

**BlackRock Premier Funds – China US Dollar Bond Fund**

**April 2024**

*This statement provides you with key information about this product  
This statement is a part of the Prospectus  
You should not invest in this product based on this statement alone*

**Quick facts**

<b>Manager:</b>	BlackRock Asset Management North Asia Limited
<b>Investment Adviser:</b>	BlackRock (Singapore) Limited (internal delegation, Singapore)
<b>Trustee:</b>	Cititrust Limited
<b>Custodian:</b>	Citibank N.A., Hong Kong Branch
<b>Ongoing charges over a year<sup>#</sup>:</b>	Class A2 USD: 1.18% Class A6 AUD (Hedged): 1.17% Class A6 CAD (Hedged): 1.17% Class A6 EUR (Hedged): 1.17% Class A6 GBP (Hedged): 1.17% Class A6 HKD (Hedged): 1.17% Class A6 NZD (Hedged): 1.17% Class A6 USD: 1.17% Class A8 RMB (Hedged): 1.17%
<b>Base currency:</b>	USD
<b>Dividend policy:</b>	<p>Non-Distributing Unit Classes: No dividends will be declared or paid</p> <p>Distributing Unit Classes: The dividend is calculated and declared monthly and distributed to unitholders based upon the number of units held at the month end.</p> <p>Classes 6 and 8 will distribute income gross of expenses (i.e. payment of fees and expenses out of capital). This will result in an increase in distributable income available for payment as dividends, and therefore, these classes may effectively pay dividends out of capital.</p> <p>Classes 6 and 8 may also pay dividends out of capital (including net realised and net unrealised capital gains) of the relevant class at the Manager's discretion.</p> <p>Any distributions involving payment of dividends out of capital or payment of dividends effectively out of capital may result in an immediate reduction of the net asset value per unit.</p> <p>The Manager may determine the first distribution date at its discretion, by taking into account factors including but are not limited to market conditions and size of the Fund.</p>
<b>Financial year end of this fund:</b>	30 September

<b>Minimum investment:</b>	Class A2/A6: USD (Unhedged): initial – USD5,000; additional – USD1,000 Class A6: AUD (Hedged): initial – AUD5,000; additional – currency equivalent of USD1,000 Class A6: CAD (Hedged): initial – CAD5,000; additional – currency equivalent of USD1,000 Class A6: EUR (Hedged): initial – EUR5,000; additional – currency equivalent of USD1,000 Class A6: GBP (Hedged): initial – GBP5,000; additional – currency equivalent of USD1,000 Class A6: HKD (Hedged): initial – HKD50,000; additional – currency equivalent of USD1,000 Class A6: NZD (Hedged): initial – NZD5,000; additional – currency equivalent of USD1,000 Class A8: RMB (Hedged): initial – RMB50,000; additional – currency equivalent of USD1,000
<b>Dealing frequency:</b>	Daily

# The ongoing charges figure for a class is based on the costs and expenses of that class with reference to the annual report of the Fund for the year ended 30 September 2023. This figure may vary from year to year.

## What is this product?

China US Dollar Bond Fund (the “Fund”) is a sub-fund of BlackRock Premier Funds, an umbrella unit trust established under the laws of Hong Kong.

## Objective and Investment Strategy

### Objective

The Fund seeks to maximise total return.

### Strategy

The Fund seeks to achieve the investment objective by investing more than 70% of its net asset value in fixed income securities denominated and settled in USD, of governments and agencies of Mainland China or Chinese companies exercising the predominant part of their economic activity in Mainland China (“China USD Bonds”). The China USD Bonds are issued outside Mainland China.

The Fund may invest less than 30% of its net asset value in securities other than China USD Bonds, including various forms of liquid investments such as cash deposits and money market instruments. It is not anticipated that the Fund will invest in securities denominated and settled in onshore RMB (“CNY”).

The Fund may only invest less than 10% of its net asset value in convertible bonds, exclusive of contingent convertible bonds. The Fund’s expected total maximum investment in debt instruments with loss-absorption features, including but not limited to contingent convertible bonds, will be less than 30% of its net asset value. These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger event(s). The Fund’s exposure to contingent convertible bonds will be less than 10% of its net asset value.

