

PRODUCT KEY FACTS

DCI Investment Trust

Da Cheng Global Select Bond Fund

April 2026

Issuer: Da Cheng International Asset Management Company Limited

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the Sub-Fund's Explanatory Memorandum.***
- ***You should not invest in this product based on this statement alone.***

Quick facts

Manager:	Da Cheng International Asset Management Company Limited
Trustee and Registrar:	BOCI-Prudential Trustee Limited
Investment adviser (no discretionary investment management function):	Southlake Fund Management (Hong Kong) Limited
Custodian:	Bank of China (Hong Kong) Limited
Ongoing charges over a year:	Class A USD Units: 1.60% [^] Class A HKD Units: estimated to be 1.58% [#] Class A HKD (Hedged) Units: estimated to be 1.58% [#] Class A RMB Units: 1.58% [^] Class A RMB (Hedged) Units: 1.61% [^] Class A EUR Units: estimated to be 1.58% [#] Class A EUR (Hedged) Units: estimated to be 1.58% [#] Class A AUD Units: estimated to be 1.58% [#] Class A AUD (Hedged) Units: estimated to be 1.58% [#] Class A NZD Units: estimated to be 1.58% [#] Class A NZD (Hedged) Units: estimated to be 1.58% [#] Class I USD Units: estimated to be 1.28% [#] Class I HKD Units: estimated to be 1.28% [#] Class I HKD (Hedged) Units: estimated to be 1.28% [#] Class I RMB Units: estimated to be 1.28% [#] Class I RMB (Hedged) Units: estimated to be 1.28% [#] Class I EUR Units: estimated to be 1.28% [#]

[#] This is only an estimate as the Sub-Fund is newly launched. The actual figure may be different upon the actual operation of relevant class of the Sub-Fund and may vary from year to year. The ongoing charges figure represents the estimated ongoing expenses chargeable to the relevant class over a 12-month period expressed as a percentage of the estimated average Net Asset Value ("NAV") of the relevant class over the same period.

[^] The ongoing charges figure is an annualised figure based on expenses from the launch of the relevant class of the Sub-Fund to 31 December 2025. It represents the sum of the ongoing expenses chargeable to the relevant class for the period expressed as a percentage of the average Net Asset Value of the relevant class over the same period, annualised to give an ongoing charges figure over a year. This figure may vary from year to year.

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Class I EUR (Hedged) Units: estimated to be 1.28%#
Class I AUD Units: estimated to be 1.28%#
Class I AUD (Hedged) Units: estimated to be 1.28%#
Class I NZD Units: estimated to be 1.28%#
Class I NZD (Hedged) Units: estimated to be 1.28%#
Class M USD Units: 0.57%^
Class M HKD Units: 0.57%^
Class M HKD (Hedged) Units: estimated to be 0.58%#
Class M RMB Units: 0.57%^
Class M RMB (Hedged) Units: estimated to be 0.58%#

Dealing frequency: Daily

Base currency: USD

Dividend policy: For all Class A Units, Class I Units and Class M Units, the Manager has discretion as to whether or not the Sub-Fund will make any distribution of dividends, the frequency of distribution and amount of dividends. It is currently intended that distributions will be made on a monthly basis for each Classes of Unit.*

Dividends may be paid out of capital or effectively out of capital of the relevant Class and may result in an immediate reduction of the Net Asset Value per Unit of the Sub-Fund.

Financial year end of this fund: 31 December

Minimum initial investment / Minimum holding / Minimum subsequent investment / Minimum redemption amount:

Class A Units:
USD 100 / HKD 1,000 / RMB 1,000 / EUR 100 / AUD 100 / NZD 100
Class I Units:
USD 1,000 / HKD 10,000 / RMB 10,000 / EUR 1,000 / AUD 1,000 / NZD 1,000
Class M Units:
USD 1,000 / HKD 10,000 / RMB 10,000

What is this product?

The Da Cheng Global Select Bond Fund (the “**Sub-Fund**”) is a sub-fund of DCI Investment Trust which is a trust established as an umbrella fund under the laws of Hong Kong.

