

## Invesco Global Investment Grade Corporate Bond Feeder Fund

A sub-fund of Invesco Trust Series

Issuer: Invesco Hong Kong Limited

FOR ATTENTION OF HONG KONG INVESTORS

10 May 2022

*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

**Fund Manager/ Management Company:** Invesco Hong Kong Limited

**Base Currency:** USD

**Dealing Frequency:** Daily

**Trustee:** State Street Trust (HK) Limited

**Financial year end:** 31 March

<b>Ongoing charges over a year*:</b>	A(USD)-MD1	1.02%
	A(HKD)-MD1	1.02%
	A(RMB Hedged)-MD1	1.02%

\* This figure is an estimate only as the Fund is newly established and represents the sum of the estimated ongoing expenses for a 12-month period chargeable to the Fund expressed as a percentage of the Fund's estimated average net asset value over the same period. The actual figure may be different from the estimate and may vary from year to year.

**Dividend Policy:** Class A: Monthly Distribution-1 (MD1) (Dividends<sup>o</sup> will be paid to the investors)\*

<sup>o</sup> The distribution amount will be fixed at the discretion of the Fund Manager and disclosed in the Prospectus. Please refer to Appendix B of the Prospectus for the fixed amount of distributions per month. The monthly distribution payment amount per unit will be reviewed and re-set on at least an annual basis based on the existing market conditions at such time, at the discretion of the Fund Manager.

\* In respect of the Monthly Distribution-1 (MD1), the Fund Manager may at its discretion pay distributions out of capital of the class. The Fund Manager may also, at its discretion, pay distributions out of gross income, while paying all or part of the fees and expenses attributable to the class out of the capital of the class, resulting in an increase in distributable income for payment of distributions by the class. Therefore, such class may effectively pay distributions out of capital. Any distributions involving payment out of, or effectively out of, the capital of the class may result in an immediate reduction of the net asset value per unit of the class.

### Minimum Investment/Minimum Subscription Amount:

<b>Class</b>	A
<b>Initial</b>	USD 1,500 HKD 10,000 RMB 10,000

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Additional

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## What is this product?

Invesco Global Investment Grade Corporate Bond Feeder Fund (the “**Fund**”) is a sub-fund of Invesco Trust Series, a Hong Kong domiciled umbrella structure unit trust. It is governed by the laws of Hong Kong. The Fund is a feeder fund authorised under Chapter 7 of the Code on Unit Trusts and Mutual Funds that invest 90% or more of its total net asset value in the Underlying Fund (as defined below).

## Objectives and Investment Strategy

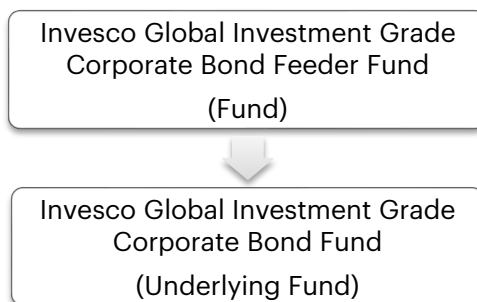
The Fund seeks to achieve, in the medium to long term, a competitive overall investment return with relative security of capital in comparison to equities.

The Fund is a feeder fund that seeks to achieve its investment objective by investing 90% or more of its total net asset value in the Invesco Global Investment Grade Corporate Bond Fund (the “**Underlying Fund**”), a sub-fund of Invesco Funds and is authorised by the SFC. The SFC authorisation is not a recommendation or endorsement of the Underlying Fund nor does it guarantee the commercial merits of the Underlying Fund or its performance. It does not mean the Underlying Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

The Fund may also invest up to 10% of its net asset value on an ancillary basis in cash and cash equivalents. The Fund may enter into financial derivative instruments for hedging purposes only.

The Fund will not enter into securities financing transactions.

Please find below illustrative diagram showing the Fund / the Underlying Fund structure:



## Underlying Fund

The investment objective of the Underlying Fund is to achieve, in the medium to long term, a competitive overall investment return with relative security of capital in comparison to equities.

The Underlying Fund will invest at least two thirds of its net asset value in investment grade corporate bonds. The Underlying Fund does not target any specific corporations, sectors or industries in its investment.

