SUMITOMO MITSUI DS ASSET MANAGEMENT

PRODUCT KEY FACTS

SMD-AM Funds (the "Fund") -
SMD-AM Japan Mid Small Cap Value (the "Sub-Fund")

October 2026

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- ***This statement provides you with key information about SMD-AM Japan Mid Small Cap Value.***
- ***This statement is a part of the Hong Kong offering document.***
- ***You should not invest in this product based on this statement alone.***

Quick facts

Management Company:	Vistra Fund Management S.A.
Portfolio Manager:	Sumitomo Mitsui DS Asset Management (UK) Limited (United Kingdom, external delegation)
Sub-Portfolio Manager:	Sumitomo Mitsui DS Asset Management Company, Limited (Japan, internal delegation)
Depositary:	Brown Brothers Harriman (Luxembourg) S.C.A.
Ongoing charges over a year[#]:	Class A (JPY) – 1.80%* Class A (USD (Hedged)) – 1.80%* Class A (USD (Unhedged)) – 1.80%* Class A (HKD (Hedged)) – 1.80%* Class A (HKD (Unhedged)) – 1.80%* Class A2 (JPY) – 1.80%[&] Class A2 (USD (Hedged)) – 1.80[&] Class A2 (USD (Unhedged)) – 1.80%[&] Class A2 (HKD (Hedged)) – 1.80%[&] Class A2 (HKD (Unhedged)) – 1.80%[&] * The ongoing charges figure is calculated based on the ongoing expenses chargeable to the relevant share class for the period from 10 October 2024 to 30 September 2025 expressed as an annualised percentage of the relevant share class's average net asset value over the same period. This figure may vary from year to year. # The ongoing charges of the share classes are capped at 1.80% of the average net asset value of the relevant share class (plus hedging costs for the hedged share classes). Any ongoing expenses exceeding 1.80% of the average net asset value of the relevant share class (plus hedging costs for the hedged share classes) will be borne by the Portfolio Manager and will not be charged to the relevant share class. & As the share classes are either newly activated or not currently activated, these figures are calculated based on the estimated ongoing expenses chargeable to

	the relevant share class over a 12-month period expressed as a percentage of the relevant share class's estimated average net asset value over the same period. These figures may vary from year to year. The actual figure may be different from the estimated figure.
Dealing frequency:	Daily, each day which is a full banking day and simultaneously a stock exchange day in Luxembourg, London and Tokyo
Base currency:	JPY
Dividend policy:	No dividend payments will be made (income, if any, will be reinvested)
Financial year end of the Sub-Fund:	31 March
Minimum investment:	Class A (JPY, USD (Hedged), USD (Unhedged), HKD (Hedged) and HKD (Unhedged)) – JPY 200,000 (or the equivalent in other currencies) initial, JPY 100,000 (or the equivalent in other currencies) additional Class A2 (JPY, USD (Hedged), USD (Unhedged), HKD (Hedged) and HKD (Unhedged)) – JPY 1 (or the equivalent in other currencies) initial, JPY 1 (or the equivalent in other currencies) additional

What is this product?

- SMD-AM Japan Mid Small Cap Value is a sub-fund of SMD-AM Funds, a mutual fund domiciled in Luxembourg and its home regulator is *Commission de Surveillance du Secteur Financier.*

Objective and Investment Policy

Objective

The Sub-Fund adopts an active strategy using a fundamental approach and investing in undervalued stocks of small and mid-cap companies in which the Sub-Portfolio Manager can expect medium term growth by narrowing down all listed companies based on financial criteria (price-to-book value ratio – return on equity (PBR-ROE) approach*[1]), while utilising artificial intelligence to identify stocks. Small and mid-cap companies in which the Sub-Fund may invest generally refer to all the companies listed on the stock exchanges in Japan except for those contained in the Russell/Nomura Top Cap Index and typically forming the bottom 50% in terms of float-adjusted market capitalization in Japan. The Sub-Fund may have exposures in stocks which have larger market capitalization. Artificial intelligence*[2] is only used as a tool for identifying stocks and is not involved in investment decision-making. Proactive recommendations are made to approximately 70% of portfolio companies and address business issues aiming to improve their corporate value, taking into account actions taken to address management issues and awareness of risks that may arise in management. Certain companies may not be able to comply with or follow proactive recommendations for reasons including but not limited to the size of their investment.

