

CMBI Fund Series
 CMBI Global Investment Grade Select Bond Fund
 December 2025

Issuer: CMB International Asset Management Limited

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document and must be read in conjunction with the Explanatory Memorandum of CMBI Fund Series.***
- ***You should not invest in this product based on this statement alone.***

Quick facts

Manager: CMB International Asset Management Limited

Trustee: CMB Wing Lung (Trustee) Limited

Ongoing charges over a year:

| | |
|--|--|
| | Class A (USD) Accumulation Units: estimated to be 1.34%# |
| | Class A (USD) Distribution Units: estimated to be 1.34%# |
| | Class A (HKD) Accumulation Units: estimated to be 1.34%# |
| | Class A (HKD) Distribution Units: estimated to be 1.34%# |
| | Class A (RMB) Accumulation Units: estimated to be 1.34%# |
| | Class A (RMB) Distribution Units: estimated to be 1.34%# |
| | Class I (USD) Accumulation Units: estimated to be 0.49%# |
| | Class I (USD) Distribution Units: estimated to be 0.49%# |
| | Class I (HKD) Accumulation Units: estimated to be 0.49%# |
| | Class I (HKD) Distribution Units: estimated to be 0.49%# |
| | Class I (RMB) Accumulation Units: estimated to be 0.49%# |
| | Class I (RMB) Distribution Units: estimated to be 0.49%# |
| | Class M (USD) Accumulation Units: estimated to be 0.14%# |
| | Class M (HKD) Accumulation Units: estimated to be 0.14%# |
| | Class M (RMB) Accumulation Units: estimated to be 0.14%# |

Dealing frequency: Daily (Hong Kong business days)

Base currency: US Dollars (USD)

Dividend policy:

(i) Distribution units:
 The Manager has discretion as to whether or not to make any distribution of dividends, the frequency of distribution and amount of dividends. It is currently intended that distributions will be made monthly for distribution classes.

Distributions may be paid out of capital, or out of gross income and all or part of the fees and expenses may be charged to capital at the Manager's discretion, resulting in an increase in distributable income for the payment of dividends and therefore, dividends may be paid effectively

out of capital. This may result in an immediate reduction of Net Asset Value (“NAV”) per unit.

(ii) Accumulation units:
No distribution to unitholders.

Financial year end of the Sub-Fund:

31 December

| Minimum investment: | Initial | Subsequent |
|----------------------------|---|---|
| Class A units | USD1,000 / HKD 10,000 RMB 10,000 | USD100 / HKD 1,000 RMB 1,000 |
| Class I units | USD1 million / HKD10 million RMB10 million | USD100,000 / HKD1 million RMB1 million |
| Class M units | USD1,000 / HKD 10,000 RMB 10,000 | USD100 / HKD 1,000 RMB 1,000 |

This figure is an estimate only as the Sub-Fund is newly launched. It represents the sum of the estimated ongoing expenses chargeable to the respective class of the Sub-Fund over a 12-month period expressed as a percentage of the estimated average NAV of the representative class of the Sub-Fund over the same period. The actual figure may be different upon actual operation of the Sub-Fund and the figure may vary from year to year.

What is this product?

CMBI Global Investment Grade Select Bond Fund (the “**Sub-Fund**”) is a sub-fund of the CMBI Fund Series (the “**Fund**”), which is a Hong Kong domiciled umbrella structure unit trust. It is governed by the laws of Hong Kong.

Objectives and Investment Strategy

Objective

The Sub-Fund’s objective is to achieve capital appreciation and interest income primarily in a portfolio of investment grade fixed income securities and debt instruments. The fixed income securities and debt instruments invested by the Sub-Fund may be denominated in any currency.

Strategy

The investment strategy of the Sub-Fund is to invest up to 100% of the NAV of the Sub-Fund in fixed income securities and debt instruments anywhere in the world. Fixed income securities and debt instruments include but are not limited to bonds and/or fixed and floating rate securities.

