

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE.

26 April 2024

Dear Unitholder,

HSBC Managed Funds Series –

- **HSBC Managed Stable Fund**
- **HSBC Managed Stable Growth Fund**
- **HSBC Managed Balanced Fund**
- **HSBC Managed Growth Fund**
(each a “Fund”, collectively the “Funds”)

We, as the Manager of the Funds, would like to inform you of the following changes.

Terms otherwise not defined in this letter will have the same meaning as those defined in the Explanatory Memorandum of the Funds.

1. Updates of investment policy and strategy of the Funds regarding rating of debt securities rated by Mainland China local credit rating agency

The Manager has decided to clarify the definition of credit ratings considered below Investment Grade and to update the Funds’ investment policy and strategy as follows:

Previous definition	Current definition
Each Fund may not invest more than 10% of its net asset value in debt securities rated below investment grade (i.e. rated below Baa3 / BBB- by Moody’s, Standard & Poor’s, or any other internationally recognised credit rating agency or rated <u>BB+</u> or below by Mainland China local credit rating agency) or unrated debt securities.	Each Fund may not invest more than 10% of its net asset value in debt securities rated below investment grade (i.e. rated below Baa3 / BBB- by Moody’s, Standard & Poor’s, or any other internationally recognised credit rating agency or rated <u>AA</u> or below by Mainland China local credit rating agency) or unrated debt securities.

For details of the risks associated with debt securities rated by Mainland China local credit rating agency, please refer to the risk factors under the heading “Fixed income risks” in the Explanatory Memorandum, in particular, “Credit ratings risks and credit rating agency risks” and “Below investment grade or unrated securities risks”.

2. Updates regarding investments in collective investment schemes that use financial derivative instruments extensively, commodities and liquid alternative investment strategies

In order to broaden the investment universe of the Funds, the Manager has decided to update the investment policy of the Funds from 28 May 2024 to provide that:

- Each Fund may invest less than 20% of its net asset value in collective investment schemes which may use financial derivative instruments extensively for investment purposes.
- Each Fund may invest up to 10% of its net asset value in commodities, mainly through exchange-traded commodities securities, collective investment schemes and/or financial derivative instruments such as derivatives on commodities. The Fund will not invest directly in commodities.
- Each Fund may invest up to 10% of its net asset value in liquid alternative investment strategies, mainly through collective investment schemes.

For details of the risks associated with the above investments, please refer to the risk factors “Investing in Underlying Funds risks”, “Commodities risk” and “Risk associated with investing in exchange-traded commodities securities” in the Explanatory Memorandum.

Documents and enquires

The Trust Deed of the Funds, the revised Explanatory Memorandum reflecting the above changes and the latest Product Key Facts Statements of the Funds are available for inspection, free of charge, at the registered office of the Manager stated below. The revised Product Key Facts Statements of the Funds, reflecting the above changes, will be available in due course.

If you have any questions, please direct them to your financial adviser or usual HSBC contact or alternatively you should contact the Manager at Level 22, HSBC Main Building, 1 Queen’s Road Central, Hong Kong (telephone number: (852) 2284 1229).

The directors of the Manager accept full responsibility for the accuracy of the information contained in this letter as at the date of the mailing.

The Manager
HSBC Investment Funds (Hong Kong) Limited