Objectives and Investment Strategy

Objective

The investment objective of the Sub-Fund is to achieve capital appreciation over the medium to long term by investing globally in a portfolio of fixed income. There can be no assurance that the Sub-Fund will achieve its investment objective.

Strategy

Principal investments

* Any distributions will be reinvested automatically in the subscription of further units of the corresponding class of units of the Sub-Fund unless unitholders request cash dividend on subscription. Please refer to the section “DISTRIBUTION POLICY” in the Explanatory Memorandum of the Sub-Fund. The Manager has the sole and absolute discretion to amend the distribution policy, subject to the SFC’s prior approval (if applicable) and one month’s prior notice to the relevant unitholders.

Da Cheng Global Select Bond Fund

The Sub-Fund seeks to achieve its investment objective by investing primarily (i.e. not less than 70% and up to 100% of its Net Asset Value (“NAV”)) in a portfolio of debt securities including but not limited to Dim Sum bonds (i.e., offshore RMB denominated bonds), corporate bonds, government bonds, fixed and floating rate bonds and zero coupon bonds issued and/or guaranteed by issuers such as corporations, financial institutions and banks, which may include investment grade, non-investment grade and/or unrated debt securities. The Sub-Fund may invest in debt securities denominated in any currencies. The Sub-Fund may also invest in commercial papers, certificates of deposits commercial bills, short-term deposits and fixed income instruments.

The aggregate investment in below investment grade debt securities and/or unrated debt securities will be up to 85% of the Sub-Fund's NAV. “Investment grade” refers to:

- a rating of BBB- or higher by Standard & Poor's and Fitch Ratings or Baa3 or higher by Moody's or equivalent rating as rated by an international credit rating agency, and for Mainland Chinese debt securities, a rating of AA+ or above by China Chengxin International Credit Rating Co., Ltd, China Lianhe Credit Rating Co., Ltd (“reputable Mainland China rating agencies”); and
- if the relevant debt security does not itself have a credit rating, then reference can be made to the credit rating of the issuer or the guarantor of such debt security and issuers or guarantors in Mainland China shall at least have a credit rating of AA+ or above rated by reputable Mainland China rating agencies or equivalent ratings by one of the local rating agencies recognized by the relevant authorities in Mainland China.

For the purpose of the Sub-Fund, “unrated debt securities” is defined as a bond which neither the bond itself, its issuer nor its guarantor has a credit rating. In the case of split rating (i.e. different ratings are given by two or more rating agencies), the highest rating will be considered.

When assessing the credit quality of the debt securities, the Manager will carry out systematic due diligence to collect the financial data, non-financial information, debt terms, and macro-industry environment of the relevant debt security, followed by evaluation of its solvency and default probability based on financial indicators such as current ratio and debt-to-asset ratio, and risk assessment through qualitative factors including management strategy, corporate governance, and guarantee measures.

The Sub-Fund may invest in RMB denominated debt securities issued within Mainland China (i.e. Mainland Chinese debt securities) via the QFI regime, the Foreign Access Regime and the Bond Connect. Investments in Mainland Chinese debt securities may include urban investment bonds, which are debt instrument issued by local government financial vehicles (“LGFVs”) in the Mainland China exchange-traded bond markets and the interbank bond market. These LGFVs are separate legal entities established by local governments and / or their affiliates to raise financing for public welfare investment or infrastructure projects. The Sub-Fund may invest in aggregate less than 30% of its NAV in any Mainland Chinese debt securities.

There is no specific geographical allocation of the country or region of issue of the debt securities or deposits. Countries or regions in which the Sub-Fund may invest in include (but are not limited to) Hong Kong, Mainland China, Japan, Korea, Australia, Canada, the European Union and the United States. Other than the limit in the Sub-Fund's investments in Mainland Chinese debt securities as set out above, there is no limit in the Sub-Fund's investments in emerging markets debt securities. The Sub-Fund has no current intention to invest more than 10% of its NAV in debt securities issued and/or guaranteed by a single sovereign issuer which is below investment grade or unrated.

The Sub-Fund will invest in a broadly diversified portfolio of debt securities with no fixed duration, term structure or industry sector weightings in the allocation of assets in developed and emerging markets.

Selection of investments will be determined by the availability of attractive investment opportunities taking into account factors including the macroeconomic cycles, instrument characteristics, issuer fundamentals, and market liquidity.