No assurance can be given that the investment objective of the Sub-Fund will be achieved.

*[1] price-to-book value ratio – return on equity (PBR-ROE) approach: PBR-ROE approach is used to select stocks on the basis of PBR and ROE. ROE is added because capital efficiency cannot be taken into account if a company is undervalued on the basis of PBR. This approach makes it possible to consider investments in companies that cannot be identified using the general value approach (undervalued judgments based on price earning ratio (PER) and PBR).

*[2] Use of artificial intelligence (AI): AI is used in the strategy, but only to support universe research. It complements the analysis after learning the characteristics of the Sub-Portfolio

Manager's stock research from time to time[1] and calculates a score for the potential investments of the Sub-Fund accordingly. The AI was originally developed jointly by the National Institute of Informatics and the Sub-Portfolio Manager and is currently operated as an in-house system. The score calculated by the AI is only used as a reference in the very early stages of the investment when selecting the universe. The AI is not involved in any of the subsequent stock selection processes. The AI is only used for Japanese listed companies. The AI is a proprietary tool and no fees or other compensation are charged for its use.

Policy

The Sub-Fund invests more than seventy-five percent (75%) of its total assets in Japanese equity securities of small and mid-cap companies (i.e. equities issued by small and mid-cap companies which are established or have significant operations in Japan). The Sub-Fund will be unrestricted in its choice of companies by sector.

The weight of a single issue will be subject to a maximum limit of 10% of the net assets of the Sub-Fund.

The remaining part of the portfolio (if any) can be invested in money market instruments for ancillary investment purposes.

In addition, the Sub-Fund can hold up to 20% of its net assets in ancillary liquid assets (i.e. cash deposits at sight) for liquidity management purposes. Under exceptionally unfavourable market conditions and if justified in the interest of the investors, the Sub-Fund may temporarily for a period of time strictly necessary hold up to 100% of its net assets in cash and cash deposits at sight (such as cash held in current accounts).

For currency hedged share classes, currency positions may be established to hedge foreign currency exposure in relation to the relevant share classes to minimise any fluctuations between the class currency and the base currency of the Sub-Fund. The costs and effects of any such hedging will be reflected in the net asset value and in the performance of the relevant share classes.

The Sub-Fund may invest in financial derivative instruments for hedging and/or efficient portfolio management purposes and/or to manage foreign exchange risks.

The Sub-Fund is actively managed and uses “Russell/Nomura Mid-Small Cap Index” in JPY as a reference for performance comparison.

The Sub-Fund's investment target is to exceed the benchmark by 3%. Investors should note that the target return is not guaranteed and there may be significant periods of time during which the performance of the Sub-Fund will deviate from the target return.

The Sub-Fund does not aim to replicate or track the benchmark, and the investments of the Sub-Fund may deviate significantly from the components of the benchmark and their respective weightings.

Use of derivatives / investment in derivatives

The Sub-Fund’s net derivative exposure may be up to 50% of the Sub-Fund’s net asset value.

What are the key risks?

Investment involves risks. Please refer to the offering document for details including the risk factors.

[1] Such as successful examples of “corporate change” which are extracted from a vast amount of corporate information.

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. **Currency risk**
   - A class of shares may be designated in a currency other than the base currency of the Sub-Fund. The net asset value of the Sub-Fund may be affected unfavorably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.

3. **Equity market risk**
   - The Sub-Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors.

4. **Risk associated with small-capitalisation / mid-capitalisation companies**
   - The stock of small-capitalisation / mid-capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.

5. **Concentration risk**
   - The Sub-Fund's investments are concentrated in Japanese equity securities of small and mid-cap companies and may be concentrated in a specific industry sector. 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 Japanese market.

6. **Risk of specific investment strategy**

   Risk associated with PBR-ROE approach
   - The PBR-ROE approach may not achieve the desired results under all circumstances and market conditions.

   Risks of using AI scores as part of the investment process
   - The AI learns the characteristics and habits of the Sub-Portfolio Manager's stock research, and AI scoring is used to reduce the time spent on research by the Sub-Portfolio Manager. Therefore, there is a risk that the Sub-Portfolio Manager's characteristics and habits may not be reflected in the scores. In the event of such AI deficiencies, the Sub-Portfolio Manager would have to perform all research on its own without the help of AI, increasing the time spent by the Sub-Portfolio Manager on research and leading to a significant deterioration in research efficiency.
   - To manage this risk, verification can only be carried out by the Sub-Portfolio Manager and the Sub-Portfolio Manager carries out verification from time to time. Updates will be made from time to time to reflect the Sub-Portfolio Manager's characteristics and practices.

7. **Risks relating to hedging and the hedged share classes**
   - There can be no assurance that any currency hedging strategy employed by the Sub-Fund will fully and effectively eliminate the currency exposure of the Sub-Fund.
   - Hedging strategies may preclude investors from benefiting from an increase in the value of the Sub-Fund's base currency.
   - Any expenses arising from such hedging transactions will be borne by the Sub-Fund or the relevant currency hedged class.

8. **Risks associated with usage of financial derivative instruments ("FDIs")**

- 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 FDIs may lead to a high risk of significant loss by the Sub-Fund.
- There can be no assurance that the use of FDIs for hedging purposes will fully and effectively eliminate the risk exposure of the Sub-Fund. The use of FDIs and hedging strategies may be ineffective and the Sub-Fund may suffer substantial losses.

How has the Sub-Fund performed?



- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-To-NAV, with dividend reinvested.
- These figures show by how much Class A (JPY) increased or decreased in value during the calendar year being shown. Class A (JPY) is selected as the most appropriate representative share class as the share class is currently activated and is denominated in the base currency of the Sub-Fund (JPY). Performance data has been calculated in JPY including ongoing charges and excluding subscription fee / front-end load and redemption fee you might have to pay.
- The benchmark of the Sub-Fund is the Russell/Nomura Mid-Small Cap Index.
- Where no past performance is shown, there was insufficient data available in that year to provide performance.
- Fund launch date: 10 October 2024
- Class A (JPY) launch date: 10 October 2024

Is there any guarantee?

This 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
Subscription fee (subscription charge) (% of the gross subscription amount)	Nil
Front-end load (% of the gross subscription amount)*	Up to 5.0%
Redemption fee (redemption charge) (% of the gross redemption amount)	Nil
Switching fee (conversion charge) (% of the net asset value of the class you wish to convert from)	Nil

* Investors should note that the front-end load represents additional fees in respect of subscriptions for shares payable to distributors through whom the investor invests. Investors should consult the relevant distributor on the amount of fees which will be charged.

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.

Annual rate (unless otherwise specified below, as a % of the Sub-Fund's net asset value)

Management Company Fee	Up to 0.05% p.a., subject to a minimum fee of EUR 30,000 p.a.
Investment Management Fee (Portfolio Management Fee) (% of the net asset value of the share class)	Up to 1.50% p.a.
Depositary and Paying Agency Fee	Up to 0.04% p.a., subject to a minimum fee of EUR 2,250 per month, plus Luxembourg VAT^
Performance Fee	Not applicable
Registrar and Transfer and Administrative Agency Fee	Up to 0.08% p.a., subject to a minimum fee of EUR 2,250 per month, plus Luxembourg VAT^

^ For the avoidance of doubt, in addition to the annual fee rates as stated above, the Sub-Fund will be charged a fee based on the transaction amount of the Sub-Fund, and hence depending on the transaction amount of the Sub-Fund, these fees can also be higher.

Other fees

You may have to pay other fees and charges when dealing in the shares of the Sub-Fund. The Sub-Fund will also bear the costs which are directly attributable to it, as set out in the "CHARGES OF THE COMPANY" section of the Prospectus.

Additional Information

- You generally buy and redeem shares at the Sub-Fund's next-determined net asset value (NAV) after the Hong Kong Representative or authorised distributor has received your request in good order on or before 4:00 p.m. (Hong Kong time) being the dealing cut-off time, on the relevant dealing date which is also a Hong Kong business day. The authorised distributor(s) may impose different dealing deadlines for receiving instructions for subscriptions, redemptions or conversions. Investor should pay attention to the arrangements of the authorised distributor concerned.

- The net asset value of this Sub-Fund is determined and the price of shares is published on each dealing date which is a valuation date. They are available on the Fund's website at https://www.smd-am.hk/*.

- You may obtain the past performance information of other share classes offered to Hong Kong investors on the Fund's website at https://www.smd-am.hk/*.

** Please note that 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.