

## BlackRock Global Funds – European Special Situations Fund

April 2023

BlackRock Asset Management North Asia Limited 貝萊德資產管理北亞有限公司

*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*

### Quick facts

|                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                     |           |          |            |       |          |            |       |          |     |       |          |            |       |          |            |       |          |            |       |          |     |       |          |            |       |          |     |       |          |     |       |          |     |       |          |     |       |          |     |       |          |            |       |
|-------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-----------|----------|------------|-------|----------|------------|-------|----------|-----|-------|----------|------------|-------|----------|------------|-------|----------|------------|-------|----------|-----|-------|----------|------------|-------|----------|-----|-------|----------|-----|-------|----------|-----|-------|----------|-----|-------|----------|-----|-------|----------|------------|-------|
| Management Company:                                         | BlackRock (Luxembourg) S.A.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                     |           |          |            |       |          |            |       |          |     |       |          |            |       |          |            |       |          |            |       |          |     |       |          |            |       |          |     |       |          |     |       |          |     |       |          |     |       |          |     |       |          |            |       |
| Investment Adviser(s) and/or Sub-Adviser(s):                | Internal delegation to one or more Investment Adviser(s) and/or Sub-Adviser(s) as described in “The Investment Advisers and Sub-Advisers” section of the Information For Residents of Hong Kong*<br><br>* Details of the relevant Investment Adviser(s) and Sub-Adviser(s) responsible for the Fund will be listed in the interim report and annual report and will be available from the Hong Kong Representative upon request.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                     |           |          |            |       |          |            |       |          |     |       |          |            |       |          |            |       |          |            |       |          |     |       |          |            |       |          |     |       |          |     |       |          |     |       |          |     |       |          |     |       |          |            |       |
| Depository:                                                 | The Bank of New York Mellon SA/NV, Luxembourg Branch                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                     |           |          |            |       |          |            |       |          |     |       |          |            |       |          |            |       |          |            |       |          |     |       |          |            |       |          |     |       |          |     |       |          |     |       |          |     |       |          |     |       |          |            |       |
| Ongoing charges over a year:                                | <table><tr><td>Class A2</td><td>AUD Hedged</td><td>1.83%</td></tr><tr><td>Class A2</td><td>CAD Hedged</td><td>1.82%</td></tr><tr><td>Class A2</td><td>EUR</td><td>1.83%</td></tr><tr><td>Class A2</td><td>GBP Hedged</td><td>1.83%</td></tr><tr><td>Class A2</td><td>HKD Hedged</td><td>1.83%</td></tr><tr><td>Class A2</td><td>RMB Hedged</td><td>1.83%</td></tr><tr><td>Class A2</td><td>USD</td><td>1.83%</td></tr><tr><td>Class A2</td><td>USD Hedged</td><td>1.83%</td></tr><tr><td>Class A4</td><td>EUR</td><td>1.83%</td></tr><tr><td>Class C2</td><td>EUR</td><td>3.08%</td></tr><tr><td>Class C2</td><td>USD</td><td>3.08%</td></tr><tr><td>Class D2</td><td>EUR</td><td>1.08%</td></tr><tr><td>Class D2</td><td>USD</td><td>1.08%</td></tr><tr><td>Class D2</td><td>USD Hedged</td><td>1.08%</td></tr></table> <p>The ongoing charges figure for a class is based on the costs and expenses of that class with reference to the annual report of the Fund for the year ended 31 August 2022.</p> <p>The figure may vary from year to year.</p> |                     |           | Class A2 | AUD Hedged | 1.83% | Class A2 | CAD Hedged | 1.82% | Class A2 | EUR | 1.83% | Class A2 | GBP Hedged | 1.83% | Class A2 | HKD Hedged | 1.83% | Class A2 | RMB Hedged | 1.83% | Class A2 | USD | 1.83% | Class A2 | USD Hedged | 1.83% | Class A4 | EUR | 1.83% | Class C2 | EUR | 3.08% | Class C2 | USD | 3.08% | Class D2 | EUR | 1.08% | Class D2 | USD | 1.08% | Class D2 | USD Hedged | 1.08% |
| Class A2                                                    | AUD Hedged                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 1.83%               |           |          |            |       |          |            |       |          |     |       |          |            |       |          |            |       |          |            |       |          |     |       |          |            |       |          |     |       |          |     |       |          |     |       |          |     |       |          |     |       |          |            |       |
| Class A2                                                    | CAD Hedged                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 1.82%               |           |          |            |       |          |            |       |          |     |       |          |            |       |          |            |       |          |            |       |          |     |       |          |            |       |          |     |       |          |     |       |          |     |       |          |     |       |          |     |       |          |            |       |
| Class A2                                                    | EUR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 1.83%               |           |          |            |       |          |            |       |          |     |       |          |            |       |          |            |       |          |            |       |          |     |       |          |            |       |          |     |       |          |     |       |          |     |       |          |     |       |          |     |       |          |            |       |
| Class A2                                                    | GBP Hedged                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 1.83%               |           |          |            |       |          |            |       |          |     |       |          |            |       |          |            |       |          |            |       |          |     |       |          |            |       |          |     |       |          |     |       |          |     |       |          |     |       |          |     |       |          |            |       |
