

CFund – Dynamic Income Class A HKD (Dist) Units

Important Note:

1. CFund–Dynamic Income (the “Fund”) primarily invests in debt securities.
2. The Fund invests in emerging markets (for example, 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.
3. In respect of investments in PRC onshore debt securities, the credit appraisal system in the PRC and the rating methodologies employed in the PRC may be different from those employed in other markets. Credit ratings given by PRC rating agencies may therefore not be directly comparable with those given by other international rating agencies.
4. The Fund may invest substantially in high yield debt securities, which are debt securities rated below investment grade or unrated and instruments where the volume of transactions may fluctuate significantly depending on market sentiment. There is a risk that investments made by the Fund may become less liquid in response to market developments or adverse investor perceptions.
5. The manager currently intends to make monthly dividend distribution for the A Units HKD (Dist) class at its discretion. Dividends may be paid out of capital or effectively out of capital of the relevant Class and may result in immediate reduction of the Net Asset Value per Unit of the Fund. There is no guarantee of any distribution nor, where distribution is made, the amount being distributed.
6. The Fund may from time to time invest in financial derivative instruments for hedging and/or investment purposes. The use of such derivatives exposes the Fund to additional risks, including volatility risk, valuation risk, leverage risk, liquidity risk, correlation risk, counterparty/credit risk, legal risk, over-the-counter transaction risk and settlement risk.
7. Investments involve risks. The Fund, like most funds, does not provide any guarantees. Investors have the opportunity to lose some or all of their investment. Investors should not make investment decisions solely based on this material alone. Prior to investing, please refer to the Explanatory Memorandum of the Fund for details including risk factors.

Record Date (DD/MM/YYYY)	Currency	Record Date NAV	Dividend per unit	Estimated Annualized Yield ¹	Dividend from Capital	Net Distributable Income ³
31/05/2022	HKD	99.7282	0.1019	2.0% ²	100%	0%
30/06/2022	HKD	98.6664	0.3244	4.0%	100%	0%
29/07/2022	HKD	98.3187	0.3125	4.0%	100%	0%
31/08/2022	HKD	98.0053	0.3544	4.0%	82%	18%
30/09/2022	HKD	95.7233	0.3147	4.0%	70%	30%
31/10/2022	HKD	93.5494	0.3178	4.0%	100%	0%
30/11/2022	HKD	93.6252	0.3078	4.0%	100%	0%

¹ Subject to the Manager’s discretion, the dividends will be declared on a monthly basis on such date which is the end of each month. Dividends can be paid out of capital or effectively out of capital of the relevant Class and may result in an immediate reduction of Net Asset Value per Unit of the Fund. There is no guarantee of any dividend distribution or target level of dividend payout. A positive distribution yield does not imply a positive return. Investors should note that yield figures are estimated and for reference purpose only, and that there is no guarantee as to the actual frequency and/or amount of dividend payments. Estimated annualized yield (%) = (Dividend per unit x 365 Days / Number of days in distribution period) / NAV on Record Date.

² Note that dividend payout for the month of May 2022 is based on the 19-days period from 13 May 2022 to 31 May 2022. Therefore, the estimated annualized yield (%) = (Dividend per unit x 31/19x12) / NAV on Record Date.

³ “Net distributable income” means net investment income (i.e. dividend income and interest income net of withholding tax, fees and expenses) attributable to the relevant share class and may also include net realized gains (if any) base on unaudited management account. However, “net distribution income” does not include net unrealized gains. “Net distributable income” which is not declared and paid as dividends in a period of a financial year would be carried forward as net distributable income for the next period(s) within the same financial year. “Net distributable income” has been accrued as at the end of a financial year and is declared and paid as dividends at the next distribution date immediately after that financial year ended is treated as “net distributable income” in respect of that financial year. However, “net distributable income” which has been accrued at the end of a financial year but is not declared and paid as dividends at the next distribution date immediately after that financial year end is included as “capital” for the next financial year.

This material is issued by Pickers Capital Management Limited and has not been reviewed by the Securities and Futures Commission.

