

PRODUCT KEY FACTS

China Universal International Series – CUAM RMB Bondplus Fund

July 2025

CHINA UNIVERSAL ASSET MANAGEMENT (HONG KONG) COMPANY LIMITED

- *This statement provides you with key information about CUAM RMB Bondplus Fund (the “Sub-Fund”).*
- *This statement is a part of the offering document and must be read in conjunction with the Explanatory Memorandum of China Universal International Series.*
- *You should not invest in this product based on this statement alone.*

Quick facts

Manager:	China Universal Asset Management (Hong Kong) Company Limited
Trustee:	BOCI-Prudential Trustee Limited
Custodian:	Bank of China (Hong Kong) Limited
QFI Custodian:	Bank of China Limited
Ongoing charges over a year:	3% [#]
Dealing frequency:	Daily (HK & PRC Business Day)
Base currency:	RMB
Dividend policy:	Currently on a quarterly basis (i.e. March, June, September and December each year in RMB), subject to the Manager’s discretion.
Financial year end of the Sub-Fund:	31 December
Minimum investment:	Class A - RMB 10,000 initial, RMB 1,000 additional Class I - RMB 3,000,000 initial, RMB 500,000 additional
Minimum holding:	Class A - Units with aggregate minimum value of RMB 10,000 Class I - Units with aggregate minimum value of RMB 1,000,000
Minimum realisation:	Class A - Units with aggregate minimum value of RMB 1,000 Class I - Units with aggregate minimum value of RMB 100,000

[#] *The ongoing charges figure is based on expenses for the year ended 31 December 2024 expressed as a percentage of the average net asset value of the relevant class of units of the Sub-Fund of the same period. The ongoing charges figure for the year ended 31 December 2024 for Class A units was 2.99%. From 8 December 2017, certain ongoing charges of the Sub-Fund will be borne by the Manager and it will not be charged to the Sub-Fund and the ongoing charges figure in respect of each class of units of the Sub-Fund will be capped at a maximum 3% of the average net asset value of relevant class of units of the Sub-Fund.*

What is this product?

- CUAM RMB Bond*plus* Fund is a sub-fund of China Universal International Series which is a Hong Kong domiciled umbrella structure unit trust established by a trust deed dated 29 December 2011 (as amended and supplemented from time to time). It is governed by the laws of Hong Kong.
- **The Sub-Fund uses, amongst others, a QFI status of the Manager (as the QFI holder) to invest primarily in RMB-denominated fixed income instruments issued and settled within Mainland China. The Sub-Fund is denominated in RMB. Subscription moneys and realisation proceeds must be paid in RMB.**

Objective and Investment Policy

Objective

CUAM RMB Bond*plus* Fund seeks consistent investment return as well as long term capital growth in RMB terms by investing in a portfolio consisting of RMB-denominated and RMB settled fixed income instruments (fixed rate or floating rate), cash (including money market funds authorised by the CSRC for offering to the public in the PRC) and equity instruments within Mainland China. Exposures to RMB-denominated fixed income and equity instruments are expected to be at least 80% and up to 20% of the Sub-Fund's net asset value, respectively.

Policy

The fixed income instruments in which the Sub-Fund may invest include sovereign bonds, local government bonds, urban investment bonds (城投债), bonds issued by banks or other financial institutions, corporate/company bonds regulated by the PRC National Development and Reform Commission and/or the China Securities Regulatory Commission, convertible bonds, central bank bills, medium term notes, short-term financing bills and fixed income funds authorised by the CSRC for offering to the public in the PRC. These fixed income instruments also include other fixed income instruments which is permitted by the China Securities Regulatory Commission. These instruments may be traded or dealt in the mainland exchange market or interbank bond market.

The equity instruments in which the Sub-Fund may invest include equities acquired from initial public offering in the primary market of China, equities converted from convertible bonds, equities acquired in secondary markets, equity funds authorised by the CSRC for offering to the public in the PRC and other equity instruments which is permitted by the China Securities Regulatory Commission.

