxembourg authorities or courts, also depriving you of any possibility of complaint or appeal. Indeed, investors will only be able to fully exercise their investor rights directly against an investment company or a fund in the event that the investors themselves appear on their behalf in the register of shareholders or holders, involving a direct subscription in the SICAV, without the intervention of an intermediary.*

Courbevoie, 27 March 2026

Concerns: Merger by absorption of the HSBC SELECT EQUITY fund

Dear Sir or Madam,

You hold shares in the HSBC SELECT EQUITY Fund<sup>1</sup> (AC share class: FR0007036900, BC share class: FR0013313988), managed by HSBC Global Asset Management (France) and thank you for the trust you have placed in us.

### **What changes will be made to your fund?**

In order to streamline its range and support the international marketing of its diversified “core” fund range, HSBC ASSET MANAGEMENT (France) (the “Management Company”) has decided to merge the HSBC SELECT EQUITY FCP (the “Merging Fund”) into the SELECT ADVENTUROUS sub-fund of the Luxembourg SICAV HSBC PORTFOLIOS (the “Receiving Sub-Fund”), on 7 May 2026, based on the net asset values of 6 May 2026.

The merger is a "cross-border" merger as set out in Articles 37 et seq. of Directive 2009/65/EC (UCITS IV Directive) approved by the AMF on 24/03/2026. This merger involves two UCITS governed by different laws.

The SELECT ADVENTUROUS sub-fund, governed by Luxembourg law, of the SICAV HSBC PORTFOLIOS, managed by HSBC Investment Funds (Luxembourg) S.A., was established specifically for this purpose and has characteristics similar to those of the fund being merged. HSBC Global Asset Management (France) is the investment sub-advisor and manages the fund in which you are invested to this day.

The costs of the merger will be borne by HSBC Global Asset Management (France).

Both UCITS have identical risk-return profiles and investment strategies.

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<sup>1</sup>Mutual Fund

**HSBC Global Asset Management (France)**

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Web: [www.assetmanagement.hsbc.fr](http://www.assetmanagement.hsbc.fr)

A French société anonyme with share capital of 8 050 320 euros – Portfolio management company  
SIREN 421 345 489 RCS Nanterre – GP99026  
ADEME No.: FR364676\_01LUSG



The few discrepancies between the two funds will be listed in the table in Part 5.

However, these discrepancies do not alter the risk/reward profile.

Please note that this change will raise the subscription fees and running costs. However, the management fees remain unchanged and administrative costs are lower.

Upon completion of the merger-absorption, the holders of the Absorbed fund will become shareholders of the Receiving sub-fund.

The Management Company of the Absorbed fund and the board of directors of the Receiving sub-fund approved this merger on 7 January 2026 and 24 September 2025, respectively. The merger-absorption will be completed by transferring assets into the Receiving sub-fund

### When will this merger take place?

The merger was approved by the Autorité des marchés financiers on 24/03/2026 and will take place on 7 May 2026 based on the net asset value of 6 May 2026.

**Please note that for the smooth running of the merger, you will not be able to subscribe or redeem any shares from 30 April 2026 after 12 noon (Paris time).**

**As the fund has a daily net asset value (NAV), the last NAV of the HSBC SELECT EQUITY fund upon which subscriptions or redemptions may be executed prior to the merger will be the NAV of 30 April 2026.**

**Should you not agree with these changes, you may redeem your shares at no cost until April 30, 2026 before noon.**

For your information, a concordance table for the shares exchanged as well as an example of parity calculation are provided in appendix.

### What is the impact of these changes on the return/risk profile of your investment

- **Change to the risk/return profile:** No
- **Raised risk profile:** No
- **Potential fee increase:** Yes

Only the subscription fees (which are at the discretion of the provider) and running costs will be raised. Management fees remain unchanged, whilst administration fees are lower.

- **Extent of change to risk/return profile:** Immaterial



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## What is the impact of this merger on your taxation?

Unit holders in HSBC SELECT EQUITY are likely to see their tax status change following the merger, depending on their country of residence, domicile or nationality. Holders of HSBC SELECT EQUITY should contact their regular tax advisor for more information on how the merger will impact their tax situation.

For further details, please refer to appendix 2.

## Main differences between the Absorbed fund and the Receiving sub-fund

The main differences between the Absorbed fund and the Receiving sub-fund are described below.

