

**CMS Funds
(the “Fund”)**

**CMS Hong Kong Multi Income Fund
CMS Money Market Fund
CMS USD Money Market Fund
(the “Sub-Funds”)**

Ninth Addendum

This Ninth Addendum should be read in conjunction with and forms part of the explanatory memorandum of the Fund dated February 2021, as amended by the First Addendum dated 11 June 2021, the Second Addendum dated 6 August 2021, the Third Addendum dated 29 April 2022, the Fourth Addendum dated 14 November 2022, the Fifth Addendum dated 21 June 2024, the Sixth Addendum dated 8 August 2024, the Seventh Addendum dated 2 September 2024 and the Eighth Addendum dated 24 January 2025 (the “Explanatory Memorandum”)

Important – If you are in any doubt about the contents of this Ninth Addendum, you should seek independent professional financial advice.

Unless otherwise defined or stated in this Ninth Addendum, all capitalized terms herein contained shall have the same meaning as in the Explanatory Memorandum.

CMS Asset Management (HK) Co., Limited, the manager of the Fund (the “**Manager**”) accepts full responsibility for the accuracy of the information contained in this Ninth Addendum and the Explanatory Memorandum as at the date of publication and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement in this Ninth Addendum and the Explanatory Memorandum misleading.

The Securities and Futures Commission of Hong Kong (“**SFC**”) takes no responsibility for the accuracy of any of the statements made or opinions expressed in this Ninth Addendum.

SFC authorisation is not a recommendation or endorsement of the Fund or any Sub-Fund nor does it guarantee the commercial merits of the Fund or any Sub-Fund or any of their performance. It does not mean the Fund or any Sub-Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

With effect from the date of this Ninth Addendum, the Explanatory Memorandum shall be amended as follows:

1. Amendments to reflect the termination and withdrawal of CMS China Opportunities Flexifund

The following amendments shall be made to reflect the termination and withdrawal of authorization of CMS China Opportunities Flexifund:

- (a) The 2nd paragraph under the section headed “**INTRODUCTION**” on page 9 of the Explanatory Memorandum should be amended as marked below:

“CMS Funds is an umbrella unit trust currently offering 43 Sub-Funds, ~~CMS China Opportunities Flexifund~~, CMS Hong Kong Multi Income Fund, CMS Money Market Fund and CMS USD Money Market Fund. The Manager may create further Sub-Funds in the future. Investors should contact the Manager to obtain the latest offering document relating to the available Sub-Funds.”

- (b) The details of Mr. Zhou Geng under the sub-section headed “**The Manager**” of the section headed “**MANAGEMENT OF THE FUND**” on page 9 of the Explanatory Memorandum shall be amended as marked below:-

“Mr. Zhou Geng

“Mr. Zhou Geng, ~~has 16~~with over 18 years of experience in the investment management and asset management industry, joined CMS Asset Management (HK) Co., Limited in 2021 and is currently the ~~Deputy Head~~Chief Executive Officer and Head of Asset Management Department of the company~~as well as the portfolio manager of the CMS China Opportunities Flexifund~~. Before joining CMS Asset Management (HK) Co., Limited, Mr. Zhou was the Head of Asset Management of Dongxing Securities (HK) Co., Ltd. Prior to that, he was the Fixed Income Investment Director at China Securities (International) Asset Management Co., Ltd. Before he started his role at China Securities (International) Asset Management Co., Ltd, Mr. Zhou had also worked as an investment manager and analyst at various financial institutions in both Shanghai and London, including Credit Suisse, Barclays and Haitong.”

- (c) The 4th paragraph under the section headed “**IMPORTANT INFORMATION FOR INVESTORS**” on page i of the Explanatory Memorandum should be amended as marked below:

“The Fund and its Sub-Funds – ~~CMS China Opportunities Flexifund~~ and CMS Hong Kong Multi Income Fund, CMS Money Market Fund and CMS USD Money Market Fund, have been authorised by the SFC pursuant to section 104

of the SFO. SFC authorisation is not a recommendation or endorsement of the Fund and the Sub-Funds nor does it guarantee the commercial merits or performance of the Fund and the Sub-Funds. It does not mean the Fund and the Sub-Funds are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors.”

- (d) Under the section headed “**TABLE OF CONTENTS**” on page iv of the Explanatory Memorandum, the table of contents shall be amended as marked below:-

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- (e) The 1st paragraph under the the sub-section headed “**Establishment Costs**” under the section headed “**EXPENSES AND CHARGES**” on page 54 of the Explanatory Memorandum shall be amended as marked below:-

“The establishment costs of the ~~Fund CMS China Opportunities Flexifund and~~ CMS Hong Kong Multi Income Fund have been fully amortised.”

