



Plutus Asset Management Limited
貝德斯資產管理有限公司

Plutus Greater China High Yield Fund 1 SP

Fund Information

A · BASIC INFORMATION AND SPC STRUCTURE

Name of the SPC	PLUTUS GUARDIANS FUND SPC
Name of the SP	Plutus Greater China High Yield Fund I SP
Country of Incorporation	Cayman Islands
Name of Investment Manager	Plutus Asset Management Limited
Name of Administrator	Ayasa Globo Financial Services Limited
Name of Auditor	Squar Milner (Cayman), Ltd.
Name of Broker(s)	Plutus Securities Limited
Legal Advisor	Harney Westwood & Riegels

B · INVESTMENT OBJECTIVE AND APPROACH FOR THE SP

Investment Objective	The Segregated Portfolio will seek to achieve the investment objective by investing principally in a portfolio of fixed rate debt securities, equity, exchange traded funds, financial instruments and debt obligations of corporate entities located throughout Asia. The Segregated Portfolio will also invest, either directly or through the use of financial derivative instruments, in fixed income debt securities that (i) have an investment grade or lower grade ratings (if issued by US issuers) or (ii) are unrated or its equivalent (if issued by non-US issuers).
Investment Restrictions	Fixed Income Securities: Not less than 50% Equities: not more than 30% FX, Commodities, G7 government debts and rate: Not more than 15%:
Ability to use leverage (and any limitations)	Up to 175% leverage for fixed income securities Up to 150% leverage for equities

C: OPERATIONAL TERMS OF THE SP

Currency	USD
Close-ended/Open-ended	open-ended fund
Initial Offering Period	7 th Sep – 6 th Dec, 2021

Tenure of the SP	Lockup period: 1 year; subject to an extension of maximum 2 years, depends on the investment manager's discretion
Redemption	3 months' notice, Quarterly, subject to Redemption Threshold of 5% of NAV per quarter across all redemption requests
Maximum Capacity	USD \$100 million
Accounting Standard	IFRS
Reporting	Quarterly

D · FEES AND EXPENSES

Management Fee (% and frequency) During the Investment Period: 1.5% payable semi-annually in arrears at the end of each calendar month.

Distributions / Profit Allocation The Manager shall also be entitled to receive a Performance Fee of 20% of the appreciation in the net asset value of the Fund following the NAV of all assets (High Water Mark Applicable)

Subscription Fees (if any) Maximum 1.5%

SUMMARY

The Investment Manager is familiar with local and global finance market. We have years of experience in investing and trading in fixed income products (including credit bond, CDS and other credit product including loans & private placement), equity, interest rate and FX derivatives etc. Basing on the deep understanding of Asia, especially the China market, and the trading experiences in global markets, we will focus on Asia markets, especially the greater China market.

Trading & investment strategy will be driven by top-down analysis, with inputs of economy environment, macro policies, geographic politics, liquidity and funds flow, to identify mid-term to long-term trend. Deep analysis of single company from both financial and business perspectives will also play a key role to filter out the best candidates within different market theme to generate further alpha. Furthermore, short position together with variety of other hedging tools, including interest rate futures, stock index or single stock options and other derivatives will be used to protect the portfolio from downside and smooth the P/L swing as important part of the risk management, and also to identify the trading opportunities. The portfolio will use leverage via TRS, REPO or other methods with close monitor of liquidity and risk.

We will allocate our portfolio between different assets and also long-short positions depends on market conditions and sentiment. We expect the main position will be in fixed income market at this stage and we presume a steadily high rate of annual return could be generated.

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