PRODUCT KEY FACTS

Invesco China Focus Equity Fund

A sub-fund of Invesco Funds (SICAV)

FOR THE ATTENTION OF HONG KONG INVESTORS

Issuer: Invesco Hong Kong Limited 17 December 2021

This statement provides you with key information about this product.
This statement is a part of the Hong Kong Offering Document.
You should not invest in this product based on this statement alone.

Quick Facts

Fund Manager/ Management Company:	Invesco Management S.A.	
Investment Manager(s):	Invesco Hong Kong Limited, located in Hong Kong. (Internal delegation)	
Base Currency:	US Dollar	
Custodian (Depositary):	The Bank of New York Mellon SA/NV, Luxembourg Branch	
Dealing Frequency :	Daily	
Financial Year End:	The last day of February	
Ongoing charges over a year:	Class A accumulation – USD Class C accumulation – USD	2.13%* 1.53%*

* The ongoing charges figure is calculated based on annualised expenses for the period ending 31 August 2020 divided by the average net assets over the same period. This figure may vary from year to year. It excludes portfolio transaction costs.

Dividend Policy:	Accumulation (Dividends, if any, will be re-invested into the Fund)

Minimum Investment/ Minimum Subscription Amount:

Share class	A	C
Initial (in any of the dealing currencies listed in the Application Form)	USD1,500 EUR1,000 GBP1,000 HKD10,000 JPY120,000 AUD1,500 CAD1,500 NZD2,000	USD1,000,000 EUR800,000 GBP600,000 HKD8,000,000 JPY80,000,000 AUD1,000,000 CAD1,000,000 NZD1,200,000
Additional	-	-

What is this product?

Invesco China Focus Equity Fund (the "Fund") is a fund constituted in the form of a mutual fund. It is domiciled in Luxembourg and its home regulator is the CSSF, Luxembourg supervisory authority.

Objectives and Investment Strategy

The objective of the Fund is to achieve long term capital growth by investing in equity or equity-related securities of companies with exposure to China. The Investment Manager will seek to invest the Fund's assets primarily (at least 70% of the net asset value of the Fund) in listed equity or equity-related securities issued by (i) companies and other entities having their registered office in China, or (ii) companies and other entities located outside China carrying out business activities predominantly in China, or (iii) holding companies, the interests of which are predominantly invested in subsidiary companies with a registered office in China.

Up to 100% of the net asset value of the Fund may be exposed to China A shares listed on the Shanghai or Shenzhen Stock Exchanges, via Stock Connect or indirectly through participation notes, equity-linked notes,

swaps or similar access products. The Fund's exposure to China A shares via Stock Connect may be up to 100% of the Fund's net asset value. Furthermore, up to 10% of the net asset value of the Fund may be exposed to China B Shares.

The Fund may also invest in cash and cash equivalents, equity and equity-related securities issued by companies or other entities not meeting the above requirements or debt securities of issuers worldwide.

The Fund will not invest in units of UCITS and/or other UCIs (including Exchange Traded Funds), with the exception of possible investment in money market funds for liquidity management purposes which will not exceed 10% of the net asset value of the Fund.

Not more than 10% of the net asset value of the Fund may be invested in securities issued by or guaranteed by a country which is unrated (debt securities which are not rated by any international rating agency such as Moody's, Standard & Poor's and Fitch) and/or whose credit rating is below investment grade (below investment grade is defined as credit rating that is below BBB- from Standard & Poor's and Fitch, or below Baa3 from Moody's or an equivalent rating from an internationally recognized rating agency).

The Fund may use derivatives (including but not limited to futures, forwards, non-deliverable forwards, swaps and complex options structures) for hedging and efficient portfolio management purposes. Such derivatives may also incorporate derivatives on derivatives (i.e. forward dated swaps, swap options). However, financial derivative instruments will not be extensively used for investment purposes (i.e. entering into financial derivative instruments to achieve the investment objectives).

The Fund will engage in securities lending, however, the proportion lent out at any time will be dependent on dynamics including, but not limited to, ensuring a reasonable rate of return for the lending Fund and borrowing demand in the market. As a result of such requirements, it is possible that no securities are lent out at certain times. The expected proportion of the net asset value of the Fund subject to securities lending is 20%. Under normal circumstances, the maximum proportion of the net asset value of the Fund subject to securities lending is 29%.

Use of derivatives / investment in derivatives

The Fund's net derivative exposure[1] may be up to 50% of the Fund's net asset value.

What are the key risks?

Investment involves risks. Please refer to the Prospectus for details including the risks factors.

- **General investment risk** - There can be no assurance that the Fund will achieve its investment objective. The instruments invested by the Fund may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Currency exchange risk** - The Fund's assets may be invested in securities denominated in currencies other than the base currency of the Fund. Also, a class of shares may be designated in a currency other than the base currency of the Fund. The net asset value of the Fund may be affected unfavorably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.
- **Volatility risk** - Investors should note that volatility in the Fund's investment portfolio may result in large fluctuations in the net asset value of the Fund which may adversely affect the net asset value per share of the Fund and investors may as a result suffer losses.
- **Equities risk** - The value of, and income derived from, equity securities held may fall as well as rise and the Fund may not recoup the original amount invested in such securities. The prices of and the income generated by equity securities may decline in response to certain events, including the activities and results of the issuer, general political, economic and market conditions, regional or global economic instability and currency and interest rate fluctuations. Thus, this may adversely impact the Fund and/or the interests of investors.
- **Concentration risk**
  - As the Fund will invest primarily in the securities of companies with exposure to China, such concentration may exhibit a higher than usual degree of risk and the Fund may be subject to above

[1] Please refer to the offering document for details regarding the calculation methodology of net derivative exposure.

average volatility. The diversification benefits that would ordinarily accrue from investment in a fund having a more diverse portfolio of investments, may not apply to this Fund.

