KEY INVESTOR INFORMATION

This document provides you with key investor information about this Fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

BlueOrchard Microfinance Fund (the "Fund"),
BlueOrchard Microfinance Fund (the "Sub-Fund"),
Class S Cap USD (ISIN: LU1399444451)
Managed by BlueOrchard Asset Management (Luxembourg) S.A. (the "Management Company")

OBJECTIVES AND INVESTMENT POLICY

The main objective of the Sub-Fund is to directly finance investees with private loans to support microentrepreneurs / microenterprises in emerging markets. At the same time, the Sub-Fund aims to provide a stable financial return to investors combining financial and social return objectives. In addition to financing microfinance institutions, the Sub-Fund also contributes among others to the development needs of the local financial system, infrastructure, educational system, sustainable/green energy projects and sustainable real estate projects.

The Sub-Fund is actively managed and has no benchmark. The strategy employed reduces the local currency exposure and actively manages the remaining USD interest rate risk.

The Sub-Fund may also invest in other debt instruments, money market instruments, other undertakings for collective investments, cash and cash equivalents. All liquid assets must be denominated in USD or hedged into USD.

The Sub-Fund shall not generally invest in derivative instruments other than currency and interest rate hedging instruments. Please refer to the section "Currency and Interest Rate Hedging" in the prospectus (the "Prospectus") for more detailed information.

The share class does not provide you with a dividend. It will reinvest all earnings.

The Sub-Fund is aimed at investors with a medium to long-term investment horizon.

Subscriptions: Investors can subscribe shares on a monthly basis. Applications for subscriptions must be received in Luxembourg at the registered office of the administrative agent not later than 05.00 p.m., Luxembourg time, on the business day preceding the corresponding valuation day which is the last business day of the month.

Redemption: Investors can redeem their shares on a monthly basis. Applications for redemption must be received in Luxembourg at the registered office of the administrative agent not later than 05.00 p.m., Luxembourg time, on the one hundred and eightieth (180th) calendar day preceding the corresponding valuation day which is the last business day of the month.

The reference currency of the Sub-Fund is USD. All non-USD share classes are hedged.

RISK AND REWARD PROFILE

Lower risk — **Higher risk**
Typically lower reward — **Typically higher reward**

1	**2**	3	4	5	6	7

The risk and reward indicator illustrates where the Sub-Fund is positioned in terms of its possible risk and reward. The higher the Sub-Fund's position on this scale, the greater the possible reward, but also the greater risk of losing money. Even if the Sub-Fund is in the lowest risk class you can lose money, as no investments are entirely risk free.

This risk and reward indicator is calculated using historical data, which cannot be used as a reliable indication for the future risk profile of the Sub-Fund. The risk classification is not guaranteed to remain unchanged and may shift over time.

The Sub-Fund is subject to typical risks linked to investments in emerging market financial institutions. The Fund is not a UCITS fund and is therefore not covered by the risk diversification requirements that apply to such funds.

Risks materially relevant to the Sub-Fund which may not be captured by the indicator:

Counterparty risk: If a counterparty fails to fulfil its obligations to the Sub-Fund (e.g. not paying an agreed amount or not delivering securities as agreed).

Credit risk: The Sub-Fund invests in loans, bonds or other debt instruments. If a bond issuer fails to pay the interest and principal amount on time, the bond could lose up to its entire value.

Credit risk of micro-loans: Microfinance involves the provision of credit to microentrepreneurs and microenterprises in developing countries, many of whom have incomes below the applicable poverty level and little or no previous credit history with commercial or other lenders. These micro-loans typically are not secured by any collateral or other type of traditional guarantee. There is no assurance that the micro-clients will be able to repay the micro-loans to the microfinance institution, and as a consequence, the Sub-Fund may be adversely affected.

Derivatives risk: The Sub-Fund may use derivatives; these are financial instruments whose value depends on the value of an underlying asset. Small price changes in the underlying asset can result in large price changes of the derivatives.

Liquidity risk: The Sub-Fund is investing in illiquid instruments. Illiquidity increases the risks that the Sub-Fund might have difficulties to meet his financial obligations at a given point in time.