Up to one third of the net asset value of the Underlying Fund may be invested in cash, cash equivalent securities and other debt securities not meeting the above requirements. In particular, the Underlying Fund may invest up to one third of its net asset value in debt securities which are rated below investment grade (below investment grade is defined as credit rating that is below BBB- from Standard & Poor's and Fitch, or below Baa3 from Moody's or an equivalent rating from an internationally recognised rating agency; securities rated at or above such credit ratings are considered investment grade). While it is not the intention of the investment manager of the Underlying

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Fund to invest in equity securities it is possible that such securities may be held as a result of a corporate action or other conversions.

The Underlying Fund may invest in debt instruments with loss-absorption features ("LAP"), including contingent convertible debt securities and debt instruments meeting the qualifying criteria to be Additional Tier 1 Capital or Tier 2 Capital under the Banking (Capital) Rules and debt instruments issued under an equivalent regime of non-Hong Kong jurisdictions, in addition to senior non-preferred debt with a bail-in flag on Bloomberg or any other debt security with a bail-in flag, as classified by Bloomberg. These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger event(s). The Underlying Fund's expected maximum investments in LAP will be up to 40% of its net asset value. The Underlying Fund may invest up to 20% of its net asset value in contingent convertibles.

The Underlying Fund will not hold debt securities with a credit rating of below B- by Standard and Poor's rating agency, or equivalent (or in the case of unrated debt securities (i.e. debt securities which are not rated by any international rating agency such as Moody's, Standard & Poor's and Fitch), determined to be of an equivalent rating). Furthermore, the Underlying Fund will not hold securitised debt securities, such as asset-backed securities, rated below investment grade. However, the Underlying Fund may invest up to 10% of its net asset value in investment grade securitised debt securities.

The Underlying Fund may access China onshore bonds in the China Interbank Bond Market via Bond Connect for less than 10% of its net asset value.

Non-USD investments may be hedged back into USD at the discretion of the investment manager of the Underlying Fund.

The Underlying Fund may enter into financial derivative instruments for efficient portfolio management, hedging purposes and not extensively for investment purposes. The Underlying Fund's use of derivatives may include derivatives on credit, rates and currencies and may be used to achieve both long and short positions, which overall will not result in the Underlying Fund being directionally short or short any asset class. In addition, the Underlying Fund will not have uncovered short positions, in line with appropriate UCITS regulatory requirements. The long and short active financial derivative positions (including active currency/interest rate/credit) implemented by the Underlying Fund may not be correlated with the underlying securities positions held by the Underlying Fund (i.e. debt securities).

The expected proportion of the net asset value of the Underlying Fund subject to total return swaps is 0%. Under normal circumstances, the maximum proportion of the net asset value of the Underlying Fund subject to total return swaps is 30%.

The Underlying Fund will engage in securities lending, however, the proportion lent out at any time will be dependent on dynamics including, but not limited to, ensuring a reasonable rate of return for the lending Underlying Fund and borrowing demand in the market. As a result of such requirements, it is possible that no securities are lent out at certain times. The expected proportion of the net asset value of the Underlying Fund subject to securities lending is 20%. Under normal circumstances, the maximum proportion of the net asset value of the Underlying Fund subject to securities lending is 29%.

### Use of derivatives / investment in derivatives

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

### What are the key risks?

**Investment involves risks. Please refer to the Prospectus for details including the risks factors.**

- **General investment risk** - There can be no assurance that the Fund will achieve its investment objective. There is

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no guarantee of the repayment of principal. The instruments invested by the Fund may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses.

### ▪ **Risks related to master/feeder fund structure**

- The Fund invests all or substantially all of its assets in the Underlying Fund managed by the investment manager of the Underlying Fund, which is a member of the Invesco Ltd. Group. Therefore, the Fund may be subject to the risks associated with the Underlying Fund.
- Due to the additional fees at the Fund's level and the Fund's holdings in other investments/instruments (including derivatives for hedging purposes), the Fund's performance may not be equal to the performance of the Underlying Fund.
- The Fund does not have control of the investments of the Underlying Fund and there is no assurance that the investment objective and strategy of the Underlying Fund will be successfully achieved which may have a negative impact on the net asset value of the Fund. Past performance of the Underlying Fund is not necessarily a guide to future performance of the Underlying Fund or the Fund.
- In addition to the expenses and charges charged by the Fund, there may be additional costs involved when investing into the Underlying Fund.
- Furthermore, there is no guarantee that the Underlying Fund will have sufficient liquidity to meet the Fund's redemption requests as and when made. The Fund and its unitholders may be adversely affected by the suspension of dealing in the Underlying Fund. In these circumstances, the Fund's request for redemption from the Underlying Fund may be delayed. Consequently, the Fund may experience difficulties and/or delays in satisfying redemption requests from the unitholders.
- As the Underlying Fund is managed by a member of the Invesco Ltd. Group, potential conflicts of interest may arise. In the event of conflicts resulting from the Fund investing in the Underlying Fund, the Fund Manager will endeavour to ensure that such conflicts are resolved fairly and all transactions between the Fund and the Underlying Fund are on an arm's length basis. Please refer to the section headed "General Information - Conflicts of Interest" in the Prospectus for further details.

