

### PineBridge Hong Kong Dollar Fixed Income Fund

Issuer: PineBridge Investments Hong Kong Limited  
(Incorporated in Hong Kong with limited liability)

30 April 2021

*This statement provides you with key information about the PineBridge Hong Kong Dollar Fixed Income Fund.*

*This statement is a part of the offering document.*

*You should not invest in this fund based on this statement alone.*

QUICK FACTS	
Fund Manager (Manager)	PineBridge Investments Hong Kong Limited, based in Hong Kong
Investment Manager	PineBridge Investments Asia Limited, based in Hong Kong (internal delegation)
Trustee	AIA Company (Trustee) Limited
Custodian	Citibank, N.A., Hong Kong Branch
Dealing Frequency	Daily (every bank business day in Hong Kong)
Ongoing charges over a year	Standard Units – Accumulation: 0.90% <sup>1</sup> Standard Units – Monthly Distribution: 0.90% <sup>2</sup>
Base Currency	Hong Kong Dollars
Dividend Policy	Standard Units – Accumulation: No dividend distribution Standard Units – Monthly Distribution: Monthly Distribution# #Dividends, if declared, will be paid monthly <sup>3</sup> and may be paid out of capital of the sub-class. Where the Manager determines in its discretion to pay dividends out of capital in respect of the sub-class, investors should note that such distributions may result in an immediate decrease in Net Asset Value of the sub-class.
Financial Year End of this fund	31 <sup>st</sup> December
Min. Investment (applicable to Standard Units – Accumulation and Standard Units – Monthly Distribution)	Initial: One Unit Additional: Nil

#### WHAT IS THIS PRODUCT?

The PineBridge Hong Kong Dollar Fixed Income Fund is a class of the PineBridge Fund Series, which is constituted in the form of a unit trust domiciled in Hong Kong.

#### OBJECTIVE AND INVESTMENT STRATEGY

The class is a fixed income fund that seeks to provide investors with a stable source of high-recurring income through a managed portfolio of bonds and other income yielding securities. The class' objective is to provide security of capital as well as a comparatively high level of income by investing at least 70% of its total net assets in a range of fixed and floating rate instruments, either denominated in Hong Kong dollars or, if they are not denominated in Hong Kong dollars, the currency exposure shall be hedged back into Hong Kong dollars in order to ensure that the class has an effective exposure of at least 30% to the Hong Kong dollar. The Manager may, in its absolute discretion, reduce the percentage of the class' primary investments should, in its opinion, market or other conditions such as a significant downturn in the Hong Kong economy or political turmoil in Hong Kong warrant such reduction. Not more than 10% of the assets of the class may be invested in securities or other investments that are not denominated in Hong Kong dollars and that are denominated in US dollars or the currencies of other G7 countries. Subject to the provisions of Schedule 1 to the Mandatory Provident Fund Schemes (General)

<sup>1</sup> The ongoing charges figure is based on the expenses for the 12 months ended 31 December 2020 and expressed as a percentage of expenses over the average net asset value of the sub-class of Unit for the corresponding period. This figure may vary from year to year.

<sup>2</sup> As the sub-class is not yet launched, the ongoing charges figure is based on the estimated expenses for the 12 months ended 31 December 2020 and expressed as a percentage over the estimated average net asset value of the sub-class of Unit for the same period. This figure may change from year to year.

<sup>3</sup> No distribution within the first 6 months from the first dealing day of the sub-class.

Regulation, the class may invest up to 30% (or more only if due to market or other conditions mentioned in the above) of its total net assets in cash and/or deposits.

At least 70% of the total net assets of the class should be invested in fixed income securities or other investments which are similar to fixed income securities.

The Manager may invest up to 30% of the total net assets of the class in debt instruments with loss-absorption features including, but not limited to, certain Additional Tier 1 and Tier 2 capital instruments, external LAC debt instruments under the Financial Institutions (Resolution) (Loss-absorbing Capacity Requirements – Banking Sector) Rules, debt instruments issued under a regime of non-Hong Kong jurisdictions which implements the Financial Stability Board’s standards for “Total Loss-absorbing Capacity Term Sheet”, non-preferred senior debt instruments, senior or subordinated debt instruments with features of contingent write-down or contingent conversion to ordinary shares on the occurrence of a trigger event.

