富邦基金 Fubon Fund Management

Important – If you are in doubt about the contents of this Prospectus, you should consult your stockbroker, bank manager, solicitor, accountant and other financial adviser for independent professional financial advice.

Investors should note that this Prospectus relates to Sub-Fund(s) which may offer both exchange-traded class of Shares and unlisted (not exchange-traded) class of Shares.

FUBON ETF SERIES OFC

(a Hong Kong public umbrella open-ended fund company with variable capital, limited liability and segregated liability between sub-funds and authorized under section 104 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "SFO"))

Fubon NYSE FactSet Taiwan Core Semiconductor Index ETF

Stock Code: 3076

Fubon Shanghai-Shenzhen-Hong Kong High Dividend Yield ETF

Stock Code: 3190

PROSPECTUS

MANAGER

Fubon Fund Management (Hong Kong) Limited

20 October 2026

The Stock Exchange of Hong Kong Limited, Hong Kong Exchanges and Clearing Limited, Hong Kong Securities Clearing Company Limited and the Hong Kong Securities and Futures Commission take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus. The Company has been registered with the SFC as an open-ended fund company. The Company and each Sub-Fund have each been authorised as collective investment schemes by the SFC. Registration with and authorisation by the SFC do not represent a recommendation or endorsement of the Company or any of the Sub-Funds nor do they guarantee the commercial merits of the Company, any of the Sub-funds or their performance. They do not mean the Company or any of the Sub-Funds is suitable for all investors nor do they represent an endorsement of their suitability for any particular investor or class of investors.

Important – while section 112S of the SFO provides for segregated liability between sub-funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known how those foreign courts will react to section 112S of the SFO.

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PARTIES

Company
Fubon ETF Series OFC
Unit D, 19/F, Lee & Man Commercial Center
169 Electric Road
Hong Kong

Directors of the Company
Lu, Chi-lun
Kwan Wang Chi Beryl

Manager
Fubon Fund Management (Hong Kong) Limited
Unit D, 19/F, Lee & Man Commercial Center
169 Electric Road
Hong Kong

Directors of the Manager
Huang Chao-Tang
Harn Wey Ting
Lu Chi-lun
Chen Shih Tsung
Hsia Tien Tien

Sub-Manager
Fubon Asset Management Company Limited
8F, No. 108, Section 1
Dunhua South Road
Songshan District
Taipei TW 10557
Taiwan

Listing Agent*
Altus Capital Limited
21 Wing Wo Street
Central
Hong Kong

Custodian
HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

Participating Dealer(s)*#
Please refer to the relevant Appendix of each Sub-Fund.

Sub-Custodian
The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Hong Kong

Market Maker(s)*#
Please refer to the relevant Appendix of each Sub-Fund.

Administrator and Registrar of the Sub-Funds
The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Hong Kong

Legal Adviser to the Manager
Deacons
5th Floor, Alexandra House
18 Chater Road
Central
Hong Kong

Service Agent or Conversion Agent*
HK Conversion Agency Services Limited
1st Floor, One & Two Exchange Square
8 Connaught Place
Central
Hong Kong

Auditor
PricewaterhouseCoopers
22/F, Prince's Building
10 Chater Road
Central
Hong Kong

* Application in respect of Shares in the Listed Class of these Sub-Funds only.

\# Please refer to the Company's website and the website of the HKEX for the latest lists of Market Makers and Participating Dealers for each Sub-Fund.

PRELIMINARY

This Prospectus relates to the offer in Hong Kong of Shares in the Company and its sub-fund(s). The Company is a public umbrella open-ended fund company incorporated in Hong Kong on 29 November 2021 with variable capital and limited liability. The Company can have a number of Sub-Funds with segregated liability among them and in respect of which a separate class or classes of Shares will be issued. Where specified in the relevant Appendix, a Sub-Fund may issue both exchange-traded classes of Shares and/or unlisted (not exchange-traded) classes of Shares. Fubon Fund Management (Hong Kong) Limited has been appointed as the management company of the Company and each Sub-Fund. HSBC Institutional Trust Services (Asia) Limited has been appointed as the custodian of the Company and each Sub-Fund.

The information contained in this Prospectus has been prepared to assist potential investors in making an informed decision in relation to investing in the Sub-Fund(s). It contains important facts about the Sub-Fund(s) whose Shares are offered in accordance with this Prospectus. A product key facts statement ("**KFS**") which contains the key features and risks of each Sub-Fund is also issued by the Manager and such KFS shall form part of this Prospectus, and shall be read, in conjunction with, this Prospectus. For a Sub-Fund which issues Shares in both Listed Class and Unlisted Class(es), separate sets of KFS will be available for the Listed Class and the Unlisted Class(es) that are offered to Hong Kong investors respectively.

The Manager accepts full responsibility for the accuracy of the information contained in this Prospectus and the KFS of each Sub-Fund 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 Prospectus or any KFS misleading. The Manager also confirms that this Prospectus includes particulars given in compliance with *The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* and the *Code on Unit Trusts and Mutual Funds*, the *Code on Open Ended Fund Companies* and the "Overarching Principles" of the SFC *Handbook for Unit Trusts and Mutual Funds, Investment-Linked Assurance Schemes and Unlisted Structured Investment Products* for the purposes of giving information with regard to the Shares in each Sub-Fund.

Each Sub-Fund is a fund falling within Chapter 8.6 of the UT Code. Certain Sub-Fund(s) may also be subject to additional Chapters of the UT Code. The Company has been registered with the SFC as an open-ended fund company under Section 112D of the SFO. The Company and each Sub-Fund are authorised by the SFC in Hong Kong under Section 104 of the SFO. The SFC takes no responsibility for the financial soundness of the Company, any Sub-Fund or for the correctness of any statements made or opinions expressed in this Prospectus. Registration with and authorisation by the SFC do not represent a recommendation or endorsement of the Company or any of the Sub-Funds nor do they guarantee the commercial merits of the Company, any of the Sub-Funds or their performance. They do not mean the Company or the Sub-Funds are suitable for all investors nor do they represent an endorsement of their suitability for any particular investor or class of investors.

You should consult your financial adviser or your tax advisers and take legal advice as appropriate as to whether any governmental or other consents are required, or other formalities need to be observed, to enable you to acquire Shares as to whether any taxation effects, foreign exchange restrictions or exchange control requirements are applicable and to determine whether any investment in a Sub-Fund is appropriate for you.

The Shares of the Listed Class of Fubon NYSE FactSet Taiwan Core Semiconductor Index ETF and Fubon Shanghai-Shenzhen-Hong Kong High Dividend Yield ETF have been accepted as eligible securities by HKSCC for deposit, clearing and settlement in CCASS with effect from the respective date of commencement of dealings in the Shares of the Listed Class of Fubon NYSE FactSet Taiwan Core Semiconductor Index ETF and Fubon Shanghai-Shenzhen-Hong Kong High Dividend Yield ETF on the SEHK or such other date as may be determined by HKSCC. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

No action has been taken to permit an offering of Shares or the distribution of this Prospectus in any jurisdiction other than Hong Kong and, accordingly, this Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer is not authorised or to any person to whom it is unlawful to make such offer or solicitation. The Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or any other United States Federal or State law and, except in a transaction which does not violate the Securities Act, may not be directly or indirectly offered to or sold in the United States of America or any of its territories or for the benefit of a US Person (as defined in Regulation S of the Securities Act). The Company and each Sub-Fund have not been and will not be registered as an investment company under the United States Investment Company Act of 1940, as amended. Shares may not be acquired or owned by (i) an employee benefit plan, as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), that is subject to Title I of ERISA, (ii) a plan, as defined in Section 4975(e)(1) of the United States Internal Revenue Code of 1986, as amended (the "**Internal Revenue Code**"), that is subject to Section 4975 of the Internal Revenue Code, (iii) a plan that is subject to any other law, regulation, rule or restriction that is substantially similar to ERISA or Section 4975 of the Internal Revenue Code ("**Similar Law**") or (iv) an entity whose assets are deemed to include the assets of such an employee benefit plan or plan for purposes of ERISA, Section 4975 of the Internal Revenue Code or Similar Law, unless the purchase, holding and disposition of Shares will not constitute a violation under ERISA, Section 4975 of the Internal Revenue Code and any applicable Similar Law.

Furthermore, distribution of this Prospectus (including the KFS) shall not be permitted unless it is accompanied by a copy of the latest annual financial report of the Sub-Fund(s) (where existing) and, if later, its most recent interim report.

You should note that any amendment or addendum to this Prospectus will only be posted on the Company's website (www.fubonetf.com.hk) (the contents of which, and of any other websites referred to in this Prospectus, have not been reviewed by the SFC). This Prospectus (including the KFS) may refer to information and materials included in websites. Such information and materials do not form part of this Prospectus and they have not been reviewed by the SFC or any regulatory body. Investors should note that the information provided in websites may be updated and changed periodically without any notice to any person.

Enquiries and Complaints

Investors may raise any questions on or make any complaints about the Company (including the Sub-Fund(s)) by contacting the Manager at its address as set out in the Directory of this Prospectus or calling the Manager on +852 3918 3288 during normal office hours.

DEFINITIONS

In this Prospectus (including the relevant Appendix for any Sub-Fund), unless the context requires otherwise, the following expressions have the meanings set out below.

"Administrator"	means The Hongkong and Shanghai Banking Corporation Limited in its capacity as the administrator of the Sub-Funds or such other person or persons for the time being duly appointed and acting as administrators hereof in succession thereto.
"AFRC"	means the Accounting and Financial Reporting Council in Hong Kong or its successors.
"After Listing"	means, in respect of a Listed Class, the period which commences on the Listing Date and continues until the relevant Sub-Fund is terminated.
"Appendix"	means an appendix to this Prospectus that sets out specific information applicable to a Sub-Fund.
"Application"	means, in respect of a Listed Class, an application by a Participating Dealer for the creation or redemption of Shares in accordance with the procedures for creation and redemption of Shares set out in the Operating Guidelines, the relevant Participation Agreement and the terms of the Instrument.
"Application Share"	in relation to a Listed Class, means such number of Shares of a class or whole multiples thereof as specified in this Prospectus for the relevant Sub-Fund or such other number of Shares from time to time determined by the Manager, approved by the Custodian and notified to the Participating Dealers.
"Auditor"	means the person appointed and acting as auditor of the Company and the Sub-Fund(s) for the time being.
"Business Day"	in respect of a Sub-Fund, means, unless the Manager otherwise agrees or otherwise specified in the relevant Appendix of the Sub-Fund, a day on which (a)(i) the SEHK is open for normal trading; and (ii) the relevant market on which Securities comprised in the relevant Index and/or Futures Contracts, as the case may be, are traded is open for normal trading, or if there are more than one such market, the market designated by the Manager is open for normal trading, and (b) the Index is compiled and published, or such other day or days as the Manager may determine from time to time.
"Cancellation Compensation"	means, in respect of a Listed Class, an amount payable by a Participating Dealer for the account of a Sub-Fund in respect of a Default or a cancellation of Creation Application or Redemption Application in accordance with the Instrument, the Participation Agreement and/or the Operating Guidelines applicable at the time the relevant Creation Application or Redemption Application is made.
"CCASS"	means the Central Clearing and Settlement System established and operated by HKSCC or any successor system operated by HKSCC or its successors.
"CCASS Settlement Day"	means the term "Settlement Day" as defined in the General Rules of HKSCC.
"China A-Shares"	means shares issued by companies incorporated, and listed on stock exchanges (such as the SSE and the SZSE) in the PRC, traded in onshore RMB ("**CNY**").
"ChinaClear"	means The China Securities Depositary & Clearing Corporation Limited or its successors.

"Class Currency" means, in relation to a class of Shares, the base currency of the Sub-Fund relating thereto or such other currency of account as the Manager may specify for such class of Shares in accordance with the Instrument.

"Company" means Fubon ETF Series OFC 富邦交易所買賣基金系列開放式基金型公司.

"Connected Person" has the meaning as set out in the UT Code which at the date of this Prospectus means in relation to a company:

(a) any person or company beneficially owning, directly or indirectly, 20% or more of the ordinary share capital of that company or able to exercise directly or indirectly, 20% or more of the total votes in that company; or

(b) any person or company controlled by a person who or which meets one or both of the descriptions given in (a) above; or

(c) any member of the group of which that company forms part; or

(d) any director or officer of that company or of any of its connected persons as defined in (a), (b) or (c) above.

"Conversion Agency Agreement" means the agreement by which the Conversion Agent agrees with the Manager to provide its services in respect of the Listed Class of a Sub-Fund, as may from time to time be entered amongst the Company, the Manager, the Conversion Agent and HKSCC.

"Conversion Agent" means HK Conversion Agency Services Limited or such other person as may from time to time be appointed to act as conversion agent in relation to the Listed Class of a Sub-Fund.

"Creation Application" means, in respect of a Listed Class, an application by a Participating Dealer for the creation and issue of Shares in an Application Share size in accordance with the Operating Guidelines and the Instrument.

"CSRC" means the China Securities Regulatory Commission or its successors.

"Custodian" means, unless otherwise specified in Part 2 of this Prospectus, HSBC Institutional Trust Services (Asia) Limited or such other person for the time being duly appointed as custodian by the Company in secession thereto under the Instrument to whom all the Scheme Property of a Sub-Fund is entrusted for safe keeping subject to and in accordance with the Laws and Regulations.

"Custody Agreement" means the custody agreement dated 9 December 2021 between the Company for itself and each Sub-Fund and the Custodian by which the Custodian is appointed, as may be further amended, modified or supplemented from time to time.

"Dealing Day" means each Business Day during the continuance of the relevant Sub-Fund, and/or such other day or days as the Manager may from time to time determine either generally or for a particular class or classes of Shares.

"Dealing Deadline" means, in respect of a Sub-Fund, in relation to any Dealing Day, such time or times as the Manager may from time to time in consultation with the Custodian determine generally or in relation to any particular class or classes of Shares of a Sub-Fund or any particular place for (in respect of Listed Class) submission of Application(s) by a Participating Dealer or (in respect of Unlisted Class(es)) submission of application for subscription or redemption of Shares, as specified in the relevant Appendix.

"Default" means, in respect of a Listed Class, a failure by a Participating Dealer in respect of:

(a) a Creation Application to deliver the requisite Securities, Futures Contracts and/or any relevant cash amount; or

(b) a Redemption Application to deliver the Shares the subject of the Redemption Application and/or relevant cash amount.

"Deposited Property" means, in respect of a Sub-Fund, all the assets (including Income Property), received or receivable by the Company for the time being held or deemed to be held by the Company for the account of the relevant Sub-Fund but excluding (i) Income Property standing to the credit of the distribution account of such Sub-Fund (other than interest earned thereon), and (ii) any other amount for the time being standing to the credit of the distribution account of such Sub-Fund.

"Directors" means the directors of the Company for the time being or the directors of the Company present at a meeting of directors at which a quorum is present and includes any committee of the Directors duly constituted for the purposes relevant in the context in which any reference to the Directors appears or the members of such committee present at a meeting of such committee at which a quorum is present, and "**Director**" shall be construed accordingly.

"Duties and Charges" means, in relation to any particular transaction or dealing in respect of a Listed Class, all stamp and other duties, taxes, government charges, brokerage fees, bank charges, transfer fees, registration fees, transaction levies and other duties and charges whether in connection with the constitution of the Deposited Property or the increase or decrease of the Deposited Property or the creation, issue, transfer, cancellation or redemption of Shares or the acquisition or disposal of Securities and/or Futures Contracts (as the case may be), or the entering into or termination of any swaps (including any costs associated with the entering into, or unwind or maintenance of, any hedging arrangements in respect of such swaps, or any costs associated with any collateral arrangements in respect of such Securities, Futures Contracts or swaps), or otherwise which may have become or may be payable in respect of, and whether prior to, upon or after the occasion of, such transaction or dealing and including but not limited to, in relation to an issue of Shares or redemption of Shares, a charge (if any) of such amount or at such rate as is determined by the Manager to be made for the purpose of compensating or reimbursing the Sub-Fund for the difference between (a) the prices used when valuing the Securities and/or Futures Contracts (as the case may be) held for the Sub-Fund for the purpose of such issue or redemption of Shares and (b) (in the case of an issue of Shares) the prices which would be used when acquiring the same Securities and/or Futures Contracts (as the case may be) if they were acquired by the Sub-Fund with the amount of cash received by the Sub-Fund upon such issue of Shares and (in the case of a redemption of Shares) the prices which would be used when selling the same Securities and/or Futures Contracts (as the case may be) if they were sold by the Sub-Fund in order to realise the amount of cash required to be paid out of the Sub-Fund upon such redemption of Shares.

"Encumbrance"	means any mortgage, charge, pledge, lien, third party right or interest, any other encumbrance or security interest of any kind or another type of preferential arrangement (including, without limitation, a title transfer or retention arrangement) having similar effect other than any such encumbrance or security interest imposed by the terms of the relevant clearing system/ depositary or otherwise created by the terms of the Participation Agreement, the Instrument or any agreement between the Company, the Manager, the Custodian and the relevant Participating Dealer.
"Entities within the Same Group"	means entities which are included in the same group for the purposes of consolidated financial statements prepared in accordance with internationally recognised accounting standards.
"Extension Fee"	means, in respect of a Listed Class, the fee payable to the Administrator on each occasion the Company, upon a Participating Dealer's request, grants the Participation Dealer an extended settlement in respect of a Creation Application or Redemption Application.
"FDI"	means a financial derivative instrument.
"Fund Administration Agreement"	means the agreement for the time being subsisting between the Company for and on behalf of the relevant Sub-Fund(s) and The Hongkong and Shanghai Banking Corporation Limited relating to its appointment and duties as the Administrator and the Registrar of the relevant Sub-Fund(s).
"Futures Contract"	means any futures contract which is traded on any Futures Exchange.
"Futures Exchange"	means the Hong Kong Futures Exchange Limited and such other futures exchange from time to time determined by the Manager.
"Government and other Public Securities"	has the meaning as set out in the UT Code which at the date of this Prospectus means any investment issued by, or the payment of principal and interest on, which is guaranteed by a government, or any fixed-interest investment issued by its public or local authorities or other multilateral agencies.
"HKD"	means Hong Kong dollars, the lawful currency for the time being and from time to time of Hong Kong.
"HKEX"	means Hong Kong Exchanges and Clearing Limited or its successors.
"HKSCC"	means the Hong Kong Securities Clearing Company Limited or its successors.
"Hong Kong"	means the Hong Kong Special Administrative Region of the People's Republic of China.
"IFRS"	means International Financial Reporting Standards.

"Income Property" means, in respect of a Sub-Fund, (a) all interest, dividends and other sums deemed by the Manager, (after consulting the Auditor either on a general or case by case basis), to be in the nature of income (including taxation repayments, if any) received or receivable by the Custodian in respect of the Deposited Property of the relevant Sub-Fund (whether in cash or, without limitation, by warrant, cheque, money, credit or otherwise or the proceeds of sale or transfer of any Income Property received in a form other than cash); (b) all interest and other sums received or receivable by the Company in respect of (a), (c) or (d) of this definition; (c) all cash component payments received or receivable by the Custodian for the account of the relevant Sub-Fund in respect of an Application; (d) all Cancellation Compensation received by the Custodian for the account of the relevant Sub-Fund; and (e) any payments to be received or are receivable by the Company under any contractual agreements in the nature of investments for the benefit of the relevant Sub-Fund but excluding (i) other Deposited Property; (ii) any amount for the time being standing to the credit of the distribution account for the account of the relevant Sub-Fund or previously distributed to Shareholders; (iii) gains for the account of the relevant Sub-Fund arising from the realisation of Securities and/or Futures Contracts (as the case may be); and (iv) any sums applied towards payment of the fees, costs and expenses payable by the Company from the Income Property of the relevant Sub-Fund.

"Index" means, in respect of a Sub-Fund, the index or benchmark (as the context required) against which the relevant Sub-Fund may be benchmarked or may otherwise be referenced as set out in the relevant Appendix.

"Index Provider" means, in respect of a Sub-Fund, the person responsible for compiling the Index against which the relevant Sub-Fund benchmarks its investments and who holds the right to licence the use of such Index to the relevant Sub-Fund as set out in the relevant Appendix.

"Initial Issue Date" means, in respect of each Sub-Fund (or class of Shares), the date of the first issue of Shares of that Sub-Fund (or class) as set out in the relevant Appendix.

"Initial Offer Period" means, in respect of each Sub-Fund (or class of Shares), such period as may be determined by the Manager for the purpose of making an initial offer of Shares of that Sub-Fund (or class) which (in the case of a Listed Class) shall be the period before the relevant Listing Date as set out in the relevant Appendix.

"Insolvency Event" occurs in relation to a person where (i) an order has been made or an effective resolution passed for the liquidation or bankruptcy of the person; (ii) a receiver or similar officer has been appointed in respect of the person or of any of the person's assets or the person becomes subject to an administration order; (iii) the person enters into an arrangement with one or more of its creditors or is deemed to be unable to pay its debts; (iv) the person ceases or threatens to cease to carry on its business or substantially the whole of its business or makes or threatens to make any material alteration to the nature of its business; or (v) the Manager in good faith believes that any of the above is likely to occur.

"Instrument" means the instrument of incorporation of the Company filed to the Companies Registry of Hong Kong on, and effective as of, 29 November 2021, including its Schedules and Appendices, as amended from time to time.

"Issue Price" means, in respect of a Listed Class, the price at which Shares may be issued, determined in accordance with the Instrument.

"Laws and Regulations" means all applicable laws and regulations including the SFO, Securities and Futures (Open-ended Fund Companies) Rules (Chapter 571AQ of the Laws of Hong Kong), as amended from time to time, the OFC Code, the SFC Handbook for Unit Trusts and Mutual Funds, Investment-Linked Assurance Schemes and Unlisted Structured Investment Products (including the UT Code, as amended from time to time and supplemented by published guidelines or other guidance issued by the SFC) and the SFC Fund Manager Code of Conduct (as amended from time to time and supplemented by published guidelines or other guidance issued by the SFC).

"Listed Class" means a class of Shares which is listed on either the SEHK or any other Recognised Stock Exchange.

"Listing Date" means, in respect of each Listed Class, the date on which the Shares of the Listed Class in respect of a Sub-Fund are first listed and from which dealings therein are permitted to take place on SEHK, the expected date of which is set out in the relevant Appendix for the Sub-Fund.

"Mainland China" means all the customs territories of the PRC.

"Management Agreement" means the discretionary management agreement dated 30 November 2021 between the Company for itself and each Sub-Fund and the Manager by which the Manager is appointed, as may be further amended, modified or supplemented from time to time.

"Manager" means Fubon Fund Management (Hong Kong) Limited or such other person or persons for the time being duly appointed as investment manager or investment managers by the Company in succession thereto under the Instrument from time to time to whom all the investment management functions of the Company are delegated subject to and in accordance with the Laws and Regulations.

"Market" means in any part of the world:

(a) in relation to any Security, the SEHK or such other stock exchange from time to time determined by the Manager; and

(b) in relation to any Futures Contract, the Hong Kong Futures Exchange Limited or such other futures exchange from time to time determined by the Manager,

and any over-the-counter transaction conducted in any part of the world and in relation to any Security or Futures Contract shall be deemed to include any bilateral agreement with a responsible firm, corporation or association in any country in any part of the world dealing in the Security or Futures Contract which the Manager may from time to time elect.

"Market Maker" means a broker or dealer permitted by the SEHK to act as such by making a market for Shares in the Listed Class in the secondary market on the SEHK.

"Multi-Counter" means the facility by which the Shares in the Listed Class of a Sub-Fund traded in more than one currency are each assigned separate stock codes on the SEHK and are accepted for deposit, clearance and settlement in CCASS in more than one eligible currency as described in the relevant Appendix. Where the Share of a Sub-Fund is traded in two eligible currencies, the facility is referred to as a "**Dual Counter**".

"Net Asset Value" or **"NAV"** means the net asset value of the Company or, as the context may require, the net asset value of a Sub-Fund or class of Shares calculated under the Instrument.

"OFC Code"	means the Code on Open-Ended Fund Companies issued by the SFC, as amended from time to time and supplemented by published guidelines or other guidance issued by the SFC.
"Operating Guidelines"	means, in respect of a Listed Class, the guidelines for the creation and redemption of Shares of that class as set out in the schedule to each Participation Agreement as amended from time to time by the Manager with the approval of the Custodian and the Administrator, and where applicable, with the approval of HKSCC and the Conversion Agent, and following consultation, to the extent reasonably practicable, with the relevant Participating Dealers, subject always, in respect of the relevant Operating Guidelines for a Participating Dealer, any amendment being agreed with or notified in writing by the Manager in advance to the relevant Participating Dealer (as the case may be). Unless otherwise specified, references to the Operating Guidelines shall be to the Operating Guidelines for the relevant class of Shares applicable at the time of the relevant Application.
"Participating Dealer"	means, in respect of a Listed Class, a licensed broker or dealer who is (or who has appointed an agent or delegate who is) a person admitted for the time being by HKSCC as a participant of CCASS and who has entered into a Participation Agreement in form and substance acceptable to the Company, the Manager and the Custodian, and any reference in this Prospectus to "Participating Dealer" shall include a reference to any agent or delegate so appointed by the Participating Dealer.
"Participation Agreement"	means an agreement entered into between, among others, the Company, the Manager, the Custodian, the Administrator and a Participating Dealer (and its agent, if applicable), and if determined necessary by the Manager (in its absolute discretion), each of HKSCC and the Conversion Agent, setting out, amongst other things, the arrangements in respect of the Applications. References to the Participation Agreement shall, where appropriate, mean the Participation Agreement, read together with the Operating Guidelines.
"PD Agent"	means a person who is admitted by HKSCC as either a Direct Clearing Participant or a General Clearing Participant (as defined in the General Rules of HKSCC) in CCASS and who has been appointed by a Participating Dealer as its agent for the creation and redemption of Shares of a Listed Class.
"PRC"	means the People's Republic of China.
"QFI"	means a qualified foreign investor who has been approved by the CSRC to invest in securities and futures markets in Mainland China.
"QFI Regime"	means the qualified foreign investors regime in Mainland China (including the qualified foreign institutional investor programme and the RMB qualified foreign institutional investor programme, as may be promulgated and/or amended from time to time).
"Recognised Futures Exchange"	means an international futures exchange which is recognised by the SFC or which is approved by the Manager.
"Recognised Stock Exchange"	means an international stock exchange which is recognised by the SFC or which is approved by the Manager.
"Redemption Application"	means, in respect of a Listed Class, an application by a Participating Dealer for the redemption of Shares in Application Share size (or whole multiples thereof) in accordance with the Operating Guidelines and the Instrument.

"Redemption Price" means, in respect of the Unlisted Class(es), the price per Share at which such Share is redeemed, calculated in accordance with the Instrument.

"Redemption Value" means, in respect of the Listed Class, the price per Share at which such Share is redeemed, calculated in accordance with the Instrument.

"Registrar" means The Hongkong and Shanghai Banking Corporation Limited or such person as may from time to time be appointed by the Company (and acceptable to the Manager) as registrar in respect of each Sub-Fund to keep the register of the Shareholders of the Sub-Fund.

"Reverse Repurchase Transactions" means transactions whereby a Sub-Fund purchases Securities from a counterparty of Sale and Repurchase Transactions and agrees to sell such Securities back at an agreed price in the future.

"RMB" means Chinese Renminbi, the lawful currency of the PRC.

"Sale and Repurchase Transactions" means transactions whereby a Sub-Fund sells its Securities to a counterparty of Reverse Repurchase Transactions and agrees to buy such Securities back at an agreed price with a financing cost in the future.

"Scheme Property" means all the property of the Company.

"Securities" means any shares, stocks, debentures, loan stocks, bonds, securities, commercial paper, acceptances, trade bills, warrants, participation notes, certificates, structured products, treasury bills, instruments or notes of, or issued by or under the guarantee of, any body, whether incorporated or unincorporated, and whether listed or unlisted, or of any government or local government authority or supranational body, whether paying interest or dividends or not and whether fully-paid, partly paid or nil paid and includes (without prejudice to the generality of the foregoing):

(a) any right, option or interest (howsoever described) in or in respect of any of the foregoing, including units in any unit trust;

(b) any certificate of interest or participation in, or temporary or interim certificate for, receipt for or warrant to subscribe or purchase, any of the foregoing;

(c) any instrument commonly known or recognised as a security;

(d) any receipt or other certificate or document evidencing the deposit of a sum of money, or any rights or interests arising under any such receipt, certificate or document; and

(e) any bill of exchange and any promissory note.

"Securities Lending Transactions" means transactions whereby a Sub-Fund lends its Securities to a security-borrowing counterparty for an agreed fee.

"SEHK" means The Stock Exchange of Hong Kong Limited or its successors.

"Service Agent" means HK Conversion Agency Services Limited or such other person as may from time to time be appointed to act as service agent in relation to Shares in the Listed Class of a Sub-Fund.

"Service Agent's Fee"	means, in respect of the Listed Class of a Sub-Fund, the fee which may be charged for the benefit of the Service Agent to each Participating Dealer or PD Agent (as the case may be) on each book-entry deposit or withdrawal transaction made by the relevant Participating Dealer or PD Agent (as the case may be), the maximum level of which shall be determined by the Service Agent and set out in this Prospectus.
"Service Agreement"	means each agreement by which the Service Agent provides its services in respect of the Listed Class of a Sub-Fund entered amongst the Company, the Manager, the Custodian, the Registrar, the Participating Dealer, the PD Agent (where applicable), the Service Agent and HKSCC.
"Settlement Day"	means, in respect of a Listed Class, the Business Day which is two Business Days after the relevant Dealing Day (or such other Business Day as is permitted in relation to such Dealing Day (including the Dealing Day itself) pursuant to the Operating Guidelines) or such other number of Business Days after the relevant Dealing Day as determined by the Manager in consultation with the Custodian from time to time and notified to the relevant Participating Dealers, either generally or for a particular class or classes of Shares, pursuant to the Operating Guidelines or as otherwise described in the relevant Appendix.
"SFC"	means the Securities and Futures Commission of Hong Kong or its successors.
"SFO"	means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time.
"Share"	means such number of undivided shares or such fraction of an undivided share of a Sub-Fund to which a Share relates as is represented by a Share of the relevant class and, except where used in relation to a particular class of Share, a reference to Shares means and includes Shares of all classes.
"Share Cancellation Fee"	means, in respect of a Listed Class, the fee charged by the Conversion Agent in respect of the cancellation of Shares in connection with an accepted Redemption Application of a Sub-Fund.
"Shareholder"	means the person for the time being entered on the Register as the holder of a Share or Shares including, where the context so admits, persons jointly so registered.
"SSE"	means Shanghai Stock Exchange.
"Stock Connect"	means the programme which aims to achieve mutual stock market access between Mainland China and Hong Kong and includes (i) the Shanghai-Hong Kong Stock Connect, a securities trading and clearing links programme developed by the SEHK, SSE, ChinaClear and HKSCC; and (ii) the Shenzhen-Hong Kong Stock Connect, a securities trading and clearing links programme developed by the SEHK, SZSE, ChinaClear and HKSCC.
"Subscription Price"	means, in respect of Unlisted Class(es), the price per Share at which the Share of a particular Unlisted Class will be issued, determined in accordance with the Instrument.
"Sub-Fund"	means a separate part of the Scheme Property which is established pursuant to the Instrument and as described in the relevant Appendix.
"Sub-Manager"	means Fubon Asset Management Company Limited or such other person or persons for the time being to which the investment management function of all or part of the assets of a Sub-Fund of the Company has been delegated from the Manager.

"SZSE"	means Shenzhen Stock Exchange.
"Transaction Fee"	means the fee, in respect of the Listed Class of a Sub-Fund, which may be charged for the benefit of the Administrator, the Registrar, the Conversion Agent (if any) and/or the Service Agent (if any) to each Participating Dealer on each Dealing Day upon which an Application has been or Applications have been made by the relevant Participating Dealer.
"TWD"	means New Taiwan Dollars, the lawful currency of Taiwan.
"Unlisted Class"	means a class of Shares which is neither listed on the SEHK nor any other Recognised Stock Exchange.
"US" or **"United States"**	means the United States of America.
"USD"	means United States dollars, the lawful currency of the United States of America.
"UT Code"	means the Code on Unit Trusts and Mutual Funds issued by the SFC, as amended from time to time and supplemented by published guidelines or other guidance issued by the SFC.
"Valuation Point"	means, in respect of a Sub-Fund, unless otherwise specified in the relevant Appendix of a Sub-Fund, the official close of trading on the Market on which the Securities constituting the Index are listed on each Dealing Day or if more than one, the official close of trading on the last relevant Market to close or such other time or times as determined by the Manager from time to time provided that there shall always be a Valuation Point on each Dealing Day other than where there is a suspension of the creation, issue, switching and redemption of Shares.

PART 1 – GENERAL INFORMATION RELATING TO THE COMPANY AND SUB-FUNDS

Part 1 of this Prospectus includes information relevant to the Company and all Sub-Fund(s) established under the Company and listed on the SEHK.

The information presented in this Part 1 should be read in conjunction with the information presented in the relevant Appendix in Part 2 of this Prospectus in respect of a particular Sub-Fund. Where the information in Part 2 of this Prospectus conflicts with the information presented in this Part 1, the information in the relevant Appendix in Part 2 prevails, however, it is applicable to the specific Sub-Fund of the relevant Appendix only. Please refer to Part 2 "Specific Information Relating to Each Sub-Fund" for further information.

INTRODUCTION

The Company

The Company is a public umbrella open-ended fund company with variable capital with limited liability, which was incorporated in Hong Kong under the SFO on 29 November 2021 with the business registration number 73582885. It is constituted by way of its Instrument filed to the Companies Registry of Hong Kong on, and effective as of, 29 November 2021.

The Company is registered with the SFC under Section 112D of the SFO. The Company and each Sub-Fund is authorised as a collective investment scheme by the SFC under Section 104 of the SFO and each Sub-Fund falls within Chapter 8.6 of the UT Code. Registration with or authorisation by the SFC does not represent a recommendation or endorsement of the Company or any of the Sub-Funds nor do they guarantee the commercial merits of the Company, any of the Sub-Funds or their performance. They do not mean that the Company or the Sub-Funds are suitable for all investors nor do they represent an endorsement of their suitability for any particular investor or class of investors.

The Sub-Fund(s)

The Company may issue different classes of Shares and the Company shall establish a separate pool of assets in respect of each Sub-Fund to which one or more class of Shares shall be attributable. The assets of a Sub-Fund will be invested and administered separately from the other assets of the Company. All assets and liabilities attributable to each Sub-Fund shall be segregated from the assets and liabilities of any other Sub-Funds, and shall not be used for the purpose of, or borne by the assets of, any other Sub-Fund. Each Sub-Fund will have its own Appendix in Part 2 of this Prospectus.

Each Sub-Fund will be an exchange traded fund listed on the SEHK, but it may issue Shares in both Listed Class (which will be listed on the SEHK, and where indicated in the relevant Appendix, may be available for trading on the SEHK using a Multi-Counter) and Unlisted Class(es).

The Company reserves the right to establish other Sub-Funds and/or issue further classes of Shares relating to a Sub-Fund or Sub-Funds in the future in accordance with the provisions of the Instrument.

OFFERING AND DEALING ARRANGEMENTS

For details relating to the offer, creation, redemption, listing and trading of Shares in the Listed Class of a Sub-Fund, please refer to Schedule 1 of this Prospectus.

For details relating to the offer, subscription, conversion and redemption of the Shares in the Unlisted Class(es) of a Sub-Fund, please refer to Schedule 2 of this Prospectus.

INVESTMENT OBJECTIVE, STRATEGY AND RESTRICTIONS, SECURITIES LENDING AND BORROWING

Investment Objective

The investment objective of each Sub-Fund is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the relevant Index unless otherwise stated in the relevant Appendix.

Investment Strategy

Each Sub-Fund will adopt either a full replication or a representative sampling strategy. The investment strategy of each Sub-Fund is stated in the relevant Appendix.

Full Replication Strategy

Where a Sub-Fund adopts a full replication strategy as its investment strategy, it will invest in substantially all the Securities constituting the Index in substantially the same weightings (i.e. proportions) as these Securities have in the Index. When a Security ceases to be a constituent of the Index, rebalancing occurs which involves, among other things, selling the outgoing Security and potentially using the proceeds to invest in the incoming Security.

Representative Sampling Strategy

Where a Sub-Fund adopts a representative sampling strategy as its investment strategy, it will invest, directly in securities that are included in the Index or indirectly through FDIs, in a representative sample of the Securities in the relevant Index that collectively reflects the investment characteristics of such Index and aims to replicate its performance. A Sub-Fund adopting a representative sampling strategy may or may not hold all of the Securities that are included in the relevant Index, and may hold a portfolio of Securities (in case of direct investment for physical representative sampling strategy) and FDIs (in case of indirect investment for synthetic representative sampling strategy) which are not included in the Index, provided that these collectively feature a high correlation with the Index.

Switching Between Strategies

Whilst the full replication strategy is likely to track the performance of the relevant Index more closely when compared to the representative sampling strategy, it may not be the most efficient way to do so. Also, it may not always be possible or it may be difficult to buy or hold certain Securities comprising the Index. The Manager and the Sub-Manager may therefore, in the appropriate circumstances, choose to use a representative sampling strategy, having regard to the number of Securities constituting the Index, the liquidity of such Securities, any restrictions on the ownership of such Securities, the transaction expenses and other trading costs, and tax and other regulatory restrictions.

Investors should note that the Manager and the Sub-Manager may switch between the above investment strategies, without prior notice to investors, in its absolute discretion and as often as they believe appropriate in order to achieve the investment objective of the relevant Sub-Fund by tracking the relevant Index as closely (or efficiently) as possible for the benefit of investors.

In addition to the investment strategies set out above, a Sub-Fund may be launched with synthetic or futures-based strategies as described in the relevant Appendix for each such Sub-Fund.

Investment Restrictions

Unless otherwise specifically provided for in the relevant Appendix, the investment restrictions applicable to each Sub-Fund (that are included in the Instrument) are summarised below:

(a) the aggregate value of a Sub-Fund's investments in, or exposure to, any single entity through the following may not exceed 10% of the total Net Asset Value of such Sub-Fund, save as permitted by Chapter 8.6(h) and as varied by Chapter 8.6(h)(a) of the UT Code:

(1) investments in Securities issued by such entity;

(2) exposure to such entity through underlying assets of FDIs; and

(3) net counterparty exposure to such entity arising from transactions of over-the-counter FDIs;

(b) subject to (a) above and Chapter 7.28(c) of the UT Code and unless otherwise approved by the SFC, the aggregate value of a Sub-Fund's investments in, or exposure to, Entities within the Same Group through the following may not exceed 20% of the total Net Asset Value of the Sub-Fund:

(1) investments in Securities issued by such entities;

(2) exposure to such entities through underlying assets of FDIs; and

(3) net counterparty exposure to such entities arising from transactions of over-the-counter FDIs;

(c) unless otherwise approved by the SFC, the value of a Sub-Fund's cash deposits made with the same entity or Entities within the Same Group may not exceed 20% of the total Net Asset Value of the Sub-Fund, unless:

(1) the cash is held before the launch of the Sub-Fund and for a reasonable period thereafter prior to the initial subscription proceeds being fully invested, or

(2) the cash is proceeds from liquidation of investments prior to the merger or termination of a Sub-Fund, whereby the placing of cash deposits with various financial institutions may not be in the best interest of investors; or

(3) the cash is proceeds received from subscriptions pending investments and held for the settlement of redemption and other payment obligations, whereby the placing of cash deposits with various financial institutions is unduly burdensome and the cash deposits arrangement would not compromise investors' interests;

For the purpose of this sub-paragraph (c), cash deposits generally refer to those that are repayable on demand or have the right to be withdrawn by a Sub-Fund and not referable to provision of property or services.

(d) ordinary shares issued by any single entity (other than Government and other Public Securities) held for the account of a Sub-Fund, when aggregated with other holdings of ordinary shares of the same entity held for the account of all other Sub-Funds under the Company collectively may not exceed 10% of the nominal amount of the ordinary shares issued by the entity;

(e) not more than 15% of the total Net Asset Value of a Sub-Fund may be invested in Securities and other financial products or instruments that are neither listed, quoted nor dealt in on a stock exchange, over-the-counter market or other organised securities market which is open to the international public and on which such Securities are regularly traded;

(f) notwithstanding (a), (b), (d) and (e), where direct investment by a Sub-Fund in a market is not in the best interests of investors, a Sub-Fund may invest through a wholly-owned subsidiary company established solely for the purpose of making direct investments in such market. In this case:

(1) the underlying investments of the subsidiary, together with the direct investments made by the Sub-Fund, must in aggregate comply with the requirements of Chapter 7 of the UT Code;

(2) any increase in the overall fees and charges directly or indirectly borne by the Shareholders or the Sub-Fund as a result must be clearly disclosed in the Prospectus; and

(3) the Sub-Fund must produce the financial reports as required under 5.10(b) of the UT Code in a consolidated form to include the assets (including investment portfolio) and liabilities of the subsidiary company as part of those of the Sub-Fund;

(g) notwithstanding (a), (b) and (d), not more than 30% of the total Net Asset Value of a Sub-Fund may be invested in Government and other Public Securities of the same issue;

(h) subject to (g), a Sub-Fund may fully invest in Government and other Public Securities in at least six different issues;

(i) unless otherwise approved by the SFC, a Sub-Fund may not invest in physical commodities;

(j) for the avoidance of doubt, exchange traded funds that are:

(1) authorised by the SFC under Chapter 8.6 or 8.10 of the UT Code; or

(2) listed and regularly traded on internationally recognised stock exchanges open to the public (nominal listing not accepted) and (i) the principal objective of which is to track, replicate or correspond to a financial index or benchmark, which complies with the applicable requirements under Chapter 8.6 of the UT Code; or (ii) the investment objective, policy, underlying investments and product features of which are substantially in line with or comparable with those set out under Chapter 8.10 of the UT Code,

will be considered and treated as listed Securities for the purposes of and subject to the requirements in paragraphs (a), (b) and (d) above. However, the investments in exchange traded funds shall be subject to paragraph (e) above and the relevant investment limits in exchange traded funds by a Sub-Fund should be consistently applied and clearly disclosed in this Prospectus;

(k) where a Sub-Fund invests in shares or units of other collective investment schemes ("**underlying schemes**"),

(1) the value of such Sub-Fund's investment in units or shares in underlying schemes which are non-eligible schemes (as determined by the SFC) and not authorised by the SFC, may not in aggregate exceed 10% of the total Net Asset Value of the Sub-Fund; and

(2) such Sub-Fund may invest in one or more underlying schemes which are either schemes authorised by the SFC or eligible schemes (as determined by the SFC), but the value of the Sub-Fund's investment in units or shares in each such underlying scheme may not exceed 30% of the total Net Asset Value of the Sub-Fund, unless the underlying scheme is authorised by the SFC and its name and key investment information are disclosed in the Prospectus of the Sub-Fund,

provided that in respect of (1) and (2) above:

(i) the objective of each underlying scheme may not be to invest primarily in any investment prohibited by Chapter 7 of the UT Code, and where that underlying scheme's objective is to invest primarily in investments restricted by Chapter 7 of the UT Code, such investments may not be in contravention of the relevant limitation prescribed by Chapter 7 of the UT Code. For the avoidance of doubt, a Sub-Fund may invest in scheme(s) authorised by the SFC under Chapter 8 of the UT Code (except for hedge funds under Chapter 8.7 of the UT Code), eligible scheme(s) (as determined by the SFC) of which the net derivative exposure (as defined in the UT Code) does not exceed 100% of its total net asset value, and exchange traded funds satisfying the requirements in paragraph (j) above in compliance with paragraph (k)(1) and (k)(2);

(ii) where the underlying schemes are managed by the Manager, or by other companies within the same group that the Manager belongs to, then paragraphs (a), (b), (d) and (e) above are also applicable to the investments of the underlying scheme;

(iii) the objective of the underlying schemes may not be to invest primarily in other collective investment scheme(s);

(3) where an investment is made in any underlying scheme(s) managed by the Manager or any of its Connected Persons, all initial charges and redemption charges on the underlying scheme(s) must be waived; and

(4) the Manager or any person acting on behalf of the Sub-Fund or the Manager may not obtain a rebate on any fees or charges levied by an underlying scheme or the manager of an underlying scheme, or quantifiable monetary benefits in connection with investments in any underlying scheme;

(l) a Sub-Fund may invest 90% or more of its total Net Asset Value in a single collective investment scheme and may be authorised as a feeder fund by the SFC. In this case:

(1) the underlying scheme ("**master fund**") must be authorised by the SFC;

(2) the relevant Appendix must state that:

(i) the Sub-Fund is a feeder fund into the master fund;

(ii) for the purpose of complying with the investment restrictions, the Sub-Fund (i.e. feeder fund) and its master fund will be deemed a single entity;

(iii) the Sub-Fund (i.e. feeder fund)'s annual report must include the investment portfolio of the master fund as at the financial year end date; and

(iv) the aggregate amount of all the fees and charges of the Sub-Fund (i.e. feeder fund) and its underlying master fund must be clearly disclosed;

(3) unless otherwise approved by the SFC, no increase in the overall total of initial charges, redemption charges, the Manager's annual fee, or any other costs and charges payable to the Manager or any of its Connected Persons borne by the Shareholders or by the Sub-Fund (i.e. feeder fund) may result, if the master fund in which the Sub-Fund (i.e. feeder fund) invests is managed by the Manager or by its Connected Person; and

(4) notwithstanding paragraph (k)(iii) above, the master fund may invest in other collective investment scheme(s) subject to the investment restrictions as set out in paragraph (k); and

(m) if the name of a Sub-Fund indicates a particular objective, investment strategy, geographic region or market, the Sub-Fund should, under normal market circumstances, invest at least 70% of its Net Asset Value in securities and other investments to reflect the particular objective, investment strategy or geographic region or market which the Sub-Fund represents.

Investment Prohibitions

A Sub-Fund shall not:

(a) invest in a security of any class in any company or body if any director or officer of the Manager individually owns more than 0.5% of the total nominal amount of all the issued securities of that class or the directors and officers of the Manager collectively own more than 5% of those securities;

(b) invest in any type of real estate (including buildings) or interests in real estate, including options or rights, but excluding shares in real estate companies and interests in real estate investment trusts (REITs) and in the case of investments in such shares and REITs, they shall comply with the investment restrictions and limitations set out in sub-paragraphs (a), (b), (d), (e) and (k) under the section entitled "**Investment Restrictions**" above where applicable. For the avoidance of doubt, where investments are made in listed REITs, 7.1, 7.1A and 7.2 of the UT Code apply and where investments are made in unlisted REITs, which are either companies or collective investment schemes, then 7.3 and 7.11 apply respectively;

(c) make short sales if as a result a Sub-Fund would be required to deliver Securities exceeding 10% of the total Net Asset Value of the Sub-Fund (for this purpose Securities sold short must be actively traded on a market where short selling is permitted, and for the avoidance of doubt, a Sub-Fund is prohibited to carry out any naked or uncovered short sale of securities and short selling should be carried out in accordance with all applicable laws and regulations);

(d) lend or make a loan out of the assets of a Sub-Fund, except to the extent that the acquisition of bonds or the making of a deposit (within the applicable investment restrictions) might constitute a loan;

(e) subject to Chapter 7.3 of the UT Code, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person, save and except for Reverse Repurchase Transactions in compliance with the UT Code;

(f) enter into any obligation in respect of a Sub-Fund or acquire any asset or engage in any transaction for the account of a Sub-Fund which involves the assumption of any liability which is unlimited. For the avoidance of doubt, the liability of Shareholders is limited to their investment in the relevant Sub-Fund; or

(g) apply any part of a Sub-Fund in the acquisition of any investments which are for the time being nil paid or partly paid in respect of which a call is due to be made for any sum unpaid on such investments unless such call could be met in full out of cash or near cash forming part of a Sub-Fund whereby such amount of cash or near cash has not been segregated to cover a future or contingent commitment arising from transactions in FDIs for the purposes of Chapters 7.29 and 7.30 of the UT Code.

Note: The investment restrictions set out above apply to each Sub-Fund, subject to the following: A collective investment scheme authorised by the SFC under the UT Code is usually restricted from making investments which would result in the value of that collective investment scheme's holdings of the Securities of any single entity exceeding 10% of the collective investment scheme's total net asset value. Given the investment objective of each Sub-Fund and nature of the relevant Index, a Sub-Fund is allowed under Chapter 8.6(h) of the UT Code to hold investments in constituent Securities of any single entity exceeding 10% of the relevant Sub-Fund's latest available Net Asset Value if such constituent Securities account for more than 10% of the weighting of the Index and the relevant Sub-Fund's holding of any such constituent Securities does not exceed their respective weightings in the Index, except where the weightings are exceeded as a result of changes in the composition of the Index and the excess is only transitional and temporary in nature.

However, the restrictions in 8.6(h)(i) and (ii) (as described above) do not apply if:

(a) the relevant Sub-Fund adopts a representative sampling strategy which does not involve full replication of the constituent Securities of the Index in the exact weightings of such Index;

(b) the strategy is clearly disclosed in the relevant Appendix;

(c) the excess of the weightings of the constituent Securities held by the relevant Sub-Fund over the weightings in the Index is caused by the implementation of the representative sampling strategy;

(d) any excess weightings of the relevant Sub-Fund's holdings over the weightings in the Index must be subject to a maximum limit reasonably determined by the relevant Sub-Fund after consultation with the SFC. In determining this limit, the relevant Sub-Fund must consider the characteristics of the underlying constituent Securities, their weightings and the investment objectives of the Index and any other suitable factors;

(e) limits laid down by the relevant Sub-Fund pursuant to the point (d) above must be disclosed in the relevant Appendix; and

(f) disclosure must be made in the relevant Sub-Fund's interim and annual reports as to whether the limits imposed by such Sub-Fund itself pursuant to the above point (d) have been complied with in full. If there is non-compliance with the said limits during the relevant reporting period, this must be reported to the SFC on a timely basis and an account for such non-compliance should be stated in the report relating to the period in which the non-compliance occurs or otherwise notified to investors.