Investment in money market funds, fixed income funds and equity funds authorised by the CSRC for offering to the public in the PRC will not in aggregate exceed 10% of the net asset value of the Sub-Fund.

The Manager seeks to achieve investment returns through active management of the risks associated with RMB-denominated fixed income instruments (fixed rate or floating rate) and equity instruments. Over 80% of the net asset value of the Sub-Fund would be invested in the RMB-denominated fixed income instruments issued within Mainland China. The Manager will select various RMB-denominated fixed income instruments and determine their allocation ratios in the portfolio in light of macro economic analysis, research on the benchmark yields of bonds, research on credit ratings of bonds, and research on levels of bond spread of China.

In particular, the Sub-Fund may invest up to 80% of its net asset value in urban investment bonds (城投債) (i.e. debt instruments issued by local government financing vehicles (“LGFVs”) in the PRC exchange-traded bond markets and inter-bank bond market). These LGFVs are separate legal entities established by local governments and/or their affiliates to raise financing for local development, public welfare investment and infrastructure projects.

No more than 20% of the net asset value of the Sub-Fund would be invested in RMB equity instruments within Mainland China including listed securities in recognised stock exchange within China as permitted by the China Securities Regulatory Commission.

While there are no minimum credit rating requirements for the Sub-Fund, the Sub-Fund will not invest more than 20% of its net asset value in fixed income instruments which (i) has credit rating of BB+ or below as rated by PRC local rating agencies or Ba1/BB+ or below as rated by any international credit rating agencies (such as Standard & Poor’s, Moody’s and Fitch); or (ii) are unrated, which means neither the fixed income instrument itself nor its issuer has a credit rating by PRC local rating agencies or international rating agencies. The Manager will first consider the credit rating of the fixed income instrument itself and only if it is not available, the Manager will then consider the credit rating of the issuer of the fixed income instrument, which will become the implied credit rating of the fixed income instrument.

The Sub-Fund may also invest up to 20% of its net asset value in asset backed securities (including asset backed commercial papers).

The Sub-Fund may invest less than 30% of its net asset value in debt instruments with loss-absorption features (i.e. debt instruments issued by a holding company of a financial institution with features of contingent write-down or contingent conversion to ordinary shares on the occurrence of (i) when a financial institution is near or at the point of non-viability, or (ii) when the capital ratio of a financial institution falls to a specified level). These include contingent convertible bonds, non-preferred senior debt instruments and Additional Tier 1 and Tier 2 capital instruments.

The Sub-Fund’s investments are acquired under the QFI scheme. In addition, other than QFI scheme, the Sub-Fund may invest less than 70% of its net asset value in RMB-denominated fixed income instruments issued within Mainland China via the China interbank bond market (CIBM) initiative or such other means as may be permitted under applicable laws and regulations from time to time.

The Sub-Fund may hold less than 20% of its net asset value in cash and cash equivalents, which may include cash, deposits and money market instruments for liquidity and cash management purposes. The Sub-Fund may hold temporarily up to 100% of its net asset value in cash or cash equivalents under exceptional circumstances, such as (i) market crash, or major crisis, (ii) attempts to mitigate the risk of potential sharp reversals and fall in the equity or bond markets, (iii) attempts to mitigate downside risks during uncertainties or (iv) maintain liquidity for the Sub-Fund.

The Sub-Fund will not invest in any structured deposits or structured products or financial derivative instruments for hedging or non-hedging purpose.

The Sub-Fund will not enter into any securities lending activities or repurchase and reverse repurchase transactions.

Use of derivatives / investment in derivatives

The Sub-Fund will not use financial derivative instruments for any purposes.

What are the key risks?

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

1. Investment risk

- There is no guarantee of the repayment of principal.
- The instruments invested by the Sub-Fund may fall in value and therefore your investment in the Sub-Fund may suffer losses.

