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

Harvest Funds Series (Hong Kong) ETF OFC

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

PROSPECTUS

Manager

Harvest Global Investments Limited

24 November 2026

Hong Kong Exchanges and Clearing Limited ("HKEX"), The Stock Exchange of Hong Kong Limited (the "SEHK"), Hong Kong Securities Clearing Company Limited ("HKSCC") and the Hong Kong Securities and Futures Commission (the "SFC") 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-Fund(s) nor do they guarantee the commercial merits of the Company, any of the Sub-Fund(s) or their performance. They do not mean the Company or the Sub-Fund(s) 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.

IMPORTANT INFORMATION

This Prospectus relates to the offer in Hong Kong of shares (the "Shares") in Harvest Funds Series (Hong Kong) ETF OFC (the "Company") and its sub-fund(s). The Company is a public umbrella open-ended fund company incorporated in Hong Kong on 3 August 2022 with variable capital and limited liability. The Company can have a number of sub-funds (the "Sub-Funds" or individually a "Sub-Fund") with segregated liability among the Sub-Funds. Harvest Global Investments Limited (the "Manager") has been appointed as the management company 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 a Sub-Fund. It contains important facts about each Sub-Fund whose Shares are offered in accordance with this Prospectus. A product key facts statement which contains the key features and risks of each Sub-Fund is also issued by the Manager and such product key facts statements shall form part of this Prospectus, and shall be read, in conjunction with, this Prospectus.

The Manager accepts full responsibility for the accuracy of the information contained in this Prospectus and the Product Key Facts Statement 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 Product Key Facts Statement 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 "UT Code"), 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 or Chapter 8.10 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 a scheme or its 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, consult 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.

Applications have been made to the Listing Committee of the SEHK for the listing of, and permission to deal in the Shares of each of Harvest Bitcoin Spot ETF and Harvest Ether Spot ETF. Subject to compliance with the admission requirements of the HKSCC, the Shares of each of Harvest Bitcoin Spot ETF and Harvest Ether Spot ETF will be accepted as eligible securities by HKSCC for deposit, clearing and settlement in CCASS with effect from the date of commencement of dealings in the Shares of each of Harvest Bitcoin Spot ETF and Harvest Ether Spot 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.

The Shares cannot be offered or sold, directly or indirectly, in the United States of America (including its territories and possessions), to or for the benefit of a "US Person" (see below).

The Manager may impose restrictions on any Shareholders who is a "US Person" and operate the (i) compulsory redemption of Shares or (ii) transfer of Shares held by such "US Person" in accordance with the provisions of the Instrument.

Such power covers any person (a) who appears to be directly or indirectly in breach of the laws or regulations of any country or governmental authority, or (b) in the opinion of the Manager, might result in a Sub-Fund suffering any disadvantage which such Sub-Fund might not otherwise have incurred or suffered.

For the purpose of the offering of Shares, "US Person" includes those "US Persons", as defined in the U.S. "Regulation S" adopted by the Securities and Exchange Commission (the "SEC"), such as: (a) any natural person resident in the U.S.; (b) any partnership or corporation organised or incorporated under the laws of the U.S.; (c) any estate of which any executor or administrator is a US Person; (d) any trust of which any trustee is a US Person; (e) any agency or branch of a non-U.S. entity located in the U.S.; (f) any non-discretionary or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the U.S.; (h) any partnership or corporation if (1) organised or incorporated under the laws of any non-U.S. jurisdiction and (2) formed by a US Person principally for the purpose of investing in securities not registered under the Securities Act unless it is organised or incorporated, and owned, by accredited investors (as defined under Rule 501(a) under the Securities Act) who are not natural persons, estates or trusts, as well as; (i) any other person or entity classified by the Manager as a "US Person" due to such person or entity being subject to certain investment restrictions and/or restrictions relating to the direct or indirect holding of Shares as may be mandated under applicable U.S. laws and regulations (including any U.S. governmental orders or sanctions).

Furthermore, distribution of this Prospectus shall not be permitted unless it is accompanied by a copy of the latest product key facts statement of the Sub-Fund(s) and the latest annual financial statement 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 (http://etf.harvestglobal.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 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.

Questions 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 +852 3913 3393 during normal office hours.

DIRECTORY

Directors
CHEN Zhixin
JIANG Yiqian

Company
Harvest Funds Series (Hong Kong) ETF OFC
Suites 1901-1912, 19/F
Two Pacific Place
88 Queensway
Hong Kong

Manager
Harvest Global Investments Limited
Suites 1901-1912, 19/F
Two Pacific Place
88 Queensway
Hong Kong

Auditor
KPMG
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

Participating Dealers#
Please refer to the relevant Appendix of each Sub-Fund

Market Makers#
Please refer to the relevant Appendix of each Sub-Fund

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

Conversion Agent or Service Agent
HK Conversion Agency Services Limited
8th Floor, Two Exchange Square
8 Connaught Place
Central, Hong Kong

Custodian
BOCI-Prudential Trustee Limited
Suites 1501-1507 & 1513 - 1516, 15/F
1111 King's Road
Taikoo Shing
Hong Kong

Virtual Asset Sub-Custodian(s)#
OSL Digital Securities Limited acting via its associated entity BC Business Management Services (HK) Limited
39/F, Lee Garden One
33 Hysan Avenue

Causeway Bay
Hong Kong

VATP(s)[#]
OSL Digital Securities Limited
39/F, Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

Administrator and Registrar
BOCI-Prudential Trustee Limited
Suites 1501-1507 & 1513 - 1516, 15/F
1111 King's Road
Taikoo Shing
Hong Kong

Legal Counsel to the Manager
Baker & McKenzie
14th Floor, One Taikoo Place
979 King's Road
Quarry Bay
Hong Kong

[#] *Please refer to the Company's website for the latest lists of VATPs, Virtual Asset Sub-Custodians, Market Makers and Participating Dealers*

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PART 1 – GENERAL INFORMATION RELATING TO THE COMPANY AND SUB-FUND(S)

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.

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.

"AFRC" means the Accounting and Financial Reporting Council in Hong Kong or its successors.

"Administrator" means, in respect of each Sub-Fund, the administrator as set out in the "Directory", or such other person or persons for the time being duly appointed as administrator hereof in succession thereto.

"After Listing" means the period which commences on the Listing Date and continues until the relevant Sub-Fund is terminated.

"AMLO" means the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615) of Hong Kong.

"API" means application programming interface.

"Appendix" means an appendix to this Prospectus that sets out specific information applicable to a Sub-Fund.

"Application" means 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 each Sub-Fund, means such number of Shares or whole multiples thereof as specified in this Prospectus or such other number of Shares from time to time determined by the Manager, approved by the Custodian and notified by the Manager to the Participating Dealers.

"bitcoin" or "BTC" means a type of Virtual Asset based on an open-source cryptographic protocol existing on the Bitcoin Network.

"Bitcoin Blockchain" means the blockchain ledger for bitcoin.

"Bitcoin Network" means the Bitcoin Blockchain and any digital asset network, including the Bitcoin peer-to-peer network.

"Business Day" in respect of a Sub-Fund, means, unless otherwise specified in the relevant Appendix or the Manager otherwise agrees, a day (other than a Saturday or Sunday) on which (a)(i) the SEHK is open for normal trading; and (ii) the relevant market on which Relevant Financial Products comprised in the relevant Index or the Sub-Fund are traded is open for normal trading, or if there is more than one such market, the market designated by the Manager is open for normal trading, and (b) (where applicable) the Index is compiled and published, or such other day or days as the Manager may agree from time to time.

"Cancellation Compensation" means 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.

"Company" means Harvest Funds Series (Hong Kong) ETF OFC.

"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); 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).

"Constituent Platforms" mean, in respect of a VA Sub-Fund, the constituent Virtual Asset's trading platforms of the Index, which are chosen by the Index Provider and could change over time.

"Conversion Agency Agreement" means the agreement by which the Conversion Agent agrees with the Manager to provide its services entered amongst 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 a Sub-Fund.

"Creation Application" means an application by a Participating Dealer for the creation and issue of Shares in an Application Share size (or whole multiples thereof) in accordance with the Operating Guidelines and the Instrument.

"CSRC" means the China Securities Regulatory Commission.

"Custodian" means, in respect of each Sub-Fund, the custodian as set out in the "Directory", or such other person or persons for the time being duly appointed as custodian hereof in succession thereto. Where the term "Custodian" is used in the context of a VA Sub-Fund, each reference to "Custodian" shall also include its agents or delegates including the Virtual Asset Sub-Custodian(s).

"Custodian Agreement" means, in respect of each Sub-Fund the relevant custodian agreement between the Company for itself and that Sub-Fund and the Custodian by which the Custodian is appointed for that Sub-Fund.

"Dealing Day" means, in relation to a Sub-Fund, 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.

"Dealing Deadline" means, in relation to any particular place and any particular Dealing Day, the time on each Dealing Day specified in the Appendix of a Sub-Fund or such other time or day as the Manager may from time to time determine in consultation with the Custodian.

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

(a) a Creation Application to deliver the requisite Relevant Financial Products 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, 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 Relevant Financial Products 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 Relevant Financial Products in the Scheme Property 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 Relevant Financial Products 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 Relevant Financial Products 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. For the avoidance of doubt, when calculating subscription and redemption prices, duties and charges may include (if applicable) any provision for bid and ask spreads (to take into account the difference between the price at which assets were valued for the purpose of calculating the Net Asset Value and the estimated price at which such assets shall be bought as a result of a subscription or sold as a result of a redemption), but may not include (if applicable) any commission payable to agents on sales and purchases of the Shares or any commission, taxes, charges or costs which may have been taken into account in ascertaining the Net Asset Value 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 Manager, the Custodian and the relevant Participating Dealer.

"Enhancement" means the Enhancement of Settlement Arrangement for Multi-counter Eligible Securities implemented by the HKSCC by adopting a single tranche multiple counter arrangement, effective from 30 June 2025.

"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.

"ETF" means exchange traded fund.

"ether" or "ETH" means a type of Virtual Asset based on an open-source cryptographic protocol existing on the Ethereum Network.

"Ethereum Blockchain" means the blockchain ledger for Ethereum.

"Ethereum Network" means the Ethereum Blockchain and any digital asset network, including the Ethereum peer-to-peer network.

"Extension Fee" means the fee payable to the Custodian 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.

"FDIs" means financial derivative instruments.

"Fund Administration Agreement" means, in relation to each Sub-Fund, the agreement between the Company for and on behalf of that Sub-Fund and the Administrator and the Registrar relating to the appointment and duties of the Administrator and Registrar of that Sub-Fund, as amended from time to time.

"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.

"HKD" means Hong Kong dollars, the lawful currency 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 PRC.

"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 auditors 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 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 (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, the index or benchmark, if any, against which an Index Tracking Sub-Fund may be benchmarked or may otherwise be referenced as set out in the relevant Appendix.

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

"Index Tracking Sub-Fund" means a Sub-Fund with a principal objective to track, replicate or correspond to a financial index or benchmark, with an aim of providing or achieving investment results or returns that closely match or correspond to the performance of the Index that it tracks, and has been authorised by the SFC as an index fund under Chapter 8.6 of the UT Code.

"Initial Issue Date" means the date of the first issue of Shares, which shall be the Business Day immediately before the Listing Date.

"Initial Offer Period" means, in respect of each Sub-Fund, 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, 3 August 2022, including its Schedules and Appendices, as amended from time to time.

"Investment Adviser" means, in respect of each Sub-Fund, the investment adviser (if any) as set out in the "Directory", or such other person or persons for the time being duly appointed as investment adviser hereof in succession thereto.

"investment delegate" has the meaning as set out in the UT Code.

"Issue Price" means 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 (Cap. 571AQ) 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).

"Listing Date" means the date on which the Shares 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.

"Macau" means the Macao Special Administrative Region of the PRC.

"Mainland China" means all the custom territories of the PRC, excluding for the purposes of interpretation of this Prospectus only, Hong Kong, Macau and Taiwan, and "Mainland Chinese" shall be construed accordingly.

"Management Agreement" means the discretionary management agreement dated 16 August 2022 between the Company for itself and each Sub-Fund and the Manager by which the Manager is appointed, as amended from time to time.

"Manager" means Harvest Global Investments Limited or such other person or persons for the time being duly appointed as investment manager of the Company in succession thereto being approved by the SFC under the UT Code.

"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;

(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,

(c) in relation to any Virtual Assets of a VA Sub-Fund, any Virtual Asset's trading platform (s) from time to time determined by the Manager; and

and any over-the-counter transaction conducted in any part of the world and in relation to any Relevant Financial Products 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 Relevant Financial Products 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 the Shares in the secondary market on the SEHK.

"Multi-Counter" means the facility by which the Shares of a Sub-Fund traded in more than one currency (HKD, RMB and/or USD) are each assigned separate stock codes on the SEHK and are accepted for deposit, clearance and settlement in CCASS as described in the relevant Appendix of this Prospectus.

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

"OFC Code" means the Code on Open Ended Fund Companies issued by the SFC (as amended, or replaced, from time to time).

"Operating Guidelines" means, in respect of a Sub-Fund, the guidelines for the creation and redemption of Shares of a 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 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 notified in writing by the Manager in advance to the relevant Participating Dealer. Unless otherwise specified, references to the Operating Guidelines shall be to the Operating Guidelines for the class of Shares applicable at the time of the relevant Application.

"Participating Dealer" means 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 Manager, the Custodian and the Administrator. Any reference in this Prospectus to "Participating Dealer" shall include a reference to any PD Agent.

"Participation Agreement" means, in respect of a Sub-Fund and each Participating Dealer, an agreement entered into between, among others, the Company on behalf of the relevant Sub-Fund, the Manager, the relevant Custodian, the relevant Administrator and the Participating Dealer, 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 issue of Shares and the redemption and cancellation of Shares, as amended from time to time. 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.

"PRC" means the People's Republic of China.

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

"Registrar" means in respect of each Sub-Fund, the registrar as set out in the "Directory" to keep the register of the Shareholders of the Sub-Fund, or such other person or persons for the time being duly appointed as the registrar hereof in succession thereto.

"Relevant Financial Products" means:

(a) in respect of a VA Sub-Fund, Virtual Assets and potentially Securities and/or Futures Contracts (as the case may be); and

(b) in respect of a Sub-Fund not being a VA Sub-Fund: Securities and/or Futures Contracts (as the case may be).

"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" or "Renminbi" means Renminbi Yuan, the lawful currency of Mainland China.

"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, or, as the context may require, the property of the Company attributable to a Sub-Fund.

"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; and

(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.

"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 a Sub-Fund.

"Service Agent's Fee" means 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 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 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.

"SFC" means the Securities and Futures Commission of Hong Kong or its successors.

"SFC-Licensed VATP" means such platform operated by a VATP Operator.

"SFO" means the Securities and Futures Ordinance (Cap. 571) of Hong Kong.

"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 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.

"Stock Connect" means the securities trading and clearing linked programme with an aim to achieve mutual stock market access between Mainland China and Hong Kong, comprising the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

"Sub-Fund" means a segregated pool of assets and liabilities into which the Scheme Property is divided, established under the Instrument and as described in the relevant Appendix.

"Swap" means a swap agreement to be entered by the Company on behalf of a Sub-Fund which may, subject to the terms of the Instrument, take such form as determined or agreed by the Manager, including an International Swaps and Derivatives Association master agreement, schedules, annexes and confirmations as well as related documents.

"Swap Counterparty" means a counterparty of each Sub-Fund pursuant to a Swap.

"Transaction Fee" means the fee, in respect of a Sub-Fund, which may be charged for the benefit of the Custodian, the Administrator, the Registrar and/or the Conversion Agent or the Service Agent (as the case may be) to each Participating Dealer on each Dealing Day upon which an Application has been or Applications have been made by the relevant Participating Dealer.

"US", "U.S." or "United States" means 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, or replaced, from time to time).

"Valuation Agent" means in respect of a Sub-Fund, the Manager, or such other person or persons for the time being duly appointed as valuation agent hereof in succession thereto.

"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 (if any) or the Sub-Fund 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 and redemption of Shares.

"VA" or "Virtual Asset" means any "virtual asset" as defined in section 53ZRA of the AMLO.

"VA Sub-Fund" means a Sub-Fund in which the underlying investments consist of Virtual Assets of more than 10% of the Net Asset Value of the Sub-Fund.

"VATP" or "Virtual Asset Trading Platform" means such platform operated by a VATP Operator and for the time being appointed to act as the Virtual Asset Trading Platform of a Sub-Fund, as specified in Part 2 of this Prospectus.

"VATP Agreement" means, in respect of a VA Sub-Fund, the agreement entered into between the Company on behalf of the VA Sub-Fund and the VATP Operator, as amended from time to time.

"VATP Guidelines" means the Guidelines for Virtual Asset Trading Platform Operators dated June 2023 issued by the SFC, as amended from time to time.

"VATP Operator" means (a) a corporation which is granted a licence for Type 1 (dealing in securities) and Type 7 (providing automated trading services) regulated activities under Section 116 of the SFO and carries out any Relevant Activities (as defined in the VATP Guidelines); and/or (b) a corporation which is granted a licence for providing a VA service under Section 53ZRK of the AMLO and carries out any Relevant Activities (as defined in the VATP Guidelines).

Note: A reference to "VATP Operator" shall, except where the context otherwise requires, include licensed representatives accredited to the VATP Operator.

"Virtual Asset Sub-Custodian" means, in respect of a VA Sub-Fund, any such person or person(s) for the time being duly appointed by the Custodian of the relevant VA Sub-Fund, as the Virtual Asset Sub-Custodian(s), as specified in Part 2 of this Prospectus.

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 3 August 2022 with the business registration number 74299259. It is constituted by way of its Instrument filed to the Companies Registry of Hong Kong on, and effective as of 3 August 2022.

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 or Chapter 8.10 of the UT Code. SFC registration or authorisation is not a recommendation or endorsement of a Sub-Fund nor does it guarantee the commercial merits of the Company, any Sub-Fund or their performance. It does not mean that the Company or a Sub-Fund is suitable for all investors nor is it an endorsement of its 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 (each such separate pool of assets a "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. Where indicated in the relevant Appendix, Shares in a Sub-Fund may be available for trading on the SEHK using a Multi-Counter.

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.

THE OFFERING PHASES

Initial Offer Period

During the Initial Offer Period, Participating Dealers (acting for themselves or for their clients) may apply for Shares (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.

To be dealt with during the Initial Offer Period, the relevant Participating Dealer must submit the Creation Applications to the Company (care of the Manager) and the Registrar on a Business Day no later than 3 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, the Administrator and the Registrar 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 or whole multiples thereof, 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 Sub-Fund is terminated.

You can acquire or dispose the Shares 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 Shares on the SEHK

After Listing, all investors can buy and sell Shares 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 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 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 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 (care of the Manager) and the 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 following 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 for subscribing Shares 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 for redeeming Shares is due by such time as agreed in the Operating Guidelines on or after the relevant 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 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 HKSCC participants if the client is buying from the secondary market.

Timetable

Initial Offer Period

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

The purpose of the Initial Offer Period is to enable Participating Dealers to subscribe for Shares 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

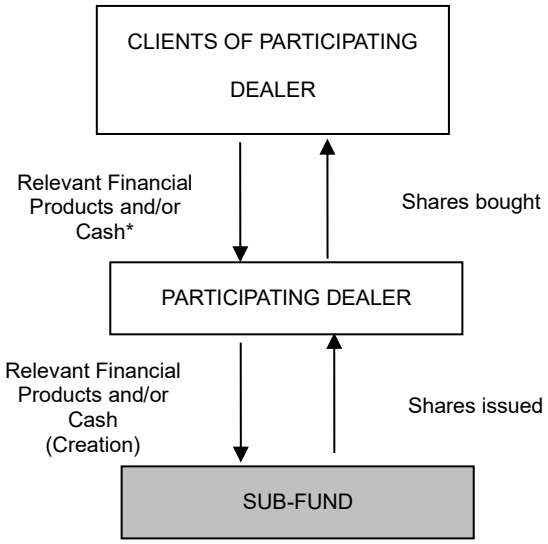
"After Listing" commences on the Listing Date and continues until the relevant Sub-Fund is terminated.

All investors may buy and sell Shares 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 primary market.

Diagrammatic Illustration of Investment in a Sub-Fund

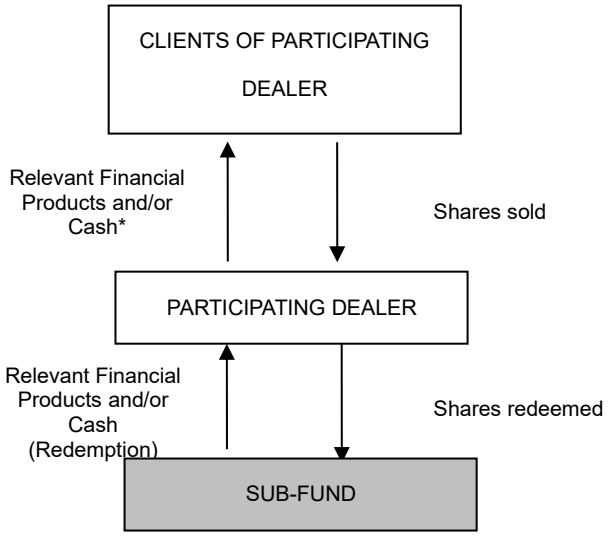
The diagrams below illustrate the creation or redemption and the buying or selling of Shares:

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



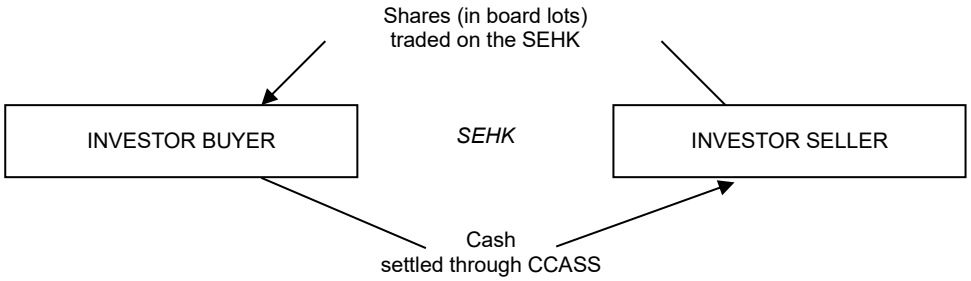
** Clients of a Participating Dealer may agree with the Participating Dealer settlement in a different currency to the creation currency.*

(b) Redemption and selling of Shares in the 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 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	Application Share size (see relevant Appendix)	Through Participating Dealers	Any person acceptable to the Participating Dealer as its client	Cash 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	Application Share size (see relevant Appendix)	Through Participating Dealers	Any person acceptable to the Participating Dealer as its client	Portfolio of Relevant Financial Products 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

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 Brokerage fees and Duties and Charges
Cash creation and redemption	Application Share size (see relevant Appendix)	Through Participating Dealers	Any person acceptable to the Participating Dealer as its client	Cash 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 Relevant Financial Products 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 and redemption available to the Participating Dealers in respect of each Sub-Fund, whether in-kind or in cash, are specified in the relevant Appendix.*

** *Please refer to "Fees and Expenses" for further details. The currency for payment of subscription monies is specified in the relevant Appendix.*

INVESTMENT OBJECTIVE, STRATEGY AND RESTRICTIONS, SECURITIES LENDING AND BORROWING

Investment Objective

A Sub-Fund may be an Index Tracking Sub-Fund or an actively managed Sub-Fund.

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

The investment objective of each actively managed Sub-Fund is set out in the relevant Appendix.

Investment Strategy

The investment strategy of each Sub-Fund is stated in the relevant Appendix.

Index Tracking Sub-Funds

Each Index Tracking Sub-Fund will adopt either a full replication or a representative sampling strategy.

Full Replication Strategy

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

Representative Sampling Strategy

Where an Index Tracking Sub-Fund adopts a representative sampling strategy as its investment strategy, it will invest, directly or indirectly, in a representative sample of the Relevant Financial Products in the relevant Index that collectively reflects the investment characteristics of such Index and aims to replicate its performance. An Index Tracking Sub-Fund adopting a representative sampling strategy may or may not hold all of the Relevant Financial Products that are included in the relevant Index, and may hold a portfolio of Relevant Financial Products 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 Relevant Financial Products comprising the Index. The Manager may therefore, in the appropriate circumstances, choose to use a representative sampling strategy, having regard to the number of Relevant Financial Products constituting the Index, the liquidity of such Relevant Financial Products, any restrictions on the ownership of such Relevant Financial Products, the transaction expenses and other trading costs, and tax and other regulatory restrictions.

Investors should note that the Manager may switch between the above investment strategies, without prior notice to investors, in its absolute discretion as it believes appropriate in order to achieve the investment objective of the relevant Index Tracking 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, an Index Tracking Sub-Fund may be launched with synthetic or futures-based strategies as described in the relevant Appendix for each such Index Tracking Sub-Fund.

Actively managed Sub-Funds

An actively managed Sub-Fund does not track an index. The Manager will actively manage the relevant Sub-Fund based on its investment strategy in seeking to achieve the investment objective of the Sub-Fund, as described in the relevant Appendix.

Investment Restrictions

Unless otherwise stated in the relevant Appendix and approved by the SFC, the following principal investment restrictions apply to each Sub-Fund under the Company authorised by the SFC:

(a) the aggregate value of a Sub-Fund's investments in, or exposure to, any single entity (other than Government and other Public Securities) 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 in respect of an Index Tracking Sub-Fund:

(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 would 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 purposes of this paragraph, "cash deposits" generally refers 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 a single entity held for the account of a Sub-Fund, when aggregated with other holdings of ordinary shares issued by a single 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 same 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, the 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 Appendix of the relevant Sub-Fund; and

(3) the Sub-Fund must produce the reports required by Chapter 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, except that, for an Index Tracking Sub-Fund, this limit may be exceeded with the approval of the SFC;

(h) subject to (g), a Sub-Fund may fully invest in Government and other Public Securities in at least six different issues. Government and other Public Securities will be regarded as being of a different issue if, even though they are issued by the same person, they are issued on different terms whether as to repayment dates, interest rates, the identity of the guarantor, or otherwise. Subject to the approval of the SFC, an Index Tracking Sub-Fund which has been authorised by the SFC as an index fund may exceed the 30% limit in (g) and may invest all of its assets in Government and other Public Securities in any number of different issues despite the restrictions under this paragraph;

(i) unless otherwise approved by the SFC on a case-by-case basis taking into account the liquidity of the physical commodities concerned and availability of sufficient and appropriate additional safeguards where necessary, a Sub-Fund may not invest in physical commodities;

(j) unless otherwise provided under the UT Code, the spread requirements under paragraphs (a), (b), (d) and (e) do not apply to investments in other collective investment schemes by a Sub-Fund and 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,

may either be considered and treated as (i) listed Securities for the purposes of and subject to the requirements in paragraphs (a), (b) and (d) above; or (ii) collective investment schemes for the purposes of and subject to the requirements in paragraph (k)(1), (k)(2), provisos of (i) to (iii) of paragraph (k) below. However, the investments in exchange traded funds shall be subject to paragraph (e) above and, unless otherwise specified in the relevant Appendix in respect of a particular Sub-Fund, investment by a Sub-Fund in exchange traded funds is considered and treated as listed securities for the purposes of and subject to the requirements in paragraphs (a), (b) and (d) above;

(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 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 Appendix of the relevant 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 schemes;

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

(iv) 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

(v) 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 management company of an underlying scheme, or quantifiable monetary benefits in connection with investments in any underlying scheme;

(l) in the case of investments in shares in real estate companies and interests in real estate investment trusts (REITs), a Sub-Fund shall comply with the requirements under paragraphs (a), (b), (d), (e) and (k)(1) above where applicable. Where investments are made in listed REITs, the requirements under paragraphs (a), (b) and (d) above apply and where investments are made in unlisted REITs, which are either companies or collective investment schemes, then the requirements under paragraphs (e) and (k)(1) above apply respectively;

(m) a Sub-Fund may invest 90% or more of its 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 Appendix of the relevant Sub-Fund 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 and its master fund will be deemed a single entity;

(iii) the Sub-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 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, management company'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 may result, if the master fund in which the Sub-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 paragraphs (k)(1), (k)(2), provisos of (i) to (iii) of paragraph (k); and

(n) 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 total 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 collectively the directors and officers of the Manager 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 REITs);

(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 (and for this purpose (i) Securities sold short must be actively traded on a market where short selling is permitted; and (ii) short selling is carried out in accordance with all applicable laws and regulations);

(D) carry out any naked or uncovered short sale of Securities;

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

(F) 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;

(G) 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 must be limited to their investments in the relevant Sub-Fund; or

(H) 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 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 under Chapter 7.1 of the UT Code 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. However, in respect of Index Tracking Sub-Funds, given the investment objective of each Index Tracking Sub-Fund and nature of the relevant Index, notwithstanding Chapter 7.1 of the UT Code, more than 10% of the total Net Asset Value of the relevant Index Tracking Sub-Fund may be invested in constituent securities issued by a single entity provided that (i) it is limited to any constituent securities that each accounts for more than 10% of the weighting of the Index; and (ii) the relevant Index Tracking Sub-Fund's holding of any such constituent Securities may not exceed their respective weightings in the Index, except where 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 Chapter 8.6(h)(i) and (ii) of the UT Code (as described above) do not apply if:

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

(2) the strategy is clearly disclosed in this Prospectus;

(3) the excess of the weightings of the constituent securities held by the Index Tracking Sub-Fund over the weightings in the Index is caused by the implementation of the representative sampling strategy;

(4) any excess weightings of the Index Tracking Sub-Fund's holdings over the weightings in the index must be subject to a maximum limit reasonably determined by the Index Tracking Sub-Fund after consultation with the SFC. In determining this limit, the relevant Index Tracking 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;

(5) limits laid down by the Index Tracking Sub-Fund pursuant to Chapter 8.6(h)(a)(iv) of the UT Code must be disclosed in this Prospectus;

(6) disclosure must be made in the Index Tracking Sub-Fund's interim and annual reports as to whether the limits imposed by the Index Tracking Sub-Fund itself pursuant to Chapter 8.6(h)(a)(iv) of the UT Code 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.

Due to its index tracking nature, the SFC may, upon sufficient justification, consider not requiring an Index Tracking Sub-Fund to strictly comply with the investment restrictions in Chapters 7.1A and 7.1B of the UT Code on a case-by-case basis.

Borrowing

Borrowing against the assets of each Sub-Fund is allowed up to a maximum of 10% of its total Net Asset Value. In determining for the purpose of this borrowing limit, back-to-back loans do not count as borrowing. The Company may borrow for the account of a Sub-Fund any currency, and charge or pledge assets of that Sub-Fund in accordance with the provisions of the Instrument.

For the avoidance of doubt, securities lending transactions and sale and repurchase transactions (subject to the "What is the investment strategy?" section in each relevant Appendix) in compliance with the requirements set out in the section headed "Securities Financing Transactions" are not subject to the limitations in this section.

Subject to the relevant Appendix, the Manager may borrow for the account of any Sub-Fund any currency 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 a Sub-Fund; or

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

Financial Derivative Instruments

Subject always to the provisions of the Instrument, the UT Code and the "What is the investment strategy?" section in each relevant Appendix, the Manager may on behalf of a Sub-Fund enter into any transactions in relation to Swaps or other FDIs, for hedging or non-hedging (investment) purposes.

Hedging purposes

Where specified in the relevant Appendix, a Sub-Fund may acquire FDIs for hedging purposes. FDIs are considered as being acquired for hedging purposes 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) although they may not necessarily reference to the same underlying assets, 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.

The Manager, where it deems necessary, shall cause hedging arrangement to be adjusted or re-positioned with due consideration on the fees, expenses and costs, to enable the relevant Sub-Fund to meet its hedging objective in stressed or extreme market conditions.

Non-hedging (investment) purposes

Each 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, except this limit may be exceeded for Sub-Funds approved by the SFC under Chapters 8.8 (structured funds) or 8.9 (funds that invest extensively in FDIs) of the UT Code and provided that this 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. In this regard:

(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 positions;

(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) for the avoidance of doubt, 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.

The actual level of leverage may be higher than such expected level in exceptional circumstances, for example when there are sudden movements in markets and/or investment prices.

Restrictions applicable to FDIs

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;

(b) 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 paragraphs (a), (b), (c) and (g) of the section headed "Investment Restrictions" above provided that the index is in compliance with the relevant requirements under Chapter 8.6(e) of the UT Code;

(c) 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;

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

(e) 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 Valuation Agent or any other delegate appointed for this purpose 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.

For the avoidance of doubt, restrictions and limitations on counterparty as set out in paragraphs (a) and (b) under the section entitled "Investment Restrictions" above and paragraph (d) of this section will not apply to FDIs that are:

(A) transacted on an exchange where the clearing house performs a central counterparty role; and

(B) marked-to-market daily in the valuation of their financial derivative instrument positions and subject to margining requirements at least on a daily basis.

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

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. For such purposes, assets that are used to cover a Sub-Fund's payment and delivery obligations incurred under transactions in FDIs should be free from any liens and encumbrances, exclude any cash or near cash for the purpose of meeting a call on any sum unpaid on 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 Sub-Fund'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.

In the case of holding alternative assets as cover, a Sub-Fund shall 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 embed a financial derivative as well.

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 ("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:

- 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;

- 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, shall be returned to the Sub-Fund;

- it shall ensure that it is able at any time to recall the securities or the full amount of cash (as the case may be) subject to the securities financing transactions or terminate the securities financing transactions into which it has entered.

Where applicable, the maximum and expected level of a Sub-Fund's assets available for these transactions will be as set out in the relevant Appendix. Please also refer to "Collateral Valuation and Management Policy" below.

Collateral

The Manager employs a collateral management policy in relation to collateral received in respect of over-the-counter (OTC) FDI transactions and securities financing transactions entered into in respect of a Sub-Fund.

A Sub-Fund may receive collateral from a counterparty to an OTC FDI transaction or a securities financing transaction, so as to reduce its counterparty risk exposure as set out in paragraph (d) under the section entitled "Restrictions applicable to FDIs" above and paragraph (iii) under the section entitled "Securities Financing Transactions" above, provided that the collateral complies with the requirements set out below:

- Liquidity – collateral must be sufficiently liquid and tradable in order 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 marketplace with transparent pricing;

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

- Issuer 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. Other specific characteristics of the collateral, including, among others, asset types, issuer creditworthiness, residual maturity, price sensitivity, optionality, expected liquidity in stressed period, impact from foreign exchange, and correlation between securities accepted as collateral and the securities involved in the transactions, will also be considered where appropriate;

- 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 or the counterparty of securities financing transactions in such a way that it would undermine the effectiveness of the collateral. As such, securities issued by the counterparty or the issuer of the FDIs, or the counterparty of

securities financing transactions 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;

- Enforceability – collateral must be readily accessible/enforceable by the Custodian without further recourse to the issuer of the FDIs, or the counterparty of the securities financing transactions;

- Re-investment of collateral - 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. Non-cash collateral received may not be sold, re-invested or pledged;

  For the purpose herein, "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. Any re-investment of cash collateral shall be subject to the following further restrictions and limitations:

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

  ii. cash collateral received is not allowed to be further engaged in any securities financing transactions; and

  iii. 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.

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

- Collateral generally should 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.

Collateral Valuation and Management Policy

The Manager employs a collateral management policy in relation to collateral received in respect of over-the-counter ("OTC") derivative transactions and securities financing transactions entered into in respect of a Sub-Fund.

A Sub-Fund may receive collateral from a counterparty to an OTC FDI or a securities financing transaction in order to reduce its counterparty risk exposure, subject to the investment restrictions and requirements applicable to collateral under this section.

Nature and quality of the collateral

A Sub-Fund may receive both cash and non-cash collateral from a counterparty. Cash collateral may include cash, cash equivalents and money market instruments. Non-cash collateral may comprise of government or corporate bonds whether investment grade / non-investment grade, long/short term bonds, listed or traded in any regulated markets.

