

IMPORTANT: Investment involves risks. Investment value may rise or fall. Past performance information presented is not indicative of future performance.

The Pando CMS Innovation ETF (the "Sub-Fund") is a sub-fund of the Pando ETF Series OFC (the "Company"), which is a public umbrella open-ended fund company established under Hong Kong law with variable capital with limited liability and segregated liability between sub-funds. The Sub-Fund is an actively managed exchange traded fund authorized under Chapter 8.10 of the Code on Unit Trusts and Mutual Funds. The shares of the Sub-Fund (the "Shares") are traded on the Stock Exchange of Hong Kong Limited (the "SEHK") like stocks.

- The Sub-Fund is not principal guaranteed and your investments may suffer losses. There is no assurance that the Sub-Fund will achieve its investment objective.
- The Sub-Fund employs an actively managed investment strategy. The Sub-Fund does not seek to track any index or benchmark, and there is no replication or representative sampling conducted by the Manager. It may fail to meet its objective as a result of the Manager's selection of investments, and/or the implementation of processes which may cause the Sub-Fund to underperform as compared to other index tracking funds with a similar objective. The Sub-Fund does not guarantee dividend distribution, therefore, investors may not receive any dividend payment.
- Due to the concentration of the Fund's investments in companies involved in Innovative Business, which are characterized by relatively higher volatility in price performance when compared to other economic sectors, the performance of the Fund may be more volatile than that of a fund having a more diverse portfolio of investments. In addition, the performance of the Fund may be exposed to risks associated with different sectors and themes, including metaverse, consumer discretionary, healthcare, fintech, information technology, robotics and artificial intelligence, etc. Fluctuations in the business for companies in these sectors or themes will have an adverse impact on the net asset value of the Sub-Fund.

Please note that the above listed investment risks are not exhaustive and investors should read the Prospectus and the Product Key Facts Statement in detail before making any investment decision, including product features and risk factors. Investors should not base on this material alone to make investment decisions. This document was prepared by Pando and has not been reviewed by the SFC. Issuer: Pando Finance Limited.

July 2024

ACTIVE ETF

# Pando CMS Innovation ETF

# 3056

## Invest in Various Chinese and Foreign Innovative Technology Giants By One-off Solution

  
PANDOFINANCE



Pando CMS Blockchain ETF  
3112\*

Stock Code **3056.HK**

The webpage has not been reviewed by SFC  
\* Same series product

[www.pandofinance.com.hk/](http://www.pandofinance.com.hk/)

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Pando Finance Limited is committed to managing climate risk in its investment portfolio. Company have adopted the Climate Change Risk Manual to meet its disclosure obligations.

# Pando CMS Innovation ETF (3056.HK)

## Objective

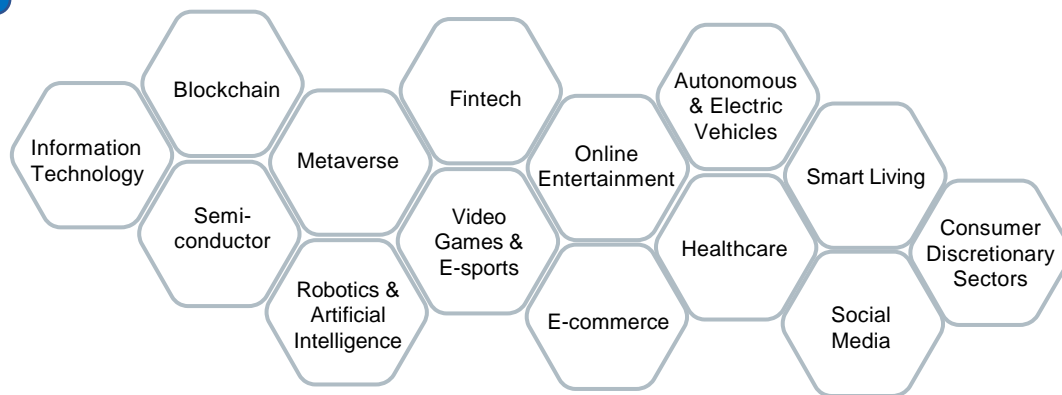
The Pando CMS Innovation ETF's investment objective is to achieve long term capital growth by primarily investing in companies which are directly or indirectly involved in the provision of innovative products and/or services ( "Innovative Business" ).

