Henderson Global Investors Limited

Janus Henderson INVESTORS

April 2019

PRODUCT KEY FACTS

JANUS HENDERSON HORIZON FUND – CHINA FUND

- **This statement provides you with key information about the China Fund (the "Sub-Fund").**
- **This statement is a part of the offering document and must be read in conjunction with the Prospectus and the Hong Kong Covering Document.**
- **You should not invest in this product based on this statement alone.**

Quick facts

Fund Manager:	Henderson Management S.A.		
Investment Manager:	Henderson Global Investors Limited, London, UK (internal delegation)		
Sub-Investment Manager:	Janus Henderson Investors (Singapore) Limited, Singapore (internal delegation)		
Depositary:	BNP Paribas Securities Services, Luxembourg Branch		
Ongoing charges over a year:		**Incorporating performance fees**	**Without incorporating performance fees**
	Class A1 US$	1.92%	1.92%
	Class A2 US$	1.92%	1.92%
	Class A2 EUR	1.92%	1.92%
	Class A2 SGD	1.92%	1.92%
	The ongoing charges figures are annualized figures calculated based on expenses chargeable to the respective share class of the Sub-Fund for the period from 1 July 2018 to 31 December 2018 expressed as a percentage of the average net asset value of the respective share class of the Sub-Fund over the same period. These figures may vary from year to year.		
Dealing frequency:	Daily		
Base currency:	US Dollar		
Distribution policy:	**For Accumulation Share Classes (sub-class 2 or Class A2):** There is no distribution for Accumulation Share Classes. Any gross income, net realised and unrealised capital gains will be accumulated and reflected in the capital value of the share class. **For Distribution Share Classes (sub-class 1 or Class A1):** Distributions, if declared at the directors' discretion, will be paid to holders of the Distribution Share Classes.– Sub-class 1 will distribute substantially all of the investment income for the relevant accounting period after the deduction of fees, charges and expenses (i.e. out of net investment income only). Distributions will not include realised and unrealised capital gains. **Distribution frequency:** Annual (within 4 weeks of 30 June each year. If the pay date is not a business day and, in the case of payments in US dollars, a day on which banks are not open for business in New York, payment will be made on the following day). The directors may amend the distribution policy, where necessary, subject to the SFC's prior approval and by giving not less than one month's prior notice to investors.		
Financial year end:	30 June		
Minimum investment:			**Class A**
	US$	Initial Additional	$2,500 $500
	EUR	Initial Additional	€2,500 €500
	SGD	Initial Additional	SGD2,500 SGD500

What is this product?

The China Fund is a sub-fund of the Janus Henderson Horizon Fund, constituted in the form of a mutual fund and domiciled in Luxembourg. Its home regulator is the Commission de Surveillance du Secteur Financier.

JANUS HENDERSON HORIZON FUND – CHINA FUND

Investment objective and investment strategy

Investment objective

The Sub-Fund aims to provide capital growth.

Investment strategy

The Sub-Fund will invest at least 80% of its net assets, by taking long (and to a lesser extent short) positions in equities or equityrelated instruments of (i) companies having their registered office in China and Hong Kong; (ii) companies that do not have their registered office in China and Hong Kong but do most of their business, either directly or through subsidiaries, in China and Hong Kong. Notwithstanding the above, the Sub-Fund will maintain a net long exposure of at least 80% of its net assets.

Equities may include China A-Shares, directly through the Stock Connect Programs and other eligible exchanges or indirectly through derivative instruments. Exposure to China A-Shares, whether directly or indirectly, will not be more than 50% of the Sub-Fund's NAV.

Equity-related instruments may include depository receipts, amongst others.

The Sub-Fund's long positions may be held through a combination of direct investment and/or derivative instruments (such as futures, forwards, structured financial derivatives, equity swaps (also known as contracts-for-differences), swaps, options and warrants), whilst the short positions are achieved entirely through derivative instruments. The Sub-Fund will have significantly greater exposure to long positions than short positions and is therefore likely to demonstrate a high correlation to Chinese equity markets.