Criteria for selecting counterparties

The Manager has counterparty selection policies and control measures to manage the credit risks of counterparties of securities financing transactions and OTC FDIs which shall include amongst other considerations, fundamental creditworthiness (e.g. ownership structure, financial strength) and commercial reputation of specific legal entities in conjunction with the nature and structure of proposed trading activities, external credit ratings of the counterparty, the regulatory supervision applied to the relevant counterparty, country of origin of the counterparty and legal status of the counterparty.

The counterparty of securities financing transactions must be financial institutions which are subject to ongoing prudential regulation and supervision.

The counterparties of OTC FDIs will be entities with legal personality typically located in Organisation for Economic Co-operation and Development ("OECD") jurisdictions (but may also be located outside such jurisdictions), and be subject to ongoing supervision by a regulatory authority.

The counterparty to a securities financing transaction and OTC FDIs must have a minimum credit rating of A-2 or equivalent, or must be deemed by the Manager to have an implied rating of A-2 or equivalent assigned by an internationally recognised credit agency (e.g. Standard & Poor's or Moody's). Alternatively, an unrated counterparty will be acceptable where the Manager is indemnified or guaranteed against losses suffered as a result of a failure by the counterparty, by an entity which has and maintains a rating of A-2 or equivalent assigned by an internationally recognised credit agency (e.g. Standard & Poor's or Moody's).

Valuation of collateral

The collateral received is valued daily by independent pricing source on a mark-to market basis.

Collateral which is quoted, listed, traded or dealt in on any Market are valued by reference to the official closing price or the last traded price of that Market. In respect of other OTC collateral, the value will be valued at the latest available broker price or, if not available, be valued by a professional person approved by the Custodian as qualified to value such investments (which may, if the Custodian agrees, be the Manager).

Enforceability of collateral

Collateral (subject to any net-off or set-off, if applicable) is capable of being fully enforced by the Manager / Sub-Fund at any time without further recourse to the counterparty.

Haircut policy

A documented haircut policy is in place for detailing the policy in respect of each class of assets received by a Sub-Fund in order to reduce exposure to counterparties. A haircut is a discount applied to the value of a collateral asset to account for the fact that its valuation, or liquidity profile, may deteriorate over time. The haircut policy applied to posted collateral will be negotiated on a counterparty basis and will vary depending on the class of asset received by the relevant Sub-Fund. Haircuts will 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. The haircut policy takes account of the price volatility of the asset used as collateral and other specific characteristics of the collateral, including, among others, asset types, issuer creditworthiness, residual maturity, price sensitivity, optionality, expected liquidity in stressed period, impact from foreign exchange, and correlation between securities accepted as collateral and the securities involved in the transactions.

Further details of the applicable haircut arrangement for each asset class can be available from the Manager upon request.

Diversification and correlation of collateral

Collateral must be sufficiently diversified. The exposures of a Sub-Fund to the collateral issuers are monitored in accordance with the relevant restrictions on exposure to a single entity and/or

Entities within the Same Group as set out in this section.

Collateral received must be issued by an entity that is independent from the relevant counterparty.

Cash collateral reinvestment policy

A Sub-Fund shall not sell, pledge or re-invest any non-cash collateral received by it.

Subject to the applicable restrictions in respect of collateral as described in the section entitled "Collateral" above, cash collateral received by a Sub-Fund may be reinvested in short-term deposits, high quality money market instruments and money market funds authorised under 8.2 of the UT Code or regulated in a manner generally comparable with the requirements of the SFC and acceptable to the SFC.

Up to 100% of the cash collateral received by a Sub-Fund may be reinvested.

Safe-keeping of collateral

Any non-cash assets received by a Sub-Fund from a counterparty on a title transfer basis (whether in respect of a securities financing transaction or an OTC FDI) should be held by the Custodian or a Correspondent (as defined in the section headed "Management of the Company and the Sub-Funds"). This is not applicable in the event that there is no title transfer in which case the collateral will be held by a third party custodian which is unrelated to the provider of the collateral.

A description of collateral holdings of each Sub-Fund will be disclosed in its interim and annual financial reports as required under Appendix E of the UT Code.

Assets provided by a Sub-Fund on a title transfer basis shall no longer belong to the Sub-Fund. The counterparty may use those assets at its absolute discretion. Assets provided to a counterparty other than on a title transfer basis shall be held by the Custodian or a Correspondent.

If any of the restrictions or limitations set out above is breached in respect of a Sub-Fund, the Manager will, as a priority objective, take all necessary steps within a reasonable period of time to remedy such breach, taking due account of the interests of the Shareholders of that Sub-Fund. The Custodian will take reasonable care to ensure compliance with the investment and borrowing limitations set out in the Instrument and the conditions under which a Sub-Fund was authorised.

CREATIONS AND REDEMPTIONS (PRIMARY MARKET)

Investment in a Sub-Fund

There are 2 methods of making an investment in a Sub-Fund and of disposing of Shares to realise an investment in a Sub-Fund.

The first method is to create Shares at the Issue Price or redeem Shares 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. 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 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 secondary market on the SEHK which is more suitable for retail investors. The secondary market price of Shares may trade at a premium or discount to the Net Asset Value of the relevant Sub-Fund.

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 of a Sub-Fund must only be made through a Participating Dealer in respect of an Application Share size or whole multiple thereof as set out in the "Key Information" section. Investors cannot acquire Shares directly from a Sub-Fund. Only Participating Dealers may submit Creation Applications to the Company (care of the Manager) and the Registrar.

Shares in 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 (care of the Manager) and the Registrar.

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 Sub-Fund, (ii) the redemption of Shares of the relevant Sub-Fund, and/or (iii) the determination of Net Asset Value of the relevant Sub-Fund 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 (i) for an Index Tracking Sub-Fund, any of the Relevant Financial Products in the relevant Index or (ii) for a Sub-Fund that is not an Index Tracking Sub-Fund, a substantial part of the investments of the Sub-Fund;

(c) where acceptance of the creation request or any Relevant Financial Product 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; or

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

Requirements Relating to Creation Requests by Potential Investors

The methods and currency of creation available to the Participating Dealers in respect of each Sub-Fund, whether in-kind (i.e. the creation of Shares in exchange for a transfer of Relevant Financial Products) or in cash or both in-kind and in cash, are specified in the relevant Appendix. A Participating Dealer may in its absolute discretion require a creation request received from its client be effected in a particular method. The Manager nonetheless reserves its right to require a Creation Application be effected in a particular method. Specifically, the Manager has the right to (a) accept cash equal to or in excess of the market value at the Valuation Point for the relevant Dealing Day of such Relevant Financial Product in lieu of accepting such Relevant Financial Product as constituting part of the Creation Application; or (b) accept cash collateral on such terms as it determines if (i) such Relevant Financial Product is likely to be unavailable for delivery or available in insufficient quantity for delivery to the Custodian in connection with the Creation Application; or (ii) the Participating Dealer is restricted by regulation or otherwise from investing or engaging in a transaction in that Relevant Financial Product.

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 nor the Custodian 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 or the Custodian or to accept any such creation requests received from clients.

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 (care of the Manager) and the 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 specified in the relevant Appendix. Creation Applications submitted in respect of Shares 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 a Sub-Fund to the Company (care of the Manager) and the 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 of Shares and the class of Shares (where applicable) which is the subject of the Creation Application; and

(c) include the certifications required in the Operating Guidelines (if any) in respect of creations of Shares, together with such certifications and opinions of counsel (if any) as each of the Custodian, the Administrator and 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 Sub-Fund, (ii) the redemption of Shares of the relevant Sub-Fund, and/or (iii) the determination of Net Asset Value of the relevant Sub-Fund 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;

(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 (i) for an Index Tracking Sub-Fund, a Relevant Financial Product that is a component of the Index of the relevant Index Tracking Sub-Fund, or (ii) for a Sub-Fund that is not an Index Tracking Sub-Fund, a substantial part of the investments of the 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 (i) for an Index Tracking Sub-Fund, any of the Relevant Financial Products in the relevant Index or (ii) for a Sub-Fund that is not an Index Tracking Sub-Fund, a substantial part of the investments of the Sub-Fund;

(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 legal and regulatory requirements;

(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 when the business operations of the Company or any delegate of the Company in relation to the creation of Shares 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, the Registrar, the relevant Participating Dealer and the Custodian 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/or the Custodian and the Registrar to effect (i) for the account of the Sub-Fund, the creation of Shares in Application Share size in exchange for a transfer of cash and/or Relevant Financial Products (at the discretion of the Participating Dealer but subject to the Manager's agreement); and (ii) the issue of Shares to the Participating Dealer, both in accordance with the Operating Guidelines and the Instrument.

Issue of Shares

Shares 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 a Sub-Fund during the relevant Initial Offer Period, the Company shall procure the creation and issue of Shares 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 pursuant to a Creation Application shall be effected on 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 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.

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, the Custodian 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. See the section on "Fees and Expenses" 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 as the Manager in its discretion considers appropriate for the Duties and Charges. 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 a creation order in respect of any Shares deemed created pursuant to a Creation Application if it has not received good title to all Relevant Financial Products and/or cash (including Transaction Fees, Duties and Charges) relating to the Creation Application by the Settlement Day, provided that 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 Relevant Financial Products and/or cash has been vested in 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 Relevant Financial Products, futures contracts or cash.

In addition to the preceding circumstances, the Company may also cancel any creation order for any Shares if it 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 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), any Relevant Financial Products or any cash received by or on behalf of the Company in connection with a Creation Application shall be redelivered to the Participating Dealer (without interest) as soon as practicable 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 an application cancellation fee for the account of the Custodian and/or the Administrator (see the section on "Fees and Expenses" for further details);

(b) the Company may at its discretion require the Participating Dealer to pay to the Company, for the account of the Sub-Fund, in respect of each Share 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 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 Custodian, the Administrator, the Registrar, the Conversion Agent and/or the Service Agent (see the section on "Fees and Expenses" 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 Through Participating Dealers

Any application for the redemption of Shares 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 directly from the relevant Sub-Fund. Only Participating Dealers may submit Redemption Applications to the Company (care of the Manager) and the Registrar.

A Participating Dealer may redeem Shares 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 (care of the Manager) and the Registrar.

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 Sub-Fund, (ii) the redemption of Shares of the relevant Sub-Fund, and/or (iii) the determination of Net Asset Value of the relevant Sub-Fund 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 (i) for an Index Tracking Sub-Fund, any of the Relevant Financial Products in the relevant Index or (ii) for a Sub-Fund that is not an Index Tracking Sub-Fund, a substantial part of the investments of the Sub-Fund;

(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; or

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

Requirements Relating to Redemption Requests by Potential Investors

The methods and currency of redemption available to the Participating Dealers in respect of each Sub-Fund, whether in-kind (i.e. the redemption of Shares in exchange for a transfer of Securities plus any cash amount) or in cash only, are as set out in the relevant Appendix. A Participating Dealer may in its absolute discretion require a redemption request received from its client be effected in a particular method. The Manager nonetheless reserves its right to require a Redemption Application be effected in a particular method. Specifically, the Manager has the right to instruct the Custodian to deliver cash equivalent of any Relevant Financial Product in connection with the Redemption Application to the Participating Dealer if (a) such Relevant Financial Product is likely to be unavailable for delivery or available in insufficient quantity for delivery in connection with the Redemption Application; or (b) the Participating Dealer is restricted by regulation or otherwise from investing or engaging in a transaction in that Relevant Financial Product.

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 Custodian 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 Custodian 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 (care of

the Manager) and the Registrar. You are advised to check with the Participating Dealer as to the relevant timing deadlines and the client acceptance procedures and requirements.

Redemption Process

A Participating Dealer may from time to time submit Redemption Applications in respect of a Sub-Fund to the Company (care of the Manager) and the Registrar, following receipt of redemption requests from clients or where it wishes to redeem Shares 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 following 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, the Recognised Futures Exchange or the Recognised Stock Exchange 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 of Shares and the class of Shares (where applicable) which is the subject of the Redemption Application; and

(c) include the certifications required in the Participation Agreement and Operating Guidelines (if any) in respect of redemptions of Shares, together with such certifications and opinions of counsel (if any) as each of the Custodian, the Administrator and the Manager may separately 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 and having regard to the best interests of the Shareholders, 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 Sub-Fund, (ii) the redemption of Shares of the relevant Sub-Fund, and/or (iii) the determination of Net Asset Value of the relevant Sub-Fund 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;

(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 (i) for an Index Tracking Sub-Fund, any of the Relevant Financial Products in the relevant Index or (ii) for a Sub-Fund that is not an Index Tracking Sub-Fund, a substantial part of the investments of the Sub-Fund;

(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) during any period the business operations of the Company or any delegate of the Company in relation to the redemption of Shares 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, the Registrar, the relevant Participating Dealer and the Custodian of its decision to reject such Redemption Application in accordance with the Operating Guidelines. Where for any reason there is a limit to the number of Shares that can be redeemed, priority will be given to Participating Dealers and the relevant Redemption Applications as set out in 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 Relevant Financial Products 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 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 on the relevant Dealing Day rounded to the nearest four 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, the Custodian and the Administrator may in their discretion determine, in accordance with the Operating Guidelines.

Fees Relating to Redemption Applications

The Conversion Agent, the Service Agent, the Registrar, the Custodian and/or the Administrator 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 Custodian, the Registrar, the Conversion Agent and/or the Service Agent. See the section on "Fees and Expenses" 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 as the Manager in its discretion considers appropriate for the Duties and Charges. 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 Relevant Financial Product 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 set forth in the Instrument and/or Operational Guidelines 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 an application cancellation fee for the account of the Custodian and/or the Administrator (see the section on "Fees and Expenses" for further details);

(b) the Company may at its 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 Relevant Financial Products 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" 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.

Restrictions on redemption

With a view to protecting the interests of Shareholders, the Manager is entitled to limit the total number of Shares of a Sub-Fund that may be redeemed on any Dealing Day (whether by purchase by the Manager or by cancellation) to 10%, or such other percentage as the Manager may determine either generally or in respect of any particular Dealing Day and as permitted by the SFC, of the total Net Asset Value of the relevant Sub-Fund on such Dealing Day. In this event, the limitation will apply pro rata so that all Shareholders of the relevant Sub-Fund wishing to redeem Shares of that Sub-Fund on that Dealing Day will redeem the same proportion of such Shares, and Shares not redeemed (but which would otherwise have been redeemed) will be carried forward for redemption on the next Dealing Day based on the Redemption Price as at that Dealing Day, subject to the same limitation, and will have priority on the next Dealing Day over subsequent redemption requests received in respect of such subsequent Dealing Day. If requests for redemption are so carried forward, the Manager will promptly inform the Shareholders concerned.

The Manager may suspend the redemption of Shares of any Sub-Fund, 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 see the section headed "Suspension of Determination of Net Asset Value"). Any such delay of payment of redemption proceeds will not apply to redemption requests received prior to the suspension of redemption of Shares of any Sub-Fund by the Manager.

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 Sub-Fund, suspend the redemption of Shares 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 Relevant Financial Products in respect of any Creation Application and/or Redemption Application in the following circumstances, provided that payment of redemption monies should not be delayed if the Redemption Application is properly completed prior to the following circumstances:

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

(b) during any period when a market on which (i) for an Index Tracking Sub-Fund, a Relevant Financial Product that is a component of the Index of the relevant Index Tracking Sub-Fund, or (ii) for a Sub-Fund that is not an Index Tracking Sub-Fund, a substantial part of the investments of the 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 (i) for an Index Tracking Sub-Fund, a Relevant Financial Product that is a component of the Index of the relevant Index Tracking Sub-Fund, or (ii) for a Sub-Fund that is not an Index Tracking Sub-Fund, a substantial part of the investments of the 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 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 Relevant Financial Products, 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) in respect of an Index Tracking Sub-Fund only, during any period when the relevant Index for the relevant Index Tracking 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 Relevant Financial Products 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 is suspended or if any circumstance specified in the section on "Suspension of Determination of Net Asset Value" below arises;

(i) during any period when the Swap (if any) cannot be adjusted or reset for any reason;

(j) during any period when the business operations of the Company, the Manager, the Custodian, the Administrator, the Registrar or any delegate of the Company in respect of the creation or redemption of Shares 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

(k) 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-Fund(s) 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, having regard to the best 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 http://etf.harvestglobal.com.hk (the contents of which and of other websites referred to in this Prospectus have 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 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. In respect of a withdrawal of a Creation Application, the Company shall promptly notify the relevant Administrator, the relevant Registrar and the relevant Custodian, and request the relevant Administrator, the relevant Registrar and/or the relevant Custodian to return to the Participating Dealer any Relevant Financial Products and/or cash received by it in respect of the Creation Application (without interest) as soon as practicable.

A suspension shall remain in force until the earlier of (a) the Manager, in consultation with the relevant Custodian, 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 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 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 each 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.

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) a breach of the law or requirements of any country or governmental authority or any stock exchange on which the Shares are listed in circumstances which, in the Manager's opinion, might result in the Company or the Sub-Fund suffering any adverse effect which the Company or the Sub-Fund might not otherwise have suffered; or

(b) in the circumstances which, in the Manager's opinion, may result in the Company or the Sub-Fund incurring any tax liability or suffering any other pecuniary disadvantage which the Company or the Sub-Fund might not otherwise have incurred or suffered.

The foregoing would include acquisition or holding of Shares by any person or entity classified by the Manager as a "US Person" due to such person or entity being subject to certain investment restrictions and/or restrictions relating to the direct or indirect holding of Shares as may be mandated under applicable U.S. laws and regulations (including any U.S. governmental orders or sanctions) which holding would result in any of the repercussions set out above or as provided in the Instrument.

The Manager may also restrict or prevent the ownership of Shares by any "Unauthorised US Person", being (i) a US person within the meaning of Rule 902 of the United States Securities Act of 1933, (ii) a US resident within the meaning of the United States Investment Company Act of 1940 or (iii) any person that would not qualify as a Non-United States person within the meaning of United States Commodity Futures Trading Commission Rule 4.7(a)(1)(iv), in accordance with the Instrument.

Upon notice that any Shares are so held, the Manager may, acting in good faith and in compliance with any applicable Laws and Regulations, 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.

Transfer of Shares

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

As all Shares will be held in CCASS, an investor is entitled to transfer Shares 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 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. To the extent that all Shares 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 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 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 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 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 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 Shares, which is to a certain extent dependent on the difference between the purchase and sale prices of the underlying Securities of the relevant Sub-Fund and/or comprised within the Index, as the case may be. 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 on the secondary market, you should contact your brokers.

Applications have been made to the Listing Committee of the SEHK for the listing of, and permission to deal in the Shares of each of Harvest Bitcoin Spot ETF and Harvest Ether Spot ETF. Subject to compliance with the admission requirements of the HKSCC, the Shares of each of Harvest Bitcoin Spot ETF and Harvest Ether Spot ETF will be accepted as eligible securities by HKSCC for deposit, clearing and settlement in CCASS with effect from the date of commencement of dealings in the Shares of each of Harvest Bitcoin Spot ETF and Harvest Ether Spot 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.

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

Shares 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 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 on the SEHK until dealings begin on the SEHK.

DETERMINATION OF NET ASSET VALUE

Calculation of Net Asset Value

The Net Asset Value of each Sub-Fund will be calculated by the Valuation Agent 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.

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

(a) (for VA Sub-Funds only) any Virtual Assets that are quoted, listed, traded or dealt in on any Market shall unless the Manager (in consultation with the Custodian and/or the Administrator) determines that some other method is more appropriate, be valued by reference to the Index or otherwise a benchmark, further details of which are specified in the Appendix of the relevant Sub-Fund;

(b) Securities that are quoted, listed, traded or dealt in on any Market shall unless the Manager (in consultation with the Custodian and/or the Administrator) 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 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 price quoted 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 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 and/or the Administrator so requires, by the Manager after consultation with the Custodian and/or the Administrator 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 the Administrator and/or any delegates appointed by the Company applicable to the Sub-Fund; (iii) interest accrued on any interest-bearing Securities shall be taken into account, unless such interest is included in the quoted or listed price; and (iv) the Manager, the Custodian, the Administrator and/or the Valuation Agent 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 last traded prices as the case may be;

(c) 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 not available or appropriate, the latest available bid or offer price for such unit, share or other interest;

(d) the value of any Swap shall be determined to be the mark-to-market value of such Swap including the amount expended out of the relevant Sub-Fund in entering into the Swap, but excluding any fees, commissions and other expenses in connection with the entry or negotiation of the Swap, and any initial margin or deposits provided in connection therewith determined and provided by the relevant valuation agent under such Swap to the Manager, the Custodian and/or the Administrator, unless otherwise provided under the terms of the Swap subject to the right of the Custodian and/or the Administrator or their delegates (or such independent valuation agent appointed by the Manager) to recalculate the same and of the Manager, in consultation with the Custodian and/or the Administrator, to adjust such value where it considers that such adjustment is required to reflect the fair value thereof;

(e) futures contracts will be valued based on the formulae set out in the Instrument;

(f) 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/or the Administrator and shall at such times or at such intervals as the Custodian and/or the Administrator may request, cause a revaluation to be made on a regular basis by a professional person approved by the Custodian and/or the Administrator as qualified to value such investments (which may, if the Custodian and/or the Administrator agrees, be the Manager);

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

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

Currency conversion will be performed at the prevailing market foreign exchange rate or such other rates as the Manager (in consultation with the Custodian and/or the Administrator) deems appropriate 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.

Suspension of Determination of Net Asset Value

The Manager may, in consultation with the Custodian, having regard to the best interests of the Shareholders, 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 Relevant Financial Products held or contracted for the account of the 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 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 Relevant Financial Products 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 Relevant Financial Products 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;

(f) the business operations of the Company or any delegate of the Company in relation to 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;

(g) the existence of any state of affairs prohibiting the normal disposal of any notional investment to which a Swap is linked (if applicable); or

(h) in the case of a Sub-Fund authorised by the SFC as a feeder fund, the determination of the net asset value of the master fund (as defined under the section entitled "Investment Restrictions" above) is suspended.

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

The Manager shall immediately after declaration of any such suspension 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 http://etf.harvestglobal.com.hk (the contents of which and of other websites referred to in this Prospectus have not been reviewed by the SFC) or in such other publications as the Manager decides.

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

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 will be a fixed amount per Share, or (for an Index Tracking Sub-Fund only) 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 four 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 Shares created and issued by a Creation Application, will be the prevailing Net Asset Value of the relevant Sub-Fund as at the relevant Valuation Point divided by the total number of Shares in issue rounded to the nearest four 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 prevailing Net Asset Value of the relevant Sub-Fund as at the relevant Valuation Point divided by the total number of Shares in issue rounded to the nearest four 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 http://etf.harvestglobal.com.hk (the contents of which and of other websites referred to in this Prospectus have 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.

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.

Fees and expenses payable by Participating Dealers on creations and redemptions (as applicable) of Shares (applicable both during the Initial Offer Period and After Listing)	**Amount**
Transaction Fee and Service Agent's Fee	See the relevant Appendix[1]
Registrar Fee (if applicable)	See the relevant Appendix (if applicable)[2]
Application cancellation fee	See the relevant Appendix[3]
Extension Fee	See the relevant Appendix[4]
Stamp duty	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	**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
Transaction levy	0.0027%[6] of the trading price

1 The Transaction Fee is payable by a Participating Dealer to the Custodian for the benefit of the Administrator and/or Registrar. The Service Agent's fee is payable by a Participating Dealer to the Service Agent for each book-entry deposit or book-entry withdrawal transaction. A Participating Dealer may pass on to the relevant investor such Transaction Fee.

2 The relevant Registrar may charge a fee for updating the relevant Sub-Fund's records in respect of Creation Applications and Redemption Applications. A Participating Dealer may pass on to the relevant investor such Registrar's fee (if applicable).

3 An application cancellation fee is payable to the Administrator and/or the Custodian in respect of either a withdrawn or failed Creation Application or Redemption Application.

4 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.

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, presently 0.0027% of the trading price of the Shares, payable by each of the buyer and the seller.

AFRC transaction levy	0.00015%[7] of the trading price
SEHK trading fee	0.00565%[8] of the trading price
Stamp duty	Nil

Fees and expenses payable by a Sub-Fund	See 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.

Fees and Expenses Payable by a Sub-Fund

Management Fee

The Manager is entitled to receive a management fee of up to 2% per annum of the Net Asset Value of a Sub-Fund. The current management fee percentage in respect of each Sub-Fund is set out in the relevant Appendix and is accrued daily and calculated as at each Dealing Day and payable monthly in arrears. This fee is payable out of the Scheme Property in respect of the relevant Sub-Fund.

A Sub-Fund may employ a single management fee structure, and details will be set out in the Appendix of the relevant Sub-Fund.

For a Sub-Fund which do not employ a single management fee structures, the following fees and expenses may be payable out of and borne by the Sub-Fund: the Custodian Fee, the Administrator's fee, the Valuation Agent's fee, the Registrar's fee, fees of Conversion Agent and Service Agent, fees and expenses of the auditors, ordinary out-of-pocket expenses incurred by the Manager or the Custodian and, for an Index Tracking Sub-Fund, the costs and expenses of licensing the Index used in connection with the Index Tracking Sub-Fund.

The fees of the Investment Adviser, if any, will be paid by the Manager and not out of the assets of the relevant Sub-Fund.

The Manager may pay a distribution fee to any service provider, distributor or sub-distributors of a Sub-Fund out of the management fees it receives from such Sub-Fund. A distributor may re-allocate an amount of the distribution fee to the sub-distributors.

Custodian Fee

Pursuant to the Instrument and the relevant Custodian Agreement, a Custodian is entitled to receive a Custodian Fee in respect of Shares of each Sub-Fund for which it acts as the Custodian, of up to 1% per annum as soon as reasonably practicable after the last Dealing Day for each Sub-Fund in each calendar month. This fee will be accrued daily and paid monthly in arrears. The Custodian Fee is expressed as a percentage of the Net Asset Value of the relevant Sub-Fund. The Custodian is also entitled to receive various transactional, custodial, and other applicable fees as agreed with the Company from time to time to be reimbursed by the relevant Sub-Fund for all out-of-pocket expenses properly incurred by it in the performance of its duties as the Custodian.

For a Sub-Fund which does not employ a single management fee structure, the applicable custodian fee percentage is set out in the relevant Appendix of the Sub-Fund.

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7 AFRC transaction levy, presently 0.00015% of the trading price of the Shares, payable by each of the buyer and the seller.
8 Trading fee of 0.00565% of the trading price of the Shares, payable by each of the buyer and the seller.

The custodian fee will be included in the Management Fee if a Sub-Fund employs a single management fee structure.

The custodian fee may be increased by agreement with the Company up to the maximum on giving one month's notice to the Shareholders.

VATP Operator Fee (where a VATP Operator is appointed for a Sub-Fund)

The VATP Operator is entitled to receive various transaction fees and other applicable fees as agreed with the Company on behalf of the relevant Sub-Fund from time to time. Fees payable to the VATP Operator may be payable out of the Scheme Property of the relevant Sub-Fund or out of the Management Fee. Please refer to the relevant Appendix for more details.

Virtual Asset Sub-Custodian Fee (where a Virtual Asset Sub-Custodian is appointed by a Custodian of a Sub-Fund)

Subject to a separate fee agreement in respect of a Sub-Fund, each Virtual Asset Sub-Custodian is entitled to such custody fee on terms as agreed by the Company on behalf of the relevant Sub-Fund and/or the Custodian in respect of the relevant Sub-Fund from time to time. Fees payable to a Virtual Asset Sub-Custodian may be payable out of the Scheme Property of the relevant Sub-Fund or out of the fees payable to the relevant Custodian. Please refer to the relevant Appendix for more details.

Administrator and Registrar Fee

The Administrator and Registrar is entitled to receive various transaction, processing, valuation 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 reasonable out-of-pocket expenses incurred by it in the performance of its duties as the Administrator and Registrar.

Directors' Remuneration and Expenses

Under the Instrument, the Directors shall be entitled to remuneration for their services as Directors up to a total aggregate amount per annum of USD30,000 and, where payable and where there is more than one Sub-Fund, such remuneration shall be allocated fairly as between Sub-Funds by reference to their respective Net Asset Values.

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 over a 12-month period expressed as a percentage of its estimated average Net Asset Value over the same period, 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 product key facts statement in respect 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, where disclosed in the relevant Appendix, may also be included in the ongoing charges calculation payable by a Sub-Fund. 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. For Index Tracking

Sub-Funds, 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.

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

A Sub-Fund will bear all operating costs relating to the administration of the Sub-Fund 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 (for Index Tracking Sub-Funds), 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-Fund's 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-Fund by the Custodian, the Manager, the Administrator, the Registrar, the Valuation Agent and/or any of the Company's other service providers or their delegates, the expenses incurred in convening meetings of Shareholders, preparing, printing and distributing annual and half-yearly financial reports and other circulars relating to the Sub-Fund and the expenses of publishing share prices.

Establishment Costs

The cost of establishing Harvest Bitcoin Spot ETF, Harvest Ether Spot ETF and subsequent Sub-Funds may be borne by the relevant Sub-Fund to which such costs relate and will be amortised over the first five financial years of the relevant Sub-Fund(s) (or such other period as determined by the Manager after consulting the Auditor and the Custodian).

The attention of investors is drawn to the risk factor entitled "Valuation and Accounting Risk".

Increase in Fees

The current fees in respect of each Sub-Fund payable to the Manager, the Administrator and the Custodian as described in the relevant Appendix may be increased on not less than one month's notice to the affected Shareholders (or such shorter period as may be approved under the UT Code), subject to the maximum rates set out in this Prospectus.

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. There can be no assurance that the investment objective of a Sub-Fund will be achieved. 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.

Risks Associated with Investment in Any Sub-Fund

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 to implement strategies which are designed to achieve the investment objective and, for an Index Tracking Sub-Fund, to minimise tracking error, there can be no assurance that these strategies will be successful. It is possible that you as an investor may lose a substantial proportion or all of its investment in a Sub-Fund, including (for an Index Tracking 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 Relevant Financial Products and/or Swaps 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 Relevant Financial Products and/or Swaps it holds, less expenses incurred. A Sub-Fund's return may fluctuate in response to changes in such capital appreciation or income. Furthermore, an Index Tracking 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 Relevant Financial Products would face.

Asset Class Risk

Although the Manager is responsible for the continuous supervision of the investment portfolio of each Sub-Fund, the returns from the types of Relevant Financial Products and/or Swaps in which the Sub-Fund invests may underperform or outperform returns from other Relevant Financial Products markets or from investment in other assets. Different types of Relevant Financial Products and/or Swaps tend to go through cycles of out-performance and underperformance when compared with other general Relevant Financial Products and/or Swaps markets.

Difficulties in Valuation of Investments Risk

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

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 companies in which a Sub-Fund invests or (for an Index Tracking Sub-Fund only) a constituent of the relevant

Index may have an adverse effect on the Index's (if any) and therefore the relevant Sub-Fund's performance. You may lose money by investing in any Sub-Fund.

Management Risk

This is the risk that the Manager's strategy, the implementation of which is subject to a number of constraints, may not produce the intended results. In addition, the Manager has absolute discretion to exercise Shareholders' rights with respect to Relevant Financial Products and/or Swaps 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. For an Index Tracking Sub-Fund, because there can be no guarantee that the Index Tracking Sub-Fund will fully replicate the relevant Index, it is also subject to the above management risk.

Single Region / Single Industry Sector / Concentration Risk

A Sub-Fund may be subject to concentration risk as a result of having a strategy of concentrating in a single region or industry sector or (for an Index Tracking Sub-Fund) tracking the performance of a single geographical region or country or industry sector. For an Index Tracking Sub-Fund, the Index may be comprised of a limited number of Relevant Financial Products. A Sub-Fund may therefore likely be more volatile than a broad-based fund, such as a global equity fund, as it is more susceptible to fluctuations in value of the Index or Securities resulting from adverse conditions in the particular geographical region, country or industry sector. Where an Index Tracking Sub-Fund's Index tracks a particular region or country or industry sector or where the Index has a small number of constituents, or where the active strategy of a Sub-Fund is concentrated in a single region or industry sector, 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 Risk

The investments of each Sub-Fund are subject to risks inherent in all Securities (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 with which the Scheme Property is deposited. The Custodian may be unable to perform its obligations due to credit-related and other events such as insolvency of or default on its part. 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. In the event of the insolvency of the Custodian, each Sub-Fund will be treated as a general creditor of the Custodian or other depositaries in relation to cash holdings of the Sub-Fund. Each Sub-Fund's Relevant Financial Products are however maintained by the Custodian in segregated accounts and would generally be protected in the event of insolvency of the Custodian.

Equity Risk

Investment in equity Securities by a Sub-Fund (where permitted) may offer a higher rate of return than a fund investing in short term and longer term debt securities. However, the risks associated with investments in equity Securities may also be higher, because the investment performance of equity Securities depends upon factors which are difficult to predict. Such factors include the possibility of sudden or prolonged market declines and risks associated with individual companies. The fundamental risk associated with any equity portfolio is the risk that the value of the investments it holds might suddenly and substantially decrease in value.

Trading Risk

While the creation/redemption feature of each Sub-Fund is designed to make it likely that Shares will trade close to their Net Asset Value, disruptions to creations and redemptions (for example, as a result of imposition of capital controls by a foreign government) may result in trading prices that differ significantly from the Net Asset Value. The secondary market prices of Shares will fluctuate in accordance with changes in the Net Asset Value and supply and demand on any exchange on which Shares are listed. In addition, when buying or selling Shares on the SEHK additional charges (such as brokerage fees) mean that an investor may pay more than the Net Asset Value per Share when buying Shares on the SEHK and may receive less than the Net Asset Value per Share when selling Shares on the SEHK. The Manager cannot predict whether Shares will trade below, at, or above their Net Asset Value. Since, however, Shares must be created and redeemed in Application Share size (unlike shares of many closed-end funds, which frequently trade at appreciable discounts from, and sometimes at premiums to, their Net Asset Value) the Manager believes that ordinarily large discounts or premiums to the Net Asset Value of Shares should not be sustained. If the Manager suspends creations and/or redemptions of Shares, the Manager anticipates that there may be larger discounts or premiums as between the secondary market price of Shares and the Net Asset Value.

Trading Error Risk

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.

No Trading Market in the Shares Risk

Although the Shares 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, for Index Tracking Sub-Funds, those traded on the SEHK which are based upon indices other than the relevant Index.

Indemnity Risk

Under the Custodian Agreement and the Management Agreement, the Custodian and the Manager (and their respective directors, officers and employees) 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) action, costs, claims, damages, expenses or liabilities to which it (or they) may be put or which it (or they) may incur by virtue of the proper performance of their respective 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 (for an Index Tracking Sub-Fund) or in the Sub-Fund's portfolio. It is also unlikely that Virtual Assets comprising the Index will pay out dividends like Securities. 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.

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 not be able to recover their investments and may suffer a loss where a Sub-Fund is terminated because any such amount distributed may be more or less than the capital invested by the Shareholder.

Foreign Exchange Risk

If a Sub-Fund's assets are generally invested (either directly or indirectly) in non-Hong Kong Relevant Financial Products and/or Swaps, and if a substantial portion of the revenue and income of a Sub-Fund is received in a currency other than HKD, any fluctuation in the exchange rate of the HKD relative to the relevant foreign currency will affect the Net Asset Value of a Sub-Fund denominated in the HKD regardless of the performance of its underlying portfolio. If the relevant Sub-Fund's Net Asset Value is determined on the basis of the HKD, an investor may lose money if it invests in any Sub-Fund if the local currency of a foreign market depreciates against the HKD, even if the local currency value of an investment 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 overseas stock exchanges may 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. 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. These restrictions may limit the Sub-Fund's ability to invest in these countries, delay the investment or repatriation of capital of the Sub-Fund and, in respect of an Index Tracking Sub-Fund, impact the Index Tracking Sub-Fund's ability to track the performance of the Index.

