

## Invesco Global Income Real Estate Securities Fund

FOR THE ATTENTION OF HONG KONG INVESTORS

A sub-fund of Invesco Funds (SICAV)

Issuer: Invesco Hong Kong Limited

8 April 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

<b>Fund Manager/ Management Company:</b>	Invesco Management S.A.
<b>Investment Manager(s):</b>	Invesco Advisers, Inc., located in the USA. (Internal delegation)
<b>Investment Sub-Manager:</b>	Invesco Asset Management Limited, located in the UK. (Internal delegation)
<b>Base Currency:</b>	US Dollar
<b>Custodian (Depository):</b>	The Bank of New York Mellon SA/NV, Luxembourg Branch
<b>Dealing Frequency :</b>	Daily
<b>Financial Year End:</b>	The last day of February
<b>Ongoing charges over a year:</b>	<div>Class A accumulation - USD 1.69%*</div> <div>Class A monthly distribution-1 - HKD 1.69%~</div> <div>Class A quarterly distribution - USD 1.69%*</div> <div>Class C accumulation - USD 1.14%*</div> <div>Class A monthly distribution-1 - USD<sup>1</sup> 1.69%+</div>

\* 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.

~ The ongoing charges figure is estimated based on the expected annualized total of charges (excluding portfolio transaction costs) expressed as a percentage of the average net asset value over the same period taking into account any discretionary cap on ongoing charges or on operational expenses that has been imposed, the details of which are set out in the Supplement - Additional Information for Hong Kong Investors. The Management Company may from time to time apply a discretionary cap on ongoing charges or on operational expenses. Such discretionary cap may be applied or removed at the absolute discretion of the Management Company in the best interest of investors, with a view to keeping the ongoing charges competitive. The cap may vary from year to year and any actual fees incurred which are above the capped level will be borne by the Management Company. The ongoing charges figure may also vary from year to year.

+As the share class is not currently offered, the ongoing charges figure is estimated based on the expected annualised total of charges expressed as a percentage of the average net asset value over the same period. This figure may vary from year to year. It excludes portfolio transaction costs.

<b>Dividend Policy:</b>	<p>Net Income distribution (Dividends, if any, will be paid to investors)</p> <p>Accumulation (Dividends, if any, will be re-invested into the Fund)</p> <p>Monthly Distribution-1 (Dividends, if any, will be paid to investors monthly. The SICAV may, at its discretion, pay (a) a portion of dividends out of gross income, (b) a portion of dividends out of capital, and (c) with respect to hedged Monthly Distribution-1 Share classes (if applicable), the interest rate differential between the currency in which the share class is denominated and the base currency of the Fund. The Fund may pay dividends out of capital and/or effectively out of capital and may reduce the net asset value per share of this share class immediately after the monthly distribution date)</p>
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<sup>1</sup> This share class is not currently offered to the Hong Kong public.

# Invesco Global Income Real Estate Securities Fund

## Minimum Investment/ Minimum Subscription Amount:

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

## What is this product?

Invesco Global Income Real Estate Securities 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 generate income and to a lesser extent to achieve long-term capital appreciation by investing in a diversified portfolio of securities of companies and other entities engaged in the real estate sector worldwide. The Fund seeks to achieve its objective through investing primarily (at least 70% of the net asset value of the Fund) in equity, equity related and/or debt securities issued by companies and other entities which derive the predominant part of their revenues from activities related to real estate worldwide including real estate investment trusts ("REITs"), REIT-like companies and other real estate operating companies worldwide.

The Fund may invest up to 70% of its net asset value in asset backed securities (ABS)/mortgage-backed securities (MBS) which may include Commercial Mortgage Backed Securities and other ABS related to the real estate sector.

Exposure to MBS can be taken through agency (issued by government-sponsored enterprises such as Fannie Mae, Freddie Mac or Ginnie Mae) but will be predominantly to non-agency (traditionally issued by an investment bank).

Furthermore, exposure to ABS/MBS can be made through senior and junior tranches.

Less than 30% of the net asset value of the Fund may be invested in debt securities which are 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).

Up to 30% of the net asset value of the Fund may be invested in cash and cash equivalents, money market instruments, equity and equity related instruments or debt securities issued by companies or other entities (including governments) not meeting the above requirements. The Fund may invest up to 5% of its net asset value in securities which are either in default or deemed to be at high risk of default as determined by the SICAV.

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 may engage in securities lending. 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<sup>2</sup> may be up to 50% of the Fund's net asset value.

<sup>2</sup> Please refer to the offering document for details regarding the calculation methodology of net derivative exposure.

## 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.
- **Credit risk**
  - Investment in bonds, debt or other fixed income securities (including corporate and sovereign bonds) are subject to the risk that issuers do not make payments on interest and principal of such securities. An issuer suffering from an adverse change in its financial condition could lower the quality of a security leading to greater price volatility on that security.
  - Securities which were investment grade at the time of acquisition may be downgraded. The risk of any such downgrading will vary over time. The Fund's investment policy does not specifically require the Fund to sell such securities if they should fall below investment grade. Besides, the Investment Manager and/or Investment Sub-Manager (if applicable) may not be able to dispose of the debt instruments that are being downgraded. Investments in below investment grade securities carry a higher risk of default and therefore may adversely impact the Fund and/or the interests of investors.
- **Interest rate risk** - The bonds or fixed income securities that the Fund invests in may fall in value if the interest rates change and this will adversely impact the net asset value of the Fund. In general, the prices of debt securities rise when interest rates fall, whilst their prices fall when interest rates rise. Longer term debt securities are usually more sensitive to interest rate changes.
- **Liquidity risk** - The Fund may be adversely affected by a decrease in market liquidity for the securities in which it invests where some of the Fund's securities may become illiquid and the Fund may experience difficulties in selling securities at a fair price within a timely manner. This could impact the Fund's ability to meet redemption requests on demand.
- **Credit rating risk** - Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.
- **Risk associated with collateralised and/or securitised products** - The Fund may invest in asset backed securities/mortgage backed securities which may be highly illiquid and prone to substantial price volatility. These instruments may be subject to greater credit, liquidity and interest rate risk compared to other debt securities. They are often exposed to extension and prepayment risks and risks that the payment obligations relating to the underlying assets are not met, which may adversely impact the returns of the securities.
- **Concentration risk** - As the Fund will invest primarily in equity, equity related and/or debt securities issued by companies and other entities which derive the predominant part of their revenues from activities related to real estate worldwide, such concentration may exhibit a higher than usual degree of risk and the Fund may be subject to above 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.
- **Sovereign debt risk** - The Fund's investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay

# Invesco Global Income Real Estate Securities Fund

the principal and/or interest when due or may request the Fund to participate in restructuring such debts. The Fund may suffer significant losses when there is a default of sovereign debt issuers.

## ■ Risk of investing in REITs

- The Fund does not invest directly in real estate and insofar as it directly invests in REITs, any dividend policy or dividend payout at the Fund level may not be representative of the dividend policy or dividend payout of the relevant underlying REIT. The relevant underlying REIT may not necessarily be authorised by the CSSF and/or the Securities and Futures Commission ("SFC") in Hong Kong.
- Please note that the Fund is authorised under the SFC's Code on Unit Trusts and Mutual Funds and not under the SFC's Code on Real Estate Investment Trusts. CSSF and/or SFC authorisation does not imply official approval or recommendation.

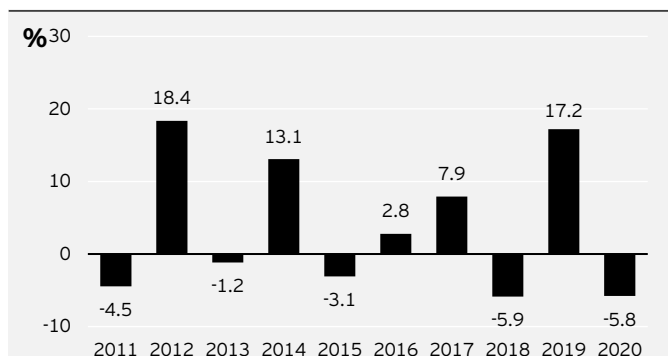
## ■ Risk of investing in financial derivative instruments ("FDI") for efficient portfolio management and hedging purposes

- 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.

## ■ Risks associated with payment of dividends and/or fees and expenses out of capital

- Payment of dividends out of capital and/or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any such distributions may result in an immediate reduction of the net asset value per share in respect of such share class after the monthly distribution date.

## How has the Fund performed?



■ The Fund Manager views Class A quarterly distribution - 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: 31 October 2008.
- Share Class launch date: 31 October 2008.
- 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.

## 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.

## Invesco Global Income Real Estate Securities 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: 1.25% Class C: 0.80%
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

- 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 are available from the Hong Kong Sub-Distributor and Representative on request and at [www.invesco.com/hk](http://www.invesco.com/hk). This website has not been reviewed by the SFC.
- 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](http://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](http://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](http://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.