The Sub-Fund may use derivative instruments as part of the investment strategy, hedging and for the purposes of efficient portfolio management. For the avoidance of doubt, the Sub-Fund may use derivative instruments extensively or primarily for investment purposes.

There is a possibility that the NAV of the Sub-Fund may have a higher volatility due to its investment policy or portfolio management techniques. When implementing the Fundamental strategy, the Investment Manager apply "fundamental" research (dealing with the prospects and valuation of companies) to identify undervalued or overvalued securities and create trades that will include both long and covered short directional positions and pairs trades.

The global risk exposure of the Sub-Fund is determined and monitored using the relative Value at Risk approach.
The Sub-Fund's leverage level is expected to be 100% of the Sub-Fund's total NAV, based on the sum of notional exposures of FDIs in the investment portfolio including those held for risk reduction purposes. The Sub-Fund's expected leverage calculated using the commitment approach will typically not exceed 100% of the Sub-Fund's total NAV.

The Sub-Fund's actual level of leverage might exceed the expected level from time to time under a number of circumstances provided the usage of FDIs is consistent with the Sub-Fund's investment objective and risk profile. The expected level of leverage is an indicator and not a regulatory limit. The expected level of leverage will be updated from time to time.

For the remaining assets, the Investment Manager has the flexibility to invest outside the Sub-Fund's principal geographies or asset classes.

No more than 10% of the Sub-Fund's NAV may be invested in units of UCITS or other UCIs.

On an ancillary basis, and for defensive purposes, the Sub-Fund may invest in fixed income securities (such as convertible bonds, corporate bonds and government bonds and related derivative securities), and money market instruments and may hold cash or treasury bills pending reinvestment.

The Investment Manager may consider hedging currency and interest rates exposure, but will not generally enter into contracts involving a speculative position in any currency or interest rate.

The Sub-Fund may engage in securities lending transactions. Lending transactions may not be carried out on more than 50% of the NAV of the Sub-Fund.

Currently, the Sub-Fund does not engage in repurchase and/or reverse repurchase agreement transactions.

What are the key risks?

Investment involves risks. Please refer to the Prospectus and Hong Kong Covering Document for details including the risk factors.

Equity and equity-related securities risk

- The value of equity and equity-related securities may be affected by various economic, political, market and issuer-specific factors and changes in investment sentiment. As a result, the value of such securities may be volatile and decline in value over short or even extended periods of time as well as rise. A fall in the value of equity and equity related securities may adversely affect the NAV of the Sub-Fund.

Risks relating to securities lending

- Investors should note that if the borrower of securities lent by the Sub-Fund becomes insolvent or refuses to honour its obligations to return the relevant securities in a timely manner, the Sub-Fund would experience delays in recovering its securities and may possibly incur a capital loss which may adversely impact investors. The collateral received may realise at a value less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of the issuers of the collateral, or the illiquidity of the market in which the collateral is traded. Further, delays in the return of securities on loan may restrict the ability of the Sub-Fund to meet delivery obligations under security sales or payment obligations arising from realisation requests.

Currency risk

- Assets of a Sub-Fund may be denominated in a currency other than the base currency (i.e. US Dollar) of the Sub-Fund. Also, a Share Class may be designated in a currency other than the base currency of the Sub-Fund. Changes in exchange rate control and changes in the exchange rate between the base currency and these currencies may affect the value of the Sub-Fund's assets as expressed in the base currency. Adverse fluctuations in currency exchange rates can result in a decrease in return and in a loss of capital which may have an adverse impact on the Sub-Fund.

