PRODUCT KEY FACTS

Bosera Global Public Funds Series Open-ended Fund Company

Bosera Greater China Enhanced Return Bond Fund

July 2022

Issuer: Bosera Asset Management (International) Co., Limited

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the Sub-Fund's Explanatory Memorandum.***
- ***You should not invest in this product based on this statement alone.***

Quick facts

Manager: Bosera Asset Management (International) Co., Limited

Custodian: CMB Wing Lung (Trustee) Limited

Ongoing charges over a year#: Class A Shares: estimated to be 2.25%
Class I Shares: estimated to be 1.75%
Class S Shares: estimated to be 0.75%

Dealing frequency: Daily (provided it is a business day in both Hong Kong and the Mainland)

Base currency: US Dollars (USD)

Dividend policy: Class A (except for Class A USD – Mdis, Class A HKD - MDis and Class A RMB Hedged - MDis), Class I and Class S Shares: Subject to the Manager's discretion.

Class A HKD - MDis, Class A USD - MDis Shares and Class A RMB Hedged - MDis: The Manager currently intends to make monthly dividend distributions, subject to the its discretion.

The Manager has discretion as to whether or not the Sub-Fund will make any distribution of dividends, the frequency of distribution and amount of dividends. There is no guarantee of regular distribution nor, where distribution is made, the amount being distributed. Dividends may be paid out of capital or effectively out of capital of the relevant Class and may result in an immediate reduction of the Net Asset Value ("**NAV**") per share of the Sub-Fund ("**Share**").

Financial year end of the Sub-Fund: 31 December

Investment Minima:

Class	Minimum initial investment	Minimum subsequent investment
Class A HKD	HKD 500	HKD 50
Class A HKD - MDis	HKD 500	HKD 50
Class A RMB	RMB 500	RMB 50
Class A RMB Hedged	RMB 500	RMB 50
Class A RMB Hedged - MDis	RMB 500	RMB 50
Class A USD	USD 100	USD 10
Class A USD - MDis	USD 100	USD 10
Class I HKD	HKD 5,000,000	HKD 50,000
Class I RMB	RMB 5,000,000	RMB 50,000
Class I RMB Hedged	RMB 5,000,000	RMB 50,000
Class I USD	USD 1,000,000	USD 10,000

Class S USD	USD 1	USD 1

The ongoing charges figure is indicative only as the Sub-Fund is newly set up. It represents the sum of the estimated ongoing expenses over a 12-month period chargeable to the Sub-Fund expressed as a percentage of the Sub-Fund's NAV. The actual figure may be different from this estimated figure and it may vary from year to year.

What is this product?

Bosera Greater China Enhanced Return Bond Fund (the "**Sub-Fund**") is a sub-fund of the Bosera Global Public Funds Series Open-ended Fund Company ("**Company**"), which is a public umbrella open-ended fund company established under Hong Kong law with variable capital with limited liability and segregated liability between sub-funds.

Objectives and Investment Strategy

Objective

The Sub-Fund aims to achieve income and capital appreciation through primarily investing in fixed income securities and seeks to enhance the return through partially investing in equity securities with a Greater China focus.

There can be no assurance that the Sub-Fund will achieve its investment objective.

Strategy

The Sub-Fund seeks to achieve its investment objective by (a) investing at least 70% of its NAV in fixed income securities and at most 20% of its NAV in equity securities and (b) investing at least 70% of its NAV in fixed income securities or equity securities issued or guaranteed by (i) listed or unlisted corporations which have their main operations (or majority of assets) in, or have majority of their income or revenue derived from Greater China (comprising Mainland China, Hong Kong, Macau and Taiwan), and (ii) governments and/or government related entities in Greater China. For the avoidance of doubt, the issuers of the securities who have a majority of their income or revenue derived from Greater China as mentioned in (i) above may be based in or outside Greater China.

The Sub-Fund may invest in aggregate up to 100% in Mainland China as detailed below. However, the Sub-Fund will invest in aggregate (comprising fixed income securities and equity securities) no more than 70% of its NAV in Mainland China via the Manager's RQFII status or in Mainland Inter-bank Bond Market via Foreign Access Regime (as defined in the Explanatory Memorandum).

<u>Fixed income investments</u>

The Sub-Fund will invest at least 50% of its NAV in Greater China fixed income securities that are traded both in Mainland China and globally. The Sub-Fund may invest no more than 50% of its NAV in fixed income securities which are rated below investment grade or unrated. For the purposes of the Sub-Fund:

- A fixed income security which is rated below investment grade is defined as a fixed income security which (or the issuer of which) is rated below BBB-/Baa3 by an internationally recognised credit rating agency (such as Standard & Poor's, Moody's and/or Fitch) or rated AA or below as rated by a Mainland credit rating agency. For split credit ratings, the highest rating shall apply; and
- An "unrated" fixed income security is defined as a fixed income security which neither the security itself nor its issuer has a credit rating.

