

PRODUCT KEY FACTS

ICBC Asset Management (Global) Funds

ICBC Asset Management RMB Fixed Income Fund

April 2024

- *This statement provides you with key information about ICBC Asset Management RMB Fixed Income Fund (formerly known as Global RMB Fixed Income Fund) (the “Sub-Fund”).*
- *This statement is a part of the offering document and must be read in conjunction with the Explanatory Memorandum of ICBC Asset Management (Global) Funds.*
- *You should not invest in this product based on this statement alone.*

Quick facts

Manager:	ICBC Asset Management (Global) Company Limited
Trustee:	HSBC Institutional Trust Services (Asia) Limited
Ongoing Charges over a year#:	1.79% # The ongoing charges figure is based on ongoing expenses chargeable to the Sub-Fund for the year ended 29 December 2023 (“Reporting Period”) expressed as a percentage of the average net asset value of the Sub-Fund for the Reporting Period. This figure may vary from year to year. The ongoing charges is capped at 2.75% of the average net asset value of the Sub-Fund. Any ongoing charges exceeding 2.75% will be borne by the Manager.
Dealing frequency:	Daily
Base currency:	RMB
Dividend policy:	On a quarterly basis (i.e. March, June, September and December each year in RMB), subject to the Manager’s discretion. Dividends may, at the Manager’s discretion, (i) be paid out of capital or (ii) be paid out of gross income of the Sub-Fund, while charging / paying all or part of the Sub-Fund’s fees and expenses to / out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of dividends by the Sub-fund and therefore, the Sub-Fund may effectively pay dividend out of capital, which may result in an immediately reduction of net asset value per unit. The Sub-Fund or the Manager may amend the Sub-Fund’s distribution policy subject to the SFC’s prior approval (if required) and by giving not less than one month’s prior notice to investors.
Financial year end of this Sub-Fund:	31 December
Min. initial investment:	RMB 5,000

Min. subsequent investment:	RMB 5,000
Min. holding:	Units with aggregate minimum value of RMB 5,000

What is this product?

- ICBC Asset Management RMB Fixed Income Fund (formerly known as Global RMB Fixed Income Fund) is a sub-fund of ICBC Asset Management (Global) Funds (the “Unit Trust”), which is an umbrella structure unit trust established under Hong Kong law by a trust deed dated 2 July 2009, as amended from time to time.
- The Sub-Fund is denominated in RMB. Subscription monies and redemption proceeds must be paid in RMB.

Objective and Investment Strategy

ICBC Asset Management RMB Fixed Income Fund (formerly known as Global RMB Fixed Income Fund) seeks to achieve consistent and competitive investment returns, comprising steady income and capital growth in RMB terms through investing not less than 70% of the Sub-Fund’s net asset value in a portfolio mixture of RMB denominated fixed rate or floating rate debt securities (“**RMB Debt Securities**”) which are issued or distributed outside or within mainland China. These securities may include RMB denominated bonds issued by issuers such as government entities, agencies, quasi-sovereign organizations, banks and corporations which may or may not be established or incorporated in mainland China. The Sub-Fund may also invest in other RMB denominated deposits issued outside or within mainland China, such as negotiated term bank deposits, bank certificates of deposit, commercial papers, convertible bonds, short term bills and short term notes issued outside or within mainland China. These RMB Debt Securities and deposits will be settled in RMB.

The Manager seeks to achieve consistent and competitive investment returns through active management of the risks involved by reference to the following selection criteria: duration, product, sector and credit.

The Manager will construct the investment portfolio of the Sub-Fund based on expectation on future interest rate movements, and adjust the duration risk based on the Manager’s expectations on the macroeconomic cycle and monetary policy of China. The portfolio will consist of bonds with different maturities. Credit and sector selection will be conducted based on extensive fundamental research. Opinion from credit rating agencies will be considered but the Manager may invest in securities that are unrated. The Manager will use the below strategies by participating in both the primary and secondary markets.

The Sub-Fund may invest in RMB denominated fixed income and debt instruments issued or distributed in mainland China (“**Onshore RMB Bonds**”) and such exposure will be up to 100% of its net asset value. The Sub-Fund may invest in Onshore RMB Bonds via direct access through China Interbank Bond Market under Foreign Access Regime (the “**CIBM Initiative**”) and/or Bond Connect. The intended proportion of investments of the Sub-Fund in Onshore RMB Bonds via CIBM Initiative is less than 30% of its net asset value and via Bond Connect is up to 100% of its net asset value. The Sub-Fund may not invest in Onshore RMB Bonds rated BB+ or below by a PRC credit rating agency, including but not limited to, Golden Credit Ratings, CCXI, United Rating, Dagong Global Credit Rating, Shanghai Brilliance Credit Rating & Investors Service or unrated.

