

# PRODUCT KEY FACTS

CMB International Open-ended Fund Company  
 CMBI Investment Grade Bond Fund  
 August 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 Prospectus of CMB International Open-ended Fund Company.***
- ***You should not invest in this product based on this statement alone.***

## Quick facts

**Manager:** CMB International Asset Management Limited

**Custodian:** CMB Wing Lung (Trustee) Limited

**Ongoing charges over a year:**

Class A (USD) Accumulation Shares:	estimated to be 1.14%#
Class A (USD) Distribution Shares:	estimated to be 1.14%#
Class A (HKD) Accumulation Shares:	estimated to be 1.14%#
Class A (HKD) Distribution Shares:	estimated to be 1.14%#
Class A (RMB) Accumulation Shares:	estimated to be 1.14%#
Class A (RMB) Distribution Shares:	estimated to be 1.14%#
Class I (USD) Accumulation Shares:	estimated to be 0.39%#
Class I (USD) Distribution Shares:	estimated to be 0.39%#
Class I (HKD) Accumulation Shares:	estimated to be 0.39%#
Class I (HKD) Distribution Shares:	estimated to be 0.39%#
Class I (RMB) Accumulation Shares:	estimated to be 0.39%#
Class I (RMB) Distribution Shares:	estimated to be 0.39%#
Class M (USD) Accumulation Shares:	estimated to be 0.14%#
Class M (USD) Distribution Shares:	estimated to be 0.14%#
Class M (HKD) Accumulation Shares:	estimated to be 0.14%#
Class M (HKD) Distribution Shares:	estimated to be 0.14%#
Class M (RMB) Accumulation Shares:	estimated to be 0.14%#

**Dealing frequency:** Daily (Hong Kong business days)

**Base currency:** US Dollars (USD)

**Dividend policy:** (i) Distribution shares:  
 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 share.

(ii) Accumulation shares:  
No distribution to shareholders.

**Financial year end of the Sub-Fund:**

31 December

**Minimum initial investment:**

Class A (USD) Accumulation Shares: USD 1,000  
 Class A (USD) Distribution Shares: USD 1,000  
 Class A (HKD) Accumulation Shares: HKD 10,000  
 Class A (HKD) Distribution Shares: HKD 10,000  
 Class A (RMB) Accumulation Shares: RMB 10,000  
 Class A (RMB) Distribution Shares: RMB 10,000  
 Class I (USD) Accumulation Shares: USD 100,000  
 Class I (USD) Distribution Shares: USD 100,000  
 Class I (HKD) Accumulation Shares: HKD 1,000,000  
 Class I (HKD) Distribution Shares: HKD 1,000,000  
 Class I (RMB) Accumulation Shares: RMB 1,000,000  
 Class I (RMB) Distribution Shares: RMB 1,000,000  
 Class M (USD) Accumulation Shares: USD 1,000  
 Class M (USD) Distribution Shares: USD 1,000  
 Class M (HKD) Accumulation Shares: HKD 10,000  
 Class M (HKD) Distribution Shares: HKD 10,000  
 Class M (RMB) Accumulation Shares: RMB 10,000

**Minimum subsequent investment**

Class A (USD) Accumulation Shares: USD 100  
 Class A (USD) Distribution Shares: USD 100  
 Class A (HKD) Accumulation Shares: HKD 1,000  
 Class A (HKD) Distribution Shares: HKD 1,000  
 Class A (RMB) Accumulation Shares: RMB 1,000  
 Class A (RMB) Distribution Shares: RMB 1,000  
 Class I (USD) Accumulation Shares: USD 10,000  
 Class I (USD) Distribution Shares: USD 10,000  
 Class I (HKD) Accumulation Shares: HKD 100,000  
 Class I (HKD) Distribution Shares: HKD 100,000  
 Class I (RMB) Accumulation Shares: RMB 100,000  
 Class I (RMB) Distribution Shares: RMB 100,000  
 Class M (USD) Accumulation Shares: USD 100  
 Class M (USD) Distribution Shares: USD 100  
 Class M (HKD) Accumulation Shares: HKD 1,000  
 Class M (HKD) Distribution Shares: HKD 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 Investment Grade Bond Fund (the “**Sub-Fund**”) is a sub-fund of the CMB International Open-ended Fund Company (“**Company**”), which is a public umbrella open-ended fund company (“**OFC**”) established under Hong Kong law with variable capital with limited liability and segregated liability between sub-funds.

## 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 instruments. The fixed income 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 and debt instruments anywhere in the world. Fixed income 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 (i) fixed income and debt instruments which is of investment grade (i.e. 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) and/or (ii) fixed income and debt instruments with issuers or guarantors of investment grade (if the instrument does not have a credit rating). For fixed income and debt instruments issued or guaranteed by issuers domiciled or carrying out the predominant part of their economic activities in the PRC invested by the Sub-Fund (or, in respect of an instrument which does not have a credit rating, its issuer or guarantor), investment grade refers to a credit rating of 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.

While the Sub-Fund has no particular focus in terms of geographical region in the selection of such investments, the Manager may invest significantly in any one region or country, such as the PRC, the United States and Europe from time to time, which may include emerging markets.