- The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event and natural disaster affecting the Chinese market.

- **Emerging markets risk** - The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets such as, liquidity risk, currency risks/ control, political and economic uncertainties, policy, legal or regulatory event affecting the relevant markets and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility.

- **Risk associated with investment in China**
  - The Fund may invest in securities or instruments which have exposure to the Chinese market. Investors should note the differences in accounting and disclosure practices in China.
  - The value of the Fund's assets may be affected by uncertainties such as changes in government policies, taxation, currency repatriation restrictions, permitted foreign ownership levels, and other developments in the law or regulations of China.

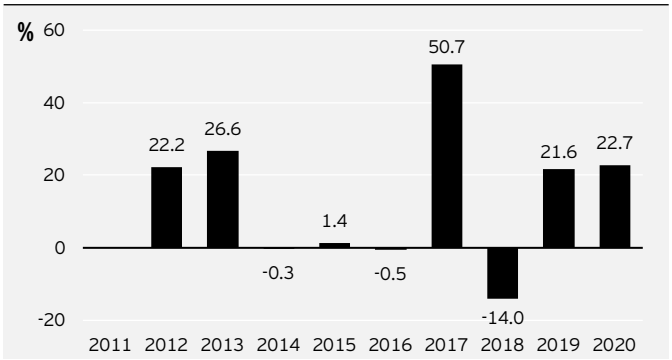
- **Stock Connect Risk** - The relevant rules and regulations on the Stock Connect are subject to change which may have potential retrospective effect. The Stock Connect is subject to quota limitations. Where a suspension in the trading through the programme is effected, the Fund's ability to invest in China A shares or access the Chinese market through the programme will be adversely affected. In such event, the Fund's ability to achieve its investment objective could be negatively affected.

- **RMB currency and conversion risks**
  - RMB is currently not freely convertible and is subject to exchange controls and restrictions.
  - 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 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.

- **PRC tax risk**
  - There are risks and uncertainties associated with the current PRC tax laws, regulations and practice in respect of capital gains realised via Stock Connect or access products on the Fund's investments in the PRC (which may have retrospective effect). Any increased tax liabilities on the Fund may adversely affect the Fund's value.
  - Based on professional and independent tax advice, the Fund currently does not make tax provisions on capital gains on the Fund's investments via Stock Connect or access products.

- **Risk of investing in financial derivative instruments ("FDI") for efficient portfolio management and hedging purposes** - Investments of the Fund may be composed of FDI used for efficient portfolio management or to attempt to hedge or reduce the overall risk of its investments. Risks associated with FDI include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a FDI can result in a loss significantly greater than the amount invested in the FDI by the Fund. Exposure to FDI may lead to a high risk of significant loss by the Fund.

How has the Fund performed?



- The performance shown in the chart above prior to 17 July 2019 was based on an investment objective and policy that no longer applies, with certain changes being made to the Fund on 17 July 2019.

- The Fund Manager views Class A accumulation - USD (the "Share Class"), being the focus share class of the Fund available to the public of Hong Kong, as the most appropriate representative share class.
- Fund launch date: 15 December 2011.
- Share Class launch date: 15 December 2011.
- The base currency of the Fund is USD.
- Past performance of the Share Class is calculated in USD.
- Performance is calculated after deduction of ongoing charges and is inclusive of gross income reinvested. Any entry/exit charges shown are excluded from the calculation.
- Past performance is not a guide to 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 Share Class increased or decreased in value during the calendar year being shown.
- Where no past performance is shown, there was insufficient data available in that year to provide performance.

Is there any guarantee?

The 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 Fund.

Fee	What you pay
Subscription fee/ Initial charge	Class A: Not exceeding 5.00% of the gross investment amount. Class C: Not exceeding 5.00% of the gross investment amount.
Switching fee	Up to 1.00% of the value of the shares being switched.
Redemption fee	N/A

Ongoing fees payable by the Fund

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

	Annual rate (as a % of the Fund's value)
Management fee*	Class A: 1.75% Class C: 1.25%
Custodian fee/ Depositary charge	Up to 0.0075%
Performance fee	N/A
Administration fee	N/A

Distribution fee	Class A: N/A Class C: N/A
Service agents fee	Class A: Up to 0.40% Class C: Up to 0.30%

*The fees can be increased subject to the prior approval of the Securities and Futures Commission ("SFC") and by giving not less than three months' prior notice to the investors.

Other fees

You may have to pay other fees when dealing in the shares of the Fund.

Additional Information

- You generally buy and redeem shares at the Fund's next-determined net asset value after the Hong Kong Sub-Distributor and Representative receives your request in good order on or before 5:00pm, Hong Kong time, being the Fund's dealing cut-off time. Before placing your subscription or redemption orders, please check with your distributor for the distributor's internal cut-off time (which may be earlier than the Fund's dealing cut-off time).
- The net asset value of the Fund is calculated each "Business Day" as defined in the Prospectus and the price of shares is published each Hong Kong business day (i.e. a day on which banks in Hong Kong are open for normal banking business) at www.invesco.com/hk. This website has not been reviewed by the SFC.
- Investors may obtain the past performance information of other share classes offered to Hong Kong investors at www.invesco.com/hk. This website has not been reviewed by the SFC.
- Investors may obtain other information of this product at www.invesco.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.