PRODUCT KEY FACTS

Haitong RMB Investment Fund Series -
Haitong Global RMB Fixed Income Fund

September 2021

Issuer: Haitong International Asset Management (HK) Limited

- ***This statement provides you with key information about Haitong 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 Haitong RMB Investment Fund Series.***
- ***You should not invest in this product based on this statement alone.***

Quick facts

Manager:	Haitong International Asset Management (HK) Limited
Trustee:	BOCI-Prudential Trustee Limited
Custodian:	Bank of China (Hong Kong) Limited
Dealing frequency:	Daily
Base currency:	RMB
Ongoing charges over a year:	Class A (RMB): 1.29% * Class A (HKD): 1.29% # Class A (USD): 1.29% # Class A (SGD): 1.29% # Class I (RMB): 1.00% # Class I (HKD): 1.00% # Class I (USD): 1.00% * Class I (SGD): 1.00% # Class D (RMB): 1.29% # Class D (HKD): 1.29% # Class D (USD): 1.29% # Class D (SGD): 1.29% #
Dividend policy:	Class A and Class I: currently on a semi-annual basis (i.e. June and December each year), subject to the Manager's discretion. Class D: currently on a monthly basis in the class currency of the relevant class, subject to the Manager's discretion. The Sub-Fund may pay dividends out of income or capital of the Sub-Fund or pay dividends out of gross income while charging or paying all or part of the fees and expenses to, or out of, the capital, resulting in an increase in distributable income for the payment of dividends and the Sub-Fund may therefore effectively pay dividends out of capital. Distributions in general, in particular distributions involving payment of dividends out of capital, or payment of dividends effectively out of capital, may result in an immediate decrease in the Net Asset Value of

	the relevant Units.
Financial year end of this Sub-Fund:	31 December

* The ongoing charges figure is based on the ongoing expenses for the year ended 31 December 2020 expressed as a percentage of the Sub-Fund's average net asset value for the same period according to the latest annual financial statement as of 31 December 2020. This figure may vary from year to year.

This figure is an estimate only and represents the sum of the estimated ongoing expenses chargeable to the respective class of units of the Sub-Fund expressed as a percentage of the respective class of units of the Sub-Fund's estimated average Net Asset Value. The actual figure may be different from this estimated figure and may vary from year to year.

	Class A		**Class I**		**Class D**	
Min. investment:	Class A (RMB):	RMB10,000	Class I (RMB):	RMB10,000,000	Class D (RMB):	RMB10,000
	Class A (HKD):	HKD10,000	Class I (HKD):	HKD10,000,000	Class D (HKD):	HKD10,000
	Class A (USD):	USD1,000	Class I (USD):	USD2,000,000	Class D (USD):	USD1,000
	Class A (SGD):	SGD10,000	Class I (SGD):	SGD10,000,000	Class D (SGD):	SGD10,000
Min. holding:	Minimum value of Units held in each class:		Minimum value of Units held in each class:		Minimum value of Units held in each class:	
	Class A (RMB):	RMB10,000	Class I (RMB):	RMB10,000,000	Class D (RMB):	RMB10,000
	Class A (HKD):	HKD10,000	Class I (HKD):	HKD10,000,000	Class D (HKD):	HKD10,000
	Class A (USD):	USD1,000	Class I (USD):	USD2,000,000	Class D (USD):	USD1,000
	Class A (SGD):	SGD10,000	Class I (SGD):	SGD10,000,000	Class D (SGD):	SGD10,000
Min. redemption:	Minimum value of Units held in each class:		Minimum value of Units held in each class:		Minimum value of Units held in each class:	
	Class A (RMB):	RMB10,000	Class I (RMB):	RMB10,000,000	Class D (RMB):	RMB10,000
	Class A (HKD):	HKD10,000	Class I (HKD):	HKD10,000,000	Class D (HKD):	HKD10,000
	Class A (USD):	USD1,000	Class I (USD):	USD2,000,000	Class D (USD):	USD1,000
	Class A (SGD):	SGD10,000	Class I (SGD):	SGD10,000,000	Class D (SGD):	SGD10,000

What is this product?