The Sub-Fund may invest in RMB Debt Securities which are issued or distributed outside mainland China (“**Offshore RMB Bonds**”) rated below investment grade by an internationally recognised credit agency, i.e. Standard & Poor’s, Moody’s and/or Fitch or unrated, and such exposure will be up to 50% of its net asset value. For the purpose of the Sub-Fund, “unrated bond” is defined as a bond which neither the bond itself nor its issuer has a credit rating by an internationally recognised credit agency.

The Sub-Fund may invest in (i) urban investment bonds (城投債) in mainland China, which are debt instruments issued by local government financing vehicles ("LGFVs"); and/or (ii) collateralised and/or securitised products such as asset backed securities, mortgage backed securities and asset backed commercial papers, and such exposure will be up to 30% of its net asset value. These LGFVs are separate legal entities established by local governments and / or their affiliates to raise financing for public welfare investment or infrastructure projects.

The Sub-Fund may invest up to 10% of its net asset value in debt securities issued and/or guaranteed by a single sovereign issuer (including its government, public or local authority) which is below investment grade or unrated, and such exposure will be up to 10% of its net asset value.

The Sub-Fund may invest in instruments with loss-absorption features such as Additional Tier 1 capital instruments, contingent convertible debt securities, Tier 2 capital instruments, and other instruments with loss-absorbing features (including but not limited to senior non-preferred debts and subordinated debt with loss-absorbing features), and such exposure 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 events.

Under exceptional circumstances (e.g. market crash or major crisis), the Sub-Fund may invest temporarily up to 50% of its net asset value in liquid assets such as bank deposits, certificates of deposit, commercial paper and treasury bills for cash flow management.

Use of derivatives

The Sub-Fund's net derivative exposure may be up to 50% of the Sub-Fund's net asset value.

What are the key risks?

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

1. Investment risk

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

2. Concentration risk

- The Sub-Fund's investments are concentrated in companies associated with mainland China, or RMB Debt Securities. The value of the Sub-Fund may be more volatile than that of a fund having a more diverse portfolio of investments.
- The value of the Sub-Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the Mainland China market.

3. Emerging market risk/ mainland China risk

- The Sub-Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/ control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a higher degree of volatility.

4. RMB currency risk

- RMB is currently not freely convertible and is subject to exchange controls and restrictions.
- Non-RMB based investors are exposed to foreign exchange risk and there is no guarantee that the value of RMB against the investors' base currencies (for example HKD) will not depreciate. Any depreciation of RMB could adversely affect the value of investor's investment in the Sub-

Fund.

- Although offshore RMB (CNH) and onshore RMB (CNY) are the same currency, they trade at different rates. Any divergence between CNH and CNY may adversely affect investors.
- Under exceptional circumstances, payment of redemptions and/or dividend payment in RMB may be delayed due to the exchange controls and restrictions applicable to RMB.

5. Interest rate risk

- Investment in the Sub-Fund is subject to interest rate risk. In general, the prices of RMB Debt Securities rise when interest rates fall, whilst their prices fall when interest rate rises.

6. Credit /Counterparty risk

- The Sub-Fund is exposed to the credit/default risk of issuers of RMB Debt Securities and bank deposits that the Sub-Fund may invest in.
- RMB Debt Securities (which may or may not be of investment grade) and bank deposits that the Sub-Fund invests in are typically unsecured debt obligations and are not supported by any collateral. The Sub-Fund will be fully exposed to the credit/default risk of its counterparties as an unsecured creditor.

7. Downgrading risk

- The credit rating of RMB Debt Securities or its issuer may subsequently be downgraded. In the event of such downgrading, the value of the Sub-Fund may be adversely affected. The Manager may or may not be able to dispose of the RMB Debt Securities that are being downgraded.

8. Credit rating risk

- Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or the issuer at all times.

9. Risk associated with lower-rated or unrated securities

- The Sub-Fund may invest in debt securities rated below investment grade by an internationally recognised credit agency, i.e. Standard & Poor's, Moody's and Fitch, or unrated. Such securities are generally subject to lower liquidity, higher volatility and greater risk of loss of principal and interest than investment grade debt securities.