## Strategy

In seeking to achieve Pando CMS Innovation ETF's investment objective, the Sub-Fund will invest primarily (i.e. at least 70% of its Net Asset Value) in equities of companies which are directly or indirectly involved in Innovative Business. Innovative Business refers to companies that are leaders in Innovation which are able to take advantage of new technologies, led by a management team with the vision to identify market needs that have yet to be fully expressed, and benefit from new industry conditions (such as secular changes in the way people communicate and behave) in the dynamically changing global economy.

## Target Themes

The following is a non-exhaustive illustration of companies that may be directly or indirectly involved in Innovative Business in which the Sub-Fund will primarily invest:



## Top 10 Constituents of Pando CMS Innovation ETF Portfolio

| Ranking | Name             | Ticker         | Weighting |
|---------|------------------|----------------|-----------|
| 1       | APPLE INC        | AAPL US Equity | 9.62%     |
| 2       | AMAZON.COM INC   | AMZN US Equity | 9.10%     |
| 3       | TAIWAN SEMIC-ADR | TSM US Equity  | 9.14%     |
| 4       | NVIDIA CORP      | NVDA US Equity | 8.75%     |
| 5       | MICROSOFT CORP   | MSFT US Equity | 8.36%     |
| 6       | SPOTIFY TECHNOLO | SPOT US Equity | 7.60%     |
| 7       | NETFLIX INC      | NFLX US Equity | 7.45%     |
| 8       | COINBASE GLOBA-A | COIN US Equity | 6.60%     |
| 9       | MICROSTRATEGY    | MSTR US Equity | 5.88%     |
| 10      | TESLA INC        | TSLA US Equity | 4.51%     |

Source : Pando Finance As of 28 June, 2024

## Market Size of Metaverse<sup>@</sup>



In 2021, venture capital and private equity investment into the Metaverse reached **USD 13 billion**.



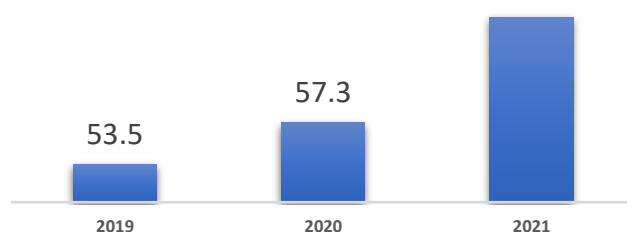
In 2022, the investment in the metaverse has been more than doubled that of 2021, reaching **USD 120 billion**.

Source: McKinsey, May 2023

<sup>@</sup> Historical information or figures do not imply a positive growth or return of the ETF. Past results are no indication of future performance.

## Global Market Size of Artificial Intelligence (AI)<sup>@</sup>

(USD Billion)



Note: Includes AI-related Hardware, Service and Software / Application  
Source: GlobalData, May 2023



# Pando CMS Innovation ETF (3056.HK)

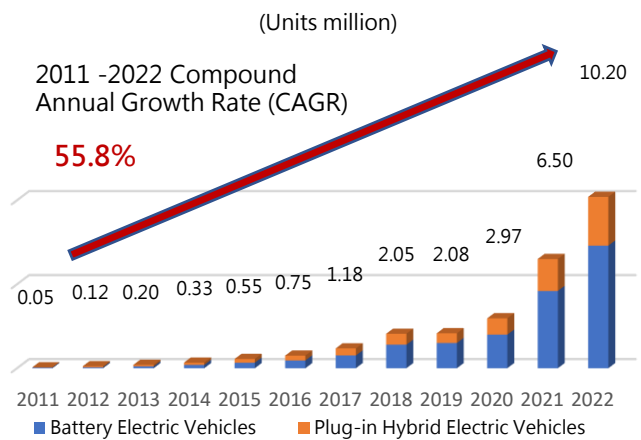
| Fund   | Pando CMS Innovation ETF                   |
|--|--|
| Exchange   | Hong Kong Stock Exchange – Main            |
| Stock code   | 3056.HK                                    |
| Fund Listing Date  | 8 December 2022                            |
| Bloomberg Ticker   | 3056 HK EQUITY                             |
| Product Type   | Active ETF                                 |
| Trading Board Lot  | 100 Shares                                 |
| Trading Currency   | HKD  |
| Asset Class  | Equity                                     |
| Equity Exposure  | Listed Company                             |
| Dealing frequency  | Daily                                      |
| Financial year end   | 31 March                                   |
| Dividend Policy  | Annually (usually in March of each year) * |
| Management Fee   | 0.75% per annum                            |
| Ongoing Charges #  | 2.5%                                       |
| Closing Price at 31 Mar 2023 and change in % for the period from 8 Dec 2022 to 31 Mar 2023 | HKD 8.455 (+6.69%) ^                       |
| Closing Price at 28 Mar 2024 and change in % for the period from 1 Apr 2023 to 28 Mar 2024 | HKD 14.040 (+66.06%) ^                     |
| Closing Price at 28 Jun 2024 and change in % for the period from 1 Apr 2024 to 28 Jun 2024 | HKD 15.840 (+12.82%) ^                     |
| Closing Price at 29 Dec 2023 and change in % for last calendar year 2023 end               | HKD 10.910 (+44.31%) ^                     |

