

PRODUCT KEY FACTS

ICBC Asset Management (Global) Investment Funds ICBC Asset Management (Global) China Central-SOEs Dividend Fund

ICBC Asset Management (Global) Company Limited

February 2025

- *This statement provides you with key information about ICBC Asset Management (Global) China Central-SOEs Dividend 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) Investment Funds.*
- *You should not invest in this product based on this statement alone.*

Quick facts

Manager:	ICBC Asset Management (Global) Company Limited 工銀資管(全球)有限公司
Trustee:	ICBC (Asia) Trustee Company Limited 工銀亞洲信託有限公司
Custodian:	Industrial and Commercial Bank of China (Asia) Limited 中國工商銀行(亞洲)有限公司
Ongoing charges over a year: #	Class A: 1.98% Class I: 1.78%

This figure is an estimate only as the Sub-Fund is newly launched. It represents the sum of the estimated ongoing expenses chargeable to the respective class of the Sub-Fund over a 12-month period expressed as a percentage of the estimated average net asset value of the respective class of the Sub-Fund (“NAV”) over the same period. The actual figure may be different from the estimate and the figure may vary from year to year. The ongoing charges are capped at 2.75% of the average NAV of the Sub-Fund. Any ongoing charges exceeding 2.75% will be borne by the Manager.

Dealing frequency:	Daily
Base currency:	HKD
Dividend policy:	On a semi-annual basis (i.e. March and September each year in HKD), subject to the Manager’s discretion. Dividends may, at the Manager’s discretion, be paid out of capital or effectively out of capital as well as out of gross stock cash dividend income of the Sub-Fund.
Financial year end of this Sub-Fund:	31 December

Minimum investment:	<p>Class A: Initial subscription: HKD10,000/USD1,000/RMB8,000 Additional subscription: HKD10,000/USD1,000/RMB8,000 Holding: HKD10,000/USD1,000/RMB8,000</p> <p>Class I: Initial subscription: HKD1,000,000/USD100,000/RMB800,000 Additional subscription: HKD1,000,000/USD100,000/RMB800,000 Holding: HKD1,000,000/USD100,000/RMB800,000</p>
What is this product? <ul style="list-style-type: none"> ICBC Asset Management (Global) China Central-SOEs Dividend Fund is a sub-fund of ICBC Asset Management (Global) Investment Funds which is an umbrella structure unit trust established by a trust deed dated 13 October 2023, as amended. It is governed by the laws of Hong Kong. 	
Objective and Investment Strategy <p>Objective</p> <p>The investment objective of the Sub-Fund is to seek income and long term return from its investments in Hong Kong listed companies which are China Central-SOEs (as defined below) and have higher dividend yields.</p> <p>Strategy</p> <p>The Sub-Fund aims to meet its investment objective by investing primarily (i.e. at least 70% of its NAV) in stocks which are (i) listed on the Main Board of The Stock Exchange of Hong Kong Limited; and (ii) issued by entities where (a) the company itself, (b) the actual controlling shareholder of such a company, or (c) the ultimate largest shareholder (direct or indirect) of such a company, is the China State-owned Assets Supervision and Administration Commission of the State Council, the Ministry of Finance of the People's Republic of China, Central Huijin Investment Ltd, or the Central People's Government of the People's Republic of China ("China Central SOEs").</p> <p>China Central-SOEs which satisfy the following criteria (the "Criteria") will be selected by the Sub-Fund:</p> <ol style="list-style-type: none"> Choosing high dividend yield stocks: Screening is conducted to identify individual stock with both a historical dividend yield and a forward dividend yield exceeding 3% for the preceding and upcoming year. The top 50 stocks with the highest two-year weighted average dividend yield are then chosen. Excluding high-risk stocks: After applying step 1 above, in order to mitigate market risk, liquidity risk, and drawdown risk of individual stocks, the following stocks will be excluded from the portfolio of the Sub-Fund: (i) stocks with market capitalisation below HKD 10 billion; (ii) stocks with average daily turnover below HKD 30 million over the past 12 months; and (iii) stocks ranked as top 20% in terms of one-year price volatility, i.e. the annualised standard deviation of day-to-day logarithmic historical price changes for the 360 most recent trading days' closing price. Capping individual stocks at 5%: After applying step 2 above, each remaining stock will be ranked by market capitalisation. To prevent severe fluctuations on the Sub-Fund's performance from an overly concentrated stock position, the weight of any individual stock to be included in the portfolio of the Sub-Fund is capped at 5%. Where the 5% cap is reached for a stock, the remaining holding in excess of 5% for such a stock is redistributed among the other stocks in the portfolio of the Sub-Fund in proportion to their market capitalisation. Industry allocation limits (2%-20%): To diminish the risks associated with industry allocation, the weight of each industry to be included in the portfolio of the Sub-Fund will be maintained between 2% to 20%. Any proportion exceeding 20% in this regard is reallocated evenly across 	