10. PRC credit rating agency risk

- The credit appraisal system in the mainland China and the rating methodologies employed in the mainland China may be different from those employed in other markets. Credit ratings given by mainland Chinese rating agencies may therefore not be directly comparable with those given by other international rating agencies.

11. Sovereign debt risk

- The Sub-Fund's investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Sub-Fund to participate in restructuring such debts. The Sub-Fund may suffer significant losses when there is a default of sovereign debt issuers.

12. Risks associated with collateralised and/or securitised products

- The Sub-Fund invests in collateralised and/or securitised products such as asset backed securities, mortgage backed securities and asset backed commercial papers, which may be highly illiquid and prone to substantial price volatility. These instruments may be subject to greater credit, liquidity and interest rate risk compared to other debt securities. They are often exposed to extension and prepayment risks that the payment obligations relating to the

underlying assets are not met, which may adversely impact the returns of the securities.

13. Volatility and liquidity risk

- RMB Debt Securities may be subject to higher volatility and lower liquidity compared to securities in more developed markets.
- The prices of RMB Debt Securities may be subject to fluctuations. The bid and offer spreads of the price of such securities may be large and the Sub-Fund may incur significant trading costs.

14. Valuation Risks

- Valuation of the Sub-Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect net asset value calculation of the Sub-Fund.

15. Risks associated with urban investment bonds

- Urban investment bonds are issued by LGFVs, such bonds are typically not guaranteed by local governments or the central government of the mainland China. In the event that the LGFVs default on payment of principal or interest of the urban investment bonds, the Sub-Fund could suffer substantial loss and the net asset value of the Sub-Fund could be adversely affected.

16. "Dim Sum" bond market risks

- The "Dim Sum" bond market is still a relatively small market which is more susceptible to volatility and illiquidity. The operation of the "Dim Sum" bond market as well as new issuances could be disrupted causing a fall in the net asset value should there be any promulgation of new rules which limit or restrict the ability of issuers to raise RMB by way of bond issuances and/or reversal or suspension of the liberalisation of the offshore RMB (CNH) market by the relevant regulator(s).

17. Risks associated with China Interbank Bond Market and/or Bond Connect

- Investing in the China Interbank Bond Market via Foreign Access Regime and/or Bond Connect is subject to regulatory risks and various risks such as volatility risk, liquidity risk, settlement and counterparty risk as well as other risk factors typically applicable to debt securities.
- The relevant rules and regulations on investment in the China Interbank Bond Market via Foreign Access Regime and/or Bond Connect are subject to change which may have potential retrospective effect. In the event that the relevant PRC authorities suspend account opening or trading on the China Interbank Bond Market, the Sub-Fund's ability to invest in the China Interbank Bond Market will be adversely affected. In such event, the Sub-Fund's ability to achieve its investment objective will be negatively affected.

18. PRC tax risk

- There are risks and uncertainties associated with the current PRC tax laws, regulations and practice in respect of capital gains and income realised via Foreign Access Regime and Bond Connect (which may have retrospective effect). Any increased tax liabilities on the Sub-Fund may adversely affect the Sub-Fund's net asset value.
- Based on professional and independent tax advice, the Sub-Fund will not make any tax provisions for the Sub-Fund on realized gains from the Sub-Fund's investment in mainland China.

