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 financial advice.

Investors should note that this Prospectus relates to a Sub-Fund (i.e. Harvest STAR Chip ETF) which may offer both exchange-traded class of Units and unlisted (not exchange-traded) class of Units.

Harvest ETF Series II

(a Hong Kong umbrella unit trust authorised under Section 104 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong)

Harvest STAR Chip ETF

HKD Counter Stock Code: 03559

USD Counter Stock Code: 41559

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 Trust and each Sub-Fund have each been authorised as collective investment schemes by the SFC. SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

IMPORTANT INFORMATION

This Prospectus relates to the offer in Hong Kong of units (the "Units") in the Harvest ETF Series II (the "Trust"), an umbrella unit trust established under Hong Kong law by a trust deed dated 5 October 2026, as amended from time to time (the "Trust Deed") between Harvest Global Investments Limited (the "Manager") and CMB Wing Lung (Trustee) Limited (the "Trustee"). The Trust will have one or more sub-fund(s) (the "Sub-Funds" or individually a "Sub-Fund") in respect of which a separate class or classes of Units will be issued. Where specified in the relevant Appendix, a Sub-Fund may issue both exchange-traded classes of Units ("Listed Class of Units") and/or unlisted (not exchange-traded) classes of Units ("Unlisted Class of Units").

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

The Manager accepts full responsibility for the accuracy of the information contained in this Prospectus and the Product Key Facts Statement(s) 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 misleading. The Manager also confirms that this Prospectus includes particulars given in compliance with the Code on Unit Trusts and Mutual Funds (the "Code") and the "Overarching Principles" section of the SFC Handbook for Unit Trusts and Mutual Funds, Investment-Linked Assurance Schemes and Unlisted Structured Investment Products and (in respect of the Listed Class of Units only) The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited for the purposes of giving information with regard to the Units. The Trustee is not responsible for the preparation of this Prospectus and shall not be held liable to any person for any information disclosed in this Prospectus, except for the information regarding the Trustee itself in the sub-section headed "The Trustee and Registrar" under the section headed "Management of the Trust".

The Trust and the Sub-Funds are authorised by the SFC in Hong Kong under Section 104 of the Securities and Futures Ordinance. The SFC takes no responsibility for the financial soundness of the Trust, the Sub-Funds or for the correctness of any statements made or opinions expressed in this Prospectus. SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

You should consult your financial adviser or your tax advisers and take legal advice as appropriate as to whether any governmental or other consents are required, or other formalities need to be observed, to enable you to acquire Units 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.

Application has been made to the Listing Committee of The Stock Exchange of Hong Kong Limited (the "SEHK") for the listing of, and permission to deal in the Units of Harvest STAR Chip ETF. Subject to compliance with the admission requirements of Hong Kong Securities Clearing Company Limited ("HKSCC"), the Listed Class of Units of Harvest STAR Chip ETF will be accepted as eligible securities by HKSCC for deposit, clearing and settlement in the Central Clearing and Settlement System ("CCASS") with effect from the date of commencement of dealings in the Listed Class of Units of Harvest STAR Chip ETF on the SEHK or such other date as may be determined by HKSCC.

Settlement of transactions between participants on the SEHK is required to take place in CCASS on the second CCASS settlement day after the trading day. 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 Units 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 Units have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "US Securities

Act") or any other United States Federal or State law and, except in a transaction which does not violate the US 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 US Securities Act). The Trust and the Sub-Funds have not been and will not be registered as an investment company under the United States Investment Company Act of 1940, as amended. Units 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 US 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 units will not constitute a violation under ERISA, Section 4975 of the Internal Revenue Code and any applicable Similar Law.

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

You should note that any amendment or addendum to this Prospectus will only be posted on the Manager'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 Trust (including the Sub-Funds) by contacting the Manager at its address as set out in the Directory of this Prospectus or calling the Manager on +852 3913 3393 during normal office hours.

DIRECTORY

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

Investment Advisor
DWS Investments Hong Kong Limited
Level 60, International Commerce Centre
1 Austin Road West, Kowloon
Hong Kong

Trustee and Registrar
CMB Wing Lung (Trustee) Limited
6/F, CMB Wing Lung Bank Building
45 Des Voeux Road Central
Hong Kong

Custodian
CMB Wing Lung Bank Limited
6/F, CMB Wing Lung Bank Building
45 Des Voeux Road Central
Hong Kong

QFII Custodian
Deutsche Bank (China) Co., Ltd., Shanghai Branch
39a/F, IFC Two, 8 Century Avenue, Pudong, Shanghai

Participating Dealers

Please refer to the Manager's website for the latest list of Participating Dealers of each Sub-Fund

Market Makers

Please refer to the Manager's website for the latest list of Market Makers of each Sub-Fund

Legal Counsel to the Manager

Jun He Law Offices
7/F, AIA Central
1 Connaught Road Central
Hong Kong

Auditors

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

Service Agent

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

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

Part 1 of this Prospectus includes information relevant to the Trust and the Sub-Funds established under the Trust.

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. Other capitalised terms used, but not defined, have the meaning given to those terms in the Trust Deed.

"AFRC" means the Accounting and Financial Reporting Council.

"After Listing" means, in respect of a Listed Class of Units, the period which commences on the Listing Date and continues until the Listed Class of Units is terminated.

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

"Application Unit Size" means, in respect of Listed Class of Units, such number of Units or whole multiples thereof (if any) as specified in this Prospectus or such other multiple of Units from time to time determined by the Manager, in consultation with the Trustee and notified to Participating Dealers.

"Business Day" in respect of a Sub-Fund, means, unless the Manager and the Trustee otherwise agree, a day on which (a)(i) the SEHK is open for normal trading; and (ii) the relevant securities market on which the relevant Index Securities and/or Non-Index Securities are traded is open for normal trading; or (iii) if there are more than 1 such securities markets, the securities market designated by the Manager is open for normal trading, and (b) (where applicable) the Underlying Index is compiled and published, or such other day or days as the Manager and the Trustee may agree from time to time.

"CCASS" means the Central Clearing and Settlement System established and operated by HKSCC or any successor system operated by HKSCC or its successors.

"CCDC" means China Central Depositary & Clearing Co., Ltd.

"CNH" means RMB traded offshore in Hong Kong. Although CNH and RMB traded onshore in the PRC mainland ("CNY") are the same currency, they trade at different rates as the applicable PRC mainland regulation has explicitly kept CNY onshore and CNH offshore separate, the respective supply and demand conditions lead to separate market clearing exchange rates.

"Code" means the Code on Unit Trusts and Mutual Funds issued by the SFC (as amended or replaced from time to time).

"Connected Person" has the meaning as set out in the 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 1 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).

"Creation Application" means, in respect of Listed Class of Units, an application by a Participating Dealer for the creation and issue of Units in an Application Unit size in accordance with the Operating Guidelines and terms of the Trust Deed.

"Dealing Day" means, in respect of a Sub-Fund, each Business Day during the continuance of the relevant Sub-Fund, and/or such other day or days as the Manager may from time to time determine in consultation with the Trustee.

"Dealing Deadline" means, in respect of a Sub-Fund and in relation to any Dealing Day, shall be the time on each Dealing Day specified in the relevant Appendix or such other time or times as the Manager may from time to time determine in consultation with the Trustee.

"Dual Counter" means, in respect of Listed Class of Units, the facility by which the Units of a Sub-Fund traded in two eligible currencies are each assigned separate stock codes on the SEHK.

"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 Units or the acquisition or disposal of Securities 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 Units or redemption of Units, a charge (if any) of such amount or at such rate as is determined by the Manager or the Trustee to be made for the purpose of compensating or reimbursing the Trust for the difference between (a) the prices used when valuing the Securities in the Trust Fund for the purpose of such issue or redemption of Units and (b) (in the case of an issue of Units) the prices which would be used when acquiring the same Securities if they were acquired by the Trust with the amount of cash received by the Trust upon such issue of Units and (in the case of a redemption of Units) the prices which would be used when selling the same Securities if they were sold by the Trust in order to realise the amount of cash required to be paid out of the Trust Fund upon such redemption of Units. 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 Units or any commission, taxes, charges or costs which may have been taken into account in ascertaining the Net Asset Value of Units).

"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.

"FDIs" means financial derivative instruments.

"Government and other Public Securities" has the meaning as set out in the Code which at the date of this Prospectus means any investment issued by, or the payment of principal and interest on, which is guaranteed by a government, or any fixed-interest investment issued by its public or local authorities or other multilateral agencies.

"HKD" means Hong Kong dollars, the lawful currency for the time being and from time to time of Hong Kong.

"HKEX" means the Hong Kong Exchanges and Clearing Limited.

"HKSCC" means the Hong Kong Securities Clearing Company Limited or its successors.

"Hong Kong" means the Hong Kong Special Administrative Region of the People's Republic of China.

"IFRS" means International Financial Reporting Standards.

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

"Index Securities" means, for an Index Tracking Sub-Fund, (i) the constituent Securities of the relevant Index; (ii) such other Securities the Index Provider has publicly announced shall form part of the Underlying Index in the future but are currently not constituent Securities of the relevant underlying Index.

"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 underlying Index that it tracks.

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

"Initial Issue Date" means, in respect of a Sub-Fund or a class of Units, the date of the first issue of Units of that Sub-Fund or class of Units (as the case may be).

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

"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 1 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.

"Issue Price" means, in respect of each Sub-Fund or Class, the price at which Units in that Sub-Fund or Class may be issued, determined in accordance with the Trust Deed.

"Listed Class of Units" means a class of Units of a Sub-Fund which is listed on either the SEHK or any Recognised Stock Exchange.

"Listing Date" means, in respect of a relevant Sub-Fund, the date on which the Units of the Listed Class of Units of the 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.

"Market" means in any part of the world:

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

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

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

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

"Multi-Counter" means, in respect of the Listed Class of Units, the facility by which the Listed Class of Units of a Sub-Fund traded in three currencies (RMB, HKD and USD) is each assigned separate

stock codes on the SEHK as described in the relevant Appendix of this Prospectus. Where the Unit of a Sub-Fund is traded in two eligible currencies, the facility is referred to as a "Dual-Counter".

"Net Asset Value" means the net asset value of a Sub-Fund (or class thereof) or, as the context may require, the net asset value of a Unit of a Sub-Fund (or class thereof) calculated pursuant to the Trust Deed.

"Non-Index Securities" means (i) any securities, other than Index Securities for an Index Tracking Sub-Fund, as may be designated by the Manager, which for the avoidance of doubt include Securities comprising a Non-Index Tracking Sub-Fund; and (ii) any base Securities linked to or otherwise used to track the performance of one or more such securities.

"Non-Index Tracking Sub-Fund" means a Sub-Fund that is not an Index Tracking Sub-Fund.

"Operating Guidelines" means, in respect of Listed Class of Units, the guidelines for the creation and redemption of Units as set out in the schedule to each Participation Agreement as amended from time to time by the Manager with the approval of the Trustee and following consultation, to the extent reasonably practicable, with the relevant Participating Dealers, including without limitation, the procedures for creation and redemption of Units 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 Participating Dealer. Unless otherwise specified, references to the Operating Guidelines shall be to the Operating Guidelines for the Listed Class of Units applicable at the time of the relevant Application.

"Participating Dealer" means any participant of CCASS who has entered into a Participation Agreement.

"Participation Agreement" means an agreement entered into between the Trustee, the Manager and a Participating Dealer setting out (amongst other things) the arrangements in respect of the issue of Listed Class of Units and the redemption and cancellation of Listed Class of Units.

"Policy Bank Bonds" means the RMB denominated and settled fixed-rate bonds issued by the China Development Bank, the Agricultural Development Bank of China or the Export-Import Bank of China and distributed within the PRC mainland.

"PRC" or "China" means The People's Republic of China.

"PRC mainland" or the "Mainland China" means all the customs territories of the PRC excluding Hong Kong, Macau and Taiwan of the PRC for purpose of interpretation of this document only.

"PRC Custody Agreement" means the custody agreement entered into between the Manager and the QFII Custodian, as amended from time to time.

"PRC Participation Agreement" means the participation agreement entered into between the Manager, the Trustee, the Custodian and the QFII Custodian, as amended from time to time.

"PRC Government and Policy Bank Bonds" means the RMB denominated and settled fixed-rate and zero-coupon book-entry bonds issued by the Ministry of Finance of the PRC, the China Development Bank, the Agricultural Development Bank of China or the Export-Import Bank of China and distributed within the PRC mainland.

"QFI" or "QFI Holder" means a qualified foreign investor approved pursuant to the relevant PRC mainland laws and regulations, as may be promulgated and/or amended from time to time, including both qualified foreign institutional investor (QFII)(i.e. QFI to make investment in PRC mainland domestic securities and futures market by remitting foreign currencies) and/or RMB qualified foreign institutional investors (RQFII)(i.e. QFI to make investment in PRC mainland domestic securities and futures market by remitting offshore RMB), as the case may be, or, as the context may require, the QFII/RQFII regime.

"Recognised Futures Exchange" means an international futures exchange which is approved by the Manager.

"Recognised Stock Exchange" means an international stock exchange which is approved by the Manager.

"Redemption Application" means, in respect of Listed Class of Units, an application by a Participating Dealer for the redemption of Units in Application Unit Size in accordance with the Operating Guidelines and terms of the Trust Deed.

"Redemption Price" means, in respect of Unlisted Class of Units, the price per Unit at which such Unit is redeemed, calculated in accordance with the Trust Deed.

"Redemption Value" means, in respect of Listed Class of Units, the price per Unit at which such Unit is redeemed, calculated in accordance with the Trust Deed.

"Registrar" means CMB Wing Lung (Trustee) Limited or such other person or persons for the time being duly appointed registrar of the Sub-Funds in succession thereto under the provisions of the Trust Deed.

"REITs" means real estate investment trusts.

"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 the PRC.

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

"SAT" means the State Administration of Taxation of the PRC.

"Security" means any share, stock, debenture, loan stock, bond, security, future (including a futures contract), forward, derivative commercial paper, acceptance, trade bill, treasury bill, instrument or note of, or issued by or under the guarantee of, any body, whether incorporated or unincorporated, and whether listed or unlisted, or of any government or local government authority or supranational body, whether paying interest or dividends or not and whether fully-paid, partly paid or nil paid and includes (without prejudice to the generality of the foregoing):

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

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

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

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

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

(f) any right, option, or interest (howsoever described) in or in respect of any index or indices comprised of any of the foregoing.

"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, in respect of Listed Class of Units, the fee which may be charged for the benefit of the Service Agent to each Participating Dealer on each Creation Application or Redemption Application made by the relevant Participating Dealer, the maximum level of which shall be determined by the Service Agent and set out in this Prospectus.

"Service Agreement" means, in respect of Listed Class of Units, each agreement by which the Service Agent agrees with the Manager and the Trustee to provide its services entered amongst the Trustee, the Manager, the Registrar, the Participating Dealer, the Service Agent and Hong Kong Securities Clearing Company Limited.

"Settlement Day" means, in respect of Listed Class of Units, the Business Day which is the Business Day immediately 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 Trustee from time to time and notified to the relevant Participating Dealers or as otherwise described in the relevant Appendix.

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

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

"Sub-Fund" means a segregated pool of assets and liabilities into which the Trust Fund is divided, established under the Trust Deed and the relevant supplemental deed as a separate trust as described in the relevant Appendix.

"Subscription Price" means, in respect of Unlisted Class of Units, the price at which Units may be subscribed for, determined in accordance with the Trust Deed.

"substantial financial institution" has the meaning as set out in the Code.

"Treasury Bonds" means the RMB denominated and settled fixed-rate bonds issued by the Ministry of Finance (中華人民共和國財政部) of the PRC and distributed within the PRC mainland.

"Trust" means the umbrella unit trust constituted by the Trust Deed and called "Harvest ETF Series II" or such other name as the Manager may from time to time determine upon prior notice to the Trustee.

"Trust Deed" means the trust deed dated 5 October 2026 between the Manager and the Trustee constituting the Trust (as amended, supplemented and/or restated from time to time).

"Trust Fund" means with respect to each Sub-Fund, means all the property held by the Trust, including all Deposited Property and Income Property (both as defined in the Trust Deed), except for amounts to be distributed, in each case in accordance with the terms and provisions of the Trust Deed.

"Trustee" means CMB Wing Lung (Trustee) Limited or such other person or persons for the time being duly appointed as trustee or trustees hereof in succession thereto under the provisions of the Trust Deed.

"Unit" means 1 undivided share in a Sub-Fund.

"Unitholder" means a person for the time being entered on the register of holders as the holder of Units including, where the context so admits, persons jointly registered.

"Unlisted Class of Units" means a class of Units of a Sub-Fund which is neither listed on the SEHK nor any other Recognised Stock Exchange.

"US dollar" or "US$" or "USD" means United States dollars, the lawful currency of the United States of America.

"Valuation Point" means, in respect of a Sub-Fund or a class of Units, 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 Sub-Fund are listed on each Dealing Day and if more than 1, the official close of trading on the last relevant Market to close or such other time or times as determined by the Manager in consultation with the Trustee 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 Units.

INTRODUCTION

The Trust

The Trust is an umbrella unit trust created by the Trust Deed dated 5 October 2026 (as amended and restated from time to time), made under Hong Kong law between the Manager and the Trustee. The Trust and each Sub-Fund is authorised as a collective investment scheme by the SFC under Section 104 of the SFO and each Sub-Fund is subject to certain Chapters of the Code. SFC authorisation is not a recommendation or endorsement of a Sub-Fund nor does it guarantee the commercial merits of a Sub-Fund or its performance. It does not mean that 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-Funds

The Trust may issue different classes of Units and the Trustee shall establish a separate pool of assets under the Trust Deed as separate trusts (each such separate pool of assets a "Sub-Fund") to which one or more class of Units shall be attributable. The assets of a Sub-Fund will be invested and administered separately from the other assets of the Trust. Each Sub-Fund may issue both Listed Class of Units (which will be listed on the SEHK and, where indicated in the relevant Appendix, may be available for trading on the SEHK using a Dual Counter) and Unlisted Class of Units (which will not be listed on the SEHK).
The investment objective of an Index Tracking Sub-Fund is to provide investment results that, before fees and expenses, closely correspond to the performance of the Index to that sub-fund.

The Manager and the Trustee reserve the right to establish other Sub-Funds and/or issue further classes of Units relating to a Sub-Fund or Sub-Funds in the future in accordance with the provisions of the Trust Deed. Each Sub-Fund will have its own Appendix.

INVESTMENT OBJECTIVE, INVESTMENT STRATEGY, INVESTMENT RESTRICTIONS, SECURITY FINANCING AND BORROWING

Investment objective

The investment objective of an 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.

Investment strategy

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

Investment restrictions

If any of the restrictions or limitations set out below are breached in respect of a Sub-Fund, the Manager will make it a priority objective to take all necessary steps within a reasonable period to remedy the situation, taking due account the interests of the Unitholders of that Sub-Fund.

The Trustee will take reasonable care to ensure compliance with the investment and borrowing limitations set out in the constitutive documents and the conditions under which a Sub-Fund was authorised.

The investment restrictions applicable to each Sub-Fund (that are included in the Trust Deed) are summarised below:

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

  (1) investments in Securities issued by such entity;

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

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

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

  (1) investments in Securities issued by such entities;

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

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

(c) unless otherwise approved by the SFC, the value of a Sub-Fund's cash deposits made

with the same entity or entities within the same group may not exceed 20% of the total Net Asset Value of the Sub-Fund, unless:

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

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

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

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

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

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

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

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

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

(3) the Sub-Fund must produce the reports required by the 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 for a Sub-Fund which has been authorised by the SFC as an index 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. 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;

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

commodities;

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

(1) authorised by the SFC under Chapter 8.6 or 8.10 of the 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 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 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) below. However, the investments in exchange traded funds shall be subject to paragraph (e) above and the relevant investment limits in exchange traded funds by a Sub-Fund should be consistently applied and clearly disclosed in this Prospectus;

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

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

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

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

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

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

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

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

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

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

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

(2) the relevant Appendix must state that:

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

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

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

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

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

(4) notwithstanding paragraph (k)(2)(iii) above, the master fund may invest in other collective investment scheme(s) subject to the investment restrictions as set out in paragraph (k); and

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

The Manager shall not on behalf of a Sub-Fund:

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

(b) invest in any type of real estate (including buildings) or interests in real estate (including options or rights, but excluding shares in real estate companies and interests in REITs). In the case of investments in such shares and REITs, they shall comply with the relevant investment restrictions and limitations set out in Chapters 7.1, 7.1A, 7.2, 7.3 and 7.11 of the Code, where applicable;

(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 a Sub-Fund (and for this purpose Securities sold short must be actively traded on a market where short selling is permitted). For the avoidance of doubt, a Sub-Fund is prohibited to carry out any naked or uncovered short sale of securities and short selling should be carried out in accordance with all applicable laws and regulations;

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

(e) subject to (e), 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 Code;

(f) enter into any obligation in respect of a Sub-Fund or acquire any asset or engage in any transaction for the account of the Sub-Fund which involves the assumption of any liability which is unlimited; or

(g) apply any part of a Sub-Fund in the acquisition of any investments which are for the time being nil paid or partly paid in respect of which a call is due to be made for any sum unpaid on such investments unless such call could be met in full out of cash or near cash forming part of a Sub-Fund whereby such amount of cash or near cash has not been segregated to cover a future or contingent commitment arising from transactions in FDIs for the purposes of Chapters 7.29 and 7.30 of the 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 Code is usually restricted under Chapter 7.1 of the 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. For an Index Tracking Sub-Fund authorised under Chapter 8.6 of the Code as an index tracking exchange traded fund, given the investment objective of the Sub-Fund and nature of the relevant Index, the Sub-Fund is allowed under Chapter 8.6(h) of the Code to, notwithstanding Chapter 7.1 of the Code, hold investments in constituent Securities of any single entity exceeding 10% of the relevant Sub-Fund's total Net Asset Value if such constituent Securities account for more than 10% of the weighting of the index and the relevant Sub-Fund's holding of any such constituent Securities does not exceed their respective weightings in the underlying Index, except where the weightings are exceeded as a result of changes in the composition of the underlying Index and the excess is only transitional and temporary in nature.

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

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

(2) the strategy is clearly disclosed in the Appendix;

(3) the excess of the weightings of the constituent Securities held by the Index Tracking Sub-Fund over the weightings in the underlying 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 underlying 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 Index Tracking Sub-Fund must consider the characteristics of the underlying constituent Securities, their weightings and the investment objectives of the underlying Index and any other suitable factors;

(5) limits laid down by the Index Tracking Sub-Fund pursuant to the point above must be disclosed in the Appendix;

(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 the above point (4) 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.

Financial derivative instruments

Subject always to the provisions of the Trust Deed and the Code, the Manager may on behalf of a Sub-Fund enter into any FDI.

Where specified in the relevant Appendix, where a Sub-Fund acquires FDIs for hedging purpose, such FDIs shall meet all of the following criteria:

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

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

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

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

Where specified in the relevant Appendix, where a Sub-Fund acquires FDIs for non-hedging purposes ("investment purposes"), the limit that a Sub-Fund's net exposure relating to these FDIs ("net derivative exposure") shall not exceed 50% of its total Net Asset Value (unless otherwise approved by the SFC for such Sub-Fund pursuant to Chapter 8.8 or Chapter 8.9 of the Code). For the avoidance of doubt:

(a) for the purpose of calculating net derivative exposure, the positions of FDIs acquired by a Sub-Fund for investment purposes are converted into the equivalent position in the underlying assets of the FDIs, taking into account the prevailing market value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the 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) FDIs acquired for hedging purposes will not be counted towards the 50% limit referred to in this paragraph so long as there is no residual derivative exposure arising from such hedging arrangement.

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

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

(a) the underlying assets consist solely of shares in companies, debt Securities, money market instruments, units/shares of collective investment schemes, deposits with substantial financial institutions, Government and other Public Securities, highly-liquid physical commodities (including gold, silver, platinum and crude oil), financial indices, interest rates, foreign exchange rates or currencies or other asset classes acceptable to the SFC, in which the Sub-Fund may invest according to its investment objectives and policies. Where a Sub-

Fund invests in index-based FDIs, the underlying assets of such FDIs are not required to be aggregated for the purposes of the investment restrictions or limitations set out in Chapters 7.1, 7.1A, 7.1B and 7.4 of the Code provided that the relevant index is in compliance with Chapter 8.6(e) of the Code;

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

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

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

Where a Sub-Fund invests in any FDI, it 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 the purposes herein, 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, the Sub-Fund should apply safeguard measures such as to apply haircut where appropriate to ensure that such alternative assets held are sufficient to meet its future obligations.

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

Collateral

Any collateral received from counterparties shall comply with the following requirements:

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

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

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

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

- Diversification – collateral must be appropriately diversified to avoid concentrated exposure to any single entity and/or entities within the same group and the 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 Code;

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

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

- Independent custody – collateral must be held by the Trustee;

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

- Cash 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 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 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 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.

Revenues and Expenses

All 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. Such direct and indirect expenses shall include brokerage fees, stamp duty, and tax levies associated with securities financing transactions, as well as fees and expenses payable to securities lending agents engaged for the Sub-Fund from time to time. Such fees and expenses of any securities lending agents engaged for the Sub-Fund, will be at normal commercial rates and will be borne by the Sub-Fund in respect of which the relevant party has been engaged.

Information on the revenues generated under such transactions shall be disclosed in the annual and interim financial reports of the Sub-Fund, along with entities to whom direct and indirect operational costs and fees relating to such transactions are paid. These entities may include the Manager or its Connected Persons (if any).

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 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 Trustee as qualified to value such investments (which may, if the Trustee 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 in the section headed "Investment Objective, Strategy and Restrictions, Securities Lending and Borrowing" of this Prospectus, 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 Chapter 8.2 of the 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.

Connected Person(s) arrangement

Where any securities financing transaction is arranged through the Trustee or a Connected Person of the Trustee or the Manager, such transactions carried out by or on behalf of a Sub-Fund will be executed at arm's length, on the best available terms and in the best interest of the Unitholders.

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 Trustee or a Correspondent. 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 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 Trustee or a Correspondent.

Securities financing transactions

Where indicated in the relevant Appendix, a Sub-Fund may enter into securities lending transactions, sale and repurchase transactions, reverse repurchase transactions ("securities financing transactions"), provided that they are in the best interests of the Unitholders, 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.

Where a Sub-Fund engages in securities financing transactions, it 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; and

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

Borrowing policy

The Manager may borrow up to 10% of its total Net Asset Value of a Sub-Fund on a temporary basis for the purpose of meeting redemption requests or defraying operating expenses. The Trustee may at the request of the Manager borrow for the account of a Sub-Fund any currency, and charge or pledge assets of a Sub-Fund, for the following purposes:

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

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

(c) for any other proper purpose as may be agreed by the Manager and the Trustee.

Securities lending transactions and sale and repurchase transactions in compliance with the requirements as set under the section entitled “Securities Financing Transactions” above are also not borrowings for the purpose of, and are not subject to the borrowing restrictions under this section.

DETERMINATION OF NET ASSET VALUE

Calculation of Net Asset Value

The Net Asset Value of each Sub-Fund will be calculated by the Trustee (in its base currency as set out in the relevant Appendix) 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 Trust Deed.