Subject to approval of the SFC, the investment restrictions in Chapter 7.1A and 7.1B of the UT Code may be modified and the 30% limit in Chapter 7.4 of the UT Code may be exceeded, and a Sub-Fund may invest all of its assets in Government and Other Public Securities in any number of different issues despite Chapter 7.5 of the UT Code.

Securities Financing Transactions

Where indicated in the relevant Appendix, a Sub-Fund may enter into Securities Lending Transactions, Sale and Repurchase Transactions and Reverse Repurchase Transactions or other similar over-the-counter transactions ("**Securities Financing Transactions**"), provided that they are in the best interests of the Shareholders, the associated risks have been properly mitigated and addressed, and the counterparties to the Securities Financing Transactions are financial institutions which are subject to ongoing prudential regulation and supervision.

A Sub-Fund which engages in Securities Financing Transactions is subject to the following requirements:

(a) it shall have at least 100% collateralisation in respect of the Securities Financing Transactions into which it enters to ensure there is no uncollateralised counterparty risk exposure arising from these transactions;

(b) all the revenues arising from Securities Financing Transactions, net of direct and indirect expenses as reasonable and normal compensation for the services rendered in the context of the Securities Financing Transactions to the extent permitted by applicable legal and regulatory requirements, shall be returned to the Sub-Fund;

(c) it shall ensure that it is able to at any time to recall the securities or the full amount of cash/collateral (as the case may be) subject to the Securities Financing Transactions or terminate the Securities Financing Transactions into which it has entered.

Borrowing

Subject always to the provisions of the Instrument and the UT Code, borrowing against the assets of each Sub-Fund is allowed up to a maximum of 10% of its total Net Asset Value. For this purpose, back-to-back loans do not count as borrowing. Where the Manager so determines, a Sub-Fund's permitted borrowing level may be a lower percentage as set out in the relevant Appendix. The Company may borrow for the account of a Sub-Fund any currency, and charge or pledge assets of that Sub-Fund for securing such borrowing for the account of that Sub-Fund, and interest thereon and expenses thereof, for the following purposes:

(a) facilitating the creation or redemption of Shares or defraying operating expenses;

(b) enabling the Manager to acquire Securities for the account of such Sub-Fund; or

(c) for any other proper purpose as may be agreed by the Manager from time to time, except to enhance the performance of any Sub-Fund.

FDIs

Subject always to the provisions of the Instrument and the UT Code, the Manager may on behalf of a Sub-Fund enter into any transactions in relation to FDIs, for hedging or non-hedging (investment) purposes.

Where specified in the relevant Appendix, a Sub-Fund may acquire FDIs for hedging purposes. FDIs are considered as being acquired for hedging purpose if they meet all of the following criteria:

(a) they are not aimed at generating any investment return;

(b) they are solely intended for the purpose of limiting, offsetting or eliminating the probability of loss or risks arising from the investments being hedged;

(c) they should relate to the same asset class with high correlation in terms of risks and return, and involve taking opposite positions, in respect of the investments being hedged; and

(d) they exhibit price movements with high negative correlation with the investments being hedged under normal market conditions.

Hedging arrangement should be adjusted or re-positioned, where necessary and with due consideration on the fees, expenses and costs, to enable the Sub-Fund to meet its hedging objective in stressed or extreme market conditions.

Where specified in the relevant Appendix, a Sub-Fund may acquire FDIs for non-hedging purposes ("**investment purposes**"), subject to the limit that the Sub-Fund's net exposure relating to these FDIs ("**net derivative exposure**") does not exceed 50% of its total Net Asset Value (unless otherwise approved by the SFC for a Sub-Fund pursuant to Chapter 8.8 or Chapter 8.9 of the UT Code), provided that such limit may be exceeded in such circumstances as permitted under the UT Code, handbook, code and/or guideline issued by the SFC from time to time or permitted by the SFC from time to time. For the avoidance of doubt:

(a) for the purpose of calculating net derivative exposure, the positions of FDIs acquired by a Sub-Fund for investment purposes are converted into the equivalent position in the underlying assets of the FDIs, taking into account the prevailing market value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the position;

(b) the net derivative exposure should be calculated in accordance with the requirements and guidance issued by the SFC which may be updated from time to time; and

(c) FDIs acquired for hedging purposes will not be counted towards the 50% limit referred to in this paragraph so long as there is no residual derivative exposure arising from such hedging arrangement.

Subject to Chapter 7.26 and 7.28 of the UT Code, a Sub-Fund may invest in FDIs provided that the exposure to the underlying assets of the FDI, together with the other investments of the Sub-Fund, may not in aggregate exceed the corresponding investment restrictions or limitations applicable to such underlying assets and investments as set out in the relevant provisions of Chapter 7 of the UT Code.

The FDIs invested by a Sub-Fund shall be either listed or quoted on a stock exchange, or dealt in over-the-counter market and comply with the following provisions:

(a) the underlying assets consist solely of shares in companies, debt Securities, money market instruments, units/shares of collective investment schemes, deposits with substantial financial institutions, Government and other Public Securities, highly-liquid physical commodities (including gold, silver, platinum and crude oil), financial indices, interest rates, foreign exchange rates, currencies or other asset classes acceptable to the SFC, in which the Sub-Fund may invest according to its investment objectives and policies. Where a Sub-Fund invests in index-based FDIs, the underlying assets of such FDIs are not required to be aggregated for the purposes of the investment restrictions or limitations set out in Chapters 7.1, 7.1A, 7.1B and 7.4 of the UT Code provided that the relevant Index is in compliance with Chapter 8.6(e) of the UT Code;

(b) the counterparties to over-the-counter FDI transactions or their guarantors are substantial financial institutions or such other entity acceptable to the SFC on a case-by-case basis;

(c) subject to paragraphs (a) and (b) under the section entitled "**Investment Restrictions**" above, the net counterparty exposure to a single entity arising from transactions of the over-the-counter FDIs may not exceed 10% of the Net Asset Value of the Sub-Fund. The exposure of a Sub-Fund to a counterparty of over-the-counter FDIs may be lowered by the collateral received (if applicable) by such Sub-Fund and shall be calculated with reference to the value of collateral and positive mark to market value of the over-the-counter FDIs with that counterparty, if applicable; and

(d) the valuation of the FDIs is marked-to-market daily, subject to regular, reliable and verifiable valuation conducted by the Manager, the Custodian or their nominee(s), agent(s) or delegate(s) independent of the issuer of the FDIs through measures such as the establishment of a valuation committee or engagement of third party services. The FDIs can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the initiative of the Sub-Fund. Further, the calculation agent/fund administrator should be adequately equipped with the necessary resources to conduct independent marked-to-market valuation and to verify the valuation of the FDIs on a regular basis.

A Sub-Fund shall at all times be capable of meeting all its payment and delivery obligations incurred under transactions in FDIs (whether for hedging or for investment purposes). The Manager shall, as part of its risk management process, monitor to ensure that the transactions in FDIs are adequately covered on an ongoing basis. Assets that are used to cover the Sub-Fund's obligation should be free from any liens and encumbrances, should exclude any cash or near cash for the purpose of meeting a call on any sum unpaid under a security and cannot be applied for any other purposes. A transaction in FDIs which gives rise to a future commitment or contingent commitment of a Sub-Fund should also be covered as follows:

- in the case of FDI transactions which will, or may at the Manager's discretion, be cash settled, the Sub-Fund should at all times hold sufficient assets that can be liquidated within a short timeframe to meet the payment obligation; and

- in the case of FDI transactions which will, or may at the counterparty's discretion, require physical delivery of the underlying assets, the Sub-Fund should hold the underlying assets in sufficient quantity at all times to meet the delivery obligation. If the Manager considers the underlying assets to be liquid and tradable, the Sub-Fund may hold other alternative assets in sufficient quantity as cover, provided that such assets may be readily converted into the underlying assets at any time to meet the delivery obligation. Where it is holding alternative assets as cover, the Sub-Fund should apply safeguard measures such as to apply haircut where appropriate to ensure that such alternative assets held are sufficient to meet its future obligations.

The above policies relating to FDIs apply to financial instruments which embeds a financial derivative as well. For the purposes herein, an "embedded financial derivative" is a FDI that is embedded in another security.

Collateral

Collateral received from counterparties shall comply with the following requirements:

- Liquidity – collateral must be sufficiently liquid and tradable that it can be sold quickly at a robust price that is close to pre-sale valuation. Collateral should normally trade in a deep and liquid market place with transparent pricing;

- Valuation – collateral should be marked-to-market daily by using independent pricing source;

- Credit quality – asset used as collateral must be of high credit quality and should be replaced immediately as soon as the credit quality of the collateral or the issuer of the asset being used as collateral has deteriorated to such a degree that it would undermine the effectiveness of the collateral;

- Haircut – collateral should be subject to prudent haircut policy which should be based on the market risks of the assets used as collateral in order to cover potential maximum expected decline in collateral values during liquidation before a transaction can be closed out with due consideration on stress period and volatile markets. For the avoidance of doubt the price volatility of the asset used as collateral should be taken into account when devising the haircut policy;

- Diversification – collateral must be appropriately diversified to avoid concentrated exposure to any single entity and/or Entities within the Same Group and a Sub-Fund's exposure to issuer(s) of the collateral should be taken into account in compliance with the investment restrictions and limitations set out in Chapters 7.1, 7.1A, 7.1B, 7.4, 7.5, 7.11, 7.11A, 7.11B and 7.14 of the UT Code;

- Correlation – the value of the collateral should not have any significant correlation with the creditworthiness of the counterparty or the issuer of the FDIs in such a way that would undermine the effectiveness of the collateral. As such, securities issued by the counterparty or the issuer of the FDIs or any of their related entities should not be used as collateral;

- Management of operational and legal risks – the Manager shall have appropriate systems, operational capabilities and legal expertise for proper collateral management;

- Independent custody – collateral must be held by the Custodian of the Sub-Fund;

- Enforceability – collateral must be readily accessible/enforceable by the Company for the Sub-Fund without further recourse to the issuer of the FDIs, or the counterparty of the Securities Financing Transactions;

- Cash collateral – any re-investment of cash collateral received for the account of the Sub-Fund shall be subject to the following requirements:

  (i) cash collateral received may only be reinvested in short-term deposits, high quality money market instruments and money market funds authorised under Chapter 8.2 of the UT Code or regulated in a manner generally comparable with the requirements of the SFC and acceptable to the SFC, and subject to corresponding investment restrictions or limitations applicable to such investments or exposure as set out in Chapter 7 of the UT Code. For this purpose, "money market instruments" refer to securities normally dealt in on the money markets, including government bills, certificates of deposit, commercial papers, short-term notes and bankers' acceptances, etc. In assessing whether a money market instrument is of high quality, at a minimum, the credit quality and the liquidity profile of the money market instruments must be taken into account.

  (ii) the portfolio of assets from re-investment of cash collateral shall comply with the requirements as set out in Chapter 8.2(f) and (n) of the UT Code;

  (iii) cash collateral received is not allowed to be further engaged in any Securities Financing Transactions; and

  (iv) when the cash collateral received is reinvested into other investment(s), such investment(s) is/are not allowed to be engaged in any Securities Financing Transactions;

  Non-cash collateral received may not be sold, re-invested or pledged;

- Encumbrances – collateral should be free of prior encumbrances; and

- Collateral should generally not include (i) structured products whose payouts rely on embedded FDIs or synthetic instruments; (ii) securities issued by special purpose vehicles, special investment vehicles or similar entities; (iii) securitised products; or (iv) unlisted collective investment schemes.

The collateral policy adopted by the Manager applicable to a particular Sub-Fund (if any) is set out in the Appendix of the relevant Sub-Fund.

DETERMINATION OF NET ASSET VALUE

Calculation of Net Asset Value

The Net Asset Value of each Sub-Fund will be calculated by the Administrator in the base currency of the relevant Sub-Fund as at each Valuation Point applicable to the relevant Sub-Fund by valuing the assets of the relevant Sub-Fund and deducting the liabilities of the relevant Sub-Fund, in accordance with the terms of the Instrument.

Where a Sub-Fund has multiple classes of Shares, the Net Asset Value of a class shall be calculated by apportioning the Net Asset Value of such Sub-Fund between the classes by reference to the respective Net Asset Value of each such Class immediately prior to the relevant Valuation Point, and deducting therefrom the liabilities and adding thereto any assets specifically attributable to the relevant class, in accordance with the terms of the Instrument.

Set out below is a summary of how various Securities held by the relevant Sub-Fund are valued:

(a) Securities that are quoted, listed, traded or dealt in on any Market shall unless the Manager (in consultation with the Custodian) determines that some other method is more appropriate, be valued by reference to the official closing price or, if unavailable, the last traded price on the Market on which the relevant Security is quoted, listed or ordinarily dealt in as the Manager may consider in the circumstances to provide fair criterion, provided that (i) if a Security is quoted or listed on more than one Market, the Manager shall adopt the official closing price or, if unavailable, the last traded price on the Market which in its opinion provides the principal market for such Security; (ii) if prices on that Market are not available at the relevant time, the value of the Securities shall be such price as certified by such firm or institution making a market in such investment as may be appointed for such purpose by the Manager, or, if the Custodian so requires, by the Manager after consultation with the Custodian if the prices on that Market is not available for more than such period of time as may be agreed between the Manager, the Custodian and/or any delegates appointed by the Custodian applicable to the Sub-Fund; (iii) in the case of a Security that is a debt instrument which may or may not be a constituent of the relevant Index, the value shall be determined in accordance with the relevant Index's valuation policy (this being the fair value), and the Manager in consultation with the Custodian shall be entitled to use prices furnished by the Index provider; (iv) interest accrued on any interest-bearing Securities shall be taken into account up to the date as at which the valuation is made, unless such interest is included in the quoted or listed price; (v) the Manager, the Administrator or its delegates may accept as sufficient evidence of the value of any asset of a Sub-Fund or the cost price or sale price thereof, any market quotation or certification by a calculation agent, broker, any professional person, firm or association qualified in the opinion of the Custodian or its delegates or the Manager to provide such a quotation; (vi) the Manager, the Administrator or its delegates may rely upon the established practice and rulings of any market and any committees and officials thereof on which any dealing in any assets of the Sub-Fund or other property is from time to time effected in determining what shall constitute a good delivery and any similar matters; and (vii) the Manager and the Administrator shall be entitled to use and rely on electronic price feeds from such source or sources as they may from time to time determine, notwithstanding that the prices so used are not the official closing prices or the last traded prices (as the case may be);

(b) the value of each interest in any unlisted mutual fund corporation or unit trust shall be the latest available net asset value per share or unit in such mutual fund corporation or unit trust or, if such net asset value is not available or not considered by the Manager to be appropriate, the latest available bid or offer price for such unit, share or other interest;

(c) Futures Contracts will be valued based on the formulae set out in the Instrument;

(d) except as provided for in paragraph (b), the value of any investment which is not listed, quoted or ordinarily dealt in on a Market shall be the initial value thereof equal to the amount expended on behalf of the relevant Sub-Fund in the acquisition of such investment (including, in each case the amount of stamp duties, commissions and other acquisition expenses) provided that the Manager may at any time in consultation with the Custodian and shall at such times or at such intervals as the Custodian may request, cause a revaluation to be made by a professional person approved by the Custodian as qualified to value such investments (which may, if the Custodian agrees, be the Manager);

(e) cash, deposits and similar investments shall be valued at their face value (together with accrued interest) unless, in the opinion of the Manager in consultation with the Custodian, any adjustment should be made to reflect the value thereof; and

(f) notwithstanding the foregoing, the Manager in consultation with the Custodian may adjust the value of any investment or permit some other method of valuation to be used if, having regard to relevant circumstances, the Manager considers that such adjustment is more appropriate to fairly reflect the value of the investment.

Currency conversion will be performed at such rates as may be agreed between the Administrator and/or the Custodian with the Manager from time to time.

The above is a summary of the key provisions of the Instrument with regard to how the various assets of the relevant Sub-Fund are valued.

To the extent that the valuation or accounting basis adopted by the Sub-Funds deviates from IFRS, the Manager may make necessary adjustments in the annual financial statements to comply with IFRS. Any such adjustments will be disclosed in the financial reports, including a reconciliation note to reconcile values arrived at by applying the Company's valuation rules.

Suspension of Determination of Net Asset Value

Subject to the Laws and Regulations, the Manager may, in consultation with the Custodian, declare a suspension of the determination of the Net Asset Value of the relevant Sub-Fund or of any class of Shares for the whole or any part of any period during which:

(a) there exists any state of affairs prohibiting the normal disposal and/or purchase of the investments of the relevant Sub-Fund;

(b) circumstances exist as a result of which, in the opinion of the Manager, it is not reasonably practicable to realise a substantial part of any Securities and/or Futures Contracts held or contracted for the account of the relevant Sub-Fund or it is not possible to do so without seriously prejudicing the interest of Shareholders of the relevant Sub-Fund;

(c) for any other reason the prices of investments of the relevant Sub-Fund cannot, in the opinion of the Manager, reasonably, promptly and fairly be ascertained;

(d) there is a breakdown in any of the means normally employed in determining the Net Asset Value of the relevant Sub-Fund or the Net Asset Value per Share of the relevant class or when for any other reason the value of any Securities and/or Futures Contracts or other property for the time being comprised in the relevant Sub-Fund cannot, in the opinion of the Manager, reasonably, promptly and fairly be ascertained;

(e) the remittance or repatriation of funds which will or may be involved in the realisation of, or in the payment for, a substantial part of the Securities and/or Futures Contracts or other property of the relevant Sub-Fund or the subscription or redemption of Shares of the relevant class is delayed or cannot, in the opinion of the Manager, be carried out promptly or at normal rates of exchange; or

(f) the business operations of the Company or any delegate of the Company or the Manager in respect of the determination of the Net Asset Value of the relevant Sub-Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God.

Any suspension shall take effect forthwith upon its declaration and thereafter there shall be no determination of the Net Asset Value of the relevant Sub-Fund and the Manager shall be under no obligation to rebalance the relevant Sub-Fund until the suspension is terminated on the earlier of (i) the Manager declaring the suspension is at an end; and (ii) the first Dealing Day on which (1) the condition giving rise to the suspension has ceased to exist; and (2) no other condition under which suspension is authorised exists.

The Manager shall immediately after declaration of any such suspension by the Manager notify the SFC and publish a notice of suspension following the suspension, and at least once a month during the suspension, on the Company's website at https://www.fubonetf.com.hk (this website has not been reviewed by the SFC) or in such other publications as the Company decides.

No Shares of a Sub-Fund will be created, issued, switched or redeemed during any period of suspension of the determination of the Net Asset Value of the relevant Sub-Fund.

In respect of Shares in the Listed Class, a Participating Dealer may, at any time after a suspension has been declared and before termination of such suspension, withdraw any Creation Application or Redemption Application by notice in writing to the Company and the Company shall promptly notify and request the Custodian to return to the Participating Dealer any Securities and/or cash received by it in respect of the Creation Application (without interest) as soon as practicable. If no such notification of withdrawal of any such Creation Application or Redemption Application (as the case may be) has been received by the Company before termination of such suspension, the Company shall, subject to and in accordance with the provisions of the Operating Guidelines and/or the Instrument, consider such Creation Application or Redemption Application (as the case may be) as having been received immediately following the termination of such suspension.

In respect of Shares in the Unlisted Class(es), any Shareholder may at any time after a suspension has been declared and before termination of such suspension, withdraw any subscription, switching or redemption application submitted prior to such suspension by notice in writing to the Company and the Company shall promptly notify the Custodian accordingly. If no such notice withdrawing any such application has been received by the Company and the Custodian before termination of such suspension, the Company shall, subject to and in accordance with the provisions of the Instrument, issue, switch or redeem such Shares in the relevant Unlisted Class(es) in respect of such application as at the Dealing Day next following the termination of such suspension.

FEES AND EXPENSES

There are different levels of fees and expenses applicable to investing in a Sub-Fund as set out below, current as at this date of this Prospectus. Where any levels of fees and expenses applicable to a particular Sub-Fund differs from the following, such fees and expenses will be set out in full in the relevant Appendix.

Investors should note that certain fees and expenses are applicable only to the Listed Class, and certain other fees and expenses are applicable only to the Unlisted Class(es).

Fees and Expenses Payable in respect of the Listed Class Only

Fees and expenses payable by Participating Dealers on creations and redemptions (as applicable) of Shares in the Listed Class (applicable both during the Initial Offer Period and After Listing)	Amount
Transaction fee payable to the Administrator	Please refer to the Appendix for the relevant Sub-Fund
Service Agent's Fee	HKD1,000[1] per book-entry deposit and book-entry withdrawal transaction
Application cancellation fee	USD1,250[2] per Application
Extension Fee	USD1,250[3] per Application
Stamp duty	Nil
Registrar Fee[4]	Nil
All other Duties and Charges incurred by the Custodian or the Manager in connection with the creation or redemption	As applicable

Fees and expenses payable by investors in the Listed Class	Amount
(i) Fees payable by clients of the Participating Dealers in respect of creations and redemptions (as applicable) via the Participating Dealer (applicable both during the Initial Offer Period and After Listing)	
Fees and charges imposed by the Participating Dealer[5]	Such amounts as determined by the relevant Participating Dealer
(ii) Fees payable by all investors in respect of dealings in the Shares on SEHK (applicable After Listing)	
Brokerage	Market rates (in currency determined by the intermediaries used by the investors)
Transaction levy	0.0027%[6] of the trading price
SEHK trading fee	0.00565%[7] of the trading price
AFRC transaction levy	0.00015%[8] of the trading price
Stamp duty	Nil[9]

Fees and expenses payable by a Sub-Fund	See the relevant Appendix

No money should be paid to any intermediary in Hong Kong which is not licensed or registered to carry on Type 1 regulated activity under Part V of the SFO.

[1] The Service Agent's Fee of HKD1,000 is payable by a Participating Dealer to the Service Agent for each book-entry deposit or book-entry withdrawal transaction.

[2] An application cancellation fee is payable to the Administrator in respect of either a withdrawn or failed Creation Application or Redemption Application.

[3] An Extension Fee is payable to the Administrator on each occasion the Company, upon a Participating Dealer's request, grants the Participation Dealer an extended settlement in respect of a Creation Application or Redemption Application.

[4] Please refer to the section "**Fees and Expenses Payable by a Sub-Fund (applicable to both the Listed Class and Unlisted Class(es))**" below for further details on the other fees which the Registrar is entitled to receive.

[5] The Participating Dealer may increase or waive the level of its fees in its discretion. Information regarding these fees and charges is available upon request to the relevant Participating Dealer.

[6] Transaction levy of 0.0027% of the trading price of the Shares, payable by each of the buyer and the seller.

[7] Trading fee of 0.00565% of the trading price of the Shares, payable by each of the buyer and the seller.

[8] An AFRC transaction levy of 0.00015% of the trading price of the Shares, payable by each of the buyer and the seller.

[9] Stamp duty is waived with effect from 13 February 2015 pursuant to the Stamp Duty (Amendment) Ordinance 2015.

Fees and Expenses Payable in respect of the Unlisted Class(es) Only

The following fees and charges are payable by investors in the Unlisted Class(es):

Subscription Fee

Under the Instrument, the Manager is entitled to impose a subscription fee on the issue of Shares in any Unlisted Class of any Sub-Fund of up to a maximum of 5.00% of the subscription monies.

The subscription fee is payable in addition to the Subscription Price per Share. The Manager may, in its absolute discretion, waive or reduce the payment of all or any portion of the subscription fee (either in relation to a Sub-Fund or a particular class) of a Sub-Fund.

Redemption Fee

Under the Instrument, the Manager does not levy any charge or fee on the redemption of Shares in any Unlisted Class of any Sub-Fund, although the Manager is entitled to impose such redemption fee subject to the approval of a special resolution (as defined in the Instrument).

Switching Fee

Under the Instrument, the Manager is entitled to impose a switching fee on the switching of Shares in any Unlisted Class of any Sub-Fund of up to 1.00% of the redemption proceeds payable in respect of the Existing Class (as defined below) being switched.

The switching fee is deducted from the amount realised from redemption of the Existing Class and retained by or paid to the Manager unless otherwise determined by the Manager. The Manager may, in its absolute discretion, waive or reduce the payment of all or any portion of the switching fee (either in relation to a Sub-Fund or a particular Unlisted Class) of a Sub-Fund.

Fees and Expenses Payable by a Sub-Fund (applicable to both the Listed Class and Unlisted Class(es))

Management Fee

The Manager is entitled to receive in respect of a Sub-Fund (or any class thereof), a management fee accrued daily and calculated as at each Dealing Day and payable monthly in arrears as a percentage of the Net Asset Value of such Sub-Fund (or such class) at the rates as specified in the relevant Appendix subject to a maximum fee as specified in the relevant Appendix.

The Manager may pay a distribution fee to any distributor or sub-distributors of the Company out of the Management Fee it receives from the Company. A distributor may re-allocate an amount of the distribution fee to the sub-distributors.

Custodian and Administration Fee

The Custodian and the Administrator are entitled to receive in respect of a Sub-Fund (or any class thereof), an aggregate fee accrued daily and calculated as at each Dealing Day and payable monthly in arrears as a percentage of the Net Asset Value of such Sub-Fund (or such class) at the rates as specified in the relevant Appendix subject to a maximum fee as specified in the relevant Appendix.

The Custodian and the Administrator are also entitled to receive various safekeeping, transaction and processing fees and other applicable fees as agreed with the Company from time to time and to be reimbursed by the relevant Sub-Fund for all out-of-pocket expenses (including sub-custody fees and expenses) properly incurred by the Custodian and/or the Administrator in the performance of their respective duties.

Registrar Fee

The Registrar is entitled to receive various transaction and processing fees as agreed with the Company from time to time and to be reimbursed by the relevant Sub-Fund (or the relevant class) properly incurred by it in the performance of its duties.

Directors' Remuneration and Expenses

Under the Instrument, the Directors shall be entitled to remuneration for their services as Directors up to an amount per annum equivalent to USD10,000 per Director and, where payable, such remuneration shall be allocated fairly as between Sub-Funds by reference to their respective Net Asset Values. Currently, the Directors do not receive any remuneration for their services as Directors of the Company.

The Company may pay any travelling, accommodation and other expenses properly incurred by Directors in connection with their attendance at meetings of Directors, general meetings, separate meetings of the Shareholders or any Sub-Fund or class of Shareholders or the exercise of their powers and the discharge of their responsibilities in relation to the Company.

Estimated Ongoing Charges

The estimated ongoing charges of any newly established Sub-Fund, which are the sum of anticipated ongoing expenses of the relevant Sub-Fund expressed as a percentage of its estimated average Net Asset Value, and the actual ongoing charges of any existing Sub-Fund, which are the sum of actual ongoing expenses of the relevant Sub-Fund expressed as a percentage of its actual average Net Asset Value, are set out in the KFS of the relevant Sub-Fund. Where a Sub-Fund is newly established the Manager will make a best estimate of the ongoing charges and keep such estimate under review. The establishment costs of a Sub-Fund may also be included in the ongoing charges calculation payable by a Sub-Fund and in those cases will be set out in the relevant Appendix. Ongoing expenses may be deducted from the assets of a Sub-Fund where these are permitted by the Instrument, the UT Code, the OFC Code and the law. These include all types of cost borne by a Sub-Fund, whether incurred in its operation or the remuneration of any party. The estimated or actual ongoing charges do not represent the estimated or actual tracking error. Where disclosed in an Appendix of a Sub-Fund, ongoing charges and expenses of that Sub-Fund may be borne by the Manager.

Brokerage Rates

A Sub-Fund shall bear all costs and brokerage commissions associated with trading transactions through its broker account. Brokerage fees will be charged by a broker at its institutional rates. Such institutional market rates vary with the Security and the market on which the Security is traded.

Promotional Expenses

A Sub-Fund will not be responsible for any promotional expenses including those incurred by any marketing agents and any fees imposed by such marketing agents on their customers investing in the Sub-Fund will not be paid (either in whole or in part) out of the Scheme Property.

Other Expenses

The Sub-Funds will bear all operating costs relating to the administration of the Sub-Funds including but not limited to stamp and other duties, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges and other costs and expenses payable in respect of the acquisition, holding and realisation of any investment or any monies, deposit or loan, charges and expenses of its legal counsel, auditors and other professionals, index licensing fees, the costs in connection with maintaining a listing of the Shares on the SEHK or other exchange and maintaining the Company's and the Sub-Funds' authorisation under the SFO, costs incurred in the preparation, printing and updating of any offering documents and the costs incurred in the preparation of supplemental deeds, any disbursements or out-of-pocket expenses properly incurred on behalf of the Sub-Funds by the Custodian, the Manager, the Sub-Manager, the Administrator or the Registrar or any of its service providers, the expenses incurred in convening meetings of Shareholders, preparing, printing and distributing annual and interim financial reports and other circulars relating to the Sub-Funds and the expenses of publishing Share prices.

Establishment Costs

The cost of establishing the Company and the initial Sub-Funds (namely Fubon NYSE FactSet Taiwan Core Semiconductor Index ETF and another Sub-Fund which was terminated and de-authorised) including the initial preparation of this Prospectus, inception fees, the costs of seeking and obtaining the listing and authorisation by the SFC including, if considered appropriate by the Manager, any additional costs of determining the stock code and all initial legal and printing costs (the "**Establishment Costs**") were borne by the Manager.

In 2021, the Hong Kong government established the Grant Scheme for Open-ended Fund Companies and Real Estate Investment Trusts (the "**Grant Scheme**") to subsidise the setting up of OFC. The Manager has applied to the SFC for a grant under the Grant Scheme on behalf of the Company and the Company has received a grant equivalent to 70% of the Establishment Costs subject to the terms of the Grant Scheme (e.g. the eligibility of the expenses, the cap of HKD1 million per OFC, clawback of the grant if the Company is terminated within two years from the date of incorporation, etc.).

The cost of establishing subsequent Sub-Fund(s) and/or class of Shares are set out in the Appendix(ices) of the relevant Sub-Fund(s).

The attention of investors is drawn to the risk factor entitled "***Valuation and Accounting Risk***" in the section headed "**RISK FACTORS**".

Increase in Fees

The current fees in respect of each Sub-Fund payable to the Manager, the Custodian and the Administrator as described in the relevant Appendix may be increased up to or towards the maximum rates set out in the relevant Appendix on not less than one month's notice (or not less than one week's notice if such increase in fees only applies to Shares in the Listed Class) to Shareholders (or such shorter period as may be allowed by the SFC). In the event that such fees are to be increased beyond the maximum rates set out in the relevant Appendix, such increase is subject to the prior approval by the SFC and not less than one month's notice shall be given to Shareholders.

RISK FACTORS

An investment in any Sub-Fund carries various risks. Each of these may affect the Net Asset Value, yield, total return and trading price of the Shares. A Sub-Fund's investment portfolio may fall in value due to any of the risk factors below and therefore your investment in the Sub-Fund may suffer losses. Investors should carefully evaluate the merits and risks of an investment in the relevant Sub-Fund in the context of your overall financial circumstances, knowledge and experience as an investor. The risk factors set forth below are the risks which are believed by the Manager and its directors to be relevant and presently applicable to each Sub-Fund. You should refer to additional risk factors, specific to each Sub-Fund, as set out in the relevant Appendix.

General Investment Risks

Investment Objective Risk

There is no assurance that the investment objective of a Sub-Fund will be achieved. Whilst it is the intention of the Manager and the Sub-Manager to implement strategies which are designed to minimise tracking error, there can be no assurance that these strategies will be successful. In addition, trading errors are an intrinsic factor in any investment process, and will occur, notwithstanding the execution of due care and special procedures designed to prevent such errors. It is possible that you as an investor may lose a substantial proportion or all of its investment in a Sub-Fund where the relevant Index value declines. As a result, each investor should carefully consider whether you can afford to bear the risks of investing in the relevant Sub-Fund.

Market Risk

The Net Asset Value of each Sub-Fund will change with changes in the market value of the Securities and/or Futures Contracts it holds. The price of Shares and the income from them may go down as well as up. There can be no assurance that an investor will achieve profits or avoid losses, significant or otherwise. The capital return and income of each Sub-Fund are based on the capital appreciation and income on the Securities and/or Futures Contracts it holds, less expenses incurred. A Sub-Fund's return may fluctuate in response to changes in such capital appreciation or income. Furthermore, each Sub-Fund may experience volatility and decline in a manner that broadly corresponds with the relevant Index. Investors in each Sub-Fund are exposed to the same risks that investors who invest directly in the underlying Securities and/or Futures Contracts would face. These risks include, for example, interest rate risks (risks of changes in portfolio values with changes in interest rates); income risks (risks of falling incomes from a portfolio in a falling interest rate market); and credit risk (risk of a default by the underlying issuer of a Security that forms part of the Index).

Asset Class Risk

Although the Manager and the Sub-Manager are responsible for the continuous supervision of the investment portfolio of each Sub-Fund, the returns from the types of Securities and/or Futures Contracts in which the Sub-Fund invests (either directly or indirectly) may underperform or outperform returns from other Securities and/or Futures Contracts markets or from investment in other assets. Different types of Securities and/or Futures Contracts tend to go through cycles of out-performance and underperformance when compared with other general Securities and/or Futures Contracts markets.

Passive Investment Risk

The Sub-Funds are not actively managed. Accordingly, a Sub-Fund may be affected by a decline in the market segments relating to the relevant Index or Indices. Each Sub-Fund invests (either directly or indirectly) in the Securities and/or Futures Contracts included in or representative of the relevant Index regardless of their investment merit, except to the extent of any representative sampling strategy. The Manager and the Sub-Manager will not have the discretion to adapt to market changes due to the inherent nature of the Sub-Fund and will not take defensive positions in declining markets, which means that falls in the Index or Indices are expected to result in corresponding falls in the Net Asset Value of the Sub-Fund, and investors may lose a significant part of their investment.

Representative Sampling Risk

With a representative sampling strategy, a Sub-Fund does not hold all of the Securities in its Index and may invest in Securities not included in its Index, provided that the sample closely reflects the overall characteristics of the Index which the Manager and the Sub-Manager believe will help the Sub-Fund achieve its investment objective. The Securities held by a Sub-Fund may also be over or underweight relative to the Securities in its Index. It is therefore possible that a Sub-Fund may be subject to larger tracking error.

Possible Business Failure Risk

Global markets may experience very high levels of volatility and an increased risk of corporate failures. The insolvency or other corporate failures of any one or more of the constituents of the Index may have an adverse effect on the Index's and therefore the relevant Sub-Fund's performance. You may lose money by investing in any Sub-Fund.

Management Risk

Because there can be no guarantee that each Sub-Fund will fully replicate the relevant Index, it is subject to management risk. This is the risk that the Manager's and the Sub-Manager's strategy, the implementation of which is subject to a number of constraints, may not produce the intended results. In addition, the Manager and the Sub-Manager have absolute discretion to exercise Shareholders' rights with respect to Securities and/or Futures Contracts comprising a Sub-Fund. There can be no guarantee that the exercise of such discretion will result in the investment objective of a Sub-Fund being achieved.

Concentration Risk

A Sub-Fund may be subject to concentration risk as a result of tracking the performance of a single geographical region or country or industry sector, and the Index may be comprised of a limited number of securities. The value of such Sub-Fund is likely to be more volatile than a fund having a more diverse portfolio of investments, such as a global equity fund, as it is more susceptible to fluctuations in value of the Index resulting from adverse conditions in the particular geographical region, country or industry sector (including economic, political, policy, foreign exchange, liquidity, tax, legal or regulator event). Where a Sub-Fund's Index tracks a particular region or country or industry sector or where the Index has a small number of constituents, risk factors specific to the relevant Sub-Fund are set out in its Appendix. Please refer to each Sub-Fund's Appendix for details.

Securities and/or Futures Contracts Risk

The investments of each Sub-Fund are subject to risks inherent in all Securities and/or Futures Contracts (including settlement and counterparty risks). The value of holdings may fall as well as rise. The global markets may experience very high levels of volatility and instability, resulting in higher levels of risk than is customary (including settlement and counterparty risks).

Counterparty Risk

Counterparty risk involves the risk that a counterparty or third party will not fulfil its obligations to a Sub-Fund and settle a transaction in accordance with market practice. A Sub-Fund may be exposed to the risk of a counterparty through investments.

A Sub-Fund may be exposed to the counterparty risk of the Custodian or other depositaries used by the Custodian with which the Scheme Property is deposited. The Custodian or other depositaries may be unable to perform their obligations due to credit-related and other events like insolvency of or default of them. In the event of the insolvency of the Custodian or other depositaries, a Sub-Fund will be treated as a general creditor of the Custodian or other depositaries in relation to cash holdings of the relevant Sub-Fund. In these circumstances the relevant Sub-Fund may be required to unwind certain transactions and may encounter delays of some years and difficulties with respect to court procedures in seeking recovery of the relevant Sub-Fund's assets. The Sub-Fund's assets are however maintained by the Custodian and other depositaries in segregated accounts and should be protected in the event of insolvency of the Custodian or such other depositaries.

Equity Market Risk

Investment in equity Securities by a Sub-Fund 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.

Emerging Market Risk

Some overseas markets in which a Sub-Fund may invest are considered emerging market countries. The economies of many emerging markets are still in the early stages of modern development and subject to abrupt and unexpected change. In many cases, governments retain a high degree of direct control over the economy and may take actions that have a sudden and widespread effect. Also, many less developed market and emerging market economies have a high degree of dependence on a small group of markets or even a single market that can render such economies more susceptible to the adverse impact of internal and external shocks.

Emerging market regions are also subject to special risks including, but not limited to: generally less liquid and less efficient securities markets; generally greater price volatility; currency risks/control; exchange rate fluctuations and exchange control; higher volatility of the value of debt (particularly as impacted by interest rates); imposition of restrictions on the expatriation of funds or other assets; less publicly available information about issuers; legal and taxation risks (such as difficulties in enforcing contracts and imposition of taxes); higher transaction and custody costs; settlement delays and risk of loss; less liquidity and smaller market capitalisations; less well-regulated markets resulting in more volatile stock prices; different accounting and disclosure standards; governmental interference; higher inflation; social, economic and political uncertainties; custodial and/or settlement systems may not be fully developed which may expose a Sub-Fund to sub-custodial risk in circumstances whereby the Custodian will have no liability as provided under the provisions of the Instrument; the risk of expropriation of assets and the risk of war.

Tracking Error Risk

A Sub-Fund may be subject to tracking error risk, which is the risk that its performance may not track that of the Index exactly. This tracking error may result from the investment strategy used, and fees and expenses. The Manager and the Sub-Manager will monitor and seek to manage such risk in minimising tracking error. There can be no assurance of exact or identical replication at any time of the performance of the relevant Index.

Loss of Capital Risk

There is no guarantee that a Sub-Fund's investments will be successful. In addition, trading errors are an intrinsic factor in any investment process, and may occur, notwithstanding the execution of due care and special procedures designed to prevent such errors.

Indemnity Risk

Under the Custody Agreement and the Management Agreement, the Custodian and the Manager (and their respective directors, officers, employees, delegates and agents) shall be entitled, except to the extent of any fraud, negligence, or wilful default on its (or their) part, to be indemnified and held harmless out of the assets of the relevant Sub-Fund in respect of any (in addition to any right of indemnity given by law) actions, proceedings, liabilities, costs, claims, damages, expenses or demands to which it (or they) may be put or which it (or they) may incur or suffer by virtue of the proper performance of its (or their) respective obligations or duties. Any reliance by the Custodian or the Manager on the right of indemnity would reduce the assets of a Sub-Fund and the value of the Shares.

Dividends May Not be Paid Risk

Whether a Sub-Fund will pay distributions on its Shares is subject to the Manager's distribution policy (as described in the relevant Appendix) and also mainly depends on dividends declared and paid in respect of the Securities comprising the Index. In addition, dividends received by a Sub-Fund may be applied towards meeting the costs and expenses of that Sub-Fund. Dividend payment rates in respect of such Securities will depend on factors beyond the control of the Manager including, general economic conditions, and the financial position and dividend policies of the relevant underlying entities. There can be no assurance that such entities will declare or pay dividends or distributions.

Distributions Out Of or Effectively Out Of Capital Risk

The Manager may, at its discretion make distributions out of capital. The Manager may also, at its discretion, make distributions out of gross income while all or part of the fees and expenses of a Sub-Fund are charged to/paid out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of distributions by each Sub-Fund and therefore, each Sub-Fund may effectively pay distributions out of the capital. Payment of distributions out of capital or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of distributions out of or effectively out of the Sub-Fund's capital may result in an immediate reduction of the Net Asset Value per Share. The Manager may amend its distribution policy subject to the SFC's prior approval and by giving not less than one month's prior notice to Shareholders.

Effect of Redemptions Risk

If significant redemptions of Shares are requested by the Participating Dealers in respect of the Listed Class or by Shareholders in the Unlisted Class(es), it may not be possible to liquidate the relevant Sub-Fund's investments at the time such redemptions are requested or the Manager or the Sub-Manager may be able to do so only at prices which the Manager or the Sub-Manager believes does not reflect the true value of such investments, resulting in an adverse effect on the return to investors. Where significant redemptions of Shares are requested by the Participating Dealers for the Listed Class and/or Shareholders in the Unlisted Class(es), the right of Participating Dealers and/or Shareholders (as the case may be) to require redemptions in excess of 10% of the total Net Asset Value of a Sub-Fund (or such higher percentage as the Manager may determine) may be deferred, or the period for the payment of redemption proceeds may be extended.

In addition, the Manager may also in certain circumstances suspend the determination of the Net Asset Value of a Sub-Fund for the whole or any part of any period. Please see the section on "**DETERMINATION OF NET ASSET VALUE**" for further details.

Early Termination Risk

A Sub-Fund may be terminated early under certain circumstances as set out in the Instrument and summarised under the section headed "**Termination (otherwise than by winding up)**" below. Upon a Sub-Fund being terminated, the Company will distribute the net cash proceeds (if any) derived from the realisation of the investments comprised in the relevant Sub-Fund to the Shareholders in accordance with the Instrument. Investors may suffer a loss where a Sub-Fund is terminated because any such amount recovered by may be more or less than the capital invested by the Shareholder.

No Right to Control a Sub-Fund's Operation Risk

Investors will have no right to control the daily operations, including investment and redemption decisions, of any Sub-Fund.

Borrowing Risk

The Company may borrow for the account of a Sub-Fund (up to 10% of the Net Asset Value of each Sub-Fund unless otherwise specified in the Appendix) for various reasons, such as facilitating redemptions or to acquire investments for the account of the Sub-Fund. Borrowing involves an increased degree of financial risk and may increase the exposure of a Sub-Fund to factors such as rising interest rates, downturns in the economy or deterioration in the conditions of the assets underlying its investments. There can be no assurance that a Sub-Fund will be able to borrow on favourable terms, or that the relevant Sub-Fund's indebtedness will be accessible or be able to be refinanced by the relevant Sub-Fund at any time.

Government Intervention and Restriction Risk

Governments and regulators may intervene in the financial markets, such as by the imposition of trading restrictions, a ban on short selling or the suspension of short selling for certain stocks. This may affect the operation and market making activities of the Sub-Fund, and may have an unpredictable impact on the Sub-Funds, including increasing or decreasing the level of premium or discount of the Share price to Net Asset Value or the ability of the Sub-Funds to track the relevant Index. Furthermore, such market interventions may have a negative impact on the market sentiment which may in turn affect the performance of an Index and as a result the performance of the relevant Sub-Fund.

Reliance on the Manager and the Sub-Manager Risk

Shareholders must rely on the Manager and Sub-Manager in implementing the investment strategies and the performance of the Sub-Funds is largely dependent on the services and skills of their officers and employees. In the case of loss of service of the Manager, the Sub-Manager or any of their key personnel, as well as any significant interruption of the Manager's or the Sub-Manager's business operations or in the extreme case of the insolvency of the Manager or the Sub-Manager, the Company may not find successor managers or investment delegates with the requisite skills and qualifications quickly or at all and the new appointment may not be on equivalent terms or of similar quality.

Currency Risk

Underlying investments of a Sub-Fund may be denominated in currencies other than the base currency of the Sub-Fund. Also, 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 unfavourably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls. If the relevant Sub-Fund's Net Asset Value is determined on the basis of HKD, an investor may lose money if he invests in any Sub-Fund if the local currency of a foreign market depreciates against the HKD, even if the local currency value of the Sub-Fund's holdings goes up.

Foreign Security Risk

Investing in the Securities of non-Hong Kong companies involves special risks and considerations not typically associated with investing in Hong Kong companies. These include differences in accounting, disclosure, auditing and financial reporting standards, the possibility of expropriation or confiscatory taxation, adverse changes in investment or exchange control regulations, the imposition of restrictions on the expatriation of funds or other assets of a Sub-Fund, political instability which could affect local investments in foreign countries, and potential restrictions on the flow of international capital. Non-Hong Kong companies may be subject to less governmental regulation than Hong Kong companies. Moreover, individual foreign economies may differ favourably or unfavourably from the Hong Kong economy in such respects as growth of gross domestic product, rate of inflation, capital reinvestment, resource self-sufficiency and balance of payment positions.

Some stock exchanges (such as the Taiwan Stock Exchange and the Taipei Exchange) may have the right to suspend or limit trading in any Security traded on the relevant exchange. The government or the regulators in different jurisdictions (including Taiwan) may also implement policies that may affect the financial markets. Some countries prohibit or restrict foreign investment, or the repatriation of income, capital or the proceeds from sale of Securities. The Sub-Fund may incur higher costs investing in these countries. High market volatility and potential settlement difficulties in the markets in which a Sub-Fund invests (such as Taiwan) may also result in significant fluctuations in the prices of the Securities traded on such markets and thereby may adversely affect the value of the relevant Sub-Fund. All these may have a negative impact on the relevant Sub-Fund and limit the Sub-Fund's ability to invest in these countries, delay the investment or repatriation of capital of the Sub-Fund and impact the Sub-Fund's ability to track the performance of the Index.

Securities Financing Transactions Risks

A Sub-Fund which enters into Securities Financing Transactions may be subject to legal risk, operational risks, liquidity risk of the counterparty and custody risk of the collateral and the following risks:

- *Securities Lending Transactions* – Securities Lending Transactions may involve the risk that the borrower may fail to return the securities lent out in a timely manner and the value of the collateral may fall below the value of the securities lent out.

- *Sale and Repurchase Transactions* – In the event of the failure of the counterparty with which collateral has been placed, a Sub-Fund may suffer loss as there may be delays in recovering collateral placed out or the cash originally received may be less than the collateral placed with the counterparty due to inaccurate pricing of the collateral or market movements.

- *Reverse Repurchase Transactions* – In the event of the failure of the counterparty with which cash has been placed, a Sub-Fund may suffer loss as there may be delay in recovering cash placed out or difficulty in realising collateral or proceeds from the sale of the collateral may be less than the cash placed with the counterparty due to inaccurate pricing of the collateral or market movements.

Collateral and FDI Risks

The Manager and the Sub-Manager may invest a Sub-Fund in constituents of the relevant Index through FDIs. The risks associated with the use of FDIs are different from, or possibly greater than, the risks associated with investing directly in Securities and other traditional investments. Generally, an FDI is a financial contract the value of which depends upon, or is derived from, the value of an underlying asset, reference rate or index, and may relate to stocks, bonds, interest rates, currencies or currency exchange rates, commodities, and related indices. Any Sub-Fund investing in FDIs may utilise both exchange-traded and over-the-counter derivatives. Compared to equity Securities, FDIs can be more sensitive to changes in market prices of the underlying assets and thus market prices of FDIs may fall in value as rapidly as they may rise. Investors investing in such Sub-Funds are exposed to a higher degree of fluctuation in value than a Sub-Fund which does not invest in FDIs. Transactions in over-the-counter FDIs may involve additional risk such as the risk that a counterparty defaults as there is no regulated market for such FDIs. Investing in FDIs also involves other types of risks including, but not limited to, the risk of adopting different valuation methodologies and imperfect correlation between the FDI and its underlying securities, rates and indices. Risks associated with FDIs also include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a FDI can result in a loss significantly greater than the amount invested in the FDI by a Sub-Fund. Exposure to FDIs may lead to a high risk of significant loss by a Sub-Fund. There is no assurance that any derivative strategy used by a Sub-Fund will succeed.

There are risks associated with management of collateral and re-investment of collateral. The value of any collateral received in respect of FDI transactions (if any) may be affected by market events. In the case of collateral assets which are listed Securities, the listing of such Securities may be suspended or revoked or the trading of such Securities on the stock exchanges may be suspended, and during the period of suspension or upon revocation, it may take longer to realise the relevant collateral assets. In the case of collateral assets which are debt Securities, the value of such Securities will be dependent on the creditworthiness of the issuers or obligors in respect of the relevant collateral assets. In the event any issuer or obligor of such collateral assets is insolvent, the value of the collateral assets will be reduced substantially and may cause the relevant Sub-Fund's exposure to such counterparty to be under-collateralised. If the Sub-Fund reinvests cash collateral, it is subject to investment risk including the potential loss of principal.

A Sub-Fund uses investment techniques, including investments in derivatives, such as Futures Contracts that may be considered aggressive. The use of derivatives may result in larger losses or smaller gains than investing in or shorting the Securities included in the relevant Index. Investments in these derivatives may generally be subject to market risks that cause their prices to fluctuate more than an investment directly in a Security and may increase the volatility of Sub-Fund. The use of derivatives may expose each Sub-Fund to additional risks such as counterparty risk, liquidity risk and increased daily correlation risk. When a Sub-Fund uses derivatives, there may be imperfect correlation between the value of the underlying reference assets and the derivative, which may prevent each Sub-Fund from achieving its investment objective.

Any financing, borrowing or other costs associated with using derivatives may also have the effect of lowering the Sub-Fund's return.