2. RMB currency risk

- RMB is currently not freely convertible and is subject to exchange controls and restrictions and investors may be adversely affected by movements of the exchange rates between RMB and other currencies.
- There is no guarantee that RMB will not depreciate. If you convert Hong Kong Dollar or any other currency into RMB so as to invest in the Sub-Fund and subsequently convert the RMB redemption proceeds back into Hong Kong Dollar or any other currency, you may suffer a loss if RMB depreciates against Hong Kong Dollar or other currency.

3. Risk relating to RMB-denominated fixed income instruments

Credit risk of issuers or counterparties

- The Sub-Fund is exposed to the credit/insolvency risk of issuers of RMB-denominated fixed income instruments that it may invest in.
- Certain RMB-denominated fixed income instruments that the Sub-Fund invests in are unsecured debt obligations and are not supported by any collateral. The Sub-Fund will be fully exposed to the credit/insolvency risk of its counterparties as an unsecured creditor.

Interest rates risk

- Investment in the Sub-Fund is subject to interest rate risk. Generally, the prices of fixed income instruments rise when interest rates fall, whilst their prices fall when interest rates rise. The Chinese government's macro-economic policies and controls will have significant influence over the capital markets in China. Changes in fiscal policies, such as interest rates policies, may have an adverse impact on the pricing of RMB-denominated fixed income instruments, and thus the return of the Sub-Fund.

Risk relating to credit rating

- The rating criteria and methodology used by Chinese local rating agencies may be different from those adopted by most of the established international credit rating agencies. Therefore, such rating system may not provide an equivalent standard for comparison with securities rated by international credit rating agencies.

Risk relating to lower rated or unrated bond

- Some of the RMB-denominated fixed income instruments may be lower rated or unrated. Lower rated/unrated securities would generally be considered to have a higher degree of counterparty risk, credit risk, volatility risk and liquidity risk than higher rated, lower yielding securities. The issuers of those securities are generally subject to higher credit or default risk. These in turn may have adverse impact on the net asset value of the Sub-Fund and the Sub-Fund could suffer substantial loss.

Downgrading risk

- Investment grade securities may be subject to the risk of being downgraded to BB+ or below by PRC local rating agencies. If the Sub-Fund continues to hold such securities, it will be subject to additional risk of loss.

Valuation risk

- Valuation of the Sub-Fund's investments may involve uncertainties and judgmental determinations, and independent pricing information may not at all times be available. If such valuations should prove to be incorrect, the net asset value of the Sub-Fund may be adversely affected. The value of fixed income instruments may be affected by changing market conditions or other significant market events affecting valuation. For example, in the event of downgrading of an issuer, the value of the relevant fixed income instruments may decline rapidly.

Liquidity risk

- The Mainland China bond market is at a developing stage and the trading volume may be lower than those of the more developed markets. The Sub-Fund may invest in fixed income instruments which are not listed. Even if the fixed income instruments are listed, the market for such instruments may be inactive. The Sub-Fund is therefore subject to liquidity risks and may suffer losses in trading such instruments. The bid and offer spreads of the price of such instruments may be large, so the Sub-Fund may incur significant trading and realisation costs and may suffer losses accordingly.

4. China market risk / single country investment risk

- China is considered as an emerging market and investing in China may subject the Sub-Fund to higher economic, political, social and regulatory risks. Investments in China may also be less liquid and more volatile.

5. QFI risk

- The QFI rules are novel in nature – their application may depend on the interpretation given by the relevant Chinese authorities. Any changes to the relevant rules may have an adverse impact on investors' investment in the Sub-Fund.
- The Sub-Fund's ability to make the relevant investments or to fully implement or pursue its investment objective and strategy is subject to the applicable laws, rules and regulations (including restrictions on investments and repatriation of principal and profits) in the PRC, which are subject to change and such change may have potential retrospective effect.