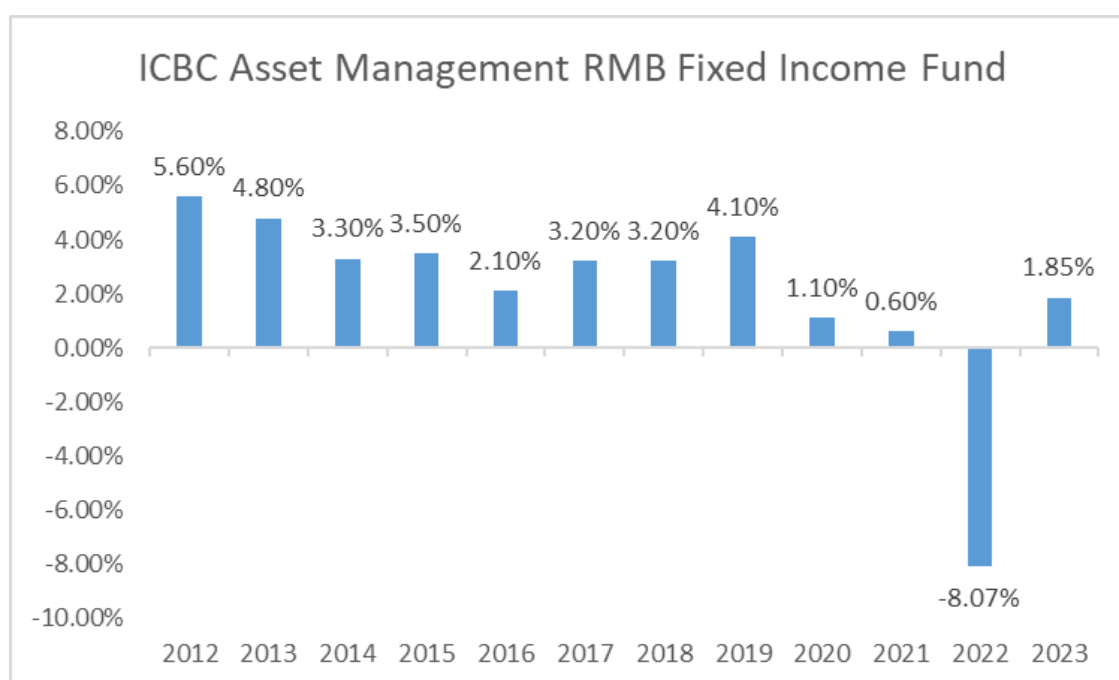
19. Risks associated with distribution out of capital or effectively out of capital

- Investors should note that the payment of distributions out of capital and/or effectively out of capital represent a return or a withdrawal of part of the amount they originally invested or capital gain attributable to that original amount. Distributions will result in an immediate decrease in the net asset value of the relevant Units.

20. Risks associated with investments in financial derivative instruments

- Investing in financial derivative instruments such as warrants and options may expose the Sub-Fund to higher risks associated with these instruments, such as counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk.
- The leverage element/component of a financial derivative instrument can result in a loss significantly greater than the amount invested in the financial derivative instrument by the Sub-Fund. Exposure to financial derivative instrument may lead to a high risk of significant loss by the Sub-Fund.

How has the Sub-Fund performed?



Note:

- 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, net asset value-to-net asset value, with dividend reinvested.
- These figures show by how much the Sub-Fund increased or decreased in value during the calendar year being shown.
- Performance data has been calculated in RMB, including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- Where no past performance is shown, there was insufficient data available in that year to provide performance.
- Sub-Fund launch date: 2011.

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.

Fee	What you pay
Initial Charge	up to 5% of the subscription amount
Redemption Charge	Current rate is 0%, up to the specified permitted maximum level of 5% of the redemption proceeds.
Switching Charge	Not applicable – Switching is not currently permitted for the Sub-Fund

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.

Annual rate (as a % of the Sub-Fund's net asset value)

Management Fee	0.75% p.a.*
Trustee Fee	Up to 0.125% p.a.**
Performance Fee	Nil
Administration Fee	Nil
Registrar Fee (charged by the Trustee for acting as the Registrar)	US\$6,000 p.a. (for the first 50 unitholders and thereafter US\$100 p.a. per unitholder)

* You should note that the Management Fee may be increased, up to a specified permitted maximum level, by giving the relevant unitholders at least 1 month's prior notice.

** Subject to a minimum of US\$10,000 p.a. You should note that the Trustee Fee may be increased, up to a specified permitted maximum level, by giving the relevant unitholders at least 3 months' prior notice.

Other fees

You may have to pay other fees and charges when dealing in the units of the Sub-Fund. The Sub-Fund will also bear the costs which are directly attributable to it, as set out in its offering document.

Additional Information

- You generally buy and redeem units at the Sub-Fund's next-determined net asset value after the Trustee or the Registrar receives your request in good order before 4:00p.m. (Hong Kong time) on the relevant Dealing Day, which is generally every Business Day. The Authorised Distributor(s) may impose different dealing deadlines for receiving instructions for subscriptions, redemptions or switching. Investors should pay attention to the arrangements of the Authorised Distributor(s) concerned.
- The net asset value of the Sub-Fund is calculated at the close of business of the last relevant market on the same Dealing Day and is available online at <http://www.icbcamg.com>.*
- Composition of the distributions (if any) (i.e. the relative amounts/percentages paid out of (i) net distributable income; and (ii) capital) for the last 12 months are available by the Manager on

request and also at <http://www.icbcamg.com>*.

- Investors may obtain other information of the Sub-Fund online at <http://www.icbcamg.com>*.

** The information contained in this website has not been reviewed by SFC.*

Important

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.