Ancillary investments

The Sub-Fund may in aggregate invest up to 30% of its NAV in (a) convertible bonds; (b) collateralised and/or securitised securities (including asset backed commercial papers and mortgage backed securities) and structured deposits and structured products such as security-linked investments, index-linked investments and structured notes; and (c) debt instruments with loss-absorption features (“**LAP**”) e.g. contingent convertible debt securities (“**CoCos**”), senior non-preferred debts and perpetual bonds; these instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger event(s); the Sub-Fund may invest in Cocos or perpetual bonds with the perpetual call within 5 years.

The Sub-Fund may also hold less than 30% of its NAV in cash or cash equivalents and money market instruments. Such money market instruments may include money market funds managed by the Manager. Where the Sub-Fund invests in any collective investment schemes managed by the Manager or any of its Connected Persons, all initial charges and redemption charges on such collective investment scheme(s) must be waived. The Sub-Fund may temporarily hold 100% of its assets in cash or cash equivalents in adverse market conditions for the purposes of managing downside risk or liquidity, should the Manager deem such strategy necessary under exceptional circumstances such as a significant market downturn or market crisis.

Financial derivative instruments and other investments

The Sub-Fund may invest exchange rate and interest rate related products for hedging purposes such as swaps, FX futures and forwards. The Sub-Fund will invest in financial derivative instruments for both hedging and efficient portfolio management purposes to the extent permitted by the Code.

The Sub-Fund may also enter into sale and repurchase transactions and/or reverse repurchase transactions for up to 50% of the Sub-Fund’s NAV.

Cash obtained in sale and repurchase transactions will be used for meeting redemption requests or defraying operating expenses. There is no current intention for the Sub-Fund to enter into any securities lending transactions. For the avoidance of doubt, the Sub-Fund’s borrowing may be up to 10% of its NAV.

Use of derivatives

The Sub-Fund’s net derivative exposure may be up to 50% of its Net Asset Value.

What are the key risks?

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

1. Investment risks

- 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. Risk of below investment grade debt securities and unrated debt securities

- The Sub-Fund may invest up to 85% of its NAV in below investment grade debt securities and/or unrated debt securities. Below investment grade debt securities and unrated debt securities would generally be considered to have a higher degree of general market risk, risk of loss of principal and

interest, counterparty risk, credit risk, volatility risk and liquidity risk than higher rated, lower yielding debt securities. Adverse events or market conditions may have a larger impact on the prices of below investment grade debt securities and unrated debt securities. There is a risk that investments made by the Sub-Fund may become less liquid in response to market developments or adverse investor perceptions. Issuers of such below investment grade debt securities or unrated debt securities may fail to make timely interest and principal payments during adverse events or market conditions due to their financial positions. Economic downturns, rising interest rates, or sector-specific disruptions can further impair issuers' ability to meet obligations, potentially leading to defaults and adversely affecting the Sub-Fund's performance. The prices of such debt securities may be subject to fluctuations. The bid and offer spreads of the price of such debt securities may be large and the Sub-Fund may incur significant trading costs.

3. Risks associated with debt securities

- *Credit/counterparty risk:* The Sub-Fund is exposed to the credit/default risk of issuers of the debt securities that it may invest in.
- *Interest rate risk:* Investment in the Sub-Fund is subject to interest rate risk. In general, the prices of debt securities rise when interest rates fall, whilst their prices fall when interest rates rise.
- *Volatility and liquidity risk:* The debt securities in certain regions (such as the Mainland China) may be subject to higher volatility and lower liquidity compared to more developed markets. The prices of debt securities traded in such markets may be subject to fluctuations. The bid and offer spreads of the price of such debt securities may be large and the Sub-Fund may incur significant trading costs.
- *Sovereign/government debt risk:* The Sub-Fund's investment in debt instruments issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Sub-Fund to participate in restructuring such debts. The Sub-Fund may suffer significant losses when there is a default of sovereign/government debt issuers.
- *Credit rating risk and downgrading 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. The credit rating of a debt instrument or its issuer may subsequently be downgraded. In the event of such downgrading, the value of the Sub-Fund may be adversely affected. The Manager may or may not be able to dispose of the debt instruments that are being downgraded.
- *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 Chinese rating agencies may therefore not be directly comparable with those given by other international rating agencies.
- *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.