- The Sub-Fund may suffer substantial losses if the approval of the QFI status 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 QFI 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).
- Repatriations by QFIs in respect of the Sub-Fund are currently not subject to any restrictions, lock-up periods or prior approval, although an authenticity and compliance review will be conducted by the QFI Custodian on each time of repatriation and a monthly breakdown of remittances and repatriations will be submitted to SAFE by the QFI Custodian. The repatriation process may be subject to certain requirements set out in the relevant regulations such as submission of certain documents, and completion of the repatriation process may be subject to delay. There is no assurance, however, that PRC rules and regulations will not change or that repatriation restrictions will not be imposed in the future. Any restrictions on repatriation of the invested capital and net profits may impact on the Sub-Fund’s ability to meet redemption requests from the Unitholders.

6. Risks associated with CIBM

- The Sub-Fund may also be exposed to risks associated with settlement procedures and default of counterparties. The counterparty which has entered into a transaction with the Sub-Fund may default in its obligation to settle the transaction by delivery of the relevant security or by payment for value. The relevant rules and regulations on investment in the CIBM, whether through CIBM initiative or any other means, are subject to change which may have potential retrospective effect. In the event that the relevant PRC authorities suspend trading on the CIBM via these means, the Sub-Fund’s ability to invest in the CIBM will be limited and the Sub-Fund may suffer substantial losses as a result. Also, any changes to the relevant rules and regulations may have an adverse impact on investors’ investment in the Sub-Fund.

7. Mainland China tax risk

- There are risks and uncertainties associated with changes in the current PRC tax law, regulations and practice in respect of capital gains derived by QFIs, or through the CIBM initiative or other means, on its investment in the PRC, which may have retrospective effect and may adversely affect the Sub-Fund. Any increased tax liabilities on the Sub-Fund may adversely affect the Sub-Fund’s value.
- Having taken and considered independent professional tax advice, the Manager determines that:
 - no PRC withholding income tax (“WIT”) provision will be made for the account of the Sub-Fund in respect of any potential PRC tax liability on gross unrealized and realized capital gains derived from investments in PRC fixed income instruments;
 - for investments in China A-Shares, no PRC WIT provision will be made on gross unrealized and realized capital gains derived from investments in China A-Shares from 17 November 2014 onwards;
 - no WIT provision or value added tax provision will be made on interest income derived from debt instruments issued or distributed in the PRC received/receivable by Sub-Fund for the period from 7 November 2021 to 31 December 2025.

- The tax exemption granted under Circular Caishui (2014) No.79, Circular Caishui (2014) No.81, Circular Caishui (2016) No.127, and Announcement (2021) No. 34 of the Ministry of Finance and the State Taxation Administration are only temporary. It is also possible that the applicable tax law, regulations and practice may be changed. In such case, the Sub-Fund may have tax liabilities in the PRC which it has not provided for. Any under-provided tax liabilities will be deducted from the Sub-Fund's assets, and will cause the Sub-Fund's net asset value to be adversely affected. In this case, existing and subsequent investors will be disadvantaged as they will bear a disproportionately higher amount of tax liabilities as compared to the liability at the time of investment in the Sub-Fund.
- Any shortfall between the provision and the actual tax liabilities, which will be debited from the Sub-Fund's assets, will adversely affect the Sub-Fund's net asset value. The actual tax liabilities may be lower than the tax provision made. Depending on the final tax liabilities, the level of provision and 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).

8. Risk of investing in urban investment bonds

- Urban Investment Bonds are issued by LGFVs. Although local governments may be seen to be closely connected to urban investment bonds, such bonds are typically not guaranteed by local governments or the central government of the PRC. As such, local governments or the central government of the PRC are not obligated to support any LGFVs in default. 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 net asset value of the Sub-Fund could be adversely affected.