Counterparty Risk of Futures Contracts

A Futures Contact is a contract to purchase or sell a particular Security, or the cash value of an index, at a specified future date at a price agreed upon when the contract is made. Under such contracts, no delivery of the actual Securities is required. Rather, upon the expiration of the contract, settlement is made by exchanging cash in an amount equal to the difference between the contract price and the closing price of a Security or index at expiration, net of the variation margin that was previously paid.

A Sub-Fund may invest in Futures Contracts involving counterparties for the purpose of attempting to gain exposure to a relevant index without actually purchasing those Securities or investments. The use of these derivatives involves risks that are different from those associated with Securities. For example, Futures Contracts have a high degree of price variability and are subject to occasional rapid and substantial changes. Compared to conventional Securities, Futures Contracts can be more sensitive to changes in interest rates or to sudden fluctuations in market prices due to both the low margin deposits required, and the extremely high degree of leverage involved in their pricing. As a result, a relatively small price movement in a Futures Contract may result in immediate and substantial loss (or gain) to the relevant Sub-Fund. Each Sub-Fund does not specifically limit its counterparty risk with respect to any single counterparty and there is a chance for each Sub-Fund to have single counterparty. Further, there is a risk that no suitable counterparties are willing to enter into, or continue to enter into, transactions with each Sub-Fund and, as a result, each Sub-Fund may not be able to achieve its investment objectives.

Liquidity Risk

Some Securities held by a Sub-Fund, including derivatives, may be difficult to sell or illiquid, particularly during times of market turmoil. Illiquid Securities may also be difficult to value. Markets for Securities or financial instruments could be disrupted by a number of events, including, but not limited to an economic crisis, natural disasters, new legislation or regulatory changes. Illiquid Securities may also be difficult to value. If a Sub-Fund is forced to sell an illiquid security at an unfavourable time or at a price that is lower than Manager's or the Sub-Manager's judgment of the Security's true market value, each Sub-Fund may be forced to sell the security at a loss. Such a situation may prevent each Sub-Fund from limiting losses, realising gains or achieving its investment objective, thus adversely affecting the Sub-Fund's performance.

Risks Associated with Differences in Trading, Fee and Costs Arrangements between Listed Class and Unlisted Class(es)

Each Sub-Fund may offer Shares in both Listed Class and Unlisted Class(es). Investors in Shares of the Listed and Unlisted Classes are subject to different pricing and dealing arrangements, and depending on market conditions, investors of the Listed Class may be at an advantage compared to investors of the Unlisted Class(es), or vice versa. The Net Asset Value per Share of each of the Listed Class and Unlisted Class(es) may also be different due to the different fees and costs applicable to each such class of Shares.

In addition, investors should note that different cost mechanisms apply to the Listed Class and the Unlisted Class(es). For the Listed Class, the Transaction Fee and Duties and Charges in respect of Creation and Redemption Applications are paid by the Participating Dealer applying for or redeeming such Shares and/or the Manager. Investors in the Listed Class in the secondary market will not bear such Transaction Fees and Duties and Charges (but for the avoidance of doubt, may bear other fees, such as SEHK trading fees, as described under the section "**FEES AND EXPENSES**"). On the other hand, the subscription of Shares in the Unlisted Class(es) may be subject to a subscription fee, which will be payable to the Manager by the investor subscribing. In addition, the Manager may, in its absolute discretion, in addition to the Subscription Price and/or Redemption Price, in certain circumstances, add or deduct an additional amount it considers represents an appropriate provision for transactional fees or expenses which are customarily incurred by the Sub-Fund, and such additional amount will be paid to the Custodian and will form part of the assets of the relevant Sub-Fund. Please refer to Schedule 2 to this Prospectus for further information on such adjustment.

Any or all of these factors may lead to a difference in the Net Asset Value of the Shares in the Listed Class and Unlisted Class(es).

Trading Arrangements in respect of the Unlisted Class(es)

Unlike investors in the Listed Class who may buy and sell Shares in the secondary market during SEHK trading hours at the prevailing market price, investors in the Unlisted Class(es) are only able to subscribe and redeem at the relevant Subscription Price and Redemption Price (as the case may be) based on the latest available Net Asset Value as at the end of each Dealing Day. As such, Shareholders in the Listed Class would have access to intraday liquidity in an open market which will not be available to Shareholders in the Unlisted Class(es). In a stressed market scenario, Shareholders in the Listed Class can sell their Shares on the secondary market during SEHK trading hours if the market continues to deteriorate, while Shareholders in the Unlisted Class(es) will not be able to do.

Trading Arrangements in respect of Shares in the Listed Class

Conversely, secondary market investors generally do not have access to the redemption facilities which are available to Shareholders in the Unlisted Class(es). During stressed market conditions, Participating Dealers may, on their own account or on behalf of any primary market investors, redeem Shares in the Listed Class on the primary market at the Net Asset Value of the relevant Sub-Fund, but Shareholders in the Listed Class in the secondary market could only redeem at the prevailing market price which may diverge from the corresponding Net Asset Value and may have to sell their Shares at a significant discount. In such circumstances, Shareholders in the Listed Class in the secondary market will be at an apparent disadvantage to Shareholders in the Unlisted Class(es) as the latter will be able to redeem from the relevant Unlisted Class(es) at Net Asset Value whilst the former will not.

Please also refer to "**Risks Associated with Market Trading (Applicable to the Listed Class Only)**" below for additional risks relating to the Listed Class.

Risks Associated with Market Trading (Applicable to the Listed Class Only)

No Trading Market in the Shares Risk

Although the Shares in the Listed Class are listed on the SEHK and one or more Market Makers have been appointed, there may be no liquid trading market for the Shares or that such Market Maker(s) may cease to fulfil that role. Further, there can be no assurance that Shares will experience trading or pricing patterns similar to those of exchange traded funds which are issued by investment companies in other jurisdictions or those traded on the SEHK which are based upon indices other than the Index.

Absence of Active Market and Liquidity Risks

The Shares in the Listed Class may not initially be widely held upon their listing on the SEHK. Accordingly, any investor buying Shares in the Listed Class in small numbers may not necessarily be able to find other buyers should that investor wish to sell. To address this risk, one or more Market Makers have been appointed. There can be no assurance that an active trading market for such Shares will develop or be maintained. In addition, if the trading markets for the underlying Securities or Futures Contracts which the Sub-Fund holds are limited, in efficient or absent, or if the bid-offer spreads are wide, this may adversely affect the price at which Securities and/or Futures Contracts may be purchased or sold by a Sub-Fund upon any rebalancing activities or otherwise, and the value of the Shares in the Listed Class and the ability of an investor to dispose of his, her or its Shares in the Listed Class at the desired price. If an investor needs to sell his, her or its Shares in the Listed Class at a time when no active market for them exists, the price received for the Shares – assuming an investor is able to sell them – is likely to be lower than the price received if an active market did exist.

Suspension of Trading Risk

Investors and potential investors will not be able to buy, nor will investors be able to sell, Shares in the Listed Class on the SEHK during any period in which trading of the Shares in the Listed Class is suspended. The SEHK may suspend the trading of Shares in the Listed Class whenever the SEHK determines that it is appropriate and in the interest of a fair and orderly market to protect investors. The subscription and redemption of Shares in the Listed Class may also be suspended if the trading of Shares in the Listed Class on the SEHK is suspended.

Shares in the Listed Class May Trade at Prices Other than Net Asset Value Risk

Shares in the Listed Class may trade on the SEHK at prices above or below the most recent Net Asset Value. The Net Asset Value per Share of each Sub-Fund is calculated at the end of each Dealing Day and fluctuates with changes in the market value of the relevant Sub-Fund's holdings. The trading prices of the Shares in the Listed Class fluctuate continuously throughout the trading hours which are driven by market factors such as the demand and supply of the Shares. Any of these factors may lead to the Shares in the Listed Class of the relevant Sub-Fund trading at a premium or discount to the Sub-Fund's Net Asset Value. On the basis that Shares in the Listed Class can be created and redeemed in Application Share sizes at Net Asset Value, the Manager and the Sub-Manager believe that large discounts or premiums to Net Asset Value are not likely to be sustained over the long-term. While the creation/redemption feature is designed to make it likely that the Shares in the Listed Class will normally trade at prices close to the relevant Sub-Fund's next calculated Net Asset Value, trading prices are not expected to correlate exactly with the relevant Sub-Fund's Net Asset Value attributable to Shares in the Listed Class due to reasons relating to timing as well as market supply and demand factors. In addition, disruptions to creations and redemptions (for example, as a result of imposition of capital controls by a foreign government) or the existence of extreme market volatility may result in trading prices that differ significantly from Net Asset Value. In particular, if an investor purchases Shares in the Listed Class at a time when the market price is at a premium to Net Asset Value or sells when the market price is at a discount to Net Asset Value, then the investor may sustain losses.

Trading Risk

As investors will pay certain charges (e.g. trading fees and brokerage fees) to buy or sell Shares in the Listed Class on the SEHK, investors may pay more than the Net Asset Value per Share when buying Shares in the Listed Class on the SEHK, and may receive less than the Net Asset Value per Share when selling Shares in the Listed Class on the SEHK. In addition, investors on the secondary market will also incur the cost of the trading spread, being the difference between what investors are willing to pay for the Shares in the Listed Class (bid price) and the price at which they are willing to sell Shares in the Listed Class (ask price). Frequent trading may detract significantly from investment results and an investment in Shares in the Listed Class may not be advisable particularly for investors who anticipate making small investments regularly.

Restrictions on Creation and Redemption Risk

Investors should note that investing in Shares in the Listed Class of a Sub-Fund is not like a typical retail investment fund offered to the public in Hong Kong (for which units or shares can generally be purchased and redeemed directly from the manager). Shares in the Listed Class of a Sub-Fund may only be created and redeemed in Application Share sizes directly by a Participating Dealer (either on its own account or on behalf of an investor through a stockbroker which has opened an account with the Participating Dealer). Other investors in the Listed Class may only make a request (and if such investor is a retail investor, through a stockbroker which has opened an account with a Participating Dealer) to create or redeem Shares in the Listed Class in Application Share sizes through a Participating Dealer which reserves the right to refuse to accept a request from an investor to create or redeem Shares in the Listed Class under certain circumstances. Alternatively, investors may realise the value of their Shares in the Listed Class by selling their Shares through an intermediary such as a stockbroker on the SEHK, although there is a risk that dealings on the SEHK may be suspended. Please refer to the section headed "**CREATIONS AND REDEMPTIONS (PRIMARY MARKET)**" in Schedule 1 to this Prospectus for details in relation to the circumstances under which creation and redemption applications can be rejected.

Secondary Market Trading Risk

Shares in the Listed Class of a Sub-Fund may trade on the SEHK when the relevant Listed Class does not accept orders to subscribe or redeem Shares. On such days, Shares in the Listed Class may trade in the secondary market with more significant premiums or discounts than might be experienced on days when the relevant Listed Class accepts subscription and redemption orders.

Reliance on Market Maker(s) Risk

Although the Manager will ensure that at least one Market Maker for each Sub-Fund will maintain a market for the Shares in the Listed Class of the Sub-Fund, and that at least one Market Maker per Sub-Fund is required to give not less than 3 months' prior notice to terminate market making arrangement under the relevant market making agreement, there may be circumstances such as the revocation of the relevant market making approvals or registration or other changes beyond the control of the Manager that may result in the sudden loss of a Market Maker for a Sub-Fund. It should be noted that liquidity in the market for the Shares in the Listed Class may be adversely affected if there is no or only one market maker for such Shares. There is also no guarantee that any market making activity will be effective.

It is possible that there is only one SEHK Market Maker for the Listed Class of a Sub-Fund and therefore it may not be practical for a Sub-Fund to remove the only Market Maker for the Sub-Fund even if the Market Maker fails to discharge its duties as the sole Market Maker.

Reliance on Participating Dealer(s) Risk

The creation and redemption of Shares in the Listed Class may only be effected through Participating Dealer(s). A Participating Dealer may charge a fee for providing this service. Participating Dealer(s) will not be able to create or redeem Shares in the Listed Class during any period when, amongst other things, dealings on the SEHK are restricted or suspended, settlement or clearing of Securities through the CCASS is disrupted or the Index(ices) is/are not compiled or published. In addition, Participating Dealer(s) will not be able to issue or redeem Shares in the Listed Class if some other event occurs that impedes the calculation of the Net Asset Value of the relevant Sub-Fund or disposal of the relevant Sub-Fund's Securities or Futures Contracts cannot be effected. Where a Participating Dealer appoints an agent or delegate (who is a Participant) to perform certain CCASS-related functions, if the appointment is terminated and the Participating Dealer fails to appoint an alternative agent or delegate, or if the agent or delegate ceases to be a Participant, the creation or redemption of Shares in the Listed Class by such Participating Dealer may also be affected. Since the number of Participating Dealers at any given time will be limited, and there may even be only one Participating Dealer at any given time, there is a risk that investors may not always be able to create or redeem Shares in the Listed Class freely.

Trading Time Differences Risk

As a stock exchange or futures exchange may be open when the Shares in the Listed Class are not priced, the value of any Security or Futures Contract which comprises the Index may change when investors may not be able to buy or sell Shares in the Listed Class. Further, the price of Securities or Futures Contracts may not be available during part of the Trading Day due to trading hour differences which may result in the trading price of Shares in the Listed Class deviating from the Net Asset Value per Share. When trading Futures Contracts there may be a time difference between the trading times of the Futures Contracts and the underlying index constituents and as such there may be imperfect correlation between the value of the index constituents and the Futures Contracts, which may prevent a Sub-Fund from achieving its investment objective.

Delisting Risk

The SEHK imposes certain requirements for the continued listing of Securities, including the Shares in the Listed Class, on the SEHK. Investors cannot be assured that any Sub-Fund will continue to meet the requirements necessary to maintain the listing of Shares in the Listed Class on the SEHK or that the SEHK will not change the listing requirements. If the Shares in the Listed Class of a Sub-Fund are delisted from the SEHK, Shareholders will have the option to redeem their Shares in the Listed Class by reference to the Net Asset Value of the relevant Listed Class. Where the relevant Sub-Fund remains authorised by the SFC, such procedures required by the UT Code will be observed by the Manager including as to notices to Shareholders, withdrawal of authorisation and termination, as may be applicable. Should the SFC withdraw authorisation of a Sub-Fund for any reason it is likely that Shares in the Listed Class may also have to be delisted.

Risks Associated with the Indices

Fluctuations Risk

The performance of the Sub-Fund should, before fees and expenses, correspond closely with the performance of the relevant Index. If the relevant Index experiences volatility or declines, the price of the Shares of the Sub-Fund which tracks that Index will vary or decline accordingly.

Licence to Use Index may be Terminated Risk

The Manager is granted a licence by each of the Index Providers to use the relevant Index to create the relevant Sub-Fund based on the Index and to use certain trade-marks and any copyright in the relevant Index. A Sub-Fund may not be able to fulfil its objective and may be terminated if the licence agreement between the Manager and the Index Provider is terminated. The initial term of the licence agreement may be limited in period and thereafter renewable for only short periods. There can be no guarantee that the relevant licence agreement will be perpetually renewed. For further information on the grounds for terminating the licence agreement, please refer to the section on "**Index Licence Agreement**" in each Sub-Fund's Appendix. Although the Manager will seek to find a replacement Index, a Sub-Fund may also be terminated if the relevant Index ceases to be compiled or published and there is no replacement Index using the same or substantially similar formula for the method of calculation as used in calculating the relevant Index.

Compilation of Index Risk

The Securities and/or Futures Contracts of each Index are determined and composed by the relevant Index Provider without regard to the performance of the relevant Sub-Fund. Each Sub-Fund is not sponsored, endorsed, sold or promoted by the relevant Index Provider. Each Index Provider makes no representation or warranty, express or implied, to investors in any Sub-Fund or other persons regarding the advisability of investing in Securities and/or Futures Contracts generally or in any Sub-Fund particularly. Each Index Provider has no obligation to take the needs of the Manager or investors in the relevant Sub-Fund into consideration in determining, composing or calculating the relevant Index. There is a possibility that the relevant Index tracked by the Sub-Fund may be wrongly compiled, for example, due to the use of incorrect data. There is also a possibility that the calculation of the Index may be incomplete, for example, due to technical failure during the calculation of the relevant Index. In this case, there might be significant difference between the return of the Sub-Fund and the relevant Index. In addition, the process and the basis of computing and compiling the Index and any of its related formulae, constituent companies and factors may at any time be changed or altered by the Index Provider without notice. Consequently there can be no guarantee that the actions of an Index Provider will not prejudice the interests of the relevant Sub-Fund, the Manager or investors.

Risk of Change in Methodology and Composition of an Index

The composition of the Securities and/or Futures Contracts constituting an Index will change as the Securities and/or Futures Contracts of the Index may be delisted, or as the Securities and/or Futures Contracts mature or are redeemed or as new Securities and/or Futures Contracts are included in the Index. The construction methodology of the relevant Index may also change when the Index Provider deems it necessary to adapt to significant changes in the market condition. When this happens, the weightings or composition of the Securities and/or Futures Contracts owned by the relevant Sub-Fund (either directly or indirectly) will be changed as considered appropriate by the Manager and the Sub-Manager to achieve the investment objective. Thus, an investment in Shares will generally reflect the performance of the relevant Index as its constituents change and not necessarily the way it is comprised at the time of an investment in Shares. However, there can be no guarantee that a Sub-Fund will, at any given time accurately reflect the composition of the relevant Index (please refer to the section on "**Tracking Error Risk**").

Difficulties in Valuation of Investments Risk

Securities and/or Futures Contracts acquired on behalf of a Sub-Fund may subsequently become illiquid due to events relating to the issuer of the Securities and/or Futures Contracts, market and economic conditions and regulatory sanctions. In cases where no clear indication of the value of a Security and/or Futures Contract in a Sub-Fund's portfolio is available (for example, when the secondary markets on which a security is traded have become illiquid) the Manager may in consultation with the Custodian apply valuation methods to ascertain the fair value of such securities, pursuant to the Instrument.

Risks Associated with Regulation

Withdrawal of SFC Authorisation Risk

The Company and each Sub-Fund have been authorised as a collective investment scheme under the UT Code by the SFC under Section 104 of the SFO. SFC authorisation is not a recommendation or endorsement of the Company or any of the Sub-Funds nor does it guarantee the commercial merits of the Company, any of the Sub-Funds or their performance. This does not mean the Company or the Sub-Funds are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors. The SFC reserves the right to withdraw the authorisation of the Company or a Sub-Fund if the relevant Index is no longer considered acceptable or impose such conditions as it considers appropriate. In addition, any authorisation granted by the SFC may be subject to certain conditions or waivers from the UT Code which may be withdrawn or varied by the SFC. If, as a result of such withdrawal or variation of conditions or waivers from the UT Code, it becomes illegal, impractical or inadvisable to continue the Company or a Sub-Fund, the Company or the Sub-Fund (as applicable) will be terminated.

General Legal and Regulatory Risk

A Sub-Fund must comply with regulatory constraints or changes in the laws affecting it or its investment restrictions which might require a change in the investment policy and objectives followed by the Sub-Fund. Furthermore, such change in the laws may have an impact on the market sentiment which may in turn affect the performance of an Index and as a result, the performance of the relevant Sub-Fund. It is impossible to predict whether such an impact caused by any change of law will be positive or negative for the Sub-Fund. In the worst case scenario, a Shareholder may lose a material part of its investments in a Sub-Fund.

Taxation Risk

Investing in a Sub-Fund may have tax implications for a Shareholder depending on the particular circumstances of each Shareholder. Prospective investors are strongly urged to consult their own tax advisers and counsel with respect to the possible tax consequences to them of an investment in the Shares. Such tax consequences may differ in respect of different investors.

FATCA-related Risks

The US Foreign Account Tax Compliance Act ("**FATCA**") provides that a 30% withholding tax will be imposed on certain payments to certain foreign financial institutions, such as the Company and each Sub-Fund, including, but not limited to interests and dividends from securities of US issuers and potentially on the gross proceeds from the sale of such securities at a later date, unless the Company provide the withholding agent with certification to comply with FATCA and the Company obtains and reports the name, address and taxpayer identification number of certain persons that own, directly or indirectly, an interest in the relevant Sub-Fund, as well as certain other information relating to any such interest. The US Internal Revenue Service (the "**IRS**") has released regulations and other guidance that provide for the phased implementation of the foregoing withholding and reporting requirements. The United States Department of the Treasury and Hong Kong have entered into an intergovernmental agreement based on the Model 2 arrangement. Although the Company and each Sub-Fund will attempt to satisfy any obligations imposed on them to avoid the imposition of FATCA withholding tax, no assurance can be given that the Company and each Sub-Fund will be able to fully satisfy these obligations. If any Sub-Fund becomes subject to a withholding tax as a result of FATCA, the Net Asset Value of such Sub-Fund may be adversely affected and such Sub-Fund and its Shareholders may suffer material loss.

The Company and each Sub-Fund's ability to comply with FATCA will depend on each Shareholder providing the Company or its agent with information that the Company requests concerning the Shareholder or its direct and indirect owners. As at the date of this Prospectus, all Shares are registered in the name of HKSCC Nominees Limited. HKSCC Nominees Limited has registered as a participating foreign financial institution.

Please also refer to the sub-section entitled "*FATCA and compliance with US withholding requirements*" under the section headed "**TAXATION**" in this Prospectus for further details on FATCA and related risks.

All prospective investors and Shareholders should consult with their own tax advisers regarding the possible implications of FATCA and the tax consequences on their investments in a Sub-Fund. Shareholders who hold their Shares through intermediaries should also confirm the FATCA compliance status of those intermediaries.

Legal and Compliance Risk

Domestic and/or international laws or regulations may change in a way that adversely affects the Company or the Sub-Funds. Differences in laws between jurisdictions may make it difficult for the Custodian, Manager or the Sub-Manager to enforce legal agreements entered into in respect of the Sub-Funds. The Custodian, the Manager and the Sub-Manager reserve the right to take steps to limit or prevent any adverse effects from changes to laws or their interpretation, including altering investments of or restructuring the Sub-Funds.

Valuation and Accounting Risk

The Manager intends to adopt IFRS in drawing up the annual financial reports of each Sub-Fund. However, the calculation of the Net Asset Value in the manner described under the section on "**DETERMINATION OF NET ASSET VALUE**" will not necessarily be in compliance with generally accepted accounting principles, that is, IFRS. Investors should note that under IFRS, establishment costs should be expensed as incurred and that the amortisation of the expenses of establishing a Sub-Fund is not in accordance with IFRS; however, the Manager has considered the impact of such non-compliance and has considered that it will not have a material impact on the financial statements of each Sub-Fund. To the extent that the basis adopted by a Sub-Fund for subscription and redemption purposes deviates from IFRS, the Manager may make necessary adjustments in the annual financial reports for the financial reports to be in compliance with IFRS. Any such adjustments will be disclosed in the annual financial reports, including a reconciliation.

Contagion Risk

The Instrument allows the Company to issue Shares in separate Sub-Funds. The Instrument provides for the manner in which the liabilities are to be attributed across the various Sub-Funds under the Company (liabilities are to be attributed to the specific Sub-Fund in respect of which the liability was incurred). A person to whom such a liability is owed has no direct recourse against the assets of the relevant Sub-Fund (in the absence of the Company granting that person a security interest).

Cross Liability Risk

The assets and liabilities of each Sub-Fund under the Company will be tracked, for book keeping purposes, separately from the assets and liabilities of any other Sub-Funds, and the Instrument provides that the assets of each Sub-Fund should be segregated from each other. There is no guarantee that the courts of any jurisdiction outside Hong Kong will respect the limitations on liability and that the assets of any particular Sub-Fund will not be used to satisfy the liabilities of any other Sub-Fund.

MANAGEMENT OF THE COMPANY AND SUB-FUNDS

The Directors

The Directors of the Company are Lu, Chi-lun and Kwan Wang Chi Beryl.

The Manager

The Manager is Fubon Fund Management (Hong Kong) Limited.

The Manager was incorporated in Hong Kong on 4 December 1979 and is licensed by the Commission to conduct Types 1 (dealing in securities), 4 (advising on securities) and 9 (asset management) regulated activities under the Securities and Futures Ordinance with CE number AAA662.

The Directors of the Manager

The directors of the Manager are Huang Chao-Tang, Harn Wey Ting, Lu Chi-lun, Chen Shih Tsung and Hsia Tien Tien.

The Sub-Manager

Fubon Asset Management Company Limited has been appointed by the Manager as the sub-manager of the Fubon NYSE FactSet Taiwan Core Semiconductor Index ETF and Fubon Shanghai-Shenzhen-Hong Kong High Dividend Yield ETF (collectively, the "**Relevant Sub-Funds**") pursuant to the sub-investment management agreements between the Manager and the Sub-Manager in respect of the Relevant Sub-Funds. Under the terms of the sub-investment management agreements, the Sub-Manager will act as an investment delegate and exercise investment discretion in respect of the assets of the Relevant Sub-Funds on a discretionary basis, in pursuit of their investment objective and in accordance with the investment approach and restrictions described in the Prospectus and the Appendices of the Relevant Sub-Funds. Subject to the overall supervision and control of the Manager, the Sub-Manager has the authority to carry out securities investment activities transactions on behalf of the Relevant Sub-Funds for the account of the Relevant Sub-Funds. In this connection, the Manager agrees to authorise the Sub-Manager to execute all trade orders in respect of the Relevant Sub-Funds, and to place trade orders in respect of the Relevant Sub-Funds and carry out all relevant matters in connection with such transactions.

Fubon Asset Management Company Limited was established on 18 September 1992, and is a wholly owned subsidiary of Fubon Financial Holdings and a leading asset management firm in Taiwan. Fubon Asset Management Company is a holder of Securities Investment Trust Business Licence issued by the Financial Supervisory Commission of Taiwan for discretionary investment management. As of 31 January 2023, asset under management of Fubon Asset Management Company Limited has reached TWD474.2 billion.

Intent on building a wide-ranging asset management platform, Fubon Asset Management Company Limited has developed new overseas investment vehicles spanning five continents, including diverse stock, bond, and futures exchange traded funds and unique thematic active managed funds, to satisfy the portfolio needs of even the most discerning investor. Discretionary investment management has been another area of emphasis, both in terms of pursuing opportunities to manage government funds and putting in place the necessary building blocks to take advantage of the emerging pension fund market. In view of the low interest-rate environment, meanwhile, the Sub-Manager has established a private equity subsidiary and identified real estate investment trusts as an important target of development in the future.

The Sub-Manager will be reimbursed out of the Management Fee.

The Custodian

The Custodian of the Company is HSBC Institutional Trust Services (Asia) Limited, which is incorporated in Hong Kong on 27 September 1974. It is an indirect wholly-owned subsidiary of HSBC Holdings plc. It is registered as a trust company under section 78(1) of the Trustee Ordinance (Cap. 29) and is an approved trustee under the Mandatory Provident Fund Schemes Ordinance (Cap. 485). It is also registered with the Hong Kong Monetary Authority under a statutory guideline to comply with the Supervisory Policy Manual ("**SPM**") module on "Regulation and Supervision of Trust Business"(TB-1) under section 7(3) of the Banking Ordinance (Cap. 155). It is licensed by the SFC to carry out the Type 13 regulated activity (providing depositary services for relevant collective investment schemes) under the SFO and has a Trust or Company Service Provider ("**TCSP**") License under the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615).

Under the Custody Agreement, the Custodian is responsible for the safekeeping of the assets of the Company and each Sub-Fund, subject to the provisions of the Instrument and the SFO.

The Custodian may, however, appoint a person or persons (including a Connected Person of the Custodian) to be agent, nominee, custodian, joint custodian, co-custodian and/or sub-custodian to hold certain assets of any Sub-Fund and may empower any such person or persons to appoint, with no objection in writing by the Custodian, co-custodians and/or sub-custodians. The Custodian may also appoint delegates for the performance of its duties, powers or discretions under the Custody Agreement. The Custodian is required to (a) exercise reasonable care, skill and diligence in the selection, appointment and monitoring of such persons and, (b) be satisfied that such persons retained remain suitably qualified and competent on an ongoing basis to provide the relevant custodial services to the Sub-Funds provided however that if the Custodian has discharged its obligations set out in (a) and (b) above, the Custodian shall not be liable for any act, omission, insolvency, liquidation or bankruptcy of any such person(s) not being the Custodian's Connected Person appointed as agents, nominees, custodians or joint custodians of certain assets of any Sub-Fund. The Custodian however shall remain liable for any act or omission of any such person that is a Connected Person of the Custodian and that is appointed as agent, nominee, custodian, joint custodian, co-custodian and/or sub-custodian to hold certain assets of any Sub-Fund as if the same were the acts or omissions of the Custodian. The Custodian shall not be liable for any act or failure to act by the Custodian that may arise directly or indirectly in connection with the Custody Agreement, other than any liability which is caused directly by negligence or fraud or wilful default of the Custodian.

The Custodian shall not be liable for: (a) any act, omission, insolvency, liquidation or bankruptcy of Euro-clear Clearing System Limited or Clearstream Banking S.A. or any other recognised or central depositaries or clearing system which may from time to time be approved by the Custodian and the Manager; or (b) the custody or control of any investments, assets or other property which is under the custody or control of or on behalf of a lender in respect of any borrowing made by the Custodian for the purposes of the Company or any Sub-Fund.

Subject as provided in the Custody Agreement, the Custodian and its directors, officers and employees are entitled to be indemnified from the assets of the relevant Sub-Fund from and against any and all actions, proceedings, liabilities, costs, claims, damages, expenses, including all reasonable legal, professional and other similar expenses which may be incurred by or asserted against the Custodian or its directors, officers and employees in performing its obligations or duties in connection with the Company and/or the relevant Sub-Fund. Please see further description in "**Indemnities of the Custodian**" under the section headed "**STATUTORY AND GENERAL INFORMATION**".

In addition, subject to any applicable Laws and Regulations, the Custodian shall not be responsible for or incur any liability for matters prescribed under the Instrument, including, without limitation, (i) any error of law or matter or thing done or omitted to be done in good faith, (ii) authenticity of any signature or seal affixed to any documents affecting the title to or transmission of shares or investments, (iii) acting upon any resolutions purporting to have been passed at any meeting of the Shareholders in respect whereof minutes shall have been made and signed or passed in accordance with terms of the Instrument, (iv) any consequential, special or indirect loss or punitive damages arising under or in connection with the Instrument and the Custody Agreement, whether in contract, in tort, by law or otherwise.

Notwithstanding the aforesaid, the Custodian is neither exempted from any liability to holders imposed under Hong Kong law nor breaches of trust through fraud or negligence nor may it be indemnified against such liability by Shareholders or at Shareholders' expense. Subject to the applicable law and the provisions of the Custody Agreement and the Instrument, the Custodian shall not, in the absence of fraud, negligence or wilful default on the part of the Custodian, be liable for any losses, costs or damage to the Company, any Sub-Fund or any Shareholder.

The Custodian will remain as the primary custodian of the Company until it retires or is removed. The circumstances under which the Custodian may retire or be removed are set out in the Custody Agreement. Where any Sub-Fund is authorised pursuant to section 104 of the Securities and Future Ordinance, any change in the Custodian is subject to the SFC's prior approval and the Custodian will remain as the custodian of the Company until a new primary custodian is appointed. Shareholders will be duly notified of any such changes in accordance with the requirements prescribed by the SFC.

The Custodian will be entitled to the fees described in the section headed "**FEES AND EXPENSES**" above and to be reimbursed for all costs and expenses in accordance with the provisions of the Custody Agreement.

The Custodian is not responsible for the preparation or issue of this Prospectus and therefore accepts no responsibility for any information contained in this Prospectus. Neither the Custodian nor any of its subsidiaries, affiliates, directors and other officers, shareholders, servants, employees, agents or permitted delegates accept any responsibility or liability for any information contained in this Prospectus other than the description under this section headed "**The Custodian**".

The Sub-Custodian

The Custodian has appointed The Hongkong and Shanghai Banking Corporation Limited ("**HSBC**") as the Sub-Custodian of the Company. The Sub-Custodian is a bank incorporated under the laws of Hong Kong and is an "authorised institution", having a valid bank licence under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong). It is regulated as a bank by The Hong Kong Monetary Authority (the "**HKMA**"), which is the regulator of authorised institutions in Hong Kong. The Sub-Custodian is also a "registered institution" with the SFC for carrying on regulated activities under the SFO in Hong Kong. Notwithstanding that it is regulated by both the HKMA and the SFC, the Sub-Custodian's primary regulator in Hong Kong is the HKMA.

The Administrator and Registrar

HSBC has been appointed as the Administrator of each Sub-Fund and shall carry out certain financial, administrative functions and other services in relation to each Sub-Fund on its behalf and is responsible for, among other things: (i) calculating the Net Asset Value and Net Asset Value per Share of any class relating to each Sub-Fund, and (ii) the general administration of each Sub-Fund, which includes the proper book keeping of the each Sub-Fund, and arranging the administration of the issue and redemption of Shares of each Sub-Fund.

HSBC also acts as the Registrar for each Sub-Fund under the terms of the Fund Administration Agreement, unless otherwise stated in the relevant Appendix. The Registrar provides services in respect of the establishment and maintenance of the register of Shareholders of each Sub-Fund.

HSBC, its delegated affiliates, directors, officers and employees of each of them, are entitled to be indemnified by the Company out of the Scheme Property of a Sub-Fund against all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, legal costs, expenses or disbursements of any kind or nature whatsoever other than those resulting from the fraud, willful default or negligence on the part of HSBC, its delegated affiliates, directors, officers, employees and each of them which may be imposed on, incurred by or asserted against HSBC, its delegated affiliates, directors, officers, employees and each of them, as a result of or in connection with performing the services under the Fund Administration Agreement between HSBC and the Company for and on behalf of the relevant Sub-Fund.

In performing the services under the Fund Administration Agreement, HSBC is entitled, without verification or further enquiry or liability, to rely on pricing information in relation to specified Investments held by the Company and each Sub-Fund, which would include information provided by the Manager, or, in the absence of any such price sources, any price sources on which HSBC may choose to rely. Without prejudice to the generality of the foregoing, HSBC is not liable or otherwise responsible for any loss suffered by any person other than losses resulting from negligence, willful default or fraud on the part of HSBC or any affiliate by reason of any inaccuracy, error or delay (whether as a result of deliberate action or otherwise) in any pricing or valuation information provided by pricing agents, pricing sources or pricing models provided by any person, including, without limitation, by the manager, administrator or valuation agent of any fund or portfolio into which the Company and the relevant Sub-Fund invest or for any inaccuracy, error or delay (whether as a result of deliberate action or otherwise) in information (including, without limitation, pricing or valuation information) supplied to HSBC.

HSBC will use reasonable endeavours to independently verify the price of any assets or liabilities of the Company and each Sub-Fund using its network of automated pricing services, brokers, market makers, intermediaries or using other pricing sources or pricing models provided by any person.

In the absence of readily available independent pricing sources, HSBC may rely solely upon any valuation or pricing information (including, without limitation, fair value pricing information) about any such assets or liabilities of the Company and each Sub-Fund (including, without limitation, private equity investments) which is processed by it or provided to it by: (i) the Manager, the Company, the Directors (or other governing body); and/or (ii) third parties including, but not limited to, any valuer, third party valuation agent, intermediary or other third party including, but not limited to, those appointed or authorised by the Manager, the Company, the Directors (or other governing body) to provide pricing or valuation information in respect of the Scheme Property or liabilities to HSBC. HSBC is not liable for any loss suffered by any person as a result of HSBC not providing this information for any such asset or liability of the Company and the relevant Sub-Fund.

HSBC in no way acts as guarantor or offeror of the Shares of the Company or any underlying investment. HSBC is a service provider to the Company in respect of each Sub-Fund and has no responsibility or authority to make investment decisions, or render investment, commercial, accounting, legal or any other advice whatsoever, with respect to the Scheme Property. HSBC is not responsible for, and accepts no responsibility or liability for any losses suffered by the Company or any Sub-Fund or any investors in the Company or any Sub-Fund as a result of any failure by the Manager or the Directors (or other governing body), as applicable, to adhere to any investment objective, investment policy, investment restrictions, borrowing restrictions, operating guidelines or other restrictions applicable to the Company and the relevant Sub-Fund.

HSBC is not liable or otherwise responsible for any loss suffered by any person by reason of (i) any act or omission of any person prior to the commencement date of the Fund Administration Agreement, (ii) any defect, error, inaccuracy, breakdown or delay in any product or service provided to HSBC by any third party service provider or (iii) any inaccuracy, error or delay in information provided to HSBC by or for the Company or any Sub-Fund or the Manager (including any broker, market maker or intermediary or any other third party). HSBC is not otherwise liable for any loss in connection to the services provided to the Company or any other person unless direct loss is sustained as a result of its fraud, willful default or negligence.

In addition, subject to any applicable Laws and Regulations, HSBC shall not be responsible for or incur any liability for matters prescribed under the Instrument, including, without limitation, (i) any error of law or matter or thing done or omitted to be done in good faith, (ii) authenticity of any signature or seal affixed to any documents affecting the title to or transmission of Shares or of investments, (iii) acting upon any resolutions purporting to have been passed at any meeting of the Shareholders in respect whereof minutes shall have been made and signed or passed in accordance with terms of the Instrument, or (iv) any consequential, special or indirect loss or punitive damages arising under or in connection with the Instrument and the Fund Administration Agreement, whether in contract, in tort, by law or otherwise.

Under the terms of the Fund Administration Agreement, HSBC is permitted to delegate certain of its functions and duties to HSBC's affiliates as permitted by applicable Laws and Regulations, provided that HSBC will remain responsible for the performance of its affiliates.

The Fund Administration Agreement provides that the appointment of the HSBC in its capacity as the Administrator, the Registrar and the valuation agent may be terminated without cause by the Company by giving at least 90 days' prior notice in writing to HSBC. The Fund Administration Agreement may be terminated with immediate or subsequent effect by written notice in certain specified circumstances (e.g., in circumstances where a party to the Fund Administration Agreement has committed a material breach of the terms of such agreement).

HSBC will be entitled to the fees described in the section headed "**FEES AND EXPENSES**" above and to be reimbursed for all costs and expenses in accordance with the provisions of the Fund Administration Agreement.

HSBC is not responsible for the preparation or issue of this Prospectus and therefore accepts no responsibility for any information contained in this Prospectus other than with respect to the description above in respect of the Administrator and the Registrar. Neither the Administrator, and Registrar nor any of its subsidiaries, affiliates, directors and other officers, shareholders, servants, employees, agents or permitted delegates accept any responsibility or liability for any information contained in this Prospectus other than the description under this section headed "**The Administrator and Registrar**".

The Auditor

The Directors have appointed PricewaterhouseCoopers to act as the Auditor of the Company and each Sub-Fund. The Auditor is independent of the Manager and the Custodian.

The Service Agent or Conversion Agent (Applicable to the Listed Class Only)

Where a Sub-Fund creates and redeems in-kind in respect of SEHK listed Securities, HK Conversion Agency Services Limited may act as Conversion Agent under the terms of the Conversion Agency Agreement. HK Conversion Agency Services Limited otherwise acts as Service Agent under the terms of the Service Agreement. The Service Agent or Conversion Agent performs, through HKSCC, certain of its services in connection with the creation and redemption of Shares in the Listed Class of each Sub-Fund by Participating Dealers.

The Participating Dealers (Applicable to the Listed Class Only)

A Participating Dealer may act for its own account or for your account as its clients in making Creation Applications and Redemption Applications. Different Sub-Funds may have different Participating Dealers. The latest list of the Participating Dealers in respect of the Listed Class of each Sub-Fund is available at http://www.fubonetf.com.hk (this website has not been reviewed by the SFC).

The Market Makers (Applicable to the Listed Class Only)

A Market Maker is a broker or dealer permitted by the SEHK to make a market for the Shares in the Listed Class in the secondary market and whose obligations include quoting bid prices to potential sellers and offer prices to potential buyers when there is a wide spread between the prevailing bid prices and offer prices for the Shares on the SEHK. Market Makers facilitate the efficient trading of Shares by providing liquidity in the secondary market when it is required, in accordance with the market making requirements of the SEHK.

Subject to applicable regulatory requirements, the Manager use its best endeavours to put in place arrangements so that there is at all times at least one Market Maker for Shares in the Listed Class in each available counter. If the SEHK withdraws its permit to the existing Market Maker(s), the Manager will use its best endeavours to put in place arrangements so that there is at least one other Market Maker for each available counter of the Listed Class in each Sub-Fund to facilitate the efficient trading of Shares in the Listed Class. The Manager will use its best endeavours to put in place arrangements so that at least one Market Maker for each available counter of the Listed Class in each Sub-Fund will give not less than 3 months' notice prior to terminating market making under the relevant market making agreement. The latest list of Market Makers for the Listed Class in each Sub-Fund is available at www.hkex.com.hk and http://www.fubonetf.com.hk (this website has not been reviewed by the SFC). Please refer to the section on "**Website Information**" for the warning and the disclaimer regarding information contained in such website.

The Listing Agent (Applicable to the Listed Class Only)

Unless otherwise specified in the relevant Appendix, Altus Capital Limited has been appointed by the Manager as the Listing Agent for the Listed Class of each Sub-Fund in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in respect of the relevant Listed Class's listing on the SEHK. The Listing Agent is a licensed corporation which holds, amongst others, a Type 6 (advising on corporate finance) regulated activity licence under the SFO with CE Number AGH102.

Conflicts of Interest and Soft Dollars

The Manager, the Sub-Manager and the Custodian may, from time to time, act as manager, sub-investment manager, investment delegate, trustee or custodian or in such other capacity in connection with any collective investment scheme separate and distinct from the Company and each Sub-Fund and retain any profit or benefit made in connection therewith.

In addition:

(a) The Manager, the Sub-Manager or any of their Connected Persons may purchase and sell investments for the account of a Sub-Fund as agent for the Sub-Fund or deal with any Sub-Fund as principal with the prior written consent of the Custodian.

(b) The Custodian, the Manager, the Sub-Manager and any of their Connected Persons may contract or enter into any financial, banking or other transaction with one another or with any Shareholder or any company or body any of whose shares or securities form part of the relevant Sub-Fund's assets.

(c) The Custodian, the Manager, the Sub-Manager or any of their Connected Persons may become the owner of Shares and hold, dispose or otherwise deal with them with the same rights which it would have had if it had not been the Custodian, the Manager, the Sub-Manager or any of their Connected Persons.

(d) The Custodian, the Manager, the Sub-Manager and any of their Connected Persons may buy, hold and deal in any securities, commodities or other property for their own account or for the account of their other customers notwithstanding that similar securities, commodities or other property may be held by a Sub-Fund.

(e) Any arrangements for the borrowing or deposit of any monies for the account of a Sub-Fund may be made with any of the Custodian, the Manager, the Sub-Manager or any other investment delegate or any of their Connected Persons being a banker or other financial institution provided that such person shall charge or pay (as the case may be) interest or fees at a rate or amount no higher (in the case of a borrowing) or lower (in the case of a deposit) than the prevailing rates or amounts for transactions of a similar type, size and term, in the same currency and with institutions of similar standing, negotiated at arm's length in accordance with ordinary and normal course of business. Any such deposits shall be maintained in a manner that is in the best interests of Shareholders.

(f) Neither the Custodian nor the Manager nor the Sub-Manager nor any of their Connected Persons shall be liable to account to each other or to any Sub-Fund or to the Shareholders for any profits or benefits made or derived from or in connection with any such transaction mentioned above.

It is, therefore, possible that any of the Custodian, the Manager, the Sub-Manager or any of their Connected Persons may, in the course of business, have potential conflicts of interest with a Sub-Fund. Each will, at all times, have regard in such event to its obligations to the Sub-Fund and the Shareholders and will endeavour to ensure that such conflicts are resolved fairly.

Subject to applicable rules and regulations, the Manager, its delegate (including the Sub-Manager) or any of its Connected Persons may enter into portfolio transactions for or with a Sub-Fund as agent in accordance with normal market practice, provided that commissions charged to the Sub-Fund in these circumstances do not exceed customary full service brokerage rates. If a broker does not provide research or other lawful services in addition to brokerage execution, such broker will generally charge a brokerage commission that is discounted from customary full service brokerage rates. Where the Manager or the Sub-Manager invests a Sub-Fund in shares or units of a collective investment scheme managed by the Manager, its delegates (including the Sub-Manager) or any of its Connected Persons, the manager of the scheme in which the investment is being made by the Sub-Fund must waive any preliminary or initial charge which it is entitled to charge for its own account in relation to the acquisition of shares or units and there must be no increase in the overall total of annual management fees (or other costs and charges payable to the Manager or any of its Connected Persons) borne by the Sub-Fund.

None of the Manager, its delegates (including the Sub-Manager) or any of their Connected Persons shall, retain any cash commission rebates or other payment or benefit (except as otherwise provided for in this Prospectus or in the Instrument) received from a third party (either directly or indirectly) arising out of the sale or purchase or loan of investments for a Sub-Fund, and any such rebates or payments or benefits which are received shall be credited to the account of the Sub-Fund.

The Manager, its delegates (including the Sub-Manager) or any of their Connected Persons may receive, and are entitled to retain, goods, services or other benefits, such as research and advisory services, economic and political analysis, portfolio analysis (including valuation and performance measurement), market analysis, data and quotation services, computer hardware and software incidental to the above goods and services, clearing and custodian services and investment-related publication (known as soft dollar benefits) which are of demonstrable benefit to a Sub-Fund as a whole and may contribute to an improvement in the performance of the relevant Sub-Fund or of the Manager and/or any of its Connected Persons in providing services to the relevant Sub-Fund (as may be permitted under the UT Code, applicable rules and regulations), from brokers and other persons through whom investment transactions are carried out ("brokers") provided that the quality of transaction execution is consistent with best execution standards, brokerage rates are not in excess of customary institutional full-service brokerage rates and the availability of soft dollar arrangements is not the sole or primary purpose to perform or arrange transaction with such broker or dealer. For the avoidance of doubt, such goods and services do not include travel accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payments. Details of soft commission arrangements will be disclosed in the relevant Sub-Fund's annual report.

The services of the Custodian provided to the Company and each Sub-Fund are not deemed to be exclusive and the Custodian shall be free to render similar services to others so long as its services hereunder are not impaired thereby and to retain for its own use and benefit all fees and other monies payable thereby and the Custodian shall not be deemed to be affected with notice of or to be under any duty to disclose to any Sub-Fund any fact or thing which comes to the notice of the Custodian in the course of the Custodian rendering similar services to others or in the course of its business in any other capacity or in any manner whatsoever otherwise than in the course of carrying out its duties under the Custody Agreement.

Conflicts of interest may also arise due to the widespread business operations of the Custodian, the Manager, the Sub-Manager, the Registrar, the Conversion Agent or the Service Agent (as the case may be) and their respective holding companies, subsidiaries and affiliates. The foregoing parties may effect transactions where those conflicts arise and shall not, subject to the terms of the Instrument and the relevant agreement(s), be liable to account for any profit, commission or other remuneration arising. However, all transactions carried out by or on behalf of a Sub-Fund will be on arm's length terms and in the best interests of Shareholders. For so long as a Sub-Fund is authorised by the SFC and it is an applicable requirement of the UT Code, the Manager, if transacting with brokers or dealers connected to the Manager, investment delegates (including the Sub-Manager), the Custodian or any of their respective Connected Persons, must ensure it complies with the following obligations:

(a) such transactions should be on arm's length terms;

(b) it must use due care in the selection of brokers or dealers and ensure that they are suitably qualified in the circumstances;

(c) transaction execution must be consistent with applicable best execution standards;

(d) the fee or commission paid to any such broker or dealer in respect of a transaction must not be greater than that which is payable at the prevailing market rate for a transaction of that size and nature;

(e) the Manager must monitor such transactions to ensure compliance with its obligations; and

(f) the nature of such transactions and the total commissions and other quantifiable benefits received by such broker or dealer shall be disclosed in the annual financial statements of the Sub-Fund.

STATUTORY AND GENERAL INFORMATION

Financial Reports

The financial year-end of the Company (and each Sub-Fund) is 31 December every year. Audited annual financial reports are to be prepared (in accordance with IFRS) and published on the Company's website in English only within 4 months of each financial year-end. Half-yearly unaudited financial reports are also to be prepared up to 30 June of each year and published on the Company's website within 2 months of such date. Once these financial reports are made available on the Company's website, investors will be notified within the relevant timeframe.

Only an English version of the audited financial reports and the half-yearly unaudited financial reports of each Sub-Fund will be available. Printed copies may be requested free of charge from the Manager by contacting it, as described below under "**Notices**".

The financial reports provide details of the assets of each Sub-Fund and the Manager's statement on transactions during the period under review (including a list of any constituent Securities of the relevant Index, if any, that each accounts for more than 10% of the weighting of the relevant Index as at the end of the relevant period and their respective weighting showing any limits adopted by the relevant Sub-Fund have been complied with). The financial reports shall also provide a comparison of each Sub-Fund's performance and the actual relevant Index performance over the relevant period and such other information as is required under the UT Code.

The Instrument

The Company was incorporated in Hong Kong under the SFO on 29 November 2021. Its constitution is set out in the Instrument filed to the Companies Registry of Hong Kong on, and effective as of, 29 November 2021 (and as may be further amended, modified or supplemented from time to time). All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Instrument.

Indemnities of the Manager

Subject to the Instrument, the Company agrees to indemnify the Manager all actions, proceedings, claims, costs, demands, and expenses which may be brought against suffered or incurred by the Manager by reason of its performance or non-performance of its obligations or functions under the terms of the Management Agreement (other than due to fraud, bad faith, wilful default or negligence on the part of the Manager or persons designated by it) including all legal professional and other expenses incurred by the Manager or persons designated by it in the performance of its obligations or functions and including indemnity obligations owed by the Manager to persons designated by it (except such as shall arise from fraud, bad faith, wilful default or negligence in the performance or non-performance of such obligations or functions).

No provision of the Instrument or the Management Agreement shall be construed as (i) providing any exemption of any liability of the Manager to the Shareholders imposed under Hong Kong law or breaches of trust through fraud or negligence, nor may the Manager be indemnified against such liability by Shareholders or at the Shareholders' expense, or (ii) diminishing or exempting the Manager from any of its duties and liabilities under applicable Laws and Regulations, and no provision shall have the effect of providing any of such exemption or indemnity.