Securities Financing Transactions Risks

Securities financing transactions are generally subject to the following risks:

- *Counterparty risk*: The borrower of Securities may fail to return the Securities in a timely manner or at all and the lender may as a result suffer from a loss or delay when recovering the Securities lent out.

- *Collateral risk*: As part of the securities financing transactions, the lender will receive from the borrower collateral based on the valuation of the Securities lent out. However, there is a risk of shortfall of collateral value due to inaccurate pricing of the collateral, adverse market movements in the collateral value and/or change of value of Securities lent. This may cause significant losses to the lender if the borrower fails to return the Securities lent

out. The lender may also be subject to liquidity and custody risk of the collateral, as well as legal risk of enforcement.

- *Operational risk*: By undertaking securities financing transactions, one is exposed to operational risks such as delay or failure of settlement.

As a result, a Sub-Fund which enters into securities lending transactions, sale and repurchase transactions and/or reverse repurchase transactions may be subject to 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. This may restrict the Sub-Fund's ability in meeting delivery or payment obligations from redemption requests.

- *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 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, a derivative 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-Fund(s) 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 also 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 may use investment techniques, including investments in derivatives such as Swaps, 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.

Risks Associated with Investment in Swaps

A Sub-Fund may invest in Swaps for hedging and/or non-hedging (i.e. investment) purposes. Swaps are entered into primarily with major global financial institutions for a specified period which may range from one day to more than one year. In a standard swap transaction, two parties agree to exchange the return (or differentials in rates of return) earned or realised on particular predetermined reference or underlying Securities or instruments. The gross return to be exchanged or swapped between the parties is calculated based on a notional amount or the return on or change in value of a particular dollar amount invested in a basket of Securities.

If the portfolio holdings of a Sub-Fund investing in Swaps (or, in the case of an Index Tracking Sub-Fund, the relevant Index) suffers a dramatic intraday move in value that causes a material decline in a Sub-Fund's Net Asset Value, the terms of the Swap agreement between each Sub-Fund and its Swap Counterparty may allow the Swap Counterparty to immediately close out of the transaction with the Sub-Fund. In such circumstances, each Sub-Fund may be unable to enter into another swap agreement or invest in other derivatives to achieve the desired exposure consistent with the Sub-Fund's investment objective. Any financing, borrowing or other costs associated with using derivatives may also have the effect of lowering the Sub-Fund's return.

In addition, each Sub-Fund may invest in Swaps involving counterparties for the purpose of attempting to gain exposure to a particular Security (or a basket of Securities) or 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, each Sub-Fund is exposed to the risk that the Swap Counterparty may be unwilling or unable to make timely payments to meet its contractual obligations or may fail to return holdings that are subject to the agreement with the Swap Counterparty. If the Swap Counterparty becomes bankrupt or defaults on its payment obligations to the Sub-Fund, it may not receive the full amount it is entitled to receive. In addition, each Sub-Fund may enter into swap agreements with a limited number of counterparties, which may increase the Sub-Fund's exposure to counterparty credit risk. 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. A Sub-Fund will not enter into any agreement involving a Swap Counterparty unless the Manager believes that the other party to the transaction is creditworthy.

The value of the collateral assets of any Swaps invested in by a Sub-Fund may be affected by market events which may cause a Sub-Fund's exposure to the Swap Counterparty to be under-collateralised and may result in significant losses.

Risk Associated with Small-capitalisation/Mid-capitalisation Companies

A Sub-Fund may invest in small-capitalisation/mid-capitalisation companies, the stock of which may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.

Risks Associated with Investment in an Actively Managed Sub-Fund

Active investment management risk

The Manager may employ an actively managed investment strategy in respect of a Sub-Fund. An actively managed Sub-Fund does not seek to track any index or benchmark, and there is no replication or representative sampling conducted by the Manager. Instead, investments of the Sub-Fund will be based on the Manager's view of market conditions and international investment trends and environment. An actively managed Sub-Fund may fail to meet its objective as a result of the Manager's selection of investments for the Sub-Fund, and/or the implementation of processes which may cause the Sub-Fund to underperform as compared to other funds with a similar objective.

Whilst it is the intention of the Manager to implement strategies which are designed to achieve the investment objective of each actively managed Sub-Fund, there can be no assurance that these strategies will be successful. The Manager may not be successful in selecting the best-performing instruments or investment techniques. Accordingly, there is a risk that investors may not recoup the original amount invested in an actively managed Sub-Fund or may lose a substantial part or all of their initial investment.

Risks Associated with Investment in an Index Tracking Sub-Fund

Passive Investment Risk

An Index Tracking Sub-Fund is not actively managed. Accordingly, such a Sub-Fund may be affected by a decline in the market segments relating to the relevant Index or Indices. Investors may lose a significant part of their respective investments if the Index falls. Each Index Tracking Sub-Fund invests (either directly or indirectly) in the Relevant Financial Products and/or Swaps included in or representative of the relevant Index regardless of their investment merit, except to the extent of any representative sampling strategy. The Manager does not attempt to select Relevant Financial Products individually or to take defensive positions in declining markets. Investors should note that the lack of discretion on the part of the Manager to adapt to market changes due to the inherent investment nature of an Index Tracking Sub-Fund will mean a decline in the Index or Indices are expected to result in corresponding falls in the Net Asset Values of the Sub-Fund, and investors may lose substantially all of their investment.

Representative Sampling Risk

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

Tracking Error Risk

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.

An Index Tracking Sub-Fund's returns may deviate from the Index due to a number of factors. For example, the fees and expenses of an Index Tracking Sub-Fund, any adoption of a representative sampling strategy, liquidity of the market, imperfect correlation of returns between an Index Tracking Sub-Fund's assets and the Relevant Financial Products constituting its Index, rounding of share prices, foreign exchange costs, changes to the Indices and regulatory policies may affect the Manager's ability to achieve close correlation with the Index of each Index Tracking Sub-Fund. Further, an Index Tracking Sub-Fund may receive income (such as interests and

dividends) from its assets while the Index does not have such sources of income. There can be no guarantee or assurance of exact or identical replication at any time of the performance of the Index or that an Index Tracking Sub-Fund will achieve its investment objective at any time of corresponding to the performance of the relevant Index.

Although the Manager regularly monitors the tracking error of each Index Tracking Sub-Fund, there can be no guarantee or assurance that any Index Tracking Sub-Fund will achieve any particular level of tracking error relative to the performance of its Index.

Risks Associated with Multi-Counter

Multi-Counter Risk

The nature of the Multi-Counter for exchange traded funds may make investment in the Shares riskier than in single counter units or shares of an SEHK listed issuer, as there might be suspension and/or any operational or systems interruption on the level provided by brokers and CCASS participants. If such situation occurs, Shareholders will only be able to trade their Shares in the currency of the relevant Multi-Counter.

There is a risk that the market price on the SEHK of Shares traded in one counter may deviate significantly from the market price on the SEHK of Shares traded in another counter due to different factors such as market liquidity, supply or demand in each counter and exchange rate fluctuations. The trading price of Shares in each counter is determined by market forces and so will not be the same as the trading price of Shares multiplied by the prevailing rate of foreign exchange. Accordingly when selling Shares or buying Shares traded in one counter, an investor may receive less or pay more than the equivalent amount in the currency of another counter if the trade of the relevant Shares took place on another counter. There can be no assurance that the price of Shares in each counter will be equivalent.

Investors without RMB or USD accounts may not be able to buy or sell RMB or USD traded Shares and should note that distributions will only be made in the base currency of the Sub-Fund. As such, investors may suffer a foreign exchange loss and incur foreign exchange associated fees and charges to receive their distribution.

It is possible that some brokers and HKSCC participants may not be familiar with and may not be able to (i) buy Shares in one counter and to sell Shares in another, or (ii) trade Shares in different counters at the same time. In such a case another broker or HKSCC participant may need to be used. Accordingly investors may only be able to trade their Shares in one currency, investors are recommended to check the readiness of their brokers in respect of the Multi-Counter trading and should fully understand the services which the relevant broker is able to provide (as well as any associated fees).

Risks Associated with Market Trading

Absence of Active Market and Liquidity Risks

Although Shares of each Sub-Fund are listed for trading on the SEHK, there can be no assurance that an active trading market for such Shares will develop or be maintained. In addition, if the underlying Relevant Financial Products and/or Swaps which comprise each Sub-Fund themselves have limited trading markets, or if the spreads are wide, this may adversely affect the price of the Shares and the ability of an investor to dispose of its Shares at the desired price. If an investor needs to sell his, her or its Shares 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 on the SEHK during any period in which trading of the Shares is suspended. The SEHK may suspend the trading of Shares 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 may also be suspended if the trading of Shares is suspended.

Effect of Redemptions Risk

If significant redemptions of Shares are requested by the Participating Dealers, it may not be possible to liquidate the relevant Sub-Fund's investments at the time such redemptions are requested or the Manager may be able to do so only at prices which the 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, the right of Participating Dealers to require redemptions in excess of 10% of the total Net Asset Value of Shares in a Sub-Fund then in issue (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.

Trading hours differences risk

The stock exchanges or Virtual Asset's trading platform on which a Sub-Fund's Relevant Financial Products are listed may be open when Shares in the Sub-Fund are not priced. As a result, the value of the Relevant Financial Products in the relevant Sub-Fund's portfolio may change on days when investors will not be able to purchase or sell the Sub-Fund's Shares.

For Securities and/or Futures Contracts specifically, (i) the market price of underlying Securities listed on stock exchanges which are established outside Hong Kong may not be available during part or all of the SEHK trading sessions due to trading hour differences which may result in the trading price of the relevant Sub-Fund deviating away from its Net Asset Value; and (ii) shares listed on certain stock exchanges may also be subject to trading bands which restrict increases and decreases in the trading price, but shares listed on the SEHK are not.

For Virtual Assets specifically, Virtual Assets are traded 24 hours a day, seven days a week, while the Shares traded on the SEHK are not. As such, the value of Virtual Assets in the Sub-Fund's portfolio may change on such day or time when investors will not be able to purchase or sell the Sub-Fund's Shares.

During periods when the SEHK is closed but the Constituent Platforms are open, significant changes in the price of Virtual Assets on the Constituent Platforms could result in a difference in performance between the value of Virtual Assets as measured by reference to the Index and the most recent Virtual Asset holdings per Share. To the extent that the price of Virtual Assets on the Constituent Platforms, and the value of Virtual Assets as measured by reference to the Index, move significantly in a negative direction after the close of the SEHK, the trading price of the Shares may "gap" down to the full extent of such negative price shift when the SEHK reopens. To the extent that the price of Virtual Assets on the Constituent Platforms drops significantly during hours the SEHK is closed, investors may not be able to sell their Shares until after the "gap" down has been fully realized, resulting in an inability to mitigate losses in a rapidly negative market.

Given the above, prices quoted by the SEHK market maker would therefore be adjusted to take into account any accrued market risk that arises from such unavailability of the market prices of

the Relevant Financial Products and as a result, the level of premium or discount of the Share price of a Sub-Fund to its Net Asset Value may be higher.

Shares May Trade at Prices Other than Net Asset Value Risk

Shares 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 fluctuate continuously throughout the trading hours based on market supply and demand rather than Net Asset Value. The trading price of the Shares may deviate significantly from Net Asset Value particularly during periods of market volatility. Any of these factors may lead to the Shares of the relevant Sub-Fund trading at a premium or discount to the Net Asset Value. On the basis that Shares can be created and redeemed in Application Shares at Net Asset Value, the Manager believes 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 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 due to reasons relating to timing as well as market supply and demand factors. In addition, disruptions to creations and redemptions 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 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 Price May Fall into a Very Low Nominal Level Risk

Under extreme market conditions, the trading price of the Shares may fall to a very low nominal level. In such circumstances, the bid-ask spreads of the Shares may widen significantly, trading liquidity may deteriorate, and market makers may face practical difficulties or be unable to fulfil their market making obligations. The trading price may reach the price floor of 0.01 (of any available currency unit). Where this occurs, the secondary market trading price of the Shares may not be able to fully reflect movements in the Net Asset Value or indicative Net Asset Value of the Sub-Fund, and the Shares may trade at prices that deviate materially from their respective Net Asset Value.

Investors should exercise caution when trading the Shares in the secondary market and should consider the latest available Net Asset Value, indicative Net Asset Value, trading price, bid-ask spread and liquidity of the Shares before making any investment decision.

Restrictions on Creation and Redemption of Shares Risk

Investors should note that 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 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 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 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 under certain circumstances. Alternatively, investors may realise the value of their Shares 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)" for details in relation to the circumstances under which creation and redemption applications can be rejected.

Borrowing Risks

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.

Cost of Trading Shares Risk

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

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.

Secondary Market Trading Risk

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

Reliance on the Manager risk

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

Reliance on the Investment Adviser risk

The Manager will make use of the research expertise of the Investment Adviser to support the investments of the Sub-Funds in the relevant markets. In the event of a breakdown or disruption in communications with or the provision by the Investment Adviser of its assistance to the Manager, the operations of a Sub-Fund may be adversely affected. The occurrence of such events could affect a Sub-Fund's investment activities and as a result, its performance.

Reliance on Market Makers Risk

Although the Manager will use its best endeavours to put in place arrangements so that there is at least one Market Maker to maintain a market for the Shares traded in each counter, it should be noted that liquidity in the market for the Shares may be adversely affected if there is no Market Maker for Shares traded in one or more counters. The Manager will seek to mitigate this risk by using its best endeavours to put in place arrangements so that at least one Market Maker for each

counter (which may be the same Market Maker) gives not less than 3 months' notice prior to terminating market making arrangement under the relevant market making agreements. It is possible that there is only one SEHK Market Maker to a counter or to the Sub-Fund or the Manager may not be able to engage a substitute Market Maker within the termination notice period of a Market Maker, and there is also no guarantee that any market making activity will be effective.

Reliance on Participating Dealers Risk

The creation and redemption of Shares may only be effected through Participating Dealers. A Participating Dealer may charge a fee for providing this service. Participating Dealers will not be able to create or redeem Shares during any period when, amongst other things, dealings on the SEHK or on the VATPs are restricted or suspended, settlement or clearing of Securities through the CCASS is disrupted, transfer of Virtual Assets on the VATP is disrupted or, in the case of an Index Tracking Sub-Fund, the Index is not compiled or published. In addition, Participating Dealers will not be able to issue or redeem Shares 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 Relevant Financial Products and/or Swaps cannot be effected. 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 freely.

Risks Associated with the Indices (applicable to Index Tracking Sub-Funds only)

Fluctuations Risk

The performance of the Shares of an Index Tracking 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

In respect of each Index Tracking Sub-Fund, the Manager is granted a licence by the Index Provider to use each Index to create the relevant Sub-Fund based on the Index and to use certain trade-marks and any copyright in the Index. An Index Tracking Sub-Fund may not be able to fulfil its objective and may be terminated if the licence agreement 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 Appendix of the relevant Index Tracking Sub-Fund. Although the Manager will seek to find a replacement Index, an Index Tracking 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 Index.

Compilation of Index Risk

The Relevant Financial Products of each Index are determined and composed by the relevant Index Provider without regard to the performance of the relevant Index Tracking Sub-Fund. Each Index Tracking 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 Index Tracking Sub-Fund or other persons regarding the advisability of investing in Relevant Financial Products generally or in any Index Tracking Sub-Fund particularly. Each Index Provider has no obligation to take the needs of the Manager or investors in the relevant Index Tracking Sub-Fund into consideration in determining, composing or calculating the relevant Index. There is no assurance that an Index Provider will compile the relevant Index accurately, or that the Index will be determined, composed or calculated accurately. 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 Index Tracking Sub-Fund, the Manager or investors.

Composition of an Index May Change Risk

The Securities constituting an Index will change as the Securities of the Index are delisted, or as the Securities mature or are redeemed or as new Securities are included in the Index or where the methodology of the Index is changed by the Index Provider. The Virtual Assets or Constituent Platforms will change as any Virtual Assets or Constituent Platform(s) of the Index are removed from, or as new Virtual Assets or Constituent Platform(s) are included in the Index or where the methodology of the Index is changed by the Index Provider. When this happens the weightings or composition of the Relevant Financial Products owned by the relevant Index Tracking Sub-Fund will change as considered appropriate by the Manager to achieve the investment objective. Thus, an investment in Shares of an Index Tracking Sub-Fund will generally reflect the 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 an Index Tracking Sub-Fund will, at any given time accurately reflect the composition of the relevant Index (please refer to the section on "Tracking Error Risk").

Errors and inaccuracies of Index Risk

There may be inaccuracies, errors, omissions or mistakes in the compilation or calculation of an Index, which may result in significant deviations between the Net Asset Value of the Shares of an Index Tracking Sub-Fund and the relevant Index. The accuracy and completeness of the calculation of an Index may be affected by, without limitation, the availability and accuracy of prices for its constituent securities and/or prices of the Virtual Assets in its Constituent Platforms, market factors and errors in its compilation. The Manager and the Custodian are not responsible or involved in the compilation or calculation of any Index, and thus cannot be held responsible or liable for any inaccuracies, errors, omissions or mistakes in such compilation or calculation.

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 a scheme nor does it guarantee the commercial merits of a scheme or its performance. This does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors. For an Index Tracking Sub-Fund, 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. If the Manager does not wish the Company or a Sub-Fund to continue to be authorised by the SFC, the Manager will give Shareholders at least three months' notice (or such shorter period as may be approved by the SFC) of the intention to seek SFC's withdrawal of such authorisation. In addition, any authorisation granted by the SFC may be subject to certain conditions which may be withdrawn or varied by the SFC. If, as a result of such withdrawal or variation of conditions, 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 or the Relevant Financial Products in a Sub-Fund's Portfolio 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.

Shares may be Delisted from the SEHK Risk

The SEHK imposes certain requirements for the continued listing of Securities, including the Shares, on the SEHK. Investors cannot be assured that any Sub-Fund will continue to meet the requirements necessary to maintain the listing of Shares on the SEHK or that the SEHK will not change the listing requirements. If the Shares of a Sub-Fund are delisted from the SEHK, Shareholders will have the option to redeem their Shares by reference to the Net Asset Value of the Sub-Fund. 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 may also have to be delisted.

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

Subject to the discussion below regarding the IGA (as defined below), sections 1471 – 1474 (referred to as "FATCA") of the United States Internal Revenue Code of 1986, as amended ("IRS Code"), impose a 30% withholding tax on certain U.S. source withholdable payments to foreign financial institutions ("FFIs") that are not FATCA-compliant. Under FATCA rules, an FFI that is not otherwise exempt or treated as deemed-compliant should register with the US Internal Revenue Service ("IRS"), and perform due diligence, withholding and reporting obligations with respect to financial accounts maintained by the FFI.

The United States and Hong Kong governments entered into an intergovernmental agreement based on the Model 2 format ("IGA"). In order to comply with FATCA and to avoid the above-mentioned withholding tax, the Company has been registered with the IRS as a "sponsored investment entity", with the Manager as "sponsoring entity". The Manager has agreed to perform, on behalf of the Company, any due diligence, reporting and other relevant FATCA requirements. The Company is classified as a non-reporting financial institution treated as a registered deemed-compliant FFI. Under FATCA rules, the IRS would be provided with information on the identity, account balance and the income received by an investor that is (or in certain circumstances is owned by) a "Specified US Person" within the meaning of FATCA.

Although the Manager and the Company will attempt to satisfy any FATCA obligations relating to the Company to avoid the imposition of FATCA withholding tax, no assurance can be given that such obligations would be fully satisfied. If the Company or any Sub-Fund becomes subject to a withholding tax as a result of FATCA, the Net Asset Value of the Company or such Sub-Fund may be adversely affected. The Manager's and the Company's ability to comply with FATCA rules relating to the Company will depend on each investor providing the Company with information that the Company requests concerning the investor.

Each prospective investor should consult with its own tax adviser as to the potential impact of FATCA on it in its own tax situation and on the Company and 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 THE SUB-FUNDS

The Directors

The Directors of the Company are as follows:

CHEN Zhixin

Mr. Chen joined HFM in April 2004 and is currently the Head of Strategic Clients. Prior to joining HFM, Mr. Chen served as a trader at China Southern Securities Co. Ltd from June 2003 to April 2004. He graduated from CEIBS (China Europe International Business School) with a Master's degree in Business Administration.

JIANG Yiqian

Ms. Yiqian Jiang joined Harvest in September 2009 and is responsible for the China equity investment team. She is a seasoned all-China-equity investment manager and has over 27 years of financial industry experience.

Before joining Harvest, she worked at Deutsche Asset Management as portfolio manager for Chinese equities in Hong Kong for nine years. Prior to that, she worked for Shanghai International Asset Management (HK) Co., Ltd and Shenyin Wanguo. Ms. Jiang manages an equity portfolio of near US$1 billion at Harvest, including a mandate for sovereign client with over 15-year track record of performance.

Ms. Jiang graduated from Shanghai University of Finance and Economics with a degree in Finance. She also holds an MBA in International Banking and Finance from the University of Birmingham, UK. Ms. Jiang is a Certified ESG Analyst (CESGA).

The Manager

The Manager of the Company and each Sub-Fund is Harvest Global Investments Limited.

Harvest Global Investments Limited ("HGI") was established in Hong Kong in September 2008 and is a wholly owned subsidiary of Harvest Fund Management Co., Ltd. ("HFM") registered in China. HFM was established in 1999 in China as one of the first 10 asset management institutions authorised by the Chinese government as part of its strategy to open up and develop the financial sector. HFM became a joint venture asset management company in June 2005. Currently the shareholders are China Credit Trust Co., Ltd, Lixin Investment Co., Ltd and DWS Investments Singapore Limited. HFM is one of the top three asset managers in China with over RMB 1.8 trillion of assets under management as of 31 December 2025. HFM offers a wide range of investment funds. It also manages national and local social security funds, corporate annuity funds, offshore securities and segregated accounts.

HGI holds licences from the SFC in Hong Kong to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities. In September 2009, the Chinese Equities and Asian equity teams at Deutsche Asset Management joined HGI.

Details of the directors of the Manager are as follows:

LU Lingfei
Director

Mr. Lu is a Director of the Manager. Mr. Lu joined HFM in October 2000 and is currently work as Deputy General Manager and Head of Institutional Sales. Before joining HFM, Mr. Lu worked in Beijing Beihuang Automation Equipment Installation Limited Company as Sales Manager. Mr. Lu holds a Master Degree in Finance.

GUO Song

Director
Mr. Guo is the Chief Compliance Officer of HFM and joined HFM in December 2019. Prior to joining HFM, Mr. Guo worked in the State Administration of Foreign Exchange and its subsidiary from 1992 to 2019. Mr. Guo holds a Master Degree of Economics from Tianjin University of Finance & Economics and an Executive MBA Degree from Cheung Kong Graduate School of Business.

TANG Jun
Director

Mr. Tang joined HFM in April 2023 and currently serves as the Chief Investment Officer for Fixed Income Business. From July 2002 to September 2014, Mr. Tang worked at China Asset Management Co., Ltd., where he held the position of Fixed Income Investment Director. Between November 2014 and February 2017, he served as a Partner at China Wealth Management Co., Ltd. From March 2017 to September 2018, he was the Head of Annuity Fixed Income at Taikang Asset Management Co., Ltd. Subsequently, from October 2018 to April 2020, he assumed the role of Head of Fixed Income Investment and Research Center at Ping An Asset Management Co., Ltd. From April 2020 to April 2023, Mr. Tang was a senior consultant at Harvest Foresight Technology (Beijing) Co., Ltd. Mr. Tang graduated from Tsinghua University, where he obtained a doctoral degree in Quantitative Economics.

CHEN Zhixin
Chief Executive Officer and Director

Mr. Chen joined HFM in April 2004 and is currently the Head of Strategic Clients. Prior to joining HFM, Mr. Chen served as a trader at China Southern Securities Co. Ltd from June 2003 to April 2004. He graduated from CEIBS (China Europe International Business School) with a Master's degree in Business Administration.

JIANG Yiqian
Chief Investment Officer and Director

Ms. Yiqian Jiang joined Harvest in September 2009 and is responsible for the China equity investment team. She is a seasoned all-China-equity investment manager and has over 27 years of financial industry experience.

Before joining Harvest, she worked at Deutsche Asset Management as portfolio manager for Chinese equities in Hong Kong for nine years. Prior to that, she worked for Shanghai International Asset Management (HK) Co., Ltd and Shenyin Wanguo. Ms. Jiang manages an equity portfolio of near US$1 billion at Harvest, including a mandate for sovereign client with over 15-year track record of performance.

Ms. Jiang graduated from Shanghai University of Finance and Economics with a degree in Finance. She also holds an MBA in International Banking and Finance from the University of Birmingham, UK. Ms. Jiang is a Certified ESG Analyst (CESGA).

Investment Adviser

The Company may appoint different persons (if any) as the Investment Adviser for different Sub-Funds. Information relating to the Investment Adviser of each Sub-Fund is set out in the relevant Appendix.

The Custodian

The Company may appoint different persons as the Custodian for different Sub-Funds provided that there should be at least one Custodian for each Sub-Fund at any time until the Sub-Fund is terminated in accordance with the Instrument. With regard to any matter related to regulatory obligations required of the Custodian(s) pursuant to the Instrument or any Laws and Regulations, the Directors shall in their sole discretion determine if the regulatory obligation is required of a Custodian which does not relate to one or more specific Sub-Funds or which cannot be allocated exclusively to one or more specific Sub-Funds, in which case the matter will be a “Collective Matter”,

for which all Custodians will take responsibility collectively. For regulatory obligations which can be allocated exclusively to a specific Sub-Fund, the Custodian of that Sub-Fund will take responsibility. Subject to the foregoing and any applicable Laws and Regulations, service providers (including any Custodian, Administrator and Registrar) will not be held jointly and/or severally liable for the actions or omissions of any other service provider (including any other Custodian, Administrator and Registrar).

The procedures for determining if a matter is a Collective Matter will be as follows:

i. the Directors may determine a general list of Collective Matters and inform the Custodians and the Manager from time to time; and

ii. the Manager and each Custodian may propose a general or specific matter to the Directors for the Directors' determination. The Directors shall, if they consider necessary, consult with the Manager and/or the Custodians, in determining if such matter is a Collective Matter. The Directors shall notify the Manager and the Custodians of their decision promptly.

Information relating to the Custodian (and any Sub-Custodian) of each Sub-Fund is set out in the relevant Appendix.

The Administrator and Registrar

The Company may appoint different persons as the Administrator and Registrar for different Sub-Funds.

Information relating to the Administrator and Registrar of each Sub-Fund is set out in the relevant Appendix.

The Service Agent or Conversion Agent

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 Sub-Fund by Participating Dealers.

The Auditor

The Manager has appointed KPMG to act as the auditor of the Company and each Sub-Fund (the "Auditor"). The Auditor is independent of the Manager and the Custodian.

The Participating Dealers

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 each Sub-Fund is available at http://etf.harvestglobal.com.hk (which has not been reviewed or approved by the SFC).

The Market Makers

A Market Maker is a broker or dealer permitted by the SEHK to make a market for the Shares 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 each available counter. If the SEHK withdraws its permit to the existing Market Maker(s), the Manager use its best endeavours to put in place arrangements so that there is at least one other Market Maker for each available counter of each Sub-Fund to facilitate the efficient trading of Shares. The Manager will use its best endeavours to put in place arrangements so that at least one Market Maker for each available counter of 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 each Sub-Fund is available at www.hkex.com.hk and http://etf.harvestglobal.com.hk (the contents of which and of any other website referred to in this Prospectus have 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

In respect of each Sub-Fund, the Manager may appoint a Listing Agent for the relevant Sub-Fund in accordance with The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited in respect of the Sub-Fund's listing on the SEHK. Any Listing Agent will be a registered institution or licensed corporation which is registered or licensed by the SFC to carry out, amongst others, Type 6 (advising on corporate finance) regulated activity under the SFO. The name of the Listing Agent for each Sub-Fund is set out in the relevant Appendix for that 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, in the case of an Index Tracking Sub-Fund, a list of any constituent Relevant Financial Products 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 Index Tracking Sub-Fund have been complied with). For Index Tracking Sub-Funds, the financial reports shall also provide a comparison of each Index Tracking 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 3 August 2022. Its constitution is set out in the Instrument filed to the Companies Registry of Hong Kong on, and effective as of, 3 August 2022 (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

Under the Management Agreement, the Manager is not liable in respect of any act or omission of:

(a) any person, firm or company through whom transactions in Investments are effected for the account of any Sub-Fund;

(b) the Custodian;

(c) the Administrator and Registrar;

(d) any Participating Dealer, Market Maker or Listing Agent;

(e) any party having custody or possession of the Company's assets from time to time; or

(f) any clearance or settlement system.

Nothing in any of the provisions of the Management Agreement and the Instrument (i) exempts the Manager from or against any liability to Shareholders for breach of its obligations through its fraud or negligence or any liability to Shareholders imposed by virtue of any Hong Kong law in relation to its duties nor (ii) indemnifies the Manager against such liability by Shareholders or at the Shareholders' expense.

Subject to the Instrument, the Company agrees to indemnify and keep indemnified the Manager and the directors, officers and employees of the Manager from and against any and all liabilities, obligations, losses, damages, suits and expenses (each a "Loss") which may be incurred by or asserted against the Manager in its capacity as Manager of the Company with, amongst others,

the Company. However, such indemnity excludes Losses resulting from the negligence, wilful default or fraud of the person seeking to rely on this indemnity and excludes expenses incurred by the Manager for which it is responsible under the Management Agreement.

When the Manager appears in, prosecutes or defends any action or suit in respect of the provisions of the Management Agreement or the Instrument or in respect of the Company, any Sub-Fund or any part thereof or any corporate or Shareholders' action which in its opinion would or might involve it in expense or liability, it shall be entitled to be indemnified by the Company out of the relevant Sub-Fund to its satisfaction against any costs or expenses in connection with the Manager appearing, prosecuting or defending such actions or suits.

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

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 under Hong Kong law, 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

No provision of the Custodian Agreement or the Instrument shall (i) exempt the Custodian from or against any liability to the Shareholders for breach of trust through its fraud or negligence or any liability to the Shareholders imposed under Hong Kong law in relation to its duties, or (ii) indemnify the Custodian against such liability by Shareholders or at Shareholders' expense.

Nothing in any provisions of a Custodian Agreement shall exclude or limit the liability to the Company which a Custodian may have under the SFO.

Please also refer to the relevant Appendix for information relating to a Custodian's liability to the Company in respect of the relevant Sub-Fund, and the indemnities available to a Custodian, under the relevant Custodian Agreement.

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);

(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;

(c) the alteration is approved by the SFC; or

(d) the alteration does not require Shareholders' approval nor the SFC's approval, and does not fall within paragraph (b) according to the Laws and Regulations applicable to the Company.

The Company shall provide written notice to Shareholders in respect of any alteration to the 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

Proxies may be appointed. A Shareholder who is the holder of two or more Shares may appoint more than one proxy to represent him and vote on his behalf at any meeting of the Shareholders. If a clearing house (or its nominee(s)), being a corporation, is a Shareholder, it may authorise such persons as it thinks fit to act as its representatives or proxy(ies) at any meeting of the Shareholders provided that, if more than one person is so authorised, the authorisation or proxy form shall specify the number and class of Shares in respect of which each such representative or proxy is so authorised. Each person so authorised shall be deemed to have been duly authorised without further evidence of the facts and shall be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person were the registered Shareholder of the Shares held by the clearing house (or its nominee(s)), including the right to vote individually on a poll.

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 (Cap. 32) 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) or (iii) 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.

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

Removal and Retirement of the Custodian

Under each Custodian Agreement, a 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.

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

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, 1 year from the date of the first issue of Share relating to the relevant Sub-Fund or at any date thereafter the Net Asset Value of the relevant Sub-Fund is less than HKD220,000,000 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, 1 year from the date of the first issue of Shares relating to the first Sub-Fund or at any date thereafter the Net Asset Value of the Company is less than HKD220,000,000 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 an Index Tracking Sub-Fund including classes therein, the Index is no longer available for benchmarking;

(f) in the case of a Sub-Fund including classes therein, if the Shares of the relevant 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 Sub-Fund including classes therein, at any time, the relevant Sub-Fund ceases to have any Participating Dealer;

(h) in the case of a Sub-Fund including classes therein, at any time, the relevant Sub-Fund ceases to have any market maker; or

(i) in the case of a Sub-Fund including classes therein, if the Manager is unable to implement its investment strategy in respect of the relevant Sub-Fund.

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.

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

Unless otherwise specified in the relevant Appendix, the Manager will adopt a distribution policy for each Sub-Fund as the Manager considers appropriate having regard to the Sub-Fund's net income, fees and costs. For each Sub-Fund this distribution policy (including the currency of such distribution) will be set out in the relevant Appendix. Distributions will always depend on payments on Relevant Financial Products 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. Unless otherwise specified in the relevant Appendix, no distribution will be paid out of capital and/or effectively out of capital of the Sub-Fund. There can be no assurance that such entities will declare or pay dividends or distributions.

Inspection of Documents

Copies of the constitutive documents in respect of the Company and each Sub-Fund are available for inspection free of charge during normal business hours on each Business Day at the offices of the Manager.

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.

Certification for Compliance with FATCA, the CRS or Other Applicable Laws

Each investor (i) shall be required to, upon demand by the Company, the Manager, the Administrator or the Custodian, provide any form, certification or other information reasonably requested by and acceptable to the Company, the Manager, the Administrator or the Custodian that is necessary for the Company and the Sub-Funds (a) to avoid withholding (including, without limitation, any withholding taxes required under FATCA) or qualify for a reduced rate of withholding or backup withholding in any jurisdiction from or through which the relevant Sub-Fund receives

payments, (b) to satisfy due diligence, reporting or other obligations under the IRS Code, the United States Treasury Regulations promulgated under the IRS Code, or the laws in Hong Kong implementing the OECD Standard for Automatic Exchange of Financial Account Information (commonly known as the "CRS"), and/or (c) 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 or when such form, certificate or other information is no longer accurate, and (iii) will otherwise comply with any registration, due diligence and reporting obligations imposed by the United States, Hong Kong or any other jurisdiction for the purposes of AEOI, including such obligations that may be imposed by future legislation.

For the purposes herein, "AEOI" means one or more of the following as the context requires:

(a) FATCA;

(b) CRS and any associated guidance;

(c) any intergovernmental agreement, treaty, guidance, standard or other agreement between the Hong Kong government (or any government body in Hong Kong) and any other jurisdiction (including any government bodies in such jurisdiction), entered into in order to comply with, facilitate, supplement or implement the legislation, regulations, guidance or standards described in paragraphs (a) and (b) above; and

(d) any legislation, regulations or guidance in Hong Kong that give effect to the matters outlined in the preceding paragraphs (a) to (c) above.

Power to Disclose Information to Authorities

Subject to applicable Laws and Regulations in Hong Kong and the consents obtained from the Shareholders where required (e.g. for FATCA purposes), the Company, the Manager, the Custodian 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 Hong Kong Inland Revenue Department ("IRD")), certain information in relation to a Shareholder or investor, including but not limited to the Shareholder's or investor's name, address, date of birth, tax residence jurisdiction(s), tax identification number(s) (if any), social security number (if any) and certain information relating to the Shareholder's or investor's holdings, account balance/value of the interest in the Company, and income or sale or redemption proceeds, to enable the relevant Company to comply with any applicable law or regulation or any agreement with a tax authority (including, but not limited to, any applicable law, regulation or agreement under AEOI).

Personal Data

Pursuant to the provisions of the Personal Data (Privacy) Ordinance (Cap. 468) of Hong Kong (the "PDPO"), the Custodian, the Manager, or any of their respective delegates (each a "Data User") may collect, hold and use personal data of individual investors in the relevant Sub-Fund only for the purposes for which such data was collected and shall comply with personal data protection principles and requirements as set out in the PDPO and all other applicable regulations and rules governing personal data use in Hong Kong from time to time. Accordingly, each Data User shall take all practicable steps to ensure that personal data collected, held and processed by them are protected against unauthorised or accidental access, processing, erasure or other use.