Where a Sub-Fund has more than one class of Units, to ascertain the Net Asset Value of a class of Units, a separate class account will be established in the books of the Sub-Fund. An amount equal to the proceeds of issue of each Unit will be credited to the relevant class account. The Net Asset Value of each class of Units as at any Valuation Point shall be calculated by:

(a) allocating among each class the Net Asset Value of the Sub-Fund pro rata in accordance with the Net Asset Value of each class, then adding the creations or subscriptions (as the case may be) and deducting the redemptions in respect of each class, immediately prior to the relevant Valuation Point; and

(b) deducting from the Net Asset Value of the class in question the fees, costs, expenses or other liabilities attributable to that class not already deducted in ascertaining the Net Asset Value of the Sub-Fund and adding to the Net Asset Value, assets specifically attributable to that class in order to arrive at the Net Asset Value of that relevant class.

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

(a) Securities that are quoted, listed, traded or dealt in on any Market shall unless the Manager (in consultation with the Trustee) determines that some other method is more appropriate, be valued by reference to the price appearing to the Manager to be 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 Trustee so requires, by the Manager after consultation with the Trustee, (iii) in the case of a Security that is a debt instrument which may or may not be the constituent of the index, the value of such Security shall be determined in accordance with the index's valuation policy (if applicable) (this being the fair value), and the Manager and the Trustee shall have the final determination right to the valuation of such quoted security and shall be entitled to use prices furnished by the index provider (if applicable); (iv) interest accrued on any interest-bearing Securities shall be taken into account, unless such interest is included in the quoted or listed price; and (v) the Manager and the Trustee 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;

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

(c) futures contracts will be valued based on the formulae set out in the Trust Deed;

(d) except as provided for in paragraph (a)(iii) or (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 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 shall, in consultation with the Trustee, cause a revaluation to be made on a regular basis by a professional person approved by the Trustee as qualified to value such investments (which may, if the Trustee agrees, be the Manager);

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

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

The Trustee will perform any currency conversion at the rates which the Trustee and the Manager deem appropriate from time to time.

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

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

Suspension of determination of Net Asset Value

The Manager may, in consultation with the Trustee having regard to the best interests of the Unitholders, declare a suspension of the determination of the Net Asset Value of the relevant Sub-Fund or Class 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 any Securities held or contracted for the account of the Sub-Fund or it is not possible to do so without seriously prejudicing the interest of Unitholders of Units of the Sub-Fund;

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

(d) there is a breakdown in any of the means normally employed in determining the Net Asset Value of the relevant Sub-Fund or the Net Asset Value per Unit of the relevant class or when for any other reason the value of any Securities 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, Securities of the relevant Sub-Fund or the subscription or redemption of Units of the Sub-Fund is delayed or cannot, in the opinion of the Manager, be carried out promptly or at normal rates of exchange; or

(f) the business operations of the Manager, the Trustee, the Custodian or the QFII Custodian (as applicable) are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riot, strikes, or acts of God.

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 the Manager shall be under no obligation to rebalance the relevant Sub-Fund until the suspension is terminated on the earlier of (i) the Manager declaring the suspension is at an end; and (ii) the first Dealing Day on which (1) the condition giving rise to the suspension shall have ceased to exist; and (2) no other condition under which suspension is authorised exists.

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 its website at http://etf.harvestglobal.com.hk (the

contents of which have not been reviewed by the SFC) or in such publications as it decides.

In respect of the Listed Class of Units, no Application shall be made by any of the Participating Dealers and in the event any Application is received in respect of any Dealing Day falling within such period of suspension (that has not been otherwise withdrawn), such Application shall be deemed as having been received immediately following the termination of the suspension.

In respect of the Unlisted Class of Units, no subscription application shall be made by any investors and in the event any subscription application is received in respect of any Dealing Day falling within such period of suspension (that has not been otherwise withdrawn), such subscription application shall be deemed as having been received immediately following the termination of the suspension.

No Units will be created and issued or redeemed during any period of suspension of the Net Asset Value.

In respect of Listed Class of Units, a Participating Dealer may at any time after a suspension has been declared and before termination of such suspension withdraw an Application submitted prior to such suspension by notice in writing to the Manager and the Manager shall promptly notify the Trustee accordingly. If the Manager has not received any such notification of withdrawal of such Application before termination of such suspension, the Trustee shall, subject to and in accordance with the provisions of the Trust Deed, create and issue Listed Class of Units or redeem Listed Class of Units in respect of such Application and such Application shall be deemed to be received immediately following the termination of such suspension.

In respect of Unlisted Class of Units, any subscription, switch or redemption application submitted prior to a suspension may be withdrawn at any time after such suspension has been declared and before termination of such suspension by notice in writing to the Manager and the Manager shall promptly notify the Trustee accordingly. If the Manager has not received any such notification of withdrawal of such subscription, switch or redemption application before termination of the suspension, the Trustee shall, subject to and in accordance with the provisions of the Trust Deed, issue, switch or redeem such Unlisted Class of Units in respect of such application and such application shall be deemed to be received immediately following the termination of such suspension.

FEES AND EXPENSES

There are different levels of fees and expenses applicable to investing in a Sub-Fund as set out below, current as at this date of this Prospectus. Where any levels of fees and expenses applicable to a particular Sub-Fund differs from the following, such fees and expenses will be set out in full in the relevant Appendix. Investors should note that certain fees and expenses are applicable only to Listed Class of Units, and certain other fees and expenses are applicable only to Unlisted Class of Units.

Fees and Expenses Payable in respect of a Listed Class of Units only

(a)	**Fees and expenses payable by Participating Dealers on creations and redemptions (as applicable) of Listed Class of Units (applicable both during the Initial Offer Period and After Listing)**	**Amount**
	Transaction Fee	As set out in the relevant Appendix[1]
	Service Agent's fee	HKD1,000[2] per book-entry deposit and withdrawal transaction
	Registrar fee	As set out in the relevant Appendix[3]
	Application cancellation fee	As set out in the relevant Appendix[4]
	Extension fee	As set out in the relevant Appendix[5]
	Stamp duty	Nil
	All other Duties and Charges incurred by the Trustee or the Manager in connection with the creation or redemption	As applicable
(b)	**Fees and expenses payable by investors of Listed Class of Units**	**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[6]	Such amounts as determined by the relevant Participating Dealer

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1 *A Transaction Fee is payable by a Participating Dealer to the Trustee for the benefit of the Trustee and/or Registrar. A Participating Dealer may pass on to the relevant investor such Transaction Fee.*

2 *The Service Agent's fee of HKD1,000 is payable by each Participating Dealer to the Service Agent for each book-entry deposit transaction or book-entry withdrawal transaction.*

3 *The Registrar will charge each Participating Dealer a fee for each Creation Application and Redemption Application.*

4 *An application cancellation fee is payable to the Trustee for the account of the Registrar in respect of either a withdrawn or failed Creation Application or Redemption Application (other than in certain circumstances such as following a suspension of creations or redemptions by the Manager).*

5 *An extension fee is payable to the Trustee on each occasion the Manager, upon a Participating Dealer's request, grants the*

Participation Dealer an extended settlement in respect of a Creation Application or Redemption Application.

[6] *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.

	(ii) Fees payable by all investors in respect of dealings in the Units on SEHK (applicable After Listing)	
	Brokerage fees	Market rates
	Transaction levy	0.0027%[7]
	AFRC transaction levy	0.00015%[8]
	Trading fee	0.00565%[9]
	Stamp duty	Nil
(c)	**Fees and expenses payable by a Sub-Fund**	(See further disclosure below)

Fees and Expenses Payable in respect of an Unlisted Class of Units only

The following fees and charges are payable by investors of an Unlisted Class of Units:

Subscription fee

Under the Trust Deed, the Manager is entitled to impose a subscription fee on the issue of any Unlisted Class of Units of any Sub-Fund of up to a maximum of 5% of the subscription monies.

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

Redemption fee

Under the Trust Deed, the Manager is entitled to impose a redemption fee on the redemption of any Unlisted Class of Units of any Sub-Fund of up to a maximum of 3% of the redemption proceeds payable in respect of such Units.

The redemption fee is deducted from the redemption proceeds payable to a Unitholder in respect of each Unit of an Unlisted Class of Unit redeemed. The Manager may, in its absolute discretion, waive or reduce the payment of all or any portion of the redemption fee (either in relation to a Sub-Fund or a particular class) of a Sub-Fund.

Switching fee

Under the Trust Deed, the Manager is entitled to impose a switching fee on the switching of any Unlisted Class of Units of up to 1% of the redemption proceeds payable in respect of the Existing Class (as defined below) being switched.

The switching fee is deducted from the amount realised from redemption of the Existing Class and reinvested in the New Class (as defined below) and will be paid to the Manager. The Manager may, in its absolute discretion, waive or reduce the payment of all or any portion of the switching fee (either generally or in any particular case) of a Sub-Fund.

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[7] *Transaction levy of 0.0027% of the trading price of the Units, payable by the buyer and the seller.*

[8] *AFRC transaction levy of 0.00015% of the trading price of the Units, payable by the buyer and the seller.*

[9] *Trading fee of 0.00565% of the trading price of the Listed Class of Units, payable by the buyer and the seller.*

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

Management fee

The current management fee percentage in respect of each Sub-Fund or class of Units 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 Trust Fund.

A Sub-Fund may employ a single management fee structure, with the Sub-Fund paying all of its fees, costs and expenses (and its due proportion of any costs and expenses of the Trust allocated to it) as a single flat fee (the "Single Management Fee") and details will be set out in the relevant Appendix of the Sub-Fund.

For a Sub-Fund which does not employ a single management fee structure, unless otherwise specified in the relevant Appendix, the following fees and expenses may be payable out of and borne by the Sub-Fund: the Trustee's fee, the Registrar's fees, the Service Agent's fees, fees and expenses of the auditors, ordinary out-of-pocket expenses incurred by the Manager or the Trustee and costs and expenses of licensing indices used in connection with the Sub-Fund.

Under the Trust Deed, the Manager may increase the rate of the management fee up to a maximum of 3% per annum of the Net Asset Value of the relevant Sub-Fund on giving not less than one month's notice to the Trustee and the relevant Unitholders, or to such higher percentage as may be approved by the relevant Unitholders in accordance with the terms of the Trust Deed.

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

Trustee's fee

The Trustee is entitled to receive out of the assets of each Sub-Fund an annual trustee fee, payable monthly in arrears, accrued daily and calculated as at each Dealing Day, of the greater of (i) up to 2% (or such higher percentage as may be fixed by an extraordinary resolution of the Unitholders of the Sub-Fund) per year of the Net Asset Value of a Sub-Fund and (ii) the applicable annual minimum. The applicable trustee fee percentage is set out in the relevant Appendix of the Sub-Fund.

The trustee fee may be increased by agreement with the Manager up to the maximum on giving one month's notice to the Unitholders.

Estimated ongoing charges

The estimated ongoing charges (where a Sub-Fund is newly established) or actual ongoing charges of a Sub-Fund where applicable, which are the sum of anticipated ongoing expenses of the relevant Sub-Fund expressed as a percentage of the estimated average Net Asset Value of the relevant Sub-Fund, are set out in the relevant product key facts statement. 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 will also be included in the ongoing charges calculation. Ongoing expenses are generally payments deducted from the assets of a Sub-Fund where these are permitted by the Trust Deed, the Code and the law. These include all types of cost borne by a Sub-Fund, whether incurred in its operation or the remuneration of any party. The estimated or actual ongoing charges of a Sub-Fund do not represent the estimated or actual tracking error of the Sub-Fund.

Other expenses

Each 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, brokerage fees, commissions,

exchange costs and commissions, bank charges and other costs and expenses payable in respect of the acquisition, holding and realisation of any investment or any monies, deposit or loan, charges and expenses of its legal counsel, auditors and other professionals, index licensing fees, the costs in connection with maintaining a listing of the Units of any Listed Class of Units on the SEHK or other exchange and maintaining the Trust'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 and transaction fee properly incurred on behalf of the Sub-Fund by the Trustee, the Manager, the Registrar or the Custodian or any of its service providers, the expenses incurred in convening meetings of Unitholders, preparing, printing and distributing annual accounts and interim unaudited reports and other circulars relating to the Sub-Fund and the expenses of publishing Unit prices.

In addition, in respect of a Sub-Fund or a class of Sub-Fund which adopts a single management fee structure, any ongoing expenses (including the amortised portion of the relevant cost of establishment) exceeding the applicable single management fee will be borne by the Manager and will not be charged to the Sub-Fund or the class of the Sub-Fund, as the case may be. Please also refer to the sub-section headed "Establishment costs" below for more details regarding the amortisation of the cost of establishment of the Trust and each Sub-Fund.

Establishment costs

The cost of establishing the Trust and Harvest STAR Chip ETF, including the preparation of this Prospectus, inception fees, the costs of seeking and obtaining the listing and authorisation by the SFC and all initial legal and printing costs and including, if considered appropriate by the Manager, any additional costs of determining the stock code, which are estimated to be not exceeding HKD700,000 (which are estimated to be not exceeding USD90,000), will be borne by the Sub-Fund (unless otherwise determined by the Manager) and amortised over the first 5 financial years of Harvest STAR Chip ETF or such other period as determined by the Manager.

The cost of establishing subsequent Sub-Funds will be borne by the relevant Sub-Fund to which such costs relate (unless otherwise determined by the Manager and set out in the relevant Appendix of any subsequent Sub-Fund) and will be amortised over the first five financial years of the relevant Sub-Fund.

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

Promotional Expenses

Each 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 Trust Fund.

Increase in fees

The current fees in respect of each Sub-Fund payable to the Manager and the Trustee as described in the relevant Appendix may be increased on one month's notice to Unitholders, subject to the maximum rates set out in the Trust Deed. In the event that such fees are to be increased beyond the maximum rates set out in the Trust Deed, such increase will be subject to the Unitholders' and the SFC's approval.

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 Units. 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 all Sub-Funds. You should refer to additional risk factors, specific to each Sub-Fund, as set out in the relevant Appendix. In particular, further risk factors applicable to the Sub-Funds which adopt a Dual Counter (in addition to these below) are set out in the relevant Appendix.

Risks associated with investment in any Sub-Fund

Market Risk. The Net Asset Value of each Sub-Fund will change with changes in the market value of the Securities it holds. The price of Units 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 is based on the capital appreciation and income on the Securities it holds, less expenses incurred. A Sub-Fund's return may fluctuate in response to changes in such capital appreciation or income. Furthermore, each Sub-Fund may experience volatility and decline in a manner that broadly corresponds with the relevant Index.

Investors in a Sub-Fund are exposed to the same risks that investors who invest directly in the underlying Securities would face. These risks include, for example, interest rate risks (risks of falling portfolio values in a rising interest rate market); income risks (risks of falling incomes from a portfolio in a falling interest rate market); and credit risk (risk of a default by the underlying issuer of a Security that forms part of the Index).

Asset Class Risk. Although the Manager is responsible for the continuous supervision of the investment portfolio of the Sub-Funds, the returns from the types of Securities in which a Sub-Fund invests may underperform or outperform returns from other Securities markets or from investment in other assets. Different types of Securities tend to go through cycles of out-performance and underperformance when compared with other general Securities markets.

***Loss of Capital Risk*.** A Sub-Fund is an investment fund. There is no guarantee of the repayment of principal. Therefore your investment in a Sub-Fund may suffer losses.

Investments in Other Funds Risk. As part of the Sub-Fund's investment strategy, the Manager may invest in other investment products such as SFC authorised money market funds or other underlying funds that may not be regulated by the SFC. Although such funds will either be regulated in Hong Kong or regulated in other jurisdictions in a manner generally comparable with the requirements of the SFC and acceptable to the SFC, the relevant Sub-Fund will be exposed to the risk of investing in another management company's funds with all the related risks which attach to unlisted funds generally. In particular, as an investor in such funds, the relevant Sub-Fund will ultimately bear the fees and expenses of the underlying funds including management fees charged by the underlying management company. These charges will be in addition to the fees payable by the relevant Sub-Fund to the Manager.

If a Sub-Fund invests in other active or passive investment products managed by the Manager or Connected Person of the Manager, all initial charges and redemption charges on these listed or unlisted funds must be waived, and the Manager must not obtain rebate of any fees or charges levied by these funds or any quantifiable monetary benefits in connection with investments in these funds. In addition, where an underlying fund is managed by the Manager, all management and performance fees charged by the underlying fund will be waived for the relevant Sub-Fund. In case any conflicts of interest may still arise out of such investments, the Manager will use its best endeavours to resolve it fairly.

***Distributions May Not Be Paid Risk*.** Whether or not distributions will be made by a Sub-Fund is at the discretion of the Manager taking into account various factors and its own distribution policy.

Some factors are beyond the control of the Manager, such as issuer risk where the bond issuer fails to pay interest.

Distributions Out of Capital or Effectively Out of Capital Risk. Subject to the distribution policy as specified in the Appendix of the relevant Sub-Fund, the Manager may at its discretion pay dividends out of the capital of a Sub-Fund. The Manager may also, at its discretion, pay dividend out of gross income while all or part of the fees and expenses of the relevant Sub-Fund are charged to/paid out of the capital of such Sub-Fund, resulting in an increase in distributable income for the payment of dividends by the relevant Sub-Fund and therefore, the Sub-Fund may effectively pay dividend out of capital. Payment of dividends out of capital or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of or effectively out of a Sub-Fund's capital may result in an immediate reduction of the Net Asset Value per Unit.

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

***Foreign Security Risk*.** A Sub-Fund may invest in foreign debt markets. Such markets are subject to special risks associated with foreign investment including market fluctuations caused by factors affected by political and economic developments. Investing in the Securities of non-Hong Kong entities involves special risks and considerations not typically associated with investing in Hong Kong entities. These include differences in accounting, auditing and financial reporting standards, the possibility of nationalisation of assets, expropriation or confiscatory taxation, or regulation, the imposition of withholding taxes on payments or distributions referable to underlying Securities, adverse changes in investment, tax or exchange control regulations, economic growth and indicators (such as GDP, inflation rate, self-sufficiency and balance of payments position of the relevant economy), government regulation, political instability that could affect local investments in foreign countries, and potential restrictions on the flow of international capital. Each of these factors may have a large impact on the performance of a 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 Unitholders' rights with respect to Securities held by the 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. Investors should also note that in certain cases, none of the Manager, the Sub-Funds or the Unitholders has any voting rights with respect to Securities held by the relevant Sub-Fund.

***Operational and Settlement Risks*.** Trading errors are an intrinsic factor in any complex investment process, and will occur, notwithstanding the execution of due care and special procedures designed to prevent such errors. Such trade errors may have adverse consequences (for example, due to an inability to correct effectively such an error when detected).

A Sub-Fund is subject to operational risks that may arise from any breaches by the Manager's investment management staff of the Manager's operational policies or technical failures of communication and trading systems. Whilst the Manager has in place internal control systems, operational guidelines and contingency procedures to reduce the chances of such operational risks, there is no guarantee events beyond the control of the Manager (such as unauthorised trading, trading errors or system errors) will not occur.

To the extent that a Sub-Fund transacts in the inter-bank bond market in the PRC mainland, the Sub-Fund may also be exposed to risks associated with settlement procedures and default of

counterparties. Many of the protections afforded to participants on some organised exchanges, such as the performance guarantee of an exchange clearing house, may not be available in connection with transactions on the inter-bank bond market which is an over-the-counter market. All trades settled through CCDC are on delivery versus payment basis i.e. the Sub-Fund will only pay the counterparty upon receipt of the Securities. If a counterparty defaults in delivering the Securities, the trade may be cancelled and the Sub-Fund may need to find another counterparty to complete the transaction, which may be at a less favourable price and thus adversely affecting the value of the Sub-Fund.

Any transaction via exchange markets may also be subject to settlement delays.

***Transaction Counterparty Risk*.** Institutions, such as banks, securities firms and asset managers, may enter into transactions with the Sub-Fund in relation to the sale and purchase of assets or Securities. Bankruptcy, fraud, regulatory sanction or a refusal to complete a transaction at one of these institutions could significantly impair the operational capabilities or the capital position of the Sub-Fund and as a result adversely impact the value of the Sub-Fund and investors may suffer a loss as a result. The Sub-Fund intends to attempt to limit its investment transactions to well-capitalised and established banks and securities firms in an effort to mitigate such risks. There can be no guarantee that transactions between such counterparties will always be completed in the manner contemplated by, and favourable to, the Sub-Fund.

***Provision of Indemnity Risk*.** Under the Trust Deed, the Trustee and the Manager have the right to be indemnified for any liability or expense incurred by them in performing their respective duties except as a result of their own negligence, default or breach of duty or trust or fraud. Any reliance by the Trustee or the Manager on the right of indemnity would reduce the assets of the affected Sub-Fund or the Trust and the value of the Units.

***Operating Cost Risk*.** There is no assurance that the performance of the Sub-Fund will achieve its investment objective. The level of fees and expenses payable by the Sub-Fund will fluctuate in relation to the Net Asset Value. Although the amounts of certain ordinary expenses of the Sub-Fund can be estimated, the growth rate of the Sub-Fund, and hence its Net Asset Value, cannot be anticipated. Accordingly, no assurance can be given as to the performance of the Sub-Fund or the actual level of its expenses.

***Cross Class Liability Risk*.** The Trust Deed allows the Trustee and the Manager to issue Units in separate classes. The Trust Deed provides for the manner in which liabilities are to be attributed across the various classes within the Sub-Fund (liabilities are to be attributed to the specific class of the 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 class (in the absence of the Trustee granting that person a security interest). However, the Trustee will have a right of reimbursement and indemnity out of the assets of the Trust which may result in Unitholders of 1 class of Units of the Sub-Fund being compelled to bear the liabilities incurred in respect of another class of the Sub-Fund which Units such Unitholders do not themselves own if there are insufficient assets attributable to that other class to satisfy the amount due to the Trustee. Accordingly, there is a risk that liabilities of 1 class of the Sub-Fund may not be limited to that particular class and may be required to be paid out of one or more other classes of the Sub-Fund.

***Cross Sub-Fund Liability Risk*.** The assets and liabilities of each sub-fund under the Trust will be tracked, for bookkeeping purposes, separately from the assets and liabilities of any other sub-funds under the Trust, and the Trust Deed provides that the assets of each sub-fund should be segregated from each other. There is no guarantee that the courts of any jurisdiction 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.

Reliance on the Manager Risk. Unitholders must rely upon the Manager in formulating the investment strategies of the Sub-Fund and the performance of the Sub-Fund is largely dependent on the services and skills of its officers and employees as well as the utilisation of its QFI status (if

applicable). 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 Trustee may not find successor managers with the requisite skills, qualifications and QFI status (if applicable) quickly (or at all) and the new appointment may not be on equivalent terms or of similar quality.

Effect of Redemptions Risk. If significant redemptions of Units are requested by the Participating Dealers or Unitholders of Unlisted Class of Units, it may not be possible to liquidate the 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 Units are requested by the Participating Dealers or Unitholders of Unlisted Class of Units, the right to require redemptions in excess of 10% of the total number of Units in the Sub-Fund then in issue (or such higher percentage as the Manager may determine and as permitted by the SFC) 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 the Sub-Fund for the whole or any part of any period. Please see the section on "Determination of Net Asset Value" for further details.

Termination Risk. A Sub-Fund may be terminated early under certain circumstances as set out in the section "Termination", for example if the size of a Sub-Fund falls below RMB150 million (or its equivalent in the relevant Sub-Fund's base currency). Upon a Sub-Fund being terminated, the Trustee will distribute the net cash proceeds (if any) derived from the realisation of the investments comprised in such Sub-Fund to the Unitholders in accordance with the Trust Deed. Investors may suffer a loss when a Sub-Fund is terminated because any such amount distributed may be more or less than the capital invested by the Unitholder. A Unitholder who purchases Units at a time when the market price is at a premium to Net Asset Value may therefore be unable to recover the premium in the event a Sub-Fund is terminated.

Borrowing Risk. The Trustee, at the request of the Manager, may borrow for the account of a Sub-Fund on a temporary basis for the purpose of meeting redemption requests or defraying operating expenses. 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 a Sub-Fund's indebtedness will be accessible or be able to be refinanced by such Sub-Fund at any time.

Severe Weather Conditions (applicable to Listed Class of Units only). The SEHK has announced that, from 23 September 2024, on any day on which severe weather conditions persist (i.e. Typhoon Signal No. 8 or above is hoisted, or Black Rainstorm Warning is issued by the Hong Kong Observatory, or a situation of "Extreme Conditions" is announced by the Hong Kong Government), trading, clearing and settlement services and operations will continue in both the securities and derivatives markets in Hong Kong, and the SEHK will maintain normal operations to the furthest extent possible.

Accordingly, the Listed Classes of each Sub-Fund will be traded on the SEHK on such days, if the SEHK maintains normal operations. Further, on each such day which is a Dealing Day, it is intended that the dealing of Unlisted Classes of Units of each Sub-Fund (if offered) will be conducted, pursuant to the terms and procedures set out in this Prospectus.

The implementation of trading and dealing of Units of the Trust (and the Sub-Funds) will depend on the operational support of its service providers. Although system testing has been performed, and contingency plans have been developed, there is a possibility of extreme events (e.g. temporary power outages or the suspension of electronic money transfer channels) so that service providers of the Trust may not be able to operate, or to operate at the usual level.

While the Manager, the Trustee and other service providers of the Trust will take appropriate measures to ensure normal operations as far as possible, to facilitate the investment in different

classes of Units, in both the primary and the secondary markets, investors should note that their ability to invest will also depend on the availability of the services of their own service providers. For example, investors who wish to invest in the Listed Classes of Units of a Sub-Fund will have to do so through their brokers, while investors in the Unlisted Classes will need to check with their authorised distributors whether dealing is offered through them, on a day on which severe weather conditions persist. These service providers are independent of the Manager, and it cannot be guaranteed that their services will not be disrupted by severe weather events.

Risks associated with Market Trading (applicable to Listed Class of Units only)

Absence of Active Market and Liquidity Risks. Although Listed Class of Units of a Sub-Fund are listed for trading on the SEHK, there can be no assurance that an active trading market for such Units will develop or be maintained. In addition, if the underlying Securities which comprise the Sub-Fund themselves have limited trading markets, or if the spreads are wide, this may adversely affect the price of the Units and the ability of an investor to dispose of its Units at the desired price. If a Unitholder needs to sell its Units at a time when no active market for them exists, the price it receives for its Units — assuming it is able to sell them — is likely to be lower than the price received if an active market did exist.

Secondary Market Trading Risk. Listed Class of Units in a Sub-Fund may trade on the SEHK when the Sub-Fund does not accept orders to subscribe or redeem Units. On such days, Listed Class of Units 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 Market Makers Risk*.** Although the Manager will use its best endeavours to put in place arrangements so that at least 1 Market Maker will maintain a market for the Listed Class of Units traded in each counter, and that at least 1 market maker for each counter gives not less than 3 months' notice prior to terminating market making under the relevant market making agreement, there may be circumstances such as the revocation of the relevant market making approvals or registration or other changes beyond the control of the Manager that may result in the sudden loss of a market maker for a Sub-Fund. It should be noted that liquidity in the market for the Listed Class of Units may be adversely affected if there is no Market Maker for the RMB traded Units or no Market Maker for the HKD traded Units. There may be less interest by potential Market Makers in making a market in Units denominated or traded in RMB. Further, any disruption to the availability of RMB may adversely affect the capability of Market Makers in providing liquidity for RMB traded Units. It is possible that there is only 1 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. Further, due to the lack of hedging tools such as treasury bond futures, it may be more difficult for the Manager to engage a substitute Market Maker and therefore the risk of not being able to identify and engage a substitute market maker is higher than that of other ETFs that invest in more liquid Securities and developed markets. There is also no guarantee that any market making activity will be effective.