- (f) The entire sub-section (with the first and last paragraph of the sub-section extracted below) headed “**Overview of the Debt Securities Market**” under the section headed “**APPENDIX I – CMS China Opportunities Flexifund**” on pages 85 to 88 of the Explanatory Memorandum shall be removed in its entirety and re-inserted as a new section immediately following the section headed “**Collateral**” under the section headed “**APPENDIX II – CMS Hong Kong Multi Income Fund**” on page 107 of the Explanatory Memorandum:

“**Overview of the Debt Securities Market**”

The PRC bond market consists of three markets: (i) the interbank bond market regulated by the People’s Bank of China (“**PBOC**”) and functions as a wholesale market for institutional investors; (ii) the exchange-traded bond market regulated by the CSRC and targets non-bank institutions and individuals investors; and (iii) the bank over-the-counter market regulated by the PBOC and targets non-financial institutions and individual investors. However, the current size and trading volume of the bank over-the-counter market is much smaller than interbank bond market and the exchange-traded bond market.

[...]

The yield of the major RMB denominated instruments issued in the PRC was in the range of 3.7984% to 4.3820% for government bonds and 5.0701% to 11.2617% for corporate bonds including convertible bonds, as at 29 December 2017 (Source: www.chinabond.com.cn). However, investors should note that this is not an indication of the expected return of the Sub-Fund. There is no assurance that the Sub-Fund’s return will be correlated with the expected yield of its underlying investments.”

- (g) The entire sub-section (with the first and last paragraph of the sub-section extracted below) headed “**PRC Credit Rating Agencies**” under the section headed “**APPENDIX I – CMS China Opportunities Flexifund**” on page 88 of

the Explanatory Memorandum shall be removed in its entirety and re-inserted as a new section immediately following the section headed “**Collateral**” under the section headed “**APPENDIX II – CMS Hong Kong Multi Income Fund**” on page 107 of the Explanatory Memorandum:

“Some global rating agencies (such as Moody’s, Standard & Poor’s and Fitch) assign ratings to Chinese treasury bonds and non-treasury bonds denominated in foreign currencies.

[...]

In relation to the exchange-traded bond market, the CSRC and its agencies regulate securities rating business activities according to law. The PBOC has issued guidance notes in relation to recognition of credit rating agencies in the interbank bond market. As with other global rating agencies, they apply quantitative method and qualitative methods in their rating. Such credit ratings are subject to the credit rating agency’s evaluation of the likelihood that the issuer will fulfil its repayment obligations. In contrast with international rating agencies, domestic credit rating agencies may take into account additional factors such as the importance of the corporate to the PRC central and local government and the potential support from the government. Rating information and reports are available on the websites of the relevant credit rating agencies and other financial data providers.”

- (h) The entire sub-section (with the first and last paragraph of the sub-section extracted below) headed “**Qualified Investor (“QI”)**” under the section headed “**APPENDIX I – CMS China Opportunities Flexifund**” on pages 89 to 91 of the Explanatory Memorandum shall be removed in its entirety and re-inserted as a new section immediately following the section headed “**Collateral**” under the section headed “**APPENDIX II – CMS Hong Kong Multi Income Fund**” on page 107 of the Explanatory Memorandum:

“Qualified Investor (“QI”)

Currently it is intended that the Sub-Fund will obtain exposure to China A-Shares, debt securities and other PRC Securities issued within mainland China primarily using the QI status of China Merchants Securities International Company Limited as the QI Holder, which has obtained RQFII status in China. According to the applicable QI rules and regulations, the QFII regime and RQFII regime have been merged and are subject to the same set of regulations. Under the merged QI regime, China Merchants Securities International Company Limited will automatically be regarded as a QI and does not need to re-apply for the QI licence. The QI Holder may freely select to remit funds in foreign

currencies which can be traded on the China Foreign Exchange Trade System and/or offshore RMB funds to carry out PRC domestic securities and futures investment provided that separate cash accounts for receiving such cash are duly opened. The QI Holder is the direct holding company of the Manager acting through the Manager as its asset management arm.

[...]

Although the Manager is not the holder of QI status for the Sub-Fund, the QI Holder is the direct holding company of the Manager acting through the Manager as its asset management arm. The Manager will be responsible for ensuring that all transactions and dealings will be dealt with in compliance with the Trust Deed (where applicable) as well as the relevant laws and regulations applicable to the QI Holder. If any conflicts of interest arise, the Manager will have regard in such event to its obligations to the Sub-Fund and will endeavour to ensure that such conflicts are resolved fairly.”

- (i) Other than sub-sections referred to in paragraphs (f), (g) and (h) of this Ninth Addendum which has been relocated to other sections of the Explanatory Memorandum, the section headed “**APPENDIX I – CMS China Opportunities Flexifund**” from pages 81 to 101 of the Explanatory Memorandum shall be deleted in its entirety.

A copy of the Explanatory Memorandum and this Ninth Addendum will be posted on the Manager’s website (<http://www.cmschina.com.hk/AM/FundProduct>). Investors should note that the Manager’s website has not been reviewed or authorised by the SFC and may contain information of funds not authorised by the SFC.

CMS Asset Management (HK) Co., Limited

Date: 1 April 2025