Indemnities of the Custodian

Under the Custody Agreement, without prejudice to any indemnity to which the Custodian may otherwise be entitled under applicable law, the Company agrees to (i) indemnify the Custodian for all losses, costs, damages, taxes and expenses (including reasonable legal fees and disbursements) (each a "**Loss**") incurred by the Custodian (directly or payable to its agents or sub-custodians) arising in connection with the failure of the Company to perform any of its obligations under the Custody Agreement or arising from or in connection with the Custodian's appointment or performance under the Custody Agreement; and (ii) defend and hold the Custodian harmless from or in connection with any Loss imposed on, incurred by, or asserted against the Custodian (directly or through any of its agents or sub-custodians) or otherwise arising in connection with or arising out of any claim, action or proceeding by any third party, in each case except any Loss resulting from negligence, fraud or wilful default of the Custodian.

Nothing in the Custody Agreement excludes or restricts the liability to the Company which the Custodian may have under the SFO.

No provision of the Instrument or the Custody Agreement shall be construed as (i) providing any exemption of any liability of the Custodian to the Shareholders under Hong Kong law, nor may the Custodian be indemnified against such liability by Shareholders or at the Shareholders' expense, or (ii) diminishing or exempting the Custodian from any of its duties and liabilities under applicable Laws and Regulations, and no provision shall have the effect of providing any of such exemption or indemnity.

Modification of the Instrument

An amendment to the Instrument may be made to the extent permitted by the Laws and Regulations applicable to the Company and in accordance with the Instrument.

No alteration to the Instrument may be made unless:

(a) the alteration has been approved by Shareholders by a special resolution (as defined in the Instrument); or

(b) the Custodian certifies in writing that in its opinion the proposed alteration: (i) is necessary to make possible compliance with fiscal or other statutory, regulatory or official requirements; (ii) does not materially prejudice Shareholders' interests, does not to any material extent release the Directors, the Manager, the Custodian or any other person from any liability to Shareholders and does not increase the costs and charges payable from the Scheme Property; or (iii) is necessary to correct a manifest error.

In all other cases involving any material changes, no alteration may be made except by a special resolution of Shareholders or the approval of the SFC. The Company shall provide written notice to Shareholders in respect of any alteration to this Instrument and any alteration to the Company generally in accordance with the Laws and Regulations applicable to the Company.

Shareholders and intending applicants are advised to consult the terms of the Instrument for further details.

Meetings of Shareholders

A Shareholder is entitled to appoint another person (whether a Shareholder or not) as a proxy to exercise all or any of the Shareholder's rights to attend and to speak and vote at a general meeting of the Company.

Voting Rights

Shareholders' meetings may be convened by the Directors or by Shareholders representing at least 10% of the Shares in issue, on not less than 21 calendar days' notice in respect of a meeting where a special resolution (as defined in the Instrument) is to be proposed and 14 calendar days' notice in respect of a meeting where an ordinary resolution (as defined in the Instrument) is to be proposed.

These meetings may be used to modify the terms of the Instrument, including removing the Manager or terminating a Sub-Fund at any time. Such amendments to the Instrument must be considered by Shareholders of at least 25% of the Shares in issue and passed by a 75% or more of the votes cast.

Other matters that require an ordinary resolution being passed would be considered by Shareholders of at least 10% of the Shares in issue and passed by a simple majority of more than 50% of the votes cast. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to such day and time not being less than 15 days thereafter and to such place as may be appointed by the chairman of the meeting. At such adjourned meeting, the Shareholders present in person or by proxy shall be a quorum. Notice of any adjourned meeting of Shareholders shall be given in the same manner as for an original meeting and such notice shall state that the Shareholders present at the adjourned meeting, whatever their number and the number of Shares held by them, will form a quorum.

The Instrument contains provisions for the holding of separate meetings of Shareholders holding Shares of different classes where only the interests of Shareholders of such class are affected.

Removal and Retirement of the Directors

A person ceases to be a Director if the person:

(a) ceases to be a Director or is prohibited from being a Director under the applicable Laws and Regulations or under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong);

(b) becomes bankrupt or makes any arrangement or composition with the person's creditors generally;

(c) becomes a mentally incapacitated person;

(d) resigns from the office of Director by notice in writing of the resignation of not less than 28 days;

(e) for more than 6 months has been absent without the Directors' permission from Directors' meetings held during that period;

(f) upon the expiry of any period or notice period stated in an agreement for the provision of services between the Company and the Director or if such agreement is summarily terminated in accordance with its terms; or

(g) is removed from the office of Director by an ordinary resolution (as defined in the Instrument).

Special notice (in accordance with the applicable Laws and Regulations) is required of a resolution to remove a Director or appoint a person in place of a Director so removed at the meeting at which the Director is removed.

Removal and Retirement of the Manager

Under the Management Agreement, the Manager must retire in the case of (i) below, and must be subject to removal by notice in writing from the Directors in the case of (ii) to (v) below:

(i) when it ceases to be eligible to be a Manager or is prohibited from being a Manager under the applicable Laws and Regulations, or when the SFC withdraws its approval of the Manager;

(ii) when it goes into liquidation, becomes bankrupt or has a receiver appointed over its assets;

(iii) when for good and sufficient reason, the Directors state in writing that a change in the Manager is desirable in the interests of the Shareholders;

(iv) if the Manager commits any material breach of its obligations under the Management Agreement and (if such breach shall be capable of remedy) fails within thirty days of receipt of notice served by the Company requiring it so to do to make good such breach; or

(v) if any law is passed which renders it illegal or, in the opinion of the Directors, impracticable or inadvisable for the Manager to continue to manage the assets of the Company or the Sub-Funds.

Subject to the requirement that the Manager may not retire except upon the appointment of a new manager approved by the SFC, the appointment of the Manager shall automatically terminate forthwith if the Manager becomes or is deemed to become resident for tax purposes or carry on business in any jurisdiction (other than in any place or places as may from time to time be approved by the Directors for such purpose) in circumstances which cause the Company to become liable to pay any taxes which it would not otherwise be liable to pay.

The Manager shall be entitled to retire in favour of some other person considered by the Company to be suitably qualified and approved by the SFC, upon giving written notice to the Company in accordance with the Management Agreement and subject to such person entering into a management agreement similar to the Management Agreement.

In the event that the Manager shall retire or be removed or its appointment shall otherwise terminate, the Company shall appoint another corporation eligible under the Laws and Regulations (as defined in the Management Agreement) to act as the investment manager of an open-ended fund company which is approved by the SFC to be the investment manager of the Company in place of the Manager so retiring or being removed on or before the expiry of any period of notice of such retirement or removal.

The Manager may not retire except upon the appointment of a new Manager approved by the SFC.

Removal and Retirement of the Custodian

Under the Custody Agreement, the Custodian must retire in the case of (i) below, and must be subject to removal by notice in writing in the case of (ii) and (iii) below:

(i) when it ceases to be eligible to be a Custodian or is prohibited from being a Custodian under applicable Laws and Regulations, or when the SFC withdraws its approval of the Custodian;

(ii) when it goes into liquidation, becomes bankrupt or has a receiver appointed over its assets; or

(iii) when for good and sufficient reason, the Directors state in writing that a change in the Custodian is desirable in the interests of the Shareholders.

In the event that the Custodian shall retire or be removed or its appointment shall otherwise terminate, the Company shall appoint another corporation eligible under the Laws and Regulations to act as a custodian of an OFC which is approved by the SFC to be the Custodian in place of the Custodian so retiring or being removed on or before the expiry of any period of notice of such retirement or removal. The retirement of the Custodian should take effect at the same time as the new Custodian takes up office.

The Custodian may not retire except upon the appointment of a new Custodian approved by the SFC.

Deferred Redemption

In the event that redemption requests are received for the redemption of Shares (in respect of both Listed Class and Unlisted Class(es)) representing in aggregate more than 10% (or such higher percentage as the Manager may determine in respect of the Sub-Fund as permitted by the SFC) of the total Net Asset Value of Shares in a Sub-Fund then in issue, the Company may reduce the requests rateably and pro rata amongst all Shareholders (both Listed Class and Unlisted Class(es)) seeking to redeem Shares on the relevant Dealing Day and carry out only sufficient redemptions which, in aggregate, amount to 10% (or such higher percentage as the Manager may determine in respect of a Sub-Fund as permitted by the SFC) of the total Net Asset Value of Shares in the relevant Sub-Fund then in issue. Shares which are not redeemed but which would otherwise have been redeemed will be redeemed on the next Dealing Day (subject to further deferral if the deferred requests in respect of the relevant Sub-Fund themselves exceed 10% (or such higher percentage as the Manager may determine in respect of that Sub-Fund as permitted by the SFC) of the total Net Asset Value of Shares in the relevant Sub-Fund then in issue), pro rata amongst both the Listed Class and the Unlisted Class(es), in priority to any other Shares in the relevant Sub-Fund for which redemption requests have been received. Shares will be redeemed at (in the case of the Listed Class) the Redemption Value or (in the case of the Unlisted Class(es)) the Redemption Price prevailing on the Dealing Day on which they are redeemed.

Restrictions on Shareholders

The Directors have power to impose such restrictions as it may think necessary for the purpose of ensuring that no Shares are acquired or held which would result in such holding being:

(a) in contravention of any laws or requirements of any country, any governmental authority or any stock exchange on which such Shares are listed;

(b) in circumstances (whether directly or indirectly affecting such person and whether taken alone or in conjunction with any other persons, connected or not, or any other circumstances appearing to the Directors to be relevant) which, in the Directors' opinion, might result in the Company, the Sub-Fund, the Directors, any service provider and/or other Shareholders incurring any liability to taxation or suffering any other pecuniary disadvantage which the Company, the Sub-Fund, the Directors, service provider and/or other Shareholders might not otherwise have incurred or suffered; or

(c) in breach of any applicable anti-money laundering or identification verification or national status or residency requirements imposed on him (whether under the terms of any underlying investment arrangement or otherwise) including without limitation the issue of any warranty or supporting document required to be given to the Company.

Upon notice that any Shares are so held, the Directors may require such Shareholders to redeem or transfer such Shares in accordance with the provisions of the Instrument. A person who becomes aware that he is holding or owning Shares in breach of any of the above restrictions is required either to redeem his Shares in accordance with the Instrument or to transfer his Shares to a person whose holding would be permissible under this Prospectus and the Instrument in a manner that would result in such Shareholder no longer being in breach of the restrictions above.

Termination (otherwise than by winding up)

Without prejudice to any provision in the applicable Laws and Regulations by virtue of which the Company, or a Sub-Fund or a class of Shares may be terminated, the Company, a Sub-Fund or a class of Shares may be terminated, subject to and in accordance with the applicable Laws and Regulations, by the Directors in their absolute discretion if:

(a) in the case of a Sub-Fund including classes therein, at any date or time the Net Asset Value of the relevant Sub-Fund is less than USD5,000,000 or its equivalent in the base currency of the Sub-Fund;

(b) in the case of a class only, there are no Shareholders of such class in a Sub-Fund;

(c) in the case of the Company, at any date or time the Net Asset Value of the Company is less than USD5,000,000 or its equivalent in the base currency of the Company;

(d) any law shall be passed which renders it illegal or in the reasonable opinion of the Directors impracticable or inadvisable to continue the relevant Sub-Fund or the Company;

(e) in the case of a Sub-Fund including classes therein, the Index is no longer available for benchmarking;

(f) in the case of a Listed Class or a Sub-Fund with only Listed Class, if the Shares of the relevant Listed Class or Sub-Fund are no longer listed on the SEHK or any such other stock exchange from time to time determined by the Manager;

(g) in the case of a Listed Class or a Sub-Fund with only Listed Class, at any time, the relevant Listed Class or Sub-Fund (as the case may be) ceases to have any Participating Dealer; or

(h) in the case of a Listed Class or a Sub-Fund with only Listed Class, at any time, the relevant Listed Class or Sub-Fund (as the case may be) ceases to have any Market Maker.

The Directors shall give reasonable notice of termination of the Company, the relevant Sub-Fund, or the class of Shares (as the case may be) to the Shareholders in the Company, the relevant Sub-Fund or the class of Shares (as the case may be) in such manner and with such contents which are compliant with the applicable Laws and Regulations, and by such notice fix the date on which such termination is to take effect, provided that no less than one month's notice will be given to the relevant Shareholders in case of termination of the Company or a Sub-Fund. Shareholders' approval is not required to effect termination of the Company or a Sub-Fund.

Investors should note that, due to the nature of the listing of Shares in the Listed Class on the SEHK, the termination procedures applicable to the Listed Class and Unlisted Class(es) of the same Sub-Fund may differ. In the event of termination of the Company, a Sub-Fund or a particular class of Shares, Shareholders will be notified of the relevant termination procedures applicable to its holding of the relevant class of Shares.

With effect on and from the date as at which the Company or any Sub-Fund is to terminate:

(a) no Shares of the relevant class or classes may be issued or sold by the Company;

(b) the Manager shall on the instructions of the Directors realise all the assets then comprised in the relevant Sub-Fund;

(c) distributions shall be made to the Shareholders of the relevant class or classes in proportion to their respective interests in the relevant Sub-Fund all net cash proceeds derived from the realisation of the relevant Sub-Fund and available for the purpose of such distribution, provided that the Custodian shall be entitled to retain out of any monies in its hands as part of the relevant Sub-Fund full provision for all costs, charges, expenses, claims and demands reasonably incurred by or on behalf of the Company, Directors, the Manager or the Custodian in connection with or arising out of the termination of the relevant Sub-Fund; and

(d) any unclaimed proceeds or other monies held by the Custodian in the event of a termination may at the expiration of 12 calendar months from the date upon which the same became payable be paid into court, subject to the right of the Custodian to deduct therefrom any expenses it may incur in making such payment.

Every such distribution shall be made in such manner as the Directors shall at their reasonable discretion determine but shall be made only against the production of such evidence relating to the Shares of the relevant class or classes in respect of which the same is made and upon delivery of such form of request for payment as shall be reasonably required.

Winding Up

Subject to any other provisions applicable to the specific Sub-Fund set out in the relevant Appendix to this Prospectus, the rights of the Shareholders to participate in the property comprised in a Sub-Fund on a winding up of the Company or a Sub-Fund shall be proportionate to the proportionate interests in the Sub-Fund represented by the Shares which they hold.

If the Company or a Sub-Fund is wound up and a surplus remains after the payment of debts proved in the winding up, the liquidator:

(a) may, with the required sanction of a special resolution (as defined in the Instrument) of the Company or Shareholders of the relevant Sub-Fund and any other sanction required by the Laws and Regulations, divide amongst the Shareholders the whole or any part of the assets of the Company or relevant Sub-Fund (whether they consist of property of the same kind or not) and may, for this purpose, set a value the liquidator thinks fair on any property to be so divided; and

(b) may determine how the division is to be carried out between the Shareholders or different classes of Shareholders.

Distribution Policy

The Manager will adopt a distribution policy for each Sub-Fund (or a class of Shares thereof) as the Manager considers appropriate having regard to the net income, fees and costs of the relevant Sub-Fund or class of Shares. For each Sub-Fund or class of Shares (as the case may be), its distribution policy (including the currency of such distribution) will be set out in the relevant Appendix. Distributions will always depend on payments on Securities held by the relevant Sub-Fund which will in turn depend on factors beyond the control of the Manager including, general economic conditions, and the financial position and distribution policies of the relevant underlying entities. There can be no assurance that such entities will declare or pay dividends or distributions.

Inspection of Documents

Copies of the following documents in respect of the Company and the Sub-Funds are available for inspection free of charge at all times during normal office hours at the offices of the Manager and copies thereof may be obtained from the Manager free of charge:

(a) Instrument;

(b) Management Agreement;

(c) sub-management agreements between the Manager and the Sub-Manager;

(d) Custody Agreement;

(e) Fund Administration Agreement;

(f) Service Agreement;

(g) Conversion Agency Agreement (if any);

(h) Participation Agreement(s); and

(i) the most recent annual financial statements of the Company and the Sub-Funds (if any) and the most recent interim financial statements of the Company and the Sub-Funds (if any).

Part XV of the SFO

Part XV of the SFO sets out the Hong Kong disclosure of interests' regime applicable to Hong Kong listed companies. The regime applies to open-ended fund companies whose Securities are listed on the SEHK. However the Company has made a Category 3 application to the SFC for exemption from Part XV of the SFO pursuant to section 309(2) thereof and the Guidelines for the Exemption of Listed Corporations and Other Persons from Part XV of the SFO (Disclosure of Interests). Consequently, Shareholders are not obliged to disclose their interest in the Company or in a Sub-Fund.

Anti-money Laundering Regulations

As part of the Manager's, the Company's, the Administrator's, the Registrar's and the Participating Dealer's responsibility for the prevention of money laundering and to comply with all applicable laws to which the Manager, the Company, the Administrator, the Registrar, each Sub-Fund or the relevant Participating Dealer is subject, the Manager, the Company, the Administrator, the Registrar or the relevant Participating Dealer may require a detailed verification of an investor's identity and the source of payment of any applications for Shares at any time as they think appropriate. The Company may, to the extent permitted by law, delegate the maintenance of its anti-money laundering procedures to a third party service provider or agent. Depending on the circumstances of each application, a detailed verification by the Manager, the Administrator, the Registrar, or the relevant Participating Dealer might not be required where:

(a) the investor makes the payment from an account held in the investor's name at a recognised financial institution; or

(b) the application is made through a recognised intermediary.

These exceptions apply only if the financial institution or intermediary is within a country recognised by the Administrator and the Manager as having sufficient anti-money laundering regulations.

Delay or failure to provide with the required documents may result in delay or refusal of application or withholding of redemption proceeds. For the purpose of anti-money laundering and/or counter-terrorist financing, the Manager may compulsorily redeem the Shares held by any Shareholder.

The Manager may, to the extent permitted by law, share, for the purposes of combating money laundering and terrorist financing, the information in connection with the Shareholders with its affiliates.

Certification for Compliance with FATCA or Other Applicable Laws

Each Shareholder (i) will be required to, upon demand by the Company or its agent, provide any form, certification or other information reasonably requested by and acceptable to the Company or its agent that is necessary for the Company or a Sub-Fund (a) to prevent withholding (including, without limitation, any withholding taxes required under FATCA) or qualify for a reduced rate or exemption of withholding or backup withholding in any jurisdiction from or through which the Company or a Sub-Fund receives payments and/or (b) to satisfy reporting or other obligations under IRS Code and the United States Treasury Regulations promulgated under the IRS Code, or to satisfy any obligations relating to any applicable law, regulation or any agreement with any tax or fiscal authority in any jurisdiction (ii) will update or replace such form, certification or other information in accordance with its terms or subsequent amendments in a timely manner, and (iii) will otherwise comply with any reporting obligations imposed by the United States, Hong Kong or any other jurisdiction, including reporting obligations that may be imposed by future legislation.

Power to Disclose Information to Authorities

Subject to applicable Laws and Regulations in Hong Kong and the consent to report from the Shareholder as required under the IGA, the Manager, the Company or any of their authorised person (as permissible under applicable law or regulation) may be required to report or disclose to any government agency, regulatory authority or tax or competent authority in any jurisdictions (including but not limited to the IRS and the Inland Revenue Department of Hong Kong ("**IRD**")), certain information in relation to a Shareholder, including but not limited to the Shareholder's name, address, date of birth, tax residency(ies), tax identification number(s) (if any) and certain information relating to the Shareholder's holdings, account balance/value, and income or sale or redemption proceeds, to enable the Sub-Fund to comply with any applicable law or regulation or any agreement with the relevant competent authority (including, but not limited to, any applicable law (including any law, rule and requirement relating to AEOI (as defined below)), regulation or agreement with a tax authority (including, but not limited to, any agreement entered into the pursuant to FATCA, or any similar or successor legislation).

Liquidity Risk Management

The Manager has established a liquidity management policy which enables it to identify, monitor and manage the liquidity risks of each Sub-Fund and to ensure that the liquidity profile of the investments of the relevant Sub-Fund will facilitate compliance with such Sub-Fund's obligation to meet redemption requests. Such policy, combined with the liquidity management tools of the Manager, also seeks to achieve fair treatment of Shareholders and safeguard the interests of remaining Shareholders in case of sizeable redemptions.

The Manager's liquidity policy takes into account the investment strategy, the liquidity profile, the redemption policy, the dealing frequency, the ability to enforce redemption limitations and the fair valuation policies of each Sub-Fund. These measures seek to ensure fair treatment and transparency for all investors.

The liquidity management policy involves monitoring the profile of investments held by each Sub-Fund on an on-going basis to ensure that such investments are appropriate to the redemption policy, and will facilitate compliance with each Sub-Fund's obligation to meet redemption requests. Further, the liquidity management policy includes details on periodic stress testing carried out by the Manager to manage the liquidity risk of each Sub-Fund under normal and exceptional market conditions.

As a liquidity risk management tool, the Manager may limit the number of Shares of a Sub-Fund redeemed on any Dealing Day to Shares (in both the Listed Class and Unlisted Class(es)) representing 10% (or such higher percentage as the Manager may determine in respect of the Sub-Fund) of total Net Asset Value of Shares in aggregate in respect of both the Listed Class and Unlisted Class(es) in such a Sub-Fund then in issue (subject to the conditions under the heading entitled "**Deferred Redemption**" above in this section headed "**STATUTORY AND GENERAL INFORMATION**").

Index Licence Agreements

Please refer to the relevant Appendix for details in respect of each Index.

Material Changes to an Index

The SFC should be consulted on any events that may affect the acceptability of an Index. Significant events relating to an Index will be notified to the Shareholders of the relevant Sub-Fund as soon as practicable. These may include a change in the methodology/rules for compiling or calculating the Index, or a change in the objective or characteristics of the Index.

Replacement of an Index

The Manager reserves the right, with the prior approval of the SFC and provided that in its opinion the interests of the Shareholders of the relevant Sub-Fund would not be adversely affected, to replace an Index with another index in accordance with the provisions of the UT Code and the Instrument. The circumstances under which any such replacement might occur include but are not limited to the following events:

(a) the relevant Index ceasing to exist;

(b) the licence to use the Index being terminated;

(c) a new index becoming available that supersedes the existing Index;

(d) a new index becoming available that is regarded as the market standard for investors in the particular market and/or would be regarded as more beneficial to the Shareholders than the existing Index;

(e) investing in the Securities and/or Futures Contracts comprised within the Index becomes difficult;

(f) the Index Provider increasing its licence fees to a level considered too high by the Manager;

(g) the quality (including accuracy and availability of the data) of the Index having in the opinion of the Manager, deteriorated;

(h) a significant modification of the formula or calculation method of the Index rendering that index unacceptable in the opinion of the Manager; and

(i) the instruments and techniques used for efficient portfolio management not being available.

The Manager may change the name of a Sub-Fund if the relevant Index changes or for any other reasons including if licence to use the Index is terminated. Any change to (i) the use by the relevant Sub-Fund of the Index and/or (ii) the name of the relevant Sub-Fund will be notified to investors.

Information Available on the Internet

The Manager will publish important news and information with respect to each Sub-Fund (including in respect of the relevant Index), in the English and Chinese languages (unless otherwise specified), on the following website http://www.fubonetf.com.hk (this website has not been reviewed or approved by the SFC) and, where applicable, HKEX's website www.hkex.com.hk including:

(a) this Prospectus and the KFS in respect of the Sub-Fund(s) (as revised from time to time). Investors should note that where a Sub-Fund offers Shares in both Listed Class and Unlisted Class(es) to Hong Kong investors, separate sets of KFS will be available for the Listed Class and the Unlisted Class(es) of the same Sub-Fund respectively;

(b) the latest audited annual and unaudited interim financial reports of the Company and the Sub-Fund(s) (in English only);

(c) any notices relating to material changes to the Sub-Fund(s) that may have an impact on its investors, including notices for material alterations or additions to this Prospectus and KFS of the Sub-Fund(s) or the constitutive documents of the Company and/or a Sub-Fund;

(d) any public announcements made by the Manager in respect of the Sub-Fund(s), including information in relation to the Sub-Fund(s) and the relevant Index, notices of the suspension of the issue, creation and/or redemption of Shares, the suspension of the calculation of Net Asset Value, changes in fees and charges and (in respect of the Listed Class only) the suspension and resumption of trading of Shares;

(e) (in respect of the Listed Class only) the near real time indicative Net Asset Value per Share of each Sub-Fund in each trading currency of the Sub-Fund (updated every 15 seconds throughout each dealing day) during SEHK normal trading hours on the SEHK;

(f) the last Net Asset Value of each Sub-Fund in the relevant base currency and the last Net Asset Value per Share of each Sub-Fund in the relevant base currency and (in respect of the Listed Class only) each trading currency of the Sub-Fund (updated on a daily basis on each Dealing Day);

(g) the past performance information of each Sub-Fund;

(h) the tracking difference and tracking error of each Sub-Fund;

(i) the full portfolio composition of each Sub-Fund (updated on a monthly basis within one month of the end of each month);

(j) (in respect of the Listed Class only) the latest list of the Participating Dealers and Market Makers for each Sub-Fund; and

(k) the composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income, and (ii) capital), if any, for the last 12 months.

The near real time indicative Net Asset Value per Share (in each trading currency of the Sub-Fund) referred to above is indicative and for reference only. This is updated every 15 seconds during SEHK trading hours and is calculated by ICE Data Services.

For the Listed Class of Fubon NYSE FactSet Taiwan Core Semiconductor Index ETF, the near real-time indicative Net Asset Value per Share in HKD is indicative and for reference purposes only. This is updated during SEHK trading hours. The near real-time indicative Net Asset Value per Share in HKD uses a real-time USD:HKD foreign exchange rate – it is calculated using the near real-time indicative Net Asset Value per Share in USD multiplied by a real-time USD:HKD foreign exchange rate provided by Bloomberg when the SEHK is opened for trading. The near real-time indicative Net Asset Value per Share in HKD is updated every 15 seconds throughout the SEHK trading hours.

The last Net Asset Value per Share of the Listed Class of the Fubon NYSE FactSet Taiwan Core Semiconductor Index ETF in HKD is indicative and for reference purposes only and is calculated using the last Net Asset Value per Share in USD multiplied by an assumed foreign exchange rate using the USD:HKD exchange rate quoted by Reuters at 9:00 a.m. (Hong Kong time) as of the same Dealing Day when the SEHK is open for trading.

Real-time updates about the relevant Index can be obtained through other financial data vendors. Investors should obtain additional and the latest updated information about the relevant Index (including without limitation, a description of the way in which the Index is calculated, any change in the composition of the relevant Index, any change in the method for compiling and calculating the relevant Index) via the Manager's website at http://www.fubonetf.com.hk (this website has not been reviewed by the SFC) and the relevant Index Provider's website. Please refer to the section on "**Website Information**" for the warning and the disclaimer regarding information contained in such website.

Notices

All notices and communications to the Company, the Manager, the Sub-Manager and the Custodian should be made in writing and sent to the following addresses:

Company
Fubon ETF Series OFC
Unit D, 19/F, Lee & Man Commercial Center
169 Electric Road
Hong Kong

Manager
Fubon Fund Management (Hong Kong) Limited
Unit D, 19/F, Lee & Man Commercial Center
169 Electric Road
Hong Kong

Sub-Manager
Fubon Asset Management Company Limited
8F, No. 108, Section 1
Dunhua South Road
Songshan District
Taipei TW 10557
Taiwan

Custodian
HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

Website Information

The offer of the Shares is made solely on the basis of information contained in this Prospectus. All references in this Prospectus to other websites and sources where further information may be obtained are merely intended to assist you to access further information relating to the subject matter indicated and such information does not form part of this Prospectus. Neither the Company, the Manager, the Sub-Manager nor the Custodian accepts any responsibility for ensuring that the information contained in such other websites and sources, if available, is accurate, complete and/or up-to-date, and no liability is accepted by the Company, the Manager, the Sub-Manager and the Custodian in relation to any person's use of or reliance on the information contained in these other websites and sources save, in respect of the Manager, the Company's website http://www.fubonetf.com.hk (this website has not been reviewed by the SFC). The information and materials included in these websites have not been reviewed by the SFC or any regulatory body. You should exercise an appropriate degree of caution when assessing the value of such information.

Queries and complaints

Investors may contact the complaint officer of the Manager if they have any complaints or enquiries in respect of the Company or the Sub-Fund(s):

Address: Unit D, 19/F, Lee & Man Commercial Center, 169 Electric Road, Hong Kong

Telephone Number: +852 3918 3288

Depending on the subject matter of the complaints or enquiries, these will be dealt with either by the Manager directly, or referred to the relevant parties for further handling. The Manager will revert and address the investor's complaints and enquiries as soon as possible.

TAXATION

The following summary of taxation is of a general nature, for information purposes only, and is not intended to be an exhaustive list of all of the tax considerations that may be relevant to a decision to purchase, own, redeem or otherwise dispose of Shares. This summary does not constitute legal or tax advice and does not purport to deal with the tax consequences applicable to all categories of investors. Prospective investors should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, redeeming or disposing of Shares both under the laws and practice of Hong Kong and the laws and practice of their respective jurisdictions. The information below is based on the law and practice in force at the date of this Prospectus. The relevant laws, rules and practice relating to tax are subject to change and amendment (and such changes may be made on a retrospective basis). As such, there can be no guarantee that the summary provided below will continue to be applicable after the date of this Prospectus. Furthermore, tax laws can be subject to different interpretations and no assurance can be given that relevant tax authorities will not take a contrary position to the tax treatments described below. Investors should refer to additional summaries of applicable taxation, where appropriate, as set out in the Appendix relevant to a Sub-Fund.

Hong Kong

Profits Tax

Taxation of the Company and Sub-Funds

As the Company and each Sub-Fund have been authorised as a collective investment scheme by the SFC under Section 104 of the SFO, profits of the Company and each Sub-Fund are exempt from Hong Kong profits tax pursuant to Section 26A(1A)(a) of the Inland Revenue Ordinance ("**IRO**").

Taxation of the Shareholders

Where the Shareholders do not carry on a trade, profession or business in Hong Kong or the Shares in a Sub-Fund are held by the Shareholders as "capital assets" for Hong Kong profits tax purposes, gains arising from the sale or disposal or redemption of the Shares in the Sub-Fund should not be taxable. For Shareholders carrying on a trade, profession or business in Hong Kong, such gains could be subject to Hong Kong profits tax (which is currently charged at the rate of 16.5% in the case of corporations, and 15% in the case of unincorporated business with, subject to certain conditions being met, the first HK$2 million of assessable profits to be charged at 8.25% for corporations, and 7.5% for unincorporated businesses) if the gains in question arise in or are derived from such trade, profession or business and sourced in Hong Kong. Shareholders should seek advice from their own professional advisers as to their particular tax position.

Distributions by the Company or a Sub-Fund should generally not be subject to Hong Kong profits tax in the hands of the Shareholders (whether by way of withholding or otherwise) according to the current law and practice of the Inland Revenue Department of Hong Kong (as at the date of this Prospectus).

There is no withholding tax on dividends and interest in Hong Kong.

Stamp Duty

Hong Kong stamp duty is payable on the transfer of Hong Kong stock at the current rate of 0.2% of the consideration or the fair market value (whichever is higher). "Hong Kong stock" is defined as "stock" the transfer of which is required to be registered in Hong Kong. The Shares of the Sub-Fund should fall within the definition of "Hong Kong stock" as the register of Shareholders will be kept in Hong Kong.

No Hong Kong stamp duty is payable on issue or redemption of Shares of the Sub-Fund.

No Hong Kong stamp duty is payable on transfer of the Hong Kong stock as consideration of any issue or redemption of Shares of the Sub-Fund, subject to conditions.

For a transfer effected on or after 13 February 2015 executed for a transaction by which a Share of a Sub-Fund, as an exchange traded fund is transferred, stamp duty is waived pursuant to the Stamp Duty (Amendment) Ordinance 2015.

PRC

By investing in securities (including China A-Shares) issued by PRC tax resident enterprises (i.e. companies incorporated in the PRC or incorporated elsewhere but with their effective management located in the PRC), the Company or the relevant Sub-Fund(s) may be subject to PRC taxes.

Corporate Income Tax

If the Company or the relevant Sub-Fund is considered as a tax resident enterprise of the PRC, it will be subject to PRC corporate income tax ("**CIT**") at 25% on its worldwide taxable income. If the Company or the relevant Sub-Fund is considered as a non-tax resident enterprise with a permanent establishment or place or establishment of business ("**PE**") in the PRC, the profits and gains attributable to that PE would be subject to CIT at 25%.

Under the PRC CIT Law effective from 1 January 2008 and its implementation rules, a non-PRC tax resident enterprise without a PE in the PRC will generally be subject to withholding income tax ("**WIT**") of 10% on its PRC sourced income, including but not limited to passive income (e.g. dividends, interest) and gains arising from transfer of assets, etc., unless it is exempt or reduced under specific PRC tax circulars or relevant tax treaty.

The Manager and the Sub-Manager intend to manage and operate the Company or the relevant Sub-Fund(s) in such a manner that the Company or the relevant Sub-Fund(s) should not be treated as a tax resident enterprise of the PRC or a non-PRC tax resident enterprise with a PE in the PRC for CIT purposes, although due to uncertainty in tax laws and practices in the PRC, this result cannot be guaranteed.

(i) Interest

Unless a specific exemption or reduction is applicable, non-PRC tax resident enterprises without a PE in the PRC are subject to PRC WIT on the receipt of interests on debt instruments issued by PRC tax resident enterprises, including bonds issued by enterprises established within the PRC. The general WIT rate applicable is 10%, unless exempt or reduced under specific PRC tax circulars or an applicable double tax treaty and agreement by the PRC tax authorities.

Interest derived from government bonds issued by the Ministry of Finance ("**MoF**") of the PRC and/or local government bonds approved by the State Council is exempt from PRC CIT under the PRC CIT Law.

According to a tax circular jointly issued by MoF of the PRC and the State Taxation Administration ("**STA**") of the PRC on 7 November 2018, i.e. Circular on the Corporate Income Tax and Value-Added Tax Policies for Foreign Institutions investing in Onshore Bond Markets ("**Circular 108**"), the foreign institutional investors are temporarily exempt from PRC WIT with respect to bond interest income derived in the PRC bond market for the period from 7 November 2018 to 6 November 2021. The scope of such PRC WIT exemption has excluded bond interest gained by foreign investors' onshore entities/establishment that are directly connected with such onshore entities/establishment. Furthermore, the WIT exemption on the bond interest income received by the foreign institutional investors from investments in the PRC bond market has been further extended to 31 December 2025 in accordance with STA Public Notice [2021] No.34 ("**PN34**").

(ii) Dividend

Under the current PRC CIT Law and its implementation rules, non-PRC tax resident enterprises without a PE in the PRC are subject to PRC WIT on cash dividends and bonus distributions from PRC tax resident enterprises. The general WIT rate applicable is 10%, unless exempt or reduced under an applicable double tax treaty and agreement by the PRC tax authorities. The PRC resident enterprises who distribute the dividends and bonus distributions to non-PRC tax resident enterprises should be the withholding agent to withhold the WIT.

(iii) Capital Gain

Based on the CIT Law and its implementation rules, "income from the transfer of property" sourced from the PRC by non-PRC tax resident enterprises without a PE in the PRC should be subject to 10% PRC WIT unless exempt or reduced under specific PRC tax circulars or under an applicable tax treaty and agreement by the PRC tax authorities.

The "Notice on the temporary exemption of Corporate Income Tax on capital gains derived from the transfer of PRC equity investment assets such as PRC stocks by Qualified Foreign Institutional Investor and Renminbi Qualified Foreign Institutional Investor" (Caishui [2014] No.79) promulgated by the MOF, the STA and the CSRC on 14 November 2014 ("**Circular 79**") states that qualified foreign institutional investors and Renminbi qualified foreign institutional investors (without an establishment or place of business in the PRC or having an establishment in the PRC but the income so derived in China is not effectively connected with such establishment) will be temporarily exempt from WIT on gains derived from the transfer of PRC equity investment assets (including China A-Shares) effective from 17 November 2014.

The MoF, the STA and the CSRC jointly issued Caishui [2014] No. 81 – "The Circular on Issues Relating to the Tax Policy of the Pilot Inter-connected Mechanism for Trading on the Shanghai and Hong Kong Stock Market ("**Circular 81**") and Caishui [2016] No. 127 –"The Circular on Issues Relating to the Tax Policy of the Pilot Inter-connected Mechanism for Trading on the Shenzhen and Hong Kong Stock Markets" ("**Circular 127**") on 14 November 2014 and 5 November 2016 respectively, to clarify the taxation of the Stock Connect, in which capital gain realized by Hong Kong market investors (including the Sub-Fund) from the transfer of China A-Shares via Stock Connect is temporarily exempt from PRC WIT.

There are no specific rules governing the PRC taxes on capital gains derived by foreign investors from the trading of debt securities issued by the PRC tax resident enterprises. In the absence of specific rules in this regard, the general tax provisions under the PRC CIT Law should apply – such general tax provisions stipulate that a non-resident enterprise without PE in the PRC would generally be subject to WIT at the rate of 10% on its PRC-sourced gains from the trading of PRC securities, unless exempt or reduced under the PRC tax laws and regulations or applicable double tax treaty or arrangement, if any. Pursuant to Article 7 of the Detailed Implementation Regulations of PRC CIT Law, where the property concerned is a movable property, the source shall be determined according to the location of the enterprise, establishment or place which transfers the property. There is no written confirmation issued by the STA and local PRC tax authorities to confirm the aforesaid PRC taxing principle for bonds issued by PRC tax resident enterprises. However, based on the current interpretation of the PRC STA and local PRC tax authorities, on the basis that PRC bonds are treated as movable assets, gains realised by foreign investors from investment in PRC bonds should be treated as non-PRC sourced income and hence not subject to PRC WIT. In practice, the PRC tax authorities have not enforced the PRC WIT in respect of gains derived by QFI from the trading of bonds issued by PRC tax resident enterprises.

Furthermore, Article 13.7 of the Arrangement between Mainland China and Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income ("**Mainland-HK tax arrangement**") provides that any gains derived by a Hong Kong tax resident from the disposal of PRC properties that are not referred to in Articles 13.1 to 13.5 of the Mainland-HK tax arrangement shall be taxable only in Hong Kong. As the debt securities issued by the PRC tax resident enterprises are not referred to in Articles 13.1 to 13.5 of the Mainland-HK tax arrangement, capital gains derived by the Hong Kong tax resident from the disposal of debt securities issued by the PRC tax resident enterprises should technically be exempt from PRC WIT provided all the other relevant treaty conditions are satisfied (include obtaining a Hong Kong Tax Resident Certificate issued by the Hong Kong Inland Revenue Department for the Sub-Fund(s)), subject to agreement by the PRC tax authorities.

In light of the above and having consulted professional and independent tax advice, the Manager intends to make a provision of 10% on dividend if the WIT is not withheld at source at the time when such income is received from PRC companies (where WIT is already held at source, no further provision will be made).

Furthermore, based on Circular 81, Circular 127 and Circular 79, no provision for gross realised or unrealised capital gains derived from trading of China A-Shares via the Stock Connect and QFI scheme is made for the Sub-Fund(s). It should be noted that the WIT exemption under Circular 81, Circular 127 and Circular 79 is temporary. As such, when the PRC authorities announce the expiry date of the exemption, the Manager may in the future need to make provision to reflect taxes payable, which may have a substantial negative impact on the Net Asset Value.

Given the possibility of the tax rules being changed or differently interpreted and the possibility of taxes being applied retrospectively, any provision for taxation made by the Manager in a given point in time may be excessive or inadequate to meet the PRC tax liabilities in connection with investments made by the Company or the relevant Sub-Fund in the PRC. Consequently, investors may be advantaged or disadvantaged depending on how any such gains or income will in fact be calculated or taxed, how the Manager provides for the tax and when investors subscribed and/or redeemed their holdings in/from the Company or the relevant Sub-Fund. If there is a change in the tax requirement or environment which results in an under-provision by the Manager of actual or potential tax liabilities, the existing investors and new investors will be disadvantaged as the Company or the relevant Sub-Fund will have to pay the difference between the Company or the relevant Sub-Fund's WIT provision and the taxation liabilities under the new regime. On the contrary, if there is a change in the tax requirement or environment which results in an over-provision by the Manager, the investors who have already redeemed the Shares under the old regime will be disadvantaged as they would have contributed to the over-provision. In this case the existing investors and the new investors will benefit as the difference between the Company or the relevant Sub-Fund's WIT provision and the taxation liabilities will be returned to the Company or the relevant Sub-Fund as assets thereof.

In light of the above-mentioned uncertainty and in order to meet the potential tax liability for gains on disposal of debt securities and interest income derived from debt instruments, the Manager reserves the right to vary the provision for WIT on such gains or interest income for the account of the Company or the relevant Sub-Fund in respect of any potential tax on the gross realised and unrealised capital gains and interest income.

Upon any future resolution of the above-mentioned uncertainty or further changes to the tax law or policies, the Manager will, as soon as practicable, make relevant adjustments to the amount of tax provision (if any) as they consider necessary. The amount of any such tax provision will be disclosed in the accounts of the Company. It should also be noted that the actual applicable tax imposed by the PRC tax authorities may be different and may change from time to time. There is a possibility of the rules being changed and taxes being applied retrospectively.

Value-added Tax ("VAT")

According to Caishui [2016] No. 36 ("**Circular 36**"), VAT at 6% shall be levied on the difference between the selling and buying prices of those marketable securities starting from 1 May 2016. However, based on Circular 81 and Circular 127, gains realised by Hong Kong market investors from the trading of China A-Shares through the Stock Connect are exempt from VAT since 1 May 2016.

The gains derived from trading of marketable securities (including China A-Shares and other PRC listed securities) are exempted from VAT in the PRC under Circular 36 and Caishui [2016] No.70 ("**Circular 70**").

According to Circular 108, foreign institutional investors are temporarily exempt from VAT with respect to bond interest income derived in the PRC bond market for the period from 7 November 2018 to 6 November 2021. Furthermore, pursuant to PN34, the aforesaid VAT exemption is extended to 31 December 2025. In addition, deposit interest income and interest received from government bonds and local government bonds are also exempt from VAT.

Dividend income or profit distributions on equity investment derived from PRC are not included in the taxable scope of VAT.

Stamp Duty

Stamp duty under the PRC laws generally applies to the execution and receipt of all taxable documents listed in the PRC's Stamp Duty Law. Stamp duty is generally imposed on the sale of PRC-listed shares (including those invested via Stock Connect) on the seller but not on the purchaser, at a rate of 0.1% of the sales consideration. According to MOF/STA Public Notice [2023] No. 39, the above stamp duty is reduced by 50% effective from 28 August 2023.

The Company or the relevant Sub-Fund will be subject to this tax on each disposal of PRC listed shares. No stamp duty is expected to be imposed on non-PRC tax resident holders of government and corporate bonds, either upon issuance or upon a subsequent transfer of such bonds.

According to Circular 127, the borrowing and return of listed shares in relation to short-selling guaranteed by securities by Hong Kong and overseas investors through the Stock Connect is temporarily exempt from stamp duty from 5 December 2016.

General

Non-PRC tax resident Shareholders will not be subject to PRC tax on distributions received from the Company or the relevant Sub-Fund, or on gains derived from the disposal of Shares. PRC tax resident Shareholders should seek their own tax advice on their tax position with regard to their investment in the Company or the relevant Sub-Fund.

There can be no guarantee that no new tax laws, regulations and practice in the PRC specifically relating to the QFI and Stock Connect may be promulgated in the future and may be applied retrospectively. The promulgation of such new laws, regulations and practice may operate to the advantage or disadvantage of the Shareholders due to the Company or the relevant Sub-Fund's investments in the PRC market.

Taiwan

Withholding Tax on Dividends Distributed by the Taiwan Investee Companies to the Company

According to Article 88 of the Taiwan Income Tax Act and Article 3 of the Standards of Withholding Rates for Various Incomes, dividend income paid to a foreign entity with no permanent establishment in Taiwan should be withheld at source at the rate of 21%. Therefore, the dividends distributed by the Taiwan investee companies to the Company should be withheld at the rate of 21%.

Corporate Income Tax on Trading of Taiwan Securities

The income tax on gains derived from the securities transactions ceased to be imposed pursuant to Article 4-1 of the Income Tax Act. Since the Company does not have a permanent establishment in Taiwan, the gains derived from sale of Taiwan securities by the Company and its Sub-Funds should not be subject to income tax.

Securities Transaction Tax on Trading of Taiwan Securities

In accordance with Article 2 of the Securities Transaction Tax Act, 0.3% securities transaction tax should be levied on trading of Taiwan securities based on the gross transaction amount. The securities transaction tax should be borne by the seller of the relevant securities (including where the Sub-Funds sell the relevant Taiwan securities). The buyer (including where the Sub-Funds purchase the relevant Taiwan securities), securities broker or underwriter are collecting agent and should collect and pay the securities transaction tax to the national treasury.

Stamp Duty on Trading of Taiwan Securities

According to Article 5 of the Stamp Duty Act, there are four types of contractual documents and agreements executed within Taiwan that are subject to stamp duty, including contractual agreements executed to perform a specific job or task, specified monetary receipt, contract for sale of moveable property and contract for sale, transfer and partition of real estate. The tax rate is 0.1%, 0.4%, TWD 12 and 0.1% per contract value separately. However, share transfer is not considered as sale of moveable property since it is merely a transfer of rights. Therefore, the stamp duty would not be applicable to the sale of Taiwan securities.

Automatic Exchange of Financial Account Information

The Inland Revenue (Amendment) (No. 3) Ordinance (the "**Ordinance**") came into effect on 30 June 2016. The Ordinance together with the later amendments is the legislative framework for the implementation in Hong Kong of the Standard for Automatic Exchange of Financial Account Information ("**AEOI**"). The AEOI comprise, among others, the model Competent Authority Agreement ("**CAA**") and Common Reporting Standard ("**CRS**"). In addition, the IRD published guidance for financial institutions ("**FIs**") on 9 September 2016 which is updated and amended from time to time to provide guidance to them for complying with the CRS obligations. The AEOI requires FIs in Hong Kong to obtain certain information and documentation, conduct due diligence on the account holders and file such information as it relates to reportable account holders who are tax resident in Reportable Jurisdictions with the IRD which in turn will exchange the information with the jurisdiction(s) in which that account holder is a resident. Generally, the information will be reported and automatically exchanged in respect of account holders that are tax residents in a reportable jurisdiction(s) with which Hong Kong has a CAA in force; however, the Company, a Sub-Fund and/or their agents may further obtain information and/or documentation relating to the residents of other jurisdictions that are not resident in a reportable jurisdiction for CRS purposes in Hong Kong.

The Company and each Sub-Fund, as a Hong Kong FI, are required to comply with the requirements of the Ordinance, which means that the Company, the Sub-Funds and/or their agents shall obtain and provide to the IRD the required information relating to Shareholders where required. The Ordinance requires the Company to, amongst other things, (i) register the Company and/or each Sub-Fund as a "Reporting Financial Institution" with the IRD to the extent the Company and each Sub-Fund maintain reportable financial accounts; (ii) conduct due diligence on its account holders (i.e. Shareholders) in order to determine whether any of their relevant financial accounts are regarded as "Reportable Accounts" under the Ordinance; and (iii) report to the IRD the required information of such Reportable Accounts on an annual basis. The IRD is expected on an annual basis to exchange the required information reported to it to the competent authorities of the respective reportable jurisdictions. Broadly, AEOI requires that Hong Kong FIs should report on: (i) individuals or entities that are tax residents in a reportable jurisdiction; and (ii) Controlling Persons (as defined under the Ordinance) of a Shareholder that is not a natural person who are tax residents in such jurisdictions. Under the Ordinance, details of Shareholders, including but not limited to their name, date of birth (for individuals only), address, jurisdiction(s) of tax residency(ies), tax identification number(s) ("**TINs**") (if any), account details, account balance/value regarding their interest in the Company, and income or sale or redemption proceeds received from the Company, should be reported to the IRD and subsequently exchanged with competent authorities in the relevant jurisdictions.

To assist identifying Shareholders who are reportable persons under the Ordinance, the Company, the Sub-Funds, the Manager and/or their agents may require Shareholders and prospective investors to complete self-certification forms for determination of their respective tax residency status and other information prescribed under the Ordinance.

Under the Ordinance, self-certification shall be obtained from all Shareholders who acquire, or otherwise being transferred with shares on or after 1 January 2017. A failure by a prospective investor to provide a duly completed self-certification will result in the subscription for shares being rejected. Also, the Company, its Sub-Funds, the Manager and/or their agents reserve the right to require Shareholders that exist before 1 January 2017 that date to determine their respective tax residences and other information required under the Ordinance.

By investing in the Company and/or a Sub-Fund and/or continuing to invest in the Company and/or a Sub-Fund, Shareholders acknowledge that they may be required to provide additional information or documents to the Company and/or its agents in order for the Company and/or Sub-Fund to comply with the Ordinance. Each Shareholder will update the relevant information when such information is no longer accurate. A Shareholder's information (and information pertaining to controlling persons including beneficial owners, beneficiaries, direct or indirect shareholders or other persons associated with such Shareholders that are passive non-financial entities as defined under the Ordinance) may be exchanged by the IRD to the competent authorities in the relevant reportable jurisdictions. The failure of a Shareholder to provide any requested information, may result in the Company, the Sub-Funds, the Manager and/or its agents taking any action and/or pursue remedies at their disposal including, without limitation, mandatory redemption or withdrawal of the Shareholders concerned in accordance with applicable laws and regulations, exercised by the Manager acting in good faith and on reasonable grounds.

Each Shareholder and prospective investor should consult its own professional tax advisor(s) on the administrative and substantive implications of AEOI on its current or proposed investment in the Company and/or the Sub-Fund(s).