At least 70% of the Sub-Fund’s NAV will be invested in fixed income securities and debt instruments which is of investment grade. For the purposes of the Sub-Fund, “investment grade” means fixed income securities and debt instruments having a credit rating of Baa3 or BBB- or above by either Standard & Poor’s, Fitch, Moody’s or another internationally recognised credit rating agency or AA+ or above rated by China Chengxin International (CCXI), China Lianhe Credit Rating (Lianhe Ratings), Dagong Global Credit Rating or equivalent ratings by one of the local rating agencies recognised by the relevant authorities in Mainland China. In assessing the credit rating of the fixed income security and debt instrument to be invested, where the fixed income security and debt instrument is unrated, the Manager will first consider the credit rating of the issuer and then the guarantor if the issuer is also unrated.

While the Sub-Fund has no particular focus in terms of geographical region in the selection of such investments, the Sub-Fund’s investments may be concentrated for less than 50% of its NAV in any one region or country from time to time, such as the United States, Europe, Mainland China and other emerging markets.

The Sub-Fund’s aggregate exposure to Mainland China, including investments in offshore securities issued or guaranteed by issuers domiciled or carrying out the predominant part of their economic activities in Mainland China and onshore Mainland China securities may, on an occasional basis, be significant, but will be less than 50% of its NAV. The Sub-Fund may invest up to 20% of its NAV in onshore and/or offshore urban investment bonds (which are debt instruments issued by Mainland local government financing vehicles (“LGFVs¹”) of investment grade.

The Sub-Fund’s aggregate exposure to investments (direct or indirect) to onshore Mainland China securities will not exceed 20% of its NAV. The Sub-Fund will access onshore Mainland China securities via QFI, Bond Connect and/or CIBM.

¹ LGFVs are separate legal entities established by local governments and/or their affiliates to raise financing for public welfare investment or infrastructure projects

In addition to the investment strategy above, the Sub-Fund may also invest:

- no more than 30% of its NAV in instruments with loss-absorption features (“LAPs”) of investment grade, which may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger event(s), such as contingent convertible bonds (“CoCos”) with the features of bank capital of Additional Tier 1 Capital or Tier 2 Capital and senior non-preferred debts;
- up to 20% of its NAV in collateralised and/or securitised products such as asset backed securities, mortgage backed securities and asset backed commercial papers; and
- no more than 10% of its NAV in debt securities issued and/or guaranteed by a single sovereign issuer (including its government, public or local authority) which is below investment grade.

The Sub-Fund may also obtain indirect exposure to the fixed income securities and debt instruments via collective investment schemes. The Sub-Fund may invest in aggregate up to 30% of its NAV in collective investment schemes (including money market funds). The underlying schemes may be managed by the Manager or its connected persons. Investments in collective investment schemes will be in accordance with the requirements of the Code on Unit Trusts and Mutual Funds, as amended by the SFC from time to time. Where appropriate, the Sub-Fund may invest up to 10% of its NAV in collective investment schemes (including money market funds) which are non-recognised jurisdiction schemes and not authorised by the SFC.

Notwithstanding the disclosure above, generally, the Sub-Fund will not invest directly in equity securities, however, as the Sub-Fund may invest up to 10% of its NAV in convertible bonds which may be converted into equity securities in the future, as a result the Sub-Fund’s holdings in equity securities may be up to 10% of its NAV.

The Sub-Fund may be invested up to 30% of its NAV in cash and cash equivalents, but such investment may be increased up to 70% of its NAV on a temporary basis for liquidity management and/or defensive purpose under exceptional circumstances. Cash and cash equivalents include but are not limited to money market instruments, commercial papers, certificates of deposits, commercial bills which are issued by international issuers (such as financial institutions, corporations, government, quasi-government organizations, agencies, organizations or entities) of investment grade.

The Sub-Fund may conduct securities lending, sale and repurchase and/or reverse repurchase transactions (collectively, “**Securities Financing Transactions**”) in aggregate for up to 30% of its NAV.

