

Important Information:

1. BOCHK All Weather Greater Bay Area Strategy Fund (the “Fund”) is a Sub-Fund of BOCHK Wealth Creation Series.
2. The Fund aims to provide income and capital growth over medium to longer term by investing primarily in fixed income securities issued by governments, government agencies, supra-nationals, banks or companies which are domiciled in or derive revenue from or have business or economic activities in the Greater Bay Area (Definition please refer to the Fund’s relevant appendix and product key facts) or are denominated in Greater Bay Area currencies (including Renminbi, Hong Kong Dollar or Macau Pataca), as well as deposits with the aforementioned banks or financial institutions.
3. Investment involves risks. The Fund involves significant risks including but not limited to market risk, concentration risk, China market/emerging markets risk, currency risk, risks relating to debt securities (including but not limited to risks associated with credit, interest rate, volatility and liquidity, downgrading, sovereign debt, valuation, China Interbank Bond Market and Bond Connect, “Dim Sum” bonds, urban investment bonds, and credit ratings), risks associated with investment made through a QFII/RQFII regime or RQFII funds, PRC tax risk, RMB currency risk/risks relating to RMB denominated securities, risks of investing in convertible bonds, risks of investing in contingent convertible bonds, risks associated with distribution out of capital, risks relating to hedging and the hedged classes, etc. Past Performance is not indicative of future performance. The value of the Fund can be volatile. Investors may not get back the full amount of capital invested or may suffer significant loss.
4. The Manager may at its discretion pay distribution out of, or effectively out of, capital of the Fund. Investors should note that the payment of distributions out of, or effective out of, capital represents a return or withdrawal of part of the amount the investors originally invested or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of, or effectively out of, capital of the Fund may result in an immediate reduction of the net asset value of the relevant classes of Units.
5. Investors should not solely rely on this press release to make any investment decision. Please refer to the Explanatory Memorandum and the relevant appendix in detail (including the full text of risk factors stated therein) about the Fund.

26 March 2019

**BOCHK Asset Management Launches
First Greater Bay Area Bond Fund in Hong Kong Market —
BOCHK All Weather Greater Bay Area Strategy Fund**

BOCHK Asset Management Limited (“BOCHK Asset Management”), a wholly owned subsidiary of BOC Hong Kong (Holdings) Limited (“the Company”), announced the launch of the first Greater Bay Area bond fund — BOCHK All Weather Greater Bay Area Strategy Fund (the “Fund”) — in the Hong Kong market. The Fund aims to provide income and capital growth over medium to longer term by investing primarily in fixed income securities issued by governments, government agencies, supra-nationals, banks or companies which are domiciled in or derive revenue from or have business or economic activities in the Greater Bay Area¹ or are denominated in Greater Bay Area currencies (including Renminbi, Hong Kong Dollar or Macau Pataca), as well as deposits with the aforementioned banks or financial institutions.

Mr Shen Hua, Chief Executive Officer at BOCHK Asset Management, said, “The Guangdong-Hong Kong-Macau Greater Bay Area (“Greater Bay Area”) refers to a new urban cluster comprising nine cities in the Pearl River Delta (Guangzhou, Shenzhen, Zhuhai, Foshan, Huizhou, Dongguan, Zhongshan, Jiangmen and Zhaoqing), and the Special Administrative Region of Hong Kong and the Special Administrative Region of Macau. This is one of the areas in the Mainland with the highest degree of openness and the strongest vitality, which plays an important and strategic role in the nation’s overall development. Compared with other famous bay areas in the world such as New York Bay Area, San Francisco Bay Area and Tokyo Bay Area, the Greater Bay Area excels in terms of GDP growth rate, population size, land area, and etc. The Greater Bay Area is filled with vitality and diversity, and has great prospects.”

Mr Shen added, “Based on an in-depth analysis of the residents’ investment habits and the markets in the Greater Bay Area, we tailor-made this Fund from the investor’s perspective and provide a unique investment option for investors in the Greater Bay Area.