Anti-Money Laundering Regulations

As part of the Company's, the Manager's, the Administrator's, the Registrar's and the Participating Dealer's responsibility to prevent money laundering, they and/or their respective delegates or agents may require detailed verification of a prospective investor's identity and the source of the payment of application monies. Depending on the circumstances of each application, a detailed verification may not be required where: (a) the prospective investor makes payment from an account in the prospective investor's name at a recognised financial institution; (b) the prospective

investor is regulated by a recognised regulatory authority; or (c) the application is made through a recognised financial intermediary. The exceptions will only apply if the financial institution, regulatory authority or intermediary referred to above is within a country recognised by Hong Kong as having sufficient anti-money laundering regulations.

The Company, the Manager, the Administrator, the Registrar, the Participating Dealers and their respective delegates and agents each reserves the right to request such information as is necessary to verify the identity of an applicant and the source of the payment. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Company, the Manager, the Administrator, the Registrar, the Participating Dealers or any of their respective delegates or agents may refuse to accept the application and return the application monies relating to such application.

The Company, the Manager, the Administrator, the Registrar, the Participating Dealers and their respective delegates and agents each also reserves the right to refuse to make any redemption payment to a Shareholder if Company, the Manager, the Administrator, the Registrar, the Participating Dealers and/or any of their respective delegates and agents suspect or are advised that the payment of redemption proceeds to such Shareholder might result in a breach of applicable anti-money laundering or other laws or regulations by any person in any relevant jurisdiction, or if such refusal is considered necessary or appropriate to ensure the compliance by the Company or the relevant Sub-Fund(s) Company, the Manager, the Administrator, the Registrar or the Participating Dealers with any such Laws or Regulations in any applicable jurisdiction.

None of the Company, the Manager, the Administrator, the Registrar, the Participating Dealers or their respective delegates or agents shall be liable to the prospective investor or Shareholder for any loss suffered by such party as a result of the rejection or delay of any subscription application or payment of redemption proceeds.

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 risk 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 as stated under the section headed "Creations and Redemptions (Primary Market)", 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.

The following tool(s) may be employed by the Manager or the Sub-Fund to manage liquidity risks:

- Suspension of issue and redemption: the Manager may, after consultation with the Custodian and having regard to the best interests of Shareholders, declare a suspension of the determination of the Net Asset Value of any Sub-Fund, and/or the issue and/or switching and/or redemption of Shares of any Sub-Fund in exceptional circumstances as further detailed in the heading entitled "Suspension of Determination of Net Asset Value" in the section headed "Determination of Net Asset Value".

- Redemption gate: the Manager may limit the total number of Shares of a Sub-Fund redeemed on any Dealing Day to Shares representing 10% (or such other percentage as the Manager may determine either generally or in respect of any particular Dealing Day and as permitted by the SFC) of the total Net Asset Value of such Sub-Fund on the relevant Dealing Day (subject to the conditions under the heading entitled "Restrictions on redemption" in the section headed "Creations and Redemptions (Primary Market)").

Investors should note that there is a risk that such tools may not be effective in managing liquidity and redemption risks at all times.

Conflicts of Interest and Soft Dollars

The Manager and the Custodian (and any of their affiliates) (each a "relevant party") may from time to time act as trustee, administrator, registrar, manager, custodian, investment manager or investment adviser, representative or otherwise as may be required from time to time in relation to, or be otherwise involved in or with, other funds and clients which have similar investment objectives to those of any Sub-Fund. It is, therefore, possible that any relevant party may, in the course of business, have potential conflicts of interest with the Company or any Sub-Fund. Each relevant party will, at all times, have regard in such event to its obligations to the Company and the relevant Sub-Fund and will endeavour to ensure that such conflicts are resolved fairly. Each relevant party shall be entitled to retain for its own use and benefit all fees and other monies payable thereby and shall not be deemed to be affected with notice of or to be under any duty to disclose to the Company, any Sub-Fund, any Shareholder or any other relevant party any fact or thing which comes to the notice of the relevant party in the course of its rendering 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 Instrument. In any event, the Manager will ensure that all investment opportunities will be fairly allocated.

The Manager may enter into trades for the account of any Sub-Fund with the accounts of other clients of the Manager or their Connected Persons ("cross trades") when the Manager considers that, as part of its portfolio management, such cross-trades would be in the best interests of the Shareholders to achieve the investment objective and policy of the relevant Sub-Fund. Such cross trades will only be undertaken where (i) the sale and purchase decisions are in the best interests of both the relevant Sub-Fund and the other client and fall within the investment objective, restrictions and policies of the relevant Sub-Fund and such other client, (ii) the cross trades are executed on arm's length terms at current market value, (iii) the reasons for such cross trades are documented prior to execution and (iv) the cross trades are disclosed to both clients. Cross trades may also be entered into between house accounts (i.e. account owned by the Manager or their Connected Persons over which it can exercise control and influence) and a Sub-Fund in accordance with applicable laws and regulations.

The Manager has established policies in relation to the identification and monitoring of potential conflicts of interest situations, to ensure that clients' interests are given priority at all times. Key duties and functions must be appropriately segregated and there are strict policies and dealing procedures designed to avoid, monitor and deal with conflicts of interests situations, such as rules and procedures in relation to order allocation, best execution, receipt of gifts or benefits, retention of proper records, prohibition of certain types of transactions and handling of client complaints. The Manager has designated staff to monitor the implementation of such trading policies and dealing procedures with clear reporting lines to and oversight by senior management. In any event, the Manager will ensure that all investment schemes and accounts which it manages, including each Sub-Fund, are treated fairly.

It is expected that transactions for any Sub-Fund may be carried out with or through Connected Persons of the Manager. The Manager will ensure that all transactions carried out by or on behalf of each Sub-Fund will be in compliance with all applicable laws and regulations. The Manager will use due care in the selection of such Connected Persons to ensure that they are suitably qualified in the circumstances, and will monitor and ensure that all such transactions are conducted on arm's length terms and are consistent with applicable best execution standards. The fee or commission payable to any such Connected Persons in respect of a transaction will not be greater than that which is payable at the prevailing market rate for a transaction of that

size and nature. The Manager will monitor all such transactions to ensure compliance with their obligations. All such transactions and the total commissions and other quantifiable benefits received by such Connected Persons will be disclosed in the relevant Sub-Fund's annual report.

Neither the Manager nor any of their Connected Persons receives any cash commissions or other rebates from brokers or dealers in respect of transactions for the account of any Sub-Fund. However, the Manager and/or any of their Connected Persons with it reserve the right to effect transactions by or through the agency of another person with whom the Manager and/or any of their Connected Persons has such an arrangement.

The Manager and/or any of their Connected Persons further reserve the right to effect transactions by or through the agency of another person with whom the Manager and/or any of their Connected Persons has an arrangement under which that party will from time to time provide to or procure for the Manager and/or any of their Connected Persons goods, services or other benefits (such as research and advisory services, computer hardware associated with specialised software or research services and performance measures) the nature of which is such that their provision can reasonably be expected to benefit the Company (or the relevant Sub-Fund) as a whole and may contribute to an improvement in the performance of the Company (or the relevant Sub-Fund) or of the Manager and/or any of their Connected Persons in providing services to the Company (or the relevant Sub-Fund) and for which no direct payment is made but instead the Manager and/or any of their Connected Persons undertakes to place business with that party. Any transactions executed through such party must be consistent with best execution standards and brokerage rates must not be in excess of customary institutional full-service brokerage rates. 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. Periodic disclosure in the form of a statement describing the soft dollar policies and practices of the Manager or other investment delegate, including a description of the goods and services received by them, will be made in the relevant Sub-Fund's annual report.

Index Licence Agreements (applicable in respect of Index Tracking Sub-Funds only)

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

Material Changes to an Index (applicable in respect of Index Tracking Sub-Funds only)

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 (applicable in respect of Index Tracking Sub-Funds only)

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 Index Tracking 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 Relevant Financial Products 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 an Index Tracking 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 Index Tracking Sub-Fund of the Index and/or (ii) the name of the relevant Index Tracking 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, for Index Tracking Sub-Funds, in respect of the relevant Index), in the English and Chinese languages (unless otherwise specified), on the following website http://etf.harvestglobal.com.hk (which 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 product key facts statement in respect of each Sub-Fund (as revised from time to time);

(b) the latest annual financial reports and interim half yearly unaudited financial reports (in English only);

(c) any notices relating to material changes to any Sub-Fund which may have an impact on its investors such as material alterations or additions to this Prospectus (including each product key facts statement) or any of the constitutive documents of the Company and/or a Sub-Fund;

(d) any public announcements made by the Manager in respect of any Sub-Fund, including information with regard to a Sub-Fund, the Index of an Index Tracking Sub-Fund (where applicable), the suspension of creations and redemptions of Shares, the suspension of the calculation of its Net Asset Value, changes in fees and the suspension and resumption of trading in its Shares;

(e) the latest list of the Participating Dealers and Market Makers for each Sub-Fund, and (for a VA Sub-Fund only) the latest list of the VATPs and Virtual Asset Sub-Custodians;

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

(g) 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);

(h) the last Net Asset Value of each Sub-Fund in the base currency of the Sub-Fund and the last Net Asset Value per Share of each Sub-Fund in the base currency and each trading currency of the Sub-Fund (updated on a daily basis on each Dealing Day);

(i) in respect of Index Tracking Sub-Funds only, the annual tracking difference and tracking error of each Sub-Fund;

(j) in respect of Index Tracking Sub-Funds only, the full portfolio information of each Sub-Fund (updated on a daily basis unless otherwise specified in the relevant Appendix);

(k) in respect of actively managed Sub-Funds only, the full portfolio information of the Sub-Fund on a monthly basis (updated within one month of the end of each month); and

(l) if applicable to a Sub-Fund, the composition of distributions (i.e. the relative amounts paid out of (i) net distributable income, and (ii) capital), if any, for a 12-month rolling period.

The near real time indicative Net Asset Value per Share (in each trading currency of the relevant Index Tracking 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 a third-party data vendor.

In respect of Harvest Bitcoin Spot ETF and Harvest Ether Spot ETF:

(i) the near real time indicative NAV per Share in HKD is indicative and for reference only. The near real time indicative NAV per Share in HKD is updated every 15 seconds during SEHK trading hours using the near real time indicative NAV per Share in USD multiplied by the ICE's real time FX rate calculated by ICE Data Services.

(ii) the last NAV per Share in HKD is indicative and for reference only and is calculated using the last NAV per Share in USD multiplied by the foreign exchange rate (Tokyo Composite) quoted by Bloomberg for Hong Kong dollars at 5:00 p.m. (Hong Kong time) on that Dealing Day.

For Index Tracking Sub-Funds, real time updates about the relevant Index can be obtained through other financial data vendors. It is your own responsibility to obtain additional and the latest updated information about the Index (including without limitation, a description of the way in which the Index is calculated, any change in the composition of the Index, any change in the method for compiling and calculating the Index) via the Company's website and the relevant Index Provider's website (neither of which, nor any other website referred to in this Prospectus, has been reviewed by the SFC). Please refer to the section on "Website Information" below for the warning and the disclaimer regarding information contained in such website.

Notices

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

Company
Harvest Funds Series (Hong Kong) ETF OFC
Suites 1901-1912, 19/F
Two Pacific Place
88 Queensway
Hong Kong

Manager
Harvest Global Investments Limited
Suites 1901-1912, 19/F
Two Pacific Place
88 Queensway
Hong Kong

Custodian
BOCI-Prudential Trustee Limited
Suites 1501-1507 & 1513 - 1516, 15/F
1111 King's Road
Taikoo Shing
Hong Kong

Administrator and Registrar

BOCI-Prudential Trustee Limited
Suites 1501-1507 & 1513 - 1516, 15/F
1111 King's Road
Taikoo Shing
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 Custodian, nor the Administrator 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 Custodian, or the Administrator 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, its website at http://etf.harvestglobal.com.hk (the contents of which and of other websites referred to in this Prospectus have 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.

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 under the laws and practice of Hong Kong, Mainland China and their respective jurisdictions, as well as rules relating to the Common Reporting Standard and FATCA. 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.

Taxation of the Company and Sub-Fund(s)

Hong Kong Profits Tax

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.

There is no withholding tax on dividends or interest in Hong Kong. Hong Kong does not impose withholding tax on interest or dividend paid by a Hong Kong company. The dividends received from a Hong Kong listed company may be subject to Mainland China withholding tax if the Hong Kong company is considered as a Mainland China tax resident enterprise ("TRE"). Disposal gain of such TRE may also be subject to Mainland China withholding tax.

Hong Kong Stamp Duty

The sale and purchase of the "Hong Kong stocks" (as defined under the Stamp Duty Ordinance (Cap. 117) of Hong Kong) by a Sub-Fund will be subject to Hong Kong ad valorem stamp duty at the current rate of 0.1% of the consideration or the fair market value (whichever is higher) of the Hong Kong stocks being sold and purchased. The purchaser and the seller will each be liable for the Hong Kong stamp duty upon such transfer and thus the total stamp duty payable for such transfer is 0.2%.

No Hong Kong stamp duty is payable by the Company or a Sub-Fund on an issuance or cancellation of Shares.

Taxation of the Shareholders

Hong Kong Profits Tax

In general, gains arising from the disposal or redemption of the Shares in the Sub-Funds by the Shareholders should not be subject to Hong Kong profits tax where the Shareholders do not carry on a trade, profession or business in Hong Kong or such gains are capital in nature or non-Hong Kong sourced for Hong Kong profits tax purposes. For Shareholders carrying on a trade, profession or business in Hong Kong, such gains may be subject to Hong Kong profits tax if the gains in question arise in or are derived from such trade, profession or business in Hong Kong, and the Shares are revenue assets of the Shareholders for profits tax purposes. The profits tax treatment should depend on the particular circumstances of each investor. Shareholders should take advice from their own professional advisers as to their particular tax position.

For Shareholders subject to Hong Kong profits tax, a two-tiered profits tax regime was enacted on 29 March 2018. It is applicable to any year of assessment commencing on or after 1 April 2018. Under the two-tiered tax rates, for corporations, the first HKD2 million of assessable profits of a nominated corporation within the group is subject to a reduced tax rate at 50% of the standard profits tax rate for corporations (i.e. 8.25%), with certain exceptions, and the remaining profits is subject to the standard rate of 16.5%. For unincorporated business, the first HKD2 million of assessable profits is subject to a reduced tax rate at 50% of the standard profits tax rate for unincorporated business (i.e. 7.5%), and the remaining profits is subject to the standard rate of 15%.

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).

Withholding Tax

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

Hong Kong Stamp Duty

Allotment of Shares in the Sub-Funds is not subject to stamp duty in Hong Kong.

No Hong Kong stamp duty is payable by a Shareholder in relation to an issue or on the cancellation of Shares. No Hong Kong stamp duty is payable where the sale is effected by transferring the Shares back to the Manager, who then either extinguishes the Shares or resell the Shares to another person within two months thereof. Hong Kong stamp duty payable on the delivery of Hong Kong stocks by a Shareholder to a Sub-Fund as consideration for an allotment of Shares, or by a Sub-Fund to a Shareholder upon redemption of such Shares will be exempt from Hong Kong stamp duty.

Other types of purchase or sale or transfer of the Shares should be subject to Hong Kong ad valorem stamp duty at 0.2% of the higher of the considerations or the fair market value of the Units. The seller and the purchaser should each be liable for 50% of the stamp duty (i.e. 0.1% each).

Common Reporting Standard

The Inland Revenue (Amendment) (No.3) Ordinance and subsequent related legislation provide the framework for the implementation of the OECD Standard for Automatic Exchange of Financial Account Information in Hong Kong (commonly known as the "CRS"). CRS requires financial institutions ("FIs") in Hong Kong to obtain information from the account holders, conduct due diligence on the account holders and file certain information relating to reportable account holders who are tax resident in "Reportable Jurisdictions" (as determined for CRS purposes) with the IRD, which in turn will exchange the information with the jurisdiction(s) in which that reportable account holder is a tax resident. The Company and its agents may collect information on other tax residence jurisdictions of account holders.

The Company is an FI with obligations to comply with CRS due diligence, reporting and other requirements. This means that the Company and/or its agents shall obtain and provide to the IRD the information relating to Shareholders where required. The Company intends to comply with the requirements of CRS as implemented by Hong Kong and to qualify as a "Reporting Financial Institution" for such purposes. However, there can be no assurance that the Company will be able to so comply.

CRS as implemented by Hong Kong requires the Company to, amongst other things: (i) conduct due diligence on its accounts (i.e. the Shareholders) to identify whether any such accounts are considered "Reportable Accounts" for CRS purposes, and (ii) report to the IRD any required information on such Reportable Accounts on an annual basis. The IRD is expected on an annual basis to transmit the required information reported to it to competent authorities of the relevant Reportable Jurisdiction(s). Broadly, the CRS requires that Hong Kong FIs should report on those Shareholders that are: (i) individuals or entities that are tax resident in a Reportable Jurisdiction; and (ii) certain entities controlled by individuals who are tax resident in a Reportable Jurisdiction.

Under CRS, details of reportable Shareholders or their controlling persons (as the case may be), including but not limited to their names, date of birth, address, jurisdiction(s) of tax residence, tax identification number(s) (if any), account details, account balance/value of the interest in the Company, and income or sale or redemption proceeds, may be reported to the IRD and subsequently exchanged with competent authorities in the relevant Reportable Jurisdiction(s). After Listing, Shares are expected to be registered in the name of HKSCC Nominees Limited on the register of the relevant Sub-Fund. It is the Manager's understanding that HKSCC Nominees Limited is not an account holder that is reportable under CRS rules.

By investing in a Sub-Fund and/or continuing to invest in a Sub-Fund, Shareholders and prospective investors acknowledge that they may be required to provide additional information to the Company, the relevant Sub-Fund, the Manager and/or their Sub-Fund's agents in order for the Company to comply with CRS.

Each Shareholder and prospective investor should consult its own tax advisors regarding the potential impact of CRS on it under its particular circumstances and on the Company and the Sub-Funds.

FATCA

Sections 1471 to 1474 of the United States Internal Revenue Code of 1986, as amended, commonly referred to as "FATCA", impose a reporting regime with respect to financial accounts held by "Specified US Persons" and certain other parties with FFIs, such as the Company. Withholdable payments, including US source interest and dividends paid from securities of US issuers, made to the Company may be subject to withholding at a rate of 30%, unless the Company is FATCA-compliant. To avoid such withholding on payments received, FFIs will generally be required to register and be subject to the terms of an agreement (an "FFI Agreement") with the US Internal Revenue Service ("IRS") to be treated as a participating FFI (see paragraph below regarding the IGA entered into by Hong Kong). Participating FFIs are required to identify Shareholders that are, or in certain circumstances are owned by, "Specified US Persons" or that have certain other FATCA statuses, and report certain information concerning such Shareholders to the IRS.

FATCA withholding generally applies to payments of US source income, including US source dividends and interest. The 30% withholding could also apply to payments otherwise attributable to US source income (also known as "foreign passthru payments"), though the US tax rules on foreign passthru payments are currently pending.

The United States and Hong Kong governments entered into an intergovernmental agreement based on the Model 2 IGA format. The Model 2 IGA modifies certain FATCA requirements but generally requires similar procedures on identifying account holders' FATCA classification, and disclosing certain information to the IRS. Under a Model 2 IGA, an FFI that is treated as complying with the terms of an FFI Agreement (i) will generally not be subject to the above described 30% withholding tax; and (ii) will generally not be required to withhold tax on payments made to Shareholders who fail to provide certain requested information, but may be required to withhold tax on certain payments made to non-compliant FFIs.

The Company has been registered with the IRS as a "sponsored investment entity", with the Manager as "sponsoring entity" that has agreed to perform, on behalf of the Company, any due diligence, reporting and other relevant FATCA requirements. The Company is a non-reporting financial institution treated as a registered deemed compliant FFI. It is the Manager's and Company's intention to endeavour to satisfy the requirements imposed under FATCA relating to the Company. After Listing, Shares are expected to be registered in the name of HKSCC Nominees Limited on the register of the relevant Sub-Fund. It is the Manager's understanding that HKSCC Nominees Limited is registered as a "reporting Model 2 FFI".

Although the Manager and the Company will attempt to satisfy any FATCA obligations relating to the Company to avoid the imposition of FATCA withholding tax, no assurance can be given that such obligations would be fully satisfied.

Each Shareholder and prospective investor should consult its own tax advisors regarding the potential impact of FATCA on it under its particular circumstances and on the Company and the Sub-Funds.

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 and listed on the SEHK. 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", if applicable, refer to the relevant Index details of which are set out in that Appendix.

APPENDIX 1: HARVEST BITCOIN SPOT ETF

This is a passive exchange traded fund

Key information

Set out below is a summary of key information in respect of this Sub-Fund which should be read together with the full text of this Appendix and this Prospectus.

Initial Issue Date	29 April 2024 (the Business Day immediately before the Listing Date)
Listing Date (SEHK)	30 April 2024
Issue Price during the Initial Offer Period	USD1
Exchange Listing	SEHK – Main Board
Stock Code	3439 (HKD Counter) 9439 (USD Counter)
Trading Board Lot Size	100 Shares
Base Currency	US dollars (USD)
Trading Currency	Hong Kong dollars (HKD) – HKD Counter US dollars (USD) – USD Counter
Distribution Policy	No distribution will be made.
Creation/Redemption Policy	Cash (in USD only) or in-kind
Application Share Size (only by or through Participating Dealers)	Minimum 100,000 Shares (or multiples thereof) (for each counter)
Dealing Deadline (for Creation/Redemption through Participating Dealers)	(For cash Creation/Redemption) 11:00 a.m. (Hong Kong time) (For in-kind Creation/Redemption) 4:00 p.m. (Hong Kong time)
Management Fee	0.9% per annum of the Net Asset Value ^ ^ Management fee is waived for the first six months from the Listing Date.
Investment Strategy	Please refer to the section on "What is the investment strategy?" below.
Index	CME CF Bitcoin Reference Rate – APAC Variant for the Bitcoin – USD trading pair
Index Provider	CF Benchmarks Ltd

Financial Year End	31 December. The first financial year of the Sub-Fund will end on 31 December 2024. The first audited annual financial reports will be published before 30 April 2025. The first half-yearly unaudited financial reports will be prepared for the half year ending 30 June 2025 and will be published before 31 August 2025.
Custodian	BOCI-Prudential Trustee Limited
Virtual Asset Trading Platform(s) or VATP(s)*	OSL Digital Securities Limited
Virtual Asset Sub-Custodian(s)*	OSL Digital Securities Limited acting via its associated entity BC Business Management Services (HK) Limited
Administrator and Registrar	BOCI-Prudential Trustee Limited
Listing Agent	Altus Capital Limited
Market Maker(s) (for HKD Counter and USD Counter)*	China Merchants Securities (HK) Co., Limited CLSA Limited Virtu Financial Singapore PTE. Ltd.
Participating Dealers*	China Merchants Securities (HK) Co., Limited Eddid Securities and Futures Limited Mirae Asset Securities (HK) Limited Solomon JFZ (Asia) Holdings Limited Valuable Capital Limited Victory Securities Company Limited
Service Agent	HK Conversion Agency Services Limited
Website	http://etf.harvestglobal.com.hk (this website has not been reviewed or approved by the SFC)

* *Please refer to the Manager's website for the latest lists of VATPs, Virtual Asset Sub-Custodians, Market Makers and Participating Dealers for the Sub-Fund.*

What is the investment objective?

The Sub-Fund's investment objective is to aim to provide investment results that, before fees and expenses, closely correspond to the performance of the price of bitcoin as reflected by the Index.

There can be no assurance that the Sub-Fund will achieve its investment objective.

What is the investment strategy?

In seeking to achieve the Sub-Fund's investment objective, the Sub-Fund will directly invest in bitcoin on certain SFC-Licensed VATPs.

For the avoidance of doubt, bitcoin is a Virtual Asset.

The Sub-Fund may invest up to 100% of its assets in bitcoin and will not invest in other types of

investments except that the Sub-Fund may retain a small amount of cash (in HKD or USD) to pay for fees and other expenses and costs associated with the Sub-Fund's ongoing operations to meet redemption requests.

Other Investments and Use of FDI

The Manager does not intend to invest in financial derivative instruments for any purpose, or engage in securities lending, sale and repurchase transactions and reverse repurchase transactions on behalf of the Sub-Fund.

In addition, the Sub-Fund shall not employ any forms of leverage with respect to Virtual Assets.

Overview of the Bitcoin Market

What is Bitcoin?

Bitcoin operates without central authority (such as a bank) and is not backed by any government. Bitcoin is a Virtual Asset created and transmitted through the operations of a peer-to-peer network of computers that operates on cryptographic protocols, namely the Bitcoin Network. No single entity owns or operates the Bitcoin Network, the infrastructure of which is collectively maintained by its user base.

Tokens of value, called bitcoin, are exchanged on the Bitcoin Network. Such transactions are recorded on a public transaction ledger known as the Bitcoin Blockchain. Although bitcoin may be used as a medium of exchange for goods and services, a unit of account, a store of value (despite its price volatility), or converted to a fiat currency, it is not a legal tender.

The Bitcoin Network is commonly understood to be decentralized and does not require governmental authorities or financial institution intermediaries to create, transmit or determine the value of bitcoin. The value of bitcoin is determined by the demand for and supply of bitcoin on bitcoin trading platforms or in private end-user-to-end-user transactions.

Bitcoin was released in 2009. The Bitcoin Network, the Bitcoin Blockchain, as well as bitcoin trading platforms and over-the-counter trading desks have a relatively limited history. There is little data on its long-term investment potential.

Bitcoin Network and Bitcoin Transactions

The Bitcoin Network was initially contemplated in a white paper released in 2008 under the name "Satoshi Nakamoto" that described bitcoin and the operating software to govern the Bitcoin Network. The Bitcoin Network source code (the software and protocol that created and launched the Bitcoin Network) was subsequently released in 2009 as open-source software and currently operates on a worldwide network of computers.

Prior to engaging in bitcoin transactions (for the receipt or transfer of bitcoin) directly on the Bitcoin Network, a user is required to first install a Bitcoin Network software on its computer or mobile device for generating a Bitcoin Network address, or more commonly known as a "wallet", which is associated with a unique "public key" and "private key" pair.

Public keys are associated with bitcoin addresses that are publicly known and can accept a bitcoin transfer. Private keys are used to sign transactions that initiate the transfer of bitcoin from a sender's bitcoin address to a recipient's bitcoin address. Only the holder of the private key associated with a particular bitcoin address can digitally sign a transaction proposing a transfer of bitcoin from that particular bitcoin address.

To receive bitcoin, the receiving party must provide the spending party with its public key and allow the Bitcoin Blockchain to record the sending of bitcoin to that public key. After the provision of a recipient's Bitcoin Network public key, the spending party must enter the address into its Bitcoin

Network software program along with the number of bitcoin to be sent. The number of bitcoin to be sent will typically be agreed upon between the two parties based on a set number of bitcoin or an agreed upon conversion of the value of fiat currency to bitcoin. Since every computation on the Bitcoin Network requires the payment of bitcoin, including verification and memorialization of bitcoin transfers, there is a transaction fee involved with the transfer, which is based on computation complexity and not on the value of the transfer and is paid by the payor with a fractional number of bitcoin.

Once the sender enters the Bitcoin Network address, the number of bitcoin to be sent and any applicable transaction fees to be paid, will be transmitted by the sender. The transmission creates a data packet through the sender's Bitcoin Network software program, which is transmitted onto the decentralized Bitcoin Network. This results in the distribution of the information among the software programs of users across the Bitcoin Network for eventual inclusion in the Bitcoin Blockchain.

Upon the addition of a block included in the Bitcoin Blockchain, the Bitcoin Network software program of both the sender and the recipient will display confirmation of the transaction on the Bitcoin Blockchain. The bitcoin balance in each party's Bitcoin Network public key will be adjusted accordingly, completing the bitcoin transaction. Once a transaction is confirmed on the Bitcoin Blockchain, it is irreversible.

Neither the recipient nor the sender reveals their private keys in a transaction because the private key authorizes transfer of the funds in that address to other users. Therefore, if a user loses his private key, the user may permanently lose access to the bitcoin contained in the associated address. Likewise, bitcoin is irretrievably lost if the private key associated with them is deleted and no backup has been made. When sending bitcoin, a user's Bitcoin Network software program must validate the transaction with the associated private key. The resulting digitally validated transaction is sent by the user's Bitcoin Network software program to the Bitcoin Network to allow transaction confirmation.

Certain bitcoin transactions are conducted "off-blockchain", meaning they are not recorded in the Bitcoin Blockchain. Some "off-blockchain transactions" involve the transfer of control over, or ownership of, a specific digital wallet holding bitcoin, or the reallocation of ownership of certain bitcoin in a digital wallet that contains assets owned by multiple individuals, for instance a digital wallet maintained by a bitcoin trading platform. Unlike the transactions that are publicly recorded on the Bitcoin Blockchain, information and data regarding off-blockchain transactions are generally not publicly available. As a result, off-blockchain transactions are not considered as true bitcoin transactions since they do not involve the transfer of transaction data on the Bitcoin Network and do not reflect a movement of bitcoin between addresses recorded in the Bitcoin Blockchain. For these reasons, off-blockchain transactions are subject to risks as any such transfer of bitcoin ownership is not protected by the Bitcoin Network's underlying protocol or recorded in, and validated through, the Bitcoin Blockchain mechanism.

Bitcoin Mining

New bitcoin is created and rewarded to the "miners" of a block in the Bitcoin Blockchain for verifying transactions through a "mining" process.

In order to incentivize those who incur the computational costs of securing the network by validating transactions, there is a reward that is given to the computer that was able to create the latest block on the chain. Every 10 minutes, on average, a new block is added to the Bitcoin Blockchain with the latest transactions processed by the network, and the computer that generated this block is currently awarded 3.125 bitcoin. Due to the nature of the algorithm for block generation, this process (generating a "proof-of-work") is random. Over time, rewards are expected to be proportionate to the computational power of each machine.

When bitcoin is "mined", it means that new blocks are being added to the Bitcoin Blockchain and new bitcoin being issued to the miners. Computers on the Bitcoin Network engage in a set of

prescribed complex mathematical calculations in order to add a block to the Bitcoin Blockchain and thereby confirm bitcoin transactions included in that block's data.

The Bitcoin Blockchain is a shared database that includes all blocks that have been solved by miners and new blocks as and when they are solved. Each bitcoin transaction is broadcast to the Bitcoin Network and, when included in a block, recorded in the Bitcoin Blockchain. As each new block records outstanding bitcoin transactions, and outstanding transactions are settled and validated through such recording, the Bitcoin Blockchain represents a complete, transparent and unbroken history of all transactions of the Bitcoin Network.

The Bitcoin Network is structured in such a way that the reward for adding new blocks to the Bitcoin Blockchain reduces over time. Once new bitcoins are no longer awarded for adding a new block, miners will rely primarily on transaction fees as their incentive. It is therefore expected that miners will require higher transaction fees to ensure that they are adequately compensated and motivated to continue their mining activities.

Limits on Bitcoin Supply

Bitcoin Network's protocol encodes that the total supply of bitcoin is capped at 21 million, also referred to as the hard cap. Bitcoin's source code also provides that the supply of new bitcoin is mathematically controlled to ensure that the number of bitcoin grows at a limited rate pursuant to a pre-set schedule. The number of bitcoin awarded for solving a new block is automatically halved after every 210,000 blocks are added to the Bitcoin Blockchain, approximately every 4 years. This deliberately controlled rate of bitcoin creation means that the number of bitcoin in existence will increase at a controlled rate until the number of bitcoin in existence reaches the pre-determined 21 million bitcoin, unless this is changed in a hard fork.

Modifications to the Bitcoin Protocol

As the Bitcoin Network is an open-source project and has no central authority, any developer may review, propose changes to and develop software for the bitcoin protocols. When a modification to the Bitcoin Network's source code is introduced by a core group of developers that is in practice responsible for quasi-official releases of updates to the Bitcoin Network's source code, there is no guarantee that it will automatically be adopted by the other participants.

A modification of the Bitcoin Network's source code is effective only with respect to the bitcoin users and miners that download it. If only a percentage of users and miners accept a modification, a division in the Bitcoin Network will occur, resulting in two separate networks – one network will run the pre-modification source code and the other network will run the modified source code. Such a division is known as a "fork".

Such a fork could adversely affect bitcoin's viability and adversely impact on the value of bitcoin. In recent years, there have been several forks in the Bitcoin Network, including but not limited to, forks resulting in the creation of Bitcoin Cash (August 1, 2017), Bitcoin Gold (October 24, 2017) and Bitcoin SegWit2X (December 28, 2017), among others.

Further, a substantial giveaway of bitcoin to participants in the Bitcoin Network (sometimes referred to as an "airdrop") may also result in significant and unexpected declines in the value of bitcoin.

Bitcoin spot price (from April 2014 to April 2024)



Source: CoinMarketCap

What is the Index?

This section is a brief overview of the Index. It contains a summary of the principal features of the Index and therefore should not be treated as a complete description of the Index. As of the date of this Appendix, to the best of the Manager's knowledge and belief, the summary of the Index in this section is accurate and consistent with the complete description of the Index. Further details on the Index appears on 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 CME CF Bitcoin Reference Rate – APAC Variant for the Bitcoin – USD trading pair. The Index is provided by CF Benchmarks Ltd, the Index Provider. The Index was launched on 11 September 2023. The Index is based on materially the same methodology (except calculation time) as the Index Provider's Bitcoin Reference Rate ("BRR"), which was first introduced in November 2016.

The Index serves as a once-a-day benchmark rate of the price of one bitcoin in USD (USD/BTC), calculated as of 4:00 p.m. (Hong Kong time).

Any change to the use of the Index as the Sub-Fund's benchmark for valuation purposes may only be made in accordance with the Instrument of Incorporation (and with the SFC's prior approval) and will only be effective upon not less than one month's prior notice (or such other period as may be required by the SFC) being given to the Shareholders. The Net Asset Value of the Sub-Fund will be valued by reference to the Index. On each Dealing Day, as soon as practicable after 4:00 p.m. (Hong Kong time), the Sub-Fund evaluates the bitcoin held by the Sub-Fund as reflected by the Index and determines the Net Asset Value of the Sub-Fund.

The Manager is not involved in the operation, calculation and maintenance of the Index. The Manager and its Connected Persons are independent of the Index Provider. The Index Provider has the sole discretion to calculate and maintain the Index.

Index Calculation and Valuation of Bitcoin

The Index aggregates the trade flow of several bitcoin platforms, during an observation window between 3:00 p.m. and 4:00 p.m. (Hong Kong time) (the "Observation Window") into the price of one bitcoin in USD at 4:00 p.m. (Hong Kong time). Specifically, the Index is calculated using the "Relevant Transactions" (as defined below) of all Constituent Platforms.

- All Relevant Transactions are added to a joint list, recording the time of execution, trade price and size for each transaction.
- The list is partitioned by timestamp into 12 equally-sized time intervals of 5 minute length.
- For each partition separately, the volume-weighted median trade price is calculated from the trade prices and sizes of all Relevant Transactions, i.e., across all Constituent Platforms. A volume-weighted median differs from a standard median in that a weighting factor, in this case trade size, is factored into the calculation.
- The Index is then determined by the equally-weighted average of the volume-weighted medians of all partitions.

A "Relevant Transaction" is any cryptocurrency versus USD spot trade that occurs during the Observation Window on a Constituent Platform in the BTC/USD pair that is reported and disseminated by a Constituent Platform through its publicly available API and observed by the Index Provider. Although the Index is intended to accurately capture the market price of bitcoin, third parties may be able to purchase and sell bitcoin on public or private markets and such transactions may take place at prices materially higher or lower than the reference price of bitcoin as reflected by the Index's level (the "Index Price").