Derivatives risk

- The use of FDIs can involve a higher level of risk, in adverse situations, the Sub-Fund's use of FDIs may become ineffective in hedging and/or EPM and the Sub-Fund may suffer significant losses. The leverage element/ component of an FDI can result in a loss significantly greater than the amount invested in the FDI by the Sub-Fund. The use of FDIs also exposes the Sub-Fund to associated risks including counterparty risk, leverage risk, liquidity risk, volatility risk, valuation risk and short position risk as follows:

Counterparty risk - Counterparty risk refers to the counterparty of the FDI transaction failing to meet its obligation. This may result in losses to the Sub-Fund where value of investments may decline and/or gains on investment may not be realisable.

High leverage risk - Leverage risk arises as the use of FDIs may magnify the losses of the Sub-Fund, where the NAV of the Sub-Fund may decrease more rapidly, during unfavourable market conditions. In adverse situation, the use of FDIs may result in total or substantial loss to the Sub-Fund.

Liquidity risk - Please see risk factor headed "Liquidity risk" below.

Volatility risk - Volatility risk refers to the risk of having potential losses to the Sub-Fund, where the value of FDIs could decline, due to price fluctuation of FDI's underlying asset.

Valuation risk - Valuation risk refers to the risk of obtaining inaccurate values of the FDIs in certain market conditions. Inaccurate valuations can result in increased cash payment requirements to counterparties or a loss of value to the Sub-Fund.

Short position risk - The Sub-Fund may use FDIs to take short positions in securities to profit from an expected decline in the price of such securities, which may involve risks not typically encountered in traditional long-only funds. An increase in the price of such securities may have a negative effect on the value of the Sub-Fund. In extreme market conditions, it is possible to suffer losses up to the value of your investment.

Over-the-counter ("OTC") market risk

- Investment in OTC markets is speculative, relatively illiquid and hence subject to high volatility. OTC investment's valuation may be difficult to obtain as reliable information of the issuers and the risks associated to the issuer's business is not publicly available. OTC derivatives have the risk of incorrectly valuing or pricing and they may not fully correlate with the underlying assets. Inappropriate valuations may have an adverse impact on the Sub-Fund. Investment in OTC markets carries the risk that a counterparty may default on its obligations which could result in the decline of the value of such investment and the Sub-Fund may incur significant losses.

Performance fee risk

- Performance fees may encourage the IM to make riskier investment decisions than in the absence of performance-based incentive systems. The increase in NAV which is used as a basis for the calculation of performance fees, may comprise of both realised gains and unrealised gains as at the end of the calculation period, and as a result, performance fees may be paid on unrealised gains which may subsequently never be realised by the Sub-Fund.
- The Sub-Fund does not apply any equalisation in the calculation of performance fee, therefore there may be circumstances where an investor may either be advantaged or disadvantaged as a result of the performance fee calculation methodology. Specifically, in the event of the Sub-Fund's outperformance, an investor may be subject to a performance fee regardless of whether a loss in investment capital has been suffered by the investor.

Market risk

- The value of the investments in the Sub-Fund may go up or down due to changing economic, political, regulatory, social development or market conditions that impact the share price of the companies that the Sub-Fund invests in. A fall in the value of the Sub-Fund's investment may cause a fall in the NAV of the Sub-Fund. There is no guarantee of the repayment of principal.

Emerging market risk

- Investments in emerging markets may involve increased risks and special considerations not typically associated with investments in more developed markets, such as liquidity risks, currency risks/ control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risks and the likelihood of a high degree of volatility. Some of these markets may have relatively unstable governments, economies based on only a few industries and securities markets that trade only a limited number of securities. Many emerging markets do not have well-developed regulatory systems and disclosure standards may be less stringent than those of developed markets. Such risks could adversely affect the value of the Sub-Fund's investments and the NAV of the Sub-Fund.