Market risk: The risk that one or more investments will change in a way detrimental to the Sub-Fund.

Operational risk: Some of the investees in which the Sub-Fund may invest may be in an early stage of formation or operation, which may pose a number of operational issues.

For full details of all risks the Sub-Fund is exposed to, please refer to section "Risk considerations" of the Prospectus.

CHARGES

The charges you pay are used to pay the costs of running the Sub- Fund, including the costs of marketing and distribution. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
Entry charge	Up to 4%
Exit charge	None
This is the maximum charge that might be taken out of your money before it is invested and before the proceeds of your investment are paid out.	
Charges taken from the Sub-Fund over a year	
Ongoing charges	1.12%
Charges taken from the Fund under certain specific conditions	
Performance Fee	None

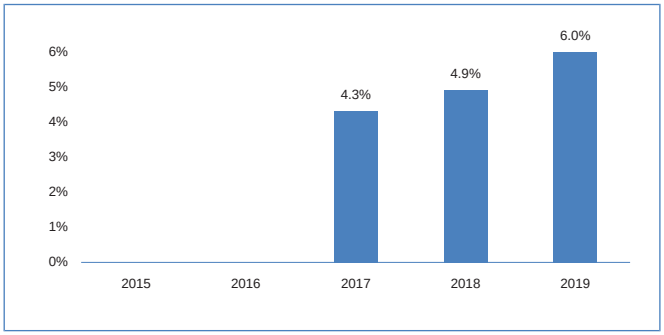
The entry and exit charges shown are always maximum figures. In some cases you might pay less - please contact your financial advisor for further information.

The ongoing charges figure is based on expenses for the twelve month period ending 31 December 2019. This figure may vary from year to year.

Performance fees and portfolio transaction costs are not included in the ongoing charges figure, except for portfolio transaction costs for entry / exit charges paid by the Sub-Fund when buying or selling units in another fund.

More detailed information on charges can be found in section “Charges and Expenses” of the Prospectus.

PAST PERFORMANCE



The performance figures shown in the bar chart are not a reliable indication of future performance.

The fees for the ongoing Sub-Fund charges are included in the calculation of past performance.

The Sub-Fund was created on 21.09.1998.

The past performance has been calculated in USD.

PRACTICAL INFORMATION

Custodian: Banque de Luxembourg

Conversions: Investors may request on any valuation day the conversion of all or part of their holdings into shares of another sub-fund, category and/or class of shares. There are no conversion fees. For more details on how to exercise that right, please refer to the Prospectus.

Taxation: Luxembourg's taxation regime may have an impact on the personal tax position of the investors.

Liability: BlueOrchard Asset Management (Luxembourg) S.A. may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Prospectus.

The Fund is organised as an umbrella fund under Luxembourg law with multiple sub-funds. The assets and liabilities and the cash of each sub-fund are segregated by law. This key investor information document describes one share class of one sub-fund of the Fund. Other classes may also be available within this Sub-Fund. Further information on such classes is available on the web-site www.blueorchard.com. Please note that not all share classes may be registered for distribution in your jurisdiction.

Further information: The latest annual report and any subsequent half-yearly report as well as the Prospectus in English will be made available to investors free of charge at the registered office of the Fund.

Other practical information on the Sub-Fund, as well as on the net asset value, the issue, conversion and redemption prices of the Sub-Fund's shares may be obtained on any day which is open for business at the administrative address of the Fund and at the registered office at 2, rue d’Alsace,L-1122 Luxembourg and on the web-site www.blueorchard.com.

The Sub-Fund is not subject to the directive 2009/65/EC of the European Parliement.

The details of the up-to-date remuneration policy of BlueOrchard Asset Management (Luxembourg) S.A. may also be obtained on the web-site www.blueorchard.com and a paper copy is available free of charge upon request at the registered office.

This Fund is authorized in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier. BlueOrchard Asset Management (Luxembourg) S.A. is authorised in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier.
This key investor information is accurate as at 17 February 2020.