The Manager believes that the use of the Index is reflective of a reasonable valuation of the spot price of bitcoin and that resistance to manipulation is a priority aim of its design methodology. The methodology: (i) takes an observation period and divides it into equal partitions of time; (ii) then calculates the volume-weighted median of all transactions within each partition; and (iii) the value is determined from the arithmetic mean of the volume-weighted medians, equally weighted. By employing the foregoing steps and specifically doing so over a one hour period, the Index thereby seeks to ensure that transactions in bitcoin conducted at outlying prices do not have an undue effect on the Index Price, large trades or clusters of trades transacted over a short period of time will not have an undue influence on the Index value, and the effect of large trades at prices that deviate from the prevailing price are mitigated from having an undue influence on the Index level.

You can obtain the Index Price, the most updated list of the Constituent Platforms, the latest information and news including the Index methodology from the website of the Index Provider at https://www.cfbenchmarks.com/data/indices/BRRAP (which has not been reviewed or approved by the SFC). Index data and the description of the Index are based on information made publicly available by the Index Provider on its website at https://www.cfbenchmarks.com. None of the information on the Index Provider's website is incorporated by reference into this Appendix.

Constituent Platform(s)

(i) As of the date of this Appendix, the list of Constituent Platforms consists of Bitstamp, Coinbase, itBit, Kraken, Gemini, Bullish Exchange, Crypto.com, and LMAX Digital.

The Index Provider may make changes to the Constituent Platforms comprising the Index from time to time. There can be no guarantee that the Constituent Platforms comprising the Index will be the same as the list of Constituent Platforms currently adopted by the Index Provider.

Selection Criteria of Constituent Platform(s)

Trading platforms are approved by the Index Provider's CME CF Cryptocurrency Pricing Products Oversight Committee (the "Oversight Committee") to serve as pricing source for the calculation of the Index.

A trading platform is eligible as a Constituent Platform in the Index if it offers a market that facilitates the spot trading of the relevant cryptocurrency base asset against the corresponding quote asset, including markets where the quote asset is made fungible with accepted assets (the "Relevant Pair") and makes trade data and order data available through an API with sufficient reliability, detail and timeliness.

Furthermore, it must, in the opinion of the Oversight Committee, fulfil the below criteria:

1. The platform's Relevant Pair spot trading volume for the Index must meet the minimum thresholds as detailed below for it to be admitted as a Constituent Platform:

   "The average daily volume the platform would have contributed during the Observation Window for the BRR exceeds 3% for two consecutive calendar quarters."

2. The platform has policies to ensure fair and transparent market conditions at all times and has processes in place to identify and impede illegal, unfair or manipulative trading practices.

3. The platform does not impose undue barriers to entry or restrictions on market participants, and utilizing the venue does not expose market participants to undue credit risk, operational risk, legal risk or other risks.

4. The platform complies with applicable law and regulation, including, but not limited to capital markets regulations, money transmission regulations, client money custody regulations, know-your-client (KYC) regulations and anti-money laundering (AML) regulations.

5. The platform cooperates with inquiries and investigations of regulators and the Index Provider upon request and must execute data sharing agreements with CME Group.

Once admitted, a Constituent Platform must demonstrate that it continues to fulfil the above criteria 2 to 5 inclusive. Should the average daily contribution of a Constituent Platform fall below 3% for any reference rate for the Relevant Pair, then the continued inclusion of the platform as a Constituent Platform to the Relevant Pair shall be assessed by the Oversight Committee.

The Index Provider reviews the list of Constituent Platforms annually, or more frequently if required.

The criteria for any bitcoin trading platforms to be a Constituent Platform of the Index are public and transparent. The Index Provider intends to include data from bitcoin trading platforms that have demonstrated strong anti-manipulation and data transparency practices only, so as to minimise the risk of any manipulation of the Index.

The Index Provider also holds data sharing agreements with all of the Constituent Platforms which allows the Index Provider to maintain a level of surveillance and transparency into the Constituent Platforms' markets. All instances of suspected manipulation of the Index will be escalated in accordance with obligations under the UK Benchmarks Regulation (UK BMR) and Market Abuse Regulation (MAR) to the FCA in the United Kingdom.

Cryptocurrency Pricing Products Oversight Committee

The Index is subject to oversight by the Oversight Committee. The Oversight Committee shall comprise at least five members, including at least: (i) two who are representatives of Chicago Mercantile Exchange Inc.; (ii) one who is a representative of the Index Provider; and (iii) two who bring expertise and industry knowledge relating to benchmark determination, issuance and

operations. The Oversight Committee meets no less frequently than quarterly. The Oversight Committee's Founding Charter and quarterly meeting minutes are publicly available. The Oversight Committee is responsible for decisions regarding any amendments to the rules of the Index and/or the addition or removal of the Constituent Platforms. Any such amendment must be submitted to the Oversight Committee for prior approval and will be made in compliance with the Index Provider's policies and procedures. The Index Provider's publicly available documentation is available on the Index Provider's website at https://www.cfbenchmarks.com/data/indices/BRRAP (which has not been reviewed or approved by the SFC).

Index Licence Agreement

The Manager has entered into a licence agreement (the "Licence Agreement") with the Index Provider. The licence granted is for an initial term of one year commencing from the commencement date of the Licence Agreement (i.e., 25 April 2024), and thereafter automatically renewed for successive one-year periods unless terminated pursuant to the Licence Agreement. There is no guarantee that the Licence Agreement will be perpetually renewed.

The Licence Agreement may be terminated by either party in writing with 60 days' notice period before the end of the initial term or renewal period or immediately upon occurrence of certain events stipulated in the Licence Agreement.

Index Provider Disclaimer

CF BENCHMARKS LTD INDEX DATA IS USED UNDER LICENSE AS A SOURCE OF INFORMATION FOR CERTAIN HARVEST GLOBAL INVESTMENTS LIMITED PRODUCTS. CF BENCHMARKS LTD, ITS LICENSORS AND AGENTS HAVE NO OTHER CONNECTION TO HARVEST GLOBAL INVESTMENTS LIMITED PRODUCTS AND SERVICES AND DO NOT SPONSOR, ENDORSE, RECOMMEND OR PROMOTE ANY HARVEST GLOBAL INVESTMENTS LIMITED PRODUCTS OR SERVICES. CF BENCHMARKS LTD, ITS LICENSORS AND AGENTS HAVE NO OBLIGATION OR LIABILITY IN CONNECTION WITH THE HARVEST GLOBAL INVESTMENTS LIMITED PRODUCTS AND SERVICES. CF BENCHMARKS LTD, ITS LICENSORS AND AGENTS DO NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF ANY INDEX LICENSED TO HARVEST GLOBAL INVESTMENTS LIMITED AND SHALL NOT HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN.

Index Code

Bloomberg ticker: BRRAP

Refinitiv RIC: .BRRAP

The Custodian

The Custodian of the Sub-Fund is BOCI-Prudential Trustee Limited, which is incorporated in Hong Kong and is registered as a trust company under the Trustee Ordinance (Cap. 29) of Hong Kong.

The Custodian is a joint venture founded by BOC Group Trustee Company Limited and Prudential Corporation Holdings Limited. BOC Group Trustee Company Limited is owned by Bank of China (Hong Kong) Limited and BOC International Holdings Limited, which are subsidiaries of Bank of China Limited.

Under the Custodian Agreement, the Custodian is responsible for the safekeeping of the assets of the Company in respect of the 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 ("Custodian Delegate") to hold certain assets of the Sub-Fund and may empower any such person

or persons to appoint with no objection in writing by the Custodian. The Custodian may also appoint delegates for the performance of its duties, powers or discretions under the Custodian 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-Fund 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 Custodian Delegate(s) not being the Custodian's Connected Person. 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 Custodian Delegate to hold certain assets of the 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 in connection with the Custodian Agreement, other than any liability which is caused directly by negligence or fraud or wilful default of the Custodian.

The Custodian shall not be responsible or liable for any losses arising out of 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 in respect of the Sub-Fund.

The Custodian will remain as the custodian of the Company and the Sub-Fund until it retires or is removed. The circumstances under which the Custodian may retire or be removed are set out in the Custodian Agreement. Where any Sub-Fund is authorised pursuant to Section 104 of the SFO, 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 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 Custodian Agreement.

The Custodian is not responsible for the preparation or issue of the Prospectus and this Appendix and therefore accepts no responsibility for any information contained in the Prospectus and this Appendix. 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 Appendix other than the description under this section headed "The Custodian".

Indemnities of the Custodian

Under the Custodian Agreement, without prejudice to any indemnity to which the Custodian may otherwise be entitled under applicable Laws and Regulations, the Company agrees to defend, fully indemnify and hold the Custodian and its directors, officers, employees and agents harmless from and against any and all loss, damages, costs, expenses, liabilities or claims (including legal and other professional fees) of whatever nature (each a "Loss") arising out of any action taken or omitted to be taken in good faith by the Custodian (a) pursuant to performance of the services under the Custodian Agreement; (b) pursuant to the proper instructions and/or authorizations of the Company; (c) arising from claims of third parties asserted against the Custodian; and (d) with respect to taxes, duties, fines and penalties imposed against the Custodian by reason of its holding of the Securities and Virtual Assets for the Company, in each case except any Loss resulting from negligence, fraud or wilful default of the Custodian.

No provision of the Instrument or the Custodian 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 the 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.

The Virtual Asset Trading Platform – OSL Digital Securities Limited ("OSL")

OSL has been engaged by the Company on behalf of the Sub-Fund as the VATP to provide VA trading services and other incidental services to the Sub-Fund pursuant to the VATP Agreement.

OSL is a company incorporated in Hong Kong with limited liability and is licensed to carry on Type 1 (Dealing in Securities) and Type 7 (Providing Automated Trading Services) activities in Hong Kong, subject to various licensing conditions. The VATP is required to (amongst other requirements):

(a) hold client assets on trust for its clients through an "associated entity" (as defined in the VATP Guidelines). For the avoidance of doubt, an "associated entity" as defined in the VATP Guidelines means a company which (i) has notified the SFC that it has become an "associated entity" of the VATP Operator under section 165 of the SFO and/or section 53ZRW of the AMLO; (ii) is incorporated in Hong Kong; (iii) holds a "trust or company service provider licence" under the AMLO; and (iv) is a wholly owned subsidiary of the VATP Operator. For the avoidance of doubt, the "associated entity" of OSL is BC Business Management Services (HK) Limited ("BCBM");

(b) ensure that client's Virtual Assets are segregated from the assets of the VATP Operator and its associated entity;

(c) store 98% of client's Virtual Assets in cold storage except in limited circumstances;

(d) minimise transactions out of the cold storage in which a majority of client's Virtual Assets are held; and

(e) ensure the seeds and private keys are (i) securely stored in Hong Kong; (ii) tightly restricted to authorised personnel; (iii) sufficiently resistant to speculation or collusion; and (iv) properly backed up to mitigate any single point of failure.

The Virtual Asset Sub-Custodian – OSL acting through its associated entity BCBM

Pursuant to the virtual assets custodian agreement dated 15 April 2024 entered into between the Custodian, OSL and BCBM, as amended from time to time ("Virtual Asset Sub-Custodian Agreement"), OSL has been appointed by the Custodian to hold the Virtual Assets held by the Custodian for (amongst others) the Sub-Fund through its associated entity BCBM. The Custodian has obtained consent from the Hong Kong Monetary Authority to take custody of Virtual Assets of the Sub-Fund.

Under the Virtual Asset Sub-Custodian Agreement, the Virtual Assets of the Sub-Fund will be held in a segregated client account established and maintained by BCBM. OSL shall (i) act in good faith and use reasonable skill, care and diligence in the performance of its duties; and (ii) remain suitably qualified and competent on an ongoing basis to provide the relevant services. OSL shall exercise the same degree of care with respect to the Virtual Assets as it would with respect to its own Virtual Assets and property and that of its other customers.

The Virtual Asset Sub-Custodian Agreement may be terminated by any party to the agreement by giving not less than 90 days' prior notice in writing, or immediately on such grounds as specified in and in accordance with the terms of the Virtual Asset Sub-Custodian Agreement.

In addition, OSL has confirmed in writing to the Company that it, in the capacity of taking custody of Virtual Assets for the Sub-Fund, is subject to the same set of regulatory requirements under the VATP Guidelines.

Each of OSL and its associated entity BCBM is not responsible for the preparation of the Prospectus and this Appendix and accepts no responsibility or liability for the information contained here other than (for OSL only) the description under the section above headed "The Virtual Asset Trading Platform – OSL Digital Securities Limited ("OSL")" and (for both OSL and its associated

entity BCBM) the description under this section headed "The Virtual Asset Sub-Custodian – OSL acting through its associated entity BCBM".

The Administrator and Registrar

BOCI-Prudential Trustee Limited has been appointed as the Administrator and the Registrar of the Sub-Fund pursuant to the Fund Administration Agreement. As the Administrator, BOCI-Prudential Trustee Limited shall carry out certain financial, administrative functions and other services in relation to the 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 the Sub-Fund, and (ii) the general administration of the Sub-Fund, which includes the proper book keeping of the Sub-Fund.

Under the terms of the Fund Administration Agreement, the Registrar provides services in respect of the establishment and maintenance of the register of the Shareholders of the Sub-Fund, and the handling of the issue and redemption of Shares of the Sub-Fund.

The Administrator and Registrar is not responsible for the preparation of the Prospectus and this Appendix and accepts no responsibility or liability for the information contained here other than the description under this section headed "The Administrator and Registrar".

Can all Participating Dealers create and redeem in-kind?

No, only those Participating Dealers which (i) observe the requirements set out under the "Joint circular on intermediaries' virtual asset-related activities" dated 22 December 2023 (as amended from time to time) and (ii) have opened an account (or whose agents have an account) with the VATP and Virtual Asset Sub-Custodian can apply to create and redeem in-kind subject to the conditions and requirements imposed by the relevant Virtual Asset Sub-Custodian from time to time. Other Participating Dealers may only create and redeem in cash. You should check with the relevant Participating Dealer whether or not it can create or redeem in-kind.

Is the Sub-Fund's bitcoin insured?

The Sub-Fund and the Manager do not arrange for bitcoin held by the Sub-Fund to be insured. Other than the obligation to exercise reasonable care and diligence in the selection of the Custodian, and to satisfy itself as to the competence and resources to discharge their relevant obligations, the Sub-Fund and the Manager accept no responsibility or liability for bitcoin held by the Virtual Asset Sub-Custodian(s) (including those transferred from an investor's wallet or through a Participating Dealer).

The Custodian shall ensure that each Virtual Asset Sub-Custodian has in place a compensation arrangement that covers the potential loss (a) of the Sub-Fund's Virtual Assets in cold storage at least up to the requisite percentage required under applicable licensing requirements relating to the Virtual Asset Sub-Custodian and (b) 100% of the Sub-Fund's Virtual Assets in hot and other storages. However, such compensation arrangement of a Virtual Asset Sub-Custodian is shared among all clients of the Virtual Asset Sub-Custodian and is not specific to the Sub-Fund. Each Virtual Asset Sub-Custodian regularly reviews its insurance coverage and considers the present insurance coverage sufficient and appropriate, given the exposure, security installations and risk management which the Virtual Asset Sub-Custodian has in place.

Bitcoin held by an investor or a Participating Dealer is not part of the Scheme Property and is the sole responsibility of the investor or the relevant Participating Dealer. Bitcoin which may be transferred to the Virtual Asset Sub-Custodian on behalf of a Participating Dealer is not part of the Scheme Property and so is the sole responsibility of the relevant Participating Dealer (which may or may not have adequate insurance arrangements in place). The Sub-Fund will not suffer any loss if bitcoin is lost, destroyed or stolen during the process of transfer by the relevant Participating Dealer to the Sub-Fund's account with the Virtual Asset Sub-Custodian. The Company (including the Sub-Fund), the Manager, the Custodian and the Virtual Asset Sub-Custodian are not liable for the loss of any such bitcoin which may be in the process of being transferred to the Sub-Fund's account with the Virtual Asset Sub-Custodian.

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 to the Sub-Fund.

General

Investment risk

The Sub-Fund is not principal guaranteed and investors' investments may suffer losses. There is no assurance that the Sub-Fund will achieve its investment objective. The Sub-Fund is passively managed and will hold its bitcoin during periods in which the value of bitcoin is flat or declining as well as during periods in which the value of bitcoin is rising. As a result, any decrease in value of bitcoin as measured by reference to the Index will result in a decrease in the Net Asset Value of the Sub-Fund.

New product risk

The Sub-Fund is a spot ETF investing directly in bitcoin. The novelty of such an ETF and the fact that the Sub-Fund is one of the first few Virtual Asset spot ETFs in Hong Kong makes the Sub-Fund potentially riskier than traditional ETFs investing in equity or debt securities. Moreover, given the novelty of the underlying assets of the Sub-Fund i.e. bitcoin, there is no guarantee that the service providers of the Sub-Fund (e.g. the Participating Dealer(s) and the Market Maker(s)) can perform their duties effectively.

Passive investment management risk

The Sub-Fund is passively managed. Save in the event of a "hard fork", which the Manager will have the sole discretion to determine which network is generally accepted as the Bitcoin Network and should therefore be considered the appropriate network for the Sub-Fund's purposes, the Manager will not have the discretion in general to adapt to market changes due to the inherent investment nature of the Sub-Fund.

The Sub-Fund invests in bitcoin regardless of its investment merit. The Manager does not attempt to select other Securities or Virtual Assets or to take defensive positions in declining markets. Investors should expect that a decline in the Index Price will result in corresponding falls in the value of the Sub-Fund.

Concentration risk

The Sub-Fund is concentrated in a particular asset, i.e. bitcoin.

As the exposure of the Sub-Fund is concentrated in the bitcoin market via investing in bitcoin directly, the value of the Sub-Fund is more susceptible to the effects of bitcoin price volatility and adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory events affecting bitcoins than more diversified funds. By concentrating its investment strategy solely in bitcoin, any losses suffered as a result of a decrease in the value of bitcoin can be expected to reduce the value of a Share in the Sub-Fund and will not be offset by other gains as they may be if the Sub-Fund were to invest in underlying assets that were diversified.

Market and volatility risk

The value of the Sub-Fund's investments (in which a substantial part of such investments is bitcoin) is subject to market risk. Market risk is the risk that the value of the investments to which the Sub-Fund is exposed will fall, which could occur due to general market or economic conditions or other factors. **The value of bitcoin could decline rapidly, including to zero.**

Investors should be prepared to lose their entire investment. For example, in 2020, the biggest single-day drop of the price of bitcoin was 39%[9]. Investors may lose all of their investment within one day.

Management risk

Because there can be no guarantee that the Sub-Fund's performance will fully replicate the movement of the Index, it is subject to management risk. This is the risk that the Sub-Fund's investment strategy, the implementation of which is subject to some constraints, may not produce the intended results and that the tracking error may accordingly be higher than predicted.

Tracking error risk

While the Sub-Fund's objective is to aim to provide investment results that, before fees and expenses, closely correspond to the performance of the price of bitcoin as reflected by the Index, it intends to do so by directly purchasing bitcoins on a spot basis through channels (such as the Virtual Asset Trading Platform(s), or any other channels permitted by the SFC) and holding them via the Virtual Asset Sub-Custodian(s). As disclosed in the section titled "What is the Index?", the Index is calculated during specific observation windows based on volume-weighted median trade prices of "Relevant Transactions" on Constituent Platforms. By design, Index levels are intended to reflect a diverse range of circumstances and transactions, as opposed to individual bitcoin transactions executed in connection with any single party, circumstance or Constituent Platform.

The performance of the Sub-Fund may not exactly track the performance of bitcoin price as reflected by the Index.

Factors that may cause such tracking error such as the fees and expenses of the Sub-Fund, movement in HKD to USD exchange rate, the market conditions at the relevant time, the rounding of bitcoin prices, liquidity of the Index constituents, or failure of tracking strategy may affect the Manager's ability to achieve close correlation with the Index. The Manager will monitor and seek to manage such risk and minimise tracking errors. However, most of these factors that may cause the Sub-Fund's performance to deviate from the Index are beyond the control of the Manager. Investors should note that the tracking error may be higher than the Manager's anticipation due to factors beyond the control of the Manager, especially in the event of extreme market fluctuations. In the event that the actual tracking error is significantly higher than the Manager's anticipation, the performance of the Sub-Fund may be adversely affected. There can be no assurance of an exact or identical replication of the Index's performance at any given time.

Trading risk

Under extreme market conditions, the trading price of the Shares may fall to a very low nominal level. In such circumstances, the bid-ask spreads of the Shares may widen significantly, trading liquidity may deteriorate, and market makers may face practical difficulties or be unable to fulfil their market making obligations. The trading price may reach the price floor of 0.01 (of any available currency unit). Where this occurs, the secondary market trading price of the Shares may not be able to fully reflect movements in the Net Asset Value or indicative Net Asset Value of the Sub-Fund, and the Shares may trade at prices that deviate materially from their respective Net Asset Value.

Risks relating to bitcoin

The Sub-Fund is exposed to the risks of bitcoin through its investments in bitcoin directly. Bitcoin is a new and highly speculative investment. An investment in bitcoin can be extremely

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9 This is based on the daily price of bitcoin against USD on Bloomberg at GMT 00:00.

volatile and investment results may vary substantially over time when compared to investments in traditional securities. While all investments risk the loss of capital, investments in bitcoin should be considered substantially more speculative and significantly more likely to result in a total loss of capital than most other investments. A nascent asset class with limited history guarantees unforeseen risk factors will likely emerge, which may be in the form of variations or combinations of the risks listed below in which the Sub-Fund cannot anticipate, and investors should be prepared to risk all capital in the Sub-Fund.

No assurance can be made that profits will be achieved or that substantial or complete losses will not be incurred. There is no assurance that returns can be generated.

Bitcoin and bitcoin industry risk

Bitcoin operates without central authority (such as a bank) and is not backed by any government. Bitcoin is a relatively new innovation and the market for bitcoin is subject to rapid price swings, changes and uncertainty. The further development and acceptance of the Bitcoin Network, which is part of a new and rapidly changing industry, is subject to a variety of factors that are difficult to evaluate and unforeseeable. The slowing, stopping or reversing of the development or acceptance of the Bitcoin Network may adversely affect the price of bitcoin and therefore cause the Sub-Fund to suffer losses.

Extremely high volatility risk

An investment in bitcoin can be highly volatile compared to investments in traditional securities and an investment in the Sub-Fund may experience sudden and substantial losses. Investors should be prepared to lose the full principal value of their investment within a single day. Historically, the price of bitcoin has been extremely volatile, based on a variety of factors, including:

- Global demand and supply of bitcoin: Factors including the investors' perception of the security of bitcoin, the level of commercial acceptance of bitcoin as payment for goods and services, the abundance of regulatory restrictions on the use of bitcoin, etc. will impact the demand and supply of bitcoin;

- Maintenance and development of the open-source software protocol of the Bitcoin Network: Any user or miner could propose amendments to the Bitcoin Network's protocols which may adversely affect the long-term viability of bitcoin, and consequently, an investment in the Sub-Fund;

- Competition: Virtual Assets other than bitcoin gaining a greater share in the market may lead to a reduction in demand and price of bitcoin, which may negatively affect the Net Asset Value of the Sub-Fund;

- Manipulation and speculation: A small number of holders (sometimes referred to as "whales") that holds a significant portion of bitcoin has the ability to manipulate the price of bitcoin. It is believed that speculators and investors who seek to profit from trading and holding bitcoin currently account for a significant portion of bitcoin demand. Such speculation regarding the potential future appreciation in the price of bitcoin may artificially inflate or deflate the price of bitcoin. Market fraud and/or manipulation and other fraudulent trading practices such as the intentional dissemination of false or misleading information (e.g. false rumours) can, among other things, lead to a disruption of the orderly functioning of markets, significant market volatility, and cause volatility to the value of the Sub-Fund quickly.

- Investor sentiments on the value or utility of bitcoin: The bitcoin market is sensitive to new developments, and any significant changes in market sentiments could induce large

swings in trading volume and price of bitcoin;

- Insufficient mining reward risk: If the revenue a miner earns from verification of transactions is not sufficiently high, he/she may cease operations, leading to a drop in the collective processing power of the Bitcoin Network, adverse effect to the confirmation process for Bitcoin transactions and vulnerability of the Bitcoin Network to malicious manipulation;

- Changing investors' confidence on Virtual Assets: Investors' confidence regarding the security and long-term stability of a Virtual Asset's network and its blockchain may fluctuate based on market developments and the investors' own experience with the Virtual Asset;

- Contagious effect on the price of bitcoin from incidents on Virtual Assets and trading platforms: For example, in the first half of 2022, each of Celsius Network, Voyager Digital Ltd., and Three Arrows Capital declared bankruptcy, resulting in a loss of confidence in participants of the Virtual Asset ecosystem and negative publicity surrounding Virtual Assets more broadly. In November 2022, following the collapse and bankruptcy filing of FTX, one of the largest Virtual Asset's trading platforms at the material time, several other entities in the Virtual Asset industry, such as BlockFi Inc. and Genesis Global Capital, LLC, filed for bankruptcy as well, which further negatively impacted the Virtual Asset market. The price of bitcoin dropped significantly following each of the above events.

Although returns from investing in bitcoin have at times diverged from those associated with other asset classes to a greater or lesser extent, there can be no assurance that there will be any such divergence in the future, either generally or with respect to any particular asset class, or that price movements will not be correlated. In addition, there is no assurance that bitcoin will maintain its value in the long, intermediate, short, or any other term. In the event that the price of bitcoin declines, the value of the Shares in the Sub-Fund as measured by reference to the Index will decline proportionately.

Furthermore, the value of a bitcoin as measured by reference to the Index may also be subject to momentum pricing due to speculation regarding future appreciation in value, leading to greater volatility that could adversely affect the value of the Shares. Momentum pricing typically is associated with growth stocks and other assets whose valuation, as determined by the investing public, accounts for future appreciation in value, if any. Momentum pricing of bitcoin has resulted, and may continue to result, in speculation regarding future appreciation in the value of bitcoin, inflating and making the Index more volatile. As a result, bitcoin may be more likely to fluctuate in value due to changing investor confidence, which could impact future appreciation or depreciation in the Index and could adversely affect the value of the Shares in the Sub-Fund.

Speculative nature risk

Bitcoin is a new technological innovation with a limited history. Investing in bitcoin is highly speculative, and market movements are difficult to predict. Supply and demand for bitcoin could change rapidly and are subject to a large variety of factors, including governmental regulations and investors' sentiments.

Unforeseeable risk

Virtual Assets such as bitcoin were only introduced within the past 15 years and bitcoin has only gained commercial acceptance in recent years. There is limited data on its long-term investment potential available to investors. Given the rapidly evolving nature of bitcoin, including advancements in the underlying technology, market disruptions and resulting governmental interventions that are unforeseeable, investors may be exposed to additional risks

which are impossible to predict as of the date of this Appendix. This uncertainty makes an investment in the Sub-Fund speculative and subject to significant risk.

Acceptance of bitcoin

As relatively new products and technologies, the market for bitcoin is subject to rapid price swings, changes and uncertainty. The further development and acceptance of the Bitcoin Network is subject to a variety of factors that are difficult to evaluate and unforeseeable. The slowing, stopping or reversing of the development or acceptance of the Bitcoin Network may adversely affect the price of bitcoin and accordingly, the Net Asset Value of the Sub-Fund.

The use of bitcoin to, among other things, buy and sell goods and services is part of a new and rapidly evolving industry that employs Virtual Assets based upon computer-generated mathematical and/or cryptographic protocols. The growth of this industry is subject to a high degree of uncertainty.

Factors affecting the further development of this industry and therefore the value of bitcoin, include, without limitation to:

(i) continued worldwide growth or possible cessation or reversal in the adoption and use of bitcoin and other Virtual Assets;

(ii) government and quasi-government regulation of bitcoin and other Virtual Assets and their use, or restrictions on or regulation of access to and operation of the Bitcoin Network and other Virtual Asset networks;

(iii) changes in consumer demographics and public tastes and preferences, including the possibility that market participants may come to prefer other Virtual Assets to bitcoin for a variety of reasons, including that such other Virtual Assets may have features (like different consensus mechanisms) or uses (like the ability to facilitate smart contracts) that bitcoin lacks;

(iv) the maintenance and development of the open-source software protocol of the Bitcoin Network;

(v) the use of the networks supporting Virtual Assets for developing smart contracts and distributed applications;

(vi) general economic conditions and the regulatory environment relating to Virtual Assets; and

(vii) negative consumer or public perception of bitcoin specifically and other Virtual Assets generally.

The value of bitcoin is subject to risks related to its usage. Despite that certain retailers have started to accept bitcoin as a form of payment in recent years, there is still relatively limited use of bitcoin for commercial and retail transactions. Price volatility undermines the ability of bitcoin as a medium of exchange, and a contraction of the use of bitcoin may result in a decrease in its value, which could adversely impact the Net Asset Value of the Sub-Fund.

Even if growth in bitcoin adoption occurs in the near or medium-term, there is no assurance that bitcoin usage will continue to grow over the long-term. To the extent market participants come

to prefer other Virtual Assets or other mechanisms that use non-blockchain technology, the value of bitcoin, and therefore an investment in the Sub-Fund, may be adversely affected.

Difficulties in verifying ownership of bitcoin risk

Given the pseudonymous nature of the Bitcoin Network, it is difficult to verify the ownership of bitcoin. To the extent that the Sub-Fund is subject to fraud, theft, market manipulation or system failure, it will be difficult for the Sub-Fund to trace the Sub-Fund's bitcoin and have a claim against the bad actors.

Limited history of bitcoin risk

Bitcoin and the Bitcoin Network have a limited history. It is unclear how all elements of bitcoin will unfold over time, specifically with regard to governance between miners, developers and users, as well as the long-term security model as the mining reward of bitcoin decreases over time. Insufficient software development or any other unforeseen challenges that the bitcoin community is not able to resolve will affect adversely the price of bitcoin.

Governance of the Bitcoin Network risk

Governance of the Bitcoin Network is by voluntary consensus and open competition. As a result, there may be a lack of consensus or clarity on the governance of the Bitcoin Network, which may adversely affect the Bitcoin Network's utility and ability to grow and face challenges.

Notwithstanding the foregoing, the Bitcoin Network is informally managed by a group of core developers that proposes amendments to the relevant network's source code. Core developers' roles evolve over time, largely based on self-determined participation. If a significant majority of users and miners adopt amendments to a decentralized network based on the proposals of such core developers, such network will be subject to new protocols that may adversely affect the value of bitcoin.

These alterations would also occur through software upgrades, and could potentially include changes to the irreversibility of transactions and limitations on the mining of new bitcoin, which could undermine the appeal and market value of bitcoin. Alternatively, software upgrades and other changes to the protocols of the Bitcoin Network could fail to work as intended or could introduce bugs, security risks, or otherwise adversely affect, the speed, security, usability, or value of the Bitcoin Network or bitcoins. As a result, the Bitcoin Network could be subject to changes to its protocols and software in the future that may adversely affect an investment in the Sub-Fund.

Open-source structure risk

The Bitcoin Network operates based on open-source protocol maintained by a group of core developers. As the Bitcoin Network protocol is not sold to raise capital and its use does not generate revenue for development teams, core developers are generally not directly compensated for maintaining and updating the Bitcoin Network protocol. Consequently, developers may lack the financial incentive to maintain or develop the network, and the core developers may lack the resources to adequately address emerging issues with the network. There can be no guarantee that developer support will continue or be sufficient in the future. Alternatively, some development and developers are funded by companies whose interests may be at odds with other participants in the network or with investors' interests. To the extent that material issues arise with the Bitcoin Network protocol and the core developers and open-source contributors are unable or unwilling to address the issues adequately or in a timely manner, the

Bitcoin Network and an investment in the Sub-Fund may be adversely affected.

Concentration of ownership risk

The largest bitcoin wallets are believed to hold, in aggregate, a significant percentage of the bitcoins in circulation. It is also possible that multiple wallets that collectively hold a significant number of bitcoins are controlled by the same person or entity. As a result of this concentration of ownership, large sales or distributions by such holders could have an adverse effect on the market price of bitcoin.

Fraud, market manipulation and security failure risk

Bitcoin may be subject to the risk of fraud, theft, manipulation or security failures, operational or other problems that impact Virtual Asset's trading platforms. In particular, the Bitcoin Network and entities that custody or facilitate the transfers or trading of bitcoin are vulnerable to various cyber attacks. Malicious actors may also exploit flaws in the code or structure in the Bitcoin Network that will allow them to, among other things, steal bitcoin held by others, control the blockchain, steal personally identifying information, or issue significant amounts of bitcoin in contravention of the protocols. A significant portion of bitcoin is held by a small number of holders sometimes referred to as "whales", who may have the ability to manipulate the price of bitcoin. If parties acting in concert were to gain substantial control of the Bitcoin Network, they would have the ability to manipulate transactions, halt payments and fraudulently obtain bitcoin. These events may reduce user confidence in bitcoin, the Bitcoin Network and the fairness of Virtual Asset's trading platforms which in turn may have a negative impact on the price of bitcoin. The occurrence of any of the above may have a negative impact on the price of bitcoin and the value of the Sub-Fund's investments.

Cybersecurity risks

Bitcoin is susceptible to theft, loss and destruction.

Bitcoin transactions are typically not reversible without the consent and active participation of the recipient of the transaction. Once a transaction has been verified and recorded in a block that is added to the Bitcoin Blockchain, an incorrect transfer or theft of bitcoin generally will not be reversible and the Sub-Fund may not be capable of seeking compensation for any such transfer or theft. Although the Sub-Fund's transfers of bitcoin will regularly be made to or from the Sub-Fund's account at the relevant Virtual Asset Sub-Custodian, it is possible that, through computer or human error, or through theft or criminal action, the Sub-Fund's bitcoin could be transferred from the Sub-Fund's account at the relevant Virtual Asset Sub-Custodian in incorrect amounts or to unauthorized third parties, or to uncontrolled accounts. To the extent that the Sub-Fund is unable to seek a corrective transaction with such third-party or is incapable of identifying the third-party which has received the Sub-Fund's bitcoins through error or theft, the Sub-Fund will be unable to revert or otherwise recover incorrectly transferred bitcoins. The Sub-Fund will also be unable to convert or recover its bitcoins transferred to uncontrolled accounts. To the extent that the Sub-Fund is unable to seek redress for such error or theft, such loss could adversely affect the value of the Shares in the Sub-Fund.

The Bitcoin Network is also vulnerable to various deliberate cybersecurity attacks, such as hacking or malicious software coding for purposes of misappropriating information and assets or causing operational disruption. Cybersecurity risks of the Bitcoin protocol and of entities that custody or facilitate the transfers or trading of bitcoin could result in a loss of public confidence in bitcoin and a decline in the value of bitcoin.

Bitcoin halving risk

The Bitcoin Network is designed to periodically reduce the fixed award given to miners for solving

new blocks, known as the "block rewards". This means that the amount of bitcoin miners is rewarded for solving a block in the blockchain will permanently be cut in half from time to time. The most recent of such event occurred on 20 April 2024 (GMT), when the block reward reduced from 6.25 to 3.125 bitcoin. The next such event, as referred to as a "halving" event, is anticipated to occur at some point in 2028, where the new block reward will be 1.5625 bitcoin per block. There can be no assurance that the price of bitcoin will sufficiently increase to justify the increasingly high costs of mining for bitcoin given the halving feature.

The reduction in incentives for bitcoin mining activity may cause miners to reduce or cease operations, which may reduce the collective processing power on the Bitcoin Network and which would make the Bitcoin Network more vulnerable to a malicious actor or botnet obtaining sufficient control to alter the blockchain and hinder transactions. Any reduction in confidence in the confirmation process or processing power of the Bitcoin Network may adversely affect the value of bitcoin and therefore the value of the Shares in the Sub-Fund.

Potential manipulation of Bitcoin Network risk

The Bitcoin Network is currently vulnerable to a "51% attack" where, if a mining pool were to gain control of more than 50% of the "hash" rate (i.e. the amount of processing and computing power being given to the Bitcoin Network through mining), or the amount of computing and process power being contributed to the network through mining, a malicious actor would be able to gain full control of the network and the ability to manipulate the blockchain.