***Reliance on Participating Dealers*.** The creation and redemption of Listed Class of Units 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 Listed Class of Units during any period when, amongst other things, dealings on the SEHK are restricted or suspended, settlement or clearing of Securities through the CCASS is disrupted or the underlying Index (in respect of an Index Tracking Sub-Fund) is not available. In addition, Participating Dealers will not be able to issue or redeem Listed Class of Units if some other event occurs that impedes the calculation of the Net Asset Value of a Sub-Fund or disposal of a Sub-Fund's Securities cannot be effected. Since the number of Participating Dealers at any given time will be limited, and there may even be only 1 Participating Dealer at any given time, there is a risk that investors may not always be able to create or redeem Listed Class of Units freely.

***Units may Trade At Prices Other Than Net Asset Value Risk*.** The trading price of Listed Class of Units on the SEHK is subject to market forces and may trade at a substantial premium or discount to the most recent Net Asset Value. The Net Asset Value per Unit is calculated at the end of each

Business Day and fluctuates with changes in the market value of the holdings. The trading prices of the Listed Class of Units fluctuate continuously throughout the trading hours based on market supply and demand rather than Net Asset Value. The trading price of the Listed Class of Units may deviate significantly from Net Asset Value particularly during periods of market volatility. Any of these factors may lead to the Listed Class of Units trading at a premium or discount to the Net Asset Value in the secondary market. On the basis that Listed Class of Units can be created and redeemed in Application Unit Size 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 Listed Class of Units will normally trade at prices close to a Sub-Fund's next calculated Net Asset Value, trading prices are not expected to correlate exactly with the Net Asset Value of the Sub-Fund 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 Listed Class of Units at a time when the market price is at a premium to Net Asset Value or sells when the market price is at a discount to Net Asset Value, then the investor may sustain losses.

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

Trading Time Differences Risk*.* As a stock exchange or futures exchange may be open when the Listed Class of Units are not priced, the value of any Security which comprises the Index may change when investors may not be able to buy or sell Listed Class of Units. Further the price of Securities may not be available during part of the SEHK trading day due to trading hour differences which may result in the trading price of Units deviating from the Net Asset Value per Unit.

***Cost of Trading Units Risk*.** Buying or selling Listed Class of Units involves various types of costs that apply to all Securities transactions. When trading Listed Class of Units through a broker investors will incur a brokerage commission or other charges imposed by the broker. In addition, investors on the secondary market, will also incur the cost of the trading spread, which is the difference between what investors are willing to pay for the Units (bid price) and the price they are willing to sell Units (ask price). Frequent trading may detract significantly from investment results and an investment in Listed Class of Units may not be advisable particularly for investors who anticipate regularly making small investments. Investors may pay more than the Net Asset Value per Unit when buying Listed Class of Units on the SEHK and may receive less than the Net Asset Value per Unit when selling Listed Class of Units on the SEHK.

***Suspension of Trading Risk*.** Investors and potential investors will not be able to buy, nor will investors be able to sell Listed Class of Units on the SEHK during any period in which trading of the Listed Class of Units is suspended. The SEHK may suspend the trading of Listed Class of Units whenever the SEHK determines that it is appropriate in the interests of a fair and orderly market to protect investors. The Manager may, in accordance with The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, request for the trading of Listed Class of Units to be suspended. Any such suspension would depend on the SEHK's agreement to the suspension. The subscription and redemption of Listed Class of Units may also be suspended if the trading of Listed Class of Units is suspended.

***Insufficiency of Duties and Charges Risk*.** A preset spread, included in Duties and Charges, related to subscription or redemption price calculation in a cash creation or cash redemption may be determined prior to trading of the underlying Securities to cover estimated trading costs. If such

spread is narrower than the actual associated trading costs, the Net Asset Value of a Sub-Fund will be adversely affected.

Differences in dealing, fee and cost arrangements between Listed Class of Units and Unlisted Class of Units

Each Sub-Fund may offer both Listed Class of Units and Unlisted Class of Units. Dealing arrangements in respect of Listed Class of Units and Unlisted Class of Units are different, and depending on market conditions, investors of the Listed Class of Units may be at an advantage compared to investors of the Unlisted Class of Units, or vice versa.

Unlike investors of Listed Class of Units who may buy and sell Units in the secondary market during SEHK trading hours, investors of Unlisted Class of Units are only able to subscribe and redeem at the relevant Subscription Price and Redemption Price (as the case may be) based on the latest available Net Asset Value as at the end of each Dealing Day. As such, holders of Listed Class of Units would have intra-day trading opportunities which will not be available to holders of Unlisted Class of Units. In a stressed market scenario, holders of Listed Class of Units can sell their units on the secondary market during SEHK trading hours if the market continues to deteriorate, while holders of Unlisted Class of Units will not be able to do.

Conversely, secondary market investors generally do not have access to the redemption facilities which are available to investors of Unlisted Class of Units. During stressed market conditions, Participating Dealers may, on their own account or on behalf of primary market investors, redeem Listed Class of Units on the primary market at the Net Asset Value of the relevant Sub-Fund, but the secondary market trading prices may have diverged from the corresponding Net Asset Value. In such circumstances, holders of the Listed Class of Units in the secondary market will be at an apparent disadvantage to holders of the Unlisted Class of Units as the latter will be able to redeem from the relevant Sub-Fund at Net Asset Value whilst the former will not.

The Net Asset Value per Unit of each of the Listed Class of Units and Unlisted Class of Units may also be different due to the different fees and costs applicable to each class of Units.

Please also refer to "Risks Associated with Market Trading (applicable to Listed Class of Units only)" above for additional risks relating to Listed Class of Units.

Risks associated with the Indices

***Fluctuations Risk*.** The performance of the Units should, before expenses, correspond closely with the performance of the relevant Index. If the relevant Index experiences volatility or declines, the price of the Units will vary or decline accordingly.

***Composition of and Weightings in the relevant Index may change Risk*.** The constituents which comprise the relevant Index are changed by the Index Provider from time to time. The price of the Units may rise or fall as a result of such changes. The weighting or composition of the Securities owned by the Sub-Fund would be changed as considered appropriate by the Manager to achieve the investment objective. Thus, an investment in Units will generally reflect the relevant Index as its constituents change from time to time, and not necessarily the way it is comprised at the time of an investment in the Units.

***Licence to use the relevant Index may be terminated Risk*.** The Manager is granted a licence by each of the Index Provider to use the relevant Index to create the relevant Sub-Fund based on the Index and to use certain trade marks and any copyright in the relevant Index. A Sub-Fund may not be able to fulfill its objective and may be terminated if the licence agreement is not renewed, or terminated early by the Index Provider upon 90 days' prior written notice to the Manager. A Sub-Fund may also be terminated if the Index Provider has given 90 days' prior written notice to the Manager to discontinue the relevant Index and there is no replacement or substitute

index made available to the Manager.

Compilation of Index Risk. The Securities of each Index are determined and composed by the relevant Index Provider without regard to the performance of the relevant Sub-Fund. Each Sub-Fund is not sponsored, endorsed, sold or promoted by the relevant Index Provider. Each Index Provider does not make any representation or warranty, express or implied, to investors in any Sub-Fund or other persons regarding the advisability of investing in Securities generally or in any Sub-Fund particularly. Each Index Provider has no obligation to take the needs of the Manager or investors in the relevant Sub-Fund into consideration in determining, composing or calculating the relevant Index.

There is no assurance that each Index Provider will compile the relevant Index accurately, or that the relevant Index will be determined, composed or calculated accurately and index providers do not generally provide any warranty or accept any liability in relation to the quality, accuracy or completeness of data in respect of their benchmark indices, nor any guarantee that the published indices will be in line with their described benchmark index methodologies. Errors in respect of the quality, accuracy and completeness of the data may occur from time to time and may not be identified and corrected for a period of time, in particular where the indices are less commonly used. During a period where the relevant Index contains incorrect constituents, the relevant Sub-Fund tracking such published Index would have market exposure to such constituents. As such, errors may potentially result in a negative or positive performance impact to the relevant Sub-Fund and the Unitholders.

Apart from scheduled rebalances, each of the Index Provider may carry out additional ad hoc rebalances to their benchmark indices in order, for example, to correct an error in the selection of index constituents. Where the relevant Index of a Sub-Fund is rebalanced and such Sub-Fund in turn rebalances its portfolio to bring it in line with its Index, any transaction costs and market exposure arising from such portfolio rebalancing will be borne by such Sub-Fund and, by extension, its Unitholders.

Therefore, errors and additional ad hoc rebalances carried out by each of the Index Provider to the relevant Index may increase the costs and market exposure risk of the relevant Sub-Fund.

In addition, the process and the basis of computing and compiling the relevant Index and any of its related formulae, constituent companies and factors may at any time be changed or altered by each Index Provider without notice. Consequently there can be no guarantee that the actions of each Index Provider will not prejudice the interests of the relevant Sub-Fund, the Manager or investors.

Regulatory Risks

Withdrawal of SFC Authorisation Risk. Each Sub-Fund has been authorised as a collective investment scheme under the Code by the SFC pursuant to Section 104 of the SFO. Authorisation by the SFC is not a recommendation or endorsement of a Sub-Fund nor does it guarantee the commercial merits of a product or its performance. It does not mean 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 SFC reserves the right to withdraw the authorisation of a Sub-Fund or impose such conditions as it considers appropriate. Without limiting the foregoing, the SFC may withdraw authorisation where the SFC no longer considers an underlying Index (in respect of an Index Tracking Sub-Fund) acceptable. If the Manager does not wish a Sub-Fund to continue to be authorised by the SFC, the Manager will give Unitholders at least 3 months' notice 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 a Sub-Fund, such Sub-Fund will be terminated.

Hong Kong and PRC Mainland Regulatory Policies Risk. The Hong Kong or PRC mainland government or the Hong Kong or PRC mainland regulators may intervene in the financial markets.

These changes may be introduced suddenly and in accordance with market conditions. Such changes may have a negative impact on existing funds including without limitation, an adverse cost impact which may materially prejudice existing investors of a Sub-Fund. Further, any such change in policies may also negatively impact the incentive of the counterparties to participate in a Sub-Fund and thereby decreasing the liquidity of a Sub-Fund. In order to maintain its authorisation status and to continue to list on the SEHK, a Sub-Fund will be required to comply with such rules and policies at all times. To the extent that any such change in rules or policies adversely impact a Sub-Fund, investors may suffer accordingly.

***Units May be Delisted from the SEHK Risk (applicable to Listed Class of Units only)*.** The SEHK imposes certain requirements for the continued listing of Securities, including the Listed Class of Units, on the SEHK. Investors cannot be assured that a Sub-Fund will continue to meet the requirements necessary to maintain the listing of Listed Class of Units on the SEHK or that the SEHK will not change the listing requirements. If the Listed Class of Units are delisted from the SEHK, Unitholders will have the option to redeem their Units by reference to the Net Asset Value of a Sub-Fund. The Manager may, in consultation with the Trustee, seek the SFC's prior approval to operate only Unlisted Class of Units in respect of a Sub-Fund (subject to any necessary amendments to the rules of a Sub-Fund) or terminate a Sub-Fund and will notify investors accordingly. Where a Sub-Fund remains authorised by the SFC, such procedures required by the Code will be observed by the Manager.

***Legal and Regulatory Risk*.** Governments and regulators may intervene in the financial markets, such as by the imposition of trading restrictions. This may affect the operation and market making activities of a Sub-Fund, and may have an unpredictable impact on a Sub-Fund. 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 a Sub-Fund. Furthermore, such change in the laws may have an impact on the market sentiment which may in turn affect the performance of a Sub-Fund. It is impossible to predict whether such an impact caused by any change of law will be positive or negative for any Sub-Fund. In the worst case scenario, a Unitholder may lose all its investments in a Sub-Fund.

Taxation Risk. Investing in a Sub-Fund may have tax implications for a Unitholder depending on the particular circumstances of each Unitholder. 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 Units. Such tax consequences may differ in respect of different investors.

Risks associated with Foreign Account Tax Compliance Act. Sections 1471 – 1474 (referred to as "FATCA") of the US Internal Revenue Code of 1986, as amended ("IRC") impose a reporting regime and, in certain circumstances a 30% withholding tax respect to certain payments to non-United States financial institutions and other non-United States entities, such as the Trust and the Sub-Funds, including, without limitation, certain US-source income such as interest and dividends from securities of US issuers. To avoid such withholding on payments made to it, a foreign financial institution (an "FFI"), such as the Trust and the Sub-Funds (and, generally, other investment funds organised outside the US), generally will be required to comply with applicable FATCA registration, due diligence, reporting and other requirements.

Hong Kong has entered into an intergovernmental agreement with the US ("IGA") for the implementation of FATCA, adopting Model 2 IGA framework. Under the IGA, FFIs in Hong Kong (such as the Trust and the Sub-Funds) are required to enter into an FFI Agreement with the US Internal Revenue Service ("IRS"), register with the IRS and comply with the terms of such agreement and other applicable FATCA requirements. Otherwise, they may be subject to a 30% withholding tax on certain US-sourced payments.

It is expected that FFIs in Hong Kong (such as the Trust and the Sub-Funds), that comply with the FFI Agreement and other applicable FATCA requirements (i) should generally not be subject to the above-described 30% withholding tax; and (ii) should generally not be required to withhold tax on payments to recalcitrant account holders (i.e. account holders who do not consent to FATCA reporting and disclosure to the IRS) or to close such recalcitrant accounts, provided that information

regarding such recalcitrant account holders is reported to the IRS, although withholding may be required in respect of certain payments made to non-compliant FFIs.

The Trust and each Sub-Fund will endeavor to comply with the requirements of FATCA and the FFI Agreement in order to avoid the above-described withholding tax. In the event that the Trust or any Sub-Fund is unable to comply with such requirements and, as a result, the Trust or the relevant Sub-Fund is subject to US withholding tax in respect to certain US-source income, proceeds or other payments, the Net Asset Value of the Trust or that Sub-Fund may be adversely affected and the Trust or the relevant Sub-Fund may suffer material loss.

In the event a Unitholder does not provide the information and/or documentation requested, regardless of whether such failure results in non-compliance by the Trust or the relevant Sub-Fund, or in the Trust or the relevant Sub-Fund being subject to a risk withholding tax under FATCA, the Manager on behalf of the Trust and the relevant Sub-Fund, reserves the right to take any action and/or pursue all remedies available to it, including, without limitation, (i) reporting certain information relating to such Unitholder to the IRS; (ii) withholding, or deducting from any amounts payable to such Unitholder, or otherwise collecting from such Unitholder, any tax liability to the extent permitted by applicable laws and regulations; (iii) deeming such Unitholder to have given notice to redeem all Units held by such Unitholder in the relevant Sub-Fund; and/or (iv) commencing legal proceedings against such Unitholder for losses suffered by the Trust or the relevant Sub-Fund as a result of such withholding tax. In taking any such action or pursuing any such remedy, the Manager shall act in good faith and on reasonable grounds.

As at the date of this Prospectus, all Units in the investment funds are registered in the name of HKSCC Nominees Limited. It is the Manager's understanding that Hong Kong Securities Clearing Company Limited has completed registration with the IRS as a "Reporting Financial Institution under a Model 2 IGA.

The Trust has been registered with the IRS as at the date of this Prospectus.

Each Unitholder and prospective investor should consult with its own tax advisor as to the potential impact of FATCA in its own tax situation.

Risk Factors Relating to the PRC Mainland

***PRC Mainland Economic, Political and Social Conditions as well as Government Policies Risk*.** The economy of the PRC mainland, which has been in a state of transition from a planned economy to a more market oriented economy, differs from the economies of most developed countries in many respects, including the level of government involvement, its state of development, its growth rate, control of foreign exchange, and allocation of resources.

Although the majority of productive assets in the PRC mainland are still owned by the PRC mainland government at various levels, in recent years, the PRC mainland government has implemented economic reform measures emphasising utilisation of market forces in the development of the

economy of the PRC mainland and a high level of management autonomy. The economy of the PRC mainland has experienced significant growth in the past 20 years, but growth has been uneven both geographically and among various sectors of the economy. Economic growth has also been accompanied by periods of high inflation. The PRC mainland government has implemented various measures from time to time to control inflation and restrain the rate of economic growth.

For more than 20 years, the PRC mainland government has carried out economic reforms to achieve decentralisation and utilisation of market forces to develop the economy of the PRC mainland. These reforms have resulted in significant economic growth and social progress. There can, however, be no assurance that the PRC mainland government will continue to pursue such economic policies or, if it does, that those policies will continue to be successful. Any such adjustment and modification of those economic policies may have an adverse impact on the securities market in the PRC mainland as well as the underlying Securities of the Sub-Funds. Further, the PRC mainland government may from time to time adopt corrective measures to control the growth of the PRC mainland economy which may also have an adverse impact on the capital growth and performance of the Sub-Funds.

Political changes, social instability and adverse diplomatic developments in the PRC mainland could result in the imposition of additional government restrictions affecting the market for PRC Government and Policy Bank Bonds.

***PRC Mainland Laws and Regulations Risk*.** The PRC mainland legal system is based on written statutes and their interpretation by the Supreme People's Court. Prior court decisions may be cited for reference but have no precedent value. Since 1979, the PRC mainland government has been developing a comprehensive system of commercial laws, and considerable progress has been made in introducing laws and regulations dealing with economic matters such as foreign investment, corporate organisation and governance, commerce taxation and trade. Two examples are the promulgation of the Contract Law of the PRC mainland to unify the various economic contract laws into a single code, which went into effect on 1 October 1999, and the Securities Law of the PRC mainland, which went into effect on 1 July 1999. However, because these laws and regulations affecting securities markets are relatively new and evolving, and because of the limited volume of published cases and judicial interpretation and their non-binding nature, interpretation and enforcement of these regulations involve significant uncertainties. In addition, as the PRC mainland legal system develops, no assurance can be given that changes in such laws and regulations, their interpretation or their enforcement will not have a material adverse effect on their business operations.

***Restricted Market Risk*.** The Sub-Funds may invest in Securities in respect of which the PRC mainland imposes limitations or restrictions on foreign ownership or holdings. Such legal and regulatory restrictions or limitations may have adverse effects on the liquidity and performance of the Sub-Funds and may affect each Sub-Fund's achievement of its investment objective.

***Legal and Compliance Risk*.** Domestic and/or international laws or regulations may change in a way that adversely affects the Sub-Funds. Differences in laws between jurisdictions (i.e. Hong Kong and the PRC mainland) may make it difficult for the Trustee or Manager to enforce legal agreements entered into in respect of the Sub-Funds. The Trustee and the Manager reserve the right to take steps to limit or prevent any adverse effects from changes to laws or their interpretation, including altering investments of or restructuring the Sub-Funds.

***Legal System of the PRC Mainland Risk*.** The legal system of the PRC mainland is based on written laws and regulations. Despite the PRC mainland government's effort in improving the commercial laws and regulations, many of these laws and regulations are still at an experimental stage and the implementation of such laws and regulations remains unclear.

Potential Market Volatility Risk. Investors should note that the inter-bank bond market, the Shanghai Stock Exchange and the Shenzhen Stock Exchange in which the PRC Government and Policy Bank Bonds are traded are undergoing development. Market volatility may result in

significant fluctuation in the prices of PRC Government and Policy Bank Bonds traded on such markets and thereby changes in the Net Asset Value of the Sub-Funds.

Accounting and Reporting Standards Risk. Accounting, auditing and financial reporting standards and practices applicable to PRC mainland companies may be different to those standards and practices applicable to countries that have more developed financial markets. For example, there are differences in the valuation methods of properties and assets and in the requirements for disclosure of information to investors.

Valuation and Accounting Risk. Investors should note that, under IFRS, establishment costs should be expensed as incurred. However for the purpose of calculating of net asset value for subscription and redemption purposes, establishment costs are to be amortised over a period of five years, which may lead to a different valuation had the accounting been in accordance with IFRS. The Manager has considered the impact of such non-compliance and does not expect this issue to affect the results and the calculation of the Net Asset Value of the Sub-Fund materially. To the extent that the valuation or accounting basis adopted by the Sub-Funds deviates from IFRS, the Manager may make necessary adjustments in the annual financial statements to comply with IFRS. Any such adjustments will be disclosed in the annual financial reports, including a reconciliation note to reconcile values arrived at by applying the Trust's valuation rules.

Taxation in the PRC Mainland Risk. The PRC mainland government has implemented a number of tax reform policies in recent years. The current tax laws and regulations may be revised or amended in the future. Any revision or amendment in tax laws and regulations may affect a Sub-Fund's return.

PRC Mainland Withholding Taxation Risk. A Sub-Fund that invests in PRC mainland Securities will do so through the Manager's (which is a public Hong Kong tax resident) QFI status. Under the Arrangements between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (the "Arrangement"), certain relief is applicable to Hong Kong tax residents. According to the independent professional tax advice, capital gains derived by a Hong Kong tax resident from transfer of debt instrument issued by the PRC mainland government and corporation is eligible for such relief and should not be taxable in Mainland China. The aforesaid capital gain tax exemption will only apply if approval is obtained from the PRC mainland tax authorities. Before a Hong Kong tax resident can enjoy relief under the Arrangement, a Hong Kong Tax Resident Certificate ("HKTRC") issued by the Inland Revenue Department (the "IRD") should be submitted to the relevant PRC mainland tax authority for this purpose. As at the date of this Prospectus, the relevant Sub-Funds have not yet obtained the HKTRC from the IRD. If the PRC mainland tax authorities enforce the collection of Withholding Income Tax ("WIT") on capital gains and require the Sub-Funds to provide a HKTRC in order to obtain the WIT exemption, the Manager will apply for a HKTRC on behalf of the relevant Sub-Fund. In light of the uncertainty on the income tax treatment on capital gains and in order to meet this potential tax liability for capital gains, the Manager reserves the right to provide for WIT on such gains or income and withhold the tax for the account of the Sub-Funds. After careful consideration of the Manager's assessment and having taken and considered independent professional tax advice relating to the relevant Sub-Fund's eligibility to benefit from the Arrangement, and in accordance with such advice, the Manager holds a view that the relevant Sub-Fund is a Hong Kong tax resident for the purpose of the Arrangement and should be able to enjoy the WIT exemption on gross capital gains derived from the disposal of PRC mainland Securities under the Arrangement. In this connection, the Manager, having taken and considered the independent professional tax advice and in accordance with such advice, has determined that no WIT provision will be made on the gross realised and unrealised capital gains derived from the disposal of PRC mainland Securities.

It should be noted that there are uncertainties in relation to the Manager's determination of WIT provision, including

(a) The Arrangement may be changed in the future and the relevant Sub-Fund may ultimately be

required to pay WIT on capital gains.

(b) As at the date of this Prospectus, the relevant Sub-Funds have not yet obtained the HKTRC from the IRD. If the PRC mainland tax authorities enforce the collection of WIT on capital gains and require the Sub-Funds to provide a HKTRC, the Manager will apply for a HKTRC on behalf of the relevant Sub-Fund. Whether the Manager is able to obtain a HKTRC on behalf of the relevant Sub-Fund is subject to prevailing practice of Hong Kong and/or PRC mainland tax authorities. The relevant Sub-Fund may need to apply with the IRD for a HKTRC on an annual basis, which is subject to the assessment of the IRD. There is a risk that the Manager will not be able to obtain a HKTRC on behalf of the relevant Sub-Fund.

(c) To date, the PRC mainland tax authorities have not sought to enforce WIT collection on capital gains derived by QFIs such as the Manager for the relevant Sub-Fund. If the PRC mainland tax authorities start to enforce WIT collection on capital gains, the relief under the Arrangement is still subject to the final approval of the relevant PRC mainland tax authorities and the Manager is not aware of any successful cases for tax treaty capital gain exemption approval for QFIs. Even if the Manager, in accordance with the independent professional tax advice, believes that the relevant Sub-Fund should be eligible for such relief, the PRC mainland tax authorities may ultimately hold a different view.

There are also risks and uncertainties associated with the current PRC mainland tax laws, regulations and practice in respect of capital gains realised on its investments in the PRC mainland via Bond Connect. It should also be noted that there is a possibility of the PRC mainland tax rules, regulations and practice being changed and taxes being applied retrospectively. There is a risk that taxes may be levied in future on the relevant Sub-Fund for which no provision is made, which may potentially cause substantial loss to the relevant Sub-Fund.

There is no provision made on the gross unrealised and realised capital gains derived from disposal of PRC mainland Securities. In the event that actual tax is collected by the SAT and the relevant Sub-Fund is required to make payments reflecting tax liabilities for which no provision has been made, the Net Asset Value of the relevant Sub-Fund may be adversely affected as the relevant Sub-Fund will ultimately have to bear the full amount of tax liabilities. In this case, the tax liabilities will only impact Units in issue at the relevant time, and the then existing Unitholders and subsequent Unitholders will be disadvantaged as such Unitholders will bear, through the relevant Sub-Fund, a disproportionately higher amount of tax liabilities as compared to that borne at the time of investment in the Sub-Fund. Please refer to the sub-section of “PRC mainland” under “Taxes” for further information in this regard.

MANAGEMENT OF THE TRUST

The Manager

The Manager 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.

The Directors of the Manager

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 earned a Doctor degree in Quantitative Economics.

CHEN Zhixin

Chief Executive Officer and Director

Mr. Chen joined HFM in April 2004 and is currently the Chief Executive Officer (CEO) at Harvest Global Investments Limited. Prior to this, 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).

The Trustee and Registrar

The Trustee of the Trust and the Sub-Funds is CMB Wing Lung (Trustee) Limited. CMB Wing Lung (Trustee) Limited was incorporated with limited liability in Hong Kong in 1972 and is registered as a trust company under the Trustee Ordinance (Cap. 29 of the Laws of Hong Kong), and a licensed trust or company service provider (TCSP Licence No.: TC004338); and a licensed corporation providing depositary services for relevant collective investment schemes (CE No.: BOI017). CMB Wing Lung (Trustee) Limited is a wholly-owned subsidiary of CMB Wing Lung Bank Limited, a licensed bank (CE No.: AAF294) under the Banking Ordinance (Cap. 155 of the Laws of Hong Kong).

Under the Trust Deed, the Trustee shall take into its custody or under its control all the property forming part of the assets of the Trust and hold it in trust for the Unitholders of the relevant Sub-Fund in accordance with the provisions of the Trust Deed and, to the extent permitted by applicable laws and regulation, all registrable assets and cash from time to time comprised in the Trust shall be registered in the name of or held to the order of the Trustee. The Trustee shall in respect of any investments, assets and other property of a Sub-Fund which by nature cannot be held in custody, maintain a proper record of such investments, assets or property in its books under the name of that Sub-Fund.

Subject to applicable regulatory requirements, the Trustee may, from time to time, appoint any person or persons (including a Connected Person of the Trustee) as custodian, nominee, agent or delegate of the Trustee, to hold all or any of the assets in the Trust or any Sub-Fund, and may empower any such person to appoint, with no objection in writing from the Trustee, sub-custodians, nominees, agents and/or delegates (each such custodian, nominee, agent, sub-custodian, and delegate a “Correspondent”). The Trustee shall (a) exercise reasonable care, skill and diligence in the selection, appointment and ongoing monitoring of such Correspondent; (b) be satisfied that such Correspondent retained remains suitably qualified and competent on an ongoing basis to provide the relevant services to the Trust or any Sub-Fund; and (c) be liable for the acts or omissions of any Correspondent which is a Connected Person of the Trustee as if the same were the acts or omissions of the Trustee, but provided that the Trustee has discharged its obligations set out in (a)

and (b) in this paragraph, the Trustee shall not be liable for any act, omission, insolvency, liquidation or bankruptcy of any Correspondent which is not a Connected Person of the Trustee.