other industries, which aims to bolster the Sub-Fund's performance during market recoveries. In cases where an industry's weight is zero, such a weight will be augmented by including the enterprise, which (i) is a China Central SOE and (ii) has the largest market capitalisation among the China Central SOEs within such an industry, into the portfolio of the Sub-Fund.

The portfolio of the Sub-Fund may be reviewed and adjusted on an ongoing basis as follows:

1. **Portfolio adjustment:** The Sub-Fund adopts an actively managed investment strategy. The Manager will review the investment portfolio of the Sub-Fund on a quarterly basis, or at the Manager's discretion if deemed necessary by the Manager upon taking into account relevant factors such as market conditions and the performance of the Sub-Fund. The Manager may make adjustments to the investment portfolio of the Sub-Fund in accordance with the Criteria which aim to remove stocks that no longer satisfy the Criteria and include new stocks which qualify under the Criteria, or at the Manager's discretion, as soon as practicable and within a reasonable period of time after the review by the Manager.

In addition, under exceptional circumstances such as market crash or the occurrence of significant events affecting any China Central-SOEs invested by the Sub-Fund, the Manager may adjust the portfolio of the Sub-Fund as appropriate.

2. **Criteria adjustment:** The Manager will review and assess the suitability of the Criteria regularly and at least on a semi-annual basis. Adjustments to the Criteria may be made if deemed necessary by the Manager, subject to the Securities and Futures Commission ("SFC")'s approval (if required). The Manager will provide the unitholders and the Trustee with reasonable prior notice or inform the unitholders and the Trustee as soon as reasonably practicable (as applicable) of such adjustments.

Other investments

The Sub-Fund may invest less than 30% of its NAV in US Treasury notes and US Treasury bonds. Under exceptional circumstances (e.g. market crash or major crisis), the Sub-Fund may be invested temporarily up to 100% in liquid assets such as bank deposits, certificates of deposit, commercial paper and treasury bills for cash flow management.

Financial derivative instruments ("FDI")

The Sub-Fund may invest in FDI for hedging purposes only but not for investment purposes.

Securities financing transactions

The Sub-Fund will not enter into securities lending and reverse repurchase transactions in respect of the Sub-Fund. The Sub-Fund may enter into sale and repurchase transactions only on a temporary basis mainly for the purpose of meeting redemption requests. The maximum proportion and expected proportion of the NAV of the Sub-Fund that can be subject to sale and repurchase transactions, when aggregated with the Sub-Fund's borrowing, are both 10%.

It is the intention of the Manager to sell the securities for cash equal to the market value of the securities provided in a sale and repurchase transaction, where cash obtained will not be re-invested. The Sub-Fund will not receive any non-cash collateral.