If a fixed income security is unrated, then reference will be made to the credit rating of the issuer of the fixed income security. For both rated and unrated (for both the security and its issuer) fixed income securities, the Manager will assess the credit risks of the fixed income security based on quantitative and qualitative fundamentals, including but not limited to the issuer's leverage, operating margin, return on capital, interest coverage, operating cash flows, industry outlook, the firm's competitive position and corporate governance etc. to ensure that the fixed income security is of sound credit quality.

The fixed income securities which the Sub-Fund may invest in include, but are not limited to, certificate of deposits, bonds, convertible bonds, "Dim Sum" bonds and debt securities with loss-absorption features ("**LAPs**"). The Sub-Fund may invest up to 20% of its NAV in each of convertible bonds and "Dim Sum" bonds.

Up to 30% of the Sub-Fund's NAV may be invested in LAPs (including contingent convertible bonds ("CoCos") (Additional Tier 1 and Tier 2 Capital Instruments), senior non-preferred debt securities, instruments issued under the Financial Institutions (Resolution) (Loss-absorbing Capacity Requirements – Banking Sector) Rules and other similar instruments that may be issued by banks or other financial institutions). These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger event(s).

Up to 30% of the Sub-Fund's NAV may be invested in urban investment bonds (城投債), which are debt instruments issued by Mainland local government financing vehicles ("LGFVs"). These LGFVs are separate legal entities established by local governments and/or their affiliates to raise financing for public welfare investment or infrastructure projects.

Direct exposure to RMB denominated fixed income instruments issued or distributed in Mainland China ("Onshore RMB Securities"), which may constitute up to 100% of the NAV, may be gained via the Manager's RQFII status, investing in Mainland Interbank Bond Market under Foreign Access Regime and/or Bond Connect (both terms as defined in the Explanatory Memorandum) and/or other means as may be permitted by the relevant regulations from time to time, subject to the limit on investments via RQFII and Foreign Access Regime as disclosed above.

Equity investments

The Sub-Fund will invest no more than 20% of its NAV in Greater China equity securities that are listed or traded both in Mainland China and globally (including but not limited to, A-Shares, B-Shares, securities listed on the HKEX and American Depositary Receipts ("ADRs")).

Exposure to A-Shares and/or B-Shares may be obtained directly, via, in the case of A-shares, the Shanghai-Hong Kong Stock Connect or the Shenzhen-Hong Kong Stock Connect (together, the "Stock Connect") or, in the case of A-Shares and B-Shares, the Manager's RQFII status. The Sub-Fund may invest in securities being offered in an initial public offering to be listed on the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the HKEX, stock exchanges in the United States and/or other stock exchanges subject to the limit set out above. There is no restriction on market capitalizations or industries in relation to the equity securities in which the Sub-Fund may invest.

Other investments

Exposure to fixed income securities or equity securities may be obtained indirectly through exchange traded funds ("ETFs") or other collective investment schemes and financial derivative instruments ("FDIs") consistent with the Sub-Fund's investment objective and strategy.

The Sub-Fund may invest no more than 20% of its NAV in ETFs. Investments in ETFs are considered and treated as listed securities for the purposes of and subject to the requirements in Chapters 7.1, 7.1A and 7.2 of the SFC's Code on Unit Trusts and Mutual Funds (the "Code"). Investments in ETFs will be within the respective limits on fixed income investments and equity investments set out above, depending on the nature of the underlying investments of the ETFs.

The Sub-Fund may hold no more than 30% of NAV in cash or cash equivalents (including money market funds). Investments in money market funds will be subject to the restrictions below on collective investment schemes.

The Sub-Fund may invest no more than 20% of its NAV in one or more collective investment scheme(s), including but not limited to money market funds. Such collective investment schemes may be managed by the Manager or its Connected Persons or other third parties. Within the foregoing 20% limit on collective investment scheme(s), the Sub-Fund may invest up to 10% of its NAV in one or more collective investment scheme(s) which are non-eligible schemes and not authorised by the SFC, and any other collective investment scheme(s) that the Sub-Fund may invest in are either eligible schemes or authorised by the SFC.

The Sub-Fund may invest in FDIs for hedging or investment purposes to the extent permitted by the investment restrictions of the Code and the Explanatory Memorandum (notwithstanding this, FDIs will not be used extensively for investment purposes). All of the Sub-Fund's investments will be subject to the restrictions set out in Chapter 7 of the Code. The Sub-Fund will not invest in collateralised and/or securitized securities (including asset backed securities, mortgage backed securities and asset backed commercial paper). The Sub-Fund will also not enter into securities lending, repurchase or reverse repurchase transactions or other similar over-the-counter transactions.

Use of derivatives / Investment in derivatives

The Sub-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 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. Emerging market risk

- The Sub-Fund will invest in emerging markets such as Mainland China, which are subject to higher risks (for example, liquidity risk, currency risk, political risk, regulatory risk, legal and taxation risks, settlement risk, custody risk and economic risk) and higher volatility than more developed markets. Some emerging markets securities may be subject to brokerage or stock transfer taxes levied by governments, which would have the effect of increasing the cost of investment and which may reduce the realised gain or increase the loss on such securities at the time of sale.

3. Concentration risk

- The Sub-Fund's investments are concentrated in Greater China (comprising Mainland China, Hong Kong, Macau and Taiwan),. This may result in greater volatility than portfolios which comprise broad-based global 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 Greater China market.

4. Risks associated with debt instruments

- Interest rate risk: Generally, the value of debt instruments is expected to be inversely correlated with changes in interest rates. Any increase in interest rates or changes in macro-economic policies globally (including monetary policy and fiscal policy) may adversely impact the value of the Sub-Fund's portfolio.
- Credit risk: Investment in debt instruments is subject to the credit/default risk of the issuers which may be unable or unwilling to make timely payments of principal and/or interest.
- Volatility and liquidity risk: The debt securities in the Greater China markets (in particular Mainland China and Taiwan) 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 fluctuation. The bid and offer spreads of the price of such securities may be large and the Sub-Fund may incur significant trading costs.
- Credit rating risk and risk of credit rating downgrades: 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. The credit rating of a debt security or its issuer may also be subsequently downgraded, which may adversely affect the value of the Sub-Fund. In such events, the Sub-Fund may also be subject to increased liquidity risk as it may become more difficult for the Sub-Fund to dispose of its holdings at a reasonable price or at all. In respect of Onshore RMB Securities, the credit appraisal system in the Mainland and the rating methodologies employed in the Mainland may be different from those employed in other markets. Credit ratings given by Mainland rating agencies may therefore not be directly comparable with those given by other international rating agencies.
- Valuation risk: Valuation of the Sub-Fund's investments may involve uncertainties and judgemental determinations, and independent pricing information may not at all times be available. If such valuations should prove to be incorrect, the NAV may need to be adjusted and may be adversely affected.
- Risk of investing in debt securities which are rated below investment grade or are unrated: The Sub-Fund may invest in debt securities which are rated below investment grade or are unrated. Such securities are generally subject to a higher degree of credit risk, a lower degree of liquidity, higher volatility and greater risk of loss of principal and interest than high-rated debt securities.
- 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.

5. Risk associated with investment in contingent convertible bonds

- The Sub-Fund may invest in 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.

6. Risks associated with investments in LAPs

- 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 certain pre-defined trigger events (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 caused by debt instruments with loss-absorption features to the entire asset class. Debt instruments with loss-absorption features may also be exposed to liquidity, valuation and sector concentration risk.
- The Sub-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.

7. Risks relating to 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. 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 NAV of the Sub-Fund could be adversely affected

8. Risks associated with investment made through the RQFII regime

- The Sub-Fund's ability to make the relevant investments in Onshore RMB Securities, A-Shares and B-Shares is subject to the applicable laws, rules and regulations (including restrictions on investments and repatriation of principal and profits) in Mainland China, which are subject to change and may have potential retrospective effect.
- The Sub-Fund may suffer substantial losses if the approval of the RQFII is being revoked / terminated or otherwise invalidated as the Sub-Fund may be prohibited from trading of relevant securities and repatriation of the Sub-Fund's monies, or if any of the key operators or parties (including the RQFII custodian/brokers) is bankrupt/in default and/or is disqualified from performing its obligations (including execution or settlement of any transaction or transfer of monies or securities).

9. Risks associated with Mainland Interbank Bond Market

- Investing in the Mainland Interbank Bond Market via the 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 fixed income securities. The relevant rules and regulations on such investments are subject to change which may have potential retrospective effect. In the event that the relevant Mainland Chinese authorities suspend account opening or trading on the Mainland Interbank Bond Market, the Sub-Fund's ability to invest in the Mainland Interbank Bond Market will be adversely affected. In such event, the Sub-Fund's ability to achieve its investment objective will be negatively affected.

10. Risks associated with investment in FDIs

- Risks associated with FDIs 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 derivatives may lead to a high risk of significant loss by the Sub-Fund.

11. PRC tax risk

- There are risks and uncertainties associated with the current PRC tax laws, regulations and practice in respect of the Sub-Fund's investments in the PRC via the Manager's RQFII status, the Stock Connect, the Bond Connect or the Foreign Access Regime (which may have retrospective effect). Any increased tax liabilities on the Sub-Fund may adversely affect the Sub-Fund's value.
- Based on professional and independent tax advice, the Sub-Fund (i) will make relevant provision of 10% on dividend and interest from Mainland Chinese securities if withholding income tax ("WHT") is not withheld at source at the time when such income is received (where WHT is already held at source, no provision will be made) and (ii) will not make tax provision on the gross unrealised and realised capital gains derived from disposal of equity or debt instruments that may be subject to PRC tax.
- Any shortfall between any provision made and the actual tax liabilities, which will be debited from the Sub-Fund's assets, will adversely affect the Sub-Fund's NAV. The actual tax liabilities may be lower than the tax provision made. Depending on the timing of their subscriptions and/or redemptions, investors may be disadvantaged as a result of any shortfall of tax provision and will not have the right to claim any part of the overprovision (as the case may be).

12. Currency exchange risk

- Underlying investments of the Sub-Fund may be denominated in currencies other than the base currency of the Sub-Fund. Also, a class of Shares of the Sub-Fund 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.

13. RMB currency risk

- The RMB is not a freely convertible currency as it is subject to foreign exchange control policies and repatriation restrictions imposed by the Chinese government. Such government policies and restrictions are subject to change, and there can be no assurance that the RMB exchange rate will not fluctuate widely against the US dollar or any other foreign currency in the future.
- 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 impact 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.

14. Hedged class risk

- The Manager generally seeks to hedge the foreign currency exposure of any hedged share class to the base currency, with the aim of reducing the impact of currency fluctuations of the relevant class currency against the base currency. Investors in hedged classes bear the associated costs and may also be exposed to the risks associated with the instruments used in the hedging process. There is no guarantee that the desired hedging instruments will be available or that the hedging techniques employed by the Manager will be effective in achieving their desired result. Hedging can also limit potential gains of a hedged share class. Whilst hedging may protect investors against a decrease in the value of the base currency relative to the relevant class currency, it may also preclude investors from benefitting from any increase in value of the base currency. Investors should also be aware that the volatility of a hedged class may be higher than that of the equivalent class denominated in the Sub-Fund's base currency.

15. Risks associated with distribution out of/effectively out of the Sub-Fund's 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 NAV per Share of the Sub-Fund.
- The distribution amount and NAV of the hedged share classes may be adversely affected by differences in the interest rates of the reference currency of the relevant hedged share class and the Sub-Fund's base currency, resulting 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 share classes.

How has the Sub-Fund performed?

Since the Sub-Fund is newly set up, there is insufficient data to provide a useful indication of past performance to investors.

Is there any guarantee?

The 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 Shares of the Sub-Fund.

Fee	**What you pay**	
	Class A and Class I	Class S
Subscription fee	Up to 3% of the subscription amount	Nil
Switching fee (i.e. conversion fee)	Up to 1%* of the redemption price for each Share converted	Nil

Redemption fee	Nil	Nil

Ongoing fees payable by the Sub-Fund

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

Fee	**Annual rate (as a % of the Sub-Fund's value)**		
	Class A	Class I	Class S
Management fee	1.50%*	1%*	Nil
Performance fee	Nil		
Custodian fee	Up to 0.1 %*, subject to a minimum monthly fee of HK$5,000.		

Other fees

You may have to pay other fees when dealing in the Shares of the Sub-Fund.

* Please note that some fees may be increased up to a permitted maximum amount by providing one month's prior notice to Shareholders. Please refer to the section headed "Expenses and Charges" in the Explanatory Memorandum for further details of the fees and charges payable and the permitted maximum of such fee allowed, as well as other ongoing expenses that may be borne by the Sub-Fund.

Additional information

- You generally buy and redeem Shares at the Sub-Fund's next-determined NAV after the Custodian receives your request, directly or via a distributor, in good order at or before 4:00p.m., being the Sub-Fund's dealing cut-off time on each dealing day of the Sub-Fund. Before placing your subscription or redemption orders, please check with your distributor for the distributor's internal dealing cut-off time (which may be earlier than the Sub-Fund's dealing cut-off time).
- The NAV of the Sub-Fund is calculated and the price of Shares published each business day on the website www.bosera.com.hk (this website has not been reviewed by the SFC).
- The compositions of the dividends (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available by the Manager on request and on the website www.bosera.com.hk (this website has not been reviewed by the SFC).
- You may obtain information on the distributor(s) in respect of the Sub-Fund by contacting the Manager at 2537 6658.
- You may obtain the past performance information of other classes (when available) offered to Hong Kong investors on the website www.bosera.com.hk (this website has not been reviewed 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. SFC registration and authorization do not represent a recommendation or endorsement of the Company or the Sub-Fund nor do they guarantee the commercial merits of the Company or the Sub-Fund or its performance. They do not mean the Company or the Sub-Fund is suitable for all investors nor do they represent an endorsement of its suitability for any particular investor or class of investors.