Regulatory risk

The regulation of bitcoin, Virtual Assets and related products and services continues to evolve. As bitcoin and Virtual Assets have grown in both popularity and market size, certain regulatory authorities have been examining the operations of Virtual Asset's trading platforms and service providers. Certain regulatory authorities have brought enforcement actions and issued advisories and rules relating to Virtual Asset's markets. Regulatory changes and actions with respect to Virtual Assets generally or any single Virtual Asset in particular may alter, perhaps to a materially adverse extent, the nature of an investment in the bitcoin.

Regulatory changes or actions may alter the nature of an investment in bitcoin, or restrict the use and exchange of bitcoin or the operations of the Bitcoin Network or venues on which bitcoin trades in a manner that adversely affects the price of bitcoin. Similarly, future regulatory changes could expose the Sub-Fund to potential new costs and expenses as well as adversely impact the ability of the Sub-Fund to achieve its investment objective.

Internet risk

The Bitcoin Network's functionality relies on the Internet. A significant disruption of Internet connectivity affecting large numbers of users or geographic areas could impede the functionality of the Bitcoin Network. Any technical disruptions or regulatory limitations that affect Internet access may have an adverse effect on the Bitcoin Network, the price of bitcoin and the value of the Sub-Fund.

Fork risk

Developers may propose modifications to the Bitcoin Network from time to time. Forks may also occur as a network community's response to a significant security breach.

If the updated Bitcoin Network is not compatible with the original bitcoin software and a sufficient number (but not necessarily a majority) of users and miners elect not to migrate to the updated Bitcoin Network, this would result in a "hard fork" of the Bitcoin Network, with one prong running the earlier version of the bitcoin software and the other running the updated bitcoin software,

resulting in the existence of two versions of the Bitcoin Network running in parallel and a split of the blockchain underlying the Bitcoin Network. The occurrence of such "fork" may result in an adverse impact on the price and liquidity of bitcoin and the value of the Sub-Fund's investments.

In addition, many developers have previously initiated hard forks in the blockchain to launch new Virtual Assets, such as Bitcoin Gold and Bitcoin Diamond. To the extent such Virtual Assets compete with bitcoin, such competition could impact demand for bitcoin and could adversely impact the value of the Shares.

A hard fork may adversely affect the price of bitcoin at the time of announcement or adoption. For example, the announcement of a hard fork could lead to increased demand for the prefork Virtual Asset, in anticipation that ownership of the prefork Virtual Asset would entitle holders to a new Virtual Asset following the fork. The increased demand for the prefork Virtual Asset may cause the price of the Virtual Asset to rise. After the hard fork, it is possible that the aggregate price of the two versions of the Virtual Asset running in parallel would be less than the price of the Virtual Asset immediately prior to the fork.

In the event of a "hard fork" of the Bitcoin Network, the Manager will (i) use its sole discretion to determine which network is generally accepted as the Bitcoin Network and should therefore be considered the appropriate network for the Sub-Fund's purposes; (ii) issue prior notice to the Sub-Fund's investors; and (iii) do such action which, in the opinion of the Manager, is in the best interests of the Sub-Fund's investors. There is no guarantee that the Manager will choose the network and the associated Virtual Asset that is ultimately the most valuable fork. This could therefore adversely impact the value of the Shares.

Airdrop risk

A substantial giveaway of bitcoin to participants in the Bitcoin Network (sometimes referred to as an "airdrop") may result in a significant and unexpected declines in the value of bitcoin and the value of the Sub-Fund's investments.

Virtual Asset's trading platform risk in general and contagion risk

The operation of Virtual Assets including bitcoin depends upon the centralised elements of the crypto ecosystem (for example, wallets and exchanges) which is exposed to concentration risks given its concentrated reliance on a few entities that handle more than half of the trading volumes. Therefore, the collapse of any major players in the crypto ecosystem may have contagious adverse effects on the values of Virtual Assets including bitcoin and the value of the Sub-Fund's investments.

Furthermore, Virtual Asset's trading platforms are relatively new, and not all Virtual Asset's trading platforms are SFC-Licensed VATPs. The Sub-Fund is only permitted to use, and shall only use, SFC-Licensed VATPs.

For Virtual Asset's trading platforms that are not SFC-Licensed VATPs, they may be unregulated or only subject to light regulation (i.e. subject to none or minimal investor protection measures) in other jurisdictions. These Virtual Asset's trading platforms may hold custody of the Virtual Assets for its customers and may be more exposed to theft, fraud and failure than established, regulated exchanges for traditional investment products in the traditional financial markets.

Virtual Asset's trading platforms in other jurisdictions that are subject to regulation may be required to comply with minimum net worth, cybersecurity, and anti-money laundering requirements, but may not be subject to the same regulatory obligations as traditional financial institutions in traditional financial markets. Furthermore, unregulated or lightly regulated Virtual Asset's trading platforms in general lack certain safeguards put in place by exchanges in the traditional financial market to enhance stability of trading and prevent "flash crashes", such as

limit-down circuit breakers. As a result, the prices of bitcoin on Virtual Asset's trading platforms (including, potentially, some of the Constituent Platforms based on which the Index is calculated) may be subject to larger and/or more frequent sudden declines than assets traded on exchanges for more traditional financial instruments. Operational problems or failures by Virtual Asset's trading platforms and fluctuations in bitcoin prices may reduce investors' confidence in these exchanges or in bitcoin generally, which could adversely affect the price of bitcoin and in turn the value of the Shares.

Virtual Asset's trading platforms have in the past, and may in the future, collapse, stop operating or temporarily or permanently shut down, due to fraud, cybersecurity issues, manipulation, technical glitches, hackers or malware, failure or security breaches. For example, the collapse of Mt. Gox, which filed for bankruptcy protection in Japan in late February 2014, demonstrated that even the largest Virtual Asset's trading platforms could be subject to abrupt failure with consequences for both users of Virtual Asset's trading platforms and the Virtual Asset industry as a whole.

The potential consequences of failures of Virtual Asset's trading platforms could adversely affect the value of bitcoin and in turn the value of the Shares.

Intellectual property risk

Third parties may assert intellectual property claims relating to the holding and transfer of bitcoin and its source code. Regardless of the merit of such claim, any threatened action that reduces confidence in long-term viability or the ability of end-users to hold and transfer bitcoin may adversely affect the value of bitcoin. Furthermore, in the event of a meritorious intellectual property claim, end-users may be prevented from accessing, holding, or transferring bitcoin. This may have a material adverse impact on the Sub-Fund.

Risk of illicit use

The use of Virtual Assets for illicit purposes is neither promoted nor endorsed by the Sub-Fund. Certain Virtual Assets have a reputation for providing users with privacy and anonymity or pseudo anonymity, similar to physical cash, bank notes and bearer bonds. While a blockchain may record the unique address of individual "wallets" and the transaction amounts between payer and payee wallets, it may not contain any other information about the parties using them. As with any other asset class or medium of exchange, Virtual Assets can be used to purchase illegal goods, fund illicit activities or launder money. Negative events, developments, news and published opinions, whether based on correct or incorrect information about the characteristics of Virtual Assets may affect the general outlook on the industry as a whole, trigger governmental restrictions and/or regulations in respect of Virtual Assets, and may have a material adverse effect on the Sub-Fund.

Environment and energy consumption risk

Mining bitcoin requires significant computing power, and the amount of energy consumed by bitcoin miners is high, making the Bitcoin Network unsustainable. Environmental concerns relating to the mining of bitcoin may suppress the demand for bitcoin and the speed of its adoption in the market. These may hinder the broader and sustained acceptance of the Bitcoin Network as peer-to-peer transactional platforms and adversely impact the value of the bitcoin.

Political or economic crisis risk

Bitcoin operates without central authority (such as a bank) and is not backed by any government. As opposed to fiat currencies that are backed by central governments, bitcoin is subject to supply and demand forces based upon the desirability of decentralised means of buying and selling goods and services, and it is unclear how such supply and demand will be impacted by regulatory policy

on bitcoin. Nevertheless, political or economic crises may motivate large-scale acquisitions or sales of bitcoin, either globally or locally. Large-scale sales of bitcoin would result in a reduction in its price and adversely affect the value of an investment in the Sub-Fund.

Risks relating to Virtual Asset Trading Platform(s)

Liquidity risk

The Virtual Asset Trading Platform(s) where the Sub-Fund may acquire and dispose of bitcoin are still developing. Bitcoin traded on these Virtual Asset Trading Platform(s) may be subject to periods of illiquidity. Such liquidity risk in bitcoin may be caused by the absence of buyers and/or sellers, limited buy/sell activity, underdeveloped secondary markets, or more generally, by various market conditions, regulatory changes, cybersecurity issues or for other reasons. During such times the changes in the underlying market price of bitcoin may be infrequent but significantly large, and it may not be possible to unwind or transfer a particular transaction in a timely manner, at near the price the Sub-Fund would have expected, or at all, on the Virtual Asset Trading Platform(s). This could adversely affect the price of the Shares. There may also be a delay in the Sub-Fund's ability to invest in or dispose of its investments from the Virtual Asset Trading Platform(s).

Licensing status

In the event that these Virtual Asset Trading Platform(s)' licence from the SFC is being revoked, terminated or otherwise invalidated by the SFC, the Sub-Fund may be prohibited from conducting transactions and acquisitions of bitcoin.

Risk relating to difference between executable price of bitcoin on Virtual Asset Trading Platform(s) and Index Price for cash subscription and redemption

The Index Price may not be indicative of the executable price of bitcoin on the Virtual Asset Trading Platform(s). Investors should not therefore solely rely on the Index Price in determining whether and when to subscribe or redeem. Where investors subscribe for Shares or redeem Shares in cash, the subscription amount or redemption amount will be based on the executable price of bitcoin on the Virtual Asset Trading Platform(s) rather than the Index Price. Under different circumstances, this may impact the Participating Dealer(s)' and Market Maker(s)' ability to conduct effective arbitrage and provide liquidity for the Sub-Fund, which may lead to a higher premium or discount to the NAV and/or a higher bid-ask spread of the Sub-Fund in the secondary market. This may also result in higher tracking difference.

Trading limit risk of Virtual Asset Trading Platform(s)

Virtual Asset Trading Platform(s) may impose trading limits in buying and selling underlying Virtual Assets to comply with relevant capital requirements. In case the trading volume on a particular Dealing Day exceeds such trading limits, any orders exceeding that trading limit will have to be rolled over for trading on the next multiple Dealing Days. This may affect the tracking performance of the Sub-Fund. In addition, this may affect the Sub-Fund's ability to invest in or dispose of its investments from the Virtual Asset Trading Platform(s) in a timely manner, which may adversely affect the price of the Shares.

Custody risk

The custody of bitcoin for the Sub-Fund is different from custody arrangements typical in mutual funds/unit trusts which invest in equities and bonds. As such, the attention of investors is drawn

to the following risk factors which relate to the custody arrangements relevant to the Sub-Fund:

Cybersecurity risk in relation to the custody of Virtual Assets

The Manager believes that the security procedures in place for the Sub-Fund and by the Virtual Asset Sub-Custodian(s), including but not limited to, placing a substantial portion of Virtual Assets in cold storage, maintaining multiple encrypted private key "shards", and other measures, are reasonably designed to safeguard the Sub-Fund's bitcoins. Nevertheless, the security procedures cannot guarantee the prevention of any loss due to a security breach, software defect or act of God that may be borne by the Sub-Fund. While the Manager and/or the Custodian have conducted due diligence on the VA Sub-Custodian(s) and believe there are security procedures in place for the Sub-Fund by the VA Sub-Custodian(s), the Manager and/or the Custodian do not control the VA Sub-Custodian's security procedures. Such security procedures may not be able to protect against all errors, software flaws or other vulnerabilities in the Sub-Fund's technical infrastructure, which could result in theft, loss or damage of the Sub-Fund's assets. The Manager and/or the Custodian do not control the Virtual Asset Sub-Custodian(s)' operations or their implementation of such security procedures and there can be no assurance that such security procedures will actually work as designed or prove to be successful in safeguarding the Sub-Fund's assets against all possible sources of theft, loss or damage. Assets not held in cold storage, such as assets held in hot storage, may be more vulnerable to security breach, hacking or loss than assets held in cold storage.

An actual or perceived breach of security or cybersecurity related to assets held for the Sub-Fund's account at the relevant Virtual Asset Sub-Custodian could harm the Sub-Fund's operations and result in partial or total loss of the Sub-Fund's assets. This would adversely affect the value of the Shares in the Sub-Fund.

Termination of Virtual Asset Sub-Custodian risk

The Sub-Fund relies on the Virtual Asset Sub-Custodian(s) (through the Custodian) for the safekeeping of the Sub-Fund's bitcoin. If a Virtual Asset Sub-Custodian fails to perform the functions for the Sub-Fund, the Sub-Fund may be unable to operate or create or redeem Shares, which could force the Sub-Fund to liquidate or adversely affect the price of the Shares.

The Custodian may not be able to find a party willing to serve as a Virtual Asset Sub-Custodian of the Sub-Fund's bitcoin under the same terms as the current Virtual Asset Sub-Custodian Agreement or at all. To the extent that the Custodian is not able to find a suitable party willing to serve as a Virtual Asset Sub-Custodian, the Manager may be required to terminate the Sub-Fund and liquidate the Sub-Fund's bitcoin. In addition, to the extent that the Custodian finds a suitable party but must enter into a modified Virtual Asset Sub-Custodian Agreement that is less favorable for the Sub-Fund, the value of the Shares could be adversely affected.

Inadequate sources of recovery risk

Shareholders' recourse against the Company, the Sub-Fund, the Manager, the Custodian and the Virtual Asset Sub-Custodian(s) under Hong Kong law may be limited. All bitcoin will be safekept by the Virtual Asset Sub-Custodian(s), as delegated by the Custodian. The liability of the Custodian is limited under the relevant Virtual Asset Sub-Custodian Agreement(s). The Sub-Fund itself and the Custodian do not insure the Sub-Fund's bitcoin holdings.

The Manager does not have the ability to dictate the existence, nature or amount of coverage of a Virtual Asset Sub-Custodian's insurance. The Custodian shall ensure that the Virtual Asset Sub-Custodian(s) will maintain a compensation arrangement approved by the SFC. However, such compensation arrangement of a Virtual Asset Sub-Custodian is shared among all clients of the Virtual Asset Sub-Custodian and is not specific to the Sub-Fund. It is therefore possible that the compensation arrangement of the relevant Virtual Asset Sub-Custodian may not be

adequate to cover all bitcoin held by that Virtual Asset Sub-Custodian on behalf of the account of the Sub-Fund. Consequently, a loss may be suffered with respect to the Sub-Fund's bitcoin which is not covered by insurance/compensation arrangement.

Risk associated with loss of Virtual Assets held in the omnibus account

The Virtual Asset Sub-Custodian may hold the Sub-Fund's bitcoin in the omnibus client account instead of maintaining a separate segregated account for the Sub-Fund. As a result, the Sub-Fund's bitcoin may be co-mingled with the bitcoin of other clients of the Virtual Asset Sub-Custodian. In the event of loss of bitcoin held in the omnibus account due to theft, cyber-attacks, loss or damage, the Sub-Fund may need to share the shortfall together with other clients whose bitcoin are held in the omnibus account on a pro-rata basis.

Risks relating to the Index

Limited performance history of the Index

The Index was developed by the Index Provider and has a limited performance history. Although the Index is based on materially the same methodology (except calculation time) as the Index Provider's BRR, which was first introduced in November 2016, the Index itself has only been in operation since September 2023. A longer history of actual performance through various economic and market conditions would provide more reliable information for an investor to assess the Index's performance.

Although the Index is intended to accurately capture the market price of bitcoin, third parties may be able to purchase and sell bitcoin on public or private markets not included among the Constituent Platforms, and such transactions may take place at prices materially higher or lower than the Index Price. Moreover, there may be variances in the prices of bitcoin on the various Constituent Platforms, which could be materially higher or lower than the Index Price.

To the extent the Index Price differs materially from the actual prices available on a Constituent Platform, or the global market price of bitcoin, the price of the Shares may no longer track, whether temporarily or over time, the global market price of bitcoin. This could adversely affect the Net Asset Value of the Shares in the Sub-Fund, by reducing investors' confidence in the Shares' ability to track the market price of bitcoins.

Price volatility of the Index Price

The price of bitcoin on public Virtual Asset's trading platforms has a limited history. The bitcoin price has historically been volatile and subject to influence by many factors, including operational interruptions. The Index Price, and the price of bitcoin generally, remains subject to volatility experienced by Virtual Asset's trading platforms.

Furthermore, the Index will necessarily be composed of a limited number of Virtual Asset's trading platforms because the number of liquid and credible Virtual Asset's trading platforms is limited. If a Virtual Asset's trading platform were subjected to regulatory, volatility or other pricing issues, the Index Provider would have limited ability to remove such Virtual Asset's trading platform from the Index, which could skew the price of bitcoin as represented by the Index. Such volatility could adversely affect the value of the Shares in the Sub-Fund.

System failures or errors of the Index Provider

If input data cannot be retrieved by the computers or other facilities of the Index Provider, from

all relevant Constituent Platforms for any reason during the Observation Window, calculation and dissemination of the Index may be delayed. Errors in the Index data, the Index computations and/or construction may occur and may not be identified and/or corrected for a period of time or at all. Any of the foregoing may lead to errors in the Index, which may lead to a different investment outcome for the Sub-Fund and the Shareholders. This could potentially have an adverse impact on the Sub-Fund.

Consequently, losses or costs associated with the Index's errors or other risks described above will generally be borne by the Sub-Fund and the Shareholders. If the Index is not available, the Sub-Fund's holdings may be fair valued in accordance with the Instrument. To the extent the valuation determined in accordance with such policy differs materially from the actual market price of bitcoin, the price of the Shares may no longer track, whether temporarily or over time, the price of bitcoin, which could adversely affect an investment in the Sub-Fund and the value of Shares by reducing investors' confidence in the Shares' ability to track the price of bitcoin.

Other risks relating to the Index

If the Index is discontinued, the Manager will seek the SFC's prior approval to replace the Index with another index that has similar objectives to the Index as applicable. If the Manager cannot agree within a reasonable period on a suitable replacement index acceptable to the SFC, the Manager may, in its discretion, terminate the Sub-Fund. Upon the Sub-Fund being terminated, the amount distributed may be less than the capital invested by the Shareholders and the investors may suffer losses.

Other risks specific to the Sub-Fund

Currency risk

Shares may be traded in a currency other than the Base Currency of the Sub-Fund. Investors may be affected unfavorably by fluctuations in the exchange rates between the Trading Currency and the Base Currency. Accordingly secondary market investors may be subject to additional costs or losses associated with foreign currency fluctuations between the Trading Currency and Base Currency when trading Shares in the secondary market.

Trading hours differences risk

Bitcoin is traded 24 hours a day, seven days a week, while the Shares traded on the SEHK are not. As such, the value of the bitcoin in the Sub-Fund's portfolio may change on such day or time when investors will not be able to purchase or sell the Sub-Fund's Shares.

During periods when the SEHK is closed but the Constituent Platforms are open, significant changes in the price of bitcoin on the Constituent Platforms could result in a difference in performance between the value of bitcoin as measured by reference to the Index and the most recent bitcoin holdings per Share. To the extent that the price of bitcoin on the Constituent Platforms, and the value of bitcoin as measured by reference to the Index, move significantly in a negative direction after the close of the SEHK, the trading price of the Shares may "gap" down to the full extent of such negative price shift when the SEHK reopens. To the extent that the price of bitcoin on the Constituent Platforms drops significantly during hours the SEHK is closed, investors may not be able to sell their Shares until after the "gap" down has been fully realized, resulting in an inability to mitigate losses in a rapidly negative market.

Risk relating to trading volume and liquidity on Constituent Platforms

Trading volume and liquidity on the Constituent Platforms is not consistent throughout the day and the Constituent Platforms may be shut down temporarily or permanently due to security concerns, directed denial of service attacks and distributed denial-of-service attacks and other

reasons. As a result, during periods when the SEHK is open but the Constituent Platforms are either lightly traded or are closed, trading spreads and the resulting premium or discount on the Shares may widen and, therefore, increase the difference between the price of the Shares and the Sub-Fund's bitcoin holdings per Share. There would be a higher likelihood of the Shares being traded at a substantial premium or discount to the Sub-Fund's Net Asset Value, compared to funds investing in conventional underlying assets like equities or bonds.

Multi-Counter risk

The nature of the Multi-Counter for exchange traded funds may make investment in the Shares riskier than in single counter units or shares of an SEHK listed issuer, as there might be suspension and/or any operational or systems interruption on the level provided by brokers and CCASS participants. If such situation occurs, Shareholders will only be able to trade their Shares in the currency of the relevant Multi-Counter. There is a risk that the market price on the SEHK of Shares traded in HKD may deviate significantly from the market price on the SEHK of Shares traded in USD due to market liquidity, supply and demand in each counter and the exchange rate between HKD and USD. The trading price of HKD traded Shares or USD traded Shares is determined by market forces and so will not be the same as the trading price of Shares multiplied by the prevailing rate of foreign exchange. Accordingly when selling Shares traded in HKD or buying Shares traded in HKD, an investor may receive less or pay more than the equivalent amount in USD if the trade of the relevant Shares is in USD or vice versa.

The offering phases

Initial Offer Period

The current Dealing Deadline during the Initial Offer Period is 5:00 p.m. 2 Business Days prior to the Listing Date, or such other time as the Manager (with the approval of the Custodian) may determine on any day when the trading hours of the SEHK are reduced. Please see "Summary of timetable" below.

The Issue Price of Shares which is the subject of a Creation Application during the Initial Offer Period is USD1, or such other amount determined by the Manager with the approval of the Custodian prior to the Initial Offer Period. During the Initial Offer Period, Participating Dealers (acting for themselves or for their clients) may apply for Shares (to be available for trading on the Listing Date) by means of (i) cash Creation Application (in USD only) or (ii) an in-kind Creation Application on each Dealing Day for themselves and/or their clients in accordance with the Operating Guidelines.

The attention of investors is drawn to the section entitled "The Offering Phases" in Part 1 of this Prospectus.

After Listing

Subject to the granting of listing of, and permission to deal in, the Shares on the SEHK as well as the compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the Shares on the SEHK or on any other date HKSCC chooses. 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.

Dealings in the Shares on the SEHK are expected to commence on 30 April 2024.

The current Dealing Deadline After Listing is 11:00 a.m. (Hong Kong time) (for cash Creation/Redemption Applications) and 4:00 p.m. (Hong Kong time) (for in-kind

Creation/Redemption Applications) on the relevant Dealing Day, or such other time as the Manager (with the approval of Custodian) may determine on any day when the trading hours of the SEHK are reduced.

Applications for creation of Shares may be made by means of (i) cash Creation Application (in USD only) or (ii) an in-kind Creation Application. Settlement for subscribing Shares is due at the time specified in the Operating Guidelines on the relevant Dealing Day in accordance with the Operating Guidelines.

The attention of investors is drawn to the section entitled "The Offering Phases" in Part 1 of this Prospectus.

Summary of timetable

The following table summarises all key events and the Manager's expected timetable:

Initial Offer Period commences • Participating Dealers may submit Creation Applications for themselves or for their clients in a minimum number of 100,000 Shares (or multiples thereof)	• 9:00 a.m. (Hong Kong time) on 25 April 2024 or such other date or time as the Manager may determine
2 Business Days prior to the Listing Date • Latest time for Creation Applications by Participating Dealers for Shares to be available for trading on the Listing Date	• 5:00 p.m. (Hong Kong time) on 26 April 2024 or such other date or time as the Manager may determine
After Listing (period commences on the Listing Date) • All investors may start trading Shares on the SEHK through any designated brokers; and • Participating Dealers may apply for creation and redemption (for themselves or for their clients) in a minimum number of 100,000 Shares (or multiples thereof) continually	• During the trading hours of SEHK on 30 April 2024 • 9:00 a.m. (Hong Kong time) to 11:00 a.m. (Hong Kong time) (for cash Creation/Redemption Applications) and 9:00 a.m. (Hong Kong time) to 4:00 p.m. (Hong Kong time) (for in-kind Creation/Redemption Applications), on each Dealing Day, or such other time as the Manager (with the approval of the Custodian) may determine on any day when the trading hours of the SEHK are reduced

Exchange listing and trading (secondary market)

General

Application has been made to the Listing Committee of the SEHK for the listing of, and permission to deal in the Shares traded in HKD or USD.

Shares 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 Appendix. Application may be made in the future for a listing of Shares on one or more other stock exchanges. Investors' attention is drawn to the section entitled "Exchange Listing and Trading (Secondary Market)" in Part 1 of the Prospectus for further information.

Dealings on the SEHK in Shares are expected to begin on 30 April 2024. Shares will trade on the SEHK in board lots of 100 Shares.

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

Multi-Counter

The Manager has arranged for the Shares of the Sub-Fund to be available for trading on the secondary market on the SEHK under a Multi-Counter arrangement. Shares are denominated in USD. The Sub-Fund offers two trading counters on the SEHK (i.e. HKD counter and USD counter) to investors for secondary trading purposes. Shares traded in the HKD counter will be settled in HKD and Shares traded in the USD counter will be settled in USD. Apart from settlement in different currencies, trading prices of Shares in the counters may be different as the different counters are distinct and separate markets.

Under the Enhancement (i) a single tranche multiple counter arrangement would be adopted, and settlement of different currency counters would be reflected under one trading counter, which is the HKD counter; and (ii) a single ISIN approach would be adopted for multi-counter eligible securities in their instructions to CCASS. Therefore, although the counters will have different stock codes and different stock short names, there would be only one ISIN number.

Normally, investors can buy and sell Shares traded in the same counter or alternatively buy in one counter and sell in the other counter provided their brokers provide HKD and USD trading services at the same time to support Multi-Counter trading. After the implementation of the Enhancement, manual inter-counter transfers would no longer be required. Inter-counter buy and sell is permissible even if the trades take places within the same trading day. However, investors should note that the trading price of Shares traded in each counter may be different and may not always maintain a close relationship depending on factors such as market demand and supply and liquidity in each counter.

Investors should consult their brokers if they have any questions concerning fees, timing, procedures and the operation of the Multi-Counter. Investors' attention is also drawn to the risk factor in Part 1 of the Prospectus entitled "Multi-Counter Risk".

Redemptions

Shares can be redeemed directly in the primary market (through a Participating Dealer). Redemption proceeds may be paid in cash (in USD only) or in-kind in bitcoin. Any accepted Redemption Application will be effected in accordance with the Operating Guidelines and the Instrument.

Distribution policy

The Manager does not intend to have the Sub-Fund pay or make any distributions or dividends.

Fees and expenses

Fees payable by Participating Dealers

Fees and expenses payable by Participating Dealers on creations and redemptions (as applicable) of Shares (applicable both during the Initial Offer Period and After Listing)	**Amount**
Transaction Fee Service Agent's Fee	USD350[10] per Application plus HKD1,000[13] per book-entry deposit and book-entry withdrawal transaction
Application cancellation fee	USD1,200[11] per Application
Extension Fee	USD1,200[12] per Application
Stamp duty	Nil
All other Duties and Charges incurred by the Custodian or the Manager in connection with the creation or redemption	As applicable

Fees payable by the Sub-Fund

Management fee

The Manager is entitled to receive out of the assets of the Sub-Fund a management fee of up to 2% per annum of the Net Asset Value of the Sub-Fund. The management fee will be 0.9% per annum of the Net Asset Value of the Sub-Fund and will accrue daily and be calculated as at each Dealing Day and payable monthly in arrears. Such management fee is waived for the first six months from the Listing Date.

The Management Fee may be increased up to the maximum of 2% per year of the Net Asset Value of the Sub-Fund, on not less than one month's notice to the affected Shareholders (or such shorter period as may be approved under the UT Code). Any increase of the permitted maximum level will be subject to the SFC's prior approval (where required) and not less than one month's notice to the Shareholders.

Custodian Fee, Administrator Fee and Registrar Fee

The Custodian and the Administrator are entitled to receive out of the Sub-Fund a fee of up to 1% per annum of the Net Asset Value of the Sub-Fund, subject to a minimum of USD5,000 per month (the "Custodian Fee and Administrator Fee"). The Custodian Fee and Administrator Fee will accrue daily and be calculated as at each Dealing Day and payable monthly in arrears.

Fees payable to the Virtual Asset Sub-Custodian(s) will be payable out of the assets of the Sub-Fund.

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10 The Transaction Fee is payable by a Participating Dealer to the Custodian for the benefit of the Administrator and/or Registrar. The Service Agent's fee is payable by a Participating Dealer to the Service Agent for each book-entry deposit or book-entry withdrawal transaction. A Participating Dealer may pass on to the relevant investor such Transaction Fee.

11 An application cancellation fee is payable to the Administrator and/or the Custodian in respect of either a withdrawn or failed Creation Application or Redemption Application.

12 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.

The Custodian Fee and Administrator Fee may be increased by agreement with the Manager up to the maximum on giving one month's notice to the Shareholders.

The Registrar is entitled to receive fees of USD6,000 per annum.

The Custodian, Administrator, Registrar and Virtual Asset Sub-Custodian shall also be entitled to receive various transaction, processing, valuation fees and other applicable fees pursuant to the provisions of the Instrument and/or as agreed with the Manager from time to time, and entitled to be reimbursed out of the assets of the Sub-Fund all reasonable out-of-pocket expenses incurred by it in the performance of its duties as the Custodian, Administrator, Registrar and Virtual Asset Sub-Custodian.

VATP Operator Fee

Fees payable to the VATP Operator will be payable out of the Management Fee.

Disclosure of full portfolio holdings

The Manager will publish the full portfolio information of the Sub-Fund on a monthly basis (in English only) on the following website http://etf.harvestglobal.com.hk (which has not been reviewed or approved by the SFC).

Appendix dated 30 June 2025

APPENDIX 2: HARVEST ETHER SPOT ETF

This is a passive exchange traded fund

Key information

Set out below is a summary of key information in respect of this Sub-Fund which should be read together with the full text of this Appendix and this Prospectus.

Initial Issue Date	29 April 2024 (the Business Day immediately before the Listing Date)
Listing Date (SEHK)	30 April 2024
Issue Price during the Initial Offer Period	USD1
Exchange Listing	SEHK – Main Board
Stock Code	3179 (HKD Counter) 9179 (USD Counter)
Trading Board Lot Size	100 Shares
Base Currency	US dollars (USD)
Trading Currency	Hong Kong dollars (HKD) – HKD Counter US dollars (USD) – USD Counter
Distribution Policy	No distribution will be made.
Creation/Redemption Policy	Cash (in USD only) or in-kind
Application Share Size (only by or through Participating Dealers)	Minimum 100,000 Shares (or multiples thereof) (for each counter)
Dealing Deadline (for Creation/Redemption through Participating Dealers)	(For cash Creation/Redemption) 11:00 a.m. (Hong Kong time) (For in-kind Creation/Redemption) 4:00 p.m. (Hong Kong time)
Management Fee	0.9% per annum of the Net Asset Value ^ ^ Management fee is waived for the first six months from the Listing Date.
Investment Strategy	Please refer to the section on "What is the investment strategy?" below.
Index	CME CF Ether-Dollar Reference Rate - Asia Pacific Variant
Index Provider	CF Benchmarks Ltd
Financial Year End	31 December. The first financial year of the Sub-Fund will end on 31 December 2024. The first

	audited annual financial reports will be published before 30 April 2025. The first half-yearly unaudited financial reports will be prepared for the half year ending 30 June 2025 and will be published before 31 August 2025.
Custodian	BOCI-Prudential Trustee Limited
Virtual Asset Trading Platform(s) or VATP(s)*	OSL Digital Securities Limited
Virtual Asset Sub-Custodian(s)*	OSL Digital Securities Limited acting via its associated entity BC Business Management Services (HK) Limited
Administrator and Registrar	BOCI-Prudential Trustee Limited
Listing Agent	Altus Capital Limited
Market Maker(s) (for HKD Counter and USD Counter)*	China Merchants Securities (HK) Co., Limited Virtu Financial Singapore PTE. Ltd.
Participating Dealers*	China Merchants Securities (HK) Co., Limited Eddid Securities and Futures Limited Mirae Asset Securities (HK) Limited Solomon JFZ (Asia) Holdings Limited Valuable Capital Limited Victory Securities Company Limited
Service Agent	HK Conversion Agency Services Limited
Website	http://etf.harvestglobal.com.hk (this website has not been reviewed or approved by the SFC)

* *Please refer to the Manager's website for the latest lists of VATPs, Virtual Asset Sub-Custodians, Market Makers and Participating Dealers for the Sub-Fund.*

What is the investment objective?

The Sub-Fund's investment objective is to aim to provide investment results that, before fees and expenses, closely correspond to the performance of the price of ether as reflected by the Index.

There can be no assurance that the Sub-Fund will achieve its investment objective.

What is the investment strategy?

In seeking to achieve the Sub-Fund's investment objective, the Sub-Fund will directly invest in ether on certain SFC-Licensed VATPs. The Manager will not stake any portion of the ether held by the Sub-Fund.

For the avoidance of doubt, ether is a Virtual Asset.

The Sub-Fund may invest up to 100% of its assets in ether and will not invest in other types of investments except that the Sub-Fund may retain a small amount of cash (in HKD or USD) to pay for fees and other expenses and costs associated with the Sub-Fund's ongoing operations to meet redemption requests.

Other Investments and Use of FDI

The Manager does not intend to invest in financial derivative instruments for any purpose, or engage in securities lending, sale and repurchase transactions and reverse repurchase transactions on behalf of the Sub-Fund.

In addition, the Sub-Fund shall not employ any forms of leverage with respect to Virtual Assets.

Overview of the Ethereum Industry

What is Ether?

Ether operates without central authority (such as a bank) and is not backed by any government. Ether is a Virtual Asset created and transmitted through the operations of a peer-to-peer network of computers that operates on cryptographic protocols, namely the Ethereum Network. No single entity owns or operates the Ethereum Network, the infrastructure of which is collectively maintained by its user base.

Tokens of value, called ether, are exchanged on the Ethereum Network. Such transactions are recorded on a public transaction ledger known as the Ethereum Blockchain. Although ether may be used as a medium of exchange for goods and services, a unit of account, a store of value (despite its price volatility), or converted to a fiat currency, it is not a legal tender.

The Ethereum Network is commonly understood to be decentralized and does not require governmental authorities or financial institution intermediaries to create, transmit or determine the value of ether. The value of ether is determined by the demand for and supply of ether on ether trading platforms or in private end-user-to-end-user transactions.

Ethereum was introduced in 2015. The Ethereum Network, the Ethereum Blockchain, as well as ether trading platforms and over-the-counter trading desks have a relatively limited history. There is little data on its long-term investment potential.

Smart Contracts and Developments on the Ethereum Network

A “smart contract” is a programme on a blockchain that can execute automatically when predetermined conditions are met. It is a collection of code and data that resides at a specific address on the Ethereum Blockchain, which includes the cryptographic operations that verify and secure ether transactions. Using smart contracts, users can send or receive Virtual Assets, create markets, store registries of debts or promises, represent ownership of property or a company, move funds in accordance with conditional instructions and create new Virtual Assets.

Development on the Ethereum Network involves building more complex tools on top of smart contracts, such as Decentralized apps (“DApps”); organizations that are autonomous, known as decentralized autonomous organizations (“DAOs”); and entirely new decentralized networks.

The Ethereum Network has also been used as a platform for creating new Virtual Assets and conducting their associated initial coin offerings.

More recently, the Ethereum Network has been used for DeFi or open finance platforms, which seek to democratize access to financial services, such as borrowing, lending, custody, trading, derivatives and insurance, by removing third-party intermediaries. DeFi can allow users to lend and earn interest on their Virtual Assets, exchange one Virtual Asset for another and create derivative Virtual Assets such as stablecoins, which are Virtual Assets pegged to a reserve asset such as fiat currency.