“The Fund has five features: Firstly, the Fund has full area coverage. We capitalise on the advantages and position of Hong Kong’s international financial centre and offshore bond market and carefully select bonds from enterprises and government agencies in the Greater Bay Area, invest in industry assets such as high-quality financial institutions and infrastructure in Guangdong through Bond Connect, and offer innovative investments such as Macau Pataca-denominated investments in local assets in Macau. Secondly, the Fund has a full industry coverage focusing on investing in financial industry, consumer industry, information technology industry, communications industry and raw materials to take full advantages of the development in the region.

“Thirdly, the Fund focuses on high-quality corporate bonds with an average investment-grade credit rating to provide small and medium-sized investors in the region with stable assets and medium to long-term capital appreciation. Fourthly, the Fund captures additional issue premium of newly issued bonds. The Greater Bay Area’s economy is flourishing and more new bond-issuing entities are expected to emerge to provide bonds with additional issue premium and more investment opportunities. Fifthly, the Fund intends to pay dividends on a monthly basis. Its first distribution will be made in three months after the Fund launch, subject to the discretion of the Fund manager; which may be paid out of capital².”

Mr Han Jian Chiu, Chief Investment Officer at BOCHK Asset Management, said, “The Central Government has already released a series of policies to stabilise the market, including the People’s Bank of China’s two-time requirement reserve ratio cut of a total of one percentage point in the beginning of 2019, the release of liquidity, and the first introduction of Central Bank Bills Swap (CBS). It is expected that the Central Government will continue to introduce policies to stabilise the market in the future.

“From a macro perspective, due to the slowdown in global economic growth, the pace of interest rate hikes by the US Federal Reserve is expected to slow down or stop. In view of the relatively weak performance of Asian and Chinese bond markets in 2018 and the continuous improvement of the fundamentals of enterprises in the region, it is expected that some international funds will flow into emerging markets in Asia represented by the Chinese Mainland and support the related bond markets.”

With regard to the investment strategy, **Mr Ben Yuen**, Chief Investment Officer, Fixed Income at BOCHK Asset Management, said, “The Fund is the first Greater Bay Area bond Fund in the Hong Kong market with its net asset value of at least 70% invested in the relevant assets of the Greater Bay Area. The Fund offers a flexible allocation of bonds denominated in US dollar and local currencies, high-rated or high-interest bonds, fixed-rate or floating-rate bonds; and also deposits with banks and financial institutions in the Greater Bay Area to capture the investment opportunities in the region. The Fund has no specific requirements on credit rating and currency types, but we expect the proportion of investment in high-yield bonds not to exceed 50% to

effectively control the volatility of the portfolio. In terms of the currency of the investment assets, there is no special restriction, but in the early stage of opening a position, we will invest in a higher proportion of US-dollar bonds.”

The Fund’s base currency is US Dollar and other currency classes of Hong Kong Dollar, Renminbi and Renminbi-Hedged are available. The minimum initial subscription amounts are US\$1,000, HK\$10,000 and RMB10,000 respectively. The initial offering period of the Fund is from now until 8 April 2019³.

Note:

1. “Greater Bay Area” in this press release is defined as the Special Administrative Region of Hong Kong and the Special Administrative Region of Macau and the relevant municipalities in Guangdong province in the Mainland of China.

2. The Manager may at its discretion pay distribution out of, or effectively out of, capital of the Fund. Investors should note that the payment of distributions out of, or effective out of, capital represents a return or withdrawal of part of the amount the investors originally invested or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of, or effectively out of, capital of the Fund may result in an immediate reduction of the net asset value of the relevant classes of Units.

3. The unit of this Fund can be subscribed during the initial offering period from now until 8 April 2019 5:00 pm (Hong Kong time) (or such dates or time as BOCHK Asset Management (the “Fund Manager”) and the Trustee may determine). It is expected that the first dealing day will be 9 April 2019. If such date is not a business day, the following day will be first dealing day.

