IMPORTANT:

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

This document is important and requires your immediate attention. If you are in any doubt about the contents of this Announcement, you should seek professional advice. Investment involves risks which may result in significant loss as there is no guarantee on investment returns.

The Manager accepts full responsibility for the accuracy of the information contained in this Announcement 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 misleading.

CSOP Leveraged and Inverse Series
(a Hong Kong umbrella unit trust authorized under
Section 104 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong)
(the **"Trust"**)

CSOP SK Hynix Daily (2x) Leveraged Product
Stock Code: 07709 (HKD Counter)

(the "**Product**")

ANNOUNCEMENT

Recent Heightened Market Volatility – Risk Reminder

CSOP Asset Management Limited 南方東英資產管理有限公司 (the "Manager") wishes to notify the Unitholders of the Product that in light of the recent heightened market volatility and rapid growth in fund size, investors are reminded of the risks associated with investing in the Product, in particular in relation to the capacity of counterparties, which may result in (i) the Product trading at a substantial premium or discount; (ii) a significant increase in tracking difference; (iii) creations requests not being fulfilled; and (iv) the investment exposure to the Underlying Stock deviating from the target leveraged exposure.

The Product is not intended for holding longer than one day as its performance over a longer period may deviate from and be uncorrelated to the leveraged performance of its Underlying Stock over the period. Investors should exercise caution in dealing with the units of the Product.

CSOP Asset Management Limited (the "**Manager**") hereby reminds the unitholders of the Product that the Korean market as well as the Underlying Stock (SK hynix Inc.) have experienced heightened market volatility and uncertainty. Investors should be aware that market conditions may remain volatile. Please also refer to the announcement of the Product issued on 9 March 2026. Unless otherwise defined, all capitalised terms shall have the same meaning as that in the Prospectus of the Trust.

As disclosed in the Prospectus and Key Facts Statement of the Product, the investment objective of the Product is to provide investment results that, before fees and expenses, closely correspond to twice (2x) the Daily

performance the Underlying Stock. The Product seeks to achieve its investment objective by primarily using a swap-based synthetic strategy and may also invest in options as an additional means to obtain the leveraged exposure to the Underlying Stock.

During periods of heightened market volatility or when the fund size of the Product grows rapidly, the capacity of counterparties to provide the target leveraged exposure to the Underlying Stock through swaps or options may be exhausted for a particular dealing day or over a period of consecutive dealing days. In such circumstances, creations requests may not be fulfilled, and the investment exposure to the Underlying Stock may deviate from the target leveraged exposure, which may (i) cause the Product to trade at a substantial premium or discount to its NAV on the SEHK; and (ii) significantly increase the tracking difference. Meanwhile, the Manager is considering a range of contingency measures and will keep investors informed in advance of any implementation, should the situation warrant. The exposure to the Underlying Stock of the Product is published on the website of the Product https://www.csopasset.com/en/products/hk-skhy-2l.

Investors should note that investment in the Product is subject to relevant risks disclosed in the Prospectus and Key Fact Statement of the Product, including the following risks:

Risk associated with capacity limits:

Capacity Limit Risk

The Swap Counterparties may also be subject to a capacity limit representing the commitment of the Swap Counterparty to conduct the Swap transactions to provide the required exposure to the Underlying Stock for the Product. Accordingly, the Product's exposure to the Underlying Stock may be affected. Whilst the Manager does not anticipate that this will have any immediate effect on the Product, if any Swap Counterparty reaches its capacity limit or if the Net Asset Value of the Product grows significantly this may prevent creations of Units due to the inability of the Product to conduct Swap transactions. This may cause a divergence between the trading price of a Unit on the SEHK and the Net Asset Value per Unit. The investment exposure could also deviate from the target exposure which adds tracking error to the Product.

Options Contracts Risks

The Option Counterparties may also be subject to a capacity limit to conduct the Option transactions to provide the required exposure to the Underlying Stock for the Product. Whilst the Manager does not anticipate that this will have any immediate effect on the Product, if any Option Counterparty reaches its capacity limit or if the NAV of the Product grows significantly this may prevent creations of Units due to the inability of the Product to conduct Option transactions. This may cause a divergence between the trading price of a Unit on the SEHK and the NAV per Unit. The investment exposure could also deviate from the target exposure which adds tracking error to the Product.

Other risk factors, including but not limited to:

Single Stock Concentration Risk

The Product is subject to concentration risk as a result of tracking the leveraged performance of the single Underlying Stock. The value of the Product may be more volatile than that of a fund having a more diverse portfolio of investments due to the non-diversified nature of investing in the single Underlying Stock. The value of the Product may be more susceptible to adverse conditions in respect of such particular Underlying Stock.

Extreme Price Volatility Risk

Prices of the Product may be more volatile than conventional ETFs because of the use of leverage and the daily rebalancing activities and the leverage effect. Furthermore, the Product is concentrated in a single Underlying Stock. Given its non-diversified and leveraged nature, the Product is subject to extreme price volatility and may become non-viable within a short period. You may lose a significant portion or all of your investment within one day.

Under exceptional circumstances where the Product becomes non-viable, the Manager may use its discretion to deviate from the investment strategy or take defensive measures, which may include liquidating swap positions and suspending trading of the Product, in order to safeguard the interests of the product and its unitholders to prevent potential negative fund value and protect the interests of the investors. Such circumstances may arise if there are extreme intra-day price movements and the

Manager will issue a notice to inform investors. Please note that the Manager may re-enter the swap contracts at the market closes on the same day depending on market condition.

Risk of Rebalancing Activities

There is no assurance that the Product can rebalance its portfolio on a Daily basis to achieve its investment objective. Market disruption, regulatory restrictions, counterparty capacity limits or extreme market volatility may adversely affect the Product's ability to rebalance its portfolio.

Tracking Error and Correlation Risks

The Product may be subject to tracking error risk, which is the risk that its performance may not track that of the Daily leveraged performance of the Underlying Stock exactly. This tracking error may result from the investment strategy used, high portfolio turnover, liquidity of the market and fees and expenses and the correlation between the performance of the Product and the two times (2x) Daily performance of the Underlying Stock may be reduced. The Manager will monitor and seek to manage such risk in minimising tracking error. There can be no assurance of exact or identical replication of the leveraged performance of the Underlying Stock at any time, including on an intra-day basis.

The Product will be subject to a higher tracking difference as the cost of portfolio construction is higher with the use of options. In extreme market conditions and exceptional circumstances, the cost of portfolio construction may increase significantly and may have an adverse impact on the NAV and tracking difference of the Product.

Trading risks

The trading price of the Units on the SEHK is driven by market factors such as the demand and supply of the Units. Units may trade at a substantial premium or discount to the NAV.

Unitholders are urged to exercise caution when dealing the Product.

General

If you have any queries or require further information in relation to any aspect of this Announcement, please contact our Customer Service Hotline at (852) 3406 5688 or at our office at 2801-2803, Two Exchange Square, 8 Connaught Place, Central, Hong Kong.

By Order of the Board
CSOP Asset Management Limited
Chief Executive Officer
Ding Chen

11 May 2026

As of the date of this Announcement, the board of directors of the Manager comprises 7 Directors namely, Mr. Zhou Yi, Ms. Chen Li, Mr. Yang Xiaosong, Mr. Cai Zhongping, Ms. Ding Chen, Mr. Wang Qin and Mr. Zhang Huachen.