4. Currency risk

- Underlying investments of the Sub-Fund may be denominated in currencies other than the base currency of the Sub-Fund. 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.

5. Emerging markets risk

- Investments in emerging markets may involve increased risks and special considerations not typically associated with investments in more developed countries/regions. Debt securities in emerging markets may also be subject to higher volatility and lower liquidity compared to debt securities in more developed markets. This is due to, among other things, greater market volatility, lower liquidity and trading volume, political and economic uncertainties, settlement risk (including risks arising from settlement procedures), currency risks/control, legal and taxation risks, custody

risks, greater risk of market shut down and more governmental limitations on foreign investment than those typically found in developed markets.

6. Risks of investing convertible bonds

- Convertible bonds are a hybrid between debt and equity, permitting holders to convert into shares in the company issuing the bond at a specified future date. As such, convertibles will be exposed to equity movement and greater volatility than straight bond investments. Investments in convertible bonds are subject to the same interest rate risk, credit risk, liquidity risk and prepayment risk associated with comparable straight bond investments.

7. Risks associated with investments in LAPs

- Debt instruments with loss-absorption features are subject to greater risks when compared to traditional debt instruments as such instruments are typically subject to the risk of being written down or converted to ordinary shares upon the occurrence of certain pre-defined trigger events (e.g. when the issuer is near or at the point of non-viability or when the issuer's capital ratio falls to a specified level), which 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 caused by debt instruments with loss-absorption features to the entire asset class. Debt instruments with loss-absorption features may also be exposed to liquidity, valuation and sector concentration risk.
- The Sub-Fund may invest in Cocos which are highly complex and are of high risk. Upon the occurrence of the trigger event, CoCos may be converted into shares of the issuer (potentially at a discounted price), or may be subject to the permanent write-down to zero. Coupon payments on CoCos are discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time.
- 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.

8. Risks associated with collateralised and/or securitised products

- The Sub-Fund invests in the collateralised and/or securitised products e.g. asset backed securities and structured deposits and structured products which may be highly illiquid and prone to substantial price volatility. These instruments may be subject to greater credit, liquidity and interest rate risk compared to other debt securities. They are often exposed to extension and prepayment risks and risks that the payment obligations relating to the underlying assets are not met, which may adversely impact the returns of the securities.

9. PRC related risks

- The Sub-Fund may be subject to the general risks relating to the PRC due to, among other factors, risks associated with foreign exchange, uncertainty concerning PRC laws and regulations and government policies. The PRC markets involve certain risks and special considerations not typically associated with investment in more developed economies or markets, such as greater political, tax, economic, foreign exchange, liquidity, legal and regulatory risk.
- There are risks and uncertainties associated with the current PRC tax laws, regulations and practice in respect of capital gains realised on investments in the PRC (which may have retrospective effect). There can be no assurance that the current tax laws and regulations will not be revised or amended in the future.
- The "Dim Sum" bond market is still a relatively small market which is more susceptible to volatility and illiquidity. The operation of the "Dim Sum" bond market as well as new issuances could be disrupted causing a fall in the NAV of the Sub-Fund should there be any promulgation of new rules which limit or restrict the ability of issuers to raise RMB by way of bond issuances and/or reversal or suspension of the liberalisation of the offshore RMB (CNH) market by the relevant regulator(s).

10. Risks relating to repurchase and reverse repurchase transactions

- *Repurchase transactions:* In the event of the failure of the counterparty with which collateral has been placed, the Sub-Fund may suffer loss as there may be delays in recovering collateral placed out or the cash originally received may be less than the collateral placed with the counterparty due to inaccurate pricing of the collateral or market movements.
- *Reverse repurchase transactions:* In the event of the failure of the counterparty with which cash has been placed, the fund may suffer loss as there may be delay in recovering cash placed out or difficulty in realising collateral or proceeds from the sale of the collateral may be less than the cash placed with the counterparty due to inaccurate pricing of the collateral or market movements.