The Manager does not intend to engage in securities lending. Should the Manager decide to engage in securities lending in future, the Manager will seek prior approval of the Securities and Futures Commission (“SFC”) and notify the Mandatory Provident Fund Schemes Authority and the unitholders in advance. The Manager may from time to time acquire financial derivative instruments (“FDIs”) for hedging purposes in accordance with Schedule 1 to the General Regulation and the Code on Unit Trusts and Mutual Funds.

## **USE OF DERIVATIVES**

The class’ 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 offering document for details including the risk factors.**

### **Investing in fixed income securities and sovereign debt risk**

- Investment in fixed income securities is subject to interest rate, sector, security and credit risks. Lower-rated securities will usually offer higher yields than higher-rated securities to compensate for the reduced creditworthiness and increased risk of default that these securities carry. Lower-rated securities generally tend to reflect short-term corporate and market developments to a greater extent than higher-rated securities which respond primarily to fluctuations in the general level of interest rates. There are fewer investors in lower-rated securities and it may be harder to buy and sell such securities at an optimum time.
- Certain developing and certain developed countries are especially large debtors to commercial banks and foreign governments. Investment in debt obligations (“sovereign debt”) issued or guaranteed by governments or their agencies (“government entities”) of such countries involves a higher degree of risk. In the event that government entity defaults on its sovereign debt, holders of sovereign debt, including the class, may be requested to participate in the rescheduling of such debt and to extend further loans to the relevant government entity. Such events may negatively impact the performance of the class.

### **Credit risk**

- The class is exposed to the credit/insolvency risk of issuers of deposits and debt securities that the class may invest in. The class will suffer a loss if the issuer defaults or is in credit difficulties.

### **Interest rate risk**

- The class may invest in debt securities whose values will be subject to interest rate movements. An increase in interest rates usually results in a decrease in the value of the debt securities, and vice versa.

### **Investment risk**

- Investments are subject to the risks inherent in all securities. The value of holdings may rise as well as fall.
- All financial markets and therefore the value of the class may at times be adversely affected by changes in political, economical and social conditions and policies.

### **Concentration risk**

- An investment strategy with a higher geographic concentration may be subject to a greater degree of volatility and risk than a portfolio which is diversified across different geographic regions.
- As the class pursues a concentrated investment strategy, it may be subject to a greater degree of volatility and risk than a fund following a more diversified strategy.

**Risk of using FDIs for hedging purposes**

- The use of FDIs may limit potential gains or be ineffective in hedging the risk exposure of this class and may result in significant losses. The use of FDIs may expose this class to various types of risk, including but not limited to, counterparty, liquidity, correlation, credit, volatility, valuation and settlement risks which may have an adverse effect on the net asset value of this class.

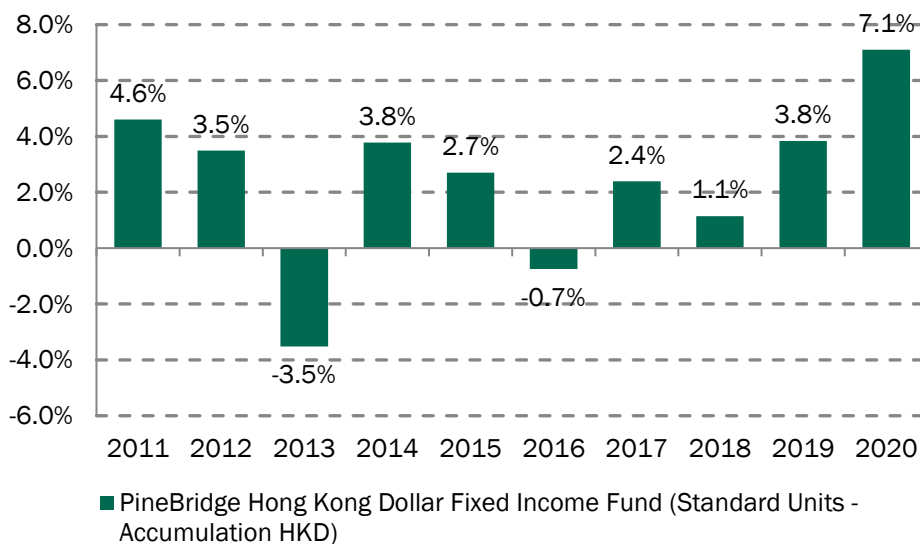
**Risk associated with distribution out of capital in respect of the Standard Units – Monthly Distribution sub-class**

- Dividends, if any, may be paid out of the capital of the sub-class. Where the Manager determines in its discretion to pay dividends out of capital in respect of the sub-class, investors should note that such distributions amount to a return or withdrawal of part of an investor’s original investment or from any capital gains attributable to that original investment.
- Such distributions may result in an immediate decrease in the Net Asset Value of the sub-class.