FATCA and Compliance with US Withholding Requirements

The US Hiring Incentives to Restore Employment Act was signed into US law in March 2010 and includes certain provisions commonly referred to as the "Foreign Account Tax Compliance Act" or "FATCA". Broadly, the FATCA provisions are set out in sections 1471 to 1474 of the US Internal Revenue Code of 1986, as amended (the "**Revenue Code**"), which impose a reporting regime on foreign financial institutions such as the Company and each Sub-Fund with respect to certain payments (including, but not limited to interest and dividends from securities of US issuers and potentially on gross proceeds from the sale of such securities at a later date) to non-US persons, such as the Company and the Sub-Funds. All such payments (referred to as "**Withholdable payments**") may be subject to FATCA withholding at a rate of 30%, unless the recipient of the payment satisfies certain requirements intended to enable the IRS to identify United States persons (within the meaning of the Revenue Code) ("**US persons**") with direct or indirect interests in such payment. To avoid such withholding on payments made to it, foreign financial institutions (including banks, brokers, custodians and investment funds) (an "**FFI**"), such as the Company and each Sub-Fund will be required to enter into an agreement (an "**FFI Agreement**") with the IRS. The Company and the Sub-Funds will be required to identify all investors that are US persons and certain entities that are directly or indirectly owned by US persons and report certain information concerning such US persons to the IRS annually.

In general, an FFI which does not sign an FFI Agreement and is not otherwise exempt will face a 30% withholding tax on withholding payments, including US source dividends and interest and certain derivative payments received from US sources. In addition, gross proceeds such as sales proceeds and returns of principal derived from stocks and debt obligations generating US source dividends or interest and certain non-US source payments otherwise attributable to amounts that would be subject to FATCA withholding (also known as a "**foreign passthru payments**") may also be subject to FATCA withholding in the future.

The United States and a number of other jurisdictions have entered into intergovernmental agreements ("**IGAs**"). The United States Department of the Treasury and Hong Kong have entered into an intergovernmental agreement (the "**Hong Kong IGA**") based on the Model 2 arrangement ("**Model 2 IGA**"). Under this Model 2 IGA arrangement, FFIs in Hong Kong (such as the Company and the Sub-Funds) can enter into an FFI Agreement with the IRS, register with the IRS and comply with the terms of FFI Agreement. Otherwise the Company and the Sub-Funds will be subject to a 30% FATCA withholding tax on relevant US-sourced payments to them. It is expected that the FFIs in Hong Kong (such as the Company and each Sub-Fund) complying with the terms of the FFI Agreement (i) will generally not be subject to the above described FATCA withholding at 30%; and (ii) will not be required to withhold tax on withholdable payments to recalcitrant account holders (i.e. certain accounts of which the holders do not consent to FATCA reporting and disclosure to the IRS) or close the accounts of such account holders (provided information regarding such account holders is reported to the IRS as required). Withholding may apply to withholdable payments covered by FATCA if the Company and each Sub-Fund cannot satisfy the applicable requirements and is determined to be non-FATCA compliant or if the Hong Kong government is found in breach of the terms of the agreed IGA.

The Company has been registered with the IRS as a reporting single FFI with Global Intermediary Identification Number RZUMC4.00006.SF.344. In order to protect Shareholders and avoid being subject to withholding under FATCA, it is the Company's intention to endeavour to satisfy the requirements imposed under FATCA. Hence it is possible that this may require the Company and each Sub-Fund (through its agents or service providers) as far as legally permitted, to report information on the holdings or investment returns of any Shareholder to the IRS or the local authorities pursuant to the terms of the IGA (as the case may be), including certain Shareholders who fail to provide the information and documents required to identify their FATCA status, or who are non-FATCA compliant financial institutions or who fall within other categories specified in the FATCA provisions and regulations. As at the date of this Prospectus, all Shares are registered in the name of HKSCC Nominees Limited. HKSCC Nominees Limited has registered as a participating foreign financial institution.

Although the Company and each Sub-Fund will endeavour to satisfy any obligations imposed by FATCA, the IGA and the terms of an FFI Agreement to avoid the imposition of FATCA withholding tax, no assurance can be given that the Company and each Sub-Fund will be able to fully satisfy these obligations. If any Sub-Fund becomes subject to a withholding tax as a result of non-compliance of FATCA and the FFI Agreement, the Net Asset Value of such Sub-Fund may be adversely affected and such Sub-Fund and its Shareholders may suffer material loss. Broadly, the IGA requires the Company and/or each Sub-Fund to, amongst other things: (i) register as a "reporting financial institution" with the IRS; (ii) conduct due-diligence on its accounts (i.e. Shareholders) to identify whether any such accounts are considered "US Account" under the IGA; and report to the IRS the required information on such US Accounts on an annual basis.

The FATCA provisions are complex and their application is uncertain at this time. The above description is based in part on regulations, official guidance, the Hong Kong IGA and model IGAs, all of which are subject to change or may be implemented in a materially different form. Nothing in this section constitutes or purports to constitute tax advice and Shareholders should not rely on any information set out in this section for the purposes of making any investment decision, tax decision or otherwise. All Shareholders should therefore consult their own tax and professional advisors regarding the FATCA requirements, possible implications and related tax consequences with respect to their own situation. In particular, Shareholders who hold their Shares through intermediaries should confirm the FATCA compliance status of those intermediaries to ensure that they do not suffer the above mentioned withholding tax on their investment returns.

SCHEDULE 1 – PROVISIONS RELATING TO THE OFFER, CREATION, REDEMPTION, LISTING AND TRADING OF SHARES IN THE LISTED CLASS

This Schedule 1 contains disclosure relating to the Listed Class only. Unless the context otherwise requires, references to "**Shares**" and "**Shareholders**" in this Schedule 1 shall be construed to refer to Shares in the Listed Class of a Sub-Fund or a Shareholder of such Listed Class. Save for terms defined below, all other terms used in this Schedule shall have the same meanings as assigned to them under the main part of the Prospectus. Please refer to Schedule 2 for information relating to the offer, subscription, switching and redemption of Shares in the Unlisted Class(es).

THE OFFERING PHASES

Initial Offer Period

During the Initial Offer Period, Participating Dealers (acting for themselves or for their clients) may apply for Shares in the Listed Class (to be available for trading on the Listing Date) by means of Creation Applications on each Dealing Day for themselves and/or their clients in accordance with the Operating Guidelines.

Unless otherwise stated in the relevant Appendix, the latest date for making a Creation Application for Shares is 5:00 p.m. (Hong Kong time) two Business Days prior to the Listing Date or such other time as the Manager may determine on any day when the trading hours of the SEHK are reduced.

To be dealt with during the Initial Offer Period, the relevant Participating Dealer must submit the Creation Applications to the Company and the Manager (with a copy to the Administrator and/or Registrar) on a Business Day no later than two Business Days prior to the Listing Date unless otherwise stated in the relevant Appendix.

If a Creation Application is received by the Company, the Manager and Administrator after the deadline as specified in the Appendix, that Creation Application shall be carried forward and deemed to be received at the opening of business on the Listing Date, which shall be the Dealing Day for the purposes of that Creation Application.

Creation Applications must be made in Application Share size, which is the number of Shares specified in the relevant Appendix. Participating Dealers (acting for themselves or for their clients) can apply for Shares on each Dealing Day at the Issue Price.

Please refer to the section on "**CREATIONS AND REDEMPTIONS (PRIMARY MARKET)**" for the operational procedures in respect of Creation Applications.

After Listing

The After Listing phase commences on the Listing Date and continues until the relevant Listed Class is terminated.

You can acquire or dispose Shares in the Listed Class in either of the following two ways:

(a) buy and sell Shares on the SEHK; or

(b) apply for creation and redemption of Shares through Participating Dealers.

Buying and selling of Listed Class Shares on the SEHK

After Listing, all investors can buy and sell Shares in the Listed Class in the secondary market in Trading Board Lot Size (as described in the section "**Key Information**" in the relevant Appendix) or whole multiples thereof like ordinary listed stocks through an intermediary such as a stockbroker or through any of the share dealing services offered by banks or other financial advisers at any time the SEHK is open.

However, please note that transactions in the secondary market on the SEHK will be subject to brokerage and other fees and will occur at market prices which may vary throughout the day and may differ from Net Asset Value per Share due to market demand and supply, liquidity and scale of trading spread for the Shares in the secondary market. As a result, the market price of the Shares in the Listed Class in the secondary market may be higher or lower than Net Asset Value per Share.

Please refer to the section on "**EXCHANGE LISTING AND TRADING (SECONDARY MARKET)**" for further information in respect of buying and selling of Shares on the SEHK.

Creations and Redemptions through Participating Dealers

Shares in the Listed Class will continue to be created and redeemed in the primary market at the Issue Price and Redemption Value respectively through Participating Dealers in Application Share size or multiples thereof. Where stated in the relevant Appendix, in-kind creations or in-kind redemptions may be permitted by the Manager. The Application Share size and currency for settlement are as set out in the relevant Appendix.

To be dealt with on a Dealing Day, the relevant Participating Dealer must submit the Applications to the Company and the Manager (with a copy to the Administrator and/or Registrar) before the Dealing Deadline on the relevant Dealing Day. If an Application is received on a day which is not a Dealing Day or is received after the relevant Dealing Deadline on a Dealing Day, that Application shall be treated as having been received at the opening of business on the next Dealing Day, which shall be the relevant Dealing Day for the purposes of that Application. Participating Dealers are under no obligation to create or redeem generally or for their clients and may charge their clients such fee or fees as such Participating Dealers determine.

Settlement in cash for subscribing Shares in the Listed Class in cash is due by such time as agreed in the Operating Guidelines on the relevant Dealing Day, unless the Manager agrees with the relevant Participating Dealer to accept later settlement generally or in any particular case.

Settlement of Shares in the Listed Class for redeeming Shares is due 2 Business Days (unless as otherwise stated in the relevant Appendix) after the Dealing Day, unless the Manager agrees with the relevant Participating Dealer to accept later settlement generally or in any particular case.

Notwithstanding any Multi-Counter (if applicable) for Shares, all settlement is in the base currency of the relevant Sub-Fund only.

After Listing, all Shares in the Listed Class will be registered in the name of HKSCC Nominees Limited on the register of the relevant Sub-Fund. The register of the relevant Sub-Fund is the evidence of ownership of Shares. The beneficial interests in Shares of any client of the Participating Dealers shall be established through such client's account with the relevant Participating Dealer or PD Agent (as the case may be) or with any other CCASS participants if the client is buying from the secondary market.

Timetable

Initial Offer Period

The Initial Offer Period and the Listing Date of the Listed Class of a Sub-Fund is set out in the Appendix of the relevant Sub-Fund.

The purpose of the Initial Offer Period is to enable Participating Dealers to subscribe for Shares in the Listed Class either on their own account or for their clients, in accordance with the Instrument and the Operating Guidelines. During this period, Participating Dealers (acting for themselves or for their clients) may apply for Shares to be available for trading on the Listing Date by creation. No redemptions are permitted during the Initial Offer Period.

Upon receipt of a Creation Application from a Participating Dealer (acting for itself or its clients) during the Initial Offer Period, the Manager shall procure the creation of Shares for settlement on the Initial Issue Date.

Participating Dealers may have their own application procedures for their respective clients and may set application and payment cut-off times for their respective clients which are earlier than those set out in this Prospectus and which may change from time to time. The Dealing Deadline in respect of Shares in a Sub-Fund may also change due to market related events. Investors are therefore advised to consult with the relevant Participating Dealer on its requirements if they want a Participating Dealer to subscribe for Shares on their behalf.

After Listing

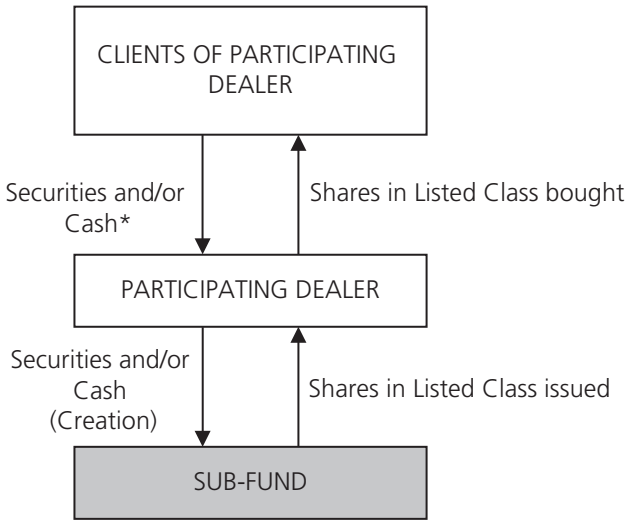
"After Listing" commences on the Listing Date and continues until the relevant Listed Class is terminated.

All investors may buy and sell Shares in the Listed Class in the secondary market on the SEHK and Participating Dealers (for themselves or for their clients) may apply for creation and redemption of Shares in the Listed Class in the primary market.

Diagrammatic Illustration of Investment in the Listed Class of a Sub-Fund

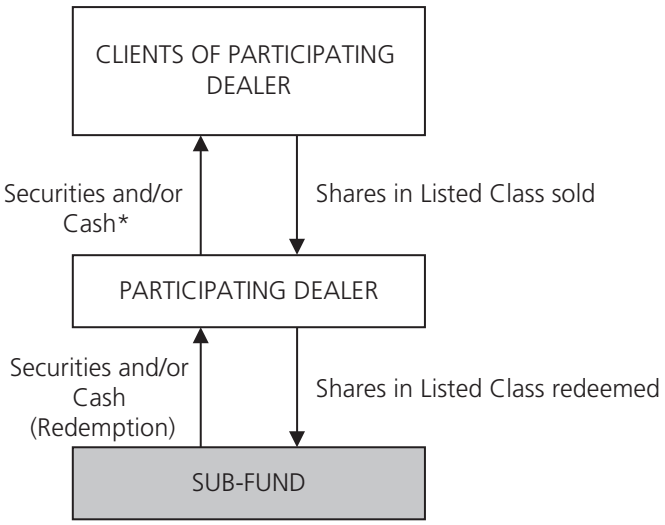
The diagrams below illustrate the creation or redemption and the buying or selling of Shares in the Listed Class:

(a) Creation and buying of Shares in the Listed Class in the primary market – Initial Offer Period and After Listing



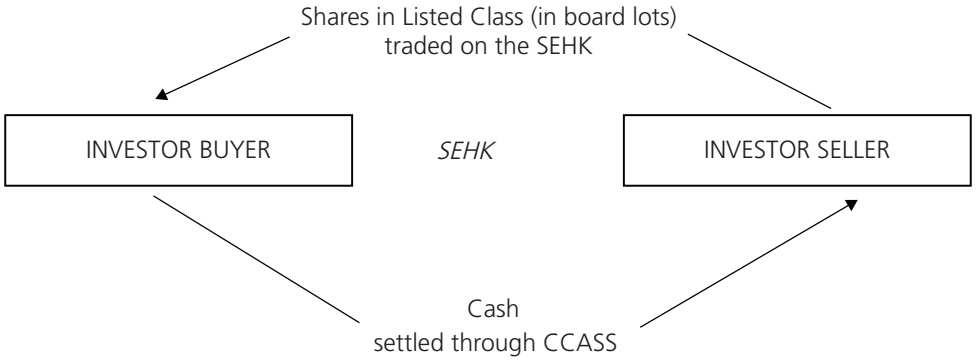
* Clients of a Participating Dealer may agree with the Participating Dealer settlement in a different currency to the creation currency.

(b) Redemption and selling of Shares in the Listed Class in the primary market – After Listing



* Clients of a Participating Dealer may agree with the Participating Dealer settlement in a different currency to the redemption currency.

(c) Buying or selling of Shares in the Listed Class in the secondary market on the SEHK – After Listing



Summary of Offering Methods and Related Fees

Initial Offer Period

Method of Offering*	Minimum Number of Shares (or multiple thereof)	Channel	Available to	Consideration, Fees and Charges**
Cash creation (in the currency as specified in the relevant Appendix)	Application Share size (see relevant Appendix)	Through Participating Dealers	Any person acceptable to the Participating Dealer as its client	Cash Transaction Fee Brokerage fees and/or any fees and charges imposed by the Participating Dealer (payable to the Participating Dealer in the currency determined by or agreed with it) Duties and Charges
In-kind creation	Application Share size (see relevant Appendix)	Through Participating Dealers	Any person acceptable to the Participating Dealer as its client	Portfolio of Securities Cash component Transaction Fee Brokerage fees and/or any fees and charges imposed by the Participating Dealer (payable to the Participating Dealer in the currency determined by or agreed with it) Duties and Charges

After Listing

Method of Acquisition or Disposal of Shares*	Minimum Number of Shares (or multiple thereof)	Channel	Available to	Consideration, Fees and Charges**
Purchase and sale in cash through brokers on the SEHK (secondary market)	Board lot size (see relevant Appendix)	On the SEHK	Any investor	Market price of Shares on SEHK (in HKD only) Brokerage fees (in such currency as determined by individual brokers) Transaction levy Trading fees (in HKD only unless otherwise specified in the relevant Appendix) AFRC transaction levy
Cash creation and redemption	Application Share size (see relevant Appendix)	Through Participating Dealers	Any person acceptable to the Participating Dealer as its client	Cash (in the currency as specified in the relevant Appendix) Transaction Fee Any fees and charges imposed by the Participating Dealer (payable to the Participating Dealer in the currency determined by or agreed with it) Duties and Charges
In-kind creation and redemption	Application Share size (see relevant Appendix)	Through Participating Dealers	Any person acceptable to the Participating Dealer as its client	Portfolio of Securities Cash component Transaction Fee Any fees and charges imposed by the Participating Dealer (payable to the Participating Dealer in the currency determined by or agreed with it) Duties and Charges

* The methods of creation available to the Participating Dealers in respect of the Listed Class of each Sub-Fund, whether in-kind and/or in cash, are specified in the relevant Appendix.

** Please refer to the section headed "**FEES AND EXPENSES**" in the main part of the Prospectus for further details. The currency for payment of subscription monies is specified in the relevant Appendix.

CREATIONS AND REDEMPTIONS (PRIMARY MARKET)

Investment in a Sub-Fund

There are two methods of making an investment in the Listed Class of a Sub-Fund and of disposing of Shares in the Listed Class to realise an investment in a Sub-Fund.

The first method is to create Shares in the Listed Class at the Issue Price or redeem Shares in the Listed Class at the Redemption Value directly with the Sub-Fund in the primary market through a Participating Dealer, being a licensed dealer that has entered into a Participation Agreement in respect of the relevant Sub-Fund. Where a Sub-Fund has a Multi-Counter, although a Participating Dealer may, subject to arrangement with the Manager, elect to CCASS to have Shares which it creates deposited in any available counter, all creation and redemption for all Shares must be in the base currency of that Sub-Fund. Because of the size of the capital investment (i.e. Application Share size) required either to create or redeem Shares through the Participating Dealer in the primary market, this method of investment is more suitable for institutional investors and market professionals. Participating Dealers are under no obligations to create or redeem Shares in the Listed Class for their clients and may impose terms, including charges, for handling creation or redemption orders as they determine appropriate, as described in more detail in this section.

The second method is to buy or to sell Shares in the Listed Class in the secondary market on the SEHK which is more suitable for retail investors. The secondary market price of Shares in the Listed Class of a Sub-Fund may trade at a premium or discount to the Net Asset Value of the relevant Listed Class.

This section of this Prospectus describes the first method of investment and should be read in conjunction with the Participation Agreement and the Instrument. The section on "**EXCHANGE LISTING AND TRADING (SECONDARY MARKET)**" relates to the second method of investment.

Creation of Shares through Participating Dealers

Any application for the creation of Shares in the Listed Class of a Sub-Fund must only be made through a Participating Dealer in respect of an Application Share size or whole multiple thereof (save and except for application during the relevant Initial Offer Period, the Manager may accept an Application Share size which is not a whole multiple thereof) as set out in the "**Key Information**" section in the relevant Appendix. Investors cannot acquire Shares in the Listed Class directly from a Sub-Fund. Only Participating Dealers may submit Creation Applications to the Company and the Manager (with a copy to the Administrator and/or Registrar).

Shares in the Listed Class of each Sub-Fund are continuously offered through a Participating Dealer, who may apply for them on any Dealing Day for its own account or for your account as their client(s), in accordance with the Operating Guidelines, by submitting a Creation Application to the Company and the Manager (with a copy to the Administrator and/or Registrar).

Each initial Participating Dealer has indicated to the Manager that it will generally accept and submit creation requests received from its clients, subject always to (i) mutual agreement between the relevant initial Participating Dealer and its clients as to its fees for handling such requests; (ii) completion to its satisfaction of client acceptance procedures and requirements; (iii) no objection from the Manager to create Shares for the relevant initial Participating Dealer on behalf of such clients (please refer to the sub-section on "***Creation Process***" below for the examples of exceptional circumstances under which the Manager shall have the right to reject a Creation Application); and (iv) mutual agreement between the relevant initial Participating Dealer and its clients as to the method of effecting such creation requests.

In addition, a Participating Dealer reserves the right to reject, acting in good faith, any creation request received from a client under exceptional circumstances, including without limitation the following circumstances:

(a) any period during which (i) the creation or issue of Shares of the relevant class, (ii) the redemption of Shares of the relevant class, and/or (iii) the determination of Net Asset Value of the relevant class of Shares is suspended;

(b) where there is in existence any trading restriction or limitation such as the occurrence of a market disruption event, suspected market misconduct or the suspension of dealing in relation to any of the Securities and/or Futures Contracts in the relevant Index;

(c) where acceptance of the creation request or any Security in connection with such creation request would render the Participating Dealer in breach of any regulatory restriction or requirement, internal compliance or internal control restriction or requirement of the Participating Dealer necessary for compliance with applicable legal and regulatory requirements;

(d) circumstances outside the control of the Participating Dealer which make it for all practicable purposes impossible to process the creation request; or

(e) during any period when the business operations of the Participating Dealer are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riot, strikes or acts of God.

Requirements Relating to Creation Requests by Potential Investors

As of the date of this Prospectus, only cash creation is available to the Participating Dealers in respect of the Listed Class of the Sub-Fund(s).

A Participating Dealer may impose fees and charges in handling any creation request which would increase the cost of investment. Investors are advised to check with the Participating Dealer as to relevant fees and charges. Although the Manager has a duty to monitor the operations of each Sub-Fund closely, neither the Company, the Manager, the Custodian, the Administrator nor the Registrar is empowered to compel a Participating Dealer to disclose its fees agreed with specific clients or other proprietary or confidential information to the Company, the Manager, the Custodian, the Administrator or the Registrar or to accept any such creation requests received from clients. In addition, neither the Custodian, the Administrator, the Registrar nor the Company can ensure effective arbitrage by Participating Dealer.

A Participating Dealer may also impose timing deadlines for the submission by its clients of any creation request and require any such clients to complete the relevant client acceptance procedures and requirements (including, where necessary, providing such documentation and certifications as required by the Participating Dealer) in order to ensure that an effective Creation Application in respect of a Sub-Fund can be submitted by it to the Company and the Manager (with a copy to the Administrator and/or Registrar). Investors are advised to check with the Participating Dealer as to the relevant timing deadlines and the client acceptance procedures and requirements.

The Application Share size for a Sub-Fund is the number of Shares of the Listed Class specified in the relevant Appendix. Save and except for application during the relevant Initial Offer Period, Creation Applications submitted in respect of Shares in the Listed Class other than in Application Share size or whole multiples thereof will not be accepted. The minimum subscription for each Sub-Fund is one Application Share.

Creation Process

A Participating Dealer may from time to time submit Creation Applications in respect of the Listed Class of a Sub-Fund to the Company and the Manager (with a copy to the Administrator and/or Registrar), following receipt of creation requests from clients or where it wishes to create Shares of the relevant Sub-Fund for its own account.

If a Creation Application is received on a day which is not a Dealing Day or is received after the relevant Dealing Deadline on a Dealing Day, that Creation Application shall be treated as having been received at the opening of business on the next Dealing Day, which shall be the relevant Dealing Day for the purposes of that Creation Application. The current Dealing Deadline After Listing on the relevant Dealing Day is specified in the relevant Appendix, or such other time as the Manager may determine in consultation with the Custodian on any day when the trading hours of the SEHK, the Recognised Futures Exchange or the Recognised Stock Exchange are reduced. To be effective, a Creation Application must:

(a) be given by a Participating Dealer in accordance with the Instrument, the relevant Participation Agreement and the relevant Operating Guidelines;

(b) specify the number and class of Shares which is the subject of the Creation Application; and

(c) include the certifications required in the Participation Agreement and the Operating Guidelines (if any) in respect of creations of Shares in the Listed Class, together with such certifications and opinions of counsel (if any) as either the Company or the Manager may separately consider necessary to ensure compliance with applicable securities and other laws in relation to the creation of Shares which are the subject of the Creation Application.

The Company shall have the right to reject, acting in good faith, any Creation Application under exceptional circumstances, including without limitation the following circumstances:

(a) any period during which (i) the creation or issue of Shares of the relevant class, (ii) the redemption of Shares of the relevant class, and/or (iii) the determination of Net Asset Value of the relevant class of Shares is suspended;

(b) where in the opinion of the Manager, acceptance of the Creation Application would have an adverse effect on the relevant Sub-Fund or class;

(c) where, if relevant to a Sub-Fund, in the opinion of the Manager, acceptance of the Creation Application would have a material impact on the relevant market on which a Security and/or Futures Contract, as the case may be (that is a constituent of the Index for the relevant Sub-Fund) has its primary listing;

(d) where there is in existence any trading restriction or limitation such as the occurrence of a market disruption event, suspected market misconduct or the suspension of dealing in relation to any of the Securities and/or Futures Contracts as the case may be in the relevant Index;

(e) where acceptance of the Creation Application would render the Company in breach of any regulatory restriction or requirement, internal compliance or internal control restriction or requirement of the Company or the Manager necessary for compliance with applicable Laws and Regulations;

(f) circumstances outside the control of the Company or the Manager which make it for all practicable purposes impossible to process the Creation Application;

(g) any period during which the business operations of the Company or any delegate of the Company in respect of a Creation Application in the relevant Sub-Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God; or

(h) an Insolvency Event occurs in respect of the relevant Participating Dealer.

In the event of such rejection, the Company shall notify the Administrator and/or the Registrar and the relevant Participating Dealer of its decision to reject such Creation Application in accordance with the Operating Guidelines. Where for any reason there is a limit to the number of Shares which can be created, priority will be given to Participating Dealers and the relevant Creation Applications as set out in the Operating Guidelines.

The Company's right to reject a Creation Application is separate and in addition to a Participating Dealer's right to reject, acting in good faith, any creation request received from a client of the Participating Dealer under exceptional circumstances. Notwithstanding a Participating Dealer has accepted creation requests from its clients and in that connection submitted an effective Creation Application, the Company may exercise its rights to reject such Creation Application in the circumstances described herein.

Where the Company accepts a Creation Application from a Participating Dealer, it shall instruct the Administrator and Registrar to effect (i) for the account of the Sub-Fund, the creation of Shares in the Listed Class in Application Share size in exchange for a transfer of cash and/or Securities (at the discretion of the Participating Dealer but subject to the Manager's agreement); and (ii) the issue of Shares in the Listed Class to the Participating Dealer, both in accordance with the Operating Guidelines and the Instrument.

Issue of Shares in the Listed Class

Shares in the Listed Class will be issued at the Issue Price prevailing on the relevant Dealing Day, provided that there may be added to such Issue Price such sum (if any) as represents an appropriate provision for Duties and Charges. Please refer to the section on "**Issue Price and Redemption Value**" for the calculation of the Issue Price.

On receipt of a Creation Application by a Participating Dealer for Shares in the Listed Class in a Sub-Fund during the relevant Initial Offer Period, the Company shall procure the creation and issue of Shares in the Listed Class in that Sub-Fund on the relevant Initial Issue Date.

Shares are denominated in the base currency of the relevant Sub-Fund (unless otherwise determined by the Directors) as set out in the relevant Appendix and no fractions of a Share shall be created or issued by the Company.

The creation and issue of Shares in the Listed Class pursuant to a Creation Application shall be effected on the relevant Settlement Day for the Dealing Day on which the Creation Application is received (or deemed received) and accepted in accordance with the Operating Guidelines but, for valuation purposes only, Shares shall be deemed created and issued after the Valuation Point on the Dealing Day on which the relevant Creation Application was received or deemed received and, subject to the Company confirming to the Registrar that settlement has occurred, the register will be updated on the relevant Settlement Day or the Dealing Day immediately following the Settlement Day if the settlement period is extended. If a Creation Application is received on a day which is not a Dealing Day or is received after the relevant Dealing Deadline on a Dealing Day, that Creation Application shall be treated as having been received at the opening of business on the next Dealing Day, which shall be the relevant Dealing Day for the purposes of that Creation Application. An Extension Fee may be payable in relation to such an extension. See the section on "**FEES AND EXPENSES**" in the main part of the Prospectus for further details.

The Registrar shall be entitled to refuse to enter (or allow to be entered) Shares in the register if at any time the Registrar is of the opinion that the provisions as set out in the Instrument, the relevant Operating Guidelines or the relevant Participation Agreement, in regard to the issue of Shares, are being infringed.

Fees Relating to Creation Applications

The Conversion Agent, the Service Agent, the Registrar and/or the Administrator may charge a Transaction Fee in respect of Creation Applications and may on any day vary the rate of the Transaction Fee they charge (but not as between different Participating Dealers in respect of the same Sub-Fund). The Transaction Fee shall be paid by or on behalf of the Participating Dealer applying for such Shares and may be set off and deducted against any cash amount due to the Participating Dealer in respect of such Creation Applications for the benefit of the Administrator, the Registrar, the Conversion Agent and/or the Service Agent. See the section on "**FEES AND EXPENSES**" in the main part of the Prospectus for further details.

In relation to cash creation of Shares, the Company reserves the right to require the Participating Dealer to pay or cause to be paid an additional sum for the purpose of compensating or reimbursing the Sub-Fund for the difference between:

(a) the prices used when valuing the Securities and/or Futures Contracts, as applicable, of the Sub-Fund for the purpose of such issue of Shares; and

(b) the prices which would be used when acquiring the same Securities and/or Futures Contracts, as applicable, if they were acquired by the Sub-Fund with the amount of cash received by the Sub-Fund upon such issue of Shares.

The Participating Dealer may pass on to the relevant investor such additional sum.

Any commission, remuneration or other sum payable by the Company or Manager to any agent or other person in respect of the issue or sale of any Share shall not be added to the Issue Price of such Share and shall not be paid from the assets of any Sub-Fund.

Cancellation of Creation Applications

A Creation Application once submitted cannot be revoked or withdrawn without the consent of the Company.

The Company may cancel Shares in the Listed Class created and issued in respect of a Creation Application if (a) all the Securities and/or Futures Contracts relating to the Creation Application have not been invested by or on the Initial Issue Date or the relevant Settlement Day (as the case may be) or to the Company's satisfaction or evidence of title and instruments of transfer satisfactory to the Company have not been produced to or to the order of the Company; or (b) the full amount of (i) any cash payable in connection with the relevant Creation Application and (ii) any Duties and Charges, incidental costs associated with the creation of Shares in the Listed Class and Transaction Fee payable have not been received in cleared funds by or on behalf of the Administrator by such time on the Initial Issue Date or the relevant Settlement Day (as the case may be) as prescribed in the Operating Guidelines, provided that in either event the Company may at its discretion, (i) extend the settlement period (either for the Creation Application as a whole or for a particular Security) such extension to be on such terms and conditions (including as to the payment of an Extension Fee or otherwise as the Company may determine) as the Directors may determine and in accordance with the provisions of the Operating Guidelines; or (ii) partially settle the Creation Application to the extent to which Securities and/or Futures Contracts and/or cash have been vested in, or to the account of the Sub-Fund, on such terms and conditions as the Directors may determine including terms as to any extension of the settlement period for the outstanding Securities, Futures Contracts or cash.

In addition to the preceding circumstances, the Company may also cancel any creation order for any Shares in the Listed Class if the Company determines by such time as it specifies in the Operating Guidelines that it is unable to invest the cash proceeds of any Creation Application.

Upon the cancellation of any creation order of any Shares in the Listed Class deemed created pursuant to a Creation Application as provided for above or if a Participating Dealer otherwise withdraws subject to the Company's consent a Creation Application (other than in certain circumstances contemplated in the Instrument such as when the Manager declares a suspension of creations of Shares in the Listed Class), the Securities deposited for exchange that have been vested in the Company and/or any cash received by or on behalf of the Company in connection with the relevant Creation Application (in either case in respect of such cancelled Shares in the Listed Class) shall be redelivered to the Participating Dealer (without interest) and the relevant Shares shall be deemed for all purposes never to have been created and the Participating Dealer shall have no right or claim against the Company, the Manager, the Custodian, the Administrator, the Registrar, the Conversion Agent and/or the Service Agent in respect of such cancellation provided that:

(a) the Administrator may charge the relevant Participating Dealer for the account of the Administrator an application cancellation fee (see the section on "**FEES AND EXPENSES**" in the main part of the Prospectus for further details);

(b) the Company may at its absolute discretion require the Participating Dealer to pay to the Company, for the account of the relevant Sub-Fund, in respect of each Share in the Listed Class so cancelled Cancellation Compensation, being the amount (if any) by which the Issue Price of each such Share exceeds the Redemption Value which would have applied in relation to each such Share if the Participating Dealer had, on the date on which such Shares are cancelled, made a Redemption Application, together with charges, expenses and losses incurred by the Sub-Fund as a result of any such cancellation;

(c) the Transaction Fee in respect of such Creation Application shall remain due and payable (notwithstanding that the Creation Application shall be deemed to never have been made) and once paid shall be retained by and for the benefit of the Company, the Administrator the Registrar, the Conversion Agent and/or the Service Agent (see the section on "**FEES AND EXPENSES**" in the main part of the Prospectus for further details); and

(d) no previous valuations of the Scheme Property shall be re-opened or invalidated as a result of the cancellation of such Shares.

Redemption of Shares in the Listed Class Through Participating Dealers

Any application for the redemption of Shares in the Listed Class of a Sub-Fund must only be made through a Participating Dealer in respect of an Application Share size or whole multiples thereof. Investors cannot redeem Shares in the Listed Class directly from the relevant Sub-Fund. Only Participating Dealers may submit Redemption Applications to the Company and the Manager (with a copy to the Administrator and/or Registrar).

A Participating Dealer may redeem Shares in the Listed Class on any Dealing Day for its own account or for the account of its clients in accordance with the Operating Guidelines, by submitting a Redemption Application to the Company and the Manager (with a copy to the Administrator and/or Registrar).

Each initial Participating Dealer has indicated to the Manager that it will generally accept and submit redemption requests received from its clients, subject always to (i) mutual agreement between the relevant initial Participating Dealer and its clients as to its fees for handling such request(s); (ii) completion to its satisfaction of client acceptance procedures and requirements; (iii) no objection from the Manager to redeem Shares for the relevant initial Participating Dealer on behalf of its clients (please refer to the sub-section on "***Redemption Process***" below for the examples of exceptional circumstances under which the Manager shall have the right to reject a Redemption Application); and (iv) mutual agreement between the relevant initial Participating Dealer and its clients as to the method of effecting such redemption request.

In addition, a Participating Dealer reserves the right to reject, acting in good faith, any redemption request received from a client under exceptional circumstances, including without limitation the following circumstances:

(a) any period during which (i) the creation or issue of Shares of the relevant class, (ii) the redemption of Shares of the relevant class, and/or (iii) the determination of Net Asset Value of the relevant class of Shares is suspended;

(b) where there is in existence any trading restriction or limitation such as the occurrence of a market disruption event, suspected market misconduct or the suspension of dealing in relation to any of the Securities and/or Futures Contracts in the Index;

(c) where acceptance of the redemption request would render the Participating Dealer in breach of any regulatory restriction or requirement, internal compliance or internal control restriction or requirement of the Participating Dealer necessary for compliance with applicable legal and regulatory requirements;

(d) circumstances outside the control of the Participating Dealer make it for all practicable purposes impossible to process the redemption request; or

(e) during any period when the business operations of the Participating Dealer are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God.

Requirements Relating to Redemption Requests by Potential Investors

As at the date of this Prospectus, only cash redemption is available to the Participating Dealers in respect of the Listed Class of the Sub-Fund(s).

A Participating Dealer may impose fees and charges in handling any redemption request which would increase the cost of investment and/or reduce the redemption proceeds. You are advised to check with the Participating Dealer as to relevant fees and charges. Although the Manager has a duty to monitor the operations of each Sub-Fund closely, neither the Manager nor the Administrator is empowered to compel a Participating Dealer to disclose its fees agreed with specific clients or other proprietary or confidential information to the Manager or the Administrator or to accept any such redemption requests received from clients. In addition, neither the Company nor the Manager can ensure effective arbitrage by a Participating Dealer.

A Participating Dealer may also impose timing deadlines for the submission by its clients of any redemption request and require any such clients to complete the relevant client acceptance procedures and requirements (including, where necessary, providing such documentation and certifications as required by the Participating Dealer) in order to ensure that an effective Redemption Application in respect of a Sub-Fund can be submitted by it to the Company and the Manager (with a copy to the Administrator and/or Registrar). You are advised to check with the Participating Dealer as to the relevant timing deadlines and the client acceptance procedures and requirements.

The Application Share size for a Sub-Fund is the number of Shares in the Listed Class specified in the relevant Appendix. Redemption Applications submitted in respect of Shares in the Listed Class other than in Application Share size or whole multiples thereof will not be accepted. The minimum redemption for each Sub-Fund is one Application Share.

Redemption Process

A Participating Dealer may from time to time submit Redemption Applications in respect of Shares in the Listed Class of a Sub-Fund to the Company and the Manager (with a copy to the Administrator and/or Registrar), following receipt of redemption requests from clients or where it wishes to redeem Shares in the Listed Class of the relevant Sub-Fund for its own account.

If a Redemption Application is received on a day which is not a Dealing Day or is received after the relevant Dealing Deadline on a Dealing Day, that Redemption Application shall be treated as having been received at the opening of business on the next Dealing Day, which shall be the relevant Dealing Day for the purposes of that Redemption Application. The current Dealing Deadline After Listing on the relevant Dealing Day is specified in the relevant Appendix, or such other time as the Manager may determine in consultation with the Custodian on any day when the trading hours of the SEHK are reduced.

To be effective, a Redemption Application must:

(a) be given by a Participating Dealer in accordance with the Instrument, the relevant Participation Agreement and the relevant Operating Guidelines;

(b) specify the number and class of Shares which is the subject of the Redemption Application; and

(c) include the certifications required in the Participation Agreement and the Operating Guidelines (if any) in respect of redemptions of Shares in the Listed Class, together with such certifications and opinions of counsel (if any) as either the Company or the Manager may consider necessary to ensure compliance with applicable securities and other laws in relation to the redemption of Shares which are the subject of the Redemption Application.

The Company shall have the right to reject, acting in good faith, any Redemption Application under exceptional circumstances, including without limitation the following circumstances:

(a) any period during which (i) the creation or issue of Shares of the relevant class, (ii) the redemption of Shares of the relevant class, and/or (iii) the determination of Net Asset Value of the relevant class of Shares is suspended;

(b) where in the opinion of the Manager, acceptance of the Redemption Application would have an adverse effect on the relevant Sub-Fund or class;

(c) where there is in existence any trading restriction or limitation such as the occurrence of a market disruption event, suspected market misconduct or the suspension of dealing in relation to any of the Securities and/or Futures Contracts in the relevant Index;

(d) where acceptance of the Redemption Application would render the Company in breach of any regulatory restriction or requirement, internal compliance or internal control restriction or requirement of the Company or the Manager necessary for compliance with applicable legal and regulatory requirements;

(e) circumstances outside the control of the Company or the Manager make it for all practicable purposes impossible to process the Redemption Application; or

(f) any period during which the business operations of the Company or any delegate of the Company in respect of a Redemption Application in the relevant Sub-Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God.

In the event of such rejection, the Company shall notify the Administrator and/or the Registrar and the relevant Participating Dealer of its decision to reject such Redemption Application in accordance with the Operating Guidelines.

The Company's right to reject a Redemption Application is separate and in addition to a Participating Dealer's right to reject, acting in good faith, any redemption request received from a client under exceptional circumstances. Notwithstanding a Participating Dealer has accepted redemption requests from clients and in that connection submitted an effective Redemption Application, the Company may exercise its rights to reject such Redemption Application in the circumstances described herein.

Where the Company accepts a Redemption Application from a Participating Dealer, it shall (i) effect the redemption and cancellation of the relevant Shares; and (ii) require the Custodian and/or the Administrator to transfer to the Participating Dealer Securities and/or cash in accordance with the Operating Guidelines and the Instrument.

The Participating Dealer will then transfer the Securities and/or cash to the relevant client if the Redemption Application was submitted by the Participating Dealer for the account of its client.

Redemption of Shares

Any accepted Redemption Application will be effected on the Settlement Day provided that a Redemption Application duly signed by a Participating Dealer (to the satisfaction of the Company) has been received and provided further that the Company shall have received (unless otherwise provided in the Operating Guidelines) the original (and not a faxed copy) of the certificates (if any) representing the Shares to be cancelled (or an indemnity in terms acceptable to the Company) and the full amount of any amount payable by the Participating Dealer including the Transaction Fee and any other Duties and Charges have been either deducted or otherwise paid in full.

For valuation purposes only, Shares shall be deemed to have been redeemed and cancelled after the Valuation Point on the Dealing Day on which the Redemption Application was received or deemed received. The name of the Shareholder of such Shares shall be removed from the Register in respect of those Shares redeemed and cancelled on the relevant Settlement Day.

The Redemption Value of Shares tendered for redemption and cancellation shall be the Net Asset Value per Share of a Sub-Fund (or class of Shares) on the relevant Dealing Day rounded to the nearest 4 decimal places (0.00005 or above being rounded up, and less than 0.00005 being rounded down). The benefit of any rounding adjustments will be retained by the relevant Sub-Fund. For the purpose of valuation, the relevant Valuation Point shall be the Valuation Point for the Dealing Day on which the Redemption Application is treated as having been received.

The interval between the receipt of a properly documented Redemption Application and payment of redemption proceeds may not exceed one calendar month provided that there is no delay in submitting all duly completed redemption documentation and the determination of the Net Asset Value or dealing in Shares is not suspended.

The Company may at its discretion extend the settlement period upon receipt of the extended settlement request by a Participating Dealer in respect of the Redemption Application on such terms and conditions (including as to the payment of the Extension Fee or otherwise as the Company may determine) as the Manager and the Custodian may in their discretion determine, in accordance with the Operating Guidelines.

Fees Relating to Redemption Applications

The Conversion Agent, the Service Agent, the Administrator and/or the Registrar may charge a Transaction Fee in respect of Redemption Applications and may on any day vary the rate of the Transaction Fee they charge (but not as between different Participating Dealers in respect of the same Sub-Fund). The Transaction Fee shall be paid by or on behalf of the Participating Dealer submitting the Redemption Application(s) (and may be set off and deducted against any amount due to the Participating Dealer in respect of such Redemption Application(s)) for the benefit of the Administrator, the Registrar, the Conversion Agent and/or the Service Agent. See the section on "**FEES AND EXPENSES**" in the main part of the Prospectus for further details.

In relation to cash redemption of Shares, notwithstanding the aforesaid regarding the redemption and cancellation of Shares based on Net Asset Value, the Participating Dealer may be required to pay an additional sum for the purpose of compensating or reimbursing a Sub-Fund for the difference between:

(a) the prices used when valuing the Securities and/or Futures Contracts, as applicable of the Sub-Fund for the purpose of such redemption of Shares; and

(b) the prices which would be used when selling the same Securities and/or Futures Contracts, as applicable if they were sold by the Sub-Fund in order to realise the amount of cash required to be paid out of the Sub-Fund upon such redemption of Shares.

The Participating Dealer may pass on to the relevant investor such additional sum.

The Company may deduct from the redemption proceeds such sum (if any) as the Manager may consider represents an appropriate provision for the Transaction Fee and/or other Duties and Charges.

Where a Sub-Fund redeems in-kind in respect of SEHK listed Securities, the Conversion Agent may charge a Share Cancellation Fee in connection with each accepted Redemption Application.

Cancellation of Redemption Applications

A Redemption Application once given cannot be revoked or withdrawn without the consent of the Company.

No Security shall be transferred and/or no cash amount shall be paid in respect of any Redemption Application unless Shares, which are the subject of the Redemption Application, have been delivered to the Company free and clear of any Encumbrance for redemption by such time on the Settlement Day or other deadline as the Company shall for the time being prescribe for Redemption Applications generally.

In the event that Shares, which are the subject of a Redemption Application, are not delivered to the Company for redemption in accordance with the foregoing or are not free and clear of any Encumbrance (other than in certain circumstances contemplated in the Instrument such as when the Manager declares a suspension of redemptions of Shares):

(a) the Administrator may charge the relevant Participating Dealer for the account of the Administrator an application cancellation fee (see the section on "**FEES AND EXPENSES**" in the main part of the Prospectus for further details);

(b) the Company may at its absolute discretion require the Participating Dealer to pay to the Company, for the account of the relevant Sub-Fund, in respect of each Share so cancelled Cancellation Compensation, being the amount (if any) by which the Redemption Value of each such Share is less than the Issue Price which would have applied in relation to each such Share if the Participating Dealer had, on the actual date when the Company is able to repurchase any replacement Securities and/or Futures Contracts made a Creation Application in accordance with the provisions of the Instrument plus such other amount as the Company reasonably determines as representing any charges, expenses and losses incurred by the Sub-Fund as a result of such cancellation;

(c) the Transaction Fee in respect of such Redemption Application shall remain due and payable (notwithstanding that the Redemption Application shall be deemed to never have been made) and once paid, shall be retained by and for the benefit of the Company, the Administrator, the Registrar, the Conversion Agent and/or the Service Agent (see the section on "**FEES AND EXPENSES**" in the main part of the Prospectus for further details); and

(d) no previous valuations of the Scheme Property shall be re-opened or invalidated as a result of an unsuccessful Redemption Application.

Deferred Redemption and Restriction on Shareholders

Please refer to the sub-sections headed "**Deferred Redemption**" and "**Restriction on Shareholders**" under "**STATUTORY AND GENERAL INFORMATION**" in the main part of the Prospectus for circumstances under which the Manager may defer redemption requests received on any Dealing Day and under which the Directors may effect compulsory redemption of Shares respectively.

Suspension of Creations and Redemptions

The Manager may at its discretion (in consultation with the Custodian and, in respect of redemptions, where practicable following consultation with the relevant Participating Dealers and having regard to the best interests of the Shareholders), suspend the creation or issue of Shares of any class of Shares, suspend the redemption of Shares of any class of Shares and/or (subject to all applicable legal or regulatory requirements where payment of redemption proceeds exceeds one calendar month) delay the payment of any monies and transfer of any Securities and/or Futures Contracts, as the case may be, in respect of any Creation Application and/or Redemption Application in the following circumstances:

(a) during any period when trading on the SEHK or any other Recognised Stock Exchange or Recognised Futures Exchange is restricted or suspended;

(b) during any period when a market on which a Security and/or Futures Contract, as the case may be (that is a constituent of the Index for the relevant Sub-Fund) has its primary listing, or the official clearing and settlement depositary (if any) of such market, is closed;

(c) during any period when dealing on a market on which a Security and/or Futures Contract, as the case may be (that is a constituent of the Index for the relevant Sub-Fund) has its primary listing is restricted or suspended;

(d) during any period when, in the opinion of the Manager, settlement or clearing of Securities and/or Futures Contracts, as the case may be in the official clearing and settlement depositary (if any) of such market is disrupted;

(e) during the existence of any state of affairs as a result of which delivery or purchase of Securities and/or Futures Contracts, as the case may be, as appropriate or disposal of investments for the time being comprised in the relevant Sub-Fund cannot, in the opinion of the Manager, be effected normally or without prejudicing the interests of Shareholders of the relevant Sub-Fund;

(f) during any period when the Index for the relevant Sub-Fund is not compiled or published;

(g) during any breakdown in any of the means normally employed in determining the Net Asset Value of the relevant Sub-Fund or the Net Asset Value per Share of the relevant class or when for any other reason the value of any Securities and/or Futures Contracts or other property for the time being comprised in the relevant Sub-Fund cannot, in the opinion of the Manager, reasonably, promptly and fairly be ascertained;

(h) during any period when the determination of the Net Asset Value of the relevant Sub-Fund or class of Shares is suspended or if any circumstance specified in the sub-section "**Suspension of Determination of Net Asset Value**" under "**DETERMINATION OF NET ASSET VALUE**" in the main part of the Prospectus arises;

(i) during any period when the business operations of the Company, the Manager, the Custodian, the Administrator, the Registrar or any delegate of the Company or the Manager in respect of a Creation Application or Redemption Application in the relevant Sub-Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God; or

(j) in respect of a Creation Application, if as a result of the investment of the proceeds of issue of such Shares in accordance with the investment objective of the Sub-Fund, the Company collectively holds or would hold in aggregate more than 10% of the ordinary shares issued by any single entity.

In addition, where the Sub-Funds under the Company hold in aggregate more than the limit of 10% of the ordinary shares issued by any single entity, the Manager will make it a priority objective to take all other necessary steps within a reasonable period to remedy such breach, taking into account the interests of the Shareholders.

The Manager shall notify the SFC and publish a notice of suspension following the suspension, and at least once a month during the suspension, on the Company's website at https://www.fubonetf.com.hk (this website has not been reviewed by the SFC) or in such other publications as it decides.

The Manager shall consider any Redemption Application or any Creation Application received during the period of suspension (that has not been otherwise withdrawn) as having been received immediately following the termination of the suspension. The period for settlement of any redemption will be extended by a period equal to the length of the period of suspension.

A suspension shall remain in force until the earlier of (a) the Manager declaring the suspension is at an end; and (b) the first Dealing Day on which (i) the condition giving rise to the suspension shall have ceased to exist; and (ii) no other condition under which suspension is authorised exists.