Haitong Global RMB Fixed Income Fund is a sub-fund of Haitong RMB Investment Fund Series which is a Hong Kong domiciled umbrella structure unit trust established by a trust deed dated 6 August 2010, as amended and restated from time to time. It is governed by the laws of Hong Kong.

Objective and Investment Strategy

Objective

Haitong Global RMB Fixed Income Fund seeks long term capital growth and income in RMB terms by investing primarily in (i) fixed income and debt instruments; (ii) deposits; and (iii) collective investment schemes (hereinafter collectively referred to as "Income Instruments").

The Sub-Fund seeks to invest in Income Instruments issued or distributed outside mainland China in the primary and secondary markets, some of which may be offered on a private placement basis.

The Income Instruments that the Sub-Fund may invest in include, but are not limited to, bills, notes, bonds, floating rate notes, deposits, negotiated deposits, money market instruments, certificates of deposit, commercial paper, exchangeable bonds and convertible bonds issued by issuers such as governments, government agencies, supranational entities, corporations, financial institutions and banks. The issuers may or may not be domiciled in mainland China. For the avoidance of doubt, the Sub-Fund will not invest in any Income Instruments issued or distributed in mainland China through Qualified Foreign Investor regime or other available channels and mechanisms.

The Sub-Fund may invest up to 50% of its Net Asset Value in Urban Investment Bonds (城投債), which are debt instruments issued by mainland local government financing vehicles ("**LGVFs**"). These LGVFs 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 less than 30% of its Net Asset Value in debt instruments with loss absorption features (e.g. contingent convertible debt securities, senior non-preferred debts, etc).

Subject to the Investment Strategy below, the Sub-Fund may invest in collective investment schemes which primarily invest in Income Instruments, provided that the investments in (i) collective investment schemes that are non-eligible schemes and not authorised by the SFC shall not in aggregate exceed 10% of the Sub-Fund's total Net Asset Value; and (ii) those that are eligible schemes or SFC-authorized collective investment schemes shall not in aggregate exceed 30% of the Sub-Fund's total Net Asset Value, unless the underlying collective investment scheme is SFC-authorized and the name and key investment information of the underlying collective investment scheme is disclosed in the Explanatory Memorandum. Where the Sub-Fund invests in any underlying collective investment scheme managed by the Manager or its connected persons, all initial charges and redemption charges on the underlying collective investment scheme will be waived. Further, the Manager or any person acting on behalf of the Sub-Fund or the Manager will not obtain a rebate on any fees or charges levied by the underlying collective investment scheme or its manager, or any quantifiable monetary benefits in connection with investments in any underlying scheme.

Investment Strategy

The Sub-Fund seeks to invest primarily (i.e. at least 70% of its Net Asset Value) in Income Instruments (i) denominated in RMB and (ii) denominated in USD but are hedged back to RMB (collectively "**RMB Exposure Income Instruments**") which are issued or distributed outside mainland China.

The Manager may dynamically perform currency hedging to hedge the Sub-Fund's non-RMB currency exposure back to RMB. The Manager may also actively hedge against interest rate risks for any Income Instruments. For the purpose of currency and interest rate hedging, the Manager will make use of derivative instruments such as swaps, futures and deliverable and non-deliverable currency forwards. The Sub-Fund does not currently intend to invest in any derivative instruments for investment purposes or in any structured deposits or products. The Manager will seek the prior approval of the SFC and provide at least one month's prior notice to Unitholders before the Manager changes such investment strategy.

The Sub-Fund's investment in debt securities is not subject to any credit rating requirements and the Sub-Fund may invest in debt securities which are rated below investment grade by internationally recognised credit agencies (e.g. Fitch or Moody's or

Standard and Poor's) or unrated.

The Sub-Fund will not invest more than 10% of its Net Asset Value in debt securities issued and/or guaranteed by a single sovereign issuer (including its government, a public or local authority) which is rated below investment grade.