Use of derivatives / investment in derivatives

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

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. Active investment management risk

- The Sub-Fund employs an actively managed investment strategy. The Sub-Fund does not seek to track any index or benchmark, and there is no replication or representative sampling conducted by the Manager. It may fail to meet its objective as a result of the Manager's selection of investments, and/or the implementation of processes which may cause the Sub-Fund to underperform as compared to other index tracking funds with a similar objective. Furthermore, upon the Manager's review, the Manager may make adjustments to the investment portfolio of the Sub-Fund and the Criteria quarterly and on a semi-annual basis respectively or if deemed necessary by the Manager upon taking into account relevant factors such as market conditions and the performance of the Sub-Fund, rather than on a day-to-day and continuous basis. Under exceptional circumstances, the Manager may adjust the portfolio of the Sub-Fund as appropriate. Whilst it is the intention of the Manager to implement strategies which are designed to achieve the investment objective of the Sub-Fund, there can be no assurance that these strategies will be successful. The Manager may not be successful in selecting the best-performing instruments or investment techniques.

3. Equity market risk

- The Sub-Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors.

4. Concentration risk in China state-owned enterprises

- The Sub-Fund's investments are concentrated in China state-owned enterprises. 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 susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting mainland China and/or Hong Kong markets.

5. Emerging market risk/ Mainland China risk

- The Sub-Fund invests in emerging market including mainland China which may involve special considerations and increased risks 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 high degree of volatility.

6. Currency and conversion risks

- Underlying investments of the Sub-Fund may be denominated in currencies other than the base currency of the Sub-Fund. Also, a Class of Units may be designated in a currency other than the base currency of the Sub-Fund. The NAV of the Sub-Fund may be affected unfavourably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.
- RMB is currently not freely convertible and is subject to exchange controls and restrictions. As RMB is not freely convertible, currency conversion is subject to availability of RMB at the relevant time. 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 will not depreciate. Any depreciation of the value of RMB could adversely affect the value of investors' investments 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 impact investors.

7. Risks associated with investment in FDI / Hedging risk

- Risks associated with FDI include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element or component of such FDI can result in a loss significantly greater than the amount invested in the FDIs by the Sub-Fund. Exposure to such FDIs may lead to a high risk of significant loss by the Sub-Fund.

8. Distributions payable out of capital or effectively out of capital risk

- Dividends may be paid out of capital or effectively out of capital. Payment of dividends out of capital or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of capital or effectively out of capital may result in an immediate reduction of the NAV per unit of the relevant class.

How has the fund performed?

There is insufficient data to provide a useful indication of past performance to investors as the Sub-Fund is newly launched.

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.

<u>Fee</u>	<u>What you pay</u>
Subscription Fee	Class A & Class I: Up to 3% of the subscription amount
Redemption Fee	Class A & Class I: Current rate is 0%, up to maximum level of 5% of the redemption proceeds
Switching Fee	Class A & Class I: Nil

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.

<u>Fee</u>	<u>Annual rate (as a % of the Sub-Fund's NAV unless otherwise specified)</u>
Management Fee	Class A: currently 0.80% p.a.*, maximum 2% p.a. Class I: currently 0.60% p.a.*, maximum 2% p.a.
Trustee Fee	Currently 0.08% p.a.** , maximum 1% p.a.
Custodian Fee	0.02% p.a.**
Performance Fee	Nil

#Trustee Fee and Custodian Fee together are subject to a minimum monthly fee of USD3,000.

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 the Explanatory Memorandum.

*You should note that some fees may be increased, up to a specified permitted maximum, by giving unitholders at least one month's prior notice. For details, please refer the section headed "**Fees and Expenses**" in the Explanatory Memorandum.

Additional Information

- You generally buy and redeem units at the Sub-Fund's next-determined NAV of the relevant class after the Trustee or an authorised distributor receives your request in good order on or before 16:00 (Hong Kong time) on the relevant dealing day.
- The authorised distributor(s) may impose an earlier cut-off time before the dealing deadlines for receiving instructions for subscriptions, redemptions or switching. Investors should contact the authorised distributor(s) of the Sub-Fund for details and confirm the arrangements with the authorised distributor(s) concerned.
- The NAV of this Sub-Fund and the price of units are calculated every valuation day and will be published on a daily basis on the Manager's website: <https://www.icbcamg.com/>¹.

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.

¹ This website has not been reviewed by the SFC.