In addition, the Ethereum Network and other smart contract platforms have been used for creating non-fungible tokens (“NFTs”). Unlike Virtual Assets native to smart contract platforms which are fungible, NFTs allow for digital ownership of assets that convey certain rights to other virtual or

real world assets. This new paradigm allows users to own rights to other assets through NFTs, which enable users to trade them with others on the Ethereum Network.

Ethereum Network and Ether Transactions

The original concept of the Ethereum Network was described in a 2013 white paper by Vitalik Buterin, aiming to establish a peer-to-peer, open-source network enabling users to create decentralized applications powered by smart contracts. The Ethereum Network was subsequently introduced in 2015.

The Ethereum Blockchain can be thought of as a ledger recording a history of transactions and the balances associated with individual accounts, each of which has an address on the Ethereum Network.

To initiate a transaction on the Ethereum Network, any user can broadcast a transaction request to the Ethereum Network from a node located on the Ethereum Network. For the transaction request to result in a change to the current state of the Ethereum Network, it must be validated, executed, and "committed to the network" by a validator node. Transaction types can include sending ether from one account to another, publishing a new smart contract on the Ethereum Network, or executing the code of an existing smart contract as per the sender's specified terms and conditions in its transaction request.

An Ethereum Client is a software application that implements the Ethereum Network specification and communicates with the Ethereum Network. A node is a computer or other device, such as a mobile phone, running an individual Ethereum Client that is connected to other computers also running their own Ethereum Clients, which collectively form the Ethereum Network. Not all nodes have to be validator nodes. For a validator node, it is required to stake a certain amount of ether.

Ethereum Network validators record and confirm transactions when they validate and add blocks of information to the Ethereum Blockchain. In a proof-of-stake consensus protocol like that used by the Ethereum Network, validators compete to be randomly selected to validate transactions. As a reward for their services in adding the block to the Ethereum Blockchain, validators receive newly minted ether from the Ethereum Network.

Certain ether transactions are conducted "off-blockchain", meaning they are not recorded in the Ethereum Blockchain. Some "off-blockchain transactions" involve the transfer of control over, or ownership of, a specific digital wallet holding ether, or the reallocation of ownership of certain ether in a digital wallet that contains assets owned by multiple individuals, for instance a digital wallet maintained by an ether trading platform. Unlike the transactions that are publicly recorded on the Ethereum Blockchain, information and data regarding off-blockchain transactions are generally not publicly available. As a result, off-blockchain transactions are not considered as true ether transactions since they do not involve the transfer of transaction data on the Ethereum Network and do not reflect a movement of ether between addresses recorded in the Ethereum Blockchain. For these reasons, off-blockchain transactions are subject to risks as any such transfer of ether ownership is not protected by the Ethereum Network's underlying protocol or recorded in, and validated through, the Ethereum Blockchain mechanism.

Limits on Ether Supply

The rate at which new ether is issued varies. In September 2022 the Ethereum Network converted from proof-of-work to a proof-of-stake consensus mechanism. In addition, the issuance of new ether could be partially or completely offset by the burn mechanism introduced by the EIP-1559 modification, under which ethers are removed from supply at a rate that varies with network usage. The new consensus algorithm and related modifications reduced total new ether issuances and could turn the ether supply deflationary over the long term.

Shift from Proof-of-Work Validation Process to Proof-of-Stake Process

Unlike other Virtual Assets such as bitcoin, which are solely created through a progressive mining process, 72.0 million ether were created in connection with the launch of the Ethereum Network.

In 2022, the Ethereum Network began the first of several stages of an upgrade that was initially known as "Ethereum 2.0." and eventually became known as the "Merge" to transition the Ethereum Network from a proof-of-work consensus mechanism to a proof-of-stake consensus mechanism. The Merge was completed in September 2022 and the Ethereum Network has operated on a proof-of-stake model since then.

Unlike proof-of-work, in which validators expend computational resources to compete to validate transactions and are rewarded coins in proportion to the amount of computational resources expended, in proof-of-stake, validators "stake" coins to compete to be randomly selected to validate transactions and are rewarded coins in proportion to the amount of coins staked. It is believed that the proof-of-stake mechanism is more energy efficient and scalable than proof-of-work.

Modifications to the Ethereum Protocol

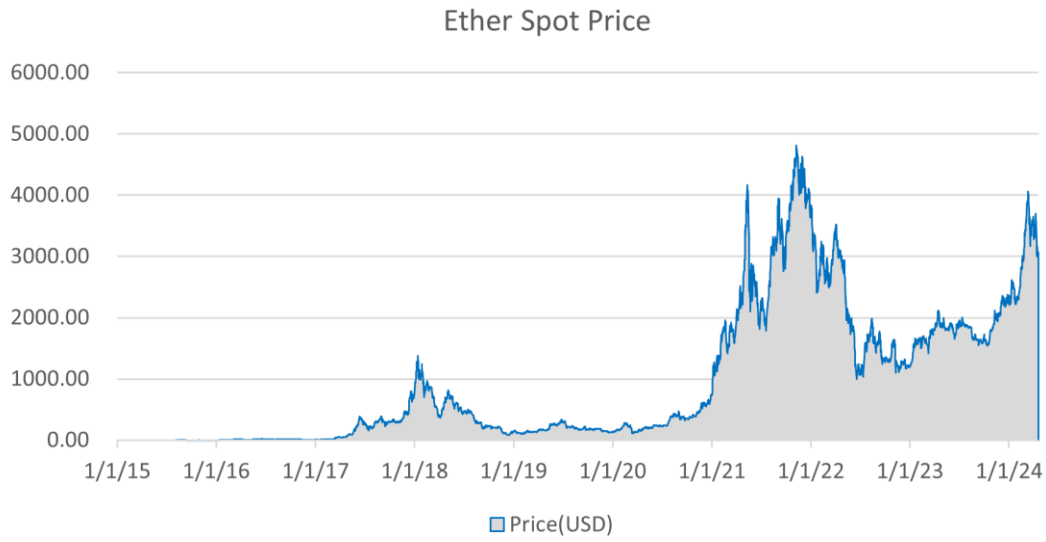
As the Ethereum Network is an open-source project and has no central authority, any developer may review, propose changes to and develop software for the Ethereum protocols. When a modification to the Ethereum Network's source code is introduced by a core group of developers that is in practice responsible for quasi-official releases of updates to the Ethereum Network's source code, there is no guarantee that it will automatically be adopted by the other participants.

A modification of the Ethereum Network's source code is effective only with respect to the Ethereum nodes that download it and modify their Ethereum Client, and in practice, such decisions are heavily influenced by the preferences of validators and users. If only a percentage of nodes accept a modification, a division in the Ethereum Network will occur, resulting in two separate networks – one network will run the pre-modification source code and the other network will run the modified source code. Such a division is known as a "fork".

Such a fork could adversely affect ether's viability and adversely impact on the value of ether. In recent years, there have been several forks in the Ethereum Network, including but not limited to, forks resulting in the creation of Ethereum Classic (as a result of the Ethereum Network community's response to a significant security breach in July 2016).

Further, a substantial giveaway of ether to participants in the Ethereum Network (sometimes referred to as an "airdrop") may also result in significant and unexpected declines in the value of ether.

Ether spot price (from August 2015 to April 2024)



Source: CoinMarketCap

What is the Index?

This section is a brief overview of the Index. It contains a summary of the principal features of the Index and therefore should not be treated as a complete description of the Index. As of the date of this Appendix, to the best of the Manager's knowledge and belief, the summary of the Index in this section is accurate and consistent with the complete description of the Index. Further details on the Index appears on 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 CME CF Ether-Dollar Reference Rate - Asia Pacific Variant. The Index is provided by CF Benchmarks Ltd, the Index Provider. The Index was launched on 11 September 2023. The Index is based on materially the same methodology (except calculation time) as the Index Provider's Ether-Dollar Reference Rate ("ETHUSD_RR"), which was first introduced in May 2018.

The Index serves as a once-a-day benchmark rate of the price of one ether in USD (USD/ETH), calculated as of 4:00 p.m. (Hong Kong time).

Any change to the use of the Index as the Sub-Fund's benchmark for valuation purposes may only be made in accordance with the Instrument of Incorporation (and with the SFC's prior approval) and will only be effective upon not less than one month's prior notice (or such other period as may be required by the SFC) being given to the Shareholders. The Net Asset Value of the Sub-Fund will be valued by reference to the Index. On each Dealing Day, as soon as practicable after 4:00 p.m. (Hong Kong time), the Sub-Fund evaluates the bitcoin held by the Sub-Fund as reflected by the Index and determines the Net Asset Value of the Sub-Fund.

The Manager is not involved in the operation, calculation and maintenance of the Index. The Manager and its Connected Persons are independent of the Index Provider. The Index Provider has the sole discretion to calculate and maintain the Index.

Index Calculation and Valuation of Ether

The Index aggregates the trade flow of several ether platforms, during an observation window between 3:00 p.m. and 4:00 p.m. (Hong Kong time) (the "Observation Window") into the price of one ether in USD at 4:00 p.m. (Hong Kong time). Specifically, the Index is calculated using the "Relevant Transactions" (as defined below) of all Constituent Platforms.

- All Relevant Transactions are added to a joint list, recording the time of execution, trade price and size for each transaction.
- The list is partitioned by timestamp into 12 equally-sized time intervals of 5 minute length.
- For each partition separately, the volume-weighted median trade price is calculated from the trade prices and sizes of all Relevant Transactions, i.e., across all Constituent Platforms. A volume-weighted median differs from a standard median in that a weighting factor, in this case trade size, is factored into the calculation.
- The Index is then determined by the equally-weighted average of the volume-weighted medians of all partitions.

A "Relevant Transaction" is any cryptocurrency versus USD spot trade that occurs during the Observation Window on a Constituent Platform in the ETH/USD pair that is reported and disseminated by a Constituent Platform through its publicly available API and observed by the Index Provider. Although the Index is intended to accurately capture the market price of ether, third parties may be able to purchase and sell ether on public or private markets and such transactions may take place at prices materially higher or lower than the reference price of ether as reflected by the Index's level (the "Index Price").

The Manager believes that the use of the Index is reflective of a reasonable valuation of the spot price of ether and that resistance to manipulation is a priority aim of its design methodology. The methodology: (i) takes an observation period and divides it into equal partitions of time; (ii) then calculates the volume-weighted median of all transactions within each partition; and (iii) the value is determined from the arithmetic mean of the volume-weighted medians, equally weighted. By employing the foregoing steps and specifically doing so over a one hour period, the Index thereby seeks to ensure that transactions in ether conducted at outlying prices do not have an undue effect on the Index Price, large trades or clusters of trades transacted over a short period of time will not have an undue influence on the Index value, and the effect of large trades at prices that deviate from the prevailing price are mitigated from having an undue influence on the Index level.

You can obtain the Index Price, the most updated list of the Constituent Platforms, the latest information and news including the Index methodology from the website of the Index Provider at https://www.cfbenchmarks.com/data/indices/ETHUSD_AP (which has not been reviewed or approved by the SFC). Index data and the description of the Index are based on information made publicly available by the Index Provider on its website at https://www.cfbenchmarks.com/. None of the information on the Index Provider's website is incorporated by reference into this Appendix.

Constituent Platform(s)

(i) As of the date of this Appendix, the list of Constituent Platforms consists of Bitstamp, Kraken, itBit, Gemini, Coinbase, LMAX Digital and Crypto.com.

The Index Provider may make changes to the Constituent Platforms comprising the Index from time to time. There can be no guarantee that the Constituent Platforms comprising the Index will be the same as the list of Constituent Platforms currently adopted by the Index Provider.

Selection Criteria of Constituent Platform(s)

Trading platforms are approved by the Index Provider's CME CF Cryptocurrency Pricing Products Oversight Committee (the "Oversight Committee") to serve as pricing source for the calculation of the Index.

A trading platform is eligible as a Constituent Platform in the Index if it offers a market that facilitates the spot trading of the relevant cryptocurrency base asset against the corresponding quote asset, including markets where the quote asset is made fungible with accepted assets (the "Relevant Pair") and makes trade data and order data available through an API with sufficient reliability, detail and timeliness.

Furthermore, it must, in the opinion of the Oversight Committee, fulfil the below criteria:

1. The platform's Relevant Pair spot trading volume for the Index must meet the minimum thresholds as detailed below for it to be admitted as a Constituent Platform:

   "The average daily volume the platform would have contributed during the Observation Window for the BRR exceeds 3% for two consecutive calendar quarters."

2. The platform has policies to ensure fair and transparent market conditions at all times and has processes in place to identify and impede illegal, unfair or manipulative trading practices.

3. The platform does not impose undue barriers to entry or restrictions on market participants, and utilizing the venue does not expose market participants to undue credit risk, operational risk, legal risk or other risks.

4. The platform complies with applicable law and regulation, including, but not limited to capital markets regulations, money transmission regulations, client money custody regulations, know-your-client (KYC) regulations and anti-money laundering (AML) regulations.

5. The platform cooperates with inquiries and investigations of regulators and the Index Provider upon request and must execute data sharing agreements with CME Group.

Once admitted, a Constituent Platform must demonstrate that it continues to fulfil the above criteria 2 to 5 inclusive. Should the average daily contribution of a Constituent Platform fall below 3% for any reference rate for the Relevant Pair, then the continued inclusion of the platform as a Constituent Platform to the Relevant Pair shall be assessed by the Oversight Committee.

The Index Provider reviews the list of Constituent Platforms annually, or more frequently if required.

The criteria for any ether trading platforms to be a Constituent Platform of the Index are public and transparent. The Index Provider intends to include data from ether trading platforms that have demonstrated strong anti-manipulation and data transparency practices only, so as to minimise the risk of any manipulation of the Index.

The Index Provider also holds data sharing agreements with all of the Constituent Platforms which allows the Index Provider to maintain a level of surveillance and transparency into the Constituent Platforms' markets. All instances of suspected manipulation of the Index will be escalated in accordance with obligations under the UK Benchmarks Regulation (UK BMR) and Market Abuse Regulation (MAR) to the FCA in the United Kingdom.

Cryptocurrency Pricing Products Oversight Committee

The Index is subject to oversight by the Oversight Committee. The Oversight Committee shall comprise at least five members, including at least: (i) two who are representatives of Chicago Mercantile Exchange Inc.; (ii) one who is a representative of the Index Provider; and (iii) two who bring expertise and industry knowledge relating to benchmark determination, issuance and

operations. The Oversight Committee meets no less frequently than quarterly. The Oversight Committee's Founding Charter and quarterly meeting minutes are publicly available. The Oversight Committee is responsible for decisions regarding any amendments to the rules of the Index and/or the addition or removal of the Constituent Platforms. Any such amendment must be submitted to the Oversight Committee for prior approval and will be made in compliance with the Index Provider's policies and procedures. The Index Provider's publicly available documentation is available on the Index Provider's website at https://www.cfbenchmarks.com/data/indices/ETHUSD_AP (which has not been reviewed or approved by the SFC).

Index Licence Agreement

The Manager has entered into a licence agreement (the "Licence Agreement") with the Index Provider. The licence granted is for an initial term of one year commencing from the commencement date of the Licence Agreement (i.e., 25 April 2024), and thereafter automatically renewed for successive one-year periods unless terminated pursuant to the Licence Agreement. There is no guarantee that the Licence Agreement will be perpetually renewed.

The Licence Agreement may be terminated by either party in writing with 60 days' notice period before the end of the initial term or renewal period or immediately upon occurrence of certain events stipulated in the Licence Agreement.

Index Provider Disclaimer

CF BENCHMARKS LTD INDEX DATA IS USED UNDER LICENSE AS A SOURCE OF INFORMATION FOR CERTAIN HARVEST GLOBAL INVESTMENTS LIMITED PRODUCTS. CF BENCHMARKS LTD, ITS LICENSORS AND AGENTS HAVE NO OTHER CONNECTION TO HARVEST GLOBAL INVESTMENTS LIMITED PRODUCTS AND SERVICES AND DO NOT SPONSOR, ENDORSE, RECOMMEND OR PROMOTE ANY HARVEST GLOBAL INVESTMENTS LIMITED PRODUCTS OR SERVICES. CF BENCHMARKS LTD, ITS LICENSORS AND AGENTS HAVE NO OBLIGATION OR LIABILITY IN CONNECTION WITH THE HARVEST GLOBAL INVESTMENTS LIMITED PRODUCTS AND SERVICES. CF BENCHMARKS LTD, ITS LICENSORS AND AGENTS DO NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF ANY INDEX LICENSED TO HARVEST GLOBAL INVESTMENTS LIMITED AND SHALL NOT HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN.

Index Code

Bloomberg ticker: ETHUSDAP

Refinitiv RIC: .ETHUSDAP

The Custodian

The Custodian of the Sub-Fund is BOCI-Prudential Trustee Limited, which is incorporated in Hong Kong and is registered as a trust company under the Trustee Ordinance (Cap. 29) of Hong Kong.

The Custodian is a joint venture founded by BOC Group Trustee Company Limited and Prudential Corporation Holdings Limited. BOC Group Trustee Company Limited is owned by Bank of China (Hong Kong) Limited and BOC International Holdings Limited, which are subsidiaries of Bank of China Limited.

Under the Custodian Agreement, the Custodian is responsible for the safekeeping of the assets of the Company in respect of the 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 ("Custodian Delegate") to hold certain assets of the Sub-Fund and may empower any such person

or persons to appoint with no objection in writing by the Custodian. The Custodian may also appoint delegates for the performance of its duties, powers or discretions under the Custodian 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-Fund 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 Custodian Delegate(s) not being the Custodian's Connected Person. 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 Custodian Delegate to hold certain assets of the 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 in connection with the Custodian Agreement, other than any liability which is caused directly by negligence or fraud or wilful default of the Custodian.

The Custodian shall not be responsible or liable for any losses arising out of 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 in respect of the Sub-Fund.

The Custodian will remain as the custodian of the Company and the Sub-Fund until it retires or is removed. The circumstances under which the Custodian may retire or be removed are set out in the Custodian Agreement. Where any Sub-Fund is authorised pursuant to Section 104 of the SFO, 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 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 Custodian Agreement.

The Custodian is not responsible for the preparation or issue of the Prospectus and this Appendix and therefore accepts no responsibility for any information contained in the Prospectus and this Appendix. 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 Appendix other than the description under this section headed "The Custodian".

Indemnities of the Custodian

Under the Custodian Agreement, without prejudice to any indemnity to which the Custodian may otherwise be entitled under applicable Laws and Regulations, the Company agrees to defend, fully indemnify and hold the Custodian and its directors, officers, employees and agents harmless from and against any and all loss, damages, costs, expenses, liabilities or claims (including legal and other professional fees) of whatever nature (each a "Loss") arising out of any action taken or omitted to be taken in good faith by the Custodian (a) pursuant to performance of the services under the Custodian Agreement; (b) pursuant to the proper instructions and/or authorizations of the Company; (c) arising from claims of third parties asserted against the Custodian; and (d) with respect to taxes, duties, fines and penalties imposed against the Custodian by reason of its holding of the Securities and Virtual Assets for the Company, in each case except any Loss resulting from negligence, fraud or wilful default of the Custodian.

No provision of the Instrument or the Custodian 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 the 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.

The Virtual Asset Trading Platform – OSL Digital Securities Limited ("OSL")

OSL has been engaged by the Company on behalf of the Sub-Fund as the VATP to provide VA trading services and other incidental services to the Sub-Fund pursuant to the VATP Agreement.

OSL is a company incorporated in Hong Kong with limited liability and is licensed to carry on Type 1 (Dealing in Securities) and Type 7 (Providing Automated Trading Services) activities in Hong Kong, subject to various licensing conditions. The VATP is required to (amongst other requirements):

(a) hold client assets on trust for its clients through an "associated entity" (as defined in the VATP Guidelines). For the avoidance of doubt, an "associated entity" as defined in the VATP Guidelines means a company which (i) has notified the SFC that it has become an "associated entity" of the VATP Operator under section 165 of the SFO and/or section 53ZRW of the AMLO; (ii) is incorporated in Hong Kong; (iii) holds a "trust or company service provider licence" under the AMLO; and (iv) is a wholly owned subsidiary of the VATP Operator. For the avoidance of doubt, the "associated entity" of OSL is BC Business Management Services (HK) Limited ("BCBM");

(b) ensure that client's Virtual Assets are segregated from the assets of the VATP Operator and its associated entity;

(c) store 98% of client's Virtual Assets in cold storage except in limited circumstances;

(d) minimise transactions out of the cold storage in which a majority of client's Virtual Assets are held; and

(e) ensure the seeds and private keys are (i) securely stored in Hong Kong; (ii) tightly restricted to authorised personnel; (iii) sufficiently resistant to speculation or collusion; and (iv) properly backed up to mitigate any single point of failure.

The Virtual Asset Sub-Custodian – OSL acting through its associated entity BCBM

Pursuant to the virtual assets custodian agreement dated 15 April 2024 entered into between the Custodian, OSL and BCBM, as amended from time to time ("Virtual Asset Sub-Custodian Agreement"), OSL has been appointed by the Custodian to hold the Virtual Assets held by the Custodian for (amongst others) the Sub-Fund through its associated entity BCBM. The Custodian has obtained consent from the Hong Kong Monetary Authority to take custody of Virtual Assets of the Sub-Fund.

Under the Virtual Asset Sub-Custodian Agreement, the Virtual Assets of the Sub-Fund will be held in a segregated client account established and maintained by BCBM. OSL shall (i) act in good faith and use reasonable skill, care and diligence in the performance of its duties; and (ii) remain suitably qualified and competent on an ongoing basis to provide the relevant services. OSL shall exercise the same degree of care with respect to the Virtual Assets as it would with respect to its own Virtual Assets and property and that of its other customers.

The Virtual Asset Sub-Custodian Agreement may be terminated by any party to the agreement by giving not less than 90 days' prior notice in writing, or immediately on such grounds as specified in and in accordance with the terms of the Virtual Asset Sub-Custodian Agreement.

In addition, OSL has confirmed in writing to the Company that it, in the capacity of taking custody of Virtual Assets for the Sub-Fund, is subject to the same set of regulatory requirements under the VATP Guidelines.

Each of OSL and its associated entity BCBM is not responsible for the preparation of the Prospectus and this Appendix and accepts no responsibility or liability for the information contained here other than (for OSL only) the description under the section above headed "The Virtual Asset Trading Platform – OSL Digital Securities Limited ("OSL")" and (for both OSL and its associated

entity BCBM) the description under this section headed “The Virtual Asset Sub-Custodian – OSL acting through its associated entity BCBM”.

The Administrator and Registrar

BOCI-Prudential Trustee Limited has been appointed as the Administrator and the Registrar of the Sub-Fund pursuant to the Fund Administration Agreement. As the Administrator, BOCI-Prudential Trustee Limited shall carry out certain financial, administrative functions and other services in relation to the 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 the Sub-Fund, and (ii) the general administration of the Sub-Fund, which includes the proper book keeping of the Sub-Fund.

Under the terms of the Fund Administration Agreement, the Registrar provides services in respect of the establishment and maintenance of the register of the Shareholders of the Sub-Fund, and the handling of the issue and redemption of Shares of the Sub-Fund.

The Administrator and Registrar is not responsible for the preparation of the Prospectus and this Appendix and accepts no responsibility or liability for the information contained here other than the description under this section headed “The Administrator and Registrar”.

Can all Participating Dealers create and redeem in-kind?

No, only those Participating Dealers which (i) observe the requirements set out under the “Joint circular on intermediaries’ virtual asset-related activities” dated 22 December 2023 (as amended from time to time) and (ii) have opened an account (or whose agents have an account) with the VATP and Virtual Asset Sub-Custodian can apply to create and redeem in-kind subject to the conditions and requirements imposed by the relevant Virtual Asset Sub-Custodian from time to time. Other Participating Dealers may only create and redeem in cash. You should check with the relevant Participating Dealer whether or not it can create or redeem in-kind.

Is the Sub-Fund’s ether insured?

The Sub-Fund and the Manager do not arrange for ether held by the Sub-Fund to be insured. Other than the obligation to exercise reasonable care and diligence in the selection of the Custodian, and to satisfy itself as to the competence and resources to discharge their relevant obligations, the Sub-Fund and the Manager accept no responsibility or liability for ether held by the Virtual Asset Sub-Custodian(s) (including those transferred from an investor’s wallet or through a Participating Dealer).

The Custodian shall ensure that each Virtual Asset Sub-Custodian has in place a compensation arrangement that covers the potential loss (a) of the Sub-Fund’s Virtual Assets in cold storage at least up to the requisite percentage required under applicable licensing requirements relating to the Virtual Asset Sub-Custodian and (b) 100% of the Sub-Fund’s Virtual Assets in hot and other storages. However, such compensation arrangement of a Virtual Asset Sub-Custodian is shared among all clients of the Virtual Asset Sub-Custodian and is not specific to the Sub-Fund. Each Virtual Asset Sub-Custodian regularly reviews its insurance coverage and considers the present insurance coverage sufficient and appropriate, given the exposure, security installations and risk management which the Virtual Asset Sub-Custodian has in place.

Ether held by an investor or a Participating Dealer is not part of the Scheme Property and is the sole responsibility of the investor or the relevant Participating Dealer. Ether which may be transferred to the Virtual Asset Sub-Custodian on behalf of a Participating Dealer is not part of the Scheme Property and so is the sole responsibility of the relevant Participating Dealer (which may or may not have adequate insurance arrangements in place). The Sub-Fund will not suffer any loss if ether is lost, destroyed or stolen during the process of transfer by the relevant Participating Dealer to the Sub-Fund’s account with the Virtual Asset Sub-Custodian. The Company (including the Sub-Fund), the Manager, the Custodian and the Virtual Asset Sub-Custodian are not liable for the loss of any such ether which may be in the process of being transferred to the Sub-Fund’s account with the Virtual Asset Sub-Custodian.

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 to the Sub-Fund.

General

Investment risk

The Sub-Fund is not principal guaranteed and investors' investments may suffer losses. There is no assurance that the Sub-Fund will achieve its investment objective. The Sub-Fund is passively managed and will hold its ether during periods in which the value of ether is flat or declining as well as during periods in which the value of ether is rising. As a result, any decrease in value of ether as measured by reference to the Index will result in a decrease in the Net Asset Value of the Sub-Fund.

New product risk

The Sub-Fund is a spot ETF investing directly in ether. The novelty of such an ETF and the fact that the Sub-Fund is one of the first few Virtual Asset spot ETFs in Hong Kong makes the Sub-Fund potentially riskier than traditional ETFs investing in equity or debt securities. Moreover, given the novelty of the underlying assets of the Sub-Fund i.e. ether, there is no guarantee that the service providers of the Sub-Fund (e.g. the Participating Dealer(s) and the Market Maker(s)) can perform their duties effectively.

Passive investment management risk

The Sub-Fund is passively managed. Save in the event of a "hard fork", which the Manager will have the sole discretion to determine which network is generally accepted as the Ethereum Network and should therefore be considered the appropriate network for the Sub-Fund's purposes, the Manager will not have the discretion in general to adapt to market changes due to the inherent investment nature of the Sub-Fund.

The Sub-Fund invests in ether regardless of its investment merit. The Manager does not attempt to select other Securities or Virtual Assets or to take defensive positions in declining markets. Investors should expect that a decline in the Index Price will result in corresponding falls in the value of the Sub-Fund.

Concentration risk

The Sub-Fund is concentrated in a particular asset, i.e. ether.

As the exposure of the Sub-Fund is concentrated in the ether market via investing in ether directly, the value of the Sub-Fund is more susceptible to the effects of ether price volatility and adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory events affecting ether than more diversified funds. By concentrating its investment strategy solely in ether, any losses suffered as a result of a decrease in the value of ether can be expected to reduce the value of a Share in the Sub-Fund and will not be offset by other gains as they may be if the Sub-Fund were to invest in underlying assets that were diversified.

Market and volatility risk

The value of the Sub-Fund's investments (in which a substantial part of such investments is ether) is subject to market risk. Market risk is the risk that the value of the investments to which the Sub-Fund is exposed will fall, which could occur due to general market or economic conditions or other factors. **The value of ether could decline rapidly, including to zero.**

Investors should be prepared to lose their entire investment. For example, in 2020, the biggest single-day drop of the price of ether was 44%[13]. Investors may lose all of their investment within one day.

Management risk

Because there can be no guarantee that the Sub-Fund's performance will fully replicate the movement of the Index, it is subject to management risk. This is the risk that the Sub-Fund's investment strategy, the implementation of which is subject to some constraints, may not produce the intended results and that the tracking error may accordingly be higher than predicted.

Tracking error risk

While the Sub-Fund's objective is to aim to provide investment results that, before fees and expenses, closely correspond to the performance of the price of ether as reflected by the Index, it intends to do so by directly purchasing ether on a spot basis through channels (such as the Virtual Asset Trading Platform(s), or any other channels permitted by the SFC) and holding them via the Virtual Asset Sub-Custodian(s). As disclosed in the section titled "What is the Index?", the Index is calculated during specific observation windows based on volume-weighted median trade prices of "Relevant Transactions" on Constituent Platforms. By design, Index levels are intended to reflect a diverse range of circumstances and transactions, as opposed to individual ether transactions executed in connection with any single party, circumstance or Constituent Platform.

The performance of the Sub-Fund may not exactly track the performance of ether price as reflected by the Index.

Factors that may cause such tracking error such as the fees and expenses of the Sub-Fund, movement in HKD to USD exchange rate, the market conditions at the relevant time, the rounding of ether prices, liquidity of the Index constituents, or failure of tracking strategy may affect the Manager's ability to achieve close correlation with the Index. The Manager will monitor and seek to manage such risk and minimise tracking errors. However, most of these factors that may cause the Sub-Fund's performance to deviate from the Index are beyond the control of the Manager. Investors should note that the tracking error may be higher than the Manager's anticipation due to factors beyond the control of the Manager, especially in the event of extreme market fluctuations. In the event that the actual tracking error is significantly higher than the Manager's anticipation, the performance of the Sub-Fund may be adversely affected. There can be no assurance of an exact or identical replication of the Index's performance at any given time.

Trading risk

Under extreme market conditions, the trading price of the Shares may fall to a very low nominal level. In such circumstances, the bid-ask spreads of the Shares may widen significantly, trading liquidity may deteriorate, and market makers may face practical difficulties or be unable to fulfil their market making obligations. The trading price may reach the price floor of 0.01 (of any available currency unit). Where this occurs, the secondary market trading price of the Shares may not be able to fully reflect movements in the Net Asset Value or indicative Net Asset Value of the Sub-Fund, and the Shares may trade at prices that deviate materially from their respective Net Asset Value.

Risks relating to ether

The Sub-Fund is exposed to the risks of ether through its investments in ether directly. Ether is a new and highly speculative investment. An investment in ether can be extremely volatile and investment results may vary substantially over time when compared to investments in

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13 This is based on the daily price of ether against USD on Bloomberg at GMT 00:00.

traditional securities. While all investments risk the loss of capital, investments in ether should be considered substantially more speculative and significantly more likely to result in a total loss of capital than most other investments. A nascent asset class with limited history guarantees unforeseen risk factors will likely emerge, which may be in the form of variations or combinations of the risks listed below in which the Sub-Fund cannot anticipate, and investors should be prepared to risk all capital in the Sub-Fund.

No assurance can be made that profits will be achieved or that substantial or complete losses will not be incurred. There is no assurance that returns can be generated.

Ether and ether industry risk

Ether operates without central authority (such as a bank) and is not backed by any government. Ether is a relatively new innovation and the market for ether is subject to rapid price swings, changes and uncertainty. The further development and acceptance of the Ethereum Network, which is part of a new and rapidly changing industry, is subject to a variety of factors that are difficult to evaluate and unforeseeable. The slowing, stopping or reversing of the development or acceptance of the Ethereum Network may adversely affect the price of ether and therefore cause the Sub-Fund to suffer losses.

Extremely high volatility risk

An investment in ether can be highly volatile compared to investments in traditional securities and an investment in the Sub-Fund may experience sudden and substantial losses. Investors should be prepared to lose the full principal value of their investment within a single day. Historically, the price of ether has been extremely volatile, based on a variety of factors, including:

- Global demand and supply of ether: Factors including the investors' perception of the security of ether, the level of commercial acceptance of ether as payment for goods and services, the abundance of regulatory restrictions on the use of ether, etc. will impact the demand and supply of ether;

- Maintenance and development of the open-source software protocol of the Ethereum Network: Any user or miner could propose amendments to the Ethereum Network's protocols which may adversely affect the long-term viability of ether, and consequently, an investment in the Sub-Fund;

- Competition: Virtual Assets other than ether gaining a greater share in the market may lead to a reduction in demand and price of ether, which may negatively affect the Net Asset Value of the Sub-Fund;

- Manipulation and speculation: A small number of holders (sometimes referred to as "whales") that holds a significant portion of ether has the ability to manipulate the price of ether. It is believed that speculators and investors who seek to profit from trading and holding ether currently account for a significant portion of ether demand. Such speculation regarding the potential future appreciation in the price of ether may artificially inflate or deflate the price of ether. Market fraud and/or manipulation and other fraudulent trading practices such as the intentional dissemination of false or misleading information (e.g. false rumours) can, among other things, lead to a disruption of the orderly functioning of markets, significant market volatility, and cause volatility to the value of the Sub-Fund quickly.

- Investor sentiments on the value or utility of ether: The ether market is sensitive to new developments, and any significant changes in market sentiments could induce large

swings in trading volume and price of ether;

- Changing investors' confidence on Virtual Assets: Investors' confidence regarding the security and long-term stability of a Virtual Asset's network and its blockchain may fluctuate based on market developments and the investors' own experience with the Virtual Asset;

- Contagious effect on the price of ether from incidents on Virtual Assets and trading platforms: For example, in the first half of 2022, each of Celsius Network, Voyager Digital Ltd., and Three Arrows Capital declared bankruptcy, resulting in a loss of confidence in participants of the Virtual Asset ecosystem and negative publicity surrounding Virtual Assets more broadly. In November 2022, following the collapse and bankruptcy filing of FTX, one of the largest Virtual Asset's trading platforms at the material time, several other entities in the Virtual Asset industry, such as BlockFi Inc. and Genesis Global Capital, LLC, filed for bankruptcy as well, which further negatively impacted the Virtual Asset market. The price of ether dropped significantly following each of the above events.

Although returns from investing in ether have at times diverged from those associated with other asset classes to a greater or lesser extent, there can be no assurance that there will be any such divergence in the future, either generally or with respect to any particular asset class, or that price movements will not be correlated. In addition, there is no assurance that ether will maintain its value in the long, intermediate, short, or any other term. In the event that the price of ether declines, the value of the Shares in the Sub-Fund as measured by reference to the Index will decline proportionately.

Furthermore, the value of an ether as measured by reference to the Index may also be subject to momentum pricing due to speculation regarding future appreciation in value, leading to greater volatility that could adversely affect the value of the Shares. Momentum pricing typically is associated with growth stocks and other assets whose valuation, as determined by the investing public, accounts for future appreciation in value, if any. Momentum pricing of ether has resulted, and may continue to result, in speculation regarding future appreciation in the value of ether, inflating and making the Index more volatile. As a result, ether may be more likely to fluctuate in value due to changing investor confidence, which could impact future appreciation or depreciation in the Index and could adversely affect the value of the Shares in the Sub-Fund.

Speculative nature risk

Ether is a new technological innovation with a limited history. Investing in ether is highly speculative, and market movements are difficult to predict. Supply and demand for ether could change rapidly and are subject to a large variety of factors, including governmental regulations and investors' sentiments.

Unforeseeable risk

Virtual Assets such as ether were only introduced in recent years. There is limited data on its long-term investment potential available to investors. Given the rapidly evolving nature of ether, including advancements in the underlying technology, market disruptions and resulting governmental interventions that are unforeseeable, investors may be exposed to additional risks which are impossible to predict as of the date of this Appendix. This uncertainty makes an investment in the Sub-Fund speculative and subject to significant risk.