9. Risk of investing in asset backed securities (including asset backed commercial papers)

- The Sub-Fund may invest in asset backed securities (including asset backed commercial papers), which is a kind of structured debt instruments, provide exposure, synthetically or otherwise, to underlying assets and the risk/return profile is determined by the cash flows derived from such assets. The liquidity of asset backed securities (including asset backed commercial papers) can be less than a regular bond or debt instrument and this may adversely affect either the ability to sell the position or the price at which such a sale is transacted.
- Asset backed securities (including asset backed commercial papers) are subject to prepayment risk. The assets underlying asset backed securities (including asset backed commercial papers) may generally be prepaid at any time by the related borrowers. The prepayments may be used to prepay all or partial of the principal balance. As a result, the yield to maturity and market value of some of the asset backed securities (including asset backed commercial papers) are affected, to varying degrees, by the rate of prepayments of the underlying assets. Asset backed securities (including asset backed commercial papers) are also subject to credit risk and valuation risk. The Sub-Fund may therefore suffer substantial loss and the net asset value of the Sub-Fund could be adversely affected.

10. Risk associated with investment in instruments with non-viability/loss absorption convertible features

Trigger level risk/conversion risk

- 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 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. Trigger levels differ and determine exposure to conversion risk. They are complex, and it might be difficult for the Manager to anticipate the triggering events that would require the conversion. These instruments may be converted into shares potentially at a discounted price and the principal amount invested may be lost. In case of conversion, the Manager might be forced to sell these new equity shares and such forced sale may result in the Sub-Fund experiencing losses.
- In the event of the activation of a trigger, there may be potential price contagion and volatility to the entire asset class.

Coupon cancellation risk

- Coupon payments are entirely discretionary and may be cancelled by the issuer. As a result, these instruments may be volatile and their price may decline rapidly in the event that coupon payments are suspended.

Sector concentration risk

- These instruments are issued by banking and insurance institutions. The performance of the Sub-Fund may depend to a greater extent on the overall condition of the financial services industry than for funds following a more diversified strategy.

Novelty and untested nature

- The structure of these instruments is innovative yet untested. In a stressed environment, when the underlying features of these instruments will be put to the test, it is uncertain how they will perform.

Valuation and liquidity risk

- Debt instruments with loss-absorption features may also be exposed to valuation and liquidity risk.