Notwithstanding the above, the Trustee shall not be liable for any act, omission, insolvency, liquidation or bankruptcy of Euroclear Bank S.A./N.V., Clearstream Banking, S.A. or any other such recognised depositary or clearing system which may from time to time be approved by the Trustee and the Manager.

Subject as provided in the Trust Deed, the Trustee and its respective officers, employees, agents and delegates are entitled to be indemnified out of the assets of the relevant Sub-Fund in respect of all liabilities and expenses incurred in relation to such Sub-Fund and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted to be done in any way relating to such Sub-Fund, including without limitation, any actions of the Manager, except to the extent that such liability, expense, action, proceeding, cost, claim or demand arises out of the fraud, negligence or wilful default of the Trustee or its officers, employees, agents or delegates.

Notwithstanding the foregoing, the Trustee shall not be exempted from or indemnified against any liability imposed under the laws of Hong Kong (including under the Trustee Ordinance) or for breach of trust through fraud or negligence for which it may be liable in relation to its duties, or be indemnified against such liability by Unitholders or at Unitholders' expense.

The Manager is solely responsible for making investment decisions in relation to the Trust and/or each Sub-Fund and the Trustee (including its delegates) is not responsible and has no liability for any investment decision made by the Manager. The Trustee does not act as guarantor or offeror of the Units or any underlying investments of a Sub-Fund. The Trustee is not responsible for the preparation or issue of this Prospectus other than the disclosures on information relating to the Trustee and the Registrar as set out herein. The appointment of the Trustee may be terminated in the circumstances set out in the Trust Deed.

The Trustee also acts as the Registrar of the Trust and its Sub-Fund(s), in which capacity it will be responsible, inter alia, for maintaining the register of Unitholders.

The Trustee is entitled to the fees set under the section headed “FEES AND EXPENSES” of this Prospectus and to be reimbursed for all costs and expenses in accordance with the provisions of the Trust Deed. The fees and expenses of any Correspondent shall be paid out of the relevant Sub-Fund.

Where the Sub-Fund(s) invests directly into the PRC mainland’s securities markets pursuant to the QFI regime, the Trustee has put in place proper arrangements to ensure that:

(a) the Trustee takes into its custody or under its control the assets of the Sub-Fund(s), including onshore PRC assets which will be maintained by the QFII Custodian in electronic form via securities account(s) with the relevant depository(ies) and any assets deposited in a cash account with the QFII Custodian, and holds the same in trust for the relevant Unitholders;

(b) cash and registrable assets of the Sub-Fund(s), including assets deposited in the securities account(s) with the relevant depository(ies) and cash of any Sub-Fund held by the QFII Custodian, are registered in the name of or held to the order of the Trustee; and

(c) the QFII Custodian will look to the Trustee (either directly or indirectly through the Custodian or other authorised parties) for instructions and solely act in accordance with the Trustee’s instructions as provided under the relevant PRC Custody Agreement and/or PRC Participation Agreement, respectively.

The Investment Advisor (in respect of Harvest STAR Chip ETF only)

The Manager has appointed DWS Investments Hong Kong Limited (the "Investment Advisor") as the Investment Advisor of Harvest STAR Chip ETF pursuant to an investment advisory agreement entered into between the Manager and the Investment Advisor to provide advice only on general market review, market outlook and market strategy to the Manager in connection with Harvest STAR Chip ETF. The Investment Advisor has no discretionary investment management function in respect of Harvest STAR Chip ETF.

DWS Investments Hong Kong Limited is a company incorporated in Hong Kong and is licensed by the SFC to carry on Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 9 (asset management) regulated activities.

The fee payable to the Investment Advisor will be borne by the Manager and not out of the assets of Harvest STAR Chip ETF.

The Custodian

CMB Wing Lung Bank Limited has been appointed as the Custodian of each Sub-Fund pursuant to the custody agreement.

The Custodian is a company incorporated under the laws of Hong Kong and a licensed bank (CE No. AAF294) under the Banking Ordinance (Cap. 155 of the laws of Hong Kong).

Pursuant to the custody agreement, the Custodian will act as the custodian of each Sub-Fund's assets, which will be held directly by the Custodian or through its agents, nominees, sub-custodians, or delegates.

The QFII Custodian (in respect of Harvest STAR Chip ETF only)

Deutsche Bank (China) Co., Ltd., Shanghai Branch has been appointed to act as the QFII Custodian. The QFII Custodian will be responsible for the safe custody of the assets managed by the Manager and (if applicable) acquired in connection with its QFI status within the PRC mainland under the QFI scheme in accordance with the PRC Custody Agreement.

The QFII Custodian is not responsible for the preparation of this Prospectus and they accept no responsibility or liability for the information contained here other than the description as set out herein.

The Service Agent (applicable in respect of Listed Class of Units only)

HK Conversion Agency Services Limited acts as Service Agent under the terms of the Service Agreement entered into among the Manager, the Trustee, the Registrar, the Participating Dealers, the Service Agent and HKSCC. The Service Agent performs, through HKSCC, certain of its services in connection with the creation and redemption of Listed Class of Units in a Sub-Fund by Participating Dealers.

The Auditor

The Manager has appointed KPMG to act as the auditor of the Trust and the Sub-Funds (the "Auditor"). The Auditor is independent of the Manager and the Trustee.

The Participating Dealer (applicable in respect of Listed Class of Units only)

A Participating Dealer may act for its own account or for your account as its clients in making Creation Applications and Redemption Applications of the Listed Class of Units in the Sub-Fund. 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 (the contents of

which and of any other website referred to in this Prospectus have not been reviewed by the SFC).

The Market Maker (applicable in respect of Listed Class of Units only)

A Market Maker is a broker or dealer permitted by the SEHK to make a market for the Listed Class of Units 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 Listed Class of Units on the SEHK. Market Makers facilitate the efficient trading of Listed Class of Units 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 will use its best endeavours to put in place arrangements so that there is at all times at least one Market Maker for Listed Class of Units in each available counter. If the SEHK withdraws its permit to the existing Market Maker(s), the Manager will use its best endeavours to put in place arrangements so that there is at least one other Market Maker for each available counter of each Sub-Fund to facilitate the efficient trading of Listed Class of Units. 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 http://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 sub-section headed "Website Information" for the warning and the disclaimer regarding information contained in such website.

Conflicts of Interest and Soft Dollars

The Manager, the Investment Advisor (as applicable), the Trustee, the Custodian and the QFII Custodian (as applicable) in conjunction or separately may from time to time act as manager, sub-investment manager, investment advisor, investment delegates, trustee, administrator, registrar, manager or custodian or in such other capacity in connection with or be otherwise involved in or with any collective investment scheme or any other funds or trusts separate and distinct from the Trust and each Sub-Fund and retain any profit or benefit made thereby or in connection therewith.

In addition:

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

(b) The Trustee, the Manager and any of their Connected Persons may contract or enter into any financial, banking or other transaction with one another (for instance, to act as a Participating Dealer in respect of a Sub-Fund) or with any Unitholder or any company or body any of whose shares or securities form part of the relevant Sub-Fund's assets.

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

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

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

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

The Manager may also enter into trades for the account of a Sub-Fund with the accounts of other clients of the Manager or its 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 Unitholders to achieve the investment objective and policy of the Sub-Fund. Such cross trades will only be undertaken where (i) the sale and purchase decisions are in the best interests of both the Sub-Fund and the other client and fall within the investment objectives, restrictions and policies of the 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.

It is, therefore, possible that any of the Trustee, the Manager, the Investment Advisor (as applicable), or any of their Connected Persons may, in the course of business, have potential conflicts of interest with a Sub-Fund. Each will, at all times, have regard in such event to its obligations to the relevant Sub-Fund and the Unitholders and will endeavour to ensure that such conflicts are resolved reasonably.

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

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

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

arrangement policies and practices of the Manager (such as a description of the goods and services received). The Manager will conduct periodic review of its soft commission arrangements to monitor and minimise potential conflicts of interests as well as to ensure that such arrangements are in compliance with the requirements of the Code.

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

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

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

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

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

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

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

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

STATUTORY AND GENERAL INFORMATION

Financial Reports

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

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

Trust Deed

The Trust and each of the Sub-Funds were established under Hong Kong law by the Trust Deed made between the Manager and the Trustee. All Unitholders are entitled to the benefit of, are bound by and are deemed to have notice of, the provisions of the Trust Deed. The Trust Deed contains provisions for the indemnification of the Trustee and the Manager out of the assets of the Trust Fund and their relief from liability in certain circumstances (summarised below in "Indemnities of the Trustee and Manager"). Unitholders and intending applicants are advised to consult the terms of the Trust Deed.

Indemnities of the Trustee and Manager

The Trustee and the Manager benefit from various indemnities in the Trust Deed. Except as provided under the Trust Deed, the Trustee and the Manager shall be entitled to be indemnified out of, and have recourse to, the Trust Fund in respect of any action, costs, claims, damages, expenses or demands arising directly or indirectly from the proper performance of each of the Sub-Funds. Nothing in any of the provisions of the Trust Deed shall (i) exempt either the Trustee or the Manager (as the case may be) from or against any liability to Unitholders for breach of trust through fraud or negligence or any liability to Unitholders which by virtue of any Hong Kong rule of law or any other rule of law would otherwise attach to them in respect of any negligence, fraud or breach of trust of which they may be liable in relation to their duties nor (ii) indemnify either against such liability by Unitholders or at Unitholders' expense.

Modification of the Trust Deed

The Trustee and the Manager may agree to modify, alter or add to the provisions of the Trust Deed by supplemental deed provided that in the opinion of the Trustee and the Manager such proposed modification, alteration or addition (i) does not materially prejudice the interests of Unitholders, does not operate to release to any material extent the Trustee or the Manager or any other person from any responsibility to the Unitholders and (with the exception of the costs incurred in connection with the relevant supplemental deed) does not increase the costs and charges payable out of the assets of each of the Sub-Funds; (ii) is necessary in order to make possible compliance with any fiscal, regulatory, statutory or official requirement (whether or not having the force of law); or (iii) is made to correct a manifest error. In all other cases, modifications, alterations and additions involving material changes require the sanction of an extraordinary resolution of the Unitholders affected. The SFC must, where applicable, also give its prior approval to such amendments to the Trust Deed.

The Manager will notify affected Unitholders of the amendments as soon as practicable in advance of such amendments having effect or after they are made if such notification is required under the Code.

Name of the Trust and Sub-Fund

Under the Trust Deed the Manager may, on notice to the Trustee, change the name of the Trust and the Sub-Funds.

Meetings of Unitholders

Proxies may be appointed. A Unitholder who is the holder of two or more Units may appoint more than one proxy to represent him and vote on his behalf at any meeting of the Unitholders. If a clearing house (or its nominee(s)), being a corporation, is a Unitholder, it may authorise such persons as it think fit to act as its representatives at any meeting of the Unitholders provided that, if more than one person is so authorised, the authorisation shall specify the number and class of Units in respect of which each such representative 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 Unitholder of the Units held by the clearing house (or its nominee(s)), including the right to vote individually on a poll.

Voting rights

Unitholders' meetings may be convened by the Manager, by the Trustee or by Unitholders representing at least 10% of the Units in the relevant Class or the relevant Sub-Fund then in issue, on not less than 21 days' notice. Notice of meetings will be posted to Unitholders and posted on the Manager's website at http://etf.harvestglobal.com.hk and (in respect of notices relating to Listed Class of Units) HKEX's website at www.hkex.com.hk (the contents of which have not been reviewed by the SFC).

These meetings may be used to modify the terms of the Trust Deed, including increasing the maximum fees payable to the service providers, removing the Manager or terminating the Sub-Fund at any time. Such amendments to the Trust Deed must be considered by Unitholders of at least 25% of the Units in the relevant Class or the relevant Sub-Fund then in issue and passed by 75% or more of the votes cast.

Other matters that require an ordinary resolution being passed would be considered by Unitholders of at least 10% of the Units in the relevant Class or the relevant Sub-Fund then in issue and passed by a simple majority (i.e. more than 50%) of the votes cast.

The Trust Deed contains provisions for the holding of separate meetings of Unitholders holding Units of different classes where only the interests of Unitholders of such class are affected.

Termination

The Trust may be terminated by the Trustee if: (i) the Manager goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or a receiver is appointed over any of its assets and not discharged within 60 days; (ii) in the opinion of the Trustee, the Manager is incapable of performing its duties satisfactorily; (iii) the Manager has failed to perform its duties satisfactorily or has, in the opinion of the Trustee, done something calculated to bring the Trust into disrepute or that is harmful to the interests of Unitholders; (iv) a law is passed that renders it illegal, or in the opinion of the Trustee or the Manager, impracticable or inadvisable to continue the Trust; (v) the Trustee is unable to find an acceptable person to replace the Manager within 30 days after the removal of the Manager, or the person nominated by the Trustee shall fail to be approved by extraordinary resolution; or (vi) 60 days after the Trustee notifies the Manager of its intention to retire, no new person willing to act as trustee has been identified.

The Manager may terminate the Trust if: (i) after 1 year from the date of the Trust Deed, the aggregate Net Asset Value of all the units in each Sub-Fund of the Trust outstanding hereunder in respect of such Sub-Fund or any class of Units of such Sub-Fund is less than RMB150 million; (ii) any law or regulation is passed or amended or any regulatory directive or order is imposed that affects the Trust and which renders the Trust illegal or in the good faith opinion of the Manager, makes it impracticable or inadvisable to continue the Trust; or (iii) within a reasonable time and using commercially reasonable endeavours, the Manager is unable to find a person acceptable to act as the new trustee after deciding to remove the Trustee in accordance with the Trust Deed.

The Manager may, in its absolute discretion, by notice in writing to the Trustee, terminate a Sub-Fund if: (i) after 1 year from the date of establishment of the relevant Sub-Fund, the aggregate Net Asset Value of all the Units is less than RMB150 million; (ii) any law or regulation is passed or amended or any regulatory directive or order is imposed that affects the relevant Sub-Fund and which renders the relevant Sub-Fund illegal or in the good faith opinion of the Manager makes it impracticable or inadvisable to continue the relevant Sub-Fund and/or the relevant class of Units; (iii) if the underlying Index (in respect of an Index Tracking Sub-Fund) is no longer available for benchmarking or if the Units of the relevant Sub-Fund are no longer listed on the SEHK (in respect of the relevant Sub-Fund with only Listed Class of Units in issue) or any such other stock exchange from time to time determined by the Manager; (iv) at any time, the relevant Sub-Fund ceases to have any Participating Dealer (in respect of the relevant Sub-Fund with only Listed Class of Units in issue); or (v) the Manager is unable to implement its investment strategy. Further, the Unitholders may at any time authorise termination of the Trust or the relevant Sub-Fund by extraordinary resolution.

The Trustee may, in its absolute discretion, by notice in writing to the Manager, terminate a Sub-Fund if: (i) the Trustee forms the opinion for good and sufficient reason that the Manager is incapable of performing its duties satisfactorily in respect of the relevant Sub-Fund; (ii) the Trustee forms the opinion for good and sufficient reason that the Manager has failed to perform its duties satisfactorily in respect of the relevant Sub-Fund or has done something calculated to bring the relevant Sub-Fund into disrepute or that is harmful to the interests of Unitholders of the relevant Sub-Fund; or (iii) any law or regulation is passed or amended or any regulatory directive or order is imposed that affects the relevant Sub-Fund and which renders the relevant Sub-Fund illegal or in the good faith opinion of the Trustee makes it impracticable or inadvisable to continue the relevant Sub-Fund.

Notice of the termination of the Trust or the relevant Sub-Fund will be given to the Unitholders after the SFC has approved the notice. The notice will contain the reasons for the termination, the consequences to Unitholders of terminating the Trust or the relevant Sub-Fund and the alternatives available to them, and any other information required by the Code. Any unclaimed proceeds or other monies held by the Trustee in the event of a termination may at the expiration of twelve calendar months from the date upon which the same became payable be paid into court.

Investors should note that, due to the nature of the listing of the Listed Class of Units on the SEHK, the termination procedures applicable to Listed Class of Units and Unlisted Class of Units of the same Sub-Fund may differ. In the event of termination of the Trust, a Sub-Fund or a particular class of Units, Unitholders will be notified of the relevant termination procedures applicable to its holding of the relevant class of Units.

Distribution policy

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 dividend payments on Securities held by the relevant Sub-Fund which will in turn depend on factors beyond the control of the Manager including, general economic conditions, and the financial position and distribution policies of the relevant underlying entities.

Where specified in the relevant Appendix, the Manager may at its discretion make distributions (i)

out of capital or (ii) out of gross income while all or part of the fees and expenses of the relevant Sub-Fund are charged to/paid out of the capital of a Sub-Fund, resulting in an increase in distributable income for the payment of distributions by the relevant Sub-Fund and therefore, the relevant Sub-Fund may effectively pay distributions out of the capital. Payment of distributions out of capital or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of distributions out of or effectively out of the capital of the relevant Sub-Fund may result in an immediate reduction of the Net Asset Value per Unit.

There can be no assurance that such entities will declare or pay dividends or distributions.

Documents available for Inspection

Copies of the constitutive documents are available for inspection free of charge at the offices of the Manager and copies thereof may be obtained from the Manager upon the payment of a reasonable fee.

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 does not apply to unit trusts that are listed on the SEHK like the Trust. Consequently, Unitholders of Listed Class of Units are not obliged to disclose their interest in the Sub-Fund.

Anti-money laundering regulations

As part of the Manager's, the Trustee's and the Participating Dealer's responsibility for the prevention of money laundering and to comply with all applicable laws to which the Manager, the Trustee, the Sub-Funds or the relevant Participating Dealer is subject, the Manager, the Registrar, the Trustee or the relevant Participating Dealer may require a detailed verification of an investor's identity and the source of payment of any applications for Units. Depending on the circumstances of each application, a detailed verification might not be required where:

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

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

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

Liquidity risk management

The Manager has established a liquidity management policy which enables it to identify, monitor and manage the liquidity risks of each Sub-Fund and to ensure that the liquidity profile of the investments of the relevant Sub-Fund will facilitate compliance with such Sub-Fund's obligation to meet redemption requests. Such policy, combined with the liquidity management tools of the Manager, also seeks to achieve fair treatment of Unitholders and safeguard the interests of remaining Unitholders 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 the Sub-Funds. These measures seek to ensure fair treatment and transparency for all investors.

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

As a liquidity risk management tool, the Manager may limit the number of Units of a Sub-Fund redeemed on any Dealing Day to Units representing 10% (or such higher percentage as the Manager may determine in respect of the Sub-Fund and as permitted by the SFC) of the total number of Units in such a Sub-Fund then in issue (subject to the conditions under the sections headed "Deferred Redemption" in Schedule 1 and "Restrictions on Redemption" in Schedule 2).

Investors may refer to the sections headed "Deferred Redemption" in Schedule 1 and "Restrictions on Redemption" in Schedule 2, as well as the sections "Determination of Net Asset Value" of this Prospectus for details of the above tools and their impact on investors. Investors should note that there is a risk that such tools may not be effective in managing liquidity and redemption risks at all times.

Index licence agreements

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

Material changes to an underlying Index

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

Replacement of an underlying Index

The Manager reserves the right, with the prior approval of the SFC and provided that in its opinion the interests of the Unitholders of the relevant Sub-Fund would not be adversely affected, to replace the underlying Index (in respect of an Index Tracking Sub-Fund). The circumstances under which any such replacement might occur include but are not limited to the following events:

(a) the relevant underlying Index ceasing to exist;

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

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

(e) investing in the Securities comprised within the underlying 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 underlying Index having in the opinion of the Manager, deteriorated;

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

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

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

Information available on the Internet

The Manager will publish important news and information with respect to each Sub-Fund (including in respect of the relevant Index), both in the English and in the Chinese languages, on the Manager's website at http://etf.harvestglobal.com.hk (the contents of which have not been reviewed

by the SFC) and (where applicable in respect of the Listed Class of Units) on HKEX's website at www.hkex.com.hk including:

(a) this Prospectus and the product key facts statement(s) in respect of each Sub-Fund (as revised from time to time). Investors should note that where a Sub-Fund offers both Listed Class of Units and Unlisted Class of Units, a separate set of product key facts statement will be available for each of the Listed Class of Units and Unlisted Class of Units of the same Sub-Fund;

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

(c) any notices for material alterations or additions to this Prospectus, the product key facts statement(s) in respect of each Sub-Fund or the Sub-Fund's constitutive documents;

(d) any public announcements made by any Sub-Fund, including information with regard to any Sub-Fund, (in respect of an Index Tracking Fund) its Index, and (in respect of a feeder fund) its master fund, notices of the suspension of the calculation of the Net Asset Value, changes in fees, the suspension and resumption of the issue, creations and redemptions of Unlisted Class of Units and Listed Class of Units in the primary market and notices relating to material changes to any Sub-Fund that may have an impact on its investors;

(e) (in respect of Listed Class of Units only) the near real time indicative Net Asset Value per Unit updated every 15 seconds throughout each Dealing Day in the relevant trading currency (or if there is a Dual Counter, in both trading currencies) of the Sub-Fund;

(f) (in respect of Listed Class of Units only) the last Net Asset Value of each Sub-Fund in the base currency of the Sub-Fund only, as well as the last Net Asset Value per Unit of the Sub-Fund in the base currency and the relevant trading currency (or if there is a Dual Counter, in both trading currencies) of the Sub-Fund;

(g) (in respect of Unlisted Class of Units) the last Net Asset Value per Unit of each Unlisted Class of Units in issue;

(h) the composition of each Sub-Fund (updated on a daily basis unless otherwise specified in the relevant Appendix);

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

(j) the composition of dividends for each relevant Sub-Fund (i.e. the relative amounts paid and the percentages of dividends paid out of (i) net distributable income, and (ii) capital) (if any), for the last 12 months; and

(k) the past performance information of each Sub-Fund (as applicable).

In respect of the Harvest STAR Chip ETF:

(i) (in respect of the Listed Class of Units only) the near real time indicative Net Asset Value per Unit of the Sub-Fund in HKD and USD, under (e) above, and the last Net Asset Value per Unit of the Sub-Fund in RMB, HKD and USD, under (f) above, are indicative and for reference only. The near real time indicative Net Asset Value per Unit in HKD and USD is updated during SEHK trading hours. The near real time indicative Net Asset Value per unit in HKD and USD uses a real time HKD:CNH and USD:CNH foreign exchange rate, respectively – it is calculated using the near real time indicative Net Asset Value per Unit in RMB multiplied by a real time HKD:CNH or USD:CNH foreign exchange rate, as the case may be, provided by ICE Data Services when the SEHK is open for trading. Since the indicative Net Asset Value per Unit in RMB will not be updated when the underlying market is closed, any change in the indicative Net Asset Value per Unit in HKD or USD (if any) during such period is solely due to the change in the foreign exchange rate; and

(ii) (in respect of the Listed Class of Units only) the last Net Asset Value per Unit in HKD and USD is calculated using the last Net Asset Value per Unit in RMB multiplied by assumed foreign exchange rate using the CNH exchange rate quoted by Bloomberg at 4:00 p.m. (Hong Kong time) on that Dealing Day. The official last Net Asset Value per Unit in RMB and the indicative last Net Asset Value per Unit in HKD and USD will not be updated when the underlying market is closed.

Real-time updates about the 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 Manager's website and the 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 sub-section headed "Website Information" for the warning and the disclaimer regarding information contained in such website.

Notices

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

Manager

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

Trustee

CMB Wing Lung (Trustee) Limited
6/F, CMB Wing Lung Bank Building
45 Des Voeux Road Central
Hong Kong

Website information

The offer of the Units 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. None of the Manager or the Trustee 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 Manager and the Trustee 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 http://etf.harvestglobal.com.hk. The information and materials included in these websites have not been reviewed by the SFC or any regulatory body. You should exercise an appropriate degree of caution when assessing the value of such information.

Queries and Complaints

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

Address: Suites 1901-1912, 19/F, Two Pacific Place, 88 Queensway, Hong Kong

Manager's Customer Service Hotline: +852 3913 3393

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

Certification for Compliance with FATCA or Other Applicable Laws

Each Unitholder will be required: (i) upon request by the Trustee or the Manager, to provide such form, certification or other information as may be reasonably requested by, and satisfactory to, the Trustee or the Manager for the purposes of enabling Trust and/or the relevant Sub-Funds to (a) avoid withholding (including, without limitation, withholding under FATCA) or qualify for a reduced rate of withholding or backup withholding in any jurisdiction from or through which the Trust and/or the relevant Sub-Funds receive payments and/or (b) satisfy any reporting or other obligations under IRC and the United States Treasury Regulations promulgated thereunder, or any applicable law, regulation or any agreement with any tax or fiscal authority in any jurisdiction (ii) update or replace such forms, certifications or other information in accordance with their terms or subsequent amendments, and (iii) otherwise comply with any reporting obligations imposed by the United States, Hong Kong or any other jurisdiction, including any such obligations imposed by future legislation.

Power to Disclose Information to Tax Authorities

Subject to applicable laws and regulations in Hong Kong, the Trust, the Sub-Funds, the Trustee or the Manager or any of their authorised person(s) (as permissible under applicable law or regulation) may be required to report or disclose to any government agency, regulatory authority or tax or fiscal authority in any jurisdictions (including but not limited to the IRS), certain information in relation to a Unitholder, including but not limited to the Unitholder's name, address, tax identification number (if any), social security number (if any) and certain information relating to the Unitholder's holdings, to enable the Trust or the Sub-Funds 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 implemented pursuant to FATCA).

TAXATION

The following summary of Hong Kong and the PRC mainland 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 Units. 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 Units both under the laws and practice of Hong Kong, the PRC mainland and the laws and practice of their respective jurisdictions. The information below is based on the law and practice in force in Hong Kong and the PRC mainland 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.

Hong Kong

The Sub-Funds

Profits Tax: As the Trust and the Sub-Funds have been authorised as collective investment schemes by the SFC pursuant to Section 104 of the SFO, profits of the Sub-Funds arising from the sale or disposal of Securities, net investment income received by or accruing to the Sub-Funds and other profits of the Sub-Funds are exempt from Hong Kong profits tax pursuant to Section 26A(1A)(a) of the Inland Revenue Ordinance.

Other Taxes: Notwithstanding that profits or income of the Sub-Funds are exempt from Hong Kong profits tax, the Sub-Funds may be subject to tax in certain jurisdictions where investments are made on income or capital gains derived from such investments. A Sub-Fund may also be indirectly subject to withholding tax on any cash dividends and distributions that the Trust or the Sub-Fund receives from investment in other jurisdictions. As such, any distribution to Unitholders will be net of such taxes, if applicable.

Stamp Duty:

<u>Hong Kong stamp duty in respect of Listed Class of Units</u>

The sale and purchase of Hong Kong stock will be subject to Hong Kong ad valorem stamp duty at the current rate of 0.2% 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 (i.e. 0.1% each). “Hong Kong stock” is defined as “stock” the transfer of which is required to be registered in Hong Kong.

Hong Kong stamp duty in respect of any transfer in the shares or units of an exchange traded fund (as defined in Part 1 to Schedule 8 of the Stamp Duty Ordinance) on the SEHK is not payable. Accordingly, transfers of the Listed Class of Units in any Sub-Fund (which is an exchange traded fund as defined in Part 1 to Schedule 8 of the Stamp Duty Ordinance) do not attract stamp duty and no stamp duty is payable by Unitholders on any transfer.