**Risk of investing in instruments with loss-absorption features**

- The class may invest in instruments with loss-absorption features which typically include terms and conditions indicating that the instrument may be subject to written-off fully or partially or converted to ordinary shares on the occurrence of a trigger event. A trigger event may include, for example, where the issuer’s capital ratio falls below a specified level or when the issuer is near or at the point of non-viability. Debt instruments with loss-absorption features are subject to greater risks as a result of being partially or fully written off when compared to traditional debt instruments. Trigger events are complex and difficult to predict and can result in a significant or total reduction in the value of such instruments giving rise to losses of the relevant class.

**HOW HAS THE CLASS PERFORMED?<sup>4</sup>**



- Past performance information is not indicative of future performance. Investors 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 the sub-class increased or decreased in value during the calendar year being shown. Performance data has been calculated in HKD, including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The past performance of Standard Units - Accumulation is also available on the Fund's website [www.pinebridge.com.hk](http://www.pinebridge.com.hk)\*

<sup>4</sup> A pricing error incident occurred in the calculation of the net asset values of PineBridge Hong Kong Dollar Fixed Income Fund (the “Affected Class”) during the period from 5 January 2010 to 27 February 2014 (both days inclusive) (the “Relevant Period”).

The net asset values of the Provident Fund Unit sub-class of the Affected Class were incorrectly overstated and none of the unitholders of the Affected Class were adversely affected by the pricing error. No adjustment to the number of units nor any uplift to the assets of the Provident Fund Unit sub-class were made.

The net asset values of the Standard Units – Accumulation sub-class were understated and all unitholders who had been adversely affected by the pricing error have been fully compensated solely by the administrator of the Fund.

The performance figures which were understated in the past have been restated accordingly by using the re-calculated net asset values. Rectification measure and recalculation of the net asset values of the Affected Class resulted in a material change to the past performance of the Affected Class.

\* This website has not been reviewed by the SFC.

- Class / Standard Units - Accumulation launch date: 3 January 1999

### IS THERE ANY GUARANTEE?

This class does not have any guarantee. 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 class.

Fee (applicable to Standard Units - Accumulation and Standard Units - Monthly Distribution)	What you pay
Subscription fee (sales charge)	Up to 6.00% of the net asset value of the units you buy
Switching fee	Up to 1.00% of the net asset value of the units switched
Redemption fee	Not Applicable

#### Ongoing fees payable by the class

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

Fee (applicable to Standard Units - Accumulation and Standard Units - Monthly Distribution)	Annual rate (as a % of the class' net asset value)
Management fee	Up to 1.00%
Custodian fee	Up to 0.50%
Performance fee	Not Applicable
Administration fee	Standard Unit – Accumulation: US\$ 1,000 per month in respect of the whole class Standard Unit – Monthly Distribution: US\$ 1,000 per month in respect of the whole class
Trustee fee	Up to 0.05%

#### Other fees

You may have to pay other fees when dealing in the units of the class.

### ADDITIONAL INFORMATION

- You generally buy and redeem units at the class' next-determined issue price and redemption price after the Application and Redemption Agent (Citicorp Financial Services Limited) receives your request in good order on or before 5:00pm (Hong Kong time) on the relevant dealing day, which is generally every bank business day. Before placing your subscription or redemption orders, please check with your distributor (if different from the Application and Redemption Agent) for the distributor's internal dealing cut-off time (which may be earlier than the Application and Redemption Agent's dealing cut-off time).
- The net asset value per unit of this class is generally calculated on each bank business day and the net asset value per Standard Units – Accumulation and the net asset value per Standard Units – Monthly Distribution in the class will be published on each bank business day at [www.pinebridge.com.hk](http://www.pinebridge.com.hk)\*.
- The compositions of the distributions (i.e. the relative amounts paid from (i) net distributable income and (ii) capital) (if any) for the last 12 months are available from the Manager on request and also on the fund's website [www.pinebridge.com.hk](http://www.pinebridge.com.hk)\*.

### IMPORTANT

\* This website has not been reviewed by the SFC.

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.