11. Hedging / derivative risk

- The Sub-Fund may invest in derivatives for hedging purposes to the extent permitted by the Code and in adverse situations its use of financial derivative instruments may become ineffective and/or cause the Sub-Fund to suffer significant loss.
- Risks associated with the use of financial derivative instruments include volatility risk, credit risk, liquidity risk, management risk, valuation risk, counterparty risk and over-the-counter transaction risk. The leverage element/component of a financial derivative instrument can result in a loss significantly greater than the amount invested in the financial derivative instrument by the Sub-Fund. Exposure to financial derivative instruments may lead to a high risk of significant loss by the Sub-Fund.

12. RMB currency risk and RMB denominated classes risk

- RMB is currently not freely convertible and is subject to exchange controls and restrictions and investors may be adversely affected by movements of the exchange rates between Renminbi and other currencies.
- Currency conversion is also subject to the Sub-Fund's ability to convert the proceeds into RMB (due to exchange controls and restrictions applicable to RMB) which may also affect the Sub-Fund's ability to meet redemption requests from Unitholders in RMB denominated classes of units or to make distributions, and may delay the payment of redemption proceeds or dividends under exceptional circumstances.
- Non-RMB based investors who invest in RMB denominated classes are exposed to foreign exchange risk and there is no guarantee that the value of RMB against the investors' base currency will not depreciate. Any depreciation of RMB could adversely affect the value of investors' investment in the RMB denominated classes of units.
- 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.

13. Hedged class risk

- Investors in hedged classes bear the associated costs and may also be exposed to the risks associated with the instruments used in the hedging process. There is no guarantee that the desired hedging instruments will be available or that the hedging techniques employed by the Manager will be effective in achieving their desired result. Hedging can also limit potential gains of a hedged class of Units. Whilst hedging may protect investors against a decrease in the value of the base currency relative to the relevant class currency, it may also preclude investors from benefitting from any increase in value of the base currency. Investors should also be aware that the volatility of a hedged class may be higher than that of the equivalent class denominated in the Sub-Fund's base currency.

14. Distributions out of/effectively out of capital risk

- Payments of dividends out of capital or effectively out of capital amounts to a return or withdrawal of part of the amount investors originally invested or from any capital gains attributable to that original investment. Any distributions involving payment of distributions out of or effectively out of the Sub-Fund's capital may result in an immediate decrease in the NAV per Unit.
- In addition, the distribution amount and the NAV of the hedged classes may be adversely affected

by the differences in the interest rates of the reference currency of the hedged unit classes and the Sub-Fund's base currency, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-hedged classes.

How has the fund performed?

As 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.

<u>Fee</u>	<u>What you pay</u>
Preliminary charge	Class A Units: Up to 3% of the subscription price Class I Units: Nil* Class M Units: Nil*
Redemption charge	Nil*
Switching fee	Up to 2% of the redemption price for each unit switched

Ongoing fees payable by the Sub-Fund

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

	<u>Annual rate (as a % of the Sub-Fund's Net Asset Value)</u>
Management fee	Class A Units: 1.00%* Class I Units: 0.70%* Class M Units: Nil
Performance fee	N/A
Trustee fee	Up to 0.11% per annum of the Net Asset Value, subject to a monthly minimum of USD5,000*
Custody fee	Up to 0.10%

Other fees

You may have to pay other fees when dealing in the units of the Sub-Fund. Please refer to the Explanatory Memorandum for details.

* You should note that some fees may be increased, up to a specified permitted maximum, by giving affected unitholders at least one month's prior notice. For details please refer to the section headed "Fees and Expenses" in the Explanatory Memorandum.

Additional information

- You generally buy and redeem units at the Sub-Fund's Net Asset Value which is determined on the dealing day following the dealing day on which your request is received in good order at or before

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4:00 pm (Hong Kong time), being the Sub-Fund's dealing cut-off time. Before placing your subscription orders or redemption request, 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 Net Asset Value of this Sub-Fund is calculated and the price of units will be available each dealing day on the website of the Manager <http://www.dcfund.com.hk> (this website has not been reviewed by the SFC).
- The compositions of the dividends (if any) (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months will be available from the Manager on request and on the Manager's website <http://www.dcfund.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.