Note that no Hong Kong stamp duty is payable by Unitholders in relation to an issue of Units or on the redemption of Units. Allotment of Units in the Sub-Funds is not subject to stamp duty in Hong Kong.

<u>Hong Kong stamp duty in respect of Unlisted Class of Units</u>

No Hong Kong stamp duty should be payable where the sale or transfer of such Units is effected by selling the relevant Units back to the Manager, who then either extinguish the Units or re-sells the Units to another person within two months thereof. Other types of sales or purchases or transfer of Unlisted Class of Units by the Unitholders in a Sub-Fund should be liable to Hong Kong ad valorem stamp duty of 0.1% borne by each of the buyer and seller, of the higher of the consideration amount or market value.

The Unitholders

Profits Tax: Hong Kong profits tax will be imposed on Unitholders carrying on a trade, profession or business in Hong Kong on any gains or profits made on the sale, redemption or other disposal of the Units that are of revenue nature. Whether an asset is of "revenue" or "capital" in nature will depend on the particular circumstances of each of the Unitholders. Unitholders should take advice from their own professional advisers as to their particular tax position.

Distributions received by Unitholders from their investments in the Units would generally not be chargeable to tax in Hong Kong (whether by way of withholding or otherwise).

Hong Kong requirements regarding tax reporting

The Inland Revenue (Amendment) (No.3) Ordinance came into force on 30 June 2016 and introduced the legislative framework in Hong Kong for the implementation of the Standard for Automatic Exchange of Financial Account Information ("AEOI") under the Inland Revenue Ordinance (Cap. 112 of the Laws of Hong Kong), as amended (the "Ordinance"). Under AEOI, financial institutions ("FIs") in Hong Kong are required to conduct due diligence on their account holders (including Unitholders, where applicable), collect certain information relating to non-Hong Kong tax residents holding financial accounts with them, and report such information to the Hong Kong Inland Revenue Department ("IRD") for the purpose of automatic exchange of financial account information. Generally, the information collected and reported relate to account holders that are tax residents of jurisdictions with which Hong Kong has entered into a Competent Authority Agreement ("CAA") or other exchange arrangement in force for AEOI purposes; although the Trust and/or its agents may collect information relating to residents of other jurisdictions.

The Trust is a collective investment scheme within the meaning of the SFO and is resident in Hong Kong. Accordingly, the Trust is an investment entity and has reporting obligations as a financial institution for AEOI purposes. This means that the Trust and/or its agents are required to collect and provide to the IRD certain required information relating to Unitholders and prospective investors.

Under the Ordinance, the Trust is required to, amongst other things: (i) register as a "Reporting Financial Institution" with the IRD; (ii) conduct due diligence on its financial accounts to identify whether any such accounts are "Reportable Accounts" for AEOI purposes; and (iii) report to the IRD the prescribed information in respect of such Reportable Accounts. The IRD is expected to transmit, on an annual basis, the information reported to it to the competent authorities of the jurisdictions with which Hong Kong has an exchange arrangement in force. Broadly, AEOI requires Hong Kong FIs to report information in respect of: (i) individuals or entities that are tax resident in a jurisdiction with which Hong Kong has such an arrangement in force; and (ii) certain entities controlled by individuals who are tax resident in such jurisdictions. Under the Ordinance, details of Unitholders, including but not limited to their name, place of birth, address, jurisdiction(s) of tax residence, tax identification number(s) (if any), account number, account balance or value, and certain income, redemption proceeds or other amounts paid or credited to the account, may be reported to the IRD and subsequently exchanged with the competent authorities of the relevant jurisdictions.

By investing in the Sub-Funds and/or continuing to invest in the Sub-Funds, Unitholders acknowledge that they may be required to provide additional information to the Trust, the Manager and/or the Trust's agents in order to enable the Trust to comply with the Ordinance. Information relating to a Unitholder and information relating to controlling persons of certain Unitholders that are passive non-financial entities, may be reported to the IRD and subsequently exchanged by the IRD with competent authorities in other jurisdictions. If a Unitholder fails to provide any requested information, the Trust, the Manager and/or other agents of the Trust may take any action and/or pursue any remedies available to them, including, without limitation, compulsory redemption or withdrawal of the relevant Unitholder's investment, to the extent permitted by the constitutive documents of the Trust and applicable laws and regulations.

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

PRC mainland

By investing in debt instruments issued by the PRC mainland resident companies and PRC mainland government, irrespective of whether such securities are issued or distributed onshore ("onshore PRC securities") or offshore ("offshore PRC securities", and together with onshore PRC securities, the "PRC mainland Securities"), the Sub-Funds may be subject to PRC mainland taxes.

Corporate Income Tax ("CIT")

If the Trust or the Sub-Funds are considered as a tax resident enterprise of the PRC mainland, it will be subject to PRC mainland CIT at 25% on its worldwide taxable income. If the Trust or the Sub-Funds are considered as a non-tax resident enterprise with an establishment or place of business ("E&P") in the PRC mainland, the profits and gains attributable to that E&P would be subject to CIT at 25%. Non-resident enterprises without any E&P in the PRC mainland are subject to PRC mainland Withholding Income Tax ("WIT") generally at a rate of 10% to the extent it directly derives the PRC mainland-sourced passive income, unless any specific exemption or reduction is available under current PRC mainland tax laws and regulations or relevant tax treaties.

The Manager and the Trustee intend to manage and operate the Trust and each Sub-Fund in such a manner that the Trust and each Sub-Fund should not be treated as tax resident enterprises of the PRC mainland or non-tax resident enterprises with an E&P in the PRC mainland for CIT purposes, although this cannot be guaranteed.

Interest income

Unless a specific exemption or reduction is available under current PRC mainland tax laws and regulations or relevant tax treaties, non-tax resident enterprises without an E&P in the PRC mainland are subject to WIT, generally at a rate of 10%, on the payment of interests on debt instruments issued by PRC mainland tax residents. Under the PRC mainland CIT Law, interests derived from government bonds issued by the in-charge Finance Bureau of the State Council (which include the PRC Treasury Bonds) are exempt from PRC mainland CIT. The Manager intends to make relevant provision on interest from PRC mainland Securities if the CIT is not withheld at source at the time when such income is received.

The Ministry of Finance ("MOF") and the State Administration of Taxation ("SAT") jointly issued Circular Caishui [2018] No. 108 ("Circular 108") on 22 November 2018, which stipulates that QFIIs and RQFIIs are exempt from CIT in respect of bond interest income received from 7 November 2018 to 6 November 2021 from investments in the PRC mainland bond market. In November 2021, the MOF and SAT issued Public Notice [2021] No. 34 ("PN34"), which stipulated that the WIT and VAT exemption on bond interest income received by the foreign institutional investors from investments in the China bond market would be further extended to 31 December 2025. In January 2026, the MOF and SAT issued Public Notice [2026] No. 5 ("PN5"), which stipulated that the WIT and VAT exemption on bond interest income received by the foreign institutional investors from investments in the China bond market would be further extended to 31 December 2027.

However, it is uncertain as to whether the temporary exemption of Circular 108, PN34 and PN5 applies to interest derived from bonds issued by PRC tax resident enterprises outside the PRC. The literal wording of Circular 108, PN34 and PN5 only mention the interest arising from investments in the PRC bond market. In practice, the PRC tax authorities have not strictly enforced the collection of WIT on interest derived from investments in bonds issued outside the PRC by PRC tax resident enterprises.

Under current regulations in the PRC mainland, foreign investors (such as the Trust and the Sub-Funds) may invest in onshore PRC mainland securities, generally, only through a QFI. Since only the QFI's interests in onshore PRC mainland securities are recognised under PRC mainland laws, any tax liability would, if it arises, be payable by the QFI. However under the terms of the arrangement between the QFI and the Trust, the QFI will pass on any tax liability to the Trust for the account of the Sub-Funds. As such, the Trust is the ultimate party which bears the risks relating to any PRC mainland taxes which are so levied by the relevant PRC mainland tax authority.

Under the Arrangement between the Mainland China and the Hong Kong Special Administrative

Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (the "Arrangement"), if a Hong Kong tax resident derives interest income from the PRC mainland, the WIT rate can be reduced to 7% provided that the Hong Kong tax resident is the beneficial owner of the interest income under the Arrangement, subject to the approval of the PRC mainland tax authorities. However, there are still uncertainties as to how the PRC mainland tax authorities will assess the beneficial ownership issue for investment fund cases, it is uncertain whether the Sub-Funds can obtain approval from the tax authorities for this preferential rate. If the relevant approval is not obtained, the general rate of 10% will be applicable to the Sub-Funds.

Dividend income

Dividends derived from holding PRC mainland Securities by a non-tax resident recipient from PRC mainland tax residents are subject to the PRC mainland WIT and the general WIT rate applicable is 10%.

Capital gains

There are currently no specific tax rules or regulations governing the taxation of capital gains realised by foreign investors on the disposal of bonds or fixed income securities. As mentioned above, the temporary exemption granted under Circular 79 applies to equity investment only, and Circular 79 is silent on whether the exemption is also applicable to non-equity investment such as PRC mainland debt securities and other investments.

Based on the current verbal interpretation of the SAT and the local PRC mainland tax authorities, debt or fixed income securities can be regarded as movable properties, and capital gains derived by foreign investors from investment in PRC mainland debt or fixed income securities via QFIs should not be treated as PRC mainland-sourced income and thus not subject to PRC mainland WIT. However, there are no written tax regulations issued by the PRC mainland tax authorities to explicitly clarify such treatment.

A Sub-Fund that invests in PRC mainland Securities will do so through the Manager's (which is a public Hong Kong tax resident) QFI status. Under the Arrangement, certain relief is applicable to Hong Kong tax residents. Having taken and considered independent professional advice relating to the applicability and the interpretation of the Arrangement and in accordance with such advice, the Manager considered that capital gains derived by a Hong Kong tax resident from transfer of debt instrument issued by the PRC mainland government and corporation should not be taxable in the PRC mainland. The aforesaid capital gain tax exemption will only apply if approval is obtained from the PRC mainland tax authorities. Before a Hong Kong tax resident can enjoy relief under the Arrangement, a Hong Kong Tax Resident Certificate ("HKTRC") issued by the Inland Revenue Department ("IRD") should be submitted to the relevant PRC mainland tax authority for this purpose. As at the date of this Prospectus, the Sub-Funds have not yet to obtain the HKTRC from the IRD. If the PRC mainland tax authorities enforce the collection of WIT on capital gains and require the Sub-Funds to provide a HKTRC in order to obtain the WIT exemption, the Manager will apply for a HKTRC on behalf of the Sub-Funds.

As a matter of practice, the collection of such 10% PRC mainland WIT on capital gains realised by non-PRC mainland resident enterprises from the trading of PRC mainland debt or fixed income securities has not been strictly enforced by the PRC mainland tax authorities. It should be noted that there is a possibility of the PRC mainland tax rules being changed and taxes being applied retrospectively. There are also risks and uncertainties associated with the current PRC mainland tax laws, regulations and practice. There is a risk that taxes may be levied in future on the relevant Sub-Fund for which no provision is made, which may potentially cause substantial loss to the relevant Sub-Fund.

There is no provision made on the gross unrealised and realised capital gains derived from disposal of PRC mainland Securities. In the event that actual tax is collected by the SAT and the Sub-Funds are required to make payments reflecting tax liabilities for which no provision has been made, the Net Asset Value of the Sub-Funds may be adversely affected, as the Sub-Funds will ultimately have to bear the full amount of tax liabilities. In this case, the tax liabilities will only impact Units in issue at the relevant time, and the then existing Unitholders and subsequent Unitholders

will be disadvantaged as such Unitholders will bear, through the Sub-Funds, a disproportionately higher amount of tax liabilities as compared to that borne at the time of investment in the Sub-Funds.

Upon the availability of a definitive tax assessment or the issue of announcements or regulations by the competent authorities promulgating definitive tax assessment rules, the Manager will, as soon as practicable, make relevant adjustments to the amount of tax provision as it considers necessary.

Value-Added Tax ("VAT") and Other Surtaxes

With the Circular Caishui [2016] No. 36 ("Circular 36") regarding the final stage of VAT reform which came into effect on 1 May 2016, interests and gains derived from the trading of PRC mainland marketable debt securities will be subject to VAT starting from 1 May 2016.

Interest income

Pursuant to Circular 36, interest income received by foreign investors (including QFIIs and RFQIIs) from non-government bonds issued by PRC mainland tax resident enterprises should technically be subject to 6% VAT. Deposit interest income and interests received from government bonds and local government bonds shall be exempt from VAT.

Circular 108 stipulates that foreign institutional investors are temporarily exempt from VAT in respect of bond interest income received from 7 November 2018 to 6 November 2021 from investments in the PRC mainland bond market. As the VAT exemption granted under Circular 108 is temporary, it is uncertain whether such VAT exemption policy would be extended after 6 November 2021.

The Manager has made a provision for bond interest income (except for government bonds and local government bonds) received by the Sub-Funds prior to 7 November 2018 in an amount equal to the total of (i) for VAT, 6% of such bond interest; plus (ii) for the potential other surtaxes on VAT, 12% of the VAT amount stated above. In other words, the provision is equal to 6.72% of the bond interest (except for government bonds and local government bonds) received by the Sub-Funds prior to 7 November 2018.

On the basis of Circular 108, the Manager will not make any provision in respect of VAT and other surtaxes on VAT for bond interest income received from 7 November 2018 to 6 November 2021 on behalf of the Sub-Funds.

Dividend income

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

Capital gains

According to Circular 36 and Circular Caishui [2016] No. 70, capital gains derived by QFIIs and RQFIIs on trading of marketable securities are exempt from VAT. Therefore, to the extent that the Sub-Funds' investments (such as debt instruments) are conducted through these channels, the capital gains should be exempt from VAT.

The MOF and SAT have not issued specific taxation rules on the Bond Connect. In the absence of specific taxation rule / guidance by the PRC mainland tax authorities on the tax treatment of gains from trading in PRC mainland inter-bank bond market by foreign institutional investors through the Bond Connect, applicable tax treatments under the existing PRC mainland domestic tax laws and regulations should apply. Nevertheless, in practice, the PRC mainland tax authorities have generally not actively enforced the collection of VAT on gains derived by non-PRC mainland tax resident enterprises from the disposal of Chinese bonds through the Bond Connect.

If VAT is applicable, there are also other surtaxes (such as Urban Construction and Maintenance Tax, Education Surcharge and Local Education Surcharge) that would amount to as high as 12% of VAT payable.

In light of the above-mentioned uncertainty, after careful consideration of the Manager's assessment and having taken and considered independent professional tax advice, the Sub-Funds do not currently make provision on the gross realised and unrealised capital gains derived from the disposal of Treasury Bonds and Policy Bank Bonds, but the Manager reserves the right to provide for WIT and VAT on gross realised and unrealised capital gains derived from investments in Treasury Bonds and Policy Bank Bonds, where applicable, in order to meet potential WIT and VAT tax liability on income derived from investments in Treasury Bonds and Policy Bank Bonds.

Upon any future resolution of the above-mentioned uncertainty or further changes to the tax law or policies, the Manager will, as soon as practicable, make relevant adjustments to the amount of tax provision (if any) as they consider necessary. The amount of any such tax provision will be disclosed in the accounts of the Sub-Funds.

Any provision for WIT / VAT, where applicable, may reduce the income from, and/or adversely affect the performance of, the Sub-Funds. The amount of tax provided for the account of the Sub-Funds will not be released until the position with regard to PRC mainland taxation of the Sub-Funds in respect of its income from its investment in PRC mainland inter-bank bond market has been clarified. In the event that such position is clarified to the advantage of the Sub-Funds, the Manager may release the tax provision. The amount so released shall be retained by the Sub-Funds and reflected in the value of its Units. Notwithstanding the foregoing, no Unitholder who redeemed his/her Units before the release of any provision shall be entitled to claim any part of such release.

Stamp Duty

Stamp duty under the PRC mainland laws generally applies to the execution and receipt of all taxable documents listed in the PRC mainland's Provisional Rules on Stamp Duty.
Stamp duty is not expected to be imposed on non-tax resident holders of government and corporate bonds, either upon issuance or subsequent transfer of such bonds.

General

It should also be noted that the actual applicable tax rates imposed by the SAT may be different and may change from time to time. There is a possibility of the rules being changed and taxes being applied retrospectively. As such, any provision for taxation made by the Manager may be excessive or inadequate to meet final PRC mainland tax liabilities. Consequently, Unitholders may be advantaged or disadvantaged depending upon the final tax liabilities, the level of provision and when they subscribed and/or redeemed their Units. Moreover, there is no assurance that tax incentives currently offered to foreign companies, if any, will not be abolished and the existing tax laws and regulations will not be revised or amended in the future. Any changes in tax policies may reduce the after-tax profits of the companies in the PRC mainland which the relevant Sub-Fund invests in, thereby reducing the income from, and/or value of the Units.

Tax Provision

In order to meet the potential tax liability on capital gains arising from disposal of PRC mainland Securities, the Manager reserves the right to provide for WIT on such gains and withhold the tax for the account of the relevant Sub-Fund. The Manager will at the inception of the relevant Sub-Fund decide whether the investment objectives and policies of the relevant Sub-Fund would necessitate the making of tax provisions in respect of the relevant Sub-Fund for the above tax obligations. Even if provisions are made, the amount of such provisions may not be sufficient to meet the actual tax liabilities. Where any provision is made, the amount of actual provision will be disclosed in the accounts of the relevant Sub-Fund. With the uncertainties under the applicable PRC mainland tax laws and the possibility of such laws being changed and taxes being applied retrospectively, any provision for taxation made by the Manager may be excessive or inadequate to meet actual PRC mainland tax liabilities on gains derived from investments held by the relevant Sub-Fund. Upon any future resolution of the abovementioned uncertainty or further

changes to tax law or policies, the Manager will, as soon as practicable, make relevant adjustments to the amount of tax provision as it considers necessary. Investors should note that if provision for taxation is made, such provision may be excessive or inadequate to meet actual PRC mainland tax liabilities on investments made by the relevant Sub-Fund. As a result, investors may be advantaged or disadvantaged depending on the final rules of the relevant PRC mainland tax authorities. If no provision for potential WIT is made and in the event that the PRC mainland tax authorities enforce the imposition of such WIT in respect of the relevant Sub-Fund's investment, the Net Asset Value of the relevant Sub-Fund may be affected. As a result, redemption proceeds or distributions may be paid to the relevant Unitholders without taking full account of tax that may be suffered by the relevant Sub-Fund, which tax will subsequently be borne by the relevant Sub-Fund and affect the Net Asset Value of the relevant Sub-Fund and the remaining Units in the relevant Sub-Fund. In this case, the then existing and new Unitholders will be disadvantaged from the shortfall.

If the actual applicable tax rate levied by SAT is higher than that provided for by the Manager so that there is a shortfall in the tax provision amount, investors should note that the Net Asset Value of the Sub-Funds may suffer more than the tax provision amount as the Sub-Funds will ultimately have to bear the additional tax liabilities. In this case, the then existing and new Unitholders will be disadvantaged. On the other hand, if the actual applicable tax rate levied by SAT is lower than that provided for by the Manager so that there is an excess in the tax provision amount, Unitholders who have redeemed their Units before SAT's ruling, decision or guidance in this respect will be disadvantaged as they would have borne the loss from the Manager's overprovision. In this case, the then existing and new Unitholders may benefit if the difference between the tax provision and the actual taxation liability under that lower tax rate can be returned to the account of the Sub-Funds as assets thereof.
Unitholders should seek their own tax advice on their tax position with regard to their investment in any Sub-Funds.

It is possible that the current tax laws, regulations and practice in the PRC mainland will change, including the possibility of taxes being applied retrospectively, and that such changes may result in higher taxation on PRC mainland investments than currently contemplated.

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

THE OFFERING PHASES

This Schedule 1 contains disclosure relating to the Listed Class of Units only. Unless the context otherwise requires, references to "Units" and "Unitholders" in this Schedule shall be construed to refer to a Listed Class of Units of a Sub-Fund or a Unitholder of such Units. Save for terms defined below, all other terms used in this Schedule shall have the same meanings as assigned to them under the main part of the Prospectus.

Initial Offer Period

During the Initial Offer Period, Participating Dealers (acting for themselves or for their clients) may apply for Listed Class Units (to be available for trading on the Listing Date) by cash Creation Application and/or an in-kind Creation Application (as the case may be) on each Dealing Day for themselves and/or their clients by transferring cash and/or Securities (as the case may be) 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 Trustee (with a copy to the Manager) on a Business Day no later than 2 Business Days prior to the Listing Date unless otherwise stated in the relevant Appendix.

If a Creation Application is received by the Trustee after 2 Business Days prior to the Listing Date or such deadline as specified in the relevant Appendix, that Creation Application shall be carried forward and deemed to be received at the opening of business on the next following Dealing Day, which shall be the Dealing Day for the purposes of that Creation Application.

During the relevant Initial Offer Period, creation Applications must be made in Application Unit Size, which is the number of Units specified in the relevant Appendix, or such other multiple of Units from time to time determined by the Manager, in consultation with the Trustee and notified to Participating Dealers. Participating Dealers (acting for themselves or for their clients) can apply for Units on each Dealing Day at the Issue Price.

Please refer to the section headed "Creations and Redemptions (Primary Market)" for the operational procedures in respect of Creation Applications.

After Listing

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

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

(a) buy and sell Listed Class of Units on the SEHK; or

(b) apply for creation and redemption of Listed Class of Units through Participating Dealers.

Buying and selling of Listed Class of Units on the SEHK

After Listing, all investors can buy and sell Listed Class of Units in Trading Board Lot Size (as described in the section headed "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 the Net Asset Value per Unit due to market demand and supply, liquidity and scale of trading spread for the Listed Class of Units in the secondary market. As a result, the market price of the Listed Class of Units in the secondary market may be higher or lower than the Net Asset Value per Unit.

Please refer to the section headed "Exchange Listing and Trading (Secondary Market)" for further information in respect of buying and selling of Listed Class of Units on the SEHK.

Creations and redemptions through Participating Dealers

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

To be dealt with on a Dealing Day, the relevant Participating Dealer must submit the Creation Applications or Redemption Applications to the Trustee (with a copy to the Manager) before the Dealing Deadline on the relevant Dealing Day. If a Creation Application or 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 Creation Application or 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 Creation Application or Redemption Application. Participating Dealers are under no obligation to create or redeem generally or for their clients and may charge their clients such fee or fees as such Participating Dealers determine.

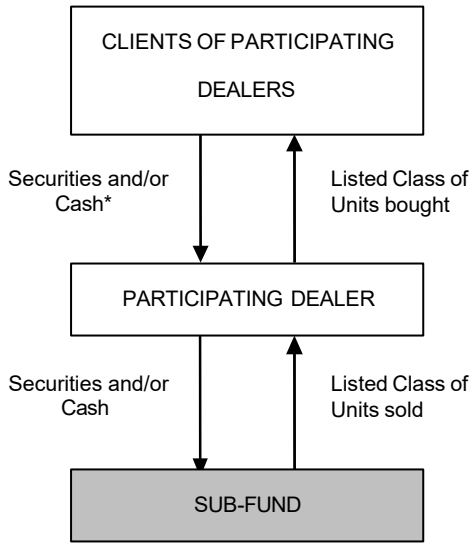
Settlement in cash for subscribing Listed Class of Units is due by such time as agreed in the Operating Guidelines on the relevant Dealing Day or for redeeming Listed Class of Units is due 3 Business Days (unless as otherwise stated in the relevant Appendix) after the Dealing Day, in each case, unless the Manager agrees with the relevant Participating Dealer to accept later settlement generally or in any particular case. Notwithstanding any Dual Counter (as applicable) for Listed Class of Units, all settlement is in the base currency of the relevant Sub-Fund only.

After Listing, all Listed Class of Units will be registered in the name of HKSCC Nominees Limited on the register of the Trust. The register of the Trust is the evidence of ownership of Listed Class of Units. The beneficial interests in Listed Class of Units of any client of the Participating Dealers shall be established through such client's account with the relevant Participating Dealer or with any other CCASS participants if the client is buying from the secondary market.

Diagrammatic illustration of investment in a Sub-Fund

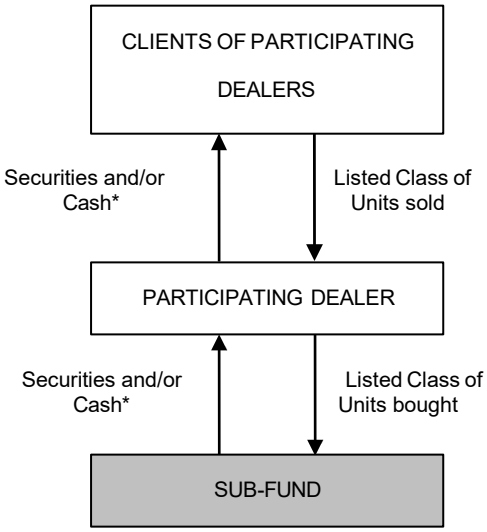
The diagrams below illustrate the creation or redemption and the buying or selling of Listed Class of Units:

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



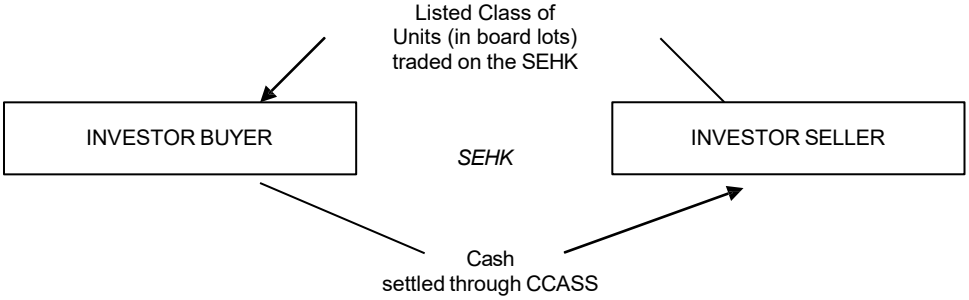
** Clients of the Participating Dealers may agree with the Participating Dealers settlement in a different currency to the creation currency.*

(b) Redemption and sale of Listed Class of Units in the primary market – After Listing



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

(c) Buying or selling of Listed Class Units 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 Units (or such other number of Units as determined by the Manager and approved by the Trustee)**	**Channel**	**Available to**	**Consideration, Fees and Charges****
Cash creation	Application Unit 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 Unit Size (see relevant Appendix)	Through Participating Dealers	Any person acceptable to the Participating Dealer as its client	Portfolio of Securities Cash component Transaction Fee Any fees and charges imposed by the Participating Dealer (payable to the Participating Dealer in the currency determined by or agreed with it) Duties and Charges

After Listing

Method of Acquisition or Disposal of Units*	**Minimum Number of Units (or such other number of Units as determined by the Manager and approved by the Trustee)**	**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 Units on SEHK Brokerage fees and Duties and Charges
Cash creation and cash redemption	Application Unit 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 Unit Size (see relevant Appendix)	Through Participating Dealers	Any person acceptable to the Participating Dealer as its client	Portfolio of Securities Cash component Transaction Fee Any fees and charges imposed by the Participating Dealer (payable to the Participating Dealer in the currency determined by or agreed with it) Duties and Charges

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

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

CREATIONS AND REDEMPTIONS (PRIMARY MARKET)

Investment in the Listed Class of Units a Sub-Fund

There are 2 methods of making an investment in the Listed Class of Units of a Sub-Fund and of disposing of the Listed Class of Units to realise an investment in a Sub-Fund.