Acceptance of ether

As relatively new products and technologies, the market for ether is subject to rapid price swings, changes and uncertainty. The further development and acceptance of the Ethereum Network

is subject to a variety of factors that are difficult to evaluate and unforeseeable. The slowing, stopping or reversing of the development or acceptance of the Ethereum Network may adversely affect the price of ether and accordingly, the Net Asset Value of the Sub-Fund.

The use of ether to, among other things, buy and sell goods and services is part of a new and rapidly evolving industry that employs Virtual Assets based upon computer-generated mathematical and/or cryptographic protocols. The growth of this industry is subject to a high degree of uncertainty.

Factors affecting the further development of this industry and therefore the value of ether, include, without limitation to:

(i) continued worldwide growth or possible cessation or reversal in the adoption and use of ether and other Virtual Assets;

(ii) government and quasi-government regulation of ether and other Virtual Assets and their use, or restrictions on or regulation of access to and operation of the Ethereum Network and other Virtual Asset networks;

(iii) changes in consumer demographics and public tastes and preferences, including the possibility that market participants may come to prefer other Virtual Assets to ether for a variety of reasons, including that such other Virtual Assets may have features (like different consensus mechanisms) that ether lacks;

(iv) the maintenance and development of the open-source software protocol of the Ethereum Network;

(v) the use of the networks supporting Virtual Assets for developing smart contracts and distributed applications;

(vi) general economic conditions and the regulatory environment relating to Virtual Assets; and

(vii) negative consumer or public perception of ether specifically and other Virtual Assets generally.

The value of ether is subject to risks related to its usage. Despite that certain retailers have started to accept ether as a form of payment in recent years, there is still relatively limited use of ether for commercial and retail transactions. Price volatility undermines the ability of ether as a medium of exchange, and a contraction of the use of ether may result in a decrease in its value, which could adversely impact the Net Asset Value of the Sub-Fund.

Even if growth in ether adoption occurs in the near or medium-term, there is no assurance that ether usage will continue to grow over the long-term. To the extent market participants come to prefer other Virtual Assets or other mechanisms that use non-blockchain technology, the value of ether, and therefore an investment in the Sub-Fund, may be adversely affected.

Difficulties in verifying ownership of ether risk

Given the pseudonymous nature of the Ethereum Network, it is difficult to verify the ownership of ether. To the extent that the Sub-Fund is subject to fraud, theft, market manipulation or system failure, it will be difficult for the Sub-Fund to trace the Sub-Fund's ether and have a claim against the bad actors.

Limited history of ether risk

Ether and the Ethereum Network have a limited history. It is unclear how all elements of ether

will unfold over time, specifically with regard to governance between validators, developers and users. Insufficient software development or any other unforeseen challenges that the Ethereum community is not able to resolve will affect adversely the price of ether.

Governance of the Ethereum Network risk

Governance of the Ethereum Network is by voluntary consensus and open competition. As a result, there may be a lack of consensus or clarity on the governance of the Ethereum Network, which may adversely affect the Ethereum Network's utility and ability to grow and face challenges.

Notwithstanding the foregoing, the Ethereum Network is informally managed by a group of core developers that proposes amendments to the relevant network's source code. Core developers' roles evolve over time, largely based on self-determined participation. If a significant majority of users adopt amendments to a decentralized network based on the proposals of such core developers, such network will be subject to new protocols that may adversely affect the value of ether.

These alterations would also occur through software upgrades, and could potentially include changes to the irreversibility of transactions and limitations on the issuance of new ether or changes to ether supply, which could undermine the appeal and market value of ether. Alternatively, software upgrades and other changes to the protocols of the Ethereum Network could fail to work as intended or could introduce bugs, security risks, or otherwise adversely affect, the speed, security, usability, or value of the Ethereum Network or ether. As a result, the Ethereum Network could be subject to changes to its protocols and software in the future that may adversely affect an investment in the Sub-Fund.

Open-source structure risk

The Ethereum Network operates based on open-source protocol maintained by a group of core developers. As the Ethereum Network protocol is not sold to raise capital and its use does not generate revenue for development teams, core developers are generally not directly compensated for maintaining and updating the Ethereum Network protocol. Consequently, developers may lack the financial incentive to maintain or develop the network, and the core developers may lack the resources to adequately address emerging issues with the network. There can be no guarantee that developer support will continue or be sufficient in the future. Alternatively, some development and developers are funded by companies whose interests may be at odds with other participants in the network or with investors' interests. To the extent that material issues arise with the Ethereum Network protocol and the core developers and open-source contributors are unable or unwilling to address the issues adequately or in a timely manner, the Ethereum Network and an investment in the Sub-Fund may be adversely affected.

Concentration of ownership risk

The largest ether wallets are believed to hold, in aggregate, a significant percentage of the ether in circulation. It is also possible that multiple wallets that collectively hold a significant number of ether are controlled by the same person or entity. As a result of this concentration of ownership, large sales or distributions by such holders could have an adverse effect on the market price of ether.

Fraud, market manipulation and security failure risk

Ether may be subject to the risk of fraud, theft, manipulation or security failures, operational or other problems that impact Virtual Asset's trading platforms. In particular, the Ethereum Network and entities that custody or facilitate the transfers or trading of ether are vulnerable to various cyber attacks. Malicious actors may also exploit flaws in the code or structure in the Ethereum Network that will allow them to, among other things, steal ether held by others, control

the blockchain, steal personally identifying information, or issue significant amounts of ether in contravention of the protocols. A significant portion of ether is held by a small number of holders sometimes referred to as "whales", who may have the ability to manipulate the price of ether. If parties acting in concert were to gain substantial control of the Ethereum Network, they would have the ability to manipulate transactions, halt payments and fraudulently obtain ether. These events may reduce user confidence in ether, the Ethereum Network and the fairness of Virtual Asset's trading platforms which in turn may have a negative impact on the price of ether. The occurrence of any of the above may have a negative impact on the price of ether and the value of the Sub-Fund's investments.

Cybersecurity risks

Ether is susceptible to theft, loss and destruction.

Ether transactions are typically not reversible without the consent and active participation of the recipient of the transaction. Once a transaction has been verified and recorded in a block that is added to the Ethereum Blockchain, an incorrect transfer or theft of ether generally will not be reversible and the Sub-Fund may not be capable of seeking compensation for any such transfer or theft. Although the Sub-Fund's transfers of ether will regularly be made to or from the Sub-Fund's account at the relevant Virtual Asset Sub-Custodian, it is possible that, through computer or human error, or through theft or criminal action, the Sub-Fund's ether could be transferred from the Sub-Fund's account at the relevant Virtual Asset Sub-Custodian in incorrect amounts or to unauthorized third parties, or to uncontrolled accounts. To the extent that the Sub-Fund is unable to seek a corrective transaction with such third-party or is incapable of identifying the third-party which has received the Sub-Fund's ether through error or theft, the Sub-Fund will be unable to revert or otherwise recover incorrectly transferred ether. The Sub-Fund will also be unable to convert or recover its ether transferred to uncontrolled accounts. To the extent that the Sub-Fund is unable to seek redress for such error or theft, such loss could adversely affect the value of the Shares in the Sub-Fund.

The Ethereum Network is also vulnerable to various deliberate cybersecurity attacks, such as hacking or malicious software coding for purposes of misappropriating information and assets or causing operational disruption. Cybersecurity risks of the Ethereum protocol and of entities that custody or facilitate the transfers or trading of ether could result in a loss of public confidence in ether and a decline in the value of ether.

Potential manipulation of Ethereum Network risk

The Ethereum Network is currently vulnerable to a "51% attack" where, if a validator or group of validators acting in concert were to gain control of more than 50% of the staked ether, a malicious actor would be able to gain full control of the network and the ability to manipulate the blockchain.

Regulatory risk

The regulation of ether, Virtual Assets and related products and services continues to evolve. As ether and Virtual Assets have grown in both popularity and market size, certain regulatory authorities have been examining the operations of Virtual Asset's trading platforms and service providers. Certain regulatory authorities have brought enforcement actions and issued advisories and rules relating to Virtual Asset's markets. Regulatory changes and actions with respect to Virtual Assets generally or any single Virtual Asset in particular may alter, perhaps to a materially adverse extent, the nature of an investment in the ether.

Regulatory changes or actions may alter the nature of an investment in ether, or restrict the use and exchange of ether or the operations of the Ethereum Network or venues on which ether trades in a manner that adversely affects the price of ether. Similarly, future regulatory changes

could expose the Sub-Fund to potential new costs and expenses as well as adversely impact the ability of the Sub-Fund to achieve its investment objective.

Internet risk

The Ethereum Network's functionality relies on the Internet. A significant disruption of Internet connectivity affecting large numbers of users or geographic areas could impede the functionality of the Ethereum Network. Any technical disruptions or regulatory limitations that affect Internet access may have an adverse effect on the Ethereum Network, the price of ether and the value of the Sub-Fund.

Fork risk

Developers may propose modifications to the Ethereum Network from time to time. Forks may also occur as a network community's response to a significant security breach.

If the updated Ethereum Network is not compatible with the original Ethereum software and a sufficient number (but not necessarily a majority) of users elect not to migrate to the updated Ethereum Network, this would result in a "hard fork" of the Ethereum Network, with one prong running the earlier version of the Ethereum software and the other running the updated Ethereum software, resulting in the existence of two versions of the Ethereum Network running in parallel and a split of the blockchain underlying the Ethereum Network. The occurrence of such "fork" may result in an adverse impact on the price and liquidity of ether and the value of the Sub-Fund's investments.

A hard fork may adversely affect the price of ether at the time of announcement or adoption. For example, the announcement of a hard fork could lead to increased demand for the prefork Virtual Asset, in anticipation that ownership of the prefork Virtual Asset would entitle holders to a new Virtual Asset following the fork. The increased demand for the prefork Virtual Asset may cause the price of the Virtual Asset to rise. After the hard fork, it is possible that the aggregate price of the two versions of the Virtual Asset running in parallel would be less than the price of the Virtual Asset immediately prior to the fork.

In the event of a "hard fork" of the Ethereum Network, the Manager will (i) use its sole discretion to determine which network is generally accepted as the Ethereum Network and should therefore be considered the appropriate network for the Sub-Fund's purposes; (ii) issue prior notice to the Sub-Fund's investors; and (iii) do such action which, in the opinion of the Manager, is in the best interests of the Sub-Fund's investors. There is no guarantee that the Manager will choose the network and the associated Virtual Asset that is ultimately the most valuable fork. This could therefore adversely impact the value of the Shares.

Airdrop risk

A substantial giveaway of ether to participants in the Ethereum Network (sometimes referred to as an "airdrop") may result in a significant and unexpected declines in the value of ether and the value of the Sub-Fund's investments.

Virtual Asset's trading platform risk in general and contagion risk

The operation of Virtual Assets including ether depends upon the centralised elements of the crypto ecosystem (for example, wallets and exchanges) which is exposed to concentration risks given its concentrated reliance on a few entities that handle more than half of the trading volumes. Therefore, the collapse of any major players in the crypto ecosystem may have contagious adverse effects on the values of Virtual Assets including ether and the value of the Sub-Fund's

investments.

Furthermore, Virtual Asset's trading platforms are relatively new, and not all Virtual Asset's trading platforms are SFC-Licensed VATPs. The Sub-Fund is only permitted to use, and shall only use, SFC-Licensed VATPs.

For Virtual Asset's trading platforms that are not SFC-Licensed VATPs, they may be unregulated or only subject to light regulation (i.e. subject to none or minimal investor protection measures) in other jurisdictions. These Virtual Asset's trading platforms may hold custody of the Virtual Assets for its customers and may be more exposed to theft, fraud and failure than established, regulated exchanges for traditional investment products in the traditional financial markets.

Virtual Asset's trading platforms in other jurisdictions that are subject to regulation may be required to comply with minimum net worth, cybersecurity, and anti-money laundering requirements, but may not be subject to the same regulatory obligations as traditional financial institutions in traditional financial markets. Furthermore, unregulated or lightly regulated Virtual Asset's trading platforms in general lack certain safeguards put in place by exchanges in the traditional financial market to enhance stability of trading and prevent "flash crashes", such as limit-down circuit breakers. As a result, the prices of ether on Virtual Asset's trading platforms (including, potentially, some of the Constituent Platforms based on which the Index is calculated)may be subject to larger and/or more frequent sudden declines than assets traded on exchanges for more traditional financial instruments. Operational problems or failures by Virtual Asset's trading platforms and fluctuations in ether prices may reduce investors' confidence in these exchanges or in ether generally, which could adversely affect the price of ether and in turn the value of the Shares.

Virtual Asset's trading platforms have in the past, and may in the future, collapse, stop operating or temporarily or permanently shut down, due to fraud, cybersecurity issues, manipulation, technical glitches, hackers or malware, failure or security breaches. For example, the collapse of Mt. Gox, which filed for bankruptcy protection in Japan in late February 2014, demonstrated that even the largest Virtual Asset's trading platforms could be subject to abrupt failure with consequences for both users of Virtual Asset's trading platforms and the Virtual Asset industry as a whole.

The potential consequences of failures of Virtual Asset's trading platforms could adversely affect the value of ether and in turn the value of the Shares.*Intellectual property risk*

Third parties may assert intellectual property claims relating to the holding and transfer of ether and its source code. Regardless of the merit of such claim, any threatened action that reduces confidence in long-term viability or the ability of end-users to hold and transfer ether may adversely affect the value of ether. Furthermore, in the event of a meritorious intellectual property claim, end-users may be prevented from accessing, holding, or transferring ether. This may have a material adverse impact on the Sub-Fund.

Risk of illicit use

The use of Virtual Assets for illicit purposes is neither promoted nor endorsed by the Sub-Fund. Certain Virtual Assets have a reputation for providing users with privacy and anonymity or pseudo anonymity, similar to physical cash, bank notes and bearer bonds. While a blockchain may record the unique address of individual "wallets" and the transaction amounts between payer and payee wallets, it may not contain any other information about the parties using them. As with any other asset class or medium of exchange, Virtual Assets can be used to purchase illegal goods, fund illicit activities or launder money. Negative events, developments, news and published opinions, whether based on correct or incorrect information about the characteristics of Virtual Assets may affect the general outlook on the industry as a whole, trigger governmental restrictions and/or regulations in respect of Virtual Assets, and may have a material adverse

effect on the Sub-Fund.

Political or economic crisis risk

Ether operates without central authority (such as a bank) and is not backed by any government. Nevertheless, political or economic crises may motivate large-scale acquisitions or sales of ether, either globally or locally. Large-scale sales of ether would result in a reduction in its price and adversely affect the value of an investment in the Sub-Fund.

Risks relating to Virtual Asset Trading Platform(s)

Liquidity risk

The Virtual Asset Trading Platform(s) where the Sub-Fund may acquire and dispose of ether are still developing. Ether traded on these Virtual Asset Trading Platform(s) may be subject to periods of illiquidity. Such liquidity risk in ether may be caused by the absence of buyers and/or sellers, limited buy/sell activity, underdeveloped secondary markets, or more generally, by various market conditions, regulatory changes, cybersecurity issues or for other reasons. During such times the changes in the underlying market price of ether may be infrequent but significantly large, and it may not be possible to unwind or transfer a particular transaction in a timely manner, at near the price the Sub-Fund would have expected, or at all, on the Virtual Asset Trading Platform(s). This could adversely affect the price of the Shares. There may also be a delay in the Sub-Fund's ability to invest in or dispose of its investments from the Virtual Asset Trading Platform(s).

Licensing status

In the event that these Virtual Asset Trading Platform(s)' licence from the SFC is being revoked, terminated or otherwise invalidated by the SFC, the Sub-Fund may be prohibited from conducting transactions and acquisitions of ether.

Risk relating to difference between executable price of ether on Virtual Asset Trading Platform(s) and Index Price for cash subscription and redemption

The Index Price may not be indicative of the executable price of ether on the Virtual Asset Trading Platform(s). Investors should not therefore solely rely on the Index Price in determining whether and when to subscribe or redeem. Where investors subscribe for Shares or redeem Shares in cash, the subscription amount or redemption amount will be based on the executable price of ether on the Virtual Asset Trading Platform(s) rather than the Index Price. Under different circumstances, this may impact the Participating Dealer(s)' and Market Maker(s)' ability to conduct effective arbitrage and provide liquidity for the Sub-Fund, which may lead to a higher premium or discount to the NAV and/or a higher bid-ask spread of the Sub-Fund in the secondary market. This may also result in higher tracking difference.

Trading limit risk of Virtual Asset Trading Platform(s)

Virtual Asset Trading Platform(s) may impose trading limits in buying and selling underlying Virtual Assets to comply with relevant capital requirements. In case the trading volume on a particular Dealing Day exceeds such trading limits, any orders exceeding that trading limit will have to be rolled over for trading on the next multiple Dealing Days. This may affect the tracking performance of the Sub-Fund. In addition, this may affect the Sub-Fund's ability to invest in or dispose of its investments from the Virtual Asset Trading Platform(s) in a timely manner, which may adversely affect the price of the Shares.

Custody risk

The custody of ether for the Sub-Fund is different from custody arrangements typical in mutual funds/unit trusts which invest in equities and bonds. As such, the attention of investors is drawn

to the following risk factors which relate to the custody arrangements relevant to the Sub-Fund:

Cybersecurity risk in relation to the custody of Virtual Assets

The Manager believes that the security procedures in place for the Sub-Fund and by the Virtual Asset Sub-Custodian(s), including but not limited to, placing a substantial portion of Virtual Assets in cold storage, maintaining multiple encrypted private key "shards", and other measures, are reasonably designed to safeguard the Sub-Fund's ether. Nevertheless, the security procedures cannot guarantee the prevention of any loss due to a security breach, software defect or act of God that may be borne by the Sub-Fund. While the Manager and/or the Custodian have conducted due diligence on the VA Sub-Custodian(s) and believe there are security procedures in place for the Sub-Fund by the VA Sub-Custodian(s), the Manager and/or the Custodian do not control the VA Sub-Custodian's security procedures, the security procedures may not be able to protect against all errors, software flaws or other vulnerabilities in the Sub-Fund's technical infrastructure, which could result in theft, loss or damage of the Sub-Fund's assets. The Manager and/or the Custodian do not control the Virtual Asset Sub-Custodian(s)' operations or their implementation of such security procedures and there can be no assurance that such security procedures will actually work as designed or prove to be successful in safeguarding the Sub-Fund's assets against all possible sources of theft, loss or damage. Assets not held in cold storage, such as assets held in hot storage, may be more vulnerable to security breach, hacking or loss than assets held in cold storage.

An actual or perceived breach of security or cybersecurity related to assets held for the Sub-Fund's account at the relevant Virtual Asset Sub-Custodian could harm the Sub-Fund's operations and result in partial or total loss of the Sub-Fund's assets. This would adversely affect the value of the Shares in the Sub-Fund.

Termination of Virtual Asset Sub-Custodian risk

The Sub-Fund relies on the Virtual Asset Sub-Custodian(s) (through the Custodian) for the safekeeping of the Sub-Fund's ether. If a Virtual Asset Sub-Custodian fails to perform the functions for the Sub-Fund, the Sub-Fund may be unable to operate or create or redeem Shares, which could force the Sub-Fund to liquidate or adversely affect the price of the Shares.

The Custodian may not be able to find a party willing to serve as a Virtual Asset Sub-Custodian of the Sub-Fund's ether under the same terms as the current Virtual Asset Sub-Custodian Agreement or at all. To the extent that the Custodian is not able to find a suitable party willing to serve as a Virtual Asset Sub-Custodian, the Manager may be required to terminate the Sub-Fund and liquidate the Sub-Fund's ether. In addition, to the extent that the Custodian finds a suitable party but must enter into a modified Virtual Asset Sub-Custodian Agreement that is less favorable for the Sub-Fund, the value of the Shares could be adversely affected.

Inadequate sources of recovery risk

Shareholders' recourse against the Company, the Sub-Fund, the Manager, the Custodian and the Virtual Asset Sub-Custodian(s) under Hong Kong law may be limited. All ether will be safekept by the Virtual Asset Sub-Custodian(s), as delegated by the Custodian. The liability of the Custodian is limited under the relevant Virtual Asset Sub-Custodian Agreement(s). The Sub-Fund itself and the Custodian do not insure the Sub-Fund's ether holdings.

The Manager does not have the ability to dictate the existence, nature or amount of coverage of a Virtual Asset Sub-Custodian's insurance. The Custodian shall ensure that the Virtual Asset Sub-Custodian(s) will maintain a compensation arrangement approved by the SFC. However, such compensation arrangement of a Virtual Asset Sub-Custodian is shared among all clients of the Virtual Asset Sub-Custodian and is not specific to the Sub-Fund. It is therefore possible that the compensation arrangement of the relevant Virtual Asset Sub-Custodian may not be

adequate to cover all ether held by that Virtual Asset Sub-Custodian on behalf of the account of the Sub-Fund. Consequently, a loss may be suffered with respect to the Sub-Fund's ether which is not covered by insurance/compensation arrangement.

Risk associated with loss of Virtual Assets held in the omnibus account

The Virtual Asset Sub-Custodian may hold the Sub-Fund's ether in the omnibus client account instead of maintaining a separate segregated account for the Sub-Fund. As a result, the Sub-Fund's ether may be co-mingled with the ether of other clients of the Virtual Asset Sub-Custodian. In the event of loss of ether held in the omnibus account due to theft, cyber-attacks, loss or damage, the Sub-Fund may need to share the shortfall together with other clients whose ether are held in the omnibus account on a pro-rata basis.

Risks relating to the Index

Limited performance history of the Index

The Index was developed by the Index Provider and has a limited performance history. Although the Index is based on materially the same methodology (except calculation time) as the Index Provider's ETHUSD_RR, which was first introduced in May 2018, the Index itself has only been in operation since September 2023. A longer history of actual performance through various economic and market conditions would provide more reliable information for an investor to assess the Index's performance.

Although the Index is intended to accurately capture the market price of ether, third parties may be able to purchase and sell ether on public or private markets not included among the Constituent Platforms, and such transactions may take place at prices materially higher or lower than the Index Price. Moreover, there may be variances in the prices of ether on the various Constituent Platforms, which could be materially higher or lower than the Index Price.

To the extent the Index Price differs materially from the actual prices available on a Constituent Platform, or the global market price of ether, the price of the Shares may no longer track, whether temporarily or over time, the global market price of ether. This could adversely affect the Net Asset Value of the Shares in the Sub-Fund, by reducing investors' confidence in the Shares' ability to track the market price of ether.

Price volatility of the Index Price

The price of ether on public Virtual Asset's trading platforms has a limited history. The ether price has historically been volatile and subject to influence by many factors, including operational interruptions. The Index Price, and the price of ether generally, remains subject to volatility experienced by Virtual Asset's trading platforms.

Furthermore, the Index will necessarily be composed of a limited number of Virtual Asset's trading platforms because the number of liquid and credible Virtual Asset's trading platforms is limited. If a Virtual Asset's trading platform were subjected to regulatory, volatility or other pricing issues, the Index Provider would have limited ability to remove such Virtual Asset's trading platform from the Index, which could skew the price of ether as represented by the Index. Such volatility could adversely affect the value of the Shares in the Sub-Fund.

System failures or errors of the Index Provider

If input data cannot be retrieved by the computers or other facilities of the Index Provider, from all relevant Constituent Platforms for any reason during the Observation Window, calculation and dissemination of the Index may be delayed. Errors in the Index data, the Index computations and/or construction may occur and may not be identified and/or corrected for a

period of time or at all. Any of the foregoing may lead to errors in the Index, which may lead to a different investment outcome for the Sub-Fund and the Shareholders. This could potentially have an adverse impact on the Sub-Fund.

Consequently, losses or costs associated with the Index's errors or other risks described above will generally be borne by the Sub-Fund and the Shareholders. If the Index is not available, the Sub-Fund's holdings may be fair valued in accordance with the Instrument. To the extent the valuation determined in accordance with such policy differs materially from the actual market price of ether, the price of the Shares may no longer track, whether temporarily or over time, the price of ether, which could adversely affect an investment in the Sub-Fund and the value of Shares by reducing investors' confidence in the Shares' ability to track the price of ether.

Other risks relating to the Index

If the Index is discontinued, the Manager will seek the SFC's prior approval to replace the Index with another index that has similar objectives to the Index as applicable. If the Manager cannot agree within a reasonable period on a suitable replacement index acceptable to the SFC, the Manager may, in its discretion, terminate the Sub-Fund. Upon the Sub-Fund being terminated, the amount distributed may be less than the capital invested by the Shareholders and the investors may suffer losses.

Other risks specific to the Sub-Fund

Currency risk

Shares may be traded in a currency other than the Base Currency of the Sub-Fund. Investors may be affected unfavorably by fluctuations in the exchange rates between the Trading Currency and the Base Currency. Accordingly secondary market investors may be subject to additional costs or losses associated with foreign currency fluctuations between the Trading Currency and Base Currency when trading Shares in the secondary market.

Trading hours differences risk

Ether is traded 24 hours a day, seven days a week, while the Shares traded on the SEHK are not. As such, the value of the ether in the Sub-Fund's portfolio may change on such day or time when investors will not be able to purchase or sell the Sub-Fund's Shares.

During periods when the SEHK is closed but the Constituent Platforms are open, significant changes in the price of ether on the Constituent Platforms could result in a difference in performance between the value of ether as measured by reference to the Index and the most recent ether holdings per Share. To the extent that the price of ether on the Constituent Platforms, and the value of ether as measured by reference to the Index, move significantly in a negative direction after the close of the SEHK, the trading price of the Shares may "gap" down to the full extent of such negative price shift when the SEHK reopens. To the extent that the price of ether on the Constituent Platforms drops significantly during hours the SEHK is closed, investors may not be able to sell their Shares until after the "gap" down has been fully realized, resulting in an inability to mitigate losses in a rapidly negative market.

Risk relating to trading volume and liquidity on Constituent Platforms

Trading volume and liquidity on the Constituent Platforms is not consistent throughout the day and the Constituent Platforms may be shut down temporarily or permanently due to security concerns, directed denial of service attacks and distributed denial-of-service attacks and other reasons. As a result, during periods when the SEHK is open but the Constituent Platforms are either lightly traded or are closed, trading spreads and the resulting premium or discount on the Shares may widen and, therefore, increase the difference between the price of the Shares and

the Sub-Fund's ether holdings per Share. There would be a higher likelihood of the Shares being traded at a substantial premium or discount to the Sub-Fund's Net Asset Value, compared to funds investing in conventional underlying assets like equities or bonds.

Multi-Counter risk

The nature of the Multi-Counter for exchange traded funds may make investment in the Shares riskier than in single counter units or shares of an SEHK listed issuer, as there might be suspension and/or any operational or systems interruption on the level provided by brokers and CCASS participants. If such situation occurs, Shareholders will only be able to trade their Shares in the currency of the relevant Multi-Counter. There is a risk that the market price on the SEHK of Shares traded in HKD may deviate significantly from the market price on the SEHK of Shares traded in USD due to market liquidity, supply and demand in each counter and the exchange rate between HKD and USD. The trading price of HKD traded Shares or USD traded Shares is determined by market forces and so will not be the same as the trading price of Shares multiplied by the prevailing rate of foreign exchange. Accordingly when selling Shares traded in HKD or buying Shares traded in HKD, an investor may receive less or pay more than the equivalent amount in USD if the trade of the relevant Shares is in USD or vice versa.

The offering phases

Initial Offer Period

The current Dealing Deadline during the Initial Offer Period is 5:00 p.m. (Hong Kong time) 2 Business Days prior to the Listing Date, or such other time as the Manager (with the approval of the Custodian) may determine on any day when the trading hours of the SEHK are reduced. Please see "Summary of timetable" below.

The Issue Price of Shares which is the subject of a Creation Application during the Initial Offer Period is USD1, or such other amount determined by the Manager with the approval of the Custodian prior to the Initial Offer Period. During the Initial Offer Period, Participating Dealers (acting for themselves or for their clients) may apply for Shares (to be available for trading on the Listing Date) by means of (i) cash Creation Application (in USD only) or (ii) an in-kind Creation Application on each Dealing Day for themselves and/or their clients in accordance with the Operating Guidelines.

The attention of investors is drawn to the section entitled "The Offering Phases" in Part 1 of this Prospectus.

After Listing

Subject to the granting of listing of, and permission to deal in, the Shares on the SEHK as well as the compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the Shares on the SEHK or on any other date HKSCC chooses. 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.

Dealings in the Shares on the SEHK are expected to commence on 30 April 2024.

The current Dealing Deadline After Listing is 11:00 a.m. (Hong Kong time) (for cash Creation/Redemption Applications) and 4:00 p.m. (Hong Kong time) (for in-kind Creation/Redemption Applications) on the relevant Dealing Day, or such other time as the Manager (with the approval of Custodian) may determine on any day when the trading hours of the SEHK are reduced.

Applications for creation of Shares may be made by means of (i) cash Creation Application (in USD only) or (ii) an in-kind Creation Application. Settlement for subscribing Shares is due at the time specified in the Operating Guidelines on the relevant Dealing Day in accordance with the Operating Guidelines.

The attention of investors is drawn to the section entitled "The Offering Phases" in Part 1 of this Prospectus.

Summary of timetable

The following table summarises all key events and the Manager's expected timetable:

Initial Offer Period commences • Participating Dealers may submit Creation Applications for themselves or for their clients in a minimum number of 100,000 Shares (or multiples thereof)	• 9:00 a.m. (Hong Kong time) on 25 April 2024 or such other date or time as the Manager may determine
2 Business Days prior to the Listing Date • Latest time for Creation Applications by Participating Dealers for Shares to be available for trading on the Listing Date	• 5:00 p.m. (Hong Kong time) on 26 April 2024 or such other date or time as the Manager may determine
After Listing (period commences on the Listing Date) • All investors may start trading Shares on the SEHK through any designated brokers; and • Participating Dealers may apply for creation and redemption (for themselves or for their clients) in a minimum number of 100,000 Shares (or multiples thereof) continually	• During the trading hours of SEHK on 30 April 2024 • 9:00 a.m. (Hong Kong time) to 11:00 a.m. (Hong Kong time) (for cash Creation/Redemption Applications) and 9:00 a.m. (Hong Kong time) to 4:00 p.m. (Hong Kong time) (for in-kind Creation/Redemption Applications), on each Dealing Day, or such other time as the Manager (with the approval of the Custodian) may determine on any day when the trading hours of the SEHK are reduced

Exchange listing and trading (secondary market)

General

Application has been made to the Listing Committee of the SEHK for the listing of, and permission to deal in the Shares traded in HKD or USD.

Shares 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 Appendix. Application may be made in the future for a listing of Shares on one or more other stock exchanges. Investors' attention is drawn to the section entitled "Exchange Listing and Trading (Secondary Market)" in Part 1 of the Prospectus for further information.

Dealings on the SEHK in Shares are expected to begin on 30 April 2024. Shares will trade on the SEHK in board lots of 100 Shares.

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

Multi-Counter

The Manager has arranged for the Shares of the Sub-Fund to be available for trading on the secondary market on the SEHK under a Multi-Counter arrangement. Shares are denominated in USD. The Sub-Fund offers two trading counters on the SEHK (i.e. HKD counter and USD counter) to investors for secondary trading purposes. Shares traded in the HKD counter will be settled in HKD and Shares traded in the USD counter will be settled in USD. Apart from settlement in different currencies, the trading prices of Shares in the counters may be different as the different counters are distinct and separate markets.

Under the Enhancement, (i) a single tranche multiple counter arrangement would be adopted, and settlement of different currency counter would be reflected under one trading counter, which is the HKD counter, and (ii) a single ISIN approach would be adopted for multi-counter eligible securities in their instructions to CCASS. Therefore, although the counters have different stock codes, there would be only one ISIN number.

Normally, investors can buy and sell Shares traded in the same counter or alternatively buy in one counter and sell in the other counter provided their brokers provide HKD and USD trading services at the same time to support Multi-Counter trading. Inter-counter buy and sell is permissible even if the trades take places within the same trading day. However, investors should note that the trading price of Shares traded in each counter may be different and may not always maintain a close relationship depending on factors such as market demand and supply and liquidity in each counter.

Investors should consult their brokers if they have any questions concerning fees, timing, procedures and the operation of the Multi-Counter. Investors' attention is also drawn to the risk factor in Part 1 of the Prospectus entitled "Multi-Counter Risk".

Redemptions

Shares can be redeemed directly in the primary market (through a Participating Dealer). Redemption proceeds may be paid in cash (in USD only) or in-kind in ether. Any accepted Redemption Application will be effected in accordance with the Operating Guidelines and the Instrument.

Distribution policy

The Manager does not intend to have the Sub-Fund pay or make any distributions or dividends.

Fees and expenses

Fees payable by Participating Dealers

Fees and expenses payable by Participating Dealers on creations and redemptions (as applicable) of	**Amount**

Shares (applicable both during the Initial Offer Period and After Listing)	
Transaction Fee Service Agent's Fee	USD350[14] per Application plus HKD1,000[17] per book-entry deposit and book-entry withdrawal transaction
Application cancellation fee	USD1,200[15] per Application
Extension Fee	USD1,200[16] per Application
Stamp duty	Nil
All other Duties and Charges incurred by the Custodian or the Manager in connection with the creation or redemption	As applicable

Fees payable by the Sub-Fund

Management fee

The Manager is entitled to receive out of the assets of the Sub-Fund a management fee of up to 2% per annum of the Net Asset Value of the Sub-Fund. The management fee will be 0.9% per annum of the Net Asset Value of the Sub-Fund and will accrue daily and be calculated as at each Dealing Day and payable monthly in arrears. Such management fee is waived for the first six months from the Listing Date.

The Management Fee may be increased up to the maximum of 2% per year of the Net Asset Value of the Sub-Fund, on not less than one month's notice to the affected Shareholders (or such shorter period as may be approved under the UT Code). Any increase of the permitted maximum level will be subject to the SFC's prior approval (where required) and not less than one month's notice to the Shareholders.

Custodian Fee, Administrator Fee and Registrar Fee

The Custodian and the Administrator are entitled to receive out of the Sub-Fund a fee of up to 1% per annum of the Net Asset Value of the Sub-Fund, subject to a minimum of USD5,000 per month (the "Custodian Fee and Administrator Fee"). The Custodian Fee and Administrator Fee will accrue daily and be calculated as at each Dealing Day and payable monthly in arrears.

Fees payable to the Virtual Asset Sub-Custodian(s) will be payable out of the assets of the Sub-Fund.

The Custodian Fee and Administrator Fee may be increased by agreement with the Manager up to the maximum on giving one month's notice to the Shareholders.

The Registrar is entitled to receive fees of USD6,000 per annum.

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14 The Transaction Fee is payable by a Participating Dealer to the Custodian for the benefit of the Administrator and/or Registrar. The Service Agent's fee is payable by a Participating Dealer to the Service Agent for each book-entry deposit or book-entry withdrawal transaction. A Participating Dealer may pass on to the relevant investor such Transaction Fee.

15 An application cancellation fee is payable to the Administrator and/or the Custodian in respect of either a withdrawn or failed Creation Application or Redemption Application.

16 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.

The Custodian, Administrator, Registrar and Virtual Asset Sub-Custodian shall also be entitled to receive various transaction, processing, valuation fees and other applicable fees pursuant to the provisions of the Instrument and/or as agreed with the Manager from time to time, and entitled to be reimbursed out of the assets of the Sub-Fund all reasonable out-of-pocket expenses incurred by it in the performance of its duties as the Custodian, Administrator, Registrar and Virtual Asset Sub-Custodian.

VATP Operator Fee

Fees payable to the VATP Operator will be payable out of the Management Fee.

Disclosure of full portfolio holdings

The Manager will publish the full portfolio information of the Sub-Fund on a monthly basis (in English only) on the following website http://etf.harvestglobal.com.hk (which has not been reviewed or approved by the SFC).

Appendix dated 24 November 2026