HSBC Asset Management

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HSBC UAE Funds – HGIF (Lux) Strategic Duration and Income Bond Feeder Fund

September 2025

Portfolio Structure

- HSBC UAE Funds – HGIF (Lux) Strategic Duration and Income Bond Feeder Fund (the "Fund") is established in the UAE and aims to invest substantial assets, and in any case at least 85% of the Fund's total assets, in HSBC Global Investment Funds – Strategic Duration and Income Bond Fund (the "Master Fund"), a fixed income fund established as a sub-fund of HSBC Global Investment Funds, an umbrella SICAV-UCITS established in Luxembourg.
- Up to 15% of the Fund's assets may be invested in (i) liquid assets (e.g., cash, money market instruments, etc.) and (ii) financial derivatives that can be only used for hedging purposes.

Please note: Information pertaining to the Master Fund has been provided for understanding and evaluating feeder fund only, there is no intention to promote Master Fund.

Why Strategic Duration & Income Bond Feeder Fund?

1. The Master Fund provides investors with duration flexibility as market conditions change. For e.g.- longer duration bonds and high yield in anticipation of rate cuts.
2. The Master Fund offers potential for high quality income as well as an opportunity to capture the upside when we see interest rate cuts.
3. The Master Fund seeks to enhance diversification by investing in a diverse mix of high-quality investment grade bonds, securitised credit, and high-yield bonds with no exposure to emerging markets.

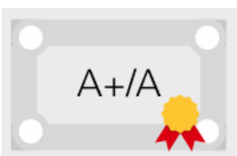
Why invest now?

Bond yields are at attractive levels and aim to provide an opportunity for investors looking for income.

With interest rates and yields likely to go down, It is a good time to lock in higher yields.

Investors may benefit as the value of their money could grow more in the longer term than if it was kept as cash.

What does the Fund invest in?



The Fund gains exposure to the Master Fund that takes an unconstrained multi-sector approach and invests in investment grade bonds, securitised credit, and high-yield bonds in developed markets.

How does the Fund help investors?

The Master Fund aims to:

- Adapt to changing interest rate outlook by taking a dynamic approach to duration of between 3 – 8 years.
- Control volatility and limit the downside risks associated with a changing interest rate environment.

Source: HSBC Asset Management, as on 30 September 2025.

The decision to invest in the fund should take account of all the characteristics or objectives as described in the prospectus. The fund is denominated in USD. Returns may vary with fluctuations in the exchange rate. This information shouldn't be considered as an investment advice. Diversification does not ensure a profit or protect against loss. The views and opinions expressed herein are those of HSBC Investment Funds (Luxembourg) S.A. – Dubai Branch and are subject to change at any time. Any forecast, projection or target where provided is indicative only and not guaranteed in any way. HSBC Investment Funds (Luxembourg) S.A. - Dubai Branch accepts no liability for any failure to meet such forecast, projection or target.

Master Fund Highlights

Total return approach – made up of a combination of income and capital growth.

Flexible duration between

3 to 8 Years

Dynamic allocation across credit markets through an active selection process by experienced portfolio managers.

Investment grade rated portfolio –

- IG Corporates, provides duration and high-quality income
- Securitised Credit, an income generator
- Global high yield , an income generator
- Treasuries provide protection

Source: HSBC Asset Management, 30 September 2025.

Why HSBC Asset Management?

The Master Fund is actively managed by highly experienced investment management team backed by extensive global resources. The AUM for fixed income is USD197bn.

The team is backed by 179 fixed income investment professionals worldwide and benefits from the work of our 48-person strong global credit research team.

Source: HSBC Asset Management, 30 September 2025

Past performance does not predict future returns . For illustrative purposes only. This information should not be construed as a recommendation to invest in the specific country, product, strategy, sector or security. The investment process and weightings are for information only, are not guaranteed and subject to change to appropriately address the Fund's objectives and strategy at the discretion of HSBC at any time and without notice to investors, considering any changes in markets.

To find out more, speak with your HSBC Relationship Manager.

Key risks

Investment in the Fund carries with it a degree of risk, including, but not limited to the below:
Callable Bond Risk: Any unexpected behaviour in interest rates could negatively impact the performance of callable debt securities (securities whose issuers have the right to pay off the security's principal before the maturity date). **CoCo Bond Risk:** Contingent convertible securities (CoCo bonds) are comparatively untested, their income payments may be cancelled or suspended, and they are more vulnerable to losses than equities and can be highly volatile. **Counterparty Risk**: The possibility that the counterparty to a transaction may be unwilling or unable to meet its obligations. **Credit Risk**: A bond or money market security could lose value if the issuer's financial health deteriorates. **Default Risk**: The issuers of certain bonds could become unwilling or unable to make payments on their bonds. **Derivatives Risk:** Derivatives can behave unexpectedly. The pricing and volatility of many derivatives may diverge from strictly reflecting the pricing or volatility of their underlying reference(s), instrument or asset. **Emerging Markets Risk**: Emerging markets are less established, and often more volatile, than developed markets and involve higher risks, particularly market, liquidity and currency risks. **Exchange Rate Risk**: Changes in currency exchange rates could reduce or increase investment gains or investment losses, in some cases significantly. **Interest Rate Risk**: When interest rates rise, bond values generally fall. This risk is generally greater the longer the maturity of a bond investment and the higher its credit quality. **Investment Leverage Risk**: Investment Leverage occurs when the economic exposure is greater than the amount invested, such as when derivatives are used. A Strategy that employs leverage may experience greater gains and/or losses due to the amplification effect from a movement in the price of the reference source. **Liquidity Risk:** Liquidity Risk is the risk that a Strategy may encounter difficulties meeting its obligations in respect of financial liabilities that are settled by delivering cash or other financial assets, thereby compromising existing or remaining investors. **Operational Risk**: Operational risks may subject the Strategy to errors affecting transactions, valuation, accounting, and financial reporting, among other things.

Investors should note that the Master Fund invests in a range of asset classes, markets and currencies. These are subject to different types and levels of risk. This means the Master Fund is exposed to a spread of risk but each to a lesser extent than if invested into a single asset class, market or currency. The main risks the Master Fund is exposed to can be seen in the Feeder Fund and Master Fund Prospectus documents on https://mena.assetmanagement.hsbc.com

Important information

HSBC UAE Funds – HGIF (Lux) Strategic Duration Income and Bond Feeder Fund is a UAE-domiciled investment fund authorized by the Securities and Commodities Authority ("SCA") under the provision of the SCA Board of Director's Chairman's Resolution No. (01/Chairman) of 2023 concerning the Regulations on Investment Funds. The fund is managed by HSBC Investment Funds (Luxembourg) S.A. – Dubai Branch (Level 20, HSBC Tower, PO Box 66, Downtown Dubai, United Arab Emirates); regulated by the Securities and Commodities Authority (SCA) in the UAE to conduct investment fund management, portfolios management, fund administration activities (SCA Category 2 license No.20200000336) and promotion activities (SCA Category 5 license No.20200000327).

The Feeder Fund invests substantially all of its assets into the HSBC GIF Strategic Duration and Income Bond Fund, a Luxembourg-domiciled fund. Investors are advised that while the Feeder Fund is regulated by the SCA, the underlying Master Fund is authorized and regulated in its home jurisdiction and not by the SCA. As a result, the regulatory protection applicable to the Master Fund may differ from those available under UAE law.

Investments in foreign markets involve risks such as currency rate fluctuations, potential differences in accounting and taxation policies, as well as possible political, economic, and market risks. These risks are heightened for investments in emerging markets which are also subject to greater illiquidity and volatility than developed foreign markets. Economies in Emerging Markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. Investment in non-investment grade bonds may produce a higher level of income than investment grade bonds but carry increased risk of default on repayment. The value of the underlying assets is strongly affected by interest rate fluctuations and by changes in the credit ratings of the underlying issuer of the assets. The performance of bonds, gilts and other fixed interest securities tends to be less volatile than those of shares of companies (equities). However, there is a risk that both the relative yield and the capital value of these may be reduced if interest rates go up. Income offered by bonds often reflects, in part, the risk rating of the issuer.
The value of investments and the income from them can go down as well as up and investors may not get back the amount originally invested. You must not, therefore, rely on the content of this document when making any investment decisions. You should always consider seeking professional advice when thinking about undertaking any form of investment.

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