Evidence of Shareholding

Shares in the Listed Class will be deposited, cleared and settled by the CCASS. Shares are held in registered entry form only, which means that no Share certificates are issued. HKSCC Nominees Limited is the registered owner (i.e. the sole holder of record) of all outstanding Shares in the Listed Class deposited with the CCASS and is holding such Shares for the participants in accordance with the General Rules of HKSCC. Furthermore, the Company, the Manager and the Custodian acknowledge that pursuant to the General Rules of HKSCC neither HKSCC Nominees Limited nor HKSCC has any proprietary interest in the Shares. Investors owning Shares in CCASS are beneficial owners as shown on the records of the participating brokers or the relevant Participating Dealer(s) or PD Agent(s) (as the case may be) who are participants of CCASS.

Transfer of Shares in the Listed Class

The Instrument provides that a Shareholder may transfer Shares subject to the provisions of the Instrument.

As all Shares in the Listed Class will be held in CCASS, an investor is entitled to transfer Shares in the Listed Class held by him by using the standard transfer form issued by SEHK or by an instrument in writing in such other form (and if the transferor or the transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution) as the Directors may from time to time approve. A transferor remains the Shareholder of the Shares transferred until the name of the transferee is entered in the register of Shareholders in respect of the Shares being transferred. Each instrument of transfer must relate to a single Sub-Fund only. To the extent that all Shares in the Listed Class are deposited, cleared and settled in CCASS, HKSCC Nominees Limited will be the sole Shareholder, holding such Shares for the persons admitted by HKSCC as a participant of CCASS and to whose account any Shares are for the time being allocated in accordance with the General Rules of HKSCC.

EXCHANGE LISTING AND TRADING (SECONDARY MARKET)

General

The purpose of the listing of the Shares of the Listed Class on the SEHK is to enable investors to buy and sell Shares on the secondary market, normally via a broker or dealer in smaller quantities than would be possible if they were to subscribe and/or redeem Shares in the primary market.

The market price of a Share in the Listed Class listed or traded on the SEHK may not reflect the Net Asset Value per Share. Any transactions in the Shares on the SEHK will be subject to the customary brokerage commissions and/or transfer taxes associated with the trading and settlement through the SEHK. There can be no guarantee that once the Shares in the Listed Class are listed on the SEHK they will remain listed.

The Manager use its best endeavours to put in place arrangements so that at least one Market Maker will maintain a market for the Shares of the Listed Class of each Sub-Fund. Where a Multi-Counter has been adopted in respect of a Sub-Fund the Manager will use its best endeavours to put in place arrangements so that there is at least one Market Maker for each available counter although these Market Makers may be the same entity. Broadly, the obligations of a Market Maker will include quoting bid and offer prices on the SEHK with the intention of providing liquidity. Given the nature of the Market Maker's role, the Manager may make available to a Market Maker, the portfolio composition information made available to a Participating Dealer.

Shares in the Listed Class may be purchased from and sold through the Market Makers. However, there is no guarantee or assurance as to the price at which a market will be made. In maintaining a market for Shares, the Market Makers may make or lose money based on the differences between the prices at which they buy and sell the Shares in the Listed Class, which is to a certain extent dependent on the difference between the purchase and sale prices of the underlying Securities or Futures Contracts comprised within the Index. Market Makers may retain any profits made by them for their own benefit and they are not liable to account to the relevant Sub-Fund in respect of their profits.

If you wish to buy or sell Shares in the Listed Class on the secondary market, you should contact your brokers.

The Shares in the Listed Class of Fubon NYSE FactSet Taiwan Core Semiconductor Index ETF and Fubon Shanghai-Shenzhen-Hong Kong High Dividend Yield ETF have been accepted as eligible securities by HKSCC for deposit, clearing and settlement in CCASS with effect from the respective date of commencement of dealings in the Shares in the Listed Class of these Sub-Funds on the SEHK or such other date as may be determined by HKSCC.

Settlement of transactions between participants of the SEHK is required to take place in CCASS on the second CCASS Settlement Day after any Trading Day. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

If trading of the Shares in the Listed Class on the SEHK is suspended or trading generally on the SEHK is suspended, then there will be no secondary market dealing for the Shares in the Listed Class.

Shares in the Listed Class are neither listed nor dealt on any other stock exchange and no application for such listing or permission to deal is being sought as at the date of this Prospectus. Application may be made in the future for a listing of Shares of the Listed Class of any Sub-Fund on one or more other stock exchanges.

Participating Dealers should note that they will not be able to sell or otherwise deal in the Shares in the Listed Class on the SEHK until dealings begin on the SEHK.

Please also refer to the sub-section on "**Exchange Listing and Trading (Secondary Market) of Shares in the Listed Class**" in the relevant Appendix of the Sub-Fund for additional disclosures on secondary market trading.

ISSUE PRICE AND REDEMPTION VALUE

The Issue Price which is the subject of a Creation Application during the Initial Offer Period of a Sub-Fund (or a class of Shares) will be a fixed amount per Share, or a percentage of the closing level of the relevant Index (expressed in the base currency of the relevant Sub-Fund) as at the last day of the Initial Offer Period, rounded to the nearest 4 decimal places (0.00005 or above being rounded up, and less than 0.00005 being rounded down), or such other amount from time to time determined by the Manager. The Issue Price during the Initial Offer Period of each Sub-Fund will be set out in the relevant Appendix.

After the expiry of the Initial Offer Period, the Issue Price of the Shares in the Listed Class of a Sub-Fund created and issued pursuant to a Creation Application on a Dealing Day, shall be the Net Asset Value of the relevant Listed Class as at the relevant Valuation Point of the relevant Dealing Day on which the Creation Application is received divided by the total number of Shares in the relevant Listed Class in issue rounded to the nearest 4 decimal places (0.00005 or above being rounded up, and less than 0.00005 being rounded down).

The Redemption Value on a Dealing Day shall be the Net Asset Value of the relevant Sub-Fund attributable to the Shares in the Listed Class as at the relevant Valuation Point of the relevant Dealing Day on which the Redemption Application is received divided by the total number of Shares in the relevant Class in issue rounded to the nearest 4 decimal places (0.00005 or above being rounded up, and less than 0.00005 being rounded down).

The benefit of any rounding adjustments will be retained by the relevant Sub-Fund.

The latest Net Asset Value of the Shares will be available on the Company's website at https://www.fubonetf.com.hk (this website has not been reviewed by the SFC) or published in such other publications as the Manager decides.

Neither the Issue Price nor the Redemption Value takes into account Duties and Charges, Transaction Fees or fees payable by a Participating Dealer.

SCHEDULE 2 – PROVISIONS RELATING TO THE OFFER, SUBSCRIPTION, CONVERSION AND REDEMPTION OF SHARES IN THE UNLISTED CLASS

This Schedule 2 contains disclosure relating to the Unlisted Class(es) only. Unless the context otherwise requires, references to "**Shares**" and "**Shareholders**" in this Schedule 2 shall be construed to refer to Shares in the Unlisted Class(es) of a Sub-Fund or a Shareholder of such Unlisted Class(es). Save for terms defined below, all other terms used in this Schedule shall have the same meanings as assigned to them under the main part of the Prospectus.

SUBSCRIPTION OF SHARES IN THE UNLISTED CLASS(ES)

Initial Issue of Shares in the Unlisted Class(es)

During an Initial Offer Period, Shares in the Unlisted Class(es) in a Sub-Fund will be offered to investors at an initial Subscription Price of a fixed price per Share determined by the Manager in its absolute discretion as specified in the relevant Appendix.

If specified in the relevant Appendix, in the event that the total amount received by the Custodian from the subscription of the Shares in the Unlisted Class(es) reaches a maximum amount for aggregate subscriptions (as specified in the relevant Appendix) at any time during an Initial Offer Period, the Manager is entitled (but not obliged) to close the relevant Unlisted Class(es) to further subscriptions before the end of the relevant Initial Offer Period.

If specified in the relevant Appendix, the Manager may decide not to issue any Shares in the Unlisted Class(es) in the event that less than a minimum amount for aggregate subscriptions (as specified in the relevant Appendix) is raised during the relevant Initial Offer Period (the "**Minimum Total Subscriptions**") or if the Manager is of the opinion that it is not commercially viable to proceed. In such event subscription monies paid by an applicant will be returned by cheque by post or by telegraphic transfer or such other means as the Manager and the Custodian consider appropriate at the applicant's risk (without interest and net of expenses) promptly after the expiry of the Initial Offer Period. Notwithstanding the aforesaid, the Manager reserves the discretion to proceed with the issue of Shares of the relevant Unlisted Class(es) of Shares even if the Minimum Total Subscriptions have not been achieved.

Shares in the Unlisted Class(es) will be issued immediately following the close of the Initial Offer Period or such other Business Day as the Manager may determine. Dealing of Shares in the Unlisted Class(es) will commence on the Dealing Day immediately following the closure of the relevant Initial Offer Period.

Subsequent Issue of Shares in the Unlisted Class(es)

Following the close of the relevant Initial Offer Period, Shares in the Unlisted Class(es) will be available for issue on each Dealing Day at the relevant Subscription Price.

Unless otherwise specified in the relevant Appendix, the Subscription Price on any Dealing Day will be the price per Share of the Unlisted Class(es) ascertained by dividing the Net Asset Value of the relevant Unlisted Class of the relevant Sub-Fund as at the Valuation Point in respect of the relevant Dealing Day by the number of Shares of such Unlisted Class of that Sub-Fund then in issue and rounded to 4 decimal places (0.00005 or above being rounded up, and less than 0.00005 being rounded down) or in such manner and to such other number of decimal places as may from time to time be determined by the Manager. Any rounding adjustment will be retained by the relevant Unlisted Class. The Subscription Price will be calculated and quoted in the Class Currency of the relevant Unlisted Class.

The Manager is entitled to impose a subscription fee on the subscription monies for the application for the issue of Shares in the Unlisted Class(es). The Manager may, either generally or in any particular case, differentiate as to the amount of the subscription fee to be levied in respect of different Sub-Funds or classes of Shares, differentiate between applicants as to the amount of the subscription fee to be levied and/or allow to persons a discount to the subscription fee on such basis or on such scale as the Manager may think fit. For the avoidance of doubt, the Manager will charge the same rate

of subscription fee for all applicants of Shares in the same Unlisted Class(es). The Manager may retain the benefit of such subscription fee or may pay all or part of the subscription fee (and any other fees received) to recognised intermediaries or such other persons as the Manager may at its absolute discretion determine. Details of the subscription fee are set out in the section headed "**FEES AND EXPENSES**" in the main part of the Prospectus.

The Manager may require an applicant to pay, in addition to the Subscription Price of the subscription proceeds and any subscription fee, a further amount which it reasonably considers to represent an appropriate provision for (a) estimated bid/offer spread of the investments of the relevant Sub-Fund, (b) extraordinary transactional fees or expenses, including stamp duty, other taxes, brokerage, bank charges, transfer fees or registration fees, or (c) other charges which are customarily incurred in investing a sum equal to the application monies and issuing the relevant Shares or of delivery or issue of certificates in respect thereof or the remittance of money to the Company (the "**Subscription Adjustment Provision**"). Any such Subscription Adjustment Provision will be paid to the Company on behalf of the relevant Sub-Fund and will form part of the Scheme Property of the relevant Sub-Fund or class of Shares.

Application Procedure

To subscribe for Shares in the Unlisted Class(es), an applicant should complete a subscription application form and return the application form, together with the required supporting documents, to the Administrator by facsimile or other electronic means (as may be agreed by the Directors or the Manager). Applicants who choose to send an application form by fax or other electronic means bear the risk of the form not being received by the Administrator. Applicants should therefore, for their own benefit, confirm with the Administrator safe receipt of an application form. None of the Company, the Directors, the Manager, the Custodian or the Registrar will be responsible to an applicant for any loss resulting from non-receipt or illegibility of any application form sent by fax or other electronic means or for any loss caused in respect of any action taken as a consequence of such application believed in good faith to have originated from properly authorised persons.

Unless otherwise specified in the relevant Appendix, applications for Shares in the Unlisted Class(es) during the relevant Initial Offer Period must be received by the Administrator no later than 11:00 a.m. (Hong Kong time) on the last day of the relevant Initial Offer Period. After the Initial Offer Period, applications must be received by the Administrator by the relevant Dealing Deadline. Application requests submitted after the applicable Dealing Deadline in respect of any Dealing Day will be dealt with on the next Dealing Day.

Each applicant whose application is accepted will be sent a contract note confirming details of the purchase of Shares in the relevant Unlisted Class(es) but no certificates will be issued.

Applicants may apply for Shares in the Unlisted Class(es) through a distributor appointed by the Manager. Distributors may have different dealing procedures, including earlier cut-off times for receipt of applications and/or cleared funds. Applicants who intend to apply for Shares in the Unlisted Class(es) through a distributor should therefore consult the distributor for details of the relevant dealing procedures.

Where an applicant applies for Shares in the Unlisted Class(es) through a distributor, the Manager and the Administrator will treat the distributor (or its nominee) as the applicant. The distributor (or its nominee) will be registered as Shareholder of the relevant Shares in the Unlisted Class(es). The Manager and the Administrator will treat the distributor (or its nominee) as the Shareholder and shall not be responsible for any arrangements between the relevant applicant and the distributor regarding the subscription, holding and redemption of Shares in the Unlisted Class(es) and any related matters, as well as any costs or losses that may arise therefrom. The Manager will, however, take all reasonable care in the selection and appointment of distributors.

No money should be paid to any intermediary in Hong Kong who is not licensed or registered to carry on Type 1 (dealing in securities) regulated activity under Part V of the Securities and Futures Ordinance.

The Manager may, at its discretion, accept or reject in whole or in part any application for the Shares of Unlisted Class(es). In the event that an application is rejected in whole or in part, any subscription monies received, or the balance thereof, will be returned to the applicant (without interest and after deduction of expenses) by cheque through the post or by telegraphic transfer or by such other means as the Manager considers appropriate at the risk of the applicant.

No applications for Shares in the Unlisted Class(es) will be dealt with during any periods in which the determination of the Net Asset Value of the relevant Sub-Fund is suspended (for details see the sub-section "**Suspension of Determination of Net Asset Value**" under "**DETERMINATION OF NET ASSET VALUE**" in the main part of the Prospectus).

Please also refer to the section headed "**SUSPENSION OF THE ISSUE, SUBSCRIPTION AND REDEMPTION OF SHARES IN THE UNLISTED CLASS(ES)**" below regarding suspension of issue and subscription of Shares in the Unlisted Class(es).

Payment Procedure

Subscription monies should be paid in the Class Currency of the relevant Unlisted Class(es). Unless otherwise specified in the relevant Appendix, subscription monies in cleared funds should be received: (i) within 1 Business Day after the relevant Dealing Day on which an application was received by the Dealing Deadline for that Dealing Day on which Shares in the Unlisted Classes are issued or (ii) in the case of applications for Shares in the Unlisted Class(es) during the Initial Offer Period, the last day of the relevant Initial Offer Period, or such other period as determined by the Manager (the "**Subscription Payment Period**"). Payment details are set out in the subscription application form.

Subscription monies paid by any person other than the applicant will not be accepted.

The Directors may exercise its discretion to accept late payment of subscription monies after the Subscription Payment Period, provisionally allot Shares in the Unlisted Class(es) of a Sub-Fund by reference to the Net Asset Value of the relevant Unlisted Class(es) of the relevant Sub-Fund and charge interest on such overdue monies until payment is received in full, at such rate as the Manager thinks appropriate. However, if payment of subscription monies in cleared funds are not made within the Subscription Payment Period, the application may, at the discretion of the Directors, be considered void and cancelled. Upon such cancellation, the relevant Shares in the Unlisted Class(es) shall be deemed never to have been issued and the applicant shall have no right to claim against the Company and any loss will be borne by the applicant, provided that: (i) no previous valuations of the relevant Sub-Fund shall be re-opened or invalidated as a result of the cancellation of such Shares; (ii) the Company may require the applicant to pay, for the account of the relevant Sub-Fund, in respect of each such Share cancelled, the amount (if any) by which the Subscription Price on the relevant Dealing Day exceeds the applicable Redemption Price on the date of cancellation; and (iii) the Company shall be entitled to charge the applicant a cancellation fee for the administrative costs involved in processing the application and subsequent cancellation.

Payment in other freely convertible currencies may be accepted. Where amounts are received in a currency other than the relevant Class Currency, they will be converted into the relevant Class Currency and the proceeds of conversion (after deducting the costs of such conversions) will be applied in the subscription of Shares in the relevant Unlisted Class(es) of the relevant Sub-Fund. Conversion of currencies may involve delay. Bank charges (if any) incurred in converting the subscription monies shall be borne by the relevant applicant and accordingly will be deducted from the subscription proceeds.

Investment minima

Please refer to the relevant Appendix for the minimum initial investment, minimum subsequent investment, minimum holding and minimum redemption amounts in respect of each Unlisted Class of a Sub-Fund. The Manager may, in its absolute discretion, waive or agree to a lower amount of the investment minima (either generally or in any particular case) stated in the relevant Appendix.

General

All holdings of Shares in the Unlisted Class(es) will be in registered form and certificates will not be issued. Evidence of title of Shares in the Unlisted Class(es) will be the entry on the register of Shareholders in respect of each Sub-Fund. Shareholders should therefore be aware of the importance of ensuring that the Registrar is informed of any change to the registered details. Unless otherwise specified in the relevant Appendix, fractions of a Share may be issued rounded down to the nearest four decimal places. Subscription monies representing smaller fractions of a Share will be retained by the relevant Sub-Fund. A maximum of four persons may be registered as joint Shareholders.

REDEMPTION OF SHARES IN THE UNLISTED CLASS(ES)

Redemption Procedure

Shareholders of in the Unlisted Class(es) who wish to redeem their Shares in such Unlisted Class(es) may do so on any Dealing Day by submitting a redemption request to the Administrator.

Any redemption request must be received by the Administrator before the Dealing Deadline. Investors redeeming Shares from the Unlisted Class(es) through a distributor (or its nominee) should submit their redemption requests to the distributor (or its nominee) in such manner as directed by the distributor (or its nominee). Distributors (or their nominees) may have different dealing procedures, including earlier cut-off times for receipt of redemption requests. Where an investor holds its investment in Shares in the Unlisted Class(es) through a distributor (or its nominee), the investor wishing to redeem such Shares must ensure that the distributor (or its nominee), as the registered Shareholder, submits the relevant redemption request by the Dealing Deadline. Redemption requests submitted after the applicable Dealing Deadline in respect of any Dealing Day will be dealt with on the next Dealing Day.

A redemption request may be sent by facsimile or other electronic means (as may be agreed by the Directors or the Manager) from time to time determined by the Directors. The redemption request must specify: (i) the name of the Sub-Fund, (ii) the relevant class and the value or number of Shares in the Unlisted Class(es) to be redeemed, (iii) the name(s) of the registered Shareholder(s) and (iv) payment instructions for the redemption proceeds.

Unless otherwise requested by the Administrator, the original of any redemption request is not required to be submitted. A Shareholder who chooses to send an application form by fax or other electronic means bears the risk of the form not being received by the Administrator. Shareholders should therefore, for their own benefit, confirm with the Administrator safe receipt of a redemption request. None of the Company, the Directors, the Manager, the Custodian or the Registrar will be responsible to a Shareholder for any loss resulting from non-receipt or illegibility of any redemption request sent by fax or other electronic means or for any loss caused in respect of any action taken as a consequence of such request believed in good faith to have originated from properly authorised persons.

Partial redemption of a holding of Shares in an Unlisted Class of a Sub-Fund by a Shareholder may be effected, provided that such redemption will not result in the Shareholder holding Shares in such Unlisted Class less than the minimum holding for that class specified in the relevant Appendix. In the event that, for whatever reason, a Shareholder's holding of Shares in an Unlisted Class is less than such minimum holding for that class, the Manager may give notice requiring such Shareholder to submit a redemption request in respect of all the Shares of that Unlisted Class held by that Shareholder or deem such request to have been made in respect of all Shares of the relevant Unlisted Class held by the Shareholder. A request for a partial redemption of Shares in an Unlisted Class with an aggregate value of less than the minimum amount for such class of Shares specified in the relevant Appendix (if any) will not be accepted.

All redemption requests must be signed by the Shareholder or, in the case of joint Shareholders, such one or more joint Shareholders who have been authorised to sign such requests on behalf of the other joint Shareholders (where such authorisation has been notified in writing to the Registrar) or, in the absence of such notification, by all joint Shareholders.

Payment of Redemption Proceeds

Unless otherwise specified in the relevant Appendix, the Redemption Price on any Dealing Day will be the price per Share of the Unlisted Class(es) ascertained by dividing the Net Asset Value of the relevant class of the relevant Sub-Fund as at the Valuation Point in respect of the relevant Dealing Day by the number of Shares of such Unlisted Class then in issue and rounded to 4 decimal places (0.00005 or above being rounded up, and less than 0.00005 being rounded down) or in such manner and to such other number of decimal places as may from time to time be determined by the Manager. Any rounding adjustment will be retained by the relevant Unlisted Class. The Redemption Price will be calculated and quoted in the Class Currency of the relevant Unlisted Class.

The Company is entitled to deduct from the Redemption Price an amount which it reasonably considers represent an appropriate provision for (a) estimated bid/offer spread of the investments of the relevant Sub-Fund, (b) extraordinary transactional fees or expenses, including stamp duty, other taxes, brokerage, bank charges, transfer fees or registration fees, or (c) other charges which are customarily incurred in selling the Securities constituting the Scheme Property of the relevant Sub-Fund or the remittance of money to the Company (the "**Redemption Adjustment Provision**"). Any such additional amount will be retained by the Company on behalf of the relevant Sub-Fund and will form part of the Scheme Property of the relevant Sub-Fund or class of Shares.

The amount due to a Shareholder on the redemption of a Share of an Unlisted Class will be the Redemption Price, less any redemption fee (which is currently nil) and Redemption Adjustment Provision. The redemption fee (if any) will be retained by the Manager.

Shareholders should note that redemption proceeds will not be paid to any Shareholder until (a) the duly signed original written redemption request (if such original is required by the Administrator) and all other supporting documents, if any are required, have been received by the Administrator; (b) the signature of the Shareholder (or each joint Shareholder) has been verified to the satisfaction of the Custodian; and (c) any such other procedures as the Administrator may reasonably require have been completed.

Subject as mentioned above, and save as otherwise agreed by the Manager, and so long as relevant account details have been provided, redemption proceeds will normally be paid at the risk and expense of the redeeming Shareholder in the Class Currency of the relevant Unlisted Class by telegraphic transfer to the Shareholder's pre-designated bank account as specified in the redemption request, within 7 Business Days after the relevant Dealing Day (unless otherwise specified in the relevant Appendix) and in any event within one calendar month of the relevant Dealing Day or (if later) receipt of a properly documented redemption request, unless the market(s) in which a substantial portion of the relevant Sub-Fund's investments is made is subject to legal or regulatory requirements (such as foreign currency controls) thus rendering the payment of redemption proceeds within the aforesaid time period not practicable, but in such a case the details of such legal or regulatory requirements will be set out in the relevant Appendix and the extended time frame for payment should reflect the additional time needed in light of the specific circumstances in the relevant market(s). Any bank and other administrative charges associated with the payment of such redemption proceeds as well as the costs incurred in currency conversion, if any, will be borne by the redeeming Shareholder and deducted from the redemption proceeds. With the prior consent of the Manager, arrangements can be made for redemption proceeds to be paid in any major currency other than the Class Currency of the relevant Unlisted Class(es) being redeemed. Payment will only be made to a bank account in the name of the Shareholder. No third party payments will be made.

The Instrument provides that redemptions may be, in whole or in part, made in specie at the discretion of the Company. However, the Company does not intend to exercise this discretion in respect of any Sub-Fund unless otherwise specified in the relevant Appendix. In any event, redemptions may only be made in specie, in whole or in part, with the consent of the Shareholder requesting the redemption.

Suspension of Redemptions

The Manager may, in consultation with the Custodian, having regard to the best interests of Shareholders in the relevant Unlisted Class(es), suspend the redemption of any Unlisted Class(es) of any Sub-Fund and/or delay the payment of redemption proceeds in respect of any redemption request received, during any period in which the determination of the Net Asset Value of the relevant Sub-Fund is suspended. For details, please refer to the sub-section "**Suspension of Determination of Net Asset Value**" under "**DETERMINATION OF NET ASSET VALUE**" in the main part of the Prospectus).

Please also refer to the section headed "**SUSPENSION OF THE ISSUE, SUBSCRIPTION AND REDEMPTION OF SHARES IN THE UNLISTED CLASS(ES)**" below.

The Company shall have the right to reject, acting in good faith, any redemption application under exceptional circumstances, including without limitation the following circumstances:

(a) any period during which (i) the creation or issue of Shares of the relevant class, (ii) the redemption of Shares of the relevant class, and/or (iii) the determination of Net Asset Value of the relevant class of Shares is suspended;

(b) where in the opinion of the Manager, acceptance of the redemption application would have an adverse effect on the relevant Sub-Fund or class of Shares;

(c) where there is in existence any trading restriction or limitation such as the occurrence of a market disruption event, suspected market misconduct or the suspension of dealing in relation to any of the Securities and/or Futures Contracts in the relevant Index;

(d) where acceptance of the redemption application would render the Company in breach of any regulatory restriction or requirement, internal compliance or internal control restriction or requirement of the Company or the Manager necessary for compliance with applicable Laws and Regulations;

(e) circumstances outside the control of the Company or the Manager which make it for all practicable purposes impossible to process the redemption application; or

(f) any period during which the business operations of the Company or any delegate of the Company in respect of a redemption application in the relevant Sub-Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God.

In the event of such rejection, the Company shall notify the relevant Shareholder and the Custodian of its decision to reject such redemption application.

Deferred Redemption and Restriction on Shareholders

Please refer to the sub-sections headed "**Deferred Redemption**" and "**Restriction on Shareholders**" under "**STATUTORY AND GENERAL INFORMATION**" in the main part of the Prospectus for circumstances under which the Manager may defer redemption requests received on any Dealing Day and under which the Directors may effect compulsory redemption of Shares respectively.

Transfer of Shares in Unlisted Class(es)

The Instrument provides that a Shareholder may transfer Shares subject to the provisions of the Instrument. An investor is entitled to transfer such Shares held by him by an instrument in writing in such form as the Directors may from time to time approve. A transferor will be deemed to remain the Shareholder of the Shares transferred until the name of the transferee is entered in the register of Shareholders in respect of the Shares being transferred. Each instrument of transfer must relate to a single Sub-Fund only.

General

Fractions of a Share may be redeemed rounded down to the nearest four decimal places. Redemption monies representing smaller fractions of a Share will be retained by the relevant Sub-Fund.

SWITCHING OF SHARES IN THE UNLISTED CLASS(ES)

Where specified in the relevant Appendix, the Manager may from time to time permit Shareholders to switch some or all of their Shares of an Unlisted Class of any Sub-Fund (the "**Existing Class**") into the Shares of an Unlisted Class of the same Sub-Fund or another Sub-Fund, or unlisted class of shares, units or interests in any other collective investment scheme managed by the Manager or its Connected Persons and which has been authorised by the SFC (the "**New Class**"). Any switching will be by way of redeeming the Shares in the Existing Class held by the relevant Shareholders in accordance with the redemption procedures set out in the section headed "**REDEMPTION OF SHARES IN THE UNLISTED CLASS(ES)**" above and by re-investing the redemption proceeds thereof in the Shares of an Unlisted Class of such other Sub-Fund in accordance with the subscription procedures set out in the section "**SUBSCRIPTION OF SHARES IN THE UNLISTED CLASS(ES)**" above or in such other collective investment schemes in accordance with the provisions of the relevant offering documents for such other collective investment schemes (as the case may be).

A request for the switching of part of a holding of Shares in an Unlisted Class will not be effected if, as a result, the Shareholder would hold less than the minimum holding specified for the New Class (if any) and/or the Existing Class.

Under the Instrument, the Manager is entitled to impose a switching fee on the switching of Shares in an Unlisted Class of up to 1.00% of the Redemption Price of each Share of the Existing Class switched or of the redemption proceeds payable in respect of the Shares of the Existing Class being switched or the subscription price of each share, unit or interest of the New Class. The switching fee will be retained by or paid to the Manager for its own absolute use and benefit, unless otherwise determined by the Manager.

Where a request for switching is received by the Administrator prior to the Dealing Deadline in respect of a Dealing Day, switching will be effected as follows:

(a) redemption of the Shares of the Existing Class will be dealt with by reference to the Redemption Price on that Dealing Day (the "**Switching Redemption Day**") subject to paragraph (c) below;

(b) where the Existing Class and the New Class have different currencies of denomination, the redemption proceeds of the Shares in the Existing Class, after deduction of any switching fee, shall be converted into the currency of denomination of the New Class; and

(c) the resulting amount will be used to subscribe for shares, units or interests of the New Class at the relevant subscription price on the relevant dealing day in respect of the New Class (the "**Switching Subscription Day**"). The Switching Subscription Day shall be the same day as the Switching Redemption Day (in the case where the relevant Dealing Day of the Existing Class is not a dealing day in respect of the New Class, the Switching Redemption Day will be the immediately following Dealing Day that is a dealing day for the New Class), provided that the Company shall receive cleared funds in the relevant currency of denomination of the New Class within such period as determined by the Manager. In the event that cleared funds are not received within the applicable period, the Switching Subscription Day shall be the day on which the Administrator receives cleared funds in the relevant currency of denomination by the dealing deadline of the New Class, unless otherwise determined by the Manager.

The Manager may suspend the switching of Shares in the Unlisted Class(es) during any period in which the determination of the Net Asset Value of any relevant Sub-Fund is suspended (for details see the sub-section "**Suspension of Determination of Net Asset Value**" under "**DETERMINATION OF NET ASSET VALUE**" in the main part of the Prospectus).

Investors should note that switching between Shares in the Listed Class and the Unlisted Class(es) by a Participating Dealer or otherwise is not available.

SUSPENSION OF THE ISSUE, SUBSCRIPTION AND REDEMPTION OF SHARES IN THE UNLISTED CLASS(ES)

The Manager may, at its discretion, in consultation with the Custodian, having regard to the best interests of Shareholders, suspend the issue and/or redemption of Shares of any Unlisted Class(es) of any Sub-Fund and/or (subject to all applicable legal or regulatory requirements where payment of redemption proceeds exceeds one calendar month) delay the payment of any monies and transfer of any Securities and/or Futures Contracts of any redemption application in the following circumstances:

(a) during any period when a market on which a Security and/or Futures Contract, as the case may be, that is a constituent of the Index for the relevant Sub-Fund has its primary listing, or the official clearing and settlement depositary (if any) of such market, is closed;

(b) during any period when dealing on a market on which a Security and/or Futures Contract, as the case may be, that is a constituent of the Index for the relevant Sub-Fund has its primary listing is restricted or suspended;

(c) during any period when, in the opinion of the Manager, settlement or clearing of Securities and/or Futures Contracts, as the case may be, in the official clearing and settlement depositary (if any) of such market is disrupted;

(d) during the existence of any state of affairs as a result of which delivery or purchase of Securities and/or Futures Contracts, as the case may be, as appropriate or disposal of investments for the time being comprised in the relevant Sub-Fund cannot, in the opinion of the Manager, be effected normally or without prejudicing the interests of Shareholders of the relevant Sub-Fund;

(e) during any period when the Index for the relevant Sub-Fund is not compiled or published;

(f) during any breakdown in any of the means normally employed in determining the Net Asset Value of the relevant Sub-Fund or the Net Asset Value per Share of the relevant Class or when for any other reason the Value of any Securities and/or Futures Contracts or other property for the time being comprised in the relevant Sub-Fund cannot, in the opinion of the Manager, reasonably, promptly and fairly be ascertained;

(g) during any period when the determination of the Net Asset Value of the relevant Sub-Fund or Class is suspended pursuant to the provisions under the sub-section "**Suspension of Determination of Net Asset Value**" under "**DETERMINATION OF NET ASSET VALUE**" in the main part of the Prospectus or if any circumstance specified in such section arises; or

(h) during any period when the business operations of the Company, the Manager, the Custodian, the Administrator, the Registrar or any delegate of the Company or the Manager in respect of a redemption application in the relevant Sub-Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God.

In addition, where the Sub-Funds under the Company hold in aggregate more than the limit of 10% of the ordinary shares issued by any single issuer, the Manager will make it a priority objective to take all other necessary steps within a reasonable period to remedy such breach, taking into account the interests of the Shareholders.

The Manager shall notify the SFC and publish a notice of suspension following the suspension, and at least once a month during the suspension, on the Company's website at www.fubonetf.com.hk (this website has not been reviewed by the SFC) or in such other publications as it decides.

Any Shareholder may at any time after a suspension has been declared and before termination of such suspension, withdraw any subscription, switching or redemption application submitted prior to such suspension by notice in writing to the Company and the Company shall promptly notify the Custodian accordingly. If no such notice withdrawing any such application has been received by the Manager and the Custodian before termination of such suspension, the Company shall, subject to and in accordance with the provisions of the Instrument, issue, switch or redeem such Shares in the Unlisted Class(es) in respect of such application as at the Dealing Day next following the termination of such suspension.

The Company shall consider any subscription, switch or redemption application received during the period of suspension (that has not been otherwise withdrawn) as having been received immediately following the termination of the suspension. The period for distributing any proceeds will start from the Dealing Day next following the termination of such suspension.

A suspension shall remain in force until the earlier of (a) the Manager declaring the suspension is at an end; and (b) the first Dealing Day on which (i) the condition giving rise to the suspension shall have ceased to exist; and (ii) no other condition under which suspension is authorised exists.

PART 2 – SPECIFIC INFORMATION RELATING TO EACH SUB-FUND

Part 2 of this Prospectus includes specific information relevant to each Sub-Fund established under the Company. It is updated from time to time by the Manager. Information relating to each Sub-Fund is set out in a separate Appendix.

The information presented in each Appendix in this Part 2 should be read in conjunction with the information presented in Part 1 of this Prospectus. Where the information in any Appendix in this Part 2 conflicts with the information presented in Part 1, the information in the relevant Appendix in the Part 2 prevails. However, it is applicable to the specific Sub-Fund of the relevant Appendix only.

Defined terms used in each of the Appendices and which are not defined in this Part 2, bear the same meanings as in Part 1 of this Prospectus. References in each Appendix to "Sub-Fund" refer to the relevant Sub-Fund which is the subject of that Appendix. References in each Appendix to "**Index**" refer to the relevant Index details of which are set out in that Appendix.

APPENDIX 1 – FUBON NYSE FACTSET TAIWAN CORE SEMICONDUCTOR INDEX ETF

Investors should note that this Sub-Fund has both Listed Class and Unlisted Classes of Shares. Please refer to the sections relevant to your intended holding of Shares.

Key Information

Set out below is a summary of key information in respect of Fubon NYSE FactSet Taiwan Core Semiconductor Index ETF (the "**Sub-Fund**") which should be read together with the full text of this Appendix and the Prospectus.

Key information applicable to both Listed Class and Unlisted Classes

Investment Objective	To provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the Index
Index	NYSE FactSet Taiwan Core Semiconductor 10% OTC Capped Index (Net Total Return) (the "**Index**")
Index Provider	ICE Data Indices, LLC
Base Currency	USD
Custodian and Administration Fee	An aggregate fee of 0.06% per annum of the Net Asset Value of each class of Shares of the Sub-Fund, accrued daily and payable monthly in arrears, subject to a monthly minimum of USD3,500. One month's prior notice will be provided to investors for any increase in the aggregate fee payable to the Custodian and the Administrator (or one week's prior notice if only the aggregate fee payable in respect of the Listed Class is increased up to the maximum rate).
Financial Year End	31 December each year (The first half-yearly unaudited reports and the first annual financial reports for the Sub-Fund will be for the period from the fund launch to the half year ending 30 June 2022 and the year ending 31 December 2022 respectively.)
Website	http://www.fubonetf.com.hk (this website has not been reviewed by the SFC)

Key information applicable to Listed Class only

Listing Date (SEHK)	13 January 2022
Exchange Listing	SEHK – Main Board
Stock Code	3076
Short Stock Name	FB TW SEMICON
Trading Board Lot Size	200 Shares
Trading Currency	HKD
Distribution Policy	Subject to the Manager's discretion. Currently the Manager does not intend to pay or make any distributions or dividends.
Creation/Redemption Policy	Cash (USD) only
Application Share Size (only by or through Participating Dealers)	Minimum 100,000 Shares (or multiples thereof)
Dealing Deadline	11.00 a.m. (Hong Kong time) on the relevant Dealing Day, or such other time as the Manager in consultation with the Custodian may determine
Participating Dealer(s)^	• China International Capital Corporation Hong Kong Securities Limited • Haitong International Securities Company Limited • Mirae Asset Securities (HK) Limited • The Hongkong and Shanghai Banking Corporation Limited • Valuable Capital Limited
Market Maker(s)^	• Flow Traders Hong Kong Limited
Management Fee	Up to 1.00% per annum of the Net Asset Value accrued daily and calculated as at each Dealing Day, with the current rate being 0.60% per annum of the Net Asset Value accrued daily and calculated as at each Dealing Day. One month's prior notice will be provided to investors if the management fee is increased (or one week's prior notice if only the management fee in respect of the Listed Class is increased up to the maximum rate).

^ Please refer to the Manager's website set out above for the latest list of Participating Dealer(s) and Market Maker(s).

Key information applicable to Unlisted Classes only

Unlisted Classes of Shares Offered	Class A (HKD) Dist Shares Class A (USD) Dist Shares Class I (HKD) Acc Shares Class I (USD) Acc Shares
Minimum Initial Investment Amount	Class A (HKD) Dist: HKD 8,000** Class A (USD) Dist: USD 1,000** Class I (HKD) Acc: HKD 500,000** Class I (USD) Acc: USD 50,000** ** or equivalent in another currency
Minimum Subsequent Investment Amount	Class A (HKD) Dist: HKD 100** Class A (USD) Dist: USD 10** Class I (HKD) Acc: HKD 5,000** Class I (USD) Acc: USD 500** ** or equivalent in another currency
Subscription Price at Initial Issue	Class A (HKD) Dist: HKD 10 Class A (USD) Dist: USD 1 Class I (HKD) Acc: HKD 1,000 Class I (USD) Acc: USD 100
Dealing Deadline	3.30 p.m. (Hong Kong time) on the relevant Dealing Day, or such other time as the Manager in consultation with the Custodian may determine
Management Fee	**For Class A (HKD) Dist and Class A (USD) Dist Shares:** Currently 0.80% per annum of the Net Asset Value accrued daily and calculated as at each Dealing Day. **For Class I (HKD) Acc and Class I (USD) Acc Shares:** Currently 0.30% per annum of the Net Asset Value accrued daily and calculated as at each Dealing Day. One month's prior notice will be provided to investors if the management fee is increased.
Subscription/Redemption Policy	Cash (HKD and USD) only
Distribution Policy	**For Shares of Accumulation Classes:** No distributions will be made. **For Shares of Distribution Classes:** Subject to the Manager's discretion, the Manager intends to pay distributions to Shareholders monthly having regard to the Sub-Fund's net income after fees and costs. Further, the Manager may, at its discretion, pay distributions out of capital. However, there is no guarantee of regular distribution nor the amount being distributed (if any). Please refer to the section "**Distribution Policy**" for further details.

Key similarities and differences between Listed Class and Unlisted Classes

Investment Objective and Strategy	Same for both Listed Class and Unlisted Classes. Please refer to the section "**Investment Objective**" and "**Investment Strategy**".
Valuation Policy	Same for both Listed Class and Unlisted Classes. Please refer to the section headed "**DETERMINATION OF NET ASSET VALUE**" in Part 1 of the Prospectus.
Dealing Arrangements	There are some differences in certain dealing arrangements in respect of each of the Listed Class and Unlisted Classes. Investors should note that the minimum amounts for creation (in the case of Shares in the Listed Class)/subscription (in the case of Shares in Unlisted Classes) and redemption in respect of Shares in the Listed Class and Unlisted Classes are different. Investors should also note that while the dealing frequency and the definition of "**Dealing Day**" for creation/subscription and redemption in respect of Shares in the Listed Class and Unlisted Classes are the same, the applicable dealing procedures and timing with the relevant Participating Dealer (in the case of Listed Class) and the distributor (if applicable, in the case of Unlisted Classes) may be different. Investors should check with the relevant Participating Dealer or distributor for the applicable dealing procedures and timing. Investors should also note that the Dealing Deadlines in respect of the Listed Class and Unlisted Classes of Shares are different. In respect of Shares in the Listed Class: – the Dealing Deadline for a Creation Application or Redemption Application is 11.00 a.m. (Hong Kong time) on the relevant Dealing Day, or such other time as the Manager in consultation with the Custodian may determine; – a secondary market investor can buy and sell Shares in the Listed Class on the SEHK through his stockbroker at any time the SEHK is open. Investors can buy or sell Shares in the Listed Class at market price; – the Creation Application or Redemption Application for Shares in the Listed Class received after 11.00 a.m. (Hong Kong time) on a Dealing Day will be deemed to have been received on the next Dealing Day. In respect of Shares in the Unlisted Class: – the Dealing Deadline is 3.30 p.m. (Hong Kong time) on each Dealing Day. Investors can buy or sell Shares in the Unlisted Classes at the Net Asset Value per Share of the relevant Unlisted Classes. Applicants may apply for Shares in the Unlisted Classes through a distributor appointed by the Manager. Distributors may have different dealing procedures, including earlier cut-off times for receipt of applications and/or cleared funds. Applicants who intend to apply for Shares in the Unlisted Classes through a distributor should therefore consult the distributor for details of the relevant dealing procedures;

	– the subscription application or redemption requests for Shares in the Unlisted Classes submitted after 3.30 p.m. (Hong Kong time) on a Dealing Day will be deemed to have been received on the next Dealing Day. Please refer to Schedule 1 of the Prospectus entitled "**PROVISIONS RELATING TO THE OFFER, CREATION, REDEMPTION, LISTING AND TRADING OF SHARES IN THE LISTED CLASS**" and Schedule 2 of the Prospectus entitled "**PROVISIONS RELATING TO THE OFFER, SUBSCRIPTION, CONVERSION AND REDEMPTION OF SHARES IN THE UNLISTED CLASS**" for details of the dealing arrangements of Shares in the Listed Class and Unlisted Classes respectively.
Dealing Frequency	Same for both the Listed Class and Unlisted Classes – each Business Day.
Valuation Point	Same for both the Listed Class and Unlisted Classes – the official close of trading of the last relevant Market on which the Sub-Fund's investments are traded on each Dealing Day (i.e. approximately 4.00 p.m. (Hong Kong time)) or as determined by the Manager from time to time.
Fee Structure	Different in respect of the Listed Class and Unlisted Classes. Both classes of Shares are subject to Management Fee, Custodian and administration fee, registrar fee, and other ongoing expenses borne by the Sub-Fund. An investment in Shares in the Listed Class in the secondary market is subject to fees involved in relation to the trading of such Shares on the SEHK (such as the Service Agent's fee, transaction costs, brokerage fee, transaction levy, trading fee). An investment in Shares in the Unlisted Classes may be subject to the payment of subscription fees, redemption fees and switching fees (if applicable). Please refer to the "**FEES AND EXPENSES**" section in Part 1 of this Prospectus and this Appendix for further details.
Investment Return/Net Asset Value	Different in respect of Shares in the Listed Class and Unlisted Classes due to various factors, including but not limited to the different fee structures applicable to each class, different dealing arrangements (i.e. Shares in the Listed Class of Shares can be bought and sold at market price whereas Shares in the Unlisted Classes of Shares are bought and sold at Net Asset Value) and costs (such as Transaction Fee, Duties and Charges in respect of creation and redemption of Shares in the Listed Class in the primary market and fees payable in respect of trading of Shares in the Listed Class in the secondary market), stamp duty. Accordingly, the performance of the different classes of Shares may be different. There is a separate Net Asset Value for each class of Shares. The Custodian does allow each class of Shares to have its own Net Asset Value (i.e. one Net Asset Value for one class of Shares). Please refer to the risk factor headed "**Risks Associated with Differences in Trading, Fee and Costs Arrangements between Listed Class and Unlisted Class(es)**" in Part 1 of the Prospectus.
Termination	Due to the nature of the listing of Shares in the Listed Class, the termination procedures applicable to the Listed Class and Unlisted Classes may differ. Please refer to the sub-section headed "**Termination (otherwise than by winding up)**" under the section headed "**STATUTORY AND GENERAL INFORMATION**" of Part 1 of the Prospectus for further details.

Investment Objective

The investment objective of the Sub-Fund is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the Index. There is no assurance that the Sub-Fund will achieve its investment objective.

Investment Strategy

In order to achieve the Sub-Fund's investment objective, the Manager and the Sub-Manager intend to primarily use a full replication strategy through investing directly in the Index constituents in substantially the same weightings in which they are included in the Index.

Where the adoption of a full replication strategy is not efficient or practicable or where the Manager and the Sub-Manager consider appropriate in the best interest of the Sub-Fund and the Shareholders, the Manager and the Sub-Manager may pursue a representative sampling strategy, and invest, directly or indirectly (for example, via investing not more than 10% of the Sub-Fund's Net Asset Value in other exchange traded funds), in a representative sample of the securities in the Index that collectively reflects the investment characteristics of the Index and aims to replicate its performance. The Sub-Fund, in using a representative sampling strategy, may or may not hold all of the Securities included in the Index, and may hold a portfolio of Securities which are not included in the Index, provided that these collectively feature a high correlation with the Index. The Manager and the Sub-Manager may also use a representative sampling strategy to invest in FDIs such as futures with no more than 10% of the Sub-Fund's Net Asset Value for investment and hedging purposes, where the Manager and the Sub-Manager believe such investments will help the Sub-Fund achieve its investment objective and are beneficial to the Sub-Fund. In pursuing a representative sampling strategy, the Manager and the Sub-Manager may cause the Sub-Fund to deviate from the Index weighting on the condition that the maximum deviation from the Index weighting of any constituent will not exceed 3% above or below such weighting.

The Sub-Fund may switch between the full replication strategy and the representative sampling strategy without prior notice to Shareholders, in its absolute discretion, and as often as the Manager and the Sub-Manager believe is appropriate in order to achieve the investment objective of the Sub-Fund by tracking the Index as closely as possible to the benefit of Shareholders.

If any non-constituent of the Index is held in the portfolio, for reasons other than Index rebalancing and Index related corporate action, to enhance transparency the Manager will disclose the name and weighting of such non-constituent securities on the Manager's website immediately after the purchase and it will be reported daily until its disposal.

The Manager and the Sub-Manager review the Securities held in the Sub-Fund's portfolio each Business Day. In order to minimize tracking error, the Manager and the Sub-Manager closely monitor factors such as any changes in the weighting of each Index Security in the Index, suspension, dividend distributions and the liquidity of the Sub-Fund's portfolio. The Manager and the Sub-Manager will also conduct adjustment on the portfolio of the Sub-Fund regularly, taking into account tracking error reports, the Index methodology and any rebalance notification of the Index.

Other Investments

The Manager and the Sub-Manager do not intend to engage in securities lending, sale and repurchase transactions and reverse repurchase transactions on behalf of the Sub-Fund. Other than pursuing a representative sampling strategy as disclosed above, the Manager and the Sub-Manager do not intend to invest in FDIs for any purpose.

The Sub-Fund's net derivative exposure may be up to 50% of the Sub-Fund's Net Asset Value.

The Index

This section is a brief overview of the Index. It contains a summary of the principal features of the Index and is not a complete description of the Index. As at the date of this Prospectus, the summary of the Index in this section is accurate and consistent with the complete description of the Index. Complete information on the Index appears in the website identified below. Such information may change from time to time and details of the changes will appear on that website.

General Information on the Index

The Index is a rules-based equity benchmark designed to track the performance of Taiwan companies listed on either on the Taiwan Stock Exchange ("**TWSE**") or the Main Board of the Taipei Exchange ("**TPEX**") that are involved in the semiconductor industry. It is a modified float-adjusted, market capitalisation weighted index, which is compiled utilising Revere Business Industry Classification System ("**RBICS**") and Revere Hierarchy classifications licensed from FactSet Research Systems Inc.

RBICS offers a single-sector mapping of about 48,000 of the world's most liquid and publicly-traded companies based on their primary lines of business. It uses revenues as the key factor in determining a company's primary line of business, by mapping a company to the sector from which it derives 50% or more of its revenues.

Revere Hierarchy is an industry classification system built from the bottom-up, where the lowest hierarchical levels capture companies' products and services. It has a variable-depth structure that can range from three to twelve levels of increasing granularity. In general, companies with a more technologically sophisticated industry or products have a greater level of depth.

The Sub-Fund tracks the net total return version of the Index. A net total return index calculates the performance of the Index constituents on the basis that any dividends or distributions are reinvested after deduction of any taxes that may apply.

The Index was launched on 2 June 2022 and had a base level of 100.00 on 24 October 2014. As at 31 March 2026, it comprised 30 constituent stocks with market capitalisation of approximately TWD 129.15 trillion. The base currency of the Index is TWD.

Index Universe and Constituent Selection

The starting universe of the Index is the common stocks of companies that are listed on either the TWSE or the Main Board of the TPEX. Preferred securities that have characteristics resembling that of equity securities like common stocks are also included in the starting universe if they meet the listing exchange criteria.

The following is a summary of the rules used for initial constituent and ongoing reconstitutions of the Index:

1. Eligible Securities must have a minimum security-level market capitalisation of USD500 million or greater, and a three-month average daily trading value ("**ADTV**") of USD1 million or greater on the third Friday in April and October ("**Reference Date**"). If multiple share classes or listings qualify for a given company, then only the most liquid one based on the three-month ADTV is selected.

2. A company must be classified as deriving 50% or more of its revenues from one of the following 40 industries, which are representative of the semiconductor value chain spanning the "Capital Equipment", "Outsourced Assembly & Distribution", "Semiconductor Manufacturers", "Semiconductor Foundries", and "Upstream Materials & Components" categories.

Industry Name	Semiconductor Value Chain Category
Other Front End Processing Equipment Makers	Capital Equipment
Semiconductor Process Analysis Tool Manufacturing	
Test, Measurement and Metrology Equipment Makers	
Diversified Semiconductor Capital Equipment Makers	
Semiconductor Capital Equipment/Parts Distribution	Outsourced Assembly & Distribution
Semiconductor Assembly and Packaging Services	
Semiconductor Packaging and Testing Services	
Semiconductor Testing Services	
Semiconductors Distributors	
Semiconductor Foundry Services	Semiconductor Foundries
General Analog and Mixed Signal Semiconductors	Semiconductor Manufacturers
Other Power Analog and Mixed Signal Semiconductors	
Power, Control and Mixed Signal Semiconductors	
RF Analog and Mixed Signal Semiconductors	
Specialty Analog and Mixed Signal Semiconductors	
Light Emitting Diode Discrete Semiconductors	
Other Optoelectronics Discrete Semiconductors	
Other Discrete Semiconductors	
Diversified Semiconductors	
Flash Memory Semiconductors	
Other Nonvolatile Memory Semiconductors	
Other Memory Semiconductors	
Volatile Memory Semiconductors	
Microprocessor (MPU) Semiconductors	
Other Processor Semiconductors	
Other Programmable Logic and ASIC Semiconductors	
Programmable Logic Device Semiconductors	
Networking Semiconductors	
Other Communications Semiconductors	
Audio Multimedia Semiconductors	
Image Sensor and Image Capture Semiconductors	
Multimedia Semiconductors	
Video Multimedia Semiconductors	
Other Specialized Semiconductors	
Peripheral Semiconductors	
Security and Identification Semiconductors	
Diversified Semiconductor Manufacturing Services	
Electronic Materials Manufacturing* * Securities in this industry are further screened for those securities whose Revere Hierarchy is mapped to "Technology > Manufacturing Equipment and Services > Semiconductor Capital Equipment"	Upstream Materials & Components
Wafer Blank Makers and Equipment Manufacturing	
Semiconductor Components/Subsystems Manufacturing	

3. The securities selected above are divided into two groups: (i) semiconductor manufacturers and (ii) non-semiconductor manufacturers, where non-semiconductor manufacturers include the "Capital Equipment", "Outsourced Assembly & Distribution", "Semiconductor Foundries", and "Upstream Materials & Components" categories.

4. The securities within each of the two groups specified in paragraph 3 above are ranked based on their gross profits-to-assets ("**GPA**") ratio in descending order. Gross profits are derived from the latest available annual financial report as the net sales or revenue minus the cost of goods sold. If this data point is unavailable for a security, then the operating income or earnings before interest and taxes from the annual financial report is utilised instead. The assets component of the GPA ratio is derived from the company total assets as represented in the latest available annual financial report. Non-restated fundamental data is utilised for this step.

5. The top 15 securities within each of the two groups specified in paragraph 3 above, as ranked by the GPA ratio, are selected for inclusion in the Index. However, if any of the top 3 securities ranked by security-level non-float adjusted market capitalisation across both groups is not already selected, it is added back to its assigned group of the top 15 securities for inclusion in the Index to replace the security with the lowest GPA ratio, in ascending order.

6. If the number of constituents is less than 30 after the preceding steps, then the minimum security-level market capitalisation requirement is lowered to USD150 million or greater to allow additional companies to qualify for inclusion. For clarity, the constituents that had previously qualified under the USD500 million minimum security-level market capitalisation rule remain in the Index.

Index Calculation

The current Index level is calculated by dividing the current modified Index market capitalisation by the Index divisor. The divisor was set on the inception date of the Index to yield an Index level of 100.00. The divisor is updated as a result of corporate actions and composition changes.

The Index is calculated based on the following formula:

$$\mathrm{Index(GTR)}_t = \frac{\sum_i P_{i,t} Q_{i,t}}{D_{gtr,t}}$$

Where:
$D_{gtr,t}$ = Gross Total Return Index Divisor on Index Business Day t
$P_{i,t}$ = Price (in the Index Base Currency) of Index Constituention Index Business Day t
$Q_{i,t}$ = Shares of Index Constituention Index Business Day t

Where the **Index Divisor D_t** is calculated by the following formula:

$$D_{gtr,t} = \frac{\sum_i APC_{i,t}\, Q_{i,t}}{\mathrm{Index(GTR)}_{t-1}}$$

Where:
$D_{gtr,t}$ = Gross Total Return Index Divisor on Index Business Day t
$APC_{i,t}$ = Adjusted Previous Close Price (adjusted for gross dividends going ex-dividend on Index Business Day t and corporate actions, and denominated in the Index base currency) of Index Constituention Index Business Day t
$Q_{i,t}$ = Shares of Index Constituention Index Business Day t
$Index(GTR)_{t-1}$ = Gross Total Return Index Level from Index Business Day t-1

Constituents and Index Weight Adjustment

The Index is reconstituted semi-annually after the close of the fourth Friday in April and October each year ("**Reconstitution Date**"). If the Reconstitution Date is a holiday, it will take place on the next business days on which the Taiwan equity markets are open for a full or partial day of trading.

At the semi-annual Index reconstitutions, constituent weights are determined by dividing their individual security-level float adjusted market capitalisation by the total float-adjusted market capitalisation of all constituents as of the Reference Date. These weights are then capped in the following order:

1. the weight of the constituent with the largest security-level float-adjusted market capitalisation is capped at 25%, with any excess amount redistributed among the remaining securities on a pro-rata basis, subject to the 25% cap;

2. all other securities are capped at 6%, with any excess amount redistributed among the remaining securities on a pro-rata basis, subject to the aforementioned caps;

3. the cumulative weight of securities listed on the TPEX is capped at 10%, with any excess amounts redistributed among the securities listed on the TWSE on a pro-rata basis, subject to the 25% and 6% caps above.

Constituent percentage weights as determined in the reconstitution process outlined above are converted to Index shares to be implemented in the reconstitution using information from the Reference Date. Subsequent adjustments to the Index composition may be made to account for corporate actions that occur between the Reference Date and the Reconstitution Date.

The newly adjusted portfolio becomes the basis for the Index's value effective on the first trading day following the semi-annual adjustments. The divisor is adjusted to ensure continuity of the Index's value.

If a corporate action leads to the removal of a security between the semi-annual Index reconstitutions, then the next highest ranked security based on the GPA ratio from the last Index reconstitution is added to the Index. Replacements are first selected from the group (i.e. "semiconductor manufacturers" or "non-semiconductor manufacturers") to which the removed security belongs, unless no securities from that group are available for selection. The replacement is added to the Index at its security-level float-adjusted market capitalization weight, and is not subject to the 25% and 6% capping limits on weight as stated above.

For details on other information relating to index reconstitution process, please refer to the Index methodology available at https://www.theice.com/market-data/indices/equity-indices/funds (this website has not been reviewed by the SFC).

Index Governance

Index Sponsor & Administrator ICE Data Indices, LLC ("**IDI**") is the Index Sponsor and the Index Administrator of the Index. The Index is calculated and maintained by IDI based on a methodology developed by IDI.

IDI is responsible for the day-to-day management of the Index in accordance with its rules, including retaining primary responsibility for all aspects of the Index determination process, including implementing appropriate governance and oversight, as required under the International Organization of Securities Commission's Principles for Financial Benchmarks (the "**IOSCO Principles**"). The IDI Governance Committee is responsible for helping to ensure IDI's overall compliance with the IOSCO Principles, by performing the oversight function which includes overseeing the development, design, issuance and operation of the indices, as well as reviewing the control framework. IDI is also responsible for decisions regarding the interpretation of these rules and the Governance Committee is responsible for reviewing all rule book modifications with respect to the Index to ensure that they are made objectively, without bias, and in accordance with applicable law and regulation and IDI's policies and procedures. Consequently, all IDI and Governance Committee discussions and decisions are confidential until released to the public.

Rules and methodologies are reviewed periodically, in accordance with IDI's policies and procedures, to ensure the Index continues to meet its objective. Any changes in rules and methodologies, along with their implementation dates, will be announced in accordance with its policies and procedures. IDI consults with stakeholders on proposed material changes that affect the Index prior to making such changes, in accordance with IDI's consultation policy: https://www.theice.com/publicdocs/Consultation_Policy.pdf (this website has not been reviewed by the SFC).

Index Provider

The Index is compiled and managed by ICE Data Indices, LLC (the "**Index Provider**").

The Manager and its Connected Persons are independent of the Index Provider.

Index Constituents

You can obtain the most updated list of the constituents of the Index and their respective weightings, the last closing level of the Index, additional information including the index methodology, news and announcements of the Index from the website of the Index Provider at https://indices.ice.com (this website has not been reviewed by the SFC).

Index Codes

Bloomberg Code: ICFSTSCN (Net Total Return)

Index Licence Agreement

The Manager has been granted a limited, non-transferable and non-sublicensable licence pursuant to index licence agreement dated 1 July 2021 entered into between the Manager and the Index Provider (as amended from time to time) (the "**Licence Agreement**"), to use, among others, the Index and the Index data in connection with the Sub-Fund as permitted under the License Agreement, and to use and refer to the ICE Data designations and trademarks (the "**ICE Data Marks**") in connection with the creation, listing, trading, marketing and promotion of the Sub-Fund.

The Licence Agreement is effective from 1 July 2021 and shall continue to remain in force as long as any order schedule ("**Schedule**") remains in effect, unless terminated in accordance with the License Agreement. In respect of the Index and the Sub-Fund, the Schedule is subject to an initial term of 12 months from 11 January 2023, and can thereafter be automatically renewed for successive 1 year periods until such time that either the Manager or the Index Provider provides written to the other party of termination at least 180 days' prior to the end of the current period.

The Licence Agreement may also be terminated on the occurrence of any of the circumstances as summarised below:

(a) either party may terminate the Licence Agreement without notice if a petition in bankruptcy has been filed by or against the other party or the other party has made an assignment for the benefit of creditors, or a receiver has been appointed for the other party or any substantial portion of the other party's property, or the other party takes action approving or makes an application for any of the above and any such proceeding is not dismissed within 30 days;

(b) the Index Provider may terminate the licence for the Sub-Fund immediately in the event that the Manager does not launch and list the Sub-Fund within 1 year of the commencement date of the licence;

(c) at any time during the term of the Licence Agreement, either party may give the other 60 days' prior written notice of termination of the licence for the Sub-Fund, or the Licence Agreement in its entirety, if a party believes in good faith that damage or harm is occurring to the reputation or goodwill of that party by reason of its continued performance of the Licence Agreement;

(d) the Index Provider may give the Manager 60 days' prior written notice of termination if the Index Provider, at its sole discretion, determines that the Sub-Fund itself may damage the reputation of the Index;

(e) in the case of breach of any of the material terms and conditions of the Licence Agreement by giving 60 days' prior written notice of its intent to terminate, unless the breaching party corrects such breach within the notice period;

(f) if the Manager or the Company discontinues use of the Index as a benchmark for the Sub-Fund or the Company liquidates or ceases operation, the Index licence will automatically terminate;

(g) the Index Provider may terminate the Licence Agreement upon 60 days' prior written notice to the Manager if (i) the Index Provider is informed of the final adoption of any legislation or regulation or the issuance of any interpretation that in the Index Provider's reasonable judgment materially impairs the Index Provider's ability to licence and provide the Index and the ICE Data Marks under the Licence Agreement in connection with the Sub-Fund; or (ii) any litigation or regulatory proceeding regarding the Sub-Fund is commenced and the Index Provider reasonably believes that such litigation or proceeding would have a material and adverse effect upon the ICE Data Marks or the Index or upon the ability of the Index Provider to perform under the Licence Agreement;

(h) the Index Provider and its affiliates have the right to cease calculation and publication of the Index and, in such event, to terminate the licence for the Sub-Fund, provided that the Index Provider shall give the Manager at least 60 days' written notice prior to such discontinuance (unless the act of a third party will cause this to occur in less than the above period, in which case with such lesser period of written notice as is reasonable under the circumstances). Where a replacement or substitute to the Index will be made available, the Manager shall have the option within 15 days after receiving such written notice from the Index Provider to notify the Index Provider in writing of its intent to use the replacement or substitute, or to terminate the licence for the Index;

(i) to the extent the name of the Sub-Fund incorporates the name of the Index, if the Manager changes the name of the Sub-Fund in violation of the provisions in the Licence Agreement, the licence for the Sub-Fund shall automatically terminate;

(j) in the event no Schedules remain in effect, either party may terminate the Licence Agreement, effective immediately, upon written notice to the other party.

Index Disclaimer

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Dealing Day, Business Day, and Valuation Point

The "**Business Day**" of the Sub-Fund means, unless the Manager otherwise determines, a day on which (a)(i) the SEHK is open for normal trading; and (ii) the TWSE and TPEX are open for normal trading, and (b) the Index is compiled and published, or such other day or days as the Manager may agree from time to time.

The "**Dealing Day**" of the Sub-Fund means each Business Day during the continuance of the Sub-Fund, and/or such other day or days as the Manager may from time to time determine.

The "**Valuation Point**" of the Sub-Fund means the official close of trading of the last relevant Market on which the Sub-Fund's investments are traded on each Dealing Day or as determined by the Manager from time to time provided that there shall always be a Valuation Point on each Dealing Day other than where there is a suspension of the creation and redemption of Shares.

The Offering Phases for Shares in the Listed Class

Initial Offer Period

The Initial Offer Period in respect of the Shares in the Listed Class has ended, and the Listing Date is 13 January 2022.

After Listing

"**After Listing**" commences on the Listing Date.

Dealings in the Shares in the Listed Class on the SEHK commenced on the Listing Date, which is 13 January 2022.

All investors may buy and sell Shares in the Listed Class in the secondary market on the SEHK. Participating Dealers (for themselves or for their clients) may apply for creation and redemption of Shares in the Listed Class in the primary market in Application Share size, from 9:00 a.m. (Hong Kong time) to 11:00 a.m. (Hong Kong time) on each Dealing Day.

Exchange Listing and Trading (Secondary Market) of Shares in the Listed Class

The Listing Committee of the SEHK has granted its approval for the listing of, and permission to deal in the Shares in the Listed Class traded in HKD.

Shares in the Listed Class are neither listed nor dealt on any other stock exchange and no application for such listing or permission to deal is being sought as at the date of this Prospectus. Application may be made in the future for a listing of Shares in the Listed Class on one or more other stock exchanges. Investors' attention is drawn to the section entitled "**EXCHANGE LISTING AND TRADING (SECONDARY MARKET)**" in Schedule 1 to Part 1 of this Prospectus for further information.

Dealings on the SEHK in Shares in the Listed Class traded in HKD began on 13 January 2022.

Participating Dealers should note that they will not be able to sell or otherwise deal in the Shares in the Listed Class on the SEHK until dealings begin on the SEHK.

Subscription and Redemption of Shares in Unlisted Classes

Classes Available for Investment

The Sub-Fund currently offers Shares in the following Unlisted Classes to investors:

Accumulation Classes

Class	Currency of Denomination	Minimum Initial Investment Amount	Minimum Subsequent Investment Amount	Minimum Holding Amount	Minimum Redemption Amount
Class I (HKD) Acc Shares	HKD	HKD 500,000**	HKD 5,000**	Nil	Nil
Class I (USD) Acc Shares	USD	USD 50,000**	USD 500**	Nil	Nil

** or equivalent in other currency

Distribution Classes

Class	Currency of Denomination	Minimum Initial Investment Amount	Minimum Subsequent Investment Amount	Minimum Holding Amount	Minimum Redemption Amount
Class A (HKD) Dist Shares	HKD	HKD 8,000**	HKD 100**	Nil	Nil
Class A (USD) Dist Shares	USD	USD 1,000**	USD 10**	Nil	Nil

** or equivalent in other currency

The Manager may in future determine to issue Shares in additional Unlisted Class(es).

The Manager reserves the right to waive the minimum initial investment, minimum subsequent investment, minimum holding amount (if applicable) and minimum redemption amount (if applicable) requirements for any class of Shares.

Initial Issue

Shares in the following Unlisted Classes will be issued at the respective initial Subscription Price as follows upon receipt of the first subscription in the relevant Unlisted Class:

Class	Initial Subscription Price
Class A (HKD) Dist	HKD 10
Class A (USD) Dist	USD 1
Class I (HKD) Acc	HKD 1,000
Class I (USD) Acc	USD 100

The Manager may decide not to issue any Shares in the Unlisted Class(es) of the Sub-Fund if the Manager is of the opinion that it is not commercially viable to proceed. For further details, please refer to the section headed "**SUBSCRIPTION OF SHARES IN THE UNLISTED CLASS(ES)**" in Schedule 2 to Part 1 of this Prospectus.

Dealing Procedures

For details of dealing procedures, please refer to the information below and in Schedule 2 to Part 1 of this Prospectus. The following apply to the Sub-Fund:

Dealing Day	each Business Day
Dealing Deadline	3.30 p.m. (Hong Kong time) on the relevant Dealing Day
Valuation Point	the official close of trading of the last relevant Market on which the Sub-Fund's investments are traded on each Dealing Day or as determined by the Manager from time to time

Investors should note that subscription monies in respect of the Sub-Fund must be paid in the currency of denomination of the relevant class of Shares. Redemption proceeds will be paid to redeeming Shareholders in the currency of denomination of the relevant class of Shares.

Subscription Price and Redemption Price

The Subscription Price and Redemption Price of the Shares of each of the Unlisted Class on any Dealing Day will be the price per Share of the relevant Unlisted Class ascertained by dividing the Net Asset Value of the relevant class as at the Valuation Point in respect of the relevant Dealing Day by the number of Shares of that class then in issue and rounded to 4 decimal places (0.00005 or above being rounded up, and less than 0.00005 being rounded down). Any rounding adjustment will be retained by the relevant class.

Payment of subscription monies

Subscription monies in respect of Shares in the Unlisted Classes should be received in cleared funds (i) within 1 Business Day after the relevant Dealing Day on which an application was received by the Dealing Deadline for that Dealing Day on which Shares in the Unlisted Classes are issued at or (ii) in the case of applications for Shares in the Unlisted Classes during the Initial Offer Period (if any), such time on the last day of the Initial Offer Period (if any) as specified in this Appendix, or within such other period as determined by the Manager.

Payment of redemption proceeds

Save as otherwise agreed by the Manager, and so long as relevant account details have been provided, redemption proceeds will normally be paid at the risk and expense of the redeeming Shareholder in the Class Currency of the relevant Unlisted Class by telegraphic transfer within 7 Business Days after the relevant Dealing Day and in any event within one calendar month of the relevant Dealing Day or (if later) receipt of a properly documented redemption request, unless the market(s) in which a substantial portion of the Sub-Fund's investments is made is subject to legal or regulatory requirements (such as foreign currency controls) thus rendering the payment of redemption proceeds within the aforesaid time period not practicable, but in such a case the extended time frame for payment should reflect the additional time needed in light of the specific circumstances in the relevant market(s).

Switching

Investors should note that switching between Shares in the Unlisted Classes and the Listed Class is not available.

Switching between Shares in different Unlisted Classes of the Sub-Fund or between Shares in an Unlisted Class of the Sub-Fund and Shares in an Unlisted Class of Shares of other Sub-Fund(s) of the Company may be permitted by the Manager. Please refer to the section headed "**Switching of Shares in the Unlisted Class(es)**" in Schedule 2 to Part 1 of this Prospectus.

Distribution Policy

Accumulation Classes

The following Unlisted Classes are classes which accumulate income ("**Accumulation Class(es)**"): Class I (HKD) Acc and Class I (USD) Acc Shares.

No distributions will be made in respect of the Accumulation Class(es). Therefore, any net income and net realised capital gains attributable to Shares of the Accumulation Class(es) will be reflected in their respective Net Asset Value.

Distribution Classes

The Manager has discretion as to whether or not the Sub-Fund will make any distribution, the frequency and amount of distribution in respect of the Shares in the Listed Class and the following Unlisted Class(es) ("**Distribution Classes**"): Class A (HKD) Dist and Class A (USD) Dist Shares.

For the Listed Class, currently, the Manager does not intend to pay or make any distributions or dividends.

For Class A (HKD) Dist and Class A (USD) Dist Shares, currently the Manager intends to distribute income to Shareholders monthly having regard to the Sub-Fund's net income after fees and costs. Further, the Manager may, at its discretion, pay distributions out of capital. However, there is no guarantee of regular distribution nor the amount being distributed (if any).

Investors should note that payments of distributions out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of distributions out of the Sub-Fund's capital may result in an immediate reduction in the Net Asset Value of the Sub-Fund and will reduce the capital available for future investment.

Details of the distribution declaration dates, distribution amounts and ex-dividend payment dates will be published on the Manager's website http://www.fubonetf.com.hk (this website has not been reviewed by the SFC).

The composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available by the Manager on request and also on the Manager's website www.fubonetf.com.hk (this website has not been reviewed by the SFC). All Shares will receive distributions in the currency of denomination of the relevant class of Shares.

Fees and Expenses

Management Fee

The Sub-Fund pays a Management Fee as a single flat fee.

The current rate of the Management Fee in relation to each of the class of Shares is as follows:

Class		Management Fee (as a % of Net Asset Value per annum)
Listed Class		0.60%
Unlisted Class	Class A (HKD) Dist	0.80%
	Class A (USD) Dist	0.80%
	Class I (HKD) Acc	0.30%
	Class I (USD) Acc	0.30%

The Management Fee may be increased up to the maximum rate of 1.00% per annum of the Net Asset Value of the relevant class of Shares (the "**Maximum Management Fee Rate**"), on giving one month's notice to Shareholders (except in the case where only the Management Fee for the Listed Class is increased, on giving one week's notice to Shareholders of the Listed Class).

In the event that such fee is to be increased beyond the Maximum Management Fee Rate, such increase will be subject to the SFC's approval and not less than one month's prior notice to Shareholders.

Sub-Manager Fee

The Sub-Manager will be reimbursed out of the Management Fee.

Custodian and Administration Fee

An aggregate fee of 0.06% per annum of the Net Asset Value of each class of Shares of the Sub-Fund is payable to the Custodian and the Administrator, accrued daily and payable monthly in arrears, subject to a monthly minimum of USD3,500; and the maximum rate of the aggregate fee is 1.00% per annum of Net Asset Value of the relevant class of Shares (the "**Maximum Custodian and Administration Fee Rate**"). The Custodian and the Administrator may, on giving not less than one month's written notice to the relevant Shareholders, increase the rate of the aggregate fee payable in respect of a class of Shares up to or towards the Maximum Custodian and Administration Fee Rate (except in the case where only the aggregate fee payable in respect of the Listed Class is increased, the Custodian and the Administrator may increase the rate of the aggregate fee up to or towards the Maximum Custodian and Administration Fee Rate on giving not less than one week's written notice to the Shareholders in the Listed Class). In the event that the aggregate fee is to be increased beyond the Maximum Custodian and Administration Fee Rate, such increase will be subject to the SFC's approval and not less than one month's prior notice to relevant Shareholders.

The Custodian and the Administrator are also entitled to receive various safekeeping, transaction and processing fees and other applicable fees as agreed with the Company from time to time and to be reimbursed by the relevant Sub-Fund for all out-of-pocket expenses (including sub-custody fees and expenses) properly incurred by the Custodian and/or the Administrator in the performance of their respective duties.

Transaction Fee Payable to the Administrator (applicable to Listed Class only)

The Participating Dealers pay USD750 per Application to the Custodian or the Administrator for the benefit of the Administrator. A Participating Dealer may pass on to the relevant investor such transaction fee payable to the Administrator.

Establishment Costs

Please refer to the sub-section "**Establishment Costs**" under the section of "**FEES AND CHARGES**" in Part 1 of this Prospectus on the establishment costs of the Sub-Fund.

Fees applicable to Unlisted Classes only

The following fees are payable by investors of Unlisted Class Units:

Subscription Fee	Class A (HKD) Dist and Class A (USD) Dist – up to 5.00% of the total subscription amount Class I (HKD) Acc and Class I (USD) Acc – Nil^ ^ The Subscription Fee may be increased up to the maximum rate of 5.00% of the total subscription on one month's notice to Shareholders.
Redemption Fee	Nil
Switching Fee	Up to 1.00% of the redemption proceeds payable in respect of the Existing Class

Risk Factors Specific to the Sub-Fund

In addition to the risk factors presented in Part 1 of this Prospectus, the risk factors set forth below are also specific risks, in the opinion of the Manager, considered to be relevant and presently applicable specifically to the Sub-Fund.

Taiwan market risk

The Index tracks the performance of listed companies that are involved in the semiconductor industry in Taiwan, which is an emerging market. Investments in the Sub-Fund may therefore involve increased risks and special considerations not typically associated with investment in more developed markets.

The Taiwanese stock market has experienced a high degree of stock price volatility in recent years. The liquidity of Taiwanese Securities is inhibited by price constraints imposed by the TWSE and/or the TPEX and smaller market capitalisation. The Securities Market of Taiwan is undergoing a period of growth and change which may lead to difficulties in the settlement and recording of transactions and in interpreting and applying the relevant regulations.

Accounting, auditing and financial reporting standards, practice and disclosure requirements applicable to Taiwanese companies are less rigorous than those in more developed countries. As a result, there may be less or less reliable information available publicly to investors in Taiwanese companies than to investors in comparable securities in more developed countries/regions. There may be a lower level of government supervision and enforcement activity in the regulation of Taiwanese Securities Markets and the participants in those markets than in comparable markets in more developed countries/regions.

The value of the Sub-Fund's assets may be affected by political and economic uncertainties such as changes in the government in Taiwan or its policies regarding inward investment, taxation and the restrictions on currency repatriation and other developments in the laws and regulations of Taiwan. There may be more substantial government intervention in the economy, including restrictions on investing in companies or industries deemed sensitive to relevant national interests. In addition, the value of the Sub-Fund's assets may be affected by other diplomatic uncertainty or developments, social instability, higher inflation and other considerations.

Concentration risk

As the Index constituents concentrate in stocks in Taiwan listed companies that are involved in the semiconductor industry, the investment of the Sub-Fund may be similarly concentrated. 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 Taiwan market.

New index risk

The Index is a new index launched on 2 June 2022. The Sub-Fund may be riskier than other exchange traded funds tracking more established indices with longer operating history.

Semiconductor industry risk

The Sub-Fund invests in companies in the semiconductor industry, which may particularly be affected by the intense competition in such industry. Specific factors which may cause the value of securities within the semiconductor sector to deteriorate include, but are not limited to:

– domestic and international competition pressures (including competition from subsidised foreign competitors with lower production costs);

– rapid obsolescence of products as a result of the fast-developing nature of the semiconductor industry;

– economic performance of the customers of semiconductor companies which may in turn affect the growth and market outlook of the semiconductor industry;

– capital equipment expenditures which could be substantial; and

– rapid obsolescence and potential shortages of raw materials or equipment which could result in an increase in prices of raw materials or equipment, longer delivery time of products or even production stoppage.

Companies in the semiconductor sector also typically rely on heavy and significant spending on research and development, and there is no guarantee that the products produced by these companies will materialise into commercially successful products.

Furthermore, as the semiconductor sector may be deemed sensitive to national interests, the sector may be subject to government intervention, sanctions and trade protectionism. Companies in the semiconductor sector may be highly dependent upon government subsidies and incentives (including but not limited to preferential tax treatments) and contracts with government entities, and may be negatively affected if such subsidies are reduced, such preferential tax treatments expires or are discontinued, or contracts are unavailable due to changes in government policies.

The success of companies in the semiconductor sector is typically dependent on the companies' ability to maintain relationships with their technology partners. If a company's relationship with a technology partner is impaired or terminated, the company may not be able to enter into a new technology alliance on a timely basis or on commercially favourable terms, which could result in significant additional cost or disruptions to its businesses.

The semiconductor sector is also characterised by cyclical market patterns and periodic overcapacity. Business conditions in this industry may change rapidly from periods of production shortages and strong demand to periods of weak demand. Any future downturn in the industry could harm the business and operating results of semiconductor companies.

Risk associated with small-capitalisation/mid-capitalisation companies

The Index may consist of shares of small-capitalisation/mid-capitalisation companies. The stock of such companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.

Risks of investing in other exchange traded funds

Where the Manager and the Sub-Manager pursue a representative sampling strategy, the Sub-Fund may invest in a representative sample of the securities in the Index via other exchange traded funds, and the Sub-Fund may therefore subject to the risks associated with such underlying funds. The Sub-Fund does not have control of the investments of the underlying funds and there is no assurance that the investment objective and strategy of the underlying funds will be successfully achieved which may have a negative impact to the Net Asset Value of the Sub-Fund.

The underlying funds in which the Sub-Fund may invest may not be authorised by the SFC. There may be additional costs involved when investing into these underlying funds. There is also no guarantee that the underlying funds will always have high trading volume and sufficient liquidity and the Sub-Fund may not be able to realise or liquidate its investment in such underlying funds at such time as it wants to.

Currency risk

Assets of the Sub-Fund may be denominated in currencies other than USD (the base currency of the Sub-Fund). The Index constituents are denominated in TWD. The Sub-Fund is subject to transaction costs in the exchange of such other currencies to USD. The performance and the Net Asset Value of the Sub-Fund may therefore be affected unfavourably by movements in the exchange rate between USD and such other currencies and changes in exchange rate control policies.

Risks relating to the Index

The Sub-Fund may be subject to the following risks in relation to the Index:

1. If the Index is discontinued or the Manager's license from the Index Provider under the Licence Agreement is terminated, the Manager may seek the SFC's prior approval to replace the Index with an index that is tradable, acceptable to the SFC, and has similar objectives to the Index. Please refer to the sub-section "**Replacement of an Index**" under the section "**STATUTORY AND GENERAL INFORMATION**" in Part 1 of the Prospectus on the circumstances in which the Index may be replaced by the Manager. Such change shall be made in accordance with the provisions of the Instrument and with the prior approval of the SFC. For the avoidance of doubt, the provision of investment results that, before fees and expenses, closely correspond to the performance of an index will remain the Sub-Fund's investment objective.

   The Manager has been granted a licence by the Index Provider to use the Index as a basis for determining the composition of the Sub-Fund and to use certain trade marks in the Index. The licence granted in respect of the Index and the Sub-Fund is for an initial term of 12 months commencing from 11 January 2023, and thereafter automatically renewed for successive 1 year periods until terminated pursuant to the agreement. There is no guarantee that the Licence Agreement will be perpetually renewed.

   The Sub-Fund, may be terminated if the Index is discontinued and/or the Licence Agreement is terminated and the Manager is unable to identify or agree with any index provider terms for the use of a suitable replacement index, using, in the opinion of the Manager, the same or substantially similar formula for the method of calculation as used in calculating the Index and which meets the acceptability criteria under Chapter 8.6(e) of the UT Code. Any such replacement index will be subject to the prior approval of the SFC, and Shareholders will be duly notified of the same. Accordingly, investors should note that the ability of the Sub-Fund to track the Index may depend on the continuation in force of the Licence Agreement in respect of the Index or a suitable replacement.

   The Manager and the Index Provider may by mutual agreement terminate or postpone the parties' obligations under the Licence Agreement upon the occurrence of a force majeure event such that the terms of the Licence Agreement can no longer be performed. There is no guarantee or assurance of exact or identical replication at any time of the performance of the relevant Index. Please refer to section "***Index Licence Agreement***" in this Appendix on the circumstances in which the Licence Agreement may be terminated.

2. There may be changes in the constituent securities of the Index from time to time. The Manager and the Sub-Manager may rebalance the composition of the portfolio of the Sub-Fund. The price of the Shares in the Sub-Fund may rise or fall as a result of these changes. Thus, an investment in Shares of the Sub-Fund will generally reflect the Index as its constituents change from time to time, and not necessarily the way it is comprised at the time of an investment in the Shares.

Reliance on the Index Provider risks

The Manager and/or the Sub-Manager will rely solely on the Index Provider for information as to the constituents of the Index. The process and the basis of computing and compiling the Index and any of its related formulae, constituent companies and factors may also be changed or altered by the Index Provider at any time without notice. There is also no warranty, representation or guarantee given to the investors as to the accuracy or completeness of the Index, its computation or any information related thereto.

Distributions out of or effectively out of capital risk

The Manager may, at its discretion make distributions out of capital. The Manager may also, at its discretion, make distributions out of gross income while all or part of the fees and expenses of the Sub-Fund are charged to/paid out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of distributions by the Sub-Fund and therefore, the Sub-Fund may effectively pay distributions out of the capital. Payment of distributions out of capital or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of distributions out of or effectively out of the Sub-Fund's capital may result in an immediate reduction of the Net Asset Value per Share. The Manager may amend its distribution policy subject to the SFC's prior approval and by giving not less than one month's prior notice to Shareholders.

Proprietary investment/seed money risk

The assets under management at any time during the life of the Sub-Fund may include proprietary money (or "seed money") invested by one or more interested parties, such as participating dealers, and such investment may constitute a significant portion of such assets under management. Investors should be aware that such an interested party may (i) hedge any of its investments in whole or part, thereby reducing or removing its exposure to the performance of the Sub-Fund; and (ii) redeem its investment in the Sub-Fund at any time, without notice to Shareholders. Such an interested party is under no obligation to take the interests of other Shareholders into account when making its investment decisions. There is no assurance that any such monies will continue to be invested in the Sub-Fund by an interested party for any particular length of time. As many of the expenses of the Sub-Fund are fixed, a higher amount of assets under management may reduce the expenses of the Sub-Fund per Share and a lower amount of assets under management may increase the expenses of the Sub-Fund per Share. As with any other redemption representing a material portion of the Sub-Fund's assets under management, a significant redemption of any such proprietary investment may affect the management and/or performance of the Sub-Fund and may, in certain circumstances (i) cause remaining investors' holdings to represent a higher percentage of the Net Asset Value of the Sub-Fund, (ii) cause other investors in the Sub-Fund to redeem their investment, and/or (iii) lead the Manager, with the consultation of the Custodian, to determine that the Sub-Fund, has become unmanageable and to consider taking exceptional measures, such as terminating the Sub-Fund, in accordance with the Instrument, in which case Shareholders' investments would be redeemed in their entirety.

Operating risk

There is no assurance that the performance of the Sub-Fund will be identical to the performance of the Index. The level of fees, taxes and expenses payable by the Sub-Fund will fluctuate in relation to the Net Asset Value. Although the amounts of certain ordinary expenses of the Sub-Fund can be estimated, the growth rate of the Sub-Fund, and hence its Net Asset Value, cannot be anticipated. Accordingly, no assurance can be given as to the performance of the Sub-Fund or the actual level of its expenses.

Under the terms of the Instrument and as summarised the sub-section "**Termination (otherwise than by winding up)**" under the section "**STATUTORY AND GENERAL INFORMATION**" in Part 1 of this Prospectus, the Manager may terminate the Sub-Fund. On the termination of the Sub-Fund, the Sub-Fund will be liquidated and investors will receive distributions of cash although the Manager has the power to decide to make distributions in specie.

Trading time differences risk (applicable to the Listed Class only)

The SEHK, the TWSE and the TPEX have different trading hours. Investors will not be able to purchase or sell Shares in the Listed Class when the SEHK is not open for trading, even when the TWSE and/or the TPEX is/are open for trading and the value of the Securities comprised in the Index (and in turn, the value of the Index) may continue to change. Difference in trading hours between the SEHK, the TWSE and the TPEX may increase the level of premium/discount of the Share price of the Listed Class to its Net Asset Value.

Tracking error risk

The Sub-Fund may be subject to tracking error risk, which is the risk that its performance may not track that of the Index exactly. This tracking error may result from the investment strategy used, and fees and expenses. The Manager and the Sub-Manager will monitor and seek to manage such risk in minimising tracking error. There can be no assurance of exact or identical replication at any time of the performance of the Index by the Sub-Fund.

Other risks

These include risks arising due to force majeure, such as war and natural disaster, and financial market crisis, industrial competition, agency default and other risks beyond the direct control of the Manager and the Sub-Manager.

Appendix dated 29 May 2026

APPENDIX 2 – FUBON SHANGHAI-SHENZHEN-HONG KONG HIGH DIVIDEND YIELD ETF

Investors should note that this Sub-Fund has both Listed Class and Unlisted Classes of Shares. Please refer to the sections relevant to your intended holding of Shares.

Key Information

Set out below is a summary of key information in respect of Fubon Shanghai-Shenzhen-Hong Kong High Dividend Yield ETF (the "**Sub-Fund**") which should be read together with the full text of this Appendix and the Prospectus.

Key information applicable to both Listed Class and Unlisted Classes

Investment Objective	To provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the Index
Index	Hang Seng Shanghai-Shenzhen-Hong Kong (Selected Corporations) High Dividend Yield Index (net total return) (the "**Index**")
Index Provider	Hang Seng Indexes Company Limited
Base Currency	HKD
Custodian and Administration Fee	An aggregate fee of 0.06% per annum of the Net Asset Value of each class of Shares of the Sub-Fund, accrued daily and payable monthly in arrears, subject to a monthly minimum of USD3,500. One month's prior notice will be provided to investors for any increase in the aggregate fee payable to the Custodian and the Administrator (or one week's prior notice if only the aggregate fee payable in respect of the Listed Class is increased up to the maximum rate).
Financial Year End	31 December each year (The first half-yearly unaudited reports and the first annual financial reports for the Sub-Fund will be for the period from the fund launch to the half year ending 30 June 2023 and the year ending 31 December 2022 respectively.)
Website	http://www.fubonetf.com.hk (this website has not been reviewed by the SFC)

Key information applicable to Listed Class only

Listing Date (SEHK)	8 July 2022
Exchange Listing	SEHK – Main Board
Stock Code	3190
Short Stock Name	FB SSH HIGH DIV
Trading Board Lot Size	200 Shares
Trading Currency	HKD
Distribution Policy	Subject to the Manager's discretion. Currently the Manager intends to distribute income to Shareholders quarterly (in March, June, September and December) having regard to the Sub-Fund's net income after fees and costs. Further, the Manager may, at its discretion, pay distributions out of capital or out of gross income while all or part of the fees and expenses are charged to capital, resulting in an increase in distributable income for the payment of distributions and therefore, distributions may be paid effectively out of capital. However, there is no guarantee of regular distribution nor the amount being distributed (if any). All Shares will receive distributions in the base currency (HKD) only
Creation/Redemption Policy	Cash (HKD) only
Application Share Size (only by or through Participating Dealers)	Minimum 100,000 Shares (or multiples thereof)
Dealing Deadline	12.00 p.m. (Hong Kong time) on the relevant Dealing Day, or such other time as the Manager in consultation with the Custodian may determine
Participating Dealer(s)^	• China International Capital Corporation Hong Kong Securities Limited • Haitong International Securities Company Limited • Lu International (Hong Kong) Limited • Mirae Asset Securities (HK) Limited • Valuable Capital Limited
Market Maker(s)^	• Flow Traders Hong Kong Limited • Optiver Trading Hong Kong Limited
Management Fee	Up to 1.00% per annum of the Net Asset Value accrued daily and calculated as at each Dealing Day, with the current rate being 0.60% per annum of the Net Asset Value accrued daily and calculated as at each Dealing Day. One month's prior notice will be provided to investors if the management fee is increased (or one week's prior notice if only the management fee in respect of the Listed Class is increased up to the maximum rate).

^ Please refer to the Manager's website set out above for the latest list of Participating Dealer(s) and Market Maker(s).

Key information applicable to Unlisted Classes only

Unlisted Classes of Shares Offered	Class A (HKD) Dist Shares Class A (USD) Dist Shares Class I (HKD) Acc Shares Class I (USD) Acc Shares
Minimum Initial Investment Amount	Class A (HKD) Dist: HKD 8,000** Class A (USD) Dist: USD 1,000** Class I (HKD) Acc: HKD 500,000** Class I (USD) Acc: USD 50,000** ** or equivalent in another currency
Minimum Subsequent Investment Amount	Class A (HKD) Dist: HKD 100** Class A (USD) Dist: USD 10** Class I (HKD) Acc: HKD 5,000** Class I (USD) Acc: USD 500** ** or equivalent in another currency
Subscription Price at Initial Issue	Class A (HKD) Dist: HKD 10 Class A (USD) Dist: USD 1 Class I (HKD) Acc: HKD 1,000 Class I (USD) Acc: USD 100
Dealing Deadline	4.00 p.m. (Hong Kong time) on the relevant Dealing Day, or such other time as the Manager in consultation with the Custodian may determine
Management Fee	**For Class A (HKD) Dist and Class A (USD) Dist Shares:** Currently 0.80% per annum of the Net Asset Value accrued daily and calculated as at each Dealing Day. **For Class I (HKD) Acc and Class I (USD) Acc Shares:** Currently 0.30% per annum of the Net Asset Value accrued daily and calculated as at each Dealing Day. One month's prior notice will be provided to investors if the management fee is increased.
Subscription/Redemption Policy	Cash (HKD and USD) only
Distribution Policy	**For Shares of Accumulation Classes:** No distributions will be made. **For Shares of Distribution Classes:** Subject to the Manager's discretion, the Manager intends to pay distributions to Shareholders monthly having regard to the Sub-Fund's net income after fees and costs. Further, the Manager may, at its discretion, pay distributions out of capital. However, there is no guarantee of regular distribution nor the amount being distributed (if any). Please refer to the section "**Distribution Policy**" for further details.

Key similarities and differences between Listed Class and Unlisted Classes

Investment Objective and Strategy	Same for both Listed Class and Unlisted Classes. Please refer to the section "**Investment Objective**" and "**Investment Strategy**".
Valuation Policy	Same for both Listed Class and Unlisted Classes. Please refer to the section headed "**DETERMINATION OF NET ASSET VALUE**" in Part 1 of the Prospectus.
Dealing Arrangements	There are some differences in certain dealing arrangements in respect of each of the Listed Class and Unlisted Classes. Investors should note that the minimum amounts for creation (in the case of Shares in the Listed Class)/subscription (in the case of Shares in Unlisted Classes) and redemption in respect of Shares in the Listed Class and Unlisted Classes are different. Investors should also note that while the dealing frequency and the definition of "**Dealing Day**" for creation/subscription and redemption in respect of Shares in the Listed Class and Unlisted Classes are the same, the applicable dealing procedures and timing with the relevant Participating Dealer (in the case of Listed Class) and the distributor (if applicable, in the case of Unlisted Classes) may be different. Investors should check with the relevant Participating Dealer or distributor for the applicable dealing procedures and timing. Investors should also note that the Dealing Deadlines in respect of the Listed Class and Unlisted Classes of Shares are different. In respect of Shares in the Listed Class: – the Dealing Deadline for a Creation Application or Redemption Application is 12.00 p.m. (Hong Kong time) on the relevant Dealing Day, or such other time as the Manager in consultation with the Custodian may determine; – a secondary market investor can buy and sell Shares in the Listed Class on the SEHK through his stockbroker at any time the SEHK is open. Investors can buy or sell Shares in the Listed Class at market price; – the Creation Application or Redemption Application for Shares in the Listed Class received after 12.00 p.m. (Hong Kong time) on a Dealing Day will be deemed to have been received on the next Dealing Day. In respect of Shares in the Unlisted Class: – the Dealing Deadline is 4.00 p.m. (Hong Kong time) on each Dealing Day. Investors can buy or sell Shares in the Unlisted Classes at the Net Asset Value per Share of the relevant Unlisted Classes. Applicants may apply for Shares in the Unlisted Classes through a distributor appointed by the Manager. Distributors may have different dealing procedures, including earlier cut-off times for receipt of applications and/or cleared funds. Applicants who intend to apply for Shares in the Unlisted Classes through a distributor should therefore consult the distributor for details of the relevant dealing procedures;

	– the subscription application or redemption requests for Shares in the Unlisted Classes submitted after 4.00 p.m. (Hong Kong time) on a Dealing Day will be deemed to have been received on the next Dealing Day. Please refer to Schedule 1 of the Prospectus entitled "**PROVISIONS RELATING TO THE OFFER, CREATION, REDEMPTION, LISTING AND TRADING OF SHARES IN THE LISTED CLASS**" and Schedule 2 of the Prospectus entitled "**PROVISIONS RELATING TO THE OFFER, SUBSCRIPTION, CONVERSION AND REDEMPTION OF SHARES IN THE UNLISTED CLASS**" for details of the dealing arrangements of Shares in the Listed Class and Unlisted Classes respectively.
Dealing Frequency	Same for both the Listed Class and Unlisted Classes – each Business Day.
Valuation Point	Same for both the Listed Class and Unlisted Classes – the official close of trading of the last relevant Market on which the Sub-Fund's investments are traded on each Dealing Day (i.e. approximately 4.00 p.m. (Hong Kong time)) or as determined by the Manager from time to time.
Fee Structure	Different in respect of the Listed Class and Unlisted Classes. Both classes of Shares are subject to Management Fee Custodian and administration fee, registrar fee, and other ongoing expenses borne by the Sub-Fund. An investment in Shares in the Listed Class in the secondary market is subject to fees involved in relation to the trading of such Shares on the SEHK (such as the Service Agent's fee, transaction costs, brokerage fee, transaction levy, trading fee). An investment in Shares in the Unlisted Classes may be subject to the payment of subscription fees, redemption fees and switching fees (if applicable). Please refer to the "**FEES AND EXPENSES**" section in Part 1 of this Prospectus and this Appendix for further details.
Investment Return/Net Asset Value	Different in respect of Shares in the Listed Class and Unlisted Classes due to various factors, including but not limited to the different fee structures applicable to each class, different dealing arrangements (i.e. Shares in the Listed Class of Shares can be bought and sold at market price whereas Shares in the Unlisted Classes of Shares are bought and sold at Net Asset Value) and costs (such as Transaction Fee, Duties and Charges in respect of creation and redemption of Shares in the Listed Class in the primary market and fees payable in respect of trading of Shares in the Listed Class in the secondary market), stamp duty. Accordingly, the performance of the different classes of Shares may be different. There is a separate Net Asset Value for each class of Shares. The Custodian does allow each class of Shares to have its own Net Asset Value (i.e. one Net Asset Value for one class of Shares). Please refer to the risk factor headed "**Risks Associated with Differences in Trading, Fee and Costs Arrangements between Listed Class and Unlisted Class(es)**" in Part 1 of the Prospectus.
Termination	Due to the nature of the listing of Shares in the Listed Class, the termination procedures applicable to the Listed Class and Unlisted Classes may differ. Please refer to the sub-section headed "**Termination (otherwise than by winding up)**" under the section headed "**STATUTORY AND GENERAL INFORMATION**" of Part 1 of the Prospectus for further details.

Investment Objective

The investment objective of the Sub-Fund is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the Index. There is no assurance that the Sub-Fund will achieve its investment objective.

Investment Strategy

In order to achieve the Sub-Fund's investment objective, the Manager and the Sub-Manager intend to primarily use a full replication strategy through investing directly in the Index constituents in substantially the same weightings in which they are included in the Index. The Manager and the Sub-Manager will invest in Index constituents which are listed on the SSE and the SZSE through the Stock Connect and the QFI Regime. Depending on the constituents in the Index from time to time, the Sub-Fund may invest up to 100% of its Net Asset Value in China A-Shares listed on the SSE and the SZSE (including China A-Shares listed on the ChiNext market and/or the Science and Technology Innovation Board (the "**STAR Board**")) through the Stock Connect, and may invest less than 30% of its Net Asset Value in China A-Shares via the QFI Regime.

Where the adoption of a full replication strategy is not efficient or practicable or where the Manager and the Sub-Manager consider appropriate in the best interest of the Sub-Fund and the Shareholders, the Manager and the Sub-Manager may pursue a representative sampling strategy, and invest, directly or indirectly (for example, via investing not more than 10% of the Sub-Fund's Net Asset Value in other exchange traded funds), in a representative sample of the securities in the Index that collectively reflects the investment characteristics of the Index and aims to replicate its performance. The Sub-Fund, in using a representative sampling strategy, may or may not hold all of the Securities included in the Index, and may hold a portfolio of Securities which are not included in the Index, provided that these collectively feature a high correlation with the Index. The Manager and the Sub-Manager may also use a representative sampling strategy to invest in FDIs such as futures with no more than 10% of the Sub-Fund's Net Asset Value for investment and hedging purposes, where the Manager and the Sub-Manager believe such investments will help the Sub-Fund achieve its investment objective and are beneficial to the Sub-Fund. In pursuing a representative sampling strategy, the Manager and the Sub-Manager may cause the Sub-Fund to deviate from the Index weighting on the condition that the maximum deviation from the Index weighting of any constituent will not exceed 3 percentage points above or below such weighting.

The Sub-Fund may switch between the full replication strategy and the representative sampling strategy without prior notice to Shareholders, in its absolute discretion, and as often as the Manager and the Sub-Manager believe is appropriate in order to achieve the investment objective of the Sub-Fund by tracking the Index as closely as possible to the benefit of Shareholders.

If any non-constituent of the Index is held in the portfolio, for reasons other than Index rebalancing and Index related corporate action, to enhance transparency the Manager will disclose the name and weighting of such non-constituent securities on the Manager's website immediately after the purchase and it will be reported daily until its disposal.

The Manager and the Sub-Manager review the Securities held in the Sub-Fund's portfolio each Business Day. In order to minimize tracking error, the Manager and the Sub-Manager closely monitor factors such as any changes in the weighting of each Index Security in the Index, suspension, dividend distributions and the liquidity of the Sub-Fund's portfolio. The Manager and the Sub-Manager will also conduct adjustment on the portfolio of the Sub-Fund regularly, taking into account tracking error reports, the Index methodology and any rebalance notification of the Index.

Other Investments

The Manager and the Sub-Manager do not intend to engage in securities lending, sale and repurchase transactions and reverse repurchase transactions on behalf of the Sub-Fund. Other than pursuing a representative sampling strategy as disclosed above, the Manager and the Sub-Manager do not intend to invest in FDIs for any purpose.

The Sub-Fund's net derivative exposure may be up to 50% of the Sub-Fund's Net Asset Value.

The Index

This section is a brief overview of the Index. It contains a summary of the principal features of the Index and is not a complete description of the Index. As at the date of this Prospectus, the summary of the Index in this section is accurate and consistent with the complete description of the Index. Complete information on the Index appears in the website identified below. Such information may change from time to time and details of the changes will appear on that website.

General Information on the Index

The Index reflects the overall performance of high-yield companies listed in Hong Kong and/or Mainland China and operate in Mainland China, Hong Kong and Macau. The Index includes the 30 highest net-dividend yielding stocks among sizable securities listed in Shanghai, Shenzhen or Hong Kong (which are constituent companies in Hang Seng Shanghai-Shenzhen-Hong Kong (Selected Corporations) 300 Index (the "**Parent Index**") and (for constituent companies listed in Hong Kong) eligible for trading under the Stock Connect) that have demonstrated relatively lower price volatility and a persistent dividend payment record for the latest three fiscal years.

The Sub-Fund tracks the net total return version of the Index. A net total return index calculates the performance of the Index constituents on the basis that any dividends or distributions are reinvested after deduction of any taxes that may apply.

The Index was launched on 23 August 2021 and had a base level of 3,000 on 31 December 2015. The base currency of the Index is HKD.

As at 31 March 2026, it comprised 30 constituent stocks with market capitalisation of approximately HKD9.17 trillion. Information on the constituents of the Index is available on www.fubonetf.com.hk (this website has not been reviewed by the SFC) and will be updated after each rebalancing on a retrospective basis and in advance of the next rebalancing.

Index Construction

The universe of the Index includes constituent companies in the Parent Index (except those listed in Hong Kong that are not eligible for trading under the Stock Connect).

The Parent Index measures the overall performance of the 300 largest companies in terms of full market capitalisation listed in Hong Kong and/or Mainland China that operate in Mainland China, Hong Kong and Macau, and includes securities listed on the Main Board of the HKEX with at least 50% of revenue, asset or profit derived from Mainland China, Hong Kong and/or Macau in the latest complete fiscal year, and China A-Shares listed on the SSE and the SZSE (including China A-Shares listed on the ChiNext market and/or the STAR Board) but excludes "Foreign Companies" and "Investment Companies" listed under Chapter 21 of the HKEX's Listing Rules. There is no prescribed limit on the weighting or number of constituents which are listed on a particular exchange or board in the Parent Index.

Eligibility criteria

A Security is required to satisfy all of the following criteria to be eligible for inclusion in the Index universe:–

- **Turnover requirements**: The 6-month average daily turnover of CNY 20 million for China A-Shares or HKD20 million for Hong Kong-listed stocks respectively

- **Dividend requirements**: Securities shall have cash dividend paid record for latest three consecutive fiscal years

- **Volatility screening**: The top 25% of the eligible Securities in terms of one-year historical volatility (i.e. standard deviation of daily return of the closing price (with adjustments to reflect corporate actions) for the past 12 months to the review cut-off date) will be excluded from constituent selection

- **Price performance screening**: Securities which meet the below two conditions will be screened out: (a) price dropped by more than 50% over the past 12 months; and (b) last 12-month price performance ranked in the bottom 10% of the eligible candidates

Notwithstanding the above eligibility criteria, the Index Provider reserves the right to remove a candidate's index eligibility on exceptional circumstances if it carries abnormally high dividend yield which the Index governance committee of the Index Provider considers to be not reasonable or not sustainable (for example, only due to drastic drop in stock price). The Index Provider will follow internal guidelines when exercising such power to exclude a candidate's index eligibility.

Constituent selection

The top 30 securities in terms of Net Dividend Yield (as calculated by the formula below) will be selected as the Index constituents:–

$$Net\ Dividend\ Yield = \frac{After - tax\ Dividend\ Per\ Share}{Price\ as\ of\ Dividend\ Data\ Cut - off\ Date}$$

The Dividend Per Share refers to the trailing one-year declared cash dividend, i.e. total dividend for the latest two (or four) periods if a Security pays dividends bi-annually (or quarterly), as of end of April (the "**Dividend Data Cut-off Date**").

If both the China A-Shares and H-shares listings of a dual-listed company fulfil the turnover requirement, only the share class with higher Net Dividend Yield will be included in the Index.

Non-constituent, which has changed fiscal year-end date within 12 months to the Dividend Data Cut-off Date, will be excluded from constituent selection. For existing constituent which has changed fiscal year-end date within 12 months to the Dividend Data Cut-off Date, the dividend of the latest complete fiscal year will be used for yield calculation.

If a Security bears a Net Dividend Yield above 7%, its yield will be reviewed and recalculated to exclude any one-off cash distributions.

The number of constituents in the Index is fixed at 30.

Further information on the Index methodology is available at the Index Provider's website at https://www.hsi.com.hk/eng/indexes/all-indexes/hssschd (this website has not been reviewed by the SFC).

Index Calculation

The Index at time *t* is calculated based on the following formula:

$$Current\ Index = \frac{\sum_{i=1}^{n}\sum_{j=1}^{m}\left(P_{i,t}^{j} \times FX_{t}^{j} \times IS_{i}^{j} \times FAF_{i}^{j} \times CF_{i}^{j} \times AF_{i}^{j}\right)}{\sum_{i=1}^{n}\sum_{j=1}^{m}\left(P_{i,t-1}^{j} \times FX_{t-1}^{j} \times IS_{i}^{j} \times FAF_{i}^{j} \times CF_{i}^{j} \times AF_{i}^{j}\right)} \times Yesterday's\ Closing\ Index$$

$P_{i,t}^{j}$	:	Price of j-class shares of Company i at time t (j-class: A-shares, HK-listed shares and other relevant share classes covered in the index)
FX_{t}^{j}	:	Foreign Exchange Rate of the traded currency of j-class shares vs. index currency at time t
IS_{i}^{j}	:	Total issued j-class shares of Company i
FAF_{i}^{j}	:	Freefloat-adjusted Factor of j-class shares of Company i
CF_{i}^{j}	:	Capping Factor of j-class shares of Company i
AF_{i}^{j}	:	Adjustment Factor of j-class shares of Company i

Constituents and Index Weight Adjustment

The constituents of the Index are weighted by their Net Dividend Yield (i.e. weighting of each constituent is calculated in proportion to its Net Dividend Yield) at each Index rebalancing, subject to a cap of 10% on individual securities.

There is a buffer zone for the selection criteria. At each Index rebalancing, existing Index constituents ranked lower than 60th from the Net Dividend Yield calculation will be removed from the Index, while non-constituents ranked 15th or above will be included. Securities will be added or excluded according to their Net Dividend Yield rank to maintain the number of constituents at 30. If the number of constituents is still below 30, non-constituents which do not fulfil the buffer zone requirement (i.e. ranked below 15th) will be added according to their Net Dividend Yield rank to maintain the number of constituents at 30.

In each regular review, besides the 30 constituents of the Index, the next highest ranked five securities will be selected as the "reserve list". In the event of ad-hoc removal of Index constituent, the outgoing constituent will be replaced by the highest ranked candidate (i.e. candidate with the highest Net Dividend Yield) on the "reserve list" from last regular review. The Net Dividend Yield will be calculated using the same after-tax dividend per share from last regular review divided by the closing price as of the prior month-end). The new constituent will be included into the Index at the same weight of the outgoing constituent. Ad-hoc removal of Index constituent might be triggered by events such as unexpected trading suspension, privatisation, etc.

The Index is reviewed annually with the data cut-off date of the end of March to determine whether constituents satisfy the eligible criteria set out above (except for the Dividend Data Cut-Off Date which is end of April). Constituent review results will be announced within 8 weeks of data cut-off dates. The Index is rebalanced on an annual basis, generally after market close on the first Friday in June. Constituent changes will be effective on the next trading day.

Index Provider

The Index is compiled and published by Hang Seng Indexes Company Limited (the "**Index Provider**").

The Manager and its Connected Persons are independent of the Index Provider.

Index Constituents

You can obtain the latest list of the constituents of the Index, their respective weightings, the latest level of the Index, Index change (updated every minute during SEHK trading hours), the last closing level of the Index and additional information of the Index including the factsheet and index methodology from the website of the Index Provider at https://www.hsi.com.hk/eng/indexes/all-indexes/hssschd (this website has not been reviewed by the SFC). Important news and notices about the Index will also be published on the website of the Index Provider at https://www.hsi.com.hk/eng/newsroom/index-other-notices (this website has not been reviewed by the SFC).

Index Codes

Refinitiv Code: .HSSSCHDN
Bloomberg Code: HSSSCHDN

Index Licence Agreement

Pursuant to a licence agreement dated 27 May 2022 (the "**Licence Agreement**") entered into among the Manager, the Index Provider and Hang Seng Data Services Limited ("**HSDS**"), the Index Provider and HSDS grant a licence to the Manager (the "**Licensee**"), whereby the Licensee has the non-exclusive and non-assignable right to use, describe and refer to the Index and to use HSDS's name and mark set out in the Licence Agreement in connection with the creation and the issue by the Licensee of the Sub-Fund and in connection with the offering, marketing, promotion, sale, management, administration and listing of the Sub-Fund by the Licensee or its duly appointed agents.

The Licence Agreement shall take effect on the date of the Licence Agreement (the "**Agreement Effective Date**") continue until termination under the circumstances listed below:

(a) If the Sub-Fund is not listed on or before the expiration of the Agreement Effective Date, the licence granted shall lapse and the Licence Agreement shall be automatically terminated unless otherwise agreed by the Index Provider.

(b) The Index Provider and/or HSDS may terminate the Licence Agreement forthwith if:

(i) the Licensee is in breach of any of the provisions of the Licence Agreement, and has not, in the case of a remediable breach, remedied the breach within 15 days of receiving notice in writing from the Index Provider and/or HSDS;

(ii) the Licensee is convicted of any criminal offence relating to the Sub-Fund or to the trading thereof;

(iii) the Licensee is found by any governmental or other regulatory authority or organisation to be in breach of any law or any of the material rules of that authority or organisation applicable from time to time to the Licensee;

(iv) a resolution shall be adopted for the winding up of the Licensee or the Licensee shall be wound up compulsorily (otherwise than for the purpose of and followed by a voluntary amalgamation or reconstruction), or an encumbrancer shall take possession, or a receiver, administrator or like person shall be appointed, of the whole or any part of the undertaking or assets of the Licensee, or the Licensee shall be unable to pay its debts within the meaning of any applicable insolvency or similar legislation, or the Licensee shall compound with or convene a meeting of its creditors or take or suffer similar action which, in the opinion of HSDS and/or the Index Provider, means that the Licensee may be unable to pay its debts; and

(v) the Index Provider and/or HSDS are required by any applicable law or any applicable governmental body or regulatory authority not to grant or continue to grant the licence pursuant to the Licence Agreement in respect of the Sub-Fund.

(c) In the event that the Index Provider shall cease to calculate and publish the Index, the Index Provider shall, as soon as reasonably practicable, inform the Licensee in writing, and shall specify whether a replacement or substitute Index will be available. In such event, the Licensee and any of its duly appointed agents shall have the right to use such replacement or substitute in connection with the Sub-Fund in accordance with the terms and conditions of the Licence Agreement or the Licensee may terminate the Licence Agreement by giving the Index Provider not less than 30 days' written notice.

(d) In the event that (i) the Index Provider ceases to calculate and/or publish the Index and does not offer any replacement or substitute; or (ii) on or prior to the date on which the settlement amount of the Sub-Fund or any related value is to be calculated, the Index Provider makes a material change in the formula for computing the Index (the "**Formula**") or the method of calculating the Index or in any other way materially modifies the Index (other than a modification prescribed in the Formula or method to maintain the Index in the event of changes in constituent stocks and capitalisation and other routine events); the Licensee shall have an option either to terminate the Licence Agreement by giving written notice to the Index Provider and HSDS or to continue the Licence Agreement.

(e) Either the Licensee or the Index Provider may terminate the Licence Agreement at any time by giving to the other party at least 3 months' prior written notice.

Index Disclaimer

The Hang Seng Shanghai-Shenzhen-Hong Kong (Selected Corporations) High Dividend Yield Index (the "**Index**") is published and compiled by Hang Seng Indexes Company Limited pursuant to a licence from Hang Seng Data Services Limited. The mark(s) and name(s) Hang Seng Shanghai-Shenzhen-Hong Kong (Selected Corporations) High Dividend Yield Index are proprietary to Hang Seng Data Services Limited. Hang Seng Indexes Company Limited and Hang Seng Data Services Limited have agreed to the use of, and reference to, the Index(es) by Fubon Fund Management (Hong Kong) Limited in connection Fubon Shanghai-Shenzhen-Hong Kong High Dividend Yield ETF (the "**Product**"), **BUT NEITHER HANG SENG INDEXES COMPANY LIMITED NOR HANG SENG DATA SERVICES LIMITED WARRANTS OR REPRESENTS OR GUARANTEES TO ANY BROKER OR HOLDER OF THE PRODUCT OR ANY OTHER PERSON (i) THE ACCURACY OR COMPLETENESS OF ANY OF THE INDEX AND ITS COMPUTATION OR ANY INFORMATION RELATED THERETO; OR (ii) THE FITNESS OR SUITABILITY FOR ANY PURPOSE OF ANY OF THE INDEX(ES) OR ANY COMPONENT OR DATA COMPRISED IN IT; OR (iii) THE RESULTS WHICH MAY BE OBTAINED BY ANY PERSON FROM THE USE OF ANY OF THE INDEX(ES) OR ANY COMPONENT OR DATA COMPRISED IN IT FOR ANY PURPOSE, AND NO WARRANTY OR REPRESENTATION OR GUARANTEE OF ANY KIND WHATSOEVER RELATING TO ANY OF THE INDEX(ES) IS GIVEN OR MAY BE IMPLIED.** The process and basis of computation and compilation of any of the Index(es) and any of the related formula or formulae, constituent stocks and factors may at any time be changed or altered by Hang Seng Indexes Company Limited without notice. **TO THE EXTENT PERMITTED BY APPLICABLE LAW, NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY HANG SENG INDEXES COMPANY LIMITED OR HANG SENG DATA SERVICES LIMITED (i) IN RESPECT OF THE USE OF AND/OR REFERENCE TO ANY OF THE INDEX(ES) BY FUBON FUND MANAGEMENT (HONG KONG) LIMITED IN CONNECTION WITH THE PRODUCT; OR (ii) FOR ANY INACCURACIES, OMISSIONS, MISTAKES OR ERRORS OF HANG SENG INDEXES COMPANY LIMITED IN THE COMPUTATION OF ANY OF THE INDEX(ES); OR (iii) FOR ANY INACCURACIES, OMISSIONS, MISTAKES, ERRORS OR INCOMPLETENESS OF ANY INFORMATION USED IN CONNECTION WITH THE COMPUTATION OF ANY OF THE INDEX(ES) WHICH IS SUPPLIED BY ANY OTHER PERSON; OR (iv) FOR ANY ECONOMIC OR OTHER LOSS WHICH MAY BE DIRECTLY OR INDIRECTLY SUSTAINED BY ANY BROKER OR HOLDER OF THE PRODUCT OR ANY OTHER PERSON DEALING WITH THE PRODUCT AS A RESULT OF ANY OF THE AFORESAID, AND NO CLAIMS, ACTIONS OR LEGAL PROCEEDINGS MAY BE BROUGHT AGAINST HANG SENG INDEXES COMPANY LIMITED AND/OR HANG SENG DATA SERVICES LIMITED** in connection with the Product in any manner whatsoever by any broker, holder or other person dealing with the Product. Any broker, holder or other person dealing with the Product does so therefore in full knowledge of this disclaimer and can place no reliance whatsoever on Hang Seng Indexes Company Limited and Hang Seng Data Services Limited. For the avoidance of doubt, this disclaimer does not create any contractual or quasi-contractual relationship between any broker, holder or other person and Hang Seng Indexes Company Limited and/or Hang Seng Data Services Limited and must not be construed to have created such relationship.

Dealing Day, Business Day, and Valuation Point

The "**Business Day**" of the Sub-Fund means, unless the Manager otherwise determines, a day on which (a)(i) the SEHK; (ii) the SSE and (iii) the SZSE are open for normal trading, and (b) the Index is compiled and published, or such other day or days as the Manager may agree from time to time.

The "**Dealing Day**" of the Sub-Fund means each Business Day during the continuance of the Sub-Fund, and/or such other day or days as the Manager may from time to time determine.

The "**Valuation Point**" of the Sub-Fund means the official close of trading of the last relevant Market on which the Sub-Fund's investments are traded on each Dealing Day or as determined by the Manager from time to time provided that there shall always be a Valuation Point on each Dealing Day other than where there is a suspension of the creation and redemption of Shares.

The Offering Phases for Shares in the Listed Class

Initial Offer Period

The Initial Offer Period in respect of the Shares in the Listed Class has ended, and the Listing Date is 8 July 2022.

After Listing

"**After Listing**" commences on the Listing Date.

Dealings in the Shares in the Listed Class on the SEHK commenced on the Listing Date, which is 8 July 2022.

All investors may buy and sell Shares in the Listed Class in the secondary market on the SEHK. Participating Dealers (for themselves or for their clients) may apply for creation and redemption of Shares in the Listed Class in the primary market in Application Share size, from 9:00 a.m. (Hong Kong time) to 12:00 p.m. (Hong Kong time) on each Dealing Day.

Exchange Listing and Trading (Secondary Market) of Shares in the Listed Class

The Listing Committee of the SEHK has granted its approval for the listing of, and permission to deal in the Shares in the Listed Class traded in HKD.

Shares in the Listed Class are neither listed nor dealt on any other stock exchange and no application for such listing or permission to deal is being sought as at the date of this Prospectus. Application may be made in the future for a listing of Shares in the Listed Class on one or more other stock exchanges. Investors' attention is drawn to the section entitled "**EXCHANGE LISTING AND TRADING (SECONDARY MARKET)**" in Schedule 1 to Part 1 of this Prospectus for further information.

Dealings on the SEHK in Shares in the Listed Class traded in HKD began on 8 July 2022.

Participating Dealers should note that they will not be able to sell or otherwise deal in the Shares in the Listed Class on the SEHK until dealings begin on the SEHK.

Subscription and Redemption of Shares in Unlisted Classes

Classes Available for Investment

Accumulation Classes

Class	Currency of Denomination	Minimum Initial Investment Amount	Minimum Subsequent Investment Amount	Minimum Holding Amount	Minimum Redemption Amount
Class I (HKD) Acc Shares	HKD	HKD 500,000**	HKD 5,000**	Nil	Nil
Class I (USD) Acc Shares	USD	USD 50,000**	USD 500**	Nil	Nil

** or equivalent in other currency

Distribution Classes

Class	Currency of Denomination	Minimum Initial Investment Amount	Minimum Subsequent Investment Amount	Minimum Holding Amount	Minimum Redemption Amount
Class A (HKD) Dist Shares	HKD	HKD 8,000**	HKD 100**	Nil	Nil
Class A (USD) Dist Shares	USD	USD 1,000**	USD 10**	Nil	Nil

** or equivalent in other currency

The Manager may in future determine to issue Shares in additional Unlisted Class(es).

The Manager reserves the right to waive the minimum initial investment, minimum subsequent investment, minimum holding amount (if applicable) and minimum redemption amount (if applicable) requirements for any class of Shares.

Initial Issue

Shares in the following Unlisted Classes will be issued at the respective initial Subscription Price as follows upon receipt of the first subscription in the relevant Unlisted Class:

Class	Initial Subscription Price
Class A (HKD) Dist	HKD 10
Class A (USD) Dist	USD 1
Class I (HKD) Acc	HKD 1,000
Class I (USD) Acc	USD 100

The Manager may decide not to issue any Shares in the Unlisted Class(es) of the Sub-Fund if the Manager is of the opinion that it is not commercially viable to proceed. For further details, please refer to the section headed "**SUBSCRIPTION OF SHARES IN THE UNLISTED CLASS(ES)**" in Schedule 2 to Part 1 of this Prospectus.

Dealing Procedures

For details of dealing procedures, please refer to the information below and in Schedule 2 to Part 1 of this Prospectus. The following apply to the Sub-Fund:

Dealing Day	each Business Day
Dealing Deadline	4.00 p.m. (Hong Kong time) on the relevant Dealing Day
Valuation Point	the official close of trading of the last relevant Market on which the Sub-Fund's investments are traded on each Dealing Day or as determined by the Manager from time to time

Investors should note that subscription monies in respect of the Sub-Fund must be paid in the currency of denomination of the relevant class of Shares. Redemption proceeds will be paid to redeeming Shareholders in the currency of denomination of the relevant class of Shares.

Subscription Price and Redemption Price

The Subscription Price and Redemption Price of the Shares of each of the Unlisted Class on any Dealing Day will be the price per Share of the relevant Unlisted Class ascertained by dividing the Net Asset Value of the relevant class as at the Valuation Point in respect of the relevant Dealing Day by the number of Shares of that class then in issue and rounded to 4 decimal places (0.00005 or above being rounded up, and less than 0.00005 being rounded down). Any rounding adjustment will be retained by the relevant class.

Payment of subscription monies

Subscription monies in respect of Shares in the Unlisted Classes should be received in cleared funds (i) within 1 Business Day after the relevant Dealing Day on which an application was received by the Dealing Deadline for that Dealing Day on which Shares in the Unlisted Classes are issued at or (ii) in the case of applications for Shares in the Unlisted Classes during the Initial Offer Period (if any), such time on the last day of the Initial Offer Period (if any) as specified in this Appendix, or within such other period as determined by the Manager.

Payment of redemption proceeds

Save as otherwise agreed by the Manager, and so long as relevant account details have been provided, redemption proceeds will normally be paid at the risk and expense of the redeeming Shareholder in the Class Currency of the relevant Unlisted Class by telegraphic transfer within 7 Business Days after the relevant Dealing Day and in any event within one calendar month of the relevant Dealing Day or (if later) receipt of a properly documented redemption request, unless the market(s) in which a substantial portion of the Sub-Fund's investments is made is subject to legal or regulatory requirements (such as foreign currency controls) thus rendering the payment of redemption proceeds within the aforesaid time period not practicable, but in such a case the extended time frame for payment should reflect the additional time needed in light of the specific circumstances in the relevant market(s).

Switching

Investors should note that switching between Shares in the Unlisted Classes and the Listed Class is not available.

Switching between Shares in different Unlisted Classes of the Sub-Fund or between Shares in an Unlisted Class of the Sub-Fund and Shares in an Unlisted Class of Shares of other Sub-Fund(s) of the Company may be permitted by the Manager. Please refer to the section headed "**Switching of Shares in the Unlisted Class(es)**" in Schedule 2 to Part 1 of this Prospectus.

Distribution Policy

Accumulation Classes

The following Unlisted Classes are classes which accumulate income ("**Accumulation Class(es)**"): Class I (HKD) Acc and Class I (USD) Acc Shares.

No distributions will be made in respect of the Accumulation Class(es). Therefore, any net income and net realised capital gains attributable to Shares of the Accumulation Class(es) will be reflected in their respective Net Asset Value.

Distribution Classes

The Manager has discretion as to whether or not the Sub-Fund will make any distribution, the frequency and amount of distribution in respect of the Shares in the Listed Class and the following Unlisted Class(es) ("**Distribution Classes**"): Class A (HKD) Dist and Class (USD) Dist Shares.

For the Listed Class, currently the Manager intends to distribute income to Shareholders quarterly (in March, June, September and December) having regard to the Sub-Fund's net income after fees and costs.

For Class A (HKD) Dist and Class (USD) Dist Shares, currently the Manager intends to distribute income to Shareholders monthly having regard to the Sub-Fund's net income after fees and costs. Further, the Manager may, at its discretion, pay distributions out of capital or out of gross income while all or part of the fees and expenses are charged to capital, resulting in an increase in distributable income for the payment of distributions and therefore, distributions may be paid effectively out of capital. However, there is no guarantee of regular distribution nor the amount being distributed (if any).

Investors should note that payments of distributions out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of distributions out of the Sub-Fund's capital may result in an immediate reduction in the Net Asset Value of the Sub-Fund and will reduce the capital available for future investment.

Details of the distribution declaration dates, distribution amounts and ex-dividend payment dates will be published on the Manager's website www.fubonetf.com.hk (this website has not been reviewed by the SFC).

The composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available by the Manager on request and also on the Manager's website www.fubonetf.com.hk (this website has not been reviewed by the SFC). All Shares will receive distributions in the currency of denomination of the relevant class of Shares.

Fees and Expenses

Management Fee

The Sub-Fund pays a Management Fee as a single flat fee.

The current rate of the Management Fee in relation to each of the class of Shares is as follows:

Class		Management Fee (as a % of Net Asset Value per annum)
Listed Class		0.60%
Unlisted Class	Class A (HKD) Dist	0.80%
	Class A (USD) Dist	0.80%
	Class I (HKD) Acc	0.30%
	Class I (USD) Acc	0.30%

The Management Fee may be increased up to the maximum rate of 1.00% per annum of the Net Asset Value of the relevant class of Shares (the "**Maximum Management Fee Rate**"), on giving one month's notice to Shareholders (except in the case where only the Management Fee for the Listed Class is increased, on giving one week's notice to Shareholders of the Listed Class).

In the event that such fee is to be increased beyond the Maximum Management Fee Rate, such increase will be subject to the SFC's approval and not less than one month's prior notice to Shareholders.

Sub-Manager Fee

The Sub-Manager will be reimbursed out of the Management Fee.

Custodian and Administration Fee

An aggregate fee of 0.06% per annum of the Net Asset Value of each class of Shares of the Sub-Fund is payable to the Custodian and the Administrator, accrued daily and payable monthly in arrears, subject to a monthly minimum of USD3,500; and the maximum rate of the aggregate fee is 1.00% per annum of Net Asset Value of the relevant class of Shares (the "**Maximum Custodian and Administration Fee Rate**"). The Custodian and the Administrator may, on giving not less than one month's written notice to the relevant Shareholders, increase the rate of the aggregate fee payable in respect of a class of Shares up to or towards the Maximum Custodian and Administration Fee Rate (except in the case where only the aggregate fee payable in respect of the Listed Class is increased, the Custodian and the Administrator may increase the rate of the aggregate fee up to or towards the Maximum Custodian and Administration Fee Rate on giving not less than one week's written notice to the Shareholders in the Listed Class). In the event that the aggregate fee is to be increased beyond the Maximum Custodian and Administration Fee Rate, such increase will be subject to the SFC's approval and not less than one month's prior notice to relevant Shareholders.

The Custodian and the Administrator are also entitled to receive various safekeeping, transaction and processing fees and other applicable fees as agreed with the Company from time to time and to be reimbursed by the relevant Sub-Fund for all out-of-pocket expenses (including sub-custody fees and expenses) properly incurred by the Custodian and/or the Administrator in the performance of their respective duties.

Transaction Fee Payable to the Administrator (applicable to Listed Class only)

The Participating Dealers pay HKD6,000 per Application to the Custodian or the Administrator for the benefit of the Administrator. A Participating Dealer may pass on to the relevant investor such transaction fee payable to the Administrator.

Establishment Costs

The cost of establishing the Sub-Fund including the preparation of the revised Prospectus, inception fees, the costs of seeking and obtaining the listing and authorisation by the SFC and all initial legal and printing costs including, if considered appropriate by the Manager, any additional costs of determining the stock code is approximately USD30,000, will be borne by this Sub-Fund (unless otherwise determined by the Manager and set out in the relevant Appendix of any subsequent Sub-Fund) and amortised over the first five financial years of this Sub-Fund (or such other period as determined by the Manager after consulting the Auditor and the Custodian).

Fees applicable to Unlisted Classes only

The following fees are payable by investors of Unlisted Class Units:

Subscription Fee	Class A (HKD) Dist and Class A (USD) Dist – up to 5.00% of the total subscription amount Class I (HKD) Acc and Class I (USD) Acc – Nil^ ^ The Subscription Fee may be increased up to the maximum rate of 5.00% of the total subscription on one month's notice to Shareholders.
Redemption Fee	Nil
Switching Fee	Up to 1.00% of the redemption proceeds payable in respect of the Existing Class

Risk Factors Specific to the Sub-Fund

In addition to the risk factors presented in Part 1 of this Prospectus, the risk factors set forth below are also specific risks, in the opinion of the Manager, considered to be relevant and presently applicable specifically to the Sub-Fund.

Concentration risk

As the Index constituents concentrate in companies listed in Hong Kong and/or Mainland China and operate in Mainland China, Hong Kong and Macau, the investment of the Sub-Fund may be similarly concentrated. 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 Mainland China, Hong Kong and Macau markets.

New index risk

The Index is a new index launched on 23 August 2021. The Sub-Fund may be riskier than other exchange traded funds tracking more established indices with longer operating history.

Risks of investing in other exchange traded funds

Where the Manager and the Sub-Manager pursue a representative sampling strategy, the Sub-Fund may invest in a representative sample of the securities in the Index via other exchange traded funds, and the Sub-Fund may therefore subject to the risks associated with such underlying funds. The Sub-Fund does not have control of the investments of the underlying funds and there is no assurance that the investment objective and strategy of the underlying funds will be successfully achieved which may have a negative impact to the Net Asset Value of the Sub-Fund.

The underlying funds in which the Sub-Fund may invest may not be authorised by the SFC. There may be additional costs involved when investing into these underlying funds. There is also no guarantee that the underlying funds will always have high trading volume and sufficient liquidity and the Sub-Fund may not be able to realise or liquidate its investment in such underlying funds at such time as it wants to.

Currency risk

Assets of the Sub-Fund may be denominated in currencies (such as RMB) other than HKD (the base currency of the Sub-Fund). The Sub-Fund is subject to transaction costs in the exchange of such other currencies to HKD. The performance and the Net Asset Value of the Sub-Fund may therefore be affected unfavourably by movements in the exchange rate between HKD and such other currencies and changes in exchange rate control policies.

General risks associated with investments in Mainland China

Economic, political and social risks of Mainland China

Investing in the Mainland China market is subject to the risks of investing in emerging markets generally and the risks specific to the Mainland China market. Since 1978, the PRC government has implemented economic reform measures which emphasise decentralisation and the utilisation of market forces in the development of the Chinese economy, moving from the previous planned economy system. However, the economy of Mainland China differs from the economies of most developed countries in many respects, including the level of government involvement, its state of development, its growth rate, control of foreign exchange, and allocation of resources. Many of the economic measures are experimental or unprecedented and may be subject to adjustment and modification. There can be no assurance that the PRC government will continue to pursue such economic policies or, if it does, that those policies will continue to be successful. Any significant change in political, social or economic policies in Mainland China may have a negative impact on investments in the Mainland China market, as well as the underlying Securities of the Sub-Fund.

Political changes, social instability and adverse diplomatic developments in Mainland China could result in the imposition of additional government restrictions including expropriation of assets, confiscatory taxes or nationalisation of some or all of the property held by the underlying issuers of the Securities in the Sub-Fund's portfolio.

Restricted markets risk

The Sub-Fund may invest in Securities in respect of which the PRC imposes limitations or restrictions on foreign ownership or holdings. Such legal and regulatory restrictions or limitations may have adverse effects on the liquidity and performance of the Sub-Fund holdings as compared to the performance of the Index. This may increase the risk of tracking error and, at the worst, the Sub-Fund may not be able to achieve its investment objective.

Legal and regulatory risk

The regulatory and legal framework for capital markets and joint stock companies in the PRC may not be as well developed as those of developed countries. PRC laws and regulations affecting securities markets are relatively new and evolving, and because of the limited volume of published cases and judicial interpretation and their non-binding nature, interpretation and enforcement of these regulations involve significant uncertainties. In addition, as the PRC legal system develops, no assurance can be given that changes in such laws and regulations, their interpretation or their enforcement will not have a material adverse effect on their business operations.

Accounting and reporting standards risk

Accounting, auditing and financial reporting standards and practices applicable to Mainland China companies may be different to those standards and practices applicable to countries that have more developed financial markets. For example, there are differences in the valuation methods of properties and assets and in the requirements for disclosure of information to investors.

China A-Shares market risk

The China A-Shares market is undergoing developments. The existence of a liquid trading market for China A-Shares may depend on whether there is supply of, and demand for, such China A-Shares. The price at which securities may be purchased or sold by the Sub-Fund and the Net Asset Value of the Sub-Fund may be adversely affected if trading markets for China A-Shares are limited or absent. The China A-Shares market may be more volatile and unstable (for example, due to the risk of suspension of a particular stock or government intervention). High market volatility and potential settlement difficulties in the China A-Shares market may also result in significant fluctuations in the prices of the securities traded on such market and thereby may adversely affect the Net Asset Value of the Sub-Fund.

Securities exchanges in Mainland China typically have the right to suspend or limit trading in any security traded on the relevant exchange. The government or the regulators may also implement policies that may affect the financial markets. In particular, trading band limits are imposed by the stock exchanges in Mainland China on China A-Shares. Trading in any China A-Share security on the relevant stock exchange may be suspended if the trading price of the security has increased or decreased to the extent beyond the trading band limit. A suspension will render it impossible for the Manager to liquidate positions and can thereby expose the Sub-Fund to significant losses. Further, when the suspension is subsequently lifted, it may not be possible for the Manager to liquidate positions at a favourable price. The suspension in the China A-Shares market may also affect the dealings in the Sub-Fund and cause delay in payment of redemption proceeds to investors. All these may have a negative impact on the Sub-Fund.

Risks associated with investment made through the QFI Regime

The Sub-Fund's ability to make the relevant investments or to fully implement or pursue its investment objective and strategy is subject to the applicable laws, rules and regulations (including restrictions on investments and repatriation of principal and profits) in the PRC, which are subject to change and such change may have potential retrospective effect.

The Sub-Fund may suffer substantial losses if the approval of the QFI status is being revoked/terminated or otherwise invalidated as the Sub-Fund may be prohibited from trading of relevant securities and repatriation of the Sub-Fund's monies, or if any of the key operators or parties (including the QFI custodian/brokers) is bankrupt, in default and/or is disqualified from performing its obligations (including execution or settlement of any transaction or transfer of monies or securities).

Risks associated with the Stock Connect

The Sub-Fund's investments through the Stock Connect may be subject to the following risks.

Quota limitations

The Stock Connect is subject to quota limitations. In particular, the Stock Connect is subject to a daily quota which does not belong to the Sub-Fund and can only be utilised on a first-come-first-serve basis. Once the daily quota is exceeded, buy orders will be rejected (although investors will be permitted to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the Sub-Fund's ability to invest in Index Securities which are China A-Shares through the Stock Connect on a timely basis and as a result, the Sub-Fund's ability to access the China A-Shares market (and hence to effectively pursue its investment strategy) will be adversely affected.

Beneficial owner of the Stock Connect Securities

China A-Shares traded through Stock Connect are issued in scripless form, so the Sub-Fund will not hold any physical China A-Shares. HKSCC holds SSE Securities and SZSE Securities of all its participants through a "single nominee omnibus securities account" in its name registered with ChinaClear, the central securities depositary in the PRC. HKSCC holds the SSE Securities and SZSE Securities as a nominee holder on behalf of the Sub-Fund who is the beneficial owner of the SSE Securities and SZSE Securities. The Sub-Fund's title or interests in, and entitlements to SSE Securities and SZSE Securities (whether legal, equitable or otherwise) will therefore be subject to applicable requirements, including laws relating to any disclosure of interest requirement or foreign shareholding restriction. HKSCC Rule 824 confirms that all proprietary interests in respect of China A-Shares held by HKSCC as nominee holder belong to CCASS participants or their clients (as the case may be). Also as set out in HKSCC Rule 824, HKSCC is prepared to provide assistance to the beneficial owners of China A-Shares, where necessary, to provide certification to ChinaClear for the purpose of providing evidential proof of the CCASS participant's or its client's holding in China A-Shares; and to assist the CCASS participant or its client bringing the legal action in the PRC in the manner as may be required under PRC law, after having regard to its statutory duties and subject to such conditions as HKSCC may reasonably require (including payment of fees and costs upfront and indemnities to the satisfaction of HKSCC). In view of the uncertainties which may relate to such conditions, the Sub-Fund may encounter difficulties or delays in any action to enforce its rights.

Although the relevant CSRC regulations and ChinaClear rules generally provide for the concept of a "nominee holder" and recognise the Hong Kong and overseas investors (including the Sub-Fund) as the ultimate owners who would be recognised under the laws and regulations of the PRC as having beneficial ownership in the China A-Shares traded via the Stock Connect, how an investor such as the Sub-Fund, as the beneficial owner of the China A-Shares, under the Stock Connect structure, exercises and enforces its rights over the China A-Shares in the PRC courts are to be tested.

Clearing and settlement risk

Trading in securities through the Stock Connect may be subject to clearing and settlement risk. HKSCC and ChinaClear have established the clearing links and each has become a participant of the other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

As the national central counterparty of the PRC's securities market, ChinaClear operates a comprehensive network of clearing, settlement and stock holding infrastructure. ChinaClear has established a risk management framework and measures that are approved and supervised by the CSRC. The chances of ChinaClear default are considered to be remote. In the remote event of a ChinaClear default on its obligation to deliver securities/make payment, HKSCC's liabilities in SSE Securities and SZSE Securities under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC will in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the Sub-Fund may suffer delays in recovering its losses or may not be able to fully recover its losses from ChinaClear.

Suspension risk

Each of the SEHK, SSE and SZSE reserves the right to suspend trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the trading through the programme is effected, the Sub-Fund's ability to invest in China A-Shares or access the PRC market through the programme will be adversely affected. In such event, the Sub-Fund's ability to achieve its investment objective could be negatively affected.

Differences in trading day

The Stock Connect only operates on days when both the Mainland China and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the Mainland China market but the Sub-Fund cannot carry out any China A-Shares trading via the Stock Connect. Due to the differences in trading days, the Sub-Fund may be subject to a risk of price fluctuations in China A-Shares on a day that the Mainland China market is open for trading but the Hong Kong market is close.

Restrictions on selling imposed by front-end monitoring

Apart from restrictions on buying (due to quota limitations), PRC regulations impose certain restrictions on selling (i.e. requiring that there must be sufficient China A-Shares in the account before an investor sells any China A-Share); otherwise the SSE or SZSE will reject the sell order concerned. SEHK will carry out pre-trade checking on China A-Shares sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling.

If the Sub-Fund intends to sell certain China A-Shares it holds, it must transfer those China A-Shares to the respective accounts of its broker(s) before the market opens on the day of selling ("trading day"). If it fails to meet this deadline, it will not be able to sell those shares on the trading day. Because of this requirement, the Sub-Fund may not be able to dispose of its holdings of China A-Shares in a timely manner.

Operational risk

The Stock Connect is premised on the functioning of the operational systems of the relevant market participants and may be subject to operational risk due to these new information technology systems. Market participants are permitted to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

The securities regimes and legal systems of the two markets differ significantly and market participants may need to address issues arising from the differences on an on-going basis. There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems fail to function properly, trading in both markets through the program could be disrupted. The Sub-Fund's ability to access the China A-Shares market (and hence to pursue its investment strategy) may be adversely affected.

Regulatory risk

The current regulations relating to Stock Connect are untested and subject to continuous evolvement, there is no certainty as to how they will be applied. In addition, the relevant regulations of the Stock Connect are subject to change which may have potential retrospective effect and there can be no assurance that the Stock Connect will not be abolished. New regulations may be issued from time to time by the regulators/stock exchanges in Mainland China and Hong Kong in connection with operations, legal enforcement and cross-border trades under the Stock Connect. The Sub-Fund may be adversely affected as a result of such changes.

Recalling of eligible stocks

A stock may be recalled from the scope of eligible stocks for trading via the Stock Connect, i.e. the stock can only be sold but restricted from being bought. This may adversely affect the investment portfolio or strategies of the Sub-Fund, for example, when the Manager wishes to purchase a stock which is recalled from the scope of eligible stocks.

No protection by China Securities Investor Protection Fund

Investment in SSE Securities and SZSE Securities via the Stock Connect is conducted through brokers, and is subject to the risks of default by such brokers in their obligations. The Sub-Fund's investments through northbound trading under the Stock Connect are not covered by the China Securities Investor Protection Fund in Mainland China since such trading is carried out through securities brokers in Hong Kong but not brokers in Mainland China. Therefore, the Sub-Fund is exposed to the risks of default of the broker(s) it engages in its trading in China A-Shares through the Stock Connect.

Taxation risk

Investments in China A-Shares via the Stock Connect would fall under the PRC's tax regime. The PRC State Taxation Administration has reaffirmed the application of normal Chinese stamp duty and a 10% dividend withholding tax, while the value-added tax and income tax on capital gains are temporarily exempted for an unspecified period. The tax regime may change from time to time and the Sub-Fund is, thus, subject to such uncertainties in its PRC tax liabilities. For further details on PRC taxation, please refer to sub-section "**PRC**" under the section headed "**TAXATION**" in Part 1 of this Prospectus and the risk factor "**PRC tax risk**".

Risks associated with ChiNext market and/or STAR Board

Higher fluctuation on stock prices and liquidity risk

Listed companies on ChiNext market and/or STAR Board are usually of emerging nature with smaller operating scale. Listed companies on ChiNext market and STAR Board are subject to wider price fluctuation limits, and due to higher entry thresholds for investors may have limited liquidity, compared to other boards. Hence, companies listed on these boards are subject to higher fluctuation in stock prices and liquidity risks and have higher risks and turnover ratios than companies listed on the main board.

Over-valuation risk

Stocks listed on ChiNext and/or STAR Board may be overvalued and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.

Differences in regulation

The rules and regulations regarding companies listed on the ChiNext market and STAR Board are less stringent in terms of profitability and share capital than those in the main boards.

Delisting risk

It may be more common and faster for companies listed on ChiNext market and/or STAR Board to delist. ChiNext market and STAR Board have stricter criteria for delisting compared to the main boards. This may have an adverse impact on the Sub-Fund if the companies that it invests in are delisted.

Concentration risk (applicable to STAR Board)

STAR Board is a newly established board and may have a limited number of listed companies during the initial stage. Investments in STAR Board may be concentrated in a small number of stocks and subject the Sub-Fund to higher concentration risk.

Investments in the ChiNext market and/or STAR Board may result in significant losses for the Sub-Fund and its Shareholders.

PRC tax risk

There are risks and uncertainties associated with the current PRC tax laws, regulations and practice in respect of realised or unrealised capital gains, dividends or profit distributions derived by the Sub-Fund from investment via the Stock Connect or QFI status on the Sub-Fund's investments in the PRC (which may have retrospective effect). Any increase tax liabilities on the Sub-Fund may adversely affect the Sub-Fund's Net Asset Value.

Having consulted professional and independent tax advice, the Manager intends to make a provision of 10% on dividend from PRC securities if WIT is not withheld at source at the time when such income is received (where WIT is already held at source, no further provision will be made).

Any shortfall between the provision and the actual tax liabilities, which will be debited from the Sub-Fund's assets, will adversely affect the Sub-Fund's Net Asset Value. The actual tax liabilities may be lower than the tax provision made. Depending on the timing of their subscriptions and/or redemptions, investors may be disadvantaged as a result of any shortfall of tax provision and will not have the right to claim any part of the overprovision (as the case may be).

RMB currency and conversion risks

RMB is currently not freely convertible and is subject to exchange controls and restrictions.

Non-RMB based investors are exposed to foreign exchange risk and there is no guarantee that the value of RMB against the investors' base currencies (for example HKD) will not depreciate. Any depreciation of RMB could adversely affect the value of investor's investment in the Sub-Fund.

Although offshore RMB ("**CNH**") and onshore RMB ("**CNY**") are the same currency, they trade at different rates. Any divergence between CNH and CNY may adversely impact investors.

Risks relating to the Index

The Sub-Fund may be subject to the following risks in relation to the Index:

1. If the Index is discontinued or the Manager's license in respect of the Index from the Index Provider under the Licence Agreement is terminated, the Manager may seek the SFC's prior approval to replace the Index with an index that is tradable, acceptable to the SFC, and has similar objectives to the Index. Please refer to the sub-section "**Replacement of an Index**" under the section "**STATUTORY AND GENERAL INFORMATION**" in Part 1 of the Prospectus on the circumstances in which the Index may be replaced by the Manager. Such change shall be made in accordance with the provisions of the Instrument and with the prior approval of the SFC. For the avoidance of doubt, the provision of investment results that, before fees and expenses, closely correspond to the performance of an index will remain the Sub-Fund's investment objective.

   The Manager has been granted a licence by the Index Provider and HSDS, to use the Index as a basis for determining the composition of the Sub-Fund and to use certain trade marks in the Index. The licence granted commence from the date of the Licence Agreement in respect of the Index and the Sub-Fund unless terminated pursuant to the agreement). There is no guarantee that the Licence Agreement will subsist perpetually.

   The Sub-Fund, may be terminated if the Index is discontinued and/or the Licence Agreement is terminated and the Manager is unable to identify or agree with any index provider terms for the use of a suitable replacement index, using, in the opinion of the Manager, the same or substantially similar formula for the method of calculation as used in calculating the Index and which meets the acceptability criteria under Chapter 8.6(e) of the UT Code. Any such replacement index will be subject to the prior approval of the SFC, and Shareholders will be duly notified of the same. Accordingly, investors should note that the ability of the Sub-Fund to track the Index may depend on the continuation in force of the Licence Agreement in respect of the Index or a suitable replacement.

   There is no guarantee or assurance of exact or identical replication at any time of the performance of the relevant Index. Please refer to section "***Index Licence Agreement***" in this Appendix on the circumstances in which the Licence Agreement may be terminated.

2. There may be changes in the constituent securities of the Index from time to time. The Manager and the Sub-Manager may rebalance the composition of the portfolio of the Sub-Fund. The price of the Shares in the Sub-Fund may rise or fall as a result of these changes. Thus, an investment in Shares of the Sub-Fund will generally reflect the Index as its constituents change from time to time, and not necessarily the way it is comprised at the time of an investment in the Shares.

Reliance on the Index Provider risks

The Manager and/or the Sub-Manager will rely solely on the Index Provider for information as to the constituents of the Index. The process and the basis of computing and compiling the Index and any of its related formulae, constituent companies and factors may also be changed or altered by the Index Provider at any time without notice. There is also no warranty, representation or guarantee given to the investors as to the accuracy or completeness of the Index, its computation or any information related thereto.

Distributions out of or effectively out of capital risk

The Manager may, at its discretion make distributions out of capital. The Manager may also, at its discretion, make distributions out of gross income while all or part of the fees and expenses of the Sub-Fund are charged to/paid out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of distributions by the Sub-Fund and therefore, the Sub-Fund may effectively pay distributions out of the capital. Payment of distributions out of capital or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of distributions out of or effectively out of the Sub-Fund's capital may result in an immediate reduction of the Net Asset Value per Share. The Manager may amend its distribution policy subject to the SFC's prior approval and by giving not less than one month's prior notice to Shareholders.

Proprietary investment/seed money risk

The assets under management at any time during the life of the Sub-Fund may include proprietary money (or "seed money") invested by one or more interested parties, such as participating dealers, and such investment may constitute a significant portion of such assets under management. Investors should be aware that such an interested party may (i) hedge any of its investments in whole or part, thereby reducing or removing its exposure to the performance of the Sub-Fund; and (ii) redeem its investment in the Sub-Fund at any time, without notice to Shareholders. Such an interested party is under no obligation to take the interests of other Shareholders into account when making its investment decisions. There is no assurance that any such monies will continue to be invested in the Sub-Fund by an interested party for any particular length of time. As many of the expenses of the Sub-Fund are fixed, a higher amount of assets under management may reduce the expenses of the Sub-Fund per Share and a lower amount of assets under management may increase the expenses of the Sub-Fund per Share. As with any other redemption representing a material portion of the Sub-Fund's assets under management, a significant redemption of any such proprietary investment may affect the management and/or performance of the Sub-Fund and may, in certain circumstances (i) cause remaining investors' holdings to represent a higher percentage of the Net Asset Value of the Sub-Fund, (ii) cause other investors in the Sub-Fund to redeem their investment, and/or (iii) lead the Manager, with the consultation of the Custodian, to determine that the Sub-Fund, has become unmanageable and to consider taking exceptional measures, such as terminating the Sub-Fund, in accordance with the Instrument, in which case Shareholders' investments would be redeemed in their entirety.

Operating risk

There is no assurance that the performance of the Sub-Fund will be identical to the performance of the Index. The level of fees, taxes and expenses payable by the Sub-Fund will fluctuate in relation to the Net Asset Value. Although the amounts of certain ordinary expenses of the Sub-Fund can be estimated, the growth rate of the Sub-Fund, and hence its Net Asset Value, cannot be anticipated. Accordingly, no assurance can be given as to the performance of the Sub-Fund or the actual level of its expenses.

Under the terms of the Instrument and as summarised the sub-section "**Termination (otherwise than by winding up)**" under the section "**STATUTORY AND GENERAL INFORMATION**" in Part 1 of this Prospectus, the Manager may terminate the Sub-Fund. On the termination of the Sub-Fund, the Sub-Fund will be liquidated and investors will receive distributions of cash although the Manager has the power to decide to make distributions in specie.

Trading differences risk (applicable to the Listed Class only)

The SEHK have different trading hours from the SSE and the SZSE. Investors will not be able to purchase or sell Shares in the Listed Class when the SEHK is not open for trading, even when the SSE and/or the SZSE is/are open for trading and the value of the Securities comprised in the Index (and in turn, the value of the Index) may continue to change. Difference in trading hours between the SEHK, the SSE and the SZSE may increase the level of premium/discount of the Share price of the Listed Class to its Net Asset Value.

China A-Shares are subject to trading bands which restrict increase and decrease in the trading price. Shares listed on the SEHK are not. This difference may also increase the level of premium or discount of the Share price to its Net Asset Value.

Tracking error risk

The Sub-Fund may be subject to tracking error risk, which is the risk that its performance may not track that of the Index exactly. This tracking error may result from the investment strategy used, and fees and expenses. The Manager and the Sub-Manager will monitor and seek to manage such risk in minimising tracking error. There can be no assurance of exact or identical replication at any time of the performance of the Index by the Sub-Fund.

Other risks

These include risks arising due to force majeure, such as war and natural disaster, and financial market crisis, industrial competition, agency default and other risks beyond the direct control of the Manager and the Sub-Manager.

Appendix dated 29 May 2026