The first method is to create or to redeem Listed Class of Units at Net Asset Value directly with a Sub-Fund in the primary market through a Participating Dealer, being a licensed dealer that has entered into a Participation Agreement in respect of the relevant Sub-Fund. Where a Sub-Fund has a Dual Counter, all creation and redemption for all Listed Class of Units must be in the class currency of the relevant Listed Class of Units as specified in the relevant Appendix. Because of the size of the capital investment (i.e. Application Unit Size) required either to create or redeem Listed Class of Units 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 Listed Class of Units 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 Listed Class of Units in the secondary market on the SEHK which is more suitable for retail investors. The secondary market price of Listed Class of Units 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 Operating Guidelines and the Trust Deed. The section headed “Exchange Listing and Trading (Secondary Market)” relates to the second method of investment.

Creation of Listed Class of Units through Participating Dealers

Any application for the creation of Listed Class of Units of a Sub-Fund must only be made through a Participating Dealer in respect of an Application Unit Size as set out in the section headed “Key Information” in the relevant Appendix (save and except for Creation Applications during the relevant Initial Offer Period). Investors cannot acquire Listed Class of Units directly from a Sub-Fund. Only Participating Dealers may submit Creation Applications to the Trustee (with a copy to the Manager).

Listed Class of Units 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 the account of their client(s), in accordance with the Operating Guidelines, by submitting a Creation Application to the Trustee (with a copy to the Manager).

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

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

(a) any period during which (i) the creation or issue of Listed Class of Units of the relevant Sub-Fund, (ii) the redemption of Listed Class of Units 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 Index Securities in the relevant underlying Index or (ii) for a Non-Index Tracking Sub-Fund, a substantial part of the investments of the Sub-Fund;

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

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

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

Requirements relating to creation requests by potential investors

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 Units in exchange for a transfer of Securities) or in cash or (if permitted by the Manager) 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 Security in lieu of accepting such Security as constituting part of the Creation Application; or (b) accept cash collateral on such terms as it determines if (i) such Security is likely to be unavailable for delivery or available in insufficient quantity for delivery to the Trustee 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 Security.

Notwithstanding a Dual Counter being adopted for a Sub-Fund, cash payable to a Participating Dealer in a cash Creation Application for Listed Class of Units of a Sub-Fund must be in the class currency of the relevant Listed Class of Units.

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

A Participating Dealer may impose fees and charges in handling any creation request from investors which would increase the cost of investment. Investors are advised to check with the Participating Dealer as to the relevant fees and charges. Although the Manager has a duty to monitor the operations of each Sub-Fund closely, neither the Manager nor the Trustee 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 Trustee or to accept any such creation requests received from clients. In addition, neither the Trustee nor the Manager can ensure effective arbitrage by the Participating Dealer.

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

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

The Application Unit Size for a Sub-Fund is the number of Listed Class of Units specified in the relevant Appendix. Creation Applications submitted in respect of Listed Class of Units other than in Application Unit Size will not be accepted. The minimum subscription for each Sub-Fund is one Application Unit.

Creation process

A Participating Dealer may from time to time submit Creation Applications in respect of Listed Class of Units of a Sub-Fund to the Trustee (with a copy to the Manager), following receipt of creation requests from its clients or where it wishes to create Listed Class of Units 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 following 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 (in consultation with the Trustee) may determine on any day when the trading hours of the SEHK, the Recognised Stock Exchange, the Recognised Futures Exchange or the inter-bank bond market are reduced.

To be effective, a Creation Application must:

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

(b) specify the number of Listed Class of Units and the class of Listed Class of Units (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 Listed Class of Units, together with such certifications and opinions of counsel (if any) as each of the Trustee and the Manager may separately consider necessary to ensure compliance with applicable Securities and other laws in relation to the creation of Listed Class of Units which are the subject of the Creation Application.

The Manager 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 Listed Class of Units of the relevant Sub-Fund, (ii) the redemption of Listed Class of Units 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 (as applicable) the QFI status of the Manager relating to the relevant Sub-Fund is cancelled or withdrawn;

(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 Index Securities in the relevant Underlying Index or (ii) for a Non-Index Tracking Sub-Fund, a substantial part of the investments of the Sub-Fund;

(e) where acceptance of the Creation Application would render the Manager in breach of any regulatory restriction or requirement, internal compliance or internal control restriction or

requirement of the Manager necessary for compliance with applicable legal and regulatory requirements;

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

(g) during any period when the business operations of the Manager, the Trustee, the Custodian or the QFII Custodian (as applicable) in relation to 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 Manager shall notify the relevant Participating Dealer and the Trustee 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 Listed Class of Units which can be created, priority will be given to Participating Dealers and the relevant Creation Applications as set out in the Operating Guidelines.

The Manager'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 Manager may exercise its ultimate rights to reject such Creation Application in the circumstances described herein.

Where the Manager accepts a Creation Application from a Participating Dealer, it shall instruct the Trustee to effect (i) for the account of the relevant Sub-Fund, the creation of Listed Class of Units in Application Unit Size (save and except for Creation Applications during the relevant Initial Offer Period) in exchange for a transfer of cash and/or Securities; and (ii) the issue of Listed Class of Units to the Participating Dealer, both in accordance with the Operating Guidelines and the Trust Deed.

Issue of Listed Class of Units

Listed Class of Units will be issued at the Issue Price prevailing on the relevant Dealing Day, provided that the Trustee may add to such Issue Price a sum (if any) which represents an appropriate provision for Duties and Charges. Please refer to the section headed "Issue Price and Redemption Value" for the calculation of the Issue Price.

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

Units are denominated in the class currency of the relevant Listed Class of Units (unless otherwise determined by the Manager) as set out in the relevant Appendix and no fractions of a Listed Class of Unit shall be created or issued by the Trustee.

The creation and issue of Listed Class of Units 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 (i) for valuation purposes only, Listed Class of Units 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 (ii) 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 following Dealing Day, which shall be the relevant Dealing Day for the purposes of that Creation

Application. An Extension Fee may be payable in relation to such an extension. See the section headed "Fees and Expenses" for further details.

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

Fees relating to Creation Applications

The Service Agent, the Registrar and/or the Trustee 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 Listed Class of Units. See the section headed "Fees and Expenses" for further details.

In relation to cash creation of Listed Class of Units, the Manager reserves the right to require the Participating Dealer to pay an additional sum for the purpose of compensating or reimbursing a Sub-Fund for the difference between:

(a) the prices used when valuing the Securities of the relevant Sub-Fund for the purpose of such issue of Listed Class of Units; and

(b) the prices which would be used when acquiring the same Securities if they were acquired by the relevant Sub-Fund with the amount of cash received by the relevant Sub-Fund upon such issue of Listed Class of Units.

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

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

Cancellation of Creation Applications

A Creation Application once given cannot be revoked or withdrawn without the consent of the Manager.

The Trustee, after consultation with the Manager, may cancel a creation order in respect of any Listed Class of Units deemed created pursuant to a Creation Application if it has not received the full amount of the cash (including Transaction Fee, Duties and Charges) relating to the Creation Application by the relevant time on the Dealing Day.

In addition to the preceding circumstances, the Manager may also cancel any creation order of any Listed Class of Units 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 Listed Class of Units deemed created pursuant to a Creation Application as provided for above, any cash received by or on behalf of the Trustee in connection with a Creation Application shall be redelivered to the Participating Dealer (without interest) as soon as practicable and the relevant Listed Class of Units shall be deemed for all purposes never to have been created and the Participating Dealer shall have no right or claim against the Manager, the Trustee and/or the Service Agent in respect of such cancellation provided that:

(a) the Trustee may charge the relevant Participating Dealer for the account of the Registrar an application cancellation fee (see the section headed "Fees and Expenses" for further details);

(b) the Manager may at its discretion require the relevant Participating Dealer to pay to the Trustee, for the account of the Sub-Fund, in respect of each Listed Class of Unit so cancelled Cancellation Compensation, being the amount (if any) by which the Issue Price of each such Unit exceeds the Redemption Value which would have applied in relation to each such Unit if the Participating Dealer had, on the date on which such Listed Class of Units are cancelled, made a Redemption Application, together with charges, expenses and losses incurred by the relevant 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 Trustee, the Registrar and/or the Service Agent (see the section headed "Fees and Expenses" for further details); and

(d) no previous valuations of the Trust Fund shall be re-opened or invalidated as a result of the cancellation of such Listed Class of Units.

Redemption of Listed Class of Units through Participating Dealers

Any application for the redemption of Listed Class of Units of a Sub-Fund must only be made through a Participating Dealer in respect of an Application Unit Size. Investors cannot redeem Listed Class of Units directly from the relevant Sub-Fund. Only Participating Dealers may submit Redemption Applications to the Trustee (with a copy to the Manager).

A Participating Dealer may redeem Listed Class of Units 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 Trustee (with a copy to the Manager).

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

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

(a) any period during which (i) the creation or issue of Listed Class of Units of the relevant Sub-Fund, (ii) the redemption of Listed Class of Units 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 any of the Securities in the Index;

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

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

(e) during any period when the business operations of the Participating Dealer are substantially interrupted or closed as a result of or arising from pestilence, acts of war,

terrorism, insurrection, revolution, civil unrest, riot, strikes or acts of God.

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 Units 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 Trustee to deliver cash equivalent of any Security in connection with the Redemption Application to the Participating Dealer if (a) such Security 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 Security.

Unless otherwise specified in the relevant Appendix, any cash proceeds received by a Participating Dealer in a cash Redemption Application shall be paid in the base currency of the relevant Sub-Fund only. Units traded in the relevant trading currency (or if there is a Dual Counter, in both trading currencies) may be redeemed by way of a Redemption Application (through a Participating Dealer). Where a Participating Dealer wishes to redeem Units traded in a trading currency of a Sub-Fund which is not its base currency, the redemption process is the same as for Units traded in the base currency of the relevant Sub-Fund.

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. 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 Manager nor the Trustee 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 Trustee or to accept any such redemption requests received from clients. In addition, neither the Trustee 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 the Listed Class of Units of a Sub-Fund can be submitted by it to the Trustee (with a copy to the Manager). Investors 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 the Listed Class of Units of a Sub-Fund to the Trustee (with a copy to the Manager), following receipt of redemption requests from clients or where it wishes to redeem Listed Class of Units 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 (in consultation with the Trustee) may determine on any day when the trading hours of the SEHK, the Recognised Stock Exchange, the Recognised Futures Exchange or the inter-bank bond market are reduced.

To be effective, a Redemption Application must:

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

(b) specify the number of Listed Class of Units and the class of Listed Class of Units (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 Listed Class of Units, together with such certifications and opinions of counsel (if any) as each of the Trustee and the Manager may separately consider necessary to ensure compliance with applicable securities and other laws in relation to the redemption of Listed Class of Units which are the subject of the Redemption Application.

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

(a) any period during which (i) the creation or issue of Listed Class of Units of the Sub-Fund, (ii) the redemption of Listed Class of Units of the 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 Index Securities in the relevant underlying Index or (ii) for a Non-Index Tracking Sub-Fund, a substantial part of the investments of the Sub-Fund;

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

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

(f) during any period when the business operations of the Manager, the Trustee, the Custodian or the QFII Custodian (as applicable) in relation to 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 Manager shall notify the relevant Participating Dealer and the Trustee of its decision to reject such Redemption Application in accordance with the Operating Guidelines.

The Manager'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 Manager may exercise its rights to reject such Redemption Application in the circumstances described herein.

Where the Manager accepts a Redemption Application from a Participating Dealer, it shall (i) effect the redemption and cancellation of the relevant Listed Class of Units; and (ii) require the Trustee to transfer to the Participating Dealer cash in accordance with the Operating Guidelines and the Trust Deed.

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 Listed Class of Units

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 Manager and the Trustee) has been received and provided further that the Trustee shall have received (unless otherwise provided in the Operating Guidelines) the original (and not a faxed copy) of the certificates (if any) representing the Listed Class of Units to be cancelled (or an indemnity in terms acceptable to the Trustee) and the full amount of any amount payable by the Participating Dealer including the Transaction Fee and any other Duties and Charges have been either deducted or otherwise paid in full.

For valuation purposes only, Listed Class of Units 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 Unitholder of such Units shall be removed from the Register in respect of those Listed Class of Units redeemed and cancelled on the relevant Settlement Day.

The interval between the receipt of a properly documented Redemption Application and payment of redemption proceeds may not exceed 1 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 Listed Class of Units is not suspended.

The Manager may at its discretion extend the settlement period upon receipt of the extended settlement request in respect of the Redemption Application on such terms and conditions (including as to the payment of any fees to the Manager or Extension Fee to the Trustee) as the Manager may in its discretion determine, in accordance with the Operating Guidelines.

Fees relating to Redemption Applications

The Service Agent, the Registrar and/or the Trustee 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 Sub-Funds). 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 Trustee, the Registrar and/or the Service Agent. See the section headed “Fees and Expenses” for further details.

In relation to cash redemption of Listed Class of Units, the Manager reserves the right to require the Participating Dealer to pay an additional sum for the purpose of compensating or reimbursing the relevant Sub-Fund for the difference between:

(a) the prices used when valuing the Securities of the relevant Sub-Fund for the purpose of such redemption of Listed Class of Units; and

(b) the prices which would be used when selling the same Securities if they were sold by the relevant Sub-Fund in order to realize the amount of cash required to be paid out of the relevant Sub-Fund upon such redemption of Listed Class of Units.

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

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

Cancellation of Redemption Applications

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

Manager.

No cash amount shall be paid in respect of any Redemption Application unless the Listed Class of Units, which are the subject of the Redemption Application, have been delivered to the Trustee free and clear of any Encumbrance for redemption by such time on the Settlement Day or other deadline set forth in the Trust Deed and/or Operating Guidelines as the Trustee and the Manager shall for the time being prescribe for Redemption Applications generally.

In the event that any Listed Class of Units, which are the subject of a Redemption Application, are not delivered to the Trustee for redemption in accordance with the foregoing or are not free and clear of any Encumbrance:

(a) the Trustee may charge the relevant Participating Dealer for the account of the Registrar an application cancellation fee (see the section headed "Fees and Expenses" for further details);

(b) the Manager may at its discretion require the relevant Participating Dealer to pay to the Trustee, for the account of the relevant Sub-Fund, in respect of each Listed Class of Unit so cancelled Cancellation Compensation, being the amount (if any) by which the Redemption Value of each such Unit is less than the Issue Price which would have applied in relation to each such Unit if the Participating Dealer had, on the actual date when the Manager is able to repurchase any replacement Securities made a Creation Application in accordance with the provisions of the Trust Deed plus such other amount as the Manager reasonably determines as representing any charges, expenses and losses incurred by the relevant 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 Trustee, the Registrar and/or the Service Agent (see the section headed "Fees and Expenses" for further details); and

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

Deferred Redemption

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

Suspension of creations and redemptions

The Manager may, at its discretion, after consultation with the Trustee (and where practicable, after consultation with Participating Dealers), having regard to the best interests of the Unitholders, suspend the creation or issue of Listed Class of Units of any Sub-Fund(s), suspend the redemption of Listed Class of Units of any Sub-Fund(s) and/or (subject to the relevant requirements of the Code

where payment of redemption monies exceeds 1 calendar month) delay the payment of any monies in respect of any Creation Application and/or Redemption Application in the following circumstances:

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

(ii) during any period when a market on which (i) for an Index Tracking Sub-Fund, an Index Security (that is a component of the relevant underlying Index) has its primary listing, or (ii) for a Non-Index Tracking Sub-Fund, a substantial part of the investments of such Sub-Fund, has its primary listing, or the official clearing and settlement depositary (if any) of such market, is closed;

(iii) during any period when dealing on a market on which (i) for an Index Tracking Sub-Fund, an Index Security (that is a component of the relevant underlying Index) has its primary listing, or (ii) for a Non-Index Tracking Sub-Fund, a substantial part of the investments of such Sub-Fund has its primary listing, is restricted or suspended;

(iv) during any period when, in the opinion of the Manager, settlement or clearing of (i) (for an Index Tracking Sub-Fund) Index Securities or (ii) (for a Non-Index Tracking Sub-Fund) Securities comprising the relevant Sub-Fund in the official clearing and settlement depositary (if any) of such market is disrupted;

(v) during the existence of any state of affairs as a result of which delivery or purchase of Securities, 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 Unitholders of the relevant Sub-Fund;

(vi) during any period when the relevant underlying Index (for an Index-Tracking Sub-Fund) is not compiled or published;

(vii) during any breakdown in any of the means normally employed in determining the Net Asset Value of the relevant Sub-Fund or when for any other reason the value of any Securities 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;

(viii) 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 headed “Suspension of determination of Net Asset Value” arises; or

(ix) during any period when the business operations of the Manager, the Trustee, the Custodian or the QFII Custodian (as applicable) in respect 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, riot, strikes or acts of God.

The Manager will, after consultation with the Trustee, having regard to the best interests of Unitholders, suspend the right to subscribe for Listed Class of Units of the relevant Sub-Fund if, or if as a result of the investment of the proceeds of issue of such Units in accordance with its investment objective, the Trust collectively holds or would hold in aggregate more than 10% of the ordinary shares issued by any single issuer or such other percentage permitted under Schedule 1. In addition, where the Sub-Funds under the Trust hold in aggregate more than the limit of 10% of the ordinary shares issued by any single issuer and the SFC has not agreed to waive this prohibition under the Code, the Manager will make it a priority objective to take all other necessary steps within a reasonable period to remedy such breach, taking into account the interests of the Unitholders.

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 its website at http://etf.harvestglobal.com.hk (the contents of which 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 Manager and the Manager shall promptly notify and request the Trustee to return to the Participating Dealer any 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 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 unitholding

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

Restrictions on Unitholders

The Manager has power to impose such restrictions as it may think necessary for the purpose of ensuring that no Units 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 Listed Class of Units are listed in circumstances which, in the Manager's opinion, might result in the Trust or the Sub-Funds suffering any adverse effect which the Trust or the Sub-Funds might not otherwise have suffered; or

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

Upon notice that any Listed Class of Units are so held, the Manager may require such Unitholders to redeem or transfer such Units in accordance with the provisions of the Trust Deed. A person who becomes aware that he is holding or owning Units in breach of any of the above restrictions is required either to redeem his Units in accordance with the Trust Deed or to transfer his Units to a person whose holding would be permissible under this Prospectus and the Trust Deed in a manner that would result in such Unitholder no longer being in breach of the restrictions above.

Transfer of Listed Class of Units

A Unitholder may transfer Listed Class of Units using the standard transfer form issued by SEHK or by an instrument in writing in common form signed by (or, in the case of a body corporate, signed on behalf of or sealed by) the transferor and the transferee. The transferor will be deemed to remain the Unitholders of the Listed Class of Units transferred until the name of the transferee is entered in the register of Unitholders in respect of the Listed Class of Units being transferred. No Listed Class of Units may be transferred if, as a result, either the transferor or the transferee would hold Units having a value less than the minimum holding in the Sub-Fund. If and to the extent that all Units are deposited in CCASS, HKSCC Nominees Limited will be the sole Unitholder, holding such

Units for the persons admitted by HKSCC as a participant of CCASS.

EXCHANGE LISTING AND TRADING (SECONDARY MARKET)

The purpose of the listing of the Listed Class of Units on the SEHK is to enable investors to buy and sell Listed Class of Units 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 Listed Class of Units in the primary market.

The market price of a Unit in the Listed Class of Units listed or traded on the SEHK may differ from the Net Asset Value per Unit. Any transactions in the Listed Class of Units 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 Listed Class of Units 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 Listed Class of Units of each Sub-Fund. Where a Dual 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.

Listed Class of Units 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 Listed Class of Units, the Market Makers may make or lose money based on the differences between the prices at which they buy and sell such Units. 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 Listed Class of Units on the secondary market, you should contact your brokers.

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

Listed Class of Units 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 Units 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 Listed Class of Units on the SEHK until dealings begin on the SEHK.

Please also refer to the relevant Appendix of each Sub-Fund for additional disclosures on secondary market trading.

ISSUE PRICE AND REDEMPTION VALUE

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

Unless otherwise specified in the relevant Appendix, after the expiry of the Initial Offer Period, the Issue Price of Listed Class of Units created and issued pursuant to a Creation Application, will be the prevailing Net Asset Value of the relevant Sub-Fund attributable to the relevant Listed Class of Units as at the relevant Valuation Point divided by the total number of the relevant Listed Class of Units then in issue rounded to the nearest 4 decimal places (0.00005 or above being rounded up and less than 0.00005 being rounded down).

Unless otherwise specified in the relevant Appendix, the Redemption Value on a Dealing Day shall be the prevailing Net Asset Value of the relevant Sub-Fund attributable to the relevant Listed Class of Units as at the relevant Valuation Point divided by the total number of the relevant Listed Class of Units then in issue rounded to the nearest 4 decimal places (0.00005 or above being rounded up and less than 0.00005 being rounded down).

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

The Issue Price and the Redemption Value for the Listed Class of Units (or the latest Net Asset Value of the Listed Class of Units) will be available on the Manager's website at http://etf.harvestglobal.com.hk (the contents of which have not been reviewed by the SFC) or published in such publications as the Manager may decide from time to time.

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

SCHEDULE 2 – PROVISIONS RELATING TO THE OFFER, SUBSCRIPTION, CONVERSION AND REDEMPTION OF THE UNLISTED CLASS(ES) OF UNITS

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

SUBSCRIPTION OF UNLISTED CLASS OF UNITS

Initial issue of Unlisted Class of Units

During an Initial Offer Period, Unlisted Class of Units in a Sub-Fund will be offered to investors at an initial Subscription Price of a fixed price per Unit as specified in the relevant Appendix.

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

If specified in the relevant Appendix, the Manager may decide not to issue any Unlisted Class of Units in the event that less than a minimum amount for aggregate subscriptions (as specified in the relevant Appendix) is raised during the relevant Initial Offer Period or if the Manager is of the opinion that it is not commercially viable to proceed. In such event subscription monies paid by an applicant will be returned by telegraphic transfer or such other means as the Manager and the Trustee consider appropriate at the applicant's risk (without interest and net of expenses) promptly after the expiry of the Initial Offer Period.

Unlisted Class of Units will be issued on the last day of the Initial Offer Period or such other Business Day as the Manager may determine. Dealing in Units of the Unlisted Class of Units will commence on the Dealing Day immediately following the closure of the relevant Initial Offer Period.

Subsequent issue of Unlisted Class of Units

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

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

The Manager is entitled to impose a subscription fee on the subscription monies for the application for the issue of Unlisted Class of Units. Different levels of subscription fee may be imposed, in relation to the issue of such Unlisted Class of Units of different Sub-Funds and also in relation to different classes of Unlisted Class of Units of the relevant Sub-Fund. The Manager may retain the benefit of such subscription fee or may pay all or part of the subscription fee (and any other fees received) to recognised intermediaries or such other persons as the Manager may at its absolute discretion determine. Details of the subscription fee are set out in the section headed "Fees and Expenses" in the relevant Appendix.

In determining the Subscription Price, the Manager is entitled to add an amount it considers represents an appropriate allowance for (a) estimated bid/offer spread of the investments of the Sub-Fund, (b) fiscal and purchase charges, including stamp duty, other taxes, brokerage, bank charges, transfer fees and registration fees, or (c) charges which are customarily incurred in

investing a sum equal to the application monies and issuing the relevant Unlisted Class of Units or the remittance of money to the Trustee.

Application procedure

To subscribe for Unlisted Class of Units, an applicant should complete a subscription application form (a "Subscription Form") and return the original Subscription Form, together with the required supporting documents, to the Trustee/Registrar. In respect of an initial subscription, the original Subscription Form should be submitted by post to the business address of the Trustee/Registrar, and the Manager or the Trustee/Registrar reserve the right to refuse to act on an Subscription Form sent by fax, email or other electronic means until the original of the Subscription Form is received. In respect of a subsequent subscription, unless otherwise required by the Manager or the Trustee/Registrar, the original Subscription Form is not required to be submitted. Applicants who choose to send a Subscription Form by fax, email or other electronic means accepted by the Manager and the Trustee/Registrar bear the risk of the form being illegible or not being received by the Trustee/Registrar. Applicants should therefore, for their own benefit, confirm with the Trustee/Registrar safe receipt of a Subscription Form. Neither the Manager nor the Trustee/Registrar (nor any of their respective officers, employees, agents or delegates) will be responsible to an applicant for any loss resulting from non-receipt or illegibility of any Subscription Form sent by fax, email or other electronic means accepted by the Manager and the Trustee/Registrar or for any loss caused in respect of any action taken as a consequence of such application believed in good faith to have originated from properly authorised persons. This is notwithstanding the fact that a transmission report produced by the originator of such transmission discloses that such transmission was sent.

Applications for Unlisted Class of Units during the relevant Initial Offer Period must be received by the Trustee/Registrar no later than the relevant time specified in the relevant Appendix on the last day of the relevant Initial Offer Period. After the Initial Offer Period, applications must be received by the Trustee/Registrar by the relevant Dealing Deadline. Application requests submitted after the applicable Dealing Deadline in respect of any Dealing Day will be dealt with on the next Dealing Day.

Each applicant whose application is accepted will be sent a contract note confirming details of the purchase of Unlisted Class of Units but no certificates will be issued.

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

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

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

The Manager may, at its discretion, reject in whole or in part any application for Unlisted Class of Units. In the event that an application is rejected, application monies will be returned without interest and net of expenses by telegraphic transfer or by such other means as the Trustee considers appropriate at the risk of the applicant.

No applications for Unlisted Class of Units will be dealt with during any periods in which the determination of the Net Asset Value of the relevant Sub-Fund is suspended (for details see "Suspension of determination of Net Asset Value" for further details).

Payment procedure

Subscription monies should be paid in the class currency of the relevant class of Unlisted Class of Units. Subscription monies in cleared funds should be received (i) by the Dealing Deadline on the relevant Dealing Day on which an application was received by the Dealing Deadline or (ii) in the case of applications for Unlisted Class of Units during the Initial Offer Period, the last day of the relevant Initial Offer Period, or such other period as determined by the Manager. Payment details are set out in the Subscription Form.

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

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

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

General

All holdings of Unlisted Class of Units will be in registered form and certificates will not be issued. Evidence of title of Unlisted Class of Units will be the entry on the register of Unitholders in respect of each Sub-Fund. Unitholders should therefore be aware of the importance of ensuring that the Registrar is informed of any change to the registered details. Fractions of a Unit may be issued rounded to the nearest 4 decimal places. Subscription monies representing smaller fractions of a Unit will be retained by the relevant Sub-Fund. A maximum of 4 persons may be registered as joint Unitholders.

REDEMPTION OF UNLISTED CLASS OF UNITS

Redemption procedure

Unitholders of Unlisted Class of Units who wish to redeem their Units in a Sub-Fund may do so on any Dealing Day by submitting a redemption request to the Trustee/Registrar.