- **Hedged unit classes risk** - Hedging strategies in connection with hedged unit classes may be entered into. There is no guarantee that hedging techniques will fully and effectively achieve their desired result and hedging may become inefficient or ineffective. Hedging strategies may also prevent investors from benefiting from an increase in the value of the Fund's base currency relative to the relevant class currency. This may have an adverse impact on the Fund and its investors.

### ▪ **RMB class(es) related risk**

- For funds with base currency that is different from RMB, the value of the RMB denominated class(es) calculated using offshore RMB (CNH) will be subject to fluctuation.
- Non-RMB based investors may have to convert the base currency of the Fund or other currencies into RMB when investing in the RMB denominated class(es) and may also have to convert the RMB redemption proceeds and RMB distributions received (if any) back to the base currency of the Fund or other currencies. During these processes, investors will incur currency conversion costs and may suffer losses in the event that RMB depreciates against the base currency of the Fund or such other currencies upon receipt of the RMB redemption proceeds and/or RMB distributions (if any).
- Where the prices of the non-RMB denominated underlying investments and/or value of the base currency of the Fund rise or remain stable, investors may still incur losses if RMB appreciates against the currencies of the non-RMB denominated underlying investments and/or the base currency more than the increase in the value of the non-RMB denominated underlying investments and/or the base currency. Where the value of the non-RMB denominated underlying investments decreased, the value of investors' investments in RMB denominated class(es) may suffer additional losses.
- Investors of a hedged RMB class will have to bear the costs of hedging transactions which are reflected in the NAV of the units of the hedged RMB class, which may be significant depending on prevailing market conditions. If the counterparties of the instruments used for hedging purpose default, investors of the hedged RMB classes may be exposed to RMB currency exchange risk on an unhedged basis and may therefore suffer further losses.

### ▪ **Risk associated with payment of dividends and/or fees and expenses 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 investment. Any such distributions may result in an immediate reduction of the net asset value per unit in respect of such class after the distribution date.

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- Investments in the Monthly Distribution-1 (MD1) are not an alternative to a savings account or fixed-interest paying investment. The amount of distributions paid by Monthly Distribution-1 (MD1) is unrelated to expected or past income or returns of the unit class or the Fund. The distribution can thus be higher or lower than the income and return that were effectively realized. Monthly Distribution-1 (MD1) will continue to distribute in periods that the Fund has negative returns or is making losses, which further reduces the net asset value of the Fund. In extreme circumstances, investors may not be able to get back the original investment amount.
- For Monthly Distribution-1 (MD1) classes that are currency hedged, the Fund may take into account the return driven by the interest rate differential between the currency in which the hedged MD1 unit class is denominated and the base currency of the Fund in determining the distribution to be paid. Investors should be aware of the uncertainty of relative interest rates which will have an impact on the return of the hedged MD1 class. The net asset value of the MD1 hedged unit classes may fluctuate and may significantly differ from other unit classes due to the fluctuation of the interest rate differential between the currency in which the hedged MD1 unit class is denominated and the base currency of the Fund, and may result in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-hedged unit classes. Investors in such classes may therefore be adversely affected.
- In addition, the amount of distributions for the Monthly Distribution-1 (MD1) will be fixed at the discretion of the Manager in terms of the relevant class currency and will not take into account the fluctuations in the exchange rate between the base currency and the relevant class currency subsequent to the determination of the fixed amount of distributions in terms of the relevant class currency.

Investors should note that the relevant risks associated with investment in the Fund highlighted above would apply to both the Fund and the Underlying Fund, where applicable. In addition, as the Fund will invest all or substantially all of its assets in the Underlying Fund as a feeder fund, the risks associated with the Underlying Fund may be relevant to the Fund:

- **Currency and foreign exchange risk** - The Underlying Fund's assets may be invested in securities denominated in currencies other than the base currency of the Underlying Fund. Also, a class of shares may be designated in a currency other than the base currency of the Underlying Fund. The net asset value of the Underlying Fund may be affected unfavorably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.
- **Volatility risk** - Investors should note that volatility in the Underlying Fund's investment portfolio may result in large fluctuations in the net asset value of the Underlying Fund which may adversely affect the net asset value per share of the Underlying Fund and investors may as a result suffer losses.
- **Credit risk**
  - Investment in bonds, debt or other fixed income securities (including corporate bonds) are subject to the risk that issuers do not make payments on interest and principal of such securities. An issuer suffering from an adverse change in its financial condition could lower the quality of a security leading to greater price volatility on that security.
  - Securities which were investment grade at the time of acquisition may subsequently be downgraded. The risk of any such downgrading will vary over time. The Underlying Fund's investment policy does not specifically require the Underlying Fund to sell such securities if they should fall below investment grade. Besides, the investment manager of the Underlying Fund and/or investment sub-manager of the Underlying Fund (if applicable) may or may not be able to dispose of the debt instruments that are being downgraded. Investments in below investment grade securities carry a higher risk of default and therefore may adversely impact the Underlying Fund and/or the interests of investors.
- **Risk of investing in high yield bonds/non-investment grade bonds and un-rated bonds** - The Underlying Fund may invest in high yield bonds/ non-investment grade bonds and un-rated bonds which involve substantial risk. High yield bonds/ non-investment grade bonds and un-rated bonds are regarded as being predominantly speculative as to the issuer's ability to make payments of principal and interest. Issuers of high yield bonds/ non-investment grade bonds and unrated bonds may be highly leveraged, subject to lower liquidity and higher volatility and may not have available to them more traditional methods of financing. An economic recession may adversely affect an issuer's financial condition and the market value of high yield bonds/ non-investment grade bonds and un-rated bonds issued by such entity. High yield bonds/ non-investment grade bonds and un-rated bonds are generally subject to greater loss of principal and interest than high-rated bonds. As such, this may adversely impact the Underlying Fund and/or the interests of investors.

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- **Interest rate risk** - The bonds or fixed income securities that the Underlying Fund invests in may fall in value if the interest rates change and this will adversely impact the net asset value of the Underlying Fund. In general, the prices of debt securities rise when interest rates fall, whilst their prices fall when interest rates rise. Longer term debt securities are usually more sensitive to interest rate changes.
- **Liquidity risk** - The Underlying Fund may be adversely affected by a decrease in market liquidity for the securities in which it invests where some of the Underlying Fund's securities may become illiquid and the Underlying Fund may experience difficulties in selling securities at a fair price within a timely manner. This could impact the Underlying Fund's ability to meet redemption requests on demand.
- **Credit rating risk** - 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.
- **Concentration risk** - As the Underlying Fund will invest primarily in investment grade corporate bonds, such concentration may exhibit a higher than usual degree of risk and the Underlying Fund may be subject to above average volatility. The diversification benefits that would ordinarily accrue from investment in a fund having a more diverse portfolio of investments, may not apply to the Underlying Fund.
- **Risks associated with investments in debt instruments with loss-absorption features (LAP)**
  - Debt instruments with loss-absorption features are subject to greater risks when compared to traditional debt instruments as such instruments are typically subject to the risk of being written down or converted to ordinary shares upon the occurrence of a pre-defined trigger event(s) (e.g. when the issuer is near or at the point of non-viability or when the issuer's capital ratio falls to a specified level), which are likely to be outside of the issuer's control. Such trigger events are complex and difficult to predict and may result in a significant or total reduction in the value of such instruments.
  - In the event of the activation of a trigger, there may be potential price contagion and volatility to the entire asset class. Debt instruments with LAP may also be exposed to liquidity, valuation and sector concentration risk.
  - The Underlying Fund may invest in contingent convertible debt securities, commonly known as CoCos, which are highly complex and are of high risk. Upon the occurrence of the trigger event, CoCos may be converted into shares of the issuer (potentially at a discounted price), or may be subject to the permanent write-down to zero. Coupon payments on CoCos are discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time.
  - The Underlying Fund may invest in senior non-preferred debts. While these instruments are generally senior to subordinated debts, they may be subject to write-down upon the occurrence of a trigger event and will no longer fall under the creditor ranking hierarchy of the issuer. This may result in total loss of principal invested.
- **Risk of investing in financial derivative instruments ("FDI")** - Investments of the Underlying Fund may be composed of FDI used for efficient portfolio management or to attempt to hedge or reduce the overall risk of its investments. Risks associated with FDI include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a FDI can result in a loss significantly greater than the amount invested in the FDI by the Underlying Fund. Exposure to FDI may lead to a high risk of significant loss by the Underlying Fund. As well as the risks identified above, the Underlying Fund may use derivatives for investment purposes and may be exposed to additional leveraged risk, which may result in significant fluctuations of the net asset value of the Underlying Fund and/or extreme losses where the investment manager of the Underlying Fund is not successful in predicting market movements. This in turn may lead to an increase in the risk profile of the Underlying Fund.
- **Risks of implementing active FDI positions not correlated with underlying asset of the Underlying Fund** - As the active FDI position (including active currency / interest rate / credit positions) implemented by the Underlying Fund may not be correlated with the underlying securities positions held by the Underlying Fund (i.e. debt securities), the Underlying Fund may suffer a significant or total loss even if there is no loss of the value of the underlying securities positions (i.e. debt securities) held by the Underlying Fund.

### How has the fund performed?

As the Fund is newly set-up, there is insufficient data to provide a useful indication of past performance to

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investors.

## 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 units of the Fund.

Fee	What you pay
Subscription fee (subscription charge) (% of gross investment amount)	Class A Unit: Up to 5% <i>Note: The subscription fee (if any) of the Underlying Fund will be waived.</i>
Switching fee (% of the value of units being switched)	Class A Unit: Up to 1%
Redemption fee (redemption charge) (% of redemption amount)	Class A Unit: Nil

### Ongoing fees payable by the Fund

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.

	<b>The Fund</b> <u>Annual rate (as a % of the Fund's value)</u>	<b>The Underlying Fund</b> <u>Annual rate (as a % of the Underlying Fund's value)</u>	<b>Aggregate Fees</b> <u>Annual rate (as a % of the Fund's value)</u>
Management fee*	Class A Unit: Current: 0.75% p.a. Maximum: 2.5% p.a.	Class I: 0.00%	Class A Unit: Current: 0.75% p.a. Maximum: 2.5% p.a.
Trustee Fee*	Class A Unit: First USD 50 million of net asset value: 0.03% p.a. Balance of net asset value: 0.02% p.a. (subject to a minimum monthly fee of USD 1,250) Maximum: 2% p.a.	N/A	Class A Unit: First USD 50 million of net asset value: 0.03% p.a. Balance of net asset value: 0.02% p.a. (subject to a minimum monthly fee of USD 1,250) Maximum: 2% p.a.
Custodian fee / Depositary charge	N/A	Up to 0.0075%	Class A Unit: Up to 0.0075%
Performance fee	N/A	N/A	N/A
Administration Fee*	Class A Unit: First USD 50 million of net asset value: 0.03% p.a.	N/A	Class A Unit: First USD 50 million of net asset value: 0.03% p.a.

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	Balance of net asset value: 0.02% p.a. (subject to a minimum monthly fee of USD 1,250) Maximum: 2% p.a.		Balance of net asset value: 0.02% p.a. (subject to a minimum monthly fee of USD 1,250) Maximum: 2% p.a.
Distribution fee	N/A	N/A	N/A
Service agents fee	N/A	Class I: Up to 0.05%	Class A Unit: Up to 0.05%

\* The fees can be increased up to the specified permitted maximum level as set out in the Prospectus by giving not less than one month's notice to the investors.

### Other fees

You may have to pay other fees when dealing in the units of the Fund. For details, please refer to the Prospectus.

### Additional Information

- The composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) in respect of the Monthly Distribution-1 (MD1) for the last 12 months are available from the Fund Manager on request and also on the Fund Manager's website [www.invesco.com/hk](http://www.invesco.com/hk). The aforementioned website has not been reviewed or authorised by the SFC.
- You generally buy and redeem units at the Fund's next-determined net asset value after Invesco Hong Kong Limited receives your request in good order on or before 5.00 pm, Hong Kong time being the Fund's dealing cut-off time. Before placing your subscription or redemption orders, please check with your distributor for the distributor's internal cut-off time (which may be earlier than the Fund's dealing cut-off time).
- The net asset value of this Fund is calculated and the price of units is published each "business day" on the Fund Manager's website [www.invesco.com/hk](http://www.invesco.com/hk). The aforementioned website has not been reviewed or authorised by the SFC.
- Investors may obtain other information of this product at [www.invesco.com/hk](http://www.invesco.com/hk). The aforementioned website has not been reviewed or authorised by the 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.