This press release is issued by BOCHK Asset Management Limited. This press release has not been reviewed by the Securities and Futures Commission (“SFC”) of Hong Kong. This press release is for informational purposes only and does not constitute any offer or recommendation to anyone to invest in the Fund. Investors should not solely rely on this press release to make any investment decision or any other decision. Any investment decision should be based on appropriate professional advice specific to the investors’ needs. The Fund does not have any guarantees. Investors may not get back the full amount of money they invest. Investment involves risk. Past performance is not indicative of future performance. Please refer to offering documents (including the Explanatory Memorandum) for further details including but not limited to the full text of risk factors stated therein (in particular those associated with investments in emerging markets).

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About BOC Hong Kong (Holdings) Limited

BOC Hong Kong (Holdings) Limited (“the Company”) holds the entire equity interest of Bank of China (Hong Kong) Limited (“BOCHK”), its principal operating subsidiary. Bank of China Limited (stock code “3988” and “4601” (Preference Shares)) holds approximately 66.06% of the equity interest in the Company through BOC Hong Kong (BVI) Limited, an indirect wholly-owned subsidiary of Bank of China Limited (“BOC”). The Company began trading on the main board of the Stock Exchange of Hong Kong on 25 July 2002 and is one of the largest listed companies and commercial banking groups in Hong Kong, with stock code “2388” and ADR OTC Symbol: “BHKLY”.

BOCHK has strong market positions in all major businesses. We have the most extensive local branch network and diverse service platforms, including approximately 200 branches, 270 automated banking centres, efficient e-channels of over 1,000 self-service machines, as well as Internet and Mobile Banking services. We offer a comprehensive range of financial, investment and wealth management services to personal, corporate and institutional customers. To implement the overseas development strategy of BOC Group, we strive to drive our regional development by expanding our business in the Southeast Asian region. Our branches and subsidiaries have been extended to Southeast Asian countries such as Thailand, Malaysia, Vietnam, the Philippines, Indonesia, Cambodia, Laos and Brunei, with the provision of professional and high-quality financial services to local customers. We will also expedite our development into a top-class, full-service and internationalised regional bank.

BOCHK is one of the three note-issuing banks and the sole clearing bank for Renminbi (“RMB”) business in Hong Kong. With our strong RMB franchise, we are the first choice of customers in this business. Through the deep collaboration with our parent bank, BOC, we provide a full range of high quality cross border services to multinationals, cross-border customers, mainland enterprises going global, central banks and super-sovereign organisations.

About BOCHK Asset Management Limited

Established in 2010, BOCHK Asset Management Limited (“BOCHK Asset Management”) is a wholly-owned subsidiary of BOC Hong Kong (Holdings) Limited. BOCHK Asset Management is committed to providing retail and institutional investors with a wide array of Bond, Equity and Alternative Investments products such as private equity and real estate investments, as well as comprehensive investment solutions tailored to their risk/return profile and investment objectives. In addition, the company also manages investment funds for clients and customizes discretionary investment portfolios to maximize the potential returns.

Since its establishment, BOCHK Asset Management has received industry awards[#] in recognition of its outstanding performance. In 2018, the company garnered the “Best-In-Class of High Yield Fixed Income”, “Best-In-Class of RMB Fixed Income” and “Outstanding Achiever of China Fixed Income” in House Awards under Fixed Income category by *Asia Asset Management*, and was also awarded “2018 International Finance Financial Award: Most Innovative Asset Management Company” organized by *International Finance*. Furthermore, it was recognised as the “Best-in-Class, China Fixed Income” and “Outstanding Achiever, RMB Fixed Income” in House Award- Fixed Income by *BENCHMARK*, as well as the “Best Financial Institution 2017 – China” in 2017 Wealth & Money Management Awards by *Wealth & Finance International*.

[#] Source: Asia Asset Management, the awards given by *Asia Asset Management* are based on the performance as at 30 September 2018. For award details, please visit www.asiaasset.com.

Source: International Finance, the award given by *International Finance* is based on the performance as at 30 September 2018. For award details, please visit <https://awards.internationalfinance.com/award-winners/>.

Source: BENCHMARK, the awards given by *BENCHMARK* are based on the performance as at 30 September, 2017. For award details, please visit www.fundawards.asia.

Source: Wealth & Finance International, the award given by *Wealth & Finance International* is based on the performance as at 31 May 2017. For award details, please visit www.wealthandfinance-news.com/awards.