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

Unless otherwise requested by the Manager or the Trustee/Registrar, the original of any redemption request is not required to be submitted. A Unitholder who chooses to send the redemption request by fax, email or other electronic means accepted by the Manager and the Trustee/Registrar bears the risk of the request being illegible or not being received by the Trustee/Registrar. Unitholders should therefore, for their own benefit, confirm with the Trustee/Registrar safe receipt of a redemption request. Neither the Manager nor the Trustee/Registrar (nor any of their respective officers, employees, agents or delegates) will be responsible to a Unitholder for any loss resulting from non-receipt or illegibility of any redemption request sent by fax, email or other electronic means accepted by the Manager and the Trustee/Registrar or for any loss caused in respect of any action taken as a consequence of such redemption request believed in good faith to have originated from properly authorised persons. This is notwithstanding the fact that a transmission report produced by the originator of such transmission discloses that such transmission was sent. The redemption request must specify: (i) the name of the Sub-Fund, (ii) the relevant class and the value or number of Unlisted Class of Units to be redeemed, (iii) the name(s) of the registered Unitholder(s) and (iv) payment instructions for the redemption proceeds.

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

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

Payment of redemption proceeds

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

In determining the Redemption Price, the Manager is entitled to deduct an amount which it

considers represents an appropriate allowance for (a) estimated bid/offer spread of the investments of the relevant Sub-Fund, (b) fiscal and sale charges, including stamp duty, other taxes, brokerage, bank charges, transfer fees and registration fees, or (c) charges which are customarily incurred by the relevant Sub-Fund in realising assets to provide funds to meet any redemption request.

The Manager may at its option impose a redemption fee in respect of the Unlisted Class of Units to be redeemed as described in the section headed "Fees and Expenses" in the main Prospectus. The Manager may on any day in its sole and absolute discretion differentiate between Unitholders as to the amount of the redemption fee to be imposed (within the permitted limit provided in the Trust Deed) on each Unitholder.

The amount due to a Unitholder on the redemption of an Unlisted Class of Units will be the Redemption Price, less any redemption fee. The redemption fee will be retained by the Manager.

Unitholders should note that redemption proceeds will not be paid to any Unitholder until (a) the duly signed written redemption request and all other supporting documents, if any are required, have been received by the Trustee/Registrar; (b) the signature of the Unitholder (or each joint Unitholder) has been verified to the satisfaction of the Trustee/Registrar; and (c) any such other procedures as the Trustee/Registrar may reasonably require have been completed.

Subject as mentioned above, and save as otherwise agreed by the Manager, and so long as relevant account details have been provided, redemption proceeds will normally be paid at the risk and expense of the redeeming Unitholder in the class currency of the relevant Unlisted Class of Units by telegraphic transfer to the Unitholder's pre-designated bank account as specified in the redemption request, within 7 Business Days after the relevant Dealing Day and in any event within one calendar month of the relevant Dealing Day or (if later) receipt of a properly documented redemption request, unless the markets in which a substantial portion of the relevant Sub-Fund's investments is made is subject to legal or regulatory requirements (such as foreign currency controls) thus rendering the payment of redemption proceeds within the aforesaid time period not practicable, but in such a case the details of such legal or regulatory requirements will be set out in the relevant Appendix and the extended time frame for payment should reflect the additional time needed in light of the specific circumstances in the relevant markets. Any bank and other administrative charges associated with the payment of such redemption proceeds as well as the costs incurred in currency conversion, if any, will be borne by the redeeming Unitholder and deducted from the redemption proceeds. With the prior consent of the Manager, arrangements can be made for redemption proceeds to be paid in any major currency other than the class currency of the relevant Unlisted Class of Units of the relevant Sub-Fund being redeemed. Payment will only be made to a bank account in the name of the Unitholder. No third party payments will be made.

The Trust Deed provides that redemptions may be, in whole or in part, made *in specie* at the discretion of the Manager. However, the Manager does not intend to exercise this discretion in respect of any Sub-Fund unless otherwise specified in the relevant Appendix. In any event, redemptions may only be made *in specie*, in whole or in part, with the consent of the Unitholder requesting the redemption.

Restrictions on redemptions

The Manager is entitled to limit the number of Unlisted Class of Units of the relevant Sub-Fund redeemed on any Dealing Day to 10% of the total number of Units of a Sub-Fund then in issue. In this event, the limitation will apply pro rata (and not on a first in-first out basis) so that Unitholders of the relevant Sub-Fund who have validly requested to redeem such Units of the relevant Sub-Fund on that Dealing Day will redeem the same proportion of such Units of the Sub-Fund. Any such Units not redeemed (but which would otherwise have been redeemed) will be carried forward for redemption, subject to the same limitation, and will have priority on the next succeeding Dealing Day and all following Dealing Days (in relation to which the Manager has the same power) until the original request has been satisfied in full.

The Manager may suspend the redemption of Unlisted Class of Units 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 section "Suspension of the determination of Net Asset Value").

The Manager shall also have the right to reject, acting in good faith, any redemption application under exceptional circumstances, including without limitation the following circumstances:

(a) any period during which (i) the subscription or issue of Unlisted Class of Units of the relevant Sub-Fund, (ii) the redemption of Unlisted Class of Units 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 Index Securities in the relevant underlying Index or (ii) for a Non-Index Tracking Sub-Fund, a substantial part of the investments of the Sub-Fund;

(d) where acceptance of the redemption application would render the Manager in breach of any regulatory restriction or requirement, internal compliance or internal control restriction or requirement of the Manager and/or any of its Connected Persons;

(e) processing of the redemption application is not possible due to circumstances outside the control of the Manager; or

(f) the redemption application is not submitted in the form and manner set out in the provisions of the Trust Deed.

In the event of such rejection, the Manager shall notify the Trustee of its decision to reject such redemption application.

Restrictions on Unitholders

The Manager has power to impose such restrictions as it may think necessary for the purpose of ensuring that no Units are acquired or held by an unqualified person.

Upon notice that any Unlisted Class of Units are so held, the Manager may require such Unitholders to redeem or transfer such Units in accordance with the provisions of the Trust Deed. A person who becomes aware that he is holding or owning Unlisted Class of Units in breach of any of the above restrictions is required either to redeem his Units in accordance with the Trust Deed or to transfer his Units to a person whose holding would be permissible under this Prospectus and the Trust Deed in a manner that would result in such Unitholder no longer being in breach of the restrictions above.

Transfer of Unlisted Class of Units

The Trust Deed provides that a Unitholder may transfer Units with the consent of the Manager subject to the provisions of the Trust Deed.

An investor is entitled to transfer Unlisted Class of Units held by him by an instrument in writing in such form as the Trustee may from time to time approve. A transferor will be deemed to remain the Unitholder of the Unlisted Class of Units transferred until the name of the transferee is entered in the register of Unitholders in respect of the Unlisted Class of Units being transferred. Each instrument of transfer must relate to a single Sub-Fund only.

Fax or electronic instructions

If applicants or Unitholders wish to give instructions for subscription, redemption or switching by facsimile, email or any other electronic means designated by the Trustee/Registrar, applicants or Unitholders must first provide to the Trustee/Registrar an original indemnity relating to fax, email or transmission via such other electronic means in the application or request.

The Trustee/Registrar will generally act on faxed, emailed or any other electronic instructions for subscription, redemption or switching but may require signed original instructions. However, the Trustee/Registrar may refuse to act on faxed or any other electronic instructions until the original written instructions are received. The Trustee/Registrar may, in its absolute discretion, determine

whether or not original instructions are also required in respect of subsequent applications or requests for subscription, redemption or switching sent by facsimile, email or any other electronic means by applicants or Unitholders.

Applicants or Unitholders should be reminded that if they choose to send the applications or requests for subscription, redemption or switching by facsimile, email or any other electronic means, they bear the risk of non-receipt or delay of such applications or requests. Applicants or Unitholders should note that the Trust, the Manager, the Trustee and the Registrar accept no responsibility for any loss caused as a result of non-receipt or illegibility of any application or request sent by facsimile, email or any other electronic means or any amendment of such application or request or for any loss caused in respect of any action taken as a consequence of such faxed or any other electronic instruction believed in good faith to have originated from properly authorised persons. This is notwithstanding the fact that a facsimile or any other electronic transmission report produced by the originator of such transmission discloses that such transmission was sent.

SWITCHING OF UNLISTED CLASS OF UNITS

Unless otherwise specified in the relevant Appendix, the Manager may from time to time permit Unitholders to switch some or all of their Units of an Unlisted Class of Units of any Sub-Fund (the "Existing Class") into Units, shares or interests (as the case may be) of an Unlisted Class of Units of the same Sub-Fund or any other Sub-Fund or an unlisted class of units, shares or interests in other collective investment schemes managed by the Manager or its Connected Persons and which have been authorised by the SFC (the "New Class"). Any switching will be effected by way of redeeming the Units in the Existing Class held by the relevant Unitholders in accordance with the redemption procedures set out in the section headed "Redemption of Unlisted Class of Units" above and by re-investing the redemption proceeds thereof in the New Class in accordance with the subscription procedures set out in the section headed "Subscription of Unlisted Class of Units" above or the provisions of the relevant offering documents for such other collective investment schemes (as the case may be).

A request for the switching of part of a holding of Unlisted Class of Units will not be effected if, as a result, the Unitholder would hold less than the minimum holding specified for the New Class (if any) and/or the Existing Class.

Under the Trust Deed, the Manager is entitled to impose a switching fee on the switching of Units of up to 1% of the redemption proceeds payable in respect of the Existing Class being switched. The switching fee will be deducted from amount realised from redemption of the Existing Class and reinvested in the New Class and will be paid to the Manager.

Where a request for switching is received by the Trustee prior to the Dealing Deadline in respect of a Dealing Day, switching will be effected as follows:

(a) redemption of the Units of the Existing Class will be dealt with by reference to the Redemption Price on that Dealing Day (the "Switching Redemption Day") subject to paragraph (c) below;

(b) where the Existing Class and the New Class have different currencies of denomination, the redemption proceeds of Existing Class, after deduction of any switching fee, shall be converted into the currency of denomination of the New Class; and

(c) the resulting amount will be used to subscribe for units, shares or interests (as the case may be) of the New Class at the relevant subscription price on the relevant dealing day in respect of the New Class (the "Switching Subscription Day"). The Switching Subscription Day shall be the same day as the Switching Redemption Day (in the case where the relevant Dealing Day of the Existing Class is not a dealing day in respect of the New Class, the Switching Redemption Day will be the immediately following Dealing Day that is a dealing day for the New Class), provided that the Trustee shall receive cleared funds in the relevant currency of the New Class within such period as determined by the Manager. In the event that cleared funds are not received within the applicable period, the Switching Subscription Day shall be the day on which the Trustee receives cleared funds in the relevant currency by the dealing deadline of the New Class, unless otherwise determined by the Manager.

The Manager may suspend the switching of Unlisted Class of Units during any period in which the determination of the Net Asset Value of any relevant Sub-Fund is suspended (for details see "Suspension of determination of Net Asset Value" for further details).

Investors should note that switching between Unlisted Class of Units and Listed Class of Units on the secondary market is not available.

SUSPENSION OF THE ISSUE, SUBSCRIPTION AND REDEMPTION OF UNLISTED CLASS OF UNITS

The Manager may, after consultation with the Trustee, having regard to the best interests of Unitholders, suspend the issue and/or switching and/or redemption of Unlisted Class of Units 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/or transfer of any Securities to persons who have redeemed Unlisted Class of Units of any Sub-Fund in the following circumstances

(a) during any period when trading on the SEHK is restricted or suspended;

(b) during any period when a market on which (i) for an Index Tracking Sub-Fund, an Index Security (that is a component of the relevant underlying Index) has its primary listing, or (ii) for a Non-Index Tracking Sub-Fund, a substantial part of the investment of such 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, an Index Security (that is a component of the relevant underlying Index) has its primary listing, or (ii) for a Non-Index Tracking Sub-Fund, a substantial part of the investments of such 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 (i) (for an Index Tracking Sub-Fund) Index Securities or (ii) (for a Non-Index Tracking Sub-Fund) Securities comprising such Sub-Fund in the official clearing and settlement depositary (if any) of such market is disrupted;

(e) during any period when the determination of the Net Asset Value of any Sub-Fund is suspended or if any circumstance specified in section “Suspension of the determination of Net Asset Value” arises;

(f) in the case of a Sub-Fund authorised by the SFC as a feeder fund and investing into a master fund –

  (i) during any period when a market on which the master fund has its primary listing, or the official clearing and settlement depositary (if any) of such market is closed;
  (ii) during any period when dealing on a market on which the master fund has its primary listing is restricted or suspended;
  (iii) during any period when trading of the master fund on the relevant market is restricted or suspended; or
  (iv) during any period when the determination of the net asset value of the master fund is suspended.

The Manager will, after giving notice to the Trustee, suspend the right to subscribe for Unlisted Class of Units of the relevant Sub-Fund if, or if as a result of the investment of the proceeds of issue of such Unlisted Class of Units in accordance with its investment objective, the Trust collectively holds or would hold in aggregate more than 10 per cent. of the ordinary shares issued by any single issuer. In addition, where the Sub-Funds under the Trust hold in aggregate more than the limit of 10 per cent. of the ordinary shares issued by any single issuer, the Manager will make it a priority objective to take all other necessary steps within a reasonable period to remedy such breach, taking into account the interests of the Unitholders

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 it’s website at http://etf.harvestglobal.com.hk or in such other publications as it decides.

The Manager shall consider any subscription, switch or redemption application received during the period of suspension (that has not been otherwise withdrawn) as having been received immediately following the termination of the suspension. The period for settlement of any redemption will be

extended by a period equal to the length of the period of suspension.

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

PART 2 – SPECIFIC INFORMATION RELATING TO EACH SUB-FUND

Part 2 of this Prospectus includes specific information relevant to each of Sub-Fund established under the Trust and listed on the SEHK (in respect of its Listed Class of Units). 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, is applicable to the specific Sub-Fund of the relevant Appendix only.

Defined terms used in each of the Appendices and which are not defined in this Part 2, bear the same meanings as in Part 1 of this Prospectus. References in each Appendix to "Sub-Fund" refer to the relevant Sub-Fund which is the subject of that Appendix. References in each Appendix to "Index" refer to the relevant Index details of which are set out in that Appendix.

APPENDIX 1: Harvest STAR Chip ETF

Key Information

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

Key information applicable to both Listed Class of Units and Unlisted Class of Units

Investment Type		Exchange Traded Fund authorised as a feeder collective investment scheme by the SFC under Chapters 7 and 8.6 of the Code
Investment Objective		To provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the Index
Index		SSE STAR Chip Index (the "**Index**")
Parties	**Manager / QFI Holder**	Harvest Global Investments Limited
	Investment Advisor	DWS Investments Hong Kong Limited [+]
	Trustee and Registrar	CMB Wing Lung (Trustee) Limited
	Custodian	CMB Wing Lung Bank Limited
	QFII Custodian	Deutsche Bank (China) Co., Ltd., Shanghai Branch
Base Currency		RMB
Financial Year End		31 December (The first annual financial reports and the first half-yearly unaudited reports for the Sub-Fund will be for the period from the fund launch to 31 December 2026 and the half-year ending 30 June 2027) respectively.)
Website		http://etf.harvestglobal.com.hk (this website has not been reviewed by the SFC)
Distribution Policy		Subject to the Manager's discretion, the Manager intends to distribute income annually (in October) having regard to the net income of the Sub-Fund after fees and costs. There is no guarantee of regular distribution and, if distribution is made, the amount being distributed. The Manager may, at its discretion, pay dividend out

	of capital. The Manager may also, at its discretion, pay dividend out of gross income while all or part of the fees and expenses of the Sub-Fund are charged to/paid out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of dividends by the Sub-Fund and therefore, the Sub-Fund may effectively pay dividend out of capital. Payments of dividends out of capital or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from capital gains attributed to that original investment. Any distributions involving payment of dividends out of the Sub-Fund's capital or effectively out of capital may result in an immediate reduction in the Net Asset Value per Unit. **Listed Class of Units (whether HKD or USD traded Units) of the Sub-Fund will receive distributions in RMB only.[#] Unlisted Class of Units of the Sub-Fund will receive distributions in the Class Currency of the relevant Class only.**
Management Fee	The Sub-Fund: Currently no Management Fee is charged in respect of the Sub-Fund Master ETF: Currently 0.5% per year of the net asset value of the Master ETF Aggregate management fee charged in respect of the Sub-Fund: Currently 0.5% per year of the Net Asset Value of the Sub-Fund
Trustee and Custodian Fee	The Sub-Fund: The Trustee's fee of the Sub-Fund is up to 0.1% per annum of the Net Asset Value of the Sub-Fund. The Custodian fee payable to the Custodian is currently up to 0.09% per annum of the market value of each holding of the Sub-Fund as at

[+] The Manager has appointed DWS Investments Hong Kong Limited (the "**Investment Advisor**") as the investment advisor of the Sub-Fund pursuant to an investment advisory agreement entered into between the Manager and the Investment Advisor to provide advice only on general market review, market outlook and market strategy to the Manager in connection with the Sub-Fund. The Investment Advisor has no discretionary investment management function in respect of the Sub-Fund.

[#] In the event that the relevant Unitholder has no RMB account, the Unitholder may have to bear the fees and charges associated with the conversion of such dividends from RMB into HKD, USD or any other currency. Unitholders are advised to check with their brokers/intermediaries on the arrangements concerning distributions. Please refer to section "Distribution Policy" and section "RMB distributions risk" under "RMB currency risks" in this Appendix for further details.

	the end of the month. In addition, the Trustee's fee and Custodian fee are subject to a minimum monthly aggregate fee of RMB 23,600. The Trustee's fee is inclusive of the Registrar's fee. Master ETF: Custodian Fee is currently 0.1% per annum of the net asset value of the Master ETF accrued daily. Trustee Fee is not applicable. The aggregate Trustee / Custodian Fee charged in respect of the Sub-Fund is up to 0.29% per annum, currently 0.2% per annum, subject to a minimum monthly fee of RMB23,600 in respect of the Trustee's fee and Custodian fee of the Sub-Fund.

Key information applicable to Listed Class of Units only

Listing Date (SEHK)		6 November 2026
Issue Price during the Initial Offer Period		RMB 70
Exchange Listing		SEHK – Main Board
Stock Code		03559 – HKD counter 41559 – USD counter
Short Stock Name		HGI STAR CHIP – HKD counter HGI STAR CHIP - U – USD counter
ISIN Number		HK0001373726
Trading Board Lot Size		50 Units – HKD counter 50 Units – USD counter
Trading Currencies		HKD (HKD) – HKD counter US dollar (USD) – USD counter
Dealing Deadline		11:00 a.m. (Hong Kong time) on the relevant Dealing Day, or such other time as the Manager in consultation with the Trustee may determine
Creation / Redemption Policy		Cash (in RMB) only
Application Unit Size (only by or through Participating Dealers)		Minimum 1,000 Units (or multiples thereof)
Parties	**Market Makers (HKD counter/ USD counter)**	Please refer to the Manager's website set out above for the latest list.

	Participating Dealers	Please refer to the Manager's website set out above for the latest list.
	Service Agent	HK Conversion Agency Services Limited
	Listing Agent	Altus Capital Limited

Key information applicable to Unlisted Class of Units only

Unlisted Class(es) of Units Offered	Class A (HKD) Units Class A (USD) Units
Initial Offer Period	9:00 a.m. (Hong Kong time) on 29 October 2026 to 4:30 p.m. (Hong Kong time) on 4 November 2026, or such other date as the Manager may determine
Issue Price during the Initial Offer Period	Class A (HKD) Units: HKD 1 per Unit Class A (USD) Units: USD 1 per Unit
Minimum initial investment	Class A (HKD) Units: HKD 10,000 Class A (USD) Units: USD 1,000
Minimum subsequent investment	Class A (HKD) Units: HKD 10,000 Class A (USD) Units: USD 1,000
Minimum holding amount	Class A (HKD) Units: HKD 10,000 Class A (USD) Units: USD 1,000
Minimum redemption amount	Class A (HKD) Units: HKD 10,000 Class A (USD) Units: USD 1,000
Dealing Deadline	11:00 a.m. (Hong Kong time) on the relevant Dealing Day, or such other time as the Manager in consultation with the Trustee may determine

Key similarities and differences between Listed Class of Units and Unlisted Class of Units

Investment Objective	Same for both Listed Class of Units and Unlisted Class of Units. Please refer to the "What is the Investment Objective?" and "What is the Investment Strategy?" section of this Appendix.
Investment Strategy	
Valuation Policy	Same for both Listed Class of Units and Unlisted

	Class of Units. Please refer to the "Determination of Net Asset Value" section in Part 1 of this Prospectus.
Dealing Arrangements	There are some differences in certain dealing arrangements in respect of each of the Listed Class and Unlisted Class, including but not limited to different minimum amounts for creation/subscription and redemption of Units. Unitholders should note that the Dealing Deadlines for creation/subscription and redemption in respect of Listed Class and Unlisted Class are the same. However, the applicable dealing procedures and timing with the relevant Participating Dealer (in the case of the Listed Class) and the authorised distributor (if applicable, in the case of the Unlisted Class) may be different. Unitholders should check with the relevant Participating Dealer or authorised distributor (as applicable) for the applicable dealing procedures and timing. In respect of the Listed Class of Units: - The Dealing Deadline is 11:00 a.m. (Hong Kong time) on the relevant Dealing Day, or such other time as the Manager in consultation with the Trustee may determine. - A Secondary Market Investor may buy and sell the Listed Class of Units on the SEHK through his stockbroker at any time the SEHK is open. Investors can buy or sell the Listed Class of Units at market price. In respect of the Unlisted Class of Units, the Dealing Deadline is 11:00 a.m. (Hong Kong time) on each Dealing Day, or such other time as the Manager in consultation with the Trustee may determine. Investors can buy or sell the Unlisted Class of Units at Net Asset Value. Please refer to Schedule 1 "Provisions relating to the Offer, Creation, Redemption, Listing and Trading of the Listed Class of Units" and Schedule 2 "Provisions relating to the Offer, Subscription, Conversion and Redemption of the Unlisted Class of Units" of Part 1 of this Prospectus for information relating to the Listed Class of Units and Unlisted Class of Units respectively.
Dealing Frequency	Same for both Listed Class of Units and Unlisted Class of Units – each Dealing Day.
Valuation Point	Same for both Listed Class of Units and Unlisted Class of Units – the official close of trading on the Market on which the Securities constituting the Index

	are listed on each Dealing Day and if more than 1, the official close of trading on the last relevant Market to close or such other time or times as determined by the Manager in consultation with the Trustee 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 Units.
Fee Structure	Different in respect of each of the Listed Class of Units and Unlisted Class of Units. The Management Fee and the Trustee's Fee are the same for both Listed Class of Units and Unlisted Class of Units. An investment in the Listed Class of Units is subject to fees involved in relation to the trading of such Units on the SEHK (such as the Service Agent's Fee, transaction costs, etc). An investment in the Unlisted Class of Units is subject to the payment of subscription fees. Please refer to the "Fees and Expenses" section of this Appendix.
Investment return / Net Asset Value	Different in respect of each of the Listed Class of Units and Unlisted Class of Units due to various factors, including but not limited to the different fee structures applicable to each class of Units, different dealing arrangements (i.e. Listed Class of Units can be bought and sold at market price whereas Unlisted Class of Units are bought and sold at Net Asset Value) and charges, stamp duty. Accordingly, the performance of the different classes of Units will be different. There is a separate Net Asset Value for each class of Units. Please refer to the risk factor on "Differences in dealing, fee and cost arrangements between Listed Class of Units and Unlisted Class of Units" in Part 1 of this Prospectus for further details.
Distribution Policy	Listed Class of Units (whether HKD or USD traded Units) of the Sub-Fund will receive distributions in RMB only.[#] Unlisted Class of Units of the Sub-Fund will receive distributions in the Class Currency of the relevant Class only.

[#] In the event that the relevant Unitholder has no RMB account, the Unitholder may have to bear the fees and charges associated with the conversion of such dividends from RMB into HKD, USD or any other currency. Unitholders are advised to check with their brokers/intermediaries on the arrangements concerning distributions. Please refer to section "Distribution Policy" and section "RMB distributions risk" under "RMB currency risks" in this Appendix for further details.

Termination	Different in respect of each of the Listed Class of Units and Unlisted Class of Units. Please refer to the sub-section headed "Termination" under the section headed "Statutory and General Information" in Part 1 of this Prospectus for further details.

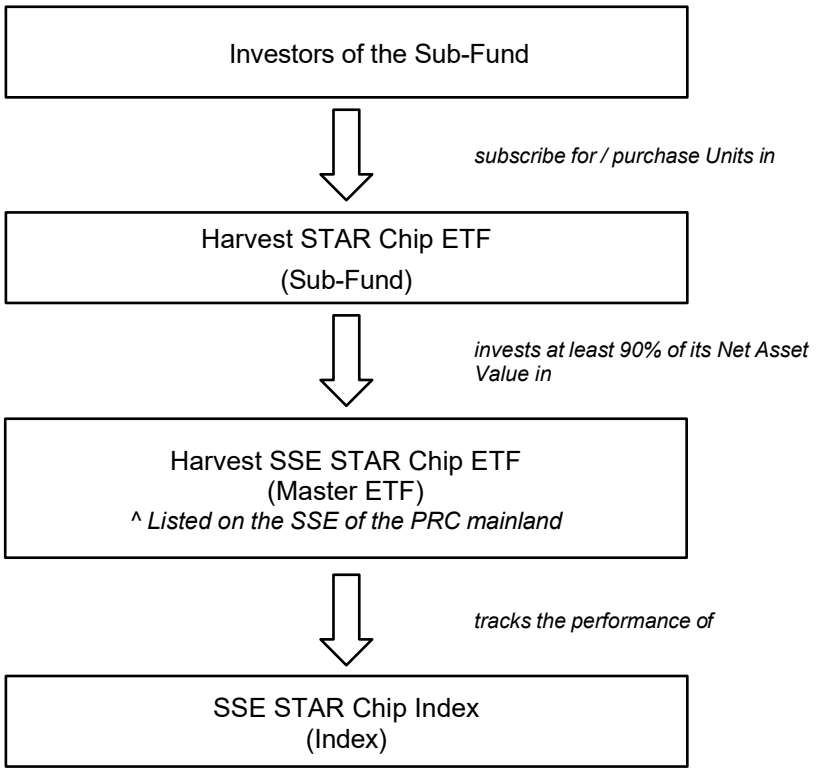
What is the Investment Objective?

The investment objective of the Sub-Fund is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the Index. There is no assurance that the Sub-Fund will achieve its investment objective.

What is the Investment Strategy?

The Sub-Fund is a feeder fund which, in seeking to achieve its investment objective, will invest at least 90% of its Net Asset Value in the Harvest SSE STAR Chip ETF (the "**Master ETF**") via the QFI status granted to the Manager and/or the Shanghai-Hong Kong Stock Connect. For the avoidance of doubt, investment in the Master ETF via QFI status shall not exceed 70% of the Sub-Fund's Net Asset Value. Investment in units in the Master ETF by the Sub-Fund may be made via the secondary market (i.e. through the Shanghai Stock Exchange ("**SSE**") on which the Master ETF is listed) or by subscription in the Master ETF on the primary market. The Master ETF is an exchange traded fund listed on the SSE that tracks the performance of the Index. The Master ETF is not authorised by the SFC and will not be directly offered to the public in Hong Kong.

The diagram below shows the investment strategy of the Sub-Fund:



Other investments

The Sub-Fund may also invest up to 10% of its Net Asset Value in (i) cash and cash equivalents

(including money market funds which are authorised under Chapter 8.2 of the Code) and/or (ii) other securities (which may include securities, ETFs and other SFC-authorised collective investment schemes) and/or (iii) financial derivative instruments ("**FDIs**") (including swaps, futures, options and forward foreign exchange contracts), for investment, market access/exposure replication (e.g. to maximise portfolio management efficiency and to minimise transaction costs), cash management purposes and/or hedging purposes. Investments in ETFs (other than the Master ETF) by the Sub-Fund are considered and treated as listed securities for the purposes of and subject to the requirements in Chapters 7.1, 7.1A and 7.2 of the Code.