	<b>By May 7, 2026</b> <b>FCP HSBC Select Equity</b> AC and BC share classes <b>( Absorbed fund)</b>	<b>After May 7, 2026</b> SELECT ADVENTUROUS sub-fund of the HSBC PORTFOLIOS SICAV - AC and BC shares <b>(Receiving Sub-fund)</b>
<b>Entities involved in the fund /SICAV</b>		
<b>Management company</b>	HSBC Global Asset Management (France)	HSBC Investment Funds (Luxembourg) S.A.
<b>Custodian</b>	CACEIS Bank	HSBC Continental Europe, Luxembourg
<b>Statutory Auditor</b>	Ernst & Young Audit	PricewaterhouseCoopers, Société coopérative Luxembourg
<b>Investment sub-advisor</b>	None	HSBC Global Asset Management (France)
<b>Fund administration</b>	Caceis Fund Administration	HSBC Continental Europe, Luxembourg
<b>Legal regime and investment policy</b>		
<b>Legal form</b>	Mutual Fund (FCP)	Open-ended investment company (SICAV)
<b>Umbrella fund</b>	No	Yes
<b>Investment objective</b>	The fund aims to offer flexible investment primarily in the equity markets over a minimum investment horizon of 5 years. Although its allocation bands are wider, the fund's profile is comparable to a 90% equity and 10% sovereign and corporate bond balanced allocation, investing in developed markets (with a Eurozone bias) and in emerging markets.	The sub-fund aims to provide, over a medium- to long-term investment horizon, active and flexible management across a broad range of asset classes, including primarily equities and currencies.

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Fees			
Financial management fees	AC share class: 1.30% BC share class: 0.65%	AC shares: 1.30% BC shares: 0.65%	=
Operating and other services / administration costs	0.30%	0.25%	↓
Running costs:			
Management fees and other administration and operating costs (total fees, excluding trading and subscription/redemption fees)	AC share class: 1.57% BC share class: 0.92%	AC shares: 1.61% BC shares: 0.96%	↗
Trading costs	AC/BC share class: 0.29%	AC/BC shares: 0.29%	
Subscription fee including adjustable entry fee paid into the fund	2%	4.17%	↗
Subscriptions/Redemptions			
Order cut-off time	12 noon		10 am
Minimum initial subscription amount	One unit	€5,000	
Minimum subsequent subscription	One ten-thousandth of a share	€1,000	

Practical information		
Name	HSBC Select Equity	The SELECT ADVENTUROUS sub-fund of the HSBC PORTFOLIOS SICAV
ISIN	AC: FR0007036900 BC: FR0013313988	AC: LU3181156301 BC: LU3181156566
Financial year	Last trading day of the Paris Stock Exchange in December	July 31st
Supervisory authority	France French Autorité des marchés financiers (AMF)	Luxembourg Commission de Surveillance du Secteur Financier (CSSF)

## Key Investor Information

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If you wish to alter your investments or access your capital:

- You may redeem your units on the usual terms, at no cost, until subscriptions/redemptions are suspended at noon on April 30, 2026.

- Otherwise, without any action on your part, and at no additional cost, you will automatically benefit from the Receiving sub-fund's investment strategy: from 7 May 2026, you will become a shareholder in the Receiving sub-fund.

Your usual advisor is on hand to answer any questions regarding your investment.

The Prospectus and the Key Investor Information Document for the SELECT ADVENTUROUS sub-fund of the HSBC PORTFOLIOS SICAV are available on request from the Management Company and from HSBC Global Asset Management (France)'s client service department at the following address: [hsbc.client.services-am@hsbc.fr](mailto:hsbc.client.services-am@hsbc.fr)

As of 7 May 2026, for any questions relating to subscriptions or redemptions, you may contact the administrator of the SELECT ADVENTUROUS sub-fund of the HSBC PORTFOLIOS SICAV directly:

HSBC Continental Europe, Luxembourg:

Telephone: +352 404646 767

Fax: +352 27025 380

Email: [amgtransferagency@lu.hsbc.com](mailto:amgtransferagency@lu.hsbc.com)

Thank you for the trust you have placed in us. Yours sincerely,



**Olivier Gayno**  
**Deputy Chief Executive Officer of HSBC Global Asset Management (France)**

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## Appendix I. Merger Parity Calculation Information

As an indication, if the merger had taken place on 13 November 2025, the number of new shares thus determined would bring out an exchange parity of 1 for 1 AC share in the Receiving sub-fund according to the following calculation:

$$\text{Exchange parity} = \frac{\text{Net asset value of HSBC SELECT EQUITY (AC share class)}}{\text{Net asset value of the Receiving sub-fund's AC share}} = \frac{€136.74}{€136.74^*}$$

The holder of 1 AC share in the HSBC SELECT EQUITY FCP would then receive 1 share in the Receiving sub-fund.

\*The Receiving sub-fund will be launched on the day of the merger, the launch NAV of each share of the Receiving sub-fund will correspond to the net asset value of the associated share class in the absorbed fund. As a result, no balance is expected to be paid upon the completion of the merger.