Use of derivatives / Investment in derivatives

The Sub-Fund’s net derivative exposure may be up to 50% of the Sub-Fund’s NAV.

What are the key risks?

Investment involves risks. Please refer to the Explanatory Memorandum for details including the risk factors.

1. Investment risk

- The Sub-Fund’s investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.

2. Risks relating to fixed income and debt securities

- Credit / counterparty risk - The Sub-Fund is exposed to the credit/default risk of issuers/guarantors of the fixed income securities and debt instruments it invests in.
- Volatility and liquidity risk - The fixed income securities and debt instruments in the Greater China markets (in particular Mainland China and Taiwan) and other emerging markets may be subject to higher volatility and lower liquidity compared to more developed markets. The prices of securities traded in such markets may be subject to fluctuation. The bid and offer spreads of the price of such securities may be large and the Sub-Fund may incur significant trading costs.
- Interest rate risk – Investment in the Sub-Fund is subject to interest rate risk. Generally, the prices of fixed income securities and debt instruments rise when interest rates fall, whilst their prices fall when interest rates rise.
- 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 and/or guarantor at all times.

- Credit rating agency risk – The Mainland China’s credit appraisal system and rating methodologies may be different from those employed in other markets. Credit ratings given by Mainland China rating agencies may therefore not be directly comparable with those given by other international rating agencies.
 - Downgrading risk – The credit rating of a fixed income security and debt instrument or its issuer/guarantor may subsequently be downgraded. In such case, the Sub-Fund’s investment value may be adversely affected. The Manager may or may not be able to dispose of the fixed income securities and debt instruments that are being downgraded.
 - Valuation risk - Valuation of the Sub-Fund’s investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the NAV calculation of the Sub-Fund.
- 3. Emerging markets risk**
- The Sub-Fund invest in emerging markets (including Mainland China) which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility.
- 4. Concentration risk**
- The Sub-Fund investments may be concentrated in one or more regions (including Mainland China). The value of the Sub-Fund may be more volatile than that of a fund having a more diverse portfolio of investments.
 - The value of the Sub-Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the markets of the relevant regions.
- 5. Risks associated with investments in LAPs**
- The Sub-Fund may invest in LAPs which typically include terms and conditions specifying that the instrument is subject to greater risk of being written off, written down, or converted to ordinary shares on the occurrence of a trigger event (i.e. when the issuer, or the resolution entity if the issuer is not a resolution entity, is near or at the point of non-viability; or when the issuer’s capital ratio falls to a specified level) compared to traditional debt instruments. LAPs may include total loss-absorbing capacity eligible instruments, contingent convertible debt securities, senior non-preferred debt and instruments which qualify as Additional Tier 1 or Tier 2 capital instruments as defined in the Banking (Capital) Rules. The occurrence of trigger events are likely to be outside of the issuer’s control. Such trigger events are complex and difficult to predict and may result in a significant or total reduction in the value of such instruments.
 - In the event of the activation of a trigger, there may be potential price contagion and volatility to the entire asset class. LAPs may also be exposed to liquidity, valuation and sector concentration risk.
 - The Sub-Fund may invest in senior non-preferred debts. While these instruments are generally senior to subordinated debts, they may be subject to write-down upon the occurrence of a trigger event and will no longer fall under the creditor ranking hierarchy of the issuer. This may result in total loss of principal invested.
- 6. Currency and foreign exchange risks**
- Underlying investments of the Sub-Fund may be denominated in currencies other than its base currency. Also, a class of units may be designated in a currency other than the base currency of the Sub-Fund. The NAV of the Sub-Fund may be affected unfavourably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.
 - RMB is currently not freely convertible and is subject to exchange controls and restrictions which, under exceptional circumstances may cause a delay in payment of redemptions and/or dividend payments in RMB. Although offshore RMB (CNH) and onshore RMB (CNY) are the same currency, they trade at different rates. Any divergence between CNH and CNY may adversely impact investors.
- 7. Mainland China tax risks**
- There are risks and uncertainties associated with the current Mainland China tax laws, regulations and practice in respect of capital gains realised via QFI / Bond Connect / or CIBM or access products on the Sub-Fund’s investments in Mainland China. Any increased tax liabilities on the Sub-Fund may adversely affect the Sub-Fund’s value.
 - Based on professional and independent tax advice, the Sub-Fund will make the following provisions (i.e. 10% on realised and/or unrealised capital gains) on fixed income securities and debt instruments.
- 8. Risks associated with investment in FDIs and hedging**
- The Sub-Fund may invest in FDIs for hedging purposes and in adverse situations its use of FDIs may become ineffective and/or cause the Sub-Fund to suffer significant loss. Risks associated with FDIs include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of an FDI can result in a loss significantly greater than the amount invested in the FDI by the Sub-Fund. Exposure to FDI may lead to a high risk of significant loss by the Sub-Fund.