Currently, the Manager has no intention to have any securities lending, sale and repurchase and reverse repurchase transactions (collectively "**securities financing transactions**") or similar over-the-counter transactions entered into for the account of the Sub-Fund. In the future, where the Manager intends to have any securities financing transactions or similar over-the-counter transactions entered into for the account of the Sub-Fund, subject to SFC's prior approval (if necessary), 1 month's prior notice will be given to the relevant Unitholders.

Use of Financial Derivative Instruments

The Sub-Fund's net derivative exposure may be up to 50% of its Net Asset Value.

Master ETF

The Master ETF is a single fund established and managed and operates in accordance with the laws and regulations of the PRC mainland and its fund contract between its manager, Harvest Fund Management Co., Ltd. (the "**MF Manager**") and its custodian, CITIC Securities Company Limited (the "**MF Custodian**") effective on 30 September 2022 (the "**Fund Contract**"). The Master ETF is a publicly offered securities investment fund registered with the China Securities Regulatory Commission ("**CSRC**") under the Securities Investment Fund Law of the PRC, and remains, on an ongoing basis, registered with the CSRC for offering to the PRC mainland public, and is subject to the ongoing regulation and supervision of the CSRC. The Master ETF is not authorised by the SFC and will not be directly offered to the public in Hong Kong.

The Master ETF is a physical index-tracking exchange traded fund listed on the SSE on 26 October 2022 with stock code 588200 that tracks the performance of the Index.

The base currency and trading currency of the Master ETF is RMB.

Investment Objective and Strategy of the Master ETF

The Master ETF adopts a passive index tracking strategy to track the performance of the Index. The Master ETF aims at minimising tracking difference and tracking error and endeavours to control the average daily tracking difference within 0.2% and the annual tracking error within 2%.

The Master ETF adopts a full replication strategy, i.e., constructing the equity investment portfolio of the Master ETF strictly in accordance with the composition and weights of the constituent stocks (including depositary receipts) of the Index, and making corresponding adjustments in line with changes to the constituent stocks and their weights.

The proportion of the Master ETF's assets invested in the constituent stocks and stocks on the constituent reserve list of the Index shall not be less than 90% of the Master ETF's net asset value, and not less than 80% of the non-cash assets of the Master ETF, except in cases where legal or regulatory restrictions apply, which is regarded as a "full replication" strategy to track the Index in accordance with applicable regulations in the PRC mainland. The constituent reserve list is established by the Index Provider (as defined below) during each regular index rebalancing to be used for temporary adjustments between periodical adjustments. When the Index has constituent vacancies due to reasons such as delisting or merger, or there is a need to temporarily replace constituents for other reasons, securities that comply with the index methodology of the Index and are ranked at the top of the constituent reserve list are selected as index constituents.

In the event that, due to special circumstances, it may not be possible to acquire sufficient quantities of stocks, and the MF Manager will employ other reasonable investment methods (including a representative sampling strategy) to construct the actual investment portfolio of the Master ETF, aiming to approximate the performance of the Index as closely as possible. Special circumstances include the following situations: (1) restrictions imposed by laws and regulations; or (2) severe illiquidity of constituent stocks (including depositary receipts) of the Index.

The Master ETF may invest up to 10% of its net asset value in non-index constituent stocks (including ChiNext shares, depositary receipts, and other stocks approved for issuance and listing by the CSRC), bonds (including government bonds, local government bonds, financial bonds enterprise bonds, corporate bonds, subordinated bonds, convertible bonds (including detachable convertible bonds), exchangeable bonds, central bank bills, medium-term notes, short-term financing bills, and ultra-short-term financing bills, etc.), asset-backed securities, derivatives (such as stock index futures, stock options, and government bond futures, etc.), bond repurchase agreements, bank deposits, negotiable certificates of deposit, cash assets, and other financial instruments permitted for fund investment by the CSRC, subject to relevant regulations, as well as sale and repurchase transactions and reverse repurchase transactions.

Furthermore, the Master ETF may engage in securities lending transactions, provided that the securities lent shall not exceed 30% of the Master ETF's net asset value.

The Master ETF's investment strategy is subject to the investment restrictions set out in the Annex to this Appendix below.

Further Information Relating to the Master ETF

Further information pertaining to the Master ETF, including the offering documents of the Master ETF (in simplified Chinese only), is available at the Master ETF's website at https://www.jsfund.cn/main/fund/588200/fundManager.shtml (this website has not been reviewed by the SFC). Such information is disclosed according to all applicable PRC mainland laws and regulations, and the CSRC's requirements as amended from time to time.

Management of the Master ETF

The Master ETF is managed by the MF Manager, Harvest Fund Management Co., Ltd., which is a joint venture asset management company. Its shareholders are China Credit Trust Co., Ltd, Lixin Investment Co., Ltd and DWS Investments Singapore Limited. The MF Manager 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. The MF Manager is one of the top three asset managers in China with over 1.8 trillion of assets under management as of 31 December 2025. The MF Manager offers a wide range of investment funds. It also manages national and local social security funds, corporate annuity funds, offshore securities and segregated accounts.

The MF Custodian, CITIC Securities Company Limited, is appointed as the custodian of the assets of the Master ETF. CITIC Securities Company Limited was founded in October 1995, CITIC Securities Company Limited was listed and traded on the Shanghai Stock Exchange in 2003 and on the Hong Kong Stock Exchange in 2011. It is the first A+H share listed securities firm in China, with CITIC Financial Holdings Co., Ltd as its largest shareholder. With the mission of helping enhance capital market's functions, and facilitate high-quality economic development, the Company strives to become a leading domestic and internationally renowned Chinese investment bank most trusted by clients around the world.

The business of CITIC Securities covers a wide range of fields including securities, fund, futures, foreign exchange and bulk commodities. Through its fully licensed integrated financial services, CITIC Securities supports the development of the real economy in an all-round way and provides various financial service solutions for domestic and foreign corporate, institutional, high-net-worth and retail clients. It currently has six key subsidiaries, with branches in 13 countries around the world and more than 400 branches and outlets in China. China AMC, CITIC Futures, GoldStone

Investment and other major subsidiaries have maintained leading positions in their respective industries.

Termination of the Master ETF

The Master ETF is constituted by way of the Fund Contract which may be terminated under the following circumstances:

1. if it is determined in a general meeting of unitholders of the Master ETF that the Fund Contract shall be terminated;

2. if the appointment of the MF Manager or the MF Custodian is terminated and is not assumed by a new manager or a new custodian (as the case may be) within 6 months;

3. if the Index fails to meet the requirements, i.e. the Index deviates from the investment objective of the Master ETF (excluding situations where the Index does not meet the requirements due to factors other than fluctuations in the constituent stock prices or changes in the Index methodology), or if the Index Provider exits, the MF Manager convenes a meeting of unitholders of the Master ETF to vote on a solution, but the meeting is not successfully convened or the vote on the above matters is not passed;

4. under any other circumstances as stipulated in the Fund Contract; or

5. under any other circumstances stipulated in the relevant laws and regulations and by the CSRC.

Replacement of the Master ETF

The Manager reserves the right, with the prior approval of the SFC and provided that in its opinion the interests of the Unitholders would not be adversely affected, to replace the Master ETF with another fund acceptable to the SFC with a substantially similar investment objective if in the Manager's opinion, it is in the interests of Unitholders to replace the Master ETF to meet the Sub-Fund's investment objective.

The Manager may change the name of the Sub-Fund if the Master ETF is replaced. Any replacement of the Master ETF and/or the name of the Sub-Fund will be notified to Unitholders in accordance with applicable rules and requirements.

Should the MF Manager replace the Index, the Manager, provided that in its opinion the interests of the Unitholders would not be adversely affected, may at its discretion continue to invest in the Master ETF tracking a replacement underlying index.

The Manager also reserves the right, with the prior approval of the SFC and provided that in its opinion the interests of the Unitholders would not be adversely affected, to change the Sub-Fund from a feeder fund to a direct investment fund with a substantially similar investment objective. Any such change will also be notified to investors in accordance with applicable rules and requirements.

The Index

This section is a brief overview of the Index. It contains a summary of the principal features of the Index and is not a complete description of the Index. As at the date of this Prospectus, the summary of the Index in this section is accurate and consistent with the complete description of the Index. Complete information on the Index appears in the website identified below. Such information may change from time to time and details of the changes will appear on that website.

General Information

The Index is a free float adjusted, market capitalisation weighted index which measures the performance of chip industry of SSE Science and Technology Innovation Board ("**STAR Market**").

The Index selects no more than 50 securities of listed companies with the largest market capitalization engaged in semiconductor materials and equipment, chip design, chip manufacturing, chip packaging and testing as constituents.

The sample universe of the Index will then be subject to certain liquidity screening. The weight of each constituent is capped at 10%.

The Index was launched on 13 June 2022 and had a base level of 1,000 on 31 December 2019. As of 30 September 2026, the Underlying Index had a total market capitalisation of RMB 5,410.1 billion and 50 constituents.

The Index is compiled and managed by China Securities Index Co., Ltd. ("**CSI**" or "**Index Provider**"). The Manager and the MF Manager (and each of their respective Connected Persons) are independent of the Index Provider.

Index universe

The sample universe of the Index consists of stocks listed on the STAR Market and depositary receipts issued by red-chip enterprises that meet the following conditions:

(1) The listing period exceeds 6 months, unless the average daily total market capitalization since listing ranks among the top 5 in the STAR Market and the listing period exceeds 3 months; and

(2) Not subject to delisting risk warning.

Eligible securities (investability screening)

Securities should be ranked in the top 90% in the index universe in terms of average daily trading value over the past year in descending order are eligible for inclusion.

Constituents selection

(1) For the eligible securities, the securities engaged in semiconductor materials and equipment, chip design, chip manufacturing, chip packaging and testing and related fields are selected as the candidates.

(2) Rank the candidate constituents by the average daily total market capitalization over the past year in descending order, select top 50 securities as the index constituents. If the number of candidates is less than 50, all the securities are included. If the number of candidates is more than 50, the first 50 securities are included.

Index calculation

The Index is calculated according to the following formula:

Current Index = Current Total Adjusted Market-Cap / Divisor × Base Value

Where Current Total Adjusted Market-Cap = ∑(Security Price × Number of Free Float Adjusted Shares × Weight Factor)

To reflect the variation of the real float shares in the market, the equity indices adopt the definition of free float shares (free float) in index calculation, which exclude the restricted shares and non-free float shares due to strategic holdings or other reasons from the total shares of the constituents. The remaining shares available for trading shall be deemed as free-float shares.

For shares clearly announced as restricted by listed companies and shares that fall into the four types of shares below, if the holdings are 5% or greater by a shareholder or shareholders acting in concert, such shares shall be deemed as non-free float shares. The four types of shares include:

(1) Long term holdings by founders, families, and senior executives, etc.

(2) State-owned shares: Shares held by the government or its subsidiaries.

(3) Strategic holdings: Shares held by strategic investors for long-term strategic interests.

(4) Employee share plans: Shares held by employee share plans.

Free Float = Total shares of constituent - non-free float shares

CSI estimates free float based on various objectively available information, including but not limited to:

Prospectus and listing notice: Information of the actual controlling persons, founders, strategic investors, holdings of senior executives and employees, etc. are available.

Periodic reports: Information of the actual controlling persons, founders, strategic investors, holdings of senior executives and employees, etc. are available.

Temporary reports: Shares change notice, acquisition notice, equity pledging notice, etc. are available.

CSI timely tracks the changes of free float shares and adjusts free float changes resulted from the shareholder's behaviour every six months. Each adjustment respectively takes effect on the next trading day of the 2nd Friday in June and December.

The value of Weight Factor is between 0 and 1, which is calculated at each rebalancing date, so that the weight of each constituent is capped at 10%.

Constituent's periodical review

The index is adjusted and rebalanced quarterly and the adjustment will be effective as of the next trading day after the 2nd Friday of March, June, September and December.

Weight Factor is assigned to each constituent at each rebalancing date. The effective date is the same as that of the constituent adjustment. The Weight Factor stays the same until next rebalancing date.

Additional information

The most updated list of the constituents of the Index and their respective weightings and additional information and other important news of the Index can be obtained from the website of the Index Provider at https://www.csindex.com.cn/#/indices/family/detail?indexCode=000685 (the contents of which has not been reviewed by the SFC).

Bloomberg Code: CSI00685

Index Licence Agreement

The Manager has been granted a non-exclusive, non-assignable and non-transferable licence pursuant to index licence agreement dated 22 October 2026, as amended and supplemented from time to time (the "**Licence Agreement**") entered into between the Manager and CSI, to use the Index and the marks of the Index Provider in connection with the creation, issue, offering, marketing, promotion, sale, management, administration and listing of the Sub-Fund.

The Licence Agreement in respect of the Index is effective for an initial term of 3 years ("**Initial Term**") upon execution and shall remain in force therefore for each 2-year period, until such time that either the Manager or the Index Provider provides 90 days' prior written notice to the other party of termination of the Licence before expiry of the Initial Term or the current 2-year period (as the case may be).

The Index Provider has the right, in its absolute discretion, to cease compilation and publication of the Index, in which case the Index Provider shall give the Manager 90 days' written notice prior to such discontinuance, which notice shall specify whether a replacement or substitute index will be available. The Index Provider may terminate the Licence Agreement if it does not offer a

replacement or substitute index or the Manager fails to accept the substitute index.

The Licence Agreement may also be terminated on the occurrence of any of the circumstances as summarised below:

(a) the Index Provider may terminate the Licence in respect of the Index upon 30 days' written notice to the Manager if:

    (1) the Manager fails to launch the Sub-Fund within 1 year from the commencement date of the Licence;

    (2) any legislation or regulation is finally adopted or any government interpretation is issued that materially impairs the Index Provider's ability to license and provide the Index under the Licence Agreement;

    (3) if any securities exchange or other data source ceases to provide data to the Index Provider necessary for providing the Index;

    (4) any material litigation or regulatory proceeding regarding the Sub-Fund is commenced;

    (5) the Manager seriously violates the applicable laws and regulations or breaches the trading rules set down by a relevant exchange; or

    (6) the China Securities Regulatory Commission (or any governing authorities), Shanghai Stock Exchange or Shenzhen Stock Exchange requires the Index Provider to cease licensing the Manager;

(b) either party may terminate the Licence forthwith where:

    (1) if the other party makes an assignment for the benefit of creditors, or if a receiver, trustee in bankruptcy or similar officer will be appointed to take charge of any or all of a party's property;

    (2) if the other party files a voluntary petition under applicable bankruptcy laws or such a petition is filed against the other Party and is not dismissed within 45 days; or

    (3) the other Party permanently ceases to carry on its business;

(c) either party may terminate the Licence Agreement with prior written notice where:

    (1) the Manager ceases to develop and/or manage the Sub-Fund or the Sub-Fund is terminated; or

    (2) the other party fails to perform its material obligations under the Licence Agreement, such failure having been reasonably assessed, continued for 30 working days after delivery of written notice thereof; and the other party having been given a reasonable opportunity to remedy the failure following the delivery of such notice.

Index Provider Disclaimer

The Index is created and calculated by CSI and owned by CSI and/or its designated third party. CSI disclaims any representations and warranties, express or implied, of the timeliness, accuracy, completeness and fitness of the Index. CSI shall not be liable (regardless of whether CSI defaults or not) for any delay, omissions or error of the Index. CSI does not guarantee, endorse, sell or promote any products that track the Index, and CSI has no liabilities arising thereof.

Eligibility Requirements and Authorisation Conditions

The Sub-Fund is required to comply with the applicable requirements in the Code and the Overarching Principles section of the Handbook and all other applicable regulatory requirements and guidelines as may be issued by the SFC from time to time. To be eligible and authorised as a

feeder ETF, the Sub-Fund must also be a Hong Kong domiciled ETF authorised by the SFC and managed by a management company which is licensed or registered for Type 9 regulated activity and has a good compliance record.

To be eligible as a master fund and for the Sub-Fund to invest substantially all of its assets in the Master ETF, the Master ETF shall meet the following key requirements as set out in the SFC's Circular on Streamlined Requirements for Eligible Exchange Traded Funds Adopting a Master-Feeder Structure dated 16 May 2024, as amended from time to time (the "**Circular**") (or such other requirements as imposed by the SFC from time to time):

(a) the Master ETF must be a scheme with satisfactory safeguards and measures in place to provide substantially comparable investor protection as an ETF authorised under the Code, taking into account its underlying assets, investment strategy, applicable rules and regulations in home jurisdiction;

(b) the Master ETF, together with its management company and trustee/custodian, must have a good compliance record with the rules and regulations of its home jurisdiction and (in the case of Master ETF) the listing venue; and

(c) the Master ETF must have sizeable assets under management with a good track record.

The Manager shall report to the SFC as soon as practicable if the Master ETF ceases to comply with the requirements set out in the Circular and shall take appropriate remedial action to promptly rectify the situation. The Manager will also inform Unitholders of any material change to, or event that has a significant adverse impact on, the Master ETF in a timely manner.

The Sub-Fund is authorised on the following conditions, unless otherwise approved by the SFC:

(a) the Master ETF remains approved by / registered with the CSRC and maintains a primary listing on a principal Mainland China stock exchange, including the SSE;

(b) the MF Manager, the MF Custodian and the Index, or such other entities or indices (as the case may be) acceptable to the SFC, shall remain as the manager, the custodian and the underlying index of the Master ETF respectively; and

(c) the Sub-Fund and the Master ETF shall meet the requirements in the Circular.

Investment Restriction Waiver

The Manager has requested of the SFC, and the SFC has granted, a waiver in respect of the Sub-Fund from:

(1) the requirement under Chapter 7.12(a) of the Code that the Master ETF must be authorised by the SFC; and

(2) the requirement under Chapter 7.12(b)(ii) of the Code that, for the purposes of complying with the investment restrictions, the Sub-Fund and the Master ETF will be deemed as a single entity.

The purpose of the waivers is to enable the Sub-Fund to invest into the Master ETF (which is not authorised by the SFC) as a feeder fund.

QFI Regime

The QFI regime is governed by rules and regulations as promulgated by the PRC mainland authorities, such as the CSRC, the SAFE and the PBOC. Such rules and regulations may be amended from time to time and include (but are not limited to):

(i) the Measures for the Administration of Domestic Securities and Futures Investment by Qualified Foreign Institutional Investors and RMB Qualified Foreign Institutional Investors jointly issued by the CSRC, the PBOC and the SAFE on 25 September 2020 and effective from 1 November 2020 (《合格境外機構投資者和人民幣合格境外機構投資者境內證券期貨投

資管理辦法》);

(ii) the Provisions on Issues Concerning the Implementation of the Measures for the Administration of Domestic Securities and Futures Investment by Qualified Foreign Institutional Investors and RMB Qualified Foreign Institutional Investors issued by the CSRC on 25 September 2020 and effective from 1 November 2020 (關於實施《合格境外機構投資者和人民幣合格境外機構投資者境內證券期貨投資管理辦法》有關問題的規定);

(iii) the "Regulations on Funds of Domestic Securities and Futures Investment by Foreign Institutional Investors" issued by the PBOC and the SAFE on 7 May 2020 and effective from 6 June 2020 (《境外機構投資者境內證券期貨投資資金管理規定》); and

(iv) any other applicable regulations promulgated by the relevant authorities

(collectively, "**QFI Regulations**").

Based on the above prevailing QFI Regulations, the Qualified Foreign Institutional Investors (QFII) regime and RMB Qualified Foreign Institutional Investors (RQFII) regime have been merged and been regulated by the same set of regulations, and the previously separate requirements for QFII and RQFII qualifications are unified. A foreign institutional investor outside the PRC mainland may apply to the CSRC for the QFI licence, while there is no need for a foreign institutional investor having held either a QFII or RQFII licence to re-apply for the QFI licence. Since the Manager has been granted with QFII licence and RQFII licence by CSRC, it shall be regarded as a QFI, and may freely select to use funds in foreign currencies which can be traded on CFETS (defined below) and/or offshore RMB funds to be remitted in to carry out PRC mainland domestic securities and futures investment as long as separate cash accounts for receiving such cash are duly opened.

For remittance of foreign currencies, the Manager (as a QFI Holder) shall open foreign exchange account(s) for the remitted funds in foreign currencies and a corresponding RMB special deposit account for each relevant foreign exchange account; for remittance of offshore RMB funds, the Manager (as a QFI Holder) shall open RMB special deposit account(s) for the remitted funds in offshore RMB. QFI Holders are not subject to investment quota limits.

Under current regulations in the PRC mainland, generally foreign investors can invest in the domestic securities and/or futures market through (i) certain foreign institutional investors that have obtained status as a QFI from the CSRC to remit foreign freely convertible currencies and RMB into the PRC mainland for the purpose of investing in the PRC mainland's domestic securities and/or futures markets, or (ii) the Stock Connect program (as explained in the section headed "***Stock Connect***" in this Appendix).

The Sub-Fund will directly invest in securities issued within the PRC mainland through the QFI status of the Manager and/or the Stock Connect.

The Manager has obtained QFI status in the PRC mainland. The Custodian has been appointed by the Trustee to hold (by itself or through its delegate) the assets of the Sub-Fund in accordance with the terms of the custody agreement.

Securities including units of the Master ETF invested through the QFI status of the Manager will be maintained by the Custodian's delegate, the QFII Custodian pursuant to PRC mainland regulations through securities account(s) with the China Securities Depository and Clearing Corporation Limited ("**CSDCC**") in the joint names of the Manager (as the QFI Holder) and the Sub-Fund. An RMB cash account(s) shall be established and maintained with the QFII Custodian in the joint names of the Manager (as the QFI Holder) and the Sub-Fund. The QFII Custodian shall, in turn, have a cash clearing account with CSDCC for trade settlement according to applicable regulations.

Repatriations in RMB conducted by the Manager (as the QFI Holder) on behalf of the Sub-Fund are permitted daily and not subject to any repatriation restrictions, lock-up periods or prior approval from the SAFE.

There are specific risks associated with the QFI regime and investors' attention is drawn to the section headed "***Risks Relating to the QFI Regime***" under "***Risk Factors Specific to the Sub-Fund***" in this Appendix.

In the context of investment in securities issued within the PRC mainland using the Manager's QFI status, the Manager will assume dual roles as the Manager of the Sub-Fund and the QFI status holder for the Sub-Fund. The Manager will be responsible for ensuring that all transactions and dealings will be dealt with in compliance with the Trust Deed (where applicable) as well as the relevant laws and regulations applicable to the Manager as a QFI.

The Trustee has put in place proper arrangements to ensure that:

(a) the Trustee takes into its custody or under its control the assets of the Sub-Fund, including onshore PRC assets of the Sub-Fund which will be maintained by the QFII Custodian via the securities account(s) with the relevant depositories and any assets deposited in the cash account(s) with the QFII Custodian (the "**Onshore PRC Assets**"), and holds the same in trust for the Unitholders;

(b) cash and registrable assets of the Sub-Fund, including the Onshore PRC Assets, are registered in the name of or held to the order of the Trustee; and

(c) the Custodian and the QFII Custodian will look to the Trustee for instructions and solely act in accordance with the Trustee's instructions, save as otherwise required under applicable regulations.

Stock Connect

The Stock Connect is a securities trading and clearing linked program developed by the HKEX, the SSE, the SZSE and China Securities Depository and Clearing Corporation Limited ("**ChinaClear**"), with an aim to achieve mutual stock market access between the PRC mainland and Hong Kong. It comprises of the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

Through the Stock Connect, the SSE, the SZSE and the SEHK enable investors to trade eligible securities listed on the other's market through local securities firms or brokers. Each of the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect comprises a Northbound Trading Link and a Southbound Trading Link. Under the Northbound Trading Link, investors, through their Hong Kong brokers and securities trading service companies (in Shanghai and in Shenzhen respectively) establish by the SEHK and the HKSCC, are able to place orders to trade eligible securities listed on the SSE or the SZSE by routing orders to the SSE or the SZSE (as the case may be). Under the Southbound Trading Link, eligible investors, through PRC mainland securities firms and securities trading service companies established by the SSE and the SZSE, are able to place orders to trade eligible securities listed on the SEHK by routing orders to SEHK.

All Hong Kong and overseas investors (including the Sub-Fund) are allowed to trade SSE Securities and SZSE Securities (as described below) through the Stock Connect (through the Northbound Trading Link), subject to rules and regulations issued from time to time.

The following summary presents some key points about the Northbound Trading Link (which may be utilised by the Sub-Fund to invest in the PRC mainland):

Eligible securities

Among the different types of SSE-or SZSE-listed securities, only China A-Shares and ETFs are currently permitted for Northbound trading under the Stock Connect.

Currently, Hong Kong and overseas investors are allowed to trade certain securities listed on the SSE market (i.e. "**SSE Securities**") and the SZSE market (i.e. "**SZSE Securities**"). SSE Securities include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed China A-Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on SEHK, except the following:

(a) SSE-listed shares which are not traded in RMB; and

(b) SSE-listed shares which are included in the "risk alert board".

SZSE Securities include all the constituent stocks of the SZSE Component Index and the SZSE Small/Mid Cap Innovation Index which have a market capitalisation of not less than RMB 6 billion, and all the SZSE-listed China A-Shares which have corresponding H-Shares listed on the SEHK, except the following:

(a) SZSE-listed shares which are not traded in RMB; and

(b) SZSE-listed shares which are included in the "risk alert board".

In addition, Hong Kong and overseas investors are able to trade eligible SSE-listed and SZSE-listed ETFs that satisfy the relevant criteria at a regular review and are accepted as eligible ETFs for Northbound trading in Stock Connect. Regular reviews will be performed to determine the eligible ETFs for Northbound trading every six months.

The list of eligible securities may be subject to review and approval by the relevant PRC mainland regulators from time to time.

Trading day

Due to differences in public holidays between Hong Kong and the PRC mainland, there may be differences in the trading days in the two markets. Even if the PRC mainland markets are open on a certain day, the Sub-Fund may not necessarily be able to invest in SSE Securities and/or SZSE Securities through Northbound trading. For example, the Hong Kong market closes on Easter and Christmas every year, but those are trading days in the PRC mainland.

Likewise, during Lunar New Year and the National Day golden week periods, the PRC mainland will usually arrange for seven-day consecutive holidays by reshuffling workdays and weekends. Even for days both markets are open for business, there could be differences because of other reasons such as bad weather conditions. Investors (including the Sub-Fund) are only allowed to trade on the other market on days where both markets are open for trading, and banking services are available in both markets on the corresponding settlement days.

Trading quota

Trading under the Stock Connect is subject to a daily quota ("**Daily Quota**") presently set at RMB52 billion for each of Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, which is separate for Northbound and Southbound trading. The Daily Quota limits the maximum net buy value of cross-boundary trades under the Stock Connect each day.

The quotas do not belong to the Sub-Fund and are utilised on a first-come- first-serve basis. The SEHK publishes the remaining balance of the Northbound Daily Quota at scheduled times on the HKEX's website. Should there be any change in the Daily Quota, the Manager will not inform the Unitholders.

Settlement and Custody

The HKSCC, also a wholly-owned subsidiary of HKEX, is responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by Hong Kong market participants and investors.

The SSE Securities and SZSE Securities traded through the Stock Connect are issued in scripless form, so investors will not hold any physical securities. In the operation of the Stock Connect, Hong Kong and overseas investors who have acquired SSE Securