

Bosera Global Public Funds Series Open-ended Fund Company
 Bosera Zeal Hong Kong Equity Plus Fund

November 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
Sub-Manager:	Zeal Asset Management Limited (Hong Kong, external delegation)
Custodian:	CMB Wing Lung (Trustee) Limited
Ongoing charges over a year[#]:	Class A Shares (Exclusive of performance fee): estimated to be 2.50% Class A Shares (Inclusive of performance fee): estimated to be 3.50% Class S Shares: estimated to be 0.75%
Dealing frequency:	Daily (Hong Kong and Mainland common business days)
Base currency:	Hong Kong Dollars (HKD)
Dividend policy:	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
Minimum initial investment:	Class A HKD: HKD 500 Class A RMB: RMB 500 Class A RMB Hedged: RMB 500 Class A USD: USD 100 Class S USD: USD 1
Minimum subsequent investment	Class A HKD: HKD 500 Class A RMB: RMB 500 Class A RMB Hedged: RMB 500 Class A USD: USD 100 Class S USD: USD 1

What is this product?

Bosera Zeal Hong Kong Equity Plus 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.

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. For the first year after the launch of the Sub-Fund, the ongoing charges figure will be capped at the level of the estimated percentages disclosed above. The actual figure may be different from this estimated figure and it may vary from year to year. The performance fees to be paid as at year end, where applicable, may vary subject to market conditions.

Objectives and Investment Strategy

Objective

The Sub-Fund aims to generate long-term capital appreciation primarily through investments in equity securities with a China focus. There can be no assurance that the Sub-Fund will achieve its investment objective.

Strategy

The Sub-Fund seeks to achieve its objective by investing primarily (i.e. not less than 80% of its NAV) directly or indirectly in companies established in China or, if established outside China, derive a significant portion of their revenue from business activities related to China, or have significant assets, business, production, trading activity or other interests in China. Such investments are based on the professional judgement of the Manager and/or the Sub-Manager whose reasons for investment may include a favourable outlook on the stock issuer and the expected changes in the value of such investments due to the market circumstances changes. Up to 100% of the Sub-Fund's NAV may be invested in emerging markets.

At least 70% of the Sub-Fund's NAV will be invested in securities listed on The Stock Exchange of Hong Kong Limited ("HKEX"). The Manager may also invest up to 20% of the Sub-Fund's NAV in A-Shares and/or B-Shares listed on the Shanghai Stock Exchange or the Shenzhen Stock Exchange. 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, or indirectly through convertible bonds, exchange traded funds ("ETFs") or other collective investment schemes, financial derivative instruments ("FDIs") such as participation notes, futures and options. 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 Code of Unit Trusts and Mutual Funds (the "Code").

The Sub-Fund may invest up to 30% of its NAV in other collective investment schemes which are eligible schemes (as defined in the Code) or authorised by the SFC. Up to 10% of the Sub-Fund's NAV may be invested in non-eligible scheme and not authorised by the SFC.

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, or stock exchanges in the United States and/or other stock exchanges subject to the limit set out above.

The Sub-Fund will make investments into listed companies that, in the Manager's opinion, have been undervalued by the market due to various reasons such as lack of research coverage and misunderstanding of the fundamentals. The Sub-Fund does not attempt to follow any benchmark indices in determining its sector or individual stock weightings and there is no fixed sector weightings in the allocation of assets of the Sub-Fund.

The Sub-Fund may use FDIs for hedging and/or investment purposes to the extent permitted by the Code. The Sub-Fund may take short positions through FDIs for hedging purposes only.

The Sub-Fund may engage in short sales in accordance with the Code and may use assets of the Sub-Fund as collateral in respect of such short sales. No short sale may be made by the Sub-Fund which will result in the Sub-Fund's liability to deliver securities exceeding 10% of its NAV. For the avoidance of doubt, the Sub-Fund will not carry out any naked or uncovered short sale. Under normal market conditions, the Sub-Fund may hold no more than 20% of NAV in cash or cash equivalents (including money market funds), for use as collateral or as otherwise considered appropriate to the investment objective. Under exceptional circumstances (e.g. satisfying large redemption requests, market crash or major crisis), this percentage may be temporarily increased to up to 50% for cash flow management.

The Sub-Fund currently has no intention to invest in structured deposits, structured products or over-the-counter securities, and the Manager will not enter into any securities lending, sale and repurchase or reverse-repurchase transactions in respect of the Sub-Fund. The Sub-Fund will not invest in collateralised and/or securitised securities (including asset backed commercial papers and mortgage backed securities). If any of this changes in the future, prior approval of the SFC will be sought (if required) and not less than one month's notice will be provided to Shareholders before the Sub-Fund enters into any such transaction.

The Sub-Fund 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. The effects

of hedging will be reflected in the NAV per Share of the relevant hedged class. Similarly, any expenses arising from such hedging transactions will be borne by the relevant hedged Class.

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

- Investors should be aware that investment in any Sub-Fund is subject to normal market fluctuations and other risks inherent in the underlying assets into which the Sub-Fund may invest. The Sub-Fund's investment portfolio may fall in value. There can be no assurance that any appreciation in value of investments will occur. There is no guarantee of the repayment of principal. There is no assurance that the investment objectives of a Sub-Fund will actually be achieved, notwithstanding the efforts of the Manager since changes in political, financial, economic, social and/or legal conditions are not within the control of the Manager. Accordingly, there is a risk that investors may not recoup the original amount invested in a Sub-Fund or may lose a substantial part or all of their initial investment.

2. Currency 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.

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.
- The stock of small-capitalisation/mid-capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.

4. Concentration risk

- The Sub-Fund's investments are concentrated in Mainland China and Hong Kong. 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 Mainland China and Hong Kong market.

5. Emerging market risk

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

6. 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.
- The Sub-Fund's portfolio will be primarily denominated in HKD. Where an investor subscribes for Shares denominated in RMB, the Manager may convert such subscription monies into HKD or USD prior to investment at the applicable exchange rate and subject to the applicable spread. Where an investor redeems Shares denominated in RMB, the Manager may sell the Sub-Fund's portfolio investments and then convert the proceeds of sale into RMB at the applicable exchange rate and subject to the applicable spread. In such case an investor may enjoy a gain in HKD (or USD) terms but suffer a loss when converting currencies between HKD (or USD) and RMB. Any depreciation of RMB could adversely affect the value of the investor's investment in the Sub-Fund.

- In calculating the NAV of a class of Shares denominated in RMB and in effecting any currency conversions involving RMB, the Manager will apply the CNH rate (i.e. the exchange rate for the offshore RMB market in Hong Kong). Whilst the RMB (CNH) and RMB (CNY) represent the same currency, they are traded in different rates and separate markets which operate independently. As such, RMB (CNH) may trade at a premium or discount to RMB (CNY) and they may even move in different directions. Any divergence between RMB (CNH) and RMB (CNY) may adversely impact investors. 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 (e.g. HKD) will not depreciate. Any depreciation of RMB could adversely affect the value of investor's investment in the Sub-Fund.

- Under exceptional circumstances, payment of redemptions in RMB may be delayed due to the exchange controls and restrictions applicable to RMB.

7. Hedged class risk

- 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.

8. Performance fee risk

- Performance fees may encourage the Manager to make riskier investments than would be the case in the absence of a performance-based incentive system.
- Given there is no equalisation arrangement for the calculation of the performance fee, a Shareholder redeeming shares may still incur performance fee in respect of the shares, even though a loss in investment capital has been suffered by the redeeming Shareholder.
- In addition, performance fees may be paid on unrealized gains which may never be realised by the Sub-Fund.

9. Reliance on the Sub-Manager Risk

- The Manager has delegated the investment discretion of the Sub-Fund to the Sub-Manager and will rely on the Sub-Manager's expertise and systems for the Sub-Fund's investments. Any disruption in the communication with or assistance from the Sub-Manager or a loss of service of the Sub-Manager or any of its key personnel may adversely affect the operations of the Sub-Fund.

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. Risks of investing in other collective investment schemes/funds

- The Sub-Fund may invest in units in any unit trust or shares in any mutual fund corporation or any other collective investment scheme. The underlying collective investment schemes/funds in which the Sub-Fund may invest may not be regulated by the SFC. There may be additional costs involved when investing into these underlying collective investment schemes/funds. There is also no guarantee that the underlying collective investment schemes/funds will always have sufficient liquidity to meet the Sub-Fund's redemption requests as and when made.

12. 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 HKD Class A RMB Class A RMB Hedged Class A USD	Class S USD
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.

	Annual rate (as a % of the Sub-Fund's value)	
	Class A HKD Class A RMB Class A RMB Hedged Class A USD	Class S USD
Management fee	1.75%* per annum of the Net Asset Value of the relevant class of Shares	Nil
Performance fee	<p>Class A Shares:</p> <p>In respect of each class of A Shares, 15% of the appreciation in the Net Asset Value per Share in the relevant class (prior to the deduction of any provision for any performance fee and any distribution declared or paid in respect of the relevant performance period(s) since performance fee is last crystallised and paid) in the relevant performance period over the high watermark per Share calculated on each valuation day on a high-on-high basis, payable in arrears after the end of each performance period. Appreciation means the amount by which the increase in NAV per Share during the relevant performance period exceeds the high watermark (see below).</p> <ul style="list-style-type: none"> The high watermark is the higher of (i) the initial subscription price per Share of the relevant class and (ii) the NAV per share as at the end of the performance period in respect of which a performance fee was last paid. Where a performance fee is payable for a performance period, the NAV per Share of that class (after deduction of all fees including any performance fee and any distribution declared or paid) on the last valuation day of that performance period will be set as the high watermark for the next performance period. 	Nil

	<ul style="list-style-type: none"> • Performance fee accrues on each valuation day if the NAV per Share exceeds the high watermark. On each valuation day, the performance fee accrual made (if any) on the previous valuation day will be reversed and a new performance fee accrual will be calculated. If the NAV per share is lower than or equal to the high watermark, any performance fee accrual will be reversed and no performance fee will be accrued. • Each performance period corresponds to a financial year of the Sub-Fund. • If any Shares are redeemed part way through a performance period, accrued performance fee will be crystallised, set aside and payable to the Manager as soon as practicable. • For details and illustrative examples of the performance fee calculation, please refer to the section headed “Performance fee” in Appendix 1 of the Explanatory Memorandum. 	
Sub-Manager’s fee	Included in the management fee and performance fee	
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.