9. Risks associated with distributions out of / effectively out of the Sub-Fund's 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 NAV per unit.

How has the Sub-Fund performed?

Since the Sub-Fund is newly set up, there is insufficient data to provide a useful indication of past performance to investors.

Is there any guarantee?

The Sub-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 Sub-Fund.

| Fee | What you pay | |
|-------------------------------|---|---------|
| | Class A and Class I | Class M |
| Subscription fee [^] | Up to 1% of the total subscription amount | Nil |
| Redemption fee [^] | Nil | Nil |
| Switching fee [^] | Up to 1%* of the total switching amount converted | Nil |

* The switching fee will be deducted from the redemption proceeds and retained by the Manager. This is payable in addition to the applicable redemption fee (if any).

[^] Investors may be subject to pricing adjustments (including fiscal charges adjustment and swing pricing adjustment) when subscribing, redeeming or converting units of the Sub-Fund. For details, please refer to the "Adjustment of Prices" sub-section under the section headed "VALUATION AND SUSPENSION" in the Explanatory Memorandum.

Ongoing fees payable by the Sub-Fund

The following expenses are paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

| Fee | Annual rate (as a % of the Sub-Fund's NAV) | | |
|-----------------------------|--|-----------------|---------|
| | Class A | Class I | Class M |
| Management fee [^] | 1.2% per annum | 0.35% per annum | Nil |
| Performance fee | Nil | | |
| Trustee fee [^] | Up to 0.10% per annum of the Sub-Fund, subject to a minimum monthly fee of USD2,500 in respect of the aggregate of Trustee Fee and Custodian Fee of the Sub-Fund | | |
| Custodian Fee [^] | Up to 0.05% per annum of the Sub-Fund, subject to a minimum monthly fee of USD2,500 in respect of the aggregate of Trustee Fee and Custodian Fee of the Sub-Fund | | |

Other fees

You may have to pay other fees when dealing in the Units of the Sub-Fund.

[^] Please note that some fees may be increased up to a permitted maximum amount by providing one month's prior notice to Unitholders. Please refer to the section headed "FEES AND EXPENSES" in the Explanatory Memorandum for further details of the fees and charges payable and the permitted maximum of such fee allowed, as well as other ongoing expenses that may be borne by the Sub-Fund.

Additional information

- You generally buy and redeem Units at the Sub-Fund's next-determined NAV after the Trustee receives your request, directly or via a distributor, in good order on or before 4:00 p.m. (Hong Kong time), being the Sub-Fund's dealing cut-off time on each dealing day of the Sub-Fund. Before placing your subscription or redemption orders, please check with your distributor for the distributor's internal dealing cut-off time (which may be earlier than the Sub-Fund's dealing cut-off time).
- The NAV of the Sub-Fund is calculated and the price of Units published each business day on the website www.cmbi.com.hk (this website has not been reviewed by the SFC).
- You may obtain information on the distributor(s) in respect of the Sub-Fund by contacting the Manager at 3900 0888.
- You may obtain the past performance information of other classes (when available) offered to Hong Kong investors on the website www.cmbi.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.