

PRODUCT KEY FACTS

CMBI Fund Series
 CMBI AI Equity Fund
 March 2026

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) Distribution Units: estimated to be 2.37%# |
| | Class A (HKD) Distribution Units: estimated to be 2.37%# |
| | Class A (RMB) Distribution Units: estimated to be 2.37%# |
| | Class I (USD) Distribution Units: estimated to be 1.37%# |
| | Class I (HKD) Distribution Units: estimated to be 1.37%# |
| | Class I (RMB) Distribution Units: estimated to be 1.37%# |
| | Class M (USD) Distribution Units: estimated to be 0.37%# |
| | Class M (HKD) Distribution Units: estimated to be 0.37%# |
| | Class M (RMB) Distribution Units: estimated to be 0.37%# |

Dealing frequency: Daily (Hong Kong business days)

Base currency: HK Dollars (HKD)

Dividend policy: 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 annually (usually in December) for distribution classes.

Distributions may be paid out of capital which represents a return or withdrawal of part of the amount an investor originally invested or from any capital gains attributable to the original investment. This may result in an immediate reduction of Net Asset Value (“NAV”) per unit.

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 AI Equity 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 investment objective of the Sub-Fund is to provide capital growth by investing in companies which focus on developing, facilitating or utilising artificial intelligence solutions (the “**AI Business**”).

Strategy

In seeking to achieve the Sub-Fund’s investment objective, the Manager will invest at least 70% of its NAV in equity securities and equity-related securities (such as common shares, preferred stock as well as American depositary receipts (“**ADRs**”), global depositary receipts (“**GDRs**”), participate in initial public offerings (“**IPO**”) and participation notes) of companies in the AI Business which are constituents of the Bloomberg Hong Kong & US AI Tech Price Return Index¹ (the “**Index**”). The Sub-Fund may invest less than 30% of its NAV in equity securities and equity-related securities of companies related to the AI Business which are not constituents of the Index.

The Sub-Fund is actively managed and the Manager uses the Index as a reference benchmark for performance comparisons and for portfolio construction purposes. In constructing the portfolio of the Sub-Fund, the Manager may invest in companies which focus on or is related to the AI Business in Hong Kong and the United States and take into consideration the weightings of such companies in the Index. However, the Manager has full discretion to determine which constituents to invest in and is not constrained by the security weightings of the constituents of the Index. As such, the Sub-Fund’s performance may deviate from that of the Index. The following is a non-exhaustive list of categories of companies that may be involved in the AI Business in which the Sub-Fund will invest:

- (i) Companies that develop the building block components for artificial intelligence (“**AI**”), such as advanced machinery, algorithms, autonomous systems/self-driving vehicles, semiconductors and databases used for machine learning.
- (ii) Companies that design, create, integrate, or deliver AI in the form of products, software, or systems, such as developers of hardware and software products which facilitate the automation in the technology, industrial, medical and other economic sectors.

- (iii) Companies that provide their own value-added services within the AI ecosystem, but such services are not core to the companies' primary product or service offering, such as automobile makers which provide autonomous driving technology, and e-commerce businesses and social media platforms which use AI to improve their services.

In assessing whether a company is involved in the AI Business, the Manager takes into consideration qualitative and quantitative assessment criteria, including, among other things, the proportion of revenue/profit generated from the AI Business, the ratio of the research and development expense relating to the AI Business to revenue, and the business plans in the AI Business of the company. The Manager's assessment is based on the information in publications (such as financial reports, presentations and research reports) relating to the company. The Manager will conduct regular reviews on whether the companies in the existing portfolio holdings of the Sub-Fund are still involved in the AI Business, and perform portfolio adjustments as necessary.

The Manager will use a bottom-up research approach in stock selection, meaning that each stock will be selected by the Manager for inclusion in the Sub-Fund's portfolio based on its individual merits.

The Sub-Fund may invest at least 60% of its NAV in equity securities and equity-related securities listed on the Stock Exchange of Hong Kong ("SEHK").

Under exceptional circumstances (e.g. market crash or major crisis), the Sub Fund may be invested temporarily up to 100% of its NAV in liquid assets such as bank deposits, certificates of deposit, commercial paper, treasury bills and money market funds to preserve the value of the assets in the investment portfolio of the Sub-Fund.

The Sub-Fund may conduct securities lending transactions for up to 50% of the its NAV.

The Sub-Fund may use financial derivative instruments ("FDIs") (including but not limited to futures and swaps) for investment, efficient portfolio management and hedging purposes.

¹ The Index is designed to track the performance of leading technology companies listed in Hong Kong (the "HK Group"), and in the United States (the "US Group") that develop, facilitate, or utilize AI solutions. The Index assigns a 65% weight to the HK Group and 35% to the US Group.

In summary, the index constituents are selected as follows, the security must:

- (i) be part of the eligible equity universe in the Bloomberg Global Equity Index;
- (ii) have a minimum free float market capitalisation of US\$800 million, a minimum 90-day daily value traded of US\$1.6 million and listed on the SEHK, New York Stock Exchange, NYSE America, NYSE Arca, the Investors Exchange, NASDAQ CM, NASDAQ GS, NASDAQ GM and/or CBOE BZX indices; and
- (iii) be classified as belonging to the artificial intelligence theme universe.