The Manager currently does not intend to enter into any securities financing transactions or similar over-the-counter transactions in respect of the Sub-Fund. Prior approval will be sought from the SFC and at least one month's prior notice will be given to Unitholders should there be a change in such intention.

In the absence of available RMB Exposure Income Instruments, the Sub-Fund may invest a significant portion of its portfolio in RMB deposits and negotiated deposits with authorised financial institutions.

The Manager seeks to achieve investment returns through active management of the major risks associated with Income Instruments: duration, term structure, sector allocation and product selection.

The Manager will construct the portfolio to take advantage of the expected change in the general level of RMB interest rates. The portfolio will consist of Income Instruments of different maturities and credit quality, and each instrument in the portfolio will be selected based on extensive fundamental research.

Use of derivatives

The Sub-Fund's net derivative exposure may be up to 50% of the Sub-Fund's latest available Net Asset Value.

What are the key risks?

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

1. General investment risk

- The Sub-Fund is an investment fund and not a bank deposit. There is no guarantee of the repayment of principal.
- There is also no guarantee of dividend or distribution payments during the period you hold the units of the Sub-Fund.
- 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.

2. Risks relating to debt securities

Credit risk of issuers of counterparties

- The Sub-Fund is exposed to the credit/default risk of issuers of debt instruments that the Sub-Fund will invest in.

Risk of investing in below investment grade or unrated debt instruments

- The Sub-Fund may invest in debt securities which are below investment grade or unrated. Such securities are generally subject to lower liquidity, higher volatility and greater risk of loss of principal and interest than high-rated debt securities.

Interest rate risk

- Investment in the Sub-Fund is subject to interest rate risk. Generally, the prices of debt securities rise when interest rates fall, whilst their prices fall when interest rates rise.

Risks relating to credit rating

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

Downgrading risk

- The credit rating of a debt instrument 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 debt instruments that are being downgraded.

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.

Valuation risk

- Valuation of the Sub-Fund's investments may involve uncertainties and judgmental determinations. If such valuations turn out to be incorrect, the calculation of the Net Asset Value of the Sub-Fund may be adversely affected.

Volatility / liquidity risk

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

Risks associated with Urban Investment Bonds (城投債)

- The Sub-Fund may invest up to 50% of its Net Asset Value in Urban Investment Bonds (城投債). Although these Urban Investment Bonds are issued by LGFVs, they are typically not guaranteed by such local government bodies or the central government of the PRC. In the event that the LGFVs default on payment of principal or interest of the Urban Investment Bonds, the Sub-Fund may suffer substantial losses and the Net Asset Value of the Sub-Fund may be adversely affected.

3. Currency risk

- Underlying investment of the Sub-Fund may be denominated in currencies other than the base currency of the Sub-Fund (i.e. RMB). Also, a class of Units may be designated in a currency other than the base currency of the Sub-Fund. The Net

Asset Value of the Sub-Fund may be affected unfavourably by fluctuations in the exchange rates between these currencies and RMB and by changes in exchange rate controls.

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. There is no guarantee that the value of RMB against the investors' base currencies (for example Hong Kong Dollar) will not depreciate. Any depreciation of RMB could adversely affect the value of investor's investment in the Sub-Fund.
- In calculating the value of non-RMB denominated or settled assets and the prices of non-RMB denominated classes of Units, the Manager will normally apply the exchange rate for offshore RMB market in Hong Kong (the "**CNH rate**"). Although offshore RMB and onshore RMB are the same currency, the CNH rate may be at a premium or discount to the exchange rate for onshore RMB market in the PRC (the "**CNY rate**") and there may be significant bid and offer spreads. Any divergence between the CNH rate and the CNY rate may adversely impact investors, as the value of the Sub-Fund thus calculated will be subject to fluctuation.
- Under exceptional circumstances, payment of redemptions and/or dividend payment in RMB may be delayed due to exchange controls and restrictions applicable to RMB.