\* Subject to the Manager's discretion. Distributions (if any) may be paid out of capital or effectively out of capital. Distributions on any shares will be in HKD only. There is no guarantee of regular distribution nor the amount being distributed (if any).

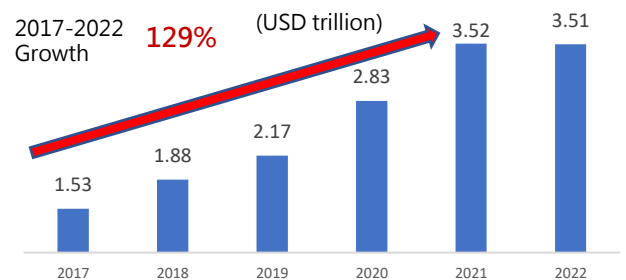
# It represents the ongoing expenses chargeable to the Sub-Fund over the period from the launch of Sub-Fund to 31 December 2023 expressed as a percentage of the average net asset value ( "Net Asset Value" ) of the Sub-Fund over the same period. This figure may vary from year to year. Ongoing charges figure was capped at 2.50% of the average Net Asset Value of the Sub-Fund for the period from the launch of Sub-Fund to 31 December 2023. Any ongoing expenses exceeding 2.50% of the average Net Asset Value of the Sub-Fund during this period was borne by the Manager and was not be charged to the Sub-Fund.

^ The closing prices are relate to figures of the last dealing day of the fund at specific period end/ calendar year 2023 end . They are presented for information purpose only.

## Global Electric Vehicles Sales Volume @



## Revenue of eCommerce - Worldwide @



Notes: Data shown is using current exchange rates and reflects market impacts of the Russia-Ukraine war. The components of revenue includes Beverages, Fashion, Furniture, Toys, Hobby & DIY, Beauty, Health, Personal & Household Care, Electronics, Food, Media.

Source: Statista Market Insights, May 2023

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## The Necessity of Active Management in Innovation ETF



### Volatility Management

- ∞ Fluctuations in global interest rates may cause impacts on the stock prices of some companies engaged in innovative technology-related businesses. Active investment management may reduce portfolio volatility and seize opportunities from it.



### Stock Selection by Professional Team

- ∞ The fund manager actively and flexibly selects stocks, which helps investors seek return opportunities from innovative stocks.



### Pursue Return with Reduced Risk

- ∞ Different from passively managed ETFs, actively managed ETFs aim to achieve long term capital growth while reducing risks.

## EDGES of Pando CMS Innovation ETF



### Innovation-themed is in line with global development

- ∞ Most Chinese and foreign companies follow the main development trend in global, Innovation and technology;
- ∞ Pando CMS Innovation ETF aims to select proper stocks for investors under its 14 target themes.



### Active stock picking with flexibility and precision

- ∞ Active management aims to selects and invests in high-quality and sustainable growth securities, with achieving long term capital growth as the goal;
- ∞ Aims to increase risk-adjusted returns by diversifying investments.
- ∞ Professional investment team aims to brings value to investors.



### Low investment barrier

- ∞ Cost must be high if investors invest in multiple leading innovative technology stocks in person;
- ∞ As of the end of January 2024, the entry fee for Pando CMS Innovation ETF is less than HK\$1,100, but it contains many leading innovative technology stocks in the market.



### Management team with professional knowledge

- ∞ The members of the management team have decades of experience in the industry, with stable investment performance in their career history;
- ∞ Good investment process and strict risk management process to strive for balance between ETF performance and risk management.