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## **Appendix 2. Tax information**

### **TAX INFORMATION**

*Information relating to the taxation applicable in the event of a merger by absorption of a unit trust (FCP) under French law by an investment company with variable capital (SICAV) under Luxembourg law which qualify as "UCITS" within the meaning of European Directive "UCITS IV" No.2009/65 carried out in accordance with the regulations in force in France and Luxembourg. This information is for information purposes only.*

*Generally speaking, all unitholders in the Fund should seek advice from their usual advisors in order to determine the tax rules applicable to their particular situation.*

**Unitholders that are legal entities subject to corporation tax and established in France for tax purposes:** (BOI-BIC-PVMV-30-30-70)<sup>2</sup>

*Article 38 5-bis of the General Tax Code (CGI) states that a **tax suspension mechanism** applies mandatorily to profits or losses resulting from the exchange of securities following the merger of a mutual fund (FCP) by a SICAV if the balance paid does not exceed 10% of the nominal value (or the net asset value as fixed for the completion of the transaction) of the securities allocated, and the capital gain obtained during the merger.*

*If the balance allows the tax deferral, the result from the exchange of securities (profit or loss) is not included in the taxable income for the FY in which the merger took place, but in the income for the FY during which the securities of the SICAV received in exchange (subject to specific reporting obligations) were sold (or redeemed or disposed).*

*When a Fund merger with absorption by a SICAV has benefited from the tax deferral set out in Article [38 5-bis of the General Tax Code](#), the profit or loss resulting from the subsequent sale of the securities received is therefore determined on the basis of the original value of the securities submitted for exchange.*

*However, the capital gain corresponding to the balance paid is included in the income for the FY in which the exchange takes place.*

*Nevertheless, some companies\* are subject to the provisions of Article 209-0 A of the General Tax Code, which imposes taxes on the difference in net asset value recorded, notably, on UCI securities (with exceptions) between the date on which the asset was acquired or the start of a financial year and the end of that same financial year.*

***The enforcement of article 209-0 A of the CGI does not modify the tax deferral mechanism set out in 5 bis of article 38 of the CGI but cancels its scope insofar as the amount of valuation differences already taxed includes part or all of the capital gain from the exchange following the merger.***

*\*This tax rule, set out in Article 209-0 A of the French General Tax Code, does not apply to insurance companies working primarily in life insurance or capitalisation transactions.*

**Natural persons domiciled in France for tax purposes and bearers of shares in securities accounts:** (BOI-RPPM-PVBMI-30-10-20)<sup>2</sup>

<sup>2</sup> Tax doctrine references available on the government's website: [bofip.impots.gouv.fr](http://bofip.impots.gouv.fr)

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Article 150-O B of the General Tax Code provides that a **tax deferral mechanism** applies automatically to profits or losses resulting from the exchange of securities following the absorption of a Fund by a SICAV if the compensation paid, if any, does not exceed 10% of the nominal value (or the net asset value as fixed for the completion of the transaction) of the securities received.

If the balance authorises the tax deferral (conditions assessed for each holder), the result from the exchange of securities is not taken into account for income tax the year of the merger.

However, when mergers generate some capital gain, the latter is taxed immediately based on the balance received.

**When the securities received in exchange are subsequently transferred for consideration**, the net gain is calculated based on the acquisition price or value of the securities delivered upon the exchange. This net gain is either lowered by deducting the balance received, where applicable, which was not taxed during the year of the exchange, or raised by adding the balance paid at the time of the exchange. As such, any net gain will be taxable based on applicable fiscal rules at the time of the transfer for valuable consideration, redemption, or cancellation of the units received in exchange.

Capital gains on the disposal of securities are in principle subject to the single flat-rate levy (*prélèvement forfaitaire unique*), which currently stands at 12.8%. However, the taxpayer may opt for a progressive income tax scale, a global option that applies to all eligible income.

Social security contributions based on investment income (current rate 18.6%) are also applicable.

**Unitholders that are sole proprietorships domiciled in France for tax purposes:** Sole proprietorships are treated as natural persons, unless the entrepreneur expressly decides to include the securities in his/her professional assets.

**Unitholders that are non-profit organisation holders domiciled in France for tax purposes:** These holders will not pay taxes as a result of this merger (5 of Article 206 of the General Tax Code).

**Unit holders domiciled/established for tax purposes outside France :** These holders will not pay taxes in France as a result of this merger (Article 244 bis C of the French General Tax Code). On the other hand, they may pay taxes in their country of residence. We recommend that these investors seek information from the tax authorities of their country of residence and contact an independent advisor for appropriate legal and tax advice.

UCITS DO NOT HAVE A GUARANTEED RETURN AND PAST RETURNS DO NOT  
GUARANTEE FUTURE RETURNS.

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