5. RMB hedging risk

- The Sub-Fund may use derivative instruments (such as swaps, futures and deliverable and non-deliverable currency forwards) for hedging purposes in order to hedge against non-RMB exposure. There is no guarantee that hedging techniques will fully and effectively achieve their desired result. The Sub-Fund may not obtain a perfect correlation between hedging instruments and the holding of non-RMB-denominated instruments being hedged, which may expose the Sub-Fund to risk of significant loss. The potential upside for the Sub-Fund from non-RMB-denominated instruments may be limited by hedging non-RMB exposure back to RMB, for example when the currency of denomination of such instruments appreciates against RMB.
- The price of a derivative instrument can be very volatile. A derivative is subject to the risk that the counterparty of the instrument will not fulfil its obligations to the Sub-Fund, and this may result in losses to the Sub-Fund. The availability of instruments that could be used by the Sub-Fund for hedging purposes may be limited and costly. Hedging techniques may not eliminate exposure to non-RMB-denominated investments and will be subject to the discretion of the Manager's judgment to perform any hedging against non-RMB exposure. In this case, the underlying investment of the Sub-Fund may remain exposed to non-RMB currencies. The value of the Sub-Fund may be affected unfavourably by fluctuation in the exchange rates between these currencies and the base currency (i.e. RMB) and by changes in exchange rate controls. The effectiveness of the hedging techniques used by the Manager may be subject to limitations. Any expenses arising from such hedging transactions, which may be significant depending on the portion of holding of non-RMB-denominated instruments and

prevailing market conditions, will be borne by the Sub-Fund.

6. Limited pool of investments

- The quantity of RMB Exposure Income Instruments issued or distributed outside mainland China may be limited. The Sub-Fund may hold a significant portion of assets in RMB deposits and negotiated deposits if there are not sufficient suitable RMB Exposure Income Instruments. This may adversely affect the Sub-Fund's return and performance.
- Although the Manager expects that there will be sufficient issues of RMB Exposure Income Instruments for the Sub-Fund to construct its investment portfolio, the choice of investments may not be as diverse as other types of funds. Securities held by the Sub-Fund may be issued by a limited number of issuer(s) or financial institution(s), and accordingly, there may be additional credit risk. In the event of a default, investors may suffer a significant loss.

7. "Dim Sum" bond (i.e. bonds issued outside of mainland China but denominated in RMB) 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 of the Sub-Fund 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).

8. Concentration risk

- The Fund's investments are concentrated in RMB Exposure Income Instruments. The value of the Sub-Fud may be more volatile than that of a fund having a more diverse portfolio of investments.
- The issuers of the Income Instruments in which the Sub-Fund invests may or may not be domiciled in mainland China. It may be possible that, at times, the Sub-Fund may have substantial exposure to Income Instruments which are issued by issuers domiciled in mainland China. In such circumstances, the Sub-Fund may be subject to higher concentration risks and the value of the Sub-Fund may be more volatile than a fund having a more diversified portfolio of investments, as the value of the Sub-Fund will be more susceptible to fluctuations in value resulting from adverse conditions, such as economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory events in mainland China, in which the issuers of the Income Instruments are domiciled.