Risk of investing in China securities

- The Sub-Fund's investment in China securities, i.e. China A-Shares and China A-Shares access products, may subject it to the following risks:

Currency risk - The Renminbi is subject to foreign exchange controls and restrictions and is not a freely convertible currency. Such control of currency conversion and movements in the Renminbi exchange rates may adversely affect the operations and financial results of companies in the PRC. Insofar as the Sub-Fund's assets are invested in the PRC, it will be subject to the risk of the PRC government's imposition of restrictions on the repatriation of funds or other assets out of the country, limiting the ability of the Sub-Fund to satisfy payments to investors which may have an adverse impact on investors.

Further, there can be no assurance that the Renminbi will not be subject to devaluation. If Renminbi depreciates against the Sub- Fund's base currency (i.e. US Dollar) and/or against the investors' base currencies (for example HK Dollar), the Sub-Fund's investments may be worth less when it exchanges Renminbi back to US Dollar and/or the investors' base currencies. This may adversely affect the NAV of the Sub-Fund and/or the value of investor's investment in the Sub-Fund.

Although offshore Renminbi ("CNH") and onshore Renminbi ("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 Renminbi may be delayed due to the exchange controls and restrictions applicable to Renminbi.

Political risk - Any significant change in People's Republic of China (the "PRC") political, social or economic policies may have a negative impact on investments in China securities and may adversely impact the value of the Sub-Fund.

Taxation risk - The tax laws and regulations in the PRC in respect of capital gains realised via Shanghai-Hong Kong Stock Connect or access products on the Sub-Fund's investments in the PRC, are uncertain and may be expected to change and develop as PRC's economy changes and develops. The application and enforcement of PRC tax laws and regulations may have retrospective effect and could have a significant adverse effect on the Sub-Fund and its investors, particularly in relation

to capital gains withholding tax imposed upon foreign investors. Any increased tax liabilities on the Sub-Fund may adversely affect the Sub- Fund's value. Based on professional and independent tax advice, the Sub-Fund does not currently intend to make any accounting provisions for these tax uncertainties because China A-Shares traded by the Funds are temporarily exempt from

PRC corporate income tax. So for as long the temporary exemption is in force there are no grounds for making any tax provisions. It is possible that any new PRC tax laws and regulations may be applied and the Company reserves the right to provide for withholding tax on dividends and capital gains tax in the future if it deems appropriate. Any new tax laws and regulations and any new interpretations may be applied retroactively.

Market risk - Chinese accounting standards and practices may deviate significantly from international accounting standards. The settlement and clearing systems of the Chinese securities markets may not be well tested and may be subject to increased risks of error or inefficiency. The China A-Share market may be more volatile and unstable (for example, due to the risk of suspension of a particular stock or government intervention). It is possible that the PRC government, relevant PRC stock exchanges and/or relevant regulatory authorities may from time to time introduce new measures to control the risk of substantial fluctuations in the China A-Share market, such as a circuit breaker mechanism whereby the trading on the stock exchanges in China may be suspended if the trading limit of the relevant benchmark index reaches a specified threshold value under the circuit breaker mechanism. Market volatility and settlement difficulties in the China A-Share markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may affect the value of the Sub-Fund.

Risks associated with the Stock Connect Programs

- **Regulatory risk** - The relevant regulations are untested and subject to change which may have potential retrospective effect. There is no certainty as to how they will be applied.
- **Quota limitations** - The Stock Connect Programs are subject to a daily quota which does not belong to the Sub-Fund and can only be utilised on a first-come-first-served basis. This may restrict the Sub-Fund's ability to invest in China A-Shares through the program on a timely basis.
- **Suspension risk** - Where a suspension in the trading through the Stock Connect Programs is effected, the Sub-Fund's ability to access the PRC market will be adversely affected. In such event, the Sub-Fund's ability to achieve its investment objective could be negatively affected.

- **Shenzhen Stock Exchange** - When investing in eligible China A-Shares through the Shenzhen Stock Connect, the Sub-Fund will also be subject to the risks associated with investment in shares listed on the ChiNext Board and/or the Small and Medium Enterprise Board of the Shenzhen Stock Exchange.

Concentration risk

- The Sub-Fund's instruments are concentrated in China and Hong Kong. The Sub-Fund will be more susceptible to and may be adversely affected by any single economic market, political, policy, foreign exchange, liquidity, tax, legal or regulatory occurrence affecting China and Hong Kong markets and the value of the Sub-Fund will be more volatile than a sub-fund that has a more diverse portfolio of investments.

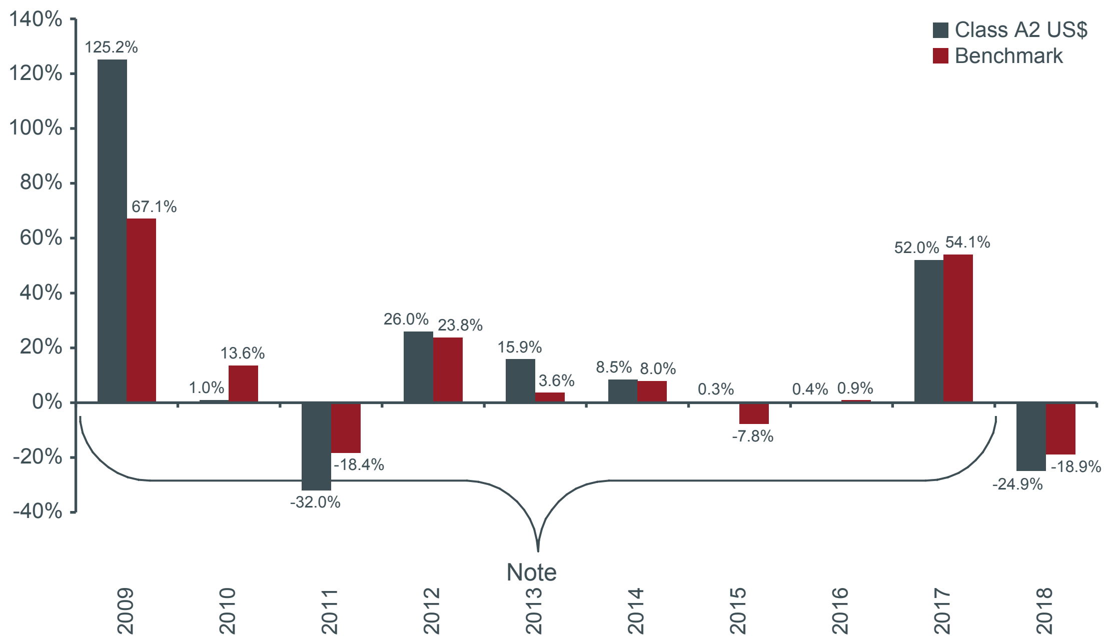
Liquidity risk

- Any security could become hard to value or to sell at a desired time and price, increasing the risk of investment losses.

Hedging risk

- Any attempts to reduce certain risks may not work as intended. Any measures that the Sub-Fund takes that are designed to offset specific risks may work imperfectly, may not be feasible at times, or may fail completely. To the extent that no hedge exists, the Sub-Fund or share class will be exposed to all risks that the hedge would have protected against.

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 distributions reinvested.
- These figures show by how much the share class increased or decreased in value during the calendar year being shown. Performance data has been calculated in US$ including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The benchmark is MSCI China Index (as from 2 July 2012). Prior to 2 July 2012, the benchmark was MSCI Golden Dragon Index. The benchmark was changed to MSCI China Index with effect from 2 July 2012 to more appropriately reflect the level of risk the Sub-Fund is looking to achieve. For the avoidance of doubt, the above mentioned benchmark is solely used for performance fee calculation purposes, and should therefore not be considered as indicative of a specific investment style.
- Sub-Fund launch date: 2008
- Share Class A2 US$ launch date: 2008
- The Investment Manager views Class A2 US$, being the retail share class denominated in the base currency of the Sub-Fund, as the most appropriate representative share class.
- Note: The performance of the years 2009-2017 was achieved under circumstances that no longer apply, the investment policy of the Sub-Fund was changed since 3 September 2018.

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 shares of the Sub-Fund. A minimum prior notice period of 1 month except for management fee, will be provided to you in the event of a fee revision.

Fee	What you pay
Subscription fee (Initial charge):	Class A: up to 5% of the total amount invested by an investor.
Switching fee:	Up to 1% of the gross amount being switched between all sub-funds.
Redemption fee:	Nil
Trading fee:	Up to 1% of the gross amount being redeemed which is redeemed up to 90 calendar days after such shares have been purchased.

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 total net assets) except for performance fee
Management fee:	Class A: 1.20% The management fee may be increased, to a maximum rate of 1.5%, subject to three months' notice to investors.
Depositary fee:	The Sub-Fund will pay to the Depositary a fee for fiduciary services, which is set at a rate of 0.006%, subject to a minimum fee of GBP1,200 (USD1,800).
Custody fees:	The Sub-Fund will pay to the Depositary custody fees of up to 0.65% (inclusive of the asset-based fees and the transaction-based fees), depending on the markets in which the Sub-Fund invests.
Performance fee:	▪ The performance fee to be paid by the Sub-Fund is 10% of the amount by which the increase in total NAV per share during the relevant performance period exceeds the increase in the relevant benchmark over the same period, in accordance with the "high water mark" principle. ▪ The performance fee for the Sub-Fund accrued on each Dealing Day = Outperformance per Share x Average number of Shares in issue during the performance period x 10% ▪ The "Outperformance per Share" is NAV per Share (before deduction of any provision for the performance fee) - the greater of the High Water Mark or the Target NAV per Share. ▪ The "High Water Mark" is the initial NAV per share or if higher, the NAV per share as at the end of the last performance period in which a performance fee was payable. ▪ The "Target NAV per Share" is a hypothetical NAV per Share determined by increasing/ decreasing the NAV per Share (as at the last time that a performance fee was paid or, if none has been paid, the date of introduction of the performance fee in relation to the Sub-Fund) in proportion to the percentage change in the relevant benchmark up to the date as at which the calculation is being made. ▪ Performance fee accrues on each dealing day if the NAV per share exceeds the High Water Mark or the Target NAV per Share (whichever is higher). On each dealing day, the performance fee accrual made on the previous dealing day will be adjusted to reflect the Sub-Fund's performance, positive or negative. ▪ If the NAV per share decreases or underperforms the benchmark, no performance fee will be accrued until such decrease or underperformance is made good in full. ▪ The performance period is normally 1 July of the current year to 30 June of the next year. ▪ The relevant benchmark of the Sub-Fund is MSCI China Index. ▪ Please refer to the Prospectus and Hong Kong Covering Document for details and illustrative examples of the performance fee calculation.

Administration fee:	Up to 0.18%
Registrar and Transfer Agency fee:	Up to 0.12%

Other fees

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

Shareholder servicing fee:	0.50%. Calculated daily on the Sub-Fund's average total net assets.

Additional information

- You generally buy and redeem shares at the Sub-Fund's next-determined NAV after the Hong Kong Representative receives your request in good order on or before 4:30 P.M. being the dealing cut-off time.
- Please note that the cut-off time for placing an order with the authorised distributors may be different from that of the Hong Kong Representative, please check with the authorised distributor who handles your application.
- The NAV of the Sub-Fund is calculated and the price of shares published each business day online at www.janushenderson.com.
- 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 (if any) are available from the Hong Kong Representative on request and on the website: www.janushenderson.com.
- You may obtain the past performance information of other share classes offered to Hong Kong investors from www.janushenderson.com.

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.

Note: The website: www.janushenderson.com, has not been reviewed or authorised by the SFC and may contain information of funds not authorised by the SFC.