| Class A2                                                    | HKD Hedged                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 1.83%               |           |          |            |       |          |            |       |          |     |       |          |            |       |          |            |       |          |            |       |          |     |       |          |            |       |          |     |       |          |     |       |          |     |       |          |     |       |          |     |       |          |            |       |
| Class A2                                                    | RMB Hedged                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 1.83%               |           |          |            |       |          |            |       |          |     |       |          |            |       |          |            |       |          |            |       |          |     |       |          |            |       |          |     |       |          |     |       |          |     |       |          |     |       |          |     |       |          |            |       |
| Class A2                                                    | USD                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 1.83%               |           |          |            |       |          |            |       |          |     |       |          |            |       |          |            |       |          |            |       |          |     |       |          |            |       |          |     |       |          |     |       |          |     |       |          |     |       |          |     |       |          |            |       |
| Class A2                                                    | USD Hedged                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 1.83%               |           |          |            |       |          |            |       |          |     |       |          |            |       |          |            |       |          |            |       |          |     |       |          |            |       |          |     |       |          |     |       |          |     |       |          |     |       |          |     |       |          |            |       |
| Class A4                                                    | EUR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 1.83%               |           |          |            |       |          |            |       |          |     |       |          |            |       |          |            |       |          |            |       |          |     |       |          |            |       |          |     |       |          |     |       |          |     |       |          |     |       |          |     |       |          |            |       |
| Class C2                                                    | EUR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 3.08%               |           |          |            |       |          |            |       |          |     |       |          |            |       |          |            |       |          |            |       |          |     |       |          |            |       |          |     |       |          |     |       |          |     |       |          |     |       |          |     |       |          |            |       |
| Class C2                                                    | USD                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 3.08%               |           |          |            |       |          |            |       |          |     |       |          |            |       |          |            |       |          |            |       |          |     |       |          |            |       |          |     |       |          |     |       |          |     |       |          |     |       |          |     |       |          |            |       |
| Class D2                                                    | EUR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 1.08%               |           |          |            |       |          |            |       |          |     |       |          |            |       |          |            |       |          |            |       |          |     |       |          |            |       |          |     |       |          |     |       |          |     |       |          |     |       |          |     |       |          |            |       |
| Class D2                                                    | USD                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 1.08%               |           |          |            |       |          |            |       |          |     |       |          |            |       |          |            |       |          |            |       |          |     |       |          |            |       |          |     |       |          |     |       |          |     |       |          |     |       |          |     |       |          |            |       |
| Class D2                                                    | USD Hedged                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 1.08%               |           |          |            |       |          |            |       |          |     |       |          |            |       |          |            |       |          |            |       |          |     |       |          |            |       |          |     |       |          |     |       |          |     |       |          |     |       |          |     |       |          |            |       |
| Dealing frequency:                                          | Daily                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Financial year end: | 31 August |          |            |       |          |            |       |          |     |       |          |            |       |          |            |       |          |            |       |          |     |       |          |            |       |          |     |       |          |     |       |          |     |       |          |     |       |          |     |       |          |            |       |
| Base currency:                                              | EUR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                     |           |          |            |       |          |            |       |          |     |       |          |            |       |          |            |       |          |            |       |          |     |       |          |            |       |          |     |       |          |     |       |          |     |       |          |     |       |          |     |       |          |            |       |
| Dividend policy:<br>(Class A, C and D as at the above date) | Non-Distributing Shares: No dividends will be declared or paid<br>▶ A2, C2, D2<br><br>Distributing Shares: Dividends, if declared will be paid in cash or reinvested<br>▶ Yearly: A4                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                     |           |          |            |       |          |            |       |          |     |       |          |            |       |          |            |       |          |            |       |          |     |       |          |            |       |          |     |       |          |     |       |          |     |       |          |     |       |          |     |       |          |            |       |

|                            |                                                                                                                                                 |
|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
|                            | All declared dividends result in an immediate decrease in the Fund's net asset values per share on ex-date, whether paid in cash or reinvested. |
| <b>Minimum investment:</b> | US\$5,000 initial, US\$1,000 additional for Class A and C Shares<br>US\$100,000 initial, US\$1,000 additional for Class D Shares                |

## **What is this product?**

European Special Situations Fund (the "Fund") is a sub-fund of BlackRock Global Funds ("BGF"), an open-ended investment company incorporated in Luxembourg. Its home regulator is the Commission de Surveillance du Secteur Financier (CSSF).

## **Objectives and Investment Strategy**

To maximise total return by investing at least 70% of the Fund's total assets in stocks of companies based in, or with the majority of their business in, Europe. The Fund places emphasis on "special situations" companies that, in the opinion of the Investment Adviser, are companies with potential for improvement that the market has failed to appreciate. Such companies generally take the form of small, mid and large capitalisation companies that are undervalued and exhibit growth investment characteristics, such as above-average growth rates in earnings or sales and high or improving returns on capital. In some cases such companies can also benefit from changes in corporate strategy and business restructuring.

The Fund may also invest in emerging markets (such as Hungary, Poland and Russia).

Subject to applicable regulatory restrictions and internal guidelines, the remaining 30% may be invested in financial instruments of companies or issuers of any size in any sector of the economy globally such as equity securities consistent with the Fund's objective and cash.

The Fund will invest in a manner consistent with the principles of environmental, social and governance ("ESG") investing and in accordance with the ESG policy described in the Prospectus.

The Fund's expected total maximum investment in debt instruments with loss-absorption features, including but not limited to contingent convertible bonds, will be less than 30% of its net asset value. These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger event(s). The Fund's exposure to contingent convertible bonds is limited to 5% of its total assets.

The Fund may use derivatives for hedging, efficient portfolio management and investment purposes.

## **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. Please refer to the offering document for details including the risk factors.**

### **1. Investment Risks**

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

### **2. Equity Risk**

The values of equities fluctuate daily and a Fund investing in equities could incur significant losses. The price of equities can be influenced by many factors at the individual company level, as well as by broader economic and political developments, including changes in investment sentiment, trends in economic growth, inflation and interest rates, issuer-specific factors, corporate earnings reports, demographic trends and catastrophic events.

**3. Currency Risks**

The Fund may invest in assets denominated in a currency other than the base currency of the Fund. Also, a class of shares may be designated in a currency other than the base currency of the Fund. Changes in exchange rates between such currency and the base currency and changes in exchange rate controls may adversely affect the value of the Fund's assets.

**4. Derivatives Risks**

Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivative by the Fund. In an adverse situation, if the use of derivatives for hedging and efficient portfolio management becomes ineffective, the Fund may suffer significant losses.

**5. Emerging Market Risks**

Investment in emerging markets (including certain European countries) may be subject to a higher than average volatility than more developed markets due to greater political, tax, sustainability related, economic, social, and foreign exchange risks.

The size and trading volume of securities markets in emerging markets may be substantially smaller than developed markets. This may subject the Fund to higher liquidity and volatility risks.

Custody and registration of assets in emerging markets may be less reliable than in developed markets, which may subject the Fund to higher settlement risk.

The Fund may be subject to higher regulatory risks due to low level of regulation, enforcement of regulations and monitoring of investors' activities in emerging markets.

**6. Foreign Investments Restrictions Risks**

Some countries prohibit or restrict investment, or the repatriation of income, capital or the proceeds from sale of securities. The Fund may incur higher costs investing in these countries. Such restrictions may delay the investment or repatriation of capital of the Fund.

**7. Geographical Concentration Risks**

The Fund's investments are concentrated in Europe. This may result in greater volatility than more broad-based investments. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, sustainability related, legal or regulatory event affecting Europe.

**8. Small/Mid Cap Companies Risks**

Many small/mid cap company stocks trade less frequently and in smaller volume, and may be subject to more abrupt or erratic price movements than stocks of large companies. The securities of small/mid cap companies may also be more sensitive to market changes than the securities of large companies.

**9. Currency Conversion Risk for Renminbi ("RMB") Denominated Classes**

The Fund offers RMB denominated share classes. RMB is currently not freely convertible and is subject to exchange controls and restrictions.

Under exceptional circumstances, payment of realisation proceeds and/or dividend payment (if any) in RMB may be delayed due to the exchange controls and restrictions applicable to RMB.

RMB is traded in both the onshore and offshore markets. While both onshore RMB ("CNY") and offshore RMB ("CNH") represent the same currency, they are traded in different and separate markets which operate independently. The Management Company will apply the CNH rate for currency conversion of RMB denominated share classes. Any divergence between CNH and CNY may adversely impact investors.

**10. Liquidity Risks**

The size and trading volume of securities in the markets relevant to the Fund may be substantially smaller than developed markets. This may lead to investments in such securities becoming less liquid, making it difficult to dispose of them which may reduce the Fund's returns/lead to losses for investors.

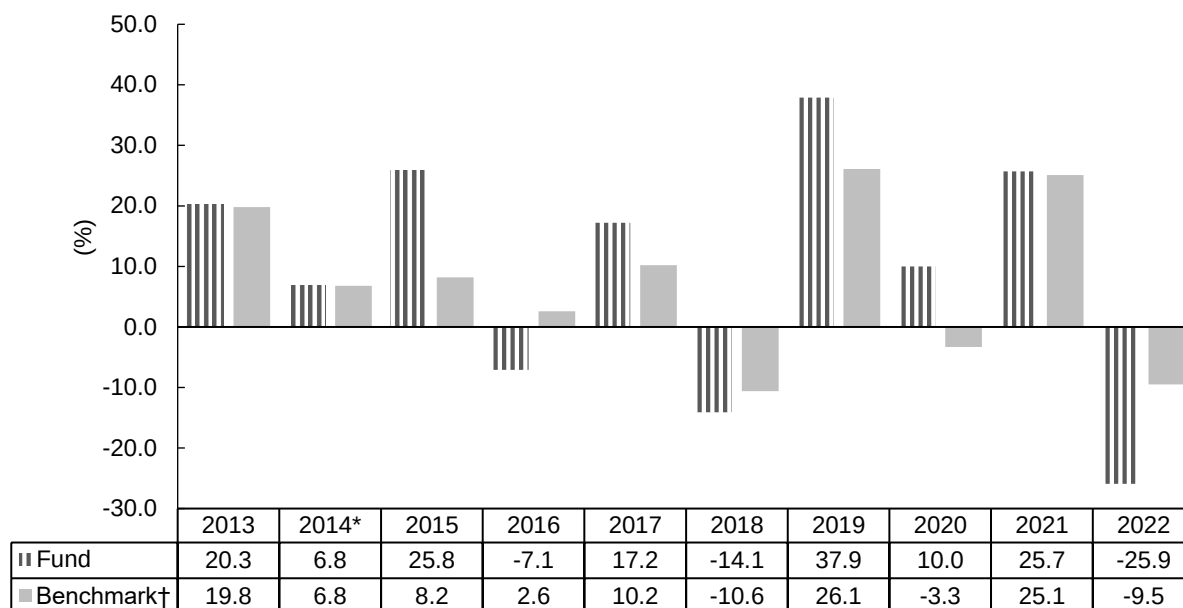
**11. Contingent Convertible Bonds Risks**

A contingent convertible bond may be converted into the issuer's equity or be partly or wholly written off (a "write-down") if a pre-specified trigger event occurs. Trigger levels differ and the exposure to conversion risk depends on the distance of the capital ratio to the trigger level. In case of conversion into equity, the Fund might be forced to sell these new equity shares. Such a forced sale might have an effect on market liquidity as there may not be sufficient demand for these shares. In the event of a write-down, which may be either temporary or permanent, the Fund may suffer a full, partial or staggered loss of the value of its investment. It might be difficult for the Fund to anticipate the trigger events or how the securities will behave upon conversion.

Investment in contingent convertible bonds may suffer a loss of capital. Further, contingent convertible bonds are usually subordinated to comparable non-convertible securities, and thus are subject to higher risks than other debt securities. Coupon payments on certain contingent convertible bonds may be entirely discretionary and may be cancelled by the issuer, in which event the Fund may experience losses. Investment in contingent convertible bonds may also lead to increased industry concentration risk and thus counterparty risk as such securities are issued by a limited number of banks.

## How has the fund performed?

Historic performance to 31 December 2022



During this period the performance of the Fund was achieved under circumstances that no longer apply. On 14 February 2014 the European Small & MidCap Opportunities Fund was absorbed by the European Growth Fund and the surviving fund was renamed as the European Special Situations Fund. The Fund changed its investment policy in 2014 and in 2022.

### Notes:

Past performance information is not indicative of future performance. You may not get back the full amount invested. The computation of the performance is based on the calendar year end, NAV-To-NAV, with dividend reinvested expressed as a % change. These figures show by how much the share class increased or decreased in value during the calendar year shown. Performance data has been calculated in EUR, including ongoing charges and taxes and excluding subscription and redemption fees, if applicable. The past performance information reflects the performance of the A2 base currency share class which the Investment Adviser views as the most appropriate representative share class. Please refer to the website [www.blackrock.com/hk](http://www.blackrock.com/hk) for performance information regarding other share classes. This website has not been reviewed by the SFC.

† The benchmark of the Fund is MSCI Europe Index.

\* The benchmark changed on 14 February 2014 as the current benchmark is considered more representative of the Fund's investment strategy.

Fund launch date: 2002

Share class launch date: 2002

## 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 shares of the Fund:

| Fee                                      | What you pay                                                                                                                                                                                  |
|------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Subscription Fee (Initial Charge)</b> | Class A and Class D Shares: up to 5% of the price of shares<br>Class C Shares: Nil                                                                                                            |
| <b>Switching Fee (Conversion Charge)</b> | Nil <sup>^</sup> , except a delayed Initial Charge of up to 5% of the price of Class A or Class D Shares may be payable upon switching newly acquired Shares in a Reserve Fund into this Fund |
| <b>Redemption Fee</b>                    | Nil <sup>^</sup>                                                                                                                                                                              |
| <b>Contingent Deferred Sales Charge</b>  | Class A and Class D Shares: Nil<br>Class C Shares: 1% of the lower of the original investment amount or redemption proceeds if the Shares are held for less than one year                     |

<sup>^</sup> A 2% charge on redemptions/conversions may be levied where excessive trading by a shareholder is suspected.

### Ongoing fees payable by the Fund

The following expenses paid by the Fund affect you because they reduce the return on your investments:

| Fee                                | Annual rate                                                                                                                                           |
|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Management Fee</b>              | 1.50% of the net asset value of the relevant Class A and Class C Shares respectively*<br>0.75% of the net asset value of the relevant Class D Shares* |
| <b>Depository Fees<sup>#</sup></b> | Safekeeping fees: 0.0024% to 0.45% of the value of the securities<br>Transactional fees: US\$5.5 to US\$124 per transaction                           |
| <b>Performance Fee</b>             | Nil                                                                                                                                                   |
| <b>Annual Service Charge</b>       | Up to 0.25% of the net asset value of the relevant share class*                                                                                       |
| <b>Distribution Fee</b>            | Class A and Class D Shares: Nil      Class C Shares: 1.25% of the net asset value of the relevant share class                                         |

\* May be increased to a combined 2.25% maximum upon giving three months' prior notice to shareholders

<sup>#</sup> Subject to change without prior notice

### Other fees

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

## Additional Information

- ▶ You generally buy and redeem shares at the Fund's next-determined price as long as the Hong Kong Representative or the Transfer Agent receives your request in good order before the 6:00p.m. cut-off (HK time). Please check whether your distributor has an internal cut-off time which is earlier than this.
- ▶ The net asset value of the Fund is calculated daily. Prices of shares are published each business day on [www.blackrock.com/hk](http://www.blackrock.com/hk). This website has not been reviewed by the SFC.
- ▶ The updated list of currently available shares is available from the Hong Kong Representative.

## 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.