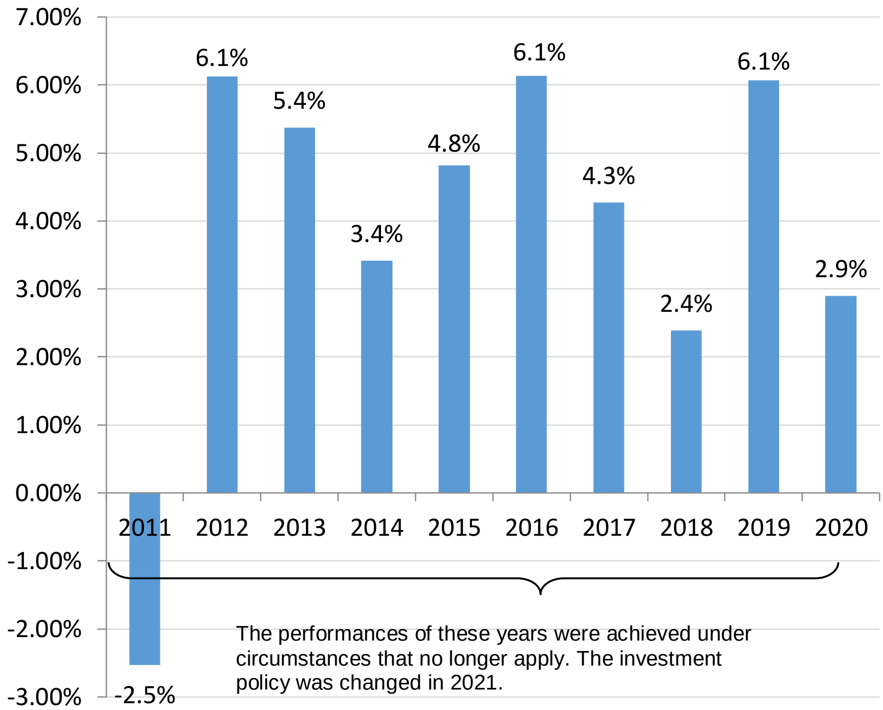
9. Risks relating to payment of distributions out of capital

- Payment of dividends out of capital and/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 investments. Any such distributions may result in an immediate reduction of the Net Asset Value per Unit.

10. Derivative risk

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

How has the Sub-Fund performed?



- The bar chart above provides the past performance information in respect of Class A (RMB). Given that Class A (RMB) is a class that targets the retail investors in Hong Kong and is dealt in the base currency of the Sub-Fund, the Manager has selected Class A (RMB) as a representative class to indicate the past performance of the Sub-Fund.
- The past performance information is not indicative of future performance. Unitholders may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividend reinvested.
- These figures show by how much Class A (RMB) increased or decreased in value during the calendar year being shown. Performance data has been calculated in RMB including ongoing charges and excluding preliminary charge, redemption charge and switching charge you might have to pay.
- Launch date of the Sub-Fund and Class A (RMB): August 2010
- Investors may obtain the past performance information of the other Classes of the Sub-Fund, if available, at http://www.htisec.com/asm[1].

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.

Fees	**What you pay**
Preliminary Charge+ (% of the total subscription amount received)	Class A, Class I and Class D: up to 3%*
Redemption Charge+ (% of Redemption Price)	Class A and Class D: nil Class I: up to 0.15% if redemption takes place within 6 months of the issue of the relevant units
Switching Charge+ (% of Issue Price of the sub-fund Being switched into)	Class A, Class I and Class D^: up to 2%*

^ Switching between Class A and Class D of the same currency within the Sub-Fund is allowed.

* Different distributors may impose different level of preliminary/switching charge. Unitholders should check with their respective distributors for the applicable level.

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+	Class A and Class D: 1% p.a. Class I: 0.7% p.a.
Trustee Fee+	Class A, Class I and Class D: up to 0.15% p.a. (subject to a minimum monthly fee of RMB40,000 for the Sub-Fund)
Custody fee	Class A, Class I and Class D: up to 0.0225% p.a.
Performance Fee	Class A, Class I and Class D: nil
Administration Fee	Class A, Class I and Class D: included as part of Trustee Fee

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.

+You should note that this fee may be increased, up to a specified permitted maximum, by giving Unitholders at least one month's prior notice. For details, please refer to the Explanatory Memorandum.

Additional Information

- You generally buy and redeem units at the Sub-Fund's next-determined Net Asset Value after the Authorised Distributor or the Trustee receives your request in good order on or before 4:00p.m. (Hong Kong time) on the relevant Dealing Day, which is generally every Business 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 confirm the arrangements with the Authorised Distributor(s) concerned.

- The Net Asset Value of this Sub-Fund is calculated on the Business Day immediately following the Dealing Day, and the price of units is published on each Business Day on the Manager's website at http://www.htisec.com/asm[1].

- The compositions of dividends of the Sub-Fund (i.e. the relative dividends paid out of net distributable income and capital) (if any) for the last 12 months are available from the Manager on request and also on the website of the Manager at http://www.htisec.com/asm[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.