The Sub-Fund’s aggregate exposure to the PRC, including investments in offshore securities issued or guaranteed by issuers domiciled or carrying out the predominant part of their economic activities in the PRC and onshore Mainland China securities (as further detailed below) may, on an occasional basis, be significant, but will be less than 60% of its NAV.

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.

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

- up to 20% 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;
- less than 20% of its NAV in urban investment bonds (urban investment bonds are debt instruments issued by local government financing vehicles (“**LGFVs**”). These LGFVs are separate legal entities established by local governments and/or their affiliates to raise financing for public welfare investment or infrastructure projects) which are of investment grade; and
- no more than 10% 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 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 Prospectus 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. Fixed income securities investment risk (including money market instruments)

- Credit / counterparty risk - The Sub-Fund is exposed to the credit/default risk of issuers of the fixed income securities it invests in.
- Volatility and liquidity risk - The fixed income securities 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 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 at all times.
- Credit rating agency risk - The credit appraisal system in Mainland China and the rating methodologies employed in Mainland China 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 instrument or its issuer 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 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. Risks associated with investments made through QFI regime / Bond Connect / CIBM

- The relevant rules and regulations (including restrictions on investments, repatriation of principal and profits, taxation) in the PRC are subject to change which may have potential retrospective effect. Where a suspension or intervention in the trading through the programme is effective, the Sub-Fund's ability to achieve its investment objective could be negatively affected.
  - The Sub-Fund may suffer substantial losses if the Sub-Fund ceases to be eligible for the relevant programme as the Sub-Fund may be prohibited from trading of relevant securities and repatriation of the Sub-Fund's monies, or if any of the key operators (including the relevant custodian/brokers) is bankrupt/in default and/or is disqualified from performing its obligations.
  - Where the programme is subject to quota limitations, the Sub-Fund may not be able to make its intended investments if there is a change in quota or if the quota is fully utilised.
- 4. Emerging market risk**
- The Sub-Fund invest in emerging markets (including the PRC) 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.
- 5. Risks relating to urban investment bonds**
- Urban investment bonds are issued by local government financing vehicles ("LGFVs"), such bonds are typically not guaranteed by local governments or the central government of China. In the event that the LGFVs default on payment of principal or interest of the urban investment bonds, the Fund could suffer substantial loss and the NAV of the Fund could be adversely affected.
- 6. Concentration risk**
- The Sub-Fund investments may be concentrated in one or more regions. 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.
- 7. Mainland China tax risk**
- There are risks and uncertainties associated with the current PRC tax laws, regulations and practice in respect of capital gains realised via QFI / Bond Connect / CIBM or access products on the Sub-Fund's investments in the PRC. Any increased tax liabilities on the fund may adversely affect the Sub-Fund's value.
  - Based on professional and independent tax advice, the Sub-Fund will make the following tax provisions (i.e. 10% on realised and/or unrealised capital gains) on fixed income and debt instruments.
- 8. 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 shares 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.
- 9. 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.
- 10. 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 share.

## 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 Shares of the Sub-Fund.

Fee	What you pay	
	Class A and Class I	Class M
<b>Subscription fee<sup>^</sup></b>	Up to 1% of the total subscription amount	Nil
<b>Switching fee<sup>^</sup></b>	Up to 1%* of the total redemption amount converted	Nil
<b>Redemption fee<sup>^</sup></b>	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).

<sup>^</sup> Investors may be subject to pricing adjustments (including fiscal charges adjustment and swing pricing adjustment) when subscribing, redeeming or converting shares of the Sub-Fund. For details, please refer to the "Adjustment of prices" sub-section under the section headed "VALUATION AND SUSPENSION" in the Prospectus.

### 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
<b>Management fee<sup>^</sup></b>	1% per annum	0.25% per annum	Nil
<b>Performance fee</b>	Nil		
<b>Custodian fee<sup>^</sup></b>	Up to 0.01% per annum of the Sub-Fund, subject to a minimum monthly fee of USD2,500 in respect of the aggregate of Custodian Fee and Administrator Fee of the Sub-Fund		
<b>Administrator Fee<sup>^</sup></b>	Up to 0.04% per annum of the Sub-Fund, subject to a minimum monthly fee of USD2,500 in respect of the aggregate of Custodian Fee and Administrator Fee of the Sub-Fund		

### Other fees

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

<sup>^</sup> Please note that some fees may be increased up to a permitted maximum amount by providing one month's prior notice to Shareholders. Please refer to the section headed "Fees and Expenses" in the Prospectus 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 Shares at the Sub-Fund's next-determined NAV after the Custodian 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 Shares published each business day on the website [www.cmbi.com.hk](http://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](http://www.cmbi.com.hk) (this website has not been reviewed by the SFC).
- SFC registration and authorization do not represent a recommendation or endorsement of an OFC nor do they guarantee the commercial merits of an OFC or its performance. They do not mean the OFC is suitable for all investors nor do they represent an endorsement of its suitability for any particular investor or class of investors.

## **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.