The Fund will mainly invest in investment grade fixed income securities. Investment grade fixed income securities are fixed income securities that are rated, or where the fixed income securities themselves have no credit rating, the issuers of which are rated, at the time of purchase, BBB- or higher (or equivalent) by at least one internationally recognised rating agency (e.g. Fitch, Moody’s or Standard & Poor’s). “Unrated fixed income securities” are fixed income securities which neither the fixed income securities themselves nor their issuers have a credit rating. The Fund’s exposure to non-investment grade or unrated fixed income securities will not exceed 20% of its net asset value.

It is not anticipated that the Fund will invest in asset backed securities, mortgage backed securities and asset

backed commercial papers.

Subject to the applicable investment restrictions, the Fund may utilise financial derivative instruments for hedging, cash management and/or investment purposes. The Fund will not engage in any securities financing transactions. Prior approval from the SFC will be sought and at least one month's prior notice will be given to unitholders in the event the Manager (and, where applicable, the Investment Adviser) intend to engage in such activities.

## Use of derivatives / investment in derivatives

The Fund's net derivative exposure may be up to 50% of the Fund's latest Net Asset Value.

## What are the key risks?

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

### 1. Investment Risks

The Fund is an investment fund. There is no guarantee of the repayment of principal. The Fund's investment portfolio may fall in value due to any of the key risk factors below, therefore your investment in the Fund may suffer losses.

### 2. Fixed Income Investment Risks

#### *Issuer risk*

The Fund is exposed to the credit/insolvency risk of the issuer of the fixed income securities that the Fund may invest in, which may be unable or unwilling to make timely payments on principal and/or interest when due in accordance with the terms of such fixed income securities. As the Fund invests in debt securities associated with Mainland China, repayment of debts by the relevant issuer is subject to various factors including the economic and political situation, as well as the exchange control policy of Mainland China.

Some bonds invested by the Fund are offered on an unsecured basis without collateral. The Fund will be fully exposed to the credit/insolvency risk of its bond issuer counterparty as an unsecured creditor. In the event of a default or credit rating downgrading of the issuer of the bonds, the bonds and the Fund's value will be adversely affected and investors may suffer a substantial loss as a result.

#### *Credit rating downgrading risk*

Investment grade securities which the Fund may invest in may be subject to the risk of being downgraded. In the event of downgrading in the credit ratings of a security or an issuer relating to a security, the Fund's investment value in such security may be adversely affected.

#### *Liquidity risk*

If the Fund invests in illiquid securities (including fixed income securities which are close to maturity) or the current market becomes illiquid, it may reduce the returns of the Fund because the Fund cannot sell the illiquid securities at an advantageous time or price. The bid and offer spread of the price of bonds may be large, so the Fund may incur significant trading and realisation costs and may suffer losses accordingly.

#### *Sovereign debt risk*

The Fund's investment in sovereign debt securities involves special risks. The governmental entity (including the government or any public or local authority) that controls the repayment of sovereign debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. The repayment of debts by a government is subject to various factors including the economic and political factors and the Fund's recourse against a defaulting sovereign is limited. The Fund may therefore suffer a significant or even total loss in the event of default of the sovereign issuer.

#### *Interest rate risk*

Because the Fund invests in fixed income securities, the Fund is subject to interest rate risk. Interest rate risk is the risk that the value of the Fund's portfolio will decline because of rising interest rates. Interest rate risk is generally lower for shorter-term investments and higher for longer-term investments.

*Valuation risk*

Valuation of the Fund's investments may involve uncertainties and judgmental determinations as there is a possibility that independent pricing information may at times be unavailable. If such valuations should prove to be incorrect, the net asset value of the Fund may be adversely affected.

*Below investment grade or unrated securities risk*

Securities which are below investment grade or which are unrated would generally be subject to lower liquidity, higher volatility and greater risk of loss of principal and interest than high-rated fixed income securities.

*Risk relating to contingent convertible bonds*

A contingent convertible bond may be converted into the issuer's equity or be partly or wholly written off (a "write-down") if a pre-specified trigger event occurs. Trigger levels differ and the exposure to conversion risk depends on the distance of the capital ratio to the trigger level. In case of conversion into equity, the Fund might be forced to sell these new equity shares. Such a forced sale might have an effect on market liquidity as there may not be sufficient demand for these shares. In the event of a write-down, which may be either temporary or permanent, the Fund may suffer a full, partial or staggered loss of the value of its investment. It might be difficult for the Fund to anticipate the trigger events or how the securities will behave upon conversion.

Investment in contingent convertible bonds may suffer a loss of capital. Further, contingent convertible bonds are usually subordinated to comparable non-convertible securities, and thus are subject to higher risks than other debt securities. Coupon payments on certain contingent convertible bonds may be entirely discretionary and may be cancelled by the issuer, in which event the Fund may experience losses. Investment in contingent convertible bonds may also lead to increased industry concentration risk and thus counterparty risk as such securities are issued by a limited number of banks.

**3. Concentration risk**

The Fund invests primarily in China USD Bonds. The value of the Fund may be more volatile than that of a fund having a more diverse portfolio of investments. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the Mainland China market.

In addition, while the Fund does not have any particular sector focus, issuers of China USD Bonds currently mainly consist of companies whose business activities relate to oil and gas, utility and real estate. The Sub-Fund may therefore be exposed to the risk of concentration in these sectors.

**4. Mainland China market risk**

The Fund invests primarily in fixed income securities associated with Mainland China, which is an emerging market, and 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, taxation risk, settlement risk, custody risk and the likelihood of a high degree of volatility.

**5. Currency risk**

Underlying investments of the Fund may be denominated in currencies other than the base currency of the Fund. Also, a class of units 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.

#### 6. Risk relating to RMB class(es)

- There can be no assurance that RMB will not be subject to devaluation. Any devaluation of RMB could adversely affect the value of investors' investments in the RMB class(es) of the Fund.
- When calculating the value of the RMB class(es), offshore RMB in Hong Kong ("CNH") will be used. The CNH rate may be at a premium or discount to the exchange rate for CNY and there may be significant bid and offer spreads. While CNH and CNY represent the same currency, they are traded in different and separate markets which operate independently. As such, CNH does not necessarily have the same exchange rate and may not move in the same direction as CNY.
- As RMB is not freely convertible, currency conversion is subject to availability of RMB at the relevant time. As such, in case of sizable redemption requests for the RMB class(es) are received, the Manager has the absolute discretion to delay any payment of redemption requests from the RMB class(es) where it determines that there is not sufficient RMB for currency conversion by the Fund for settlement purpose. There is also a risk that payment of distributions in RMB (if any) may be delayed when there is not sufficient amount of RMB for currency conversion for distributions in a timely manner due to the exchange controls and restrictions applicable to RMB. In any event, for proper redemption requests received before the dealing deadline, redemption proceeds will be paid no later than one calendar month upon receipt of the relevant documents.

#### 7. Capital growth risks

##### *Risks associated with fees and/or dividends paid out of capital*

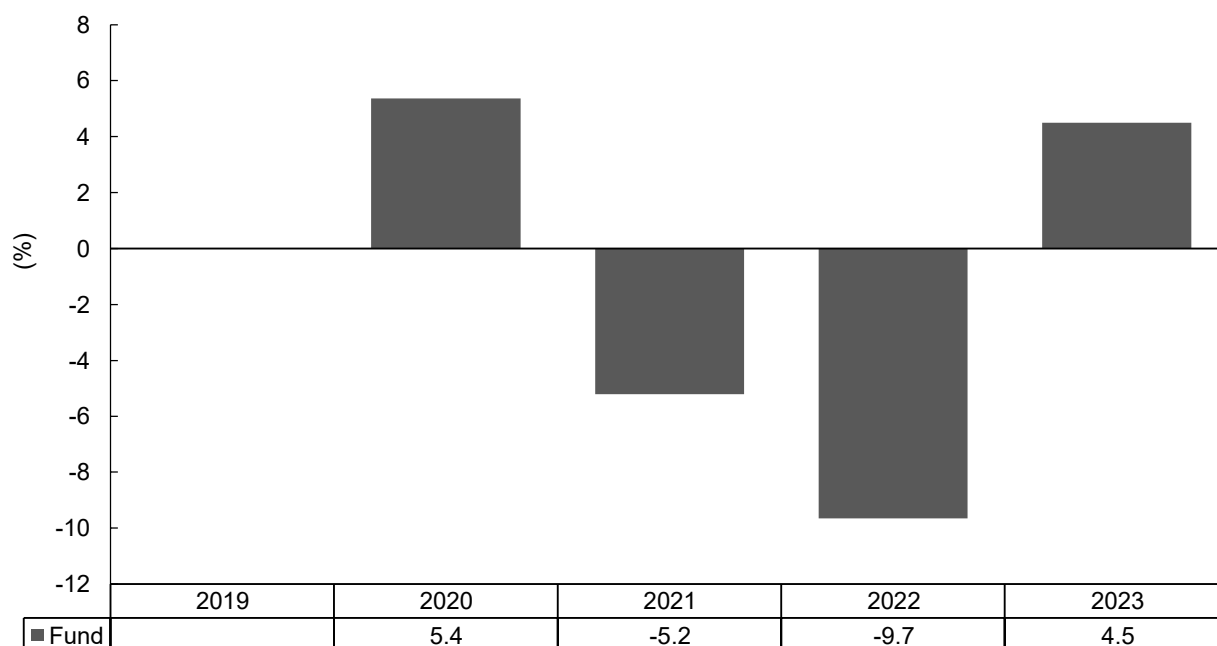
Any distributions involving payment of dividends out of capital (Classes 6 and 8), payment of dividends out of gross income (i.e. payment of fees and expenses out of capital) (Classes 6 and 8) or payment of interest rate differentials arising from unit class currency hedging as dividends (Class 8) amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Whilst all dividends paid result in an immediate reduction of the net asset value per unit, these unit classes may pay larger dividends (i.e. by paying dividends out of capital, gross income or interest rate differentials arising from unit class currency hedging gains (if any)), which may therefore result in a larger reduction in the net asset value per unit.

##### *Payment of dividends from interest rate differentials*

For Class 8, any dividends payable may include interest rate differentials arising from unit class currency hedging gains/losses which may increase/decrease dividends paid. Unitholders of the relevant class will forego capital gains as any currency hedging gains are distributed rather than added to capital. Conversely, currency hedging losses may decrease the dividends paid, and in extreme cases may deduct from capital. This may reduce the net asset value per unit.

## How has the Fund performed?

Historic performance to 31 December 2023



- 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 re-invested.
- These figures show by how much the Class A2 USD increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- Where no past performance is shown there was insufficient data available in that year to provide performance.
- Fund launch date: August 2019
- Class A2 USD launch date: August 2019
- The Manager views Class A2 USD, being the focus unit class of the Fund available to the public of Hong Kong, as the most appropriate representative unit class.

## 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 units of the Fund.

Fee	What you pay
<b>Subscription Fee (Initial Charge)</b>	Class A Units: Up to 3% of the issue price
<b>Switching Fee (Conversion Charge)</b>	Nil <sup>^</sup>
<b>Redemption Fee (Redemption Charge)</b>	Nil <sup>^</sup>

<sup>^</sup> A 2% charge of (i) the net asset value per unit of the Fund on conversion or (ii) the redemption price of units on redemption may be levied for excessive conversion / trading by a unitholder. Please refer to the section "Fees, Charges and Expenses payable by the Unitholders - Excessive Trading or Excessive Conversion charges" in the Prospectus for detail.

**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.

<b>Fee</b>	<b>Annual Rate (as a % of the Fund's Net Asset Value)</b>
<b>Management Fee</b>	Class A Units: Up to 2%, currently 1.00%*
<b>Administration Fee</b>	Class A Units: Up to 0.25%
<b>Trustee Fee and Custodian Fee</b>	Included in the Administration Fee
<b>Performance Fee</b>	Not applicable

\* May be increased to the permitted maximum level in the Prospectus by giving not less than 1 month's prior notice.

**Other fees**

You may have to pay other fees when dealing in the units of the Fund. Please refer to the Prospectus for detail.

**Additional Information**

- ▶ You generally buy and redeem units at the Fund's next-determined net asset value after the Trustee receives your request in good order on or before the 6.00 p.m. dealing cut-off (Hong Kong time) on the relevant dealing day. Orders placed through intermediaries may be subject to different procedures and cut-off times.
- ▶ The net asset value per unit of the Fund is calculated and is available on the Manager's website at [www.blackrock.com/hk](http://www.blackrock.com/hk) on each dealing day.
- ▶ You may obtain the past performance information of other unit classes offered to Hong Kong investors (when available) from [www.blackrock.com/hk](http://www.blackrock.com/hk).
- ▶ In respect of the distributing unit classes, the composition of the dividends distributed/declared (i.e. the relative amounts paid from net distributable income and capital) for the last 12 months are available from the Manager on request and on [www.blackrock.com/hk](http://www.blackrock.com/hk).
- ▶ Investors may also obtain information on the Fund from the Manager's website at [www.blackrock.com/hk](http://www.blackrock.com/hk). Investors should note that the Manager's website has not been reviewed by the SFC.
- ▶ The Prospectus and this statement will be updated to include the classes of units currently available for subscription from time to time.

**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.