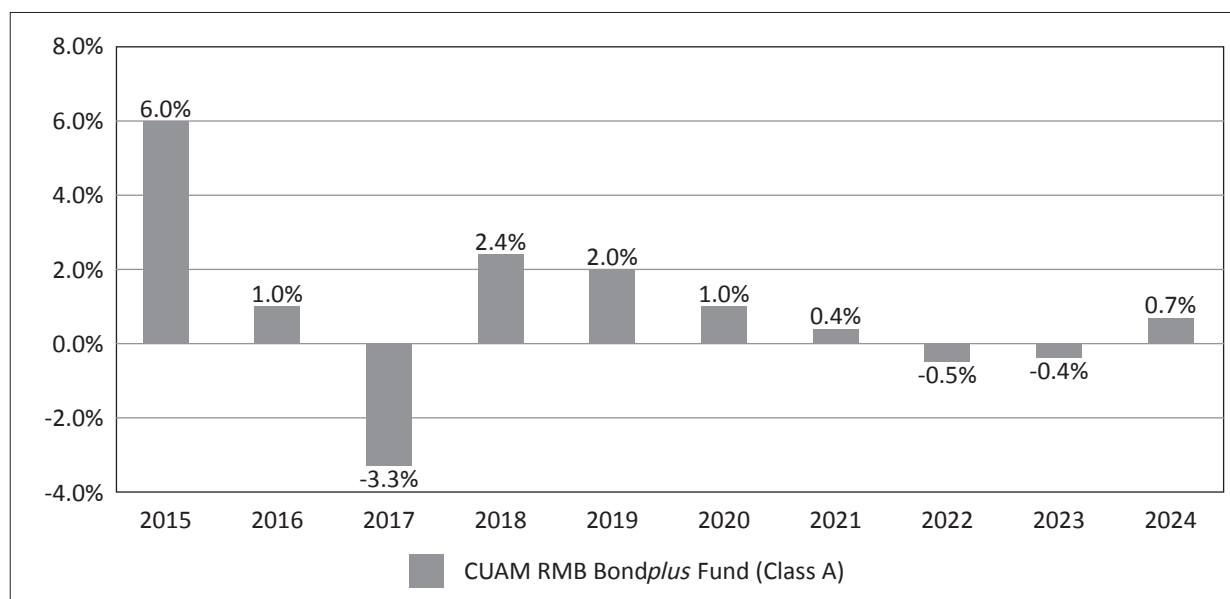
Contingent convertible debt securities

- The Sub-Fund may invest in contingent convertible debt securities, which are highly complex and are of high risk. Upon the occurrence of the trigger event, contingent convertible debt securities 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 contingent convertible debt securities are discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time.

Non-preferred senior debt securities

- The Sub-Fund may invest in non-preferred senior debt securities. 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.

How has the Sub-Fund performed?



- 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 Class A Units of the Sub-Fund increased or decreased in value during the calendar year being shown. Performance data has been calculated in RMB including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The Manager views Class A, being the unit class denominated in the Sub-Fund's base currency and commonly subscribed by Hong Kong investors, as the most appropriate representative unit class.
- Where no past performance is shown there was insufficient data available in that year to provide performance.
- Sub-Fund launch date: 2012
- Class A launch date: 2012

Is there any guarantee?

This Sub-Fund does not have any guarantees. You may not get back the full amount of money you invest.

What are the fees and charges?

Charges which may be payable by you

You may have to pay the following fees when dealing in the units of the Sub-Fund.

<u>Fee</u>	<u>What you pay</u>	
	<u>Class A</u>	<u>Class I</u>
Subscription fee (Preliminary Charge) (% of the Issue Price)	Up to 5%	Up to 5%
Redemption fee (Realisation Charge) (% of the Realisation Price)	Nil	Nil
Switching fee (Conversion Charge) (% of the Issue Price of the units of the new sub-fund)	Up to 1%	Up to 1%

Ongoing fees payable by the Sub-Fund

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

Annual rate (as a % of the Sub-Fund's net asset value)

Management Fee	Up to 3% p.a., Class A's current rate being 1.5% p.a.* Class I's current rate being 0.75% p.a.*
Trustee Fee	Current rate being up to 0.175% p.a.* (subject to a minimum monthly fee (up to RMB40,000))
Custodian Fee	Up to 0.1% p.a. (including QFI custodian fee)
Performance Fee	Not applicable

Other fees

You may have to pay other fees and charges when dealing in the units of the Sub-Fund. The Sub-Fund will also bear the costs which are directly attributable to it, as set out in the Explanatory Memorandum.

* The current annual rate may be increased up to the specified permitted maximum level as set out in the Explanatory Memorandum by giving not less than one month's prior notice to the investors.

Additional Information

- **Currently Class A units & Class I units of the Sub-Fund are available for subscription.**
- You generally buy and realise units at the Sub-Fund's next-determined net asset value (NAV) after the authorised distributor or the Manager has received your request in good order on or before 5:00p.m. (Hong Kong time) on the relevant Dealing Day. The authorised distributors may impose different dealing deadlines for receiving instructions for subscriptions, redemptions or switching. Investor should pay attention to the arrangements of the authorised distributor concerned.
- The net asset value of this Sub-Fund is calculated on the HK & PRC Business Day immediately following the Dealing Day, and the price of units is published on each HK & PRC Business Day. The net asset value per unit of the Sub-Fund at each Dealing Day will be published on a daily basis in the Manager's website at www.99fund.com.hk¹
- Investors may obtain the past performance information of other share classes offered to Hong Kong investors from the Manager's website at www.99fund.com.hk¹

Important

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.

¹ Please note that this website has not been reviewed by the SFC.