All companies that satisfy the selection process described above are ranked in descending order by their free float market capitalisation. The constituents of the Index are comprised of (i) the top 20 companies selected from the pool of eligible companies that are listed on the SEHK and belong to the artificial intelligence theme universe and (ii) the top 30 companies selected from the pool of eligible companies that are listed on the relevant exchanges in the United States and belong to the artificial intelligence theme universe.

Index information are now available on Bloomberg website and can be accessed by the public via the following links:

Index information: <https://www.bloomberg.com/professional/products/indices/quote/BHUATP:IND>

Constituents: <https://assets.bbhub.io/professional/sites/27/Bloomberg-Hong-Kong-US-AI-Tech-Constituent-Report.pdf>

Methodology: <https://assets.bbhub.io/professional/sites/27/Bloomberg-Hong-Kong-US-AI-Tech-Index-Methodology.pdf>

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. Equity investment risk

- The Sub-Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors.

3. Sector concentration risk and risks associated with the AI Business

- Due to the concentration of the Sub-Fund's investments in companies involved in the AI Business, the performance of the Sub-Fund may be more volatile than that of a fund having a more diverse portfolio of investments.
- The Sub-Fund invests primarily in the equity securities and equity-related securities of companies involved in the AI Business and, as such, is particularly sensitive to risks associated with those types of companies. These risks include, but are not limited to, small or limited markets for such securities, changes in business cycles, world economic growth, technological progress, rapid obsolescence, and government regulation.
 - (i) Stock prices of AI companies, especially companies which have a relatively small market capitalisation and limited operating history, tend to be more volatile than securities of companies that do not rely heavily on technology.
 - (ii) Rapid change to technologies that affect a company's products could have a material adverse effect on such company's operating results.
 - (iii) Companies involved in the AI Business may rely on a combination of patents, copyrights, trademarks and trade secret laws to establish and protect their proprietary rights in their products and technologies. There can be no assurance that the steps taken by these companies to protect their proprietary rights will be adequate to prevent the misappropriation of their technology or that competitors will not independently develop technologies that are substantially equivalent or superior to such companies' technology.
 - (iv) Increasing global regulatory scrutiny in relation to the collection, storage and usage of data may also impede the development of new AI products, hamper the commercial rollout of such products and affect the market demand.
- Companies in the AI sector also typically rely on heavy and significant spending on research and development, and there is no guarantee that the products produced by these companies will materialise into commercially successful products. Furthermore, as the AI sector may be deemed sensitive to national interests, the sector may be subject to government intervention, sanctions and trade protectionism. The success of companies in the AI sector is typically dependent on the companies' ability to maintain relationships with their technology partners. If a company's relationship with a technology partner were impaired or terminated, the company may not be able to enter into a new technology alliance on a timely basis or on commercially favourable terms, which could result in significant additional cost or disruptions to its businesses.

4. Concentration risk

The Sub-Fund's investments are concentrated in Hong Kong and the United States. 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 Hong Kong and United States market.

5. Risk associated with securities lending transactions

- The Sub-Fund may enter into securities lending transactions which may be subject to legal risk, operational risks, liquidity risks of the counterparty and custody risk of the collateral. In particular, securities lending transactions may involve the risk that the borrower may fail to return the securities lent out in a timely manner and the value of the collateral may fall below the value of the securities lent out.

6. Risks associated with ADRs and GDRs

- Exposure to ADRs and GDRs may generate additional risks compared to a direct exposure to the underlying securities, including the risk of non-segregation of the underlying stocks held by the depositary bank from the bank's own assets and liquidity risks (as ADRs and GDRs are often less liquid than the underlying stocks). Bankruptcy events in respect of the depositary banks may lead to trading suspension and thereafter a freeze of the price of ADRs or GDRs affected, which may negatively affect the performance and/or liquidity of the Sub-Fund.
- Holders of ADRs and GDRs generally do not have the same right as the direct shareholders of the underlying stocks. The performance of ADRs and GDRs may also be impacted by the related fees, for example fees charged by banks for the custody of underlying assets of depositary receipts.

7. 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.

8. 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.

9. Risks associated with investment in FDIs for investment, efficient portfolio management and hedging purposes

- The Sub-Fund may invest in FDIs for investment, efficient portfolio management and 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.

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, Class I and Class M |
| Subscription fee [^] | Up to 3% of the total subscription amount |
| Redemption fee [^] | Nil |
| Switching fee [^] | Up to 1%* of the total switching amount converted |

* 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 [^] | 2% per annum | 1% 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 HKD20,000 in respect of the aggregate of Trustee Fee and Custodian Fee of the Sub-Fund and waiver for the first 6 months | | |
| Custodian Fee [^] | Up to 0.05% per annum of the Sub-Fund, subject to a minimum monthly fee of HKD20,000 in respect of the aggregate of Trustee Fee and Custodian Fee of the Sub-Fund and waiver for the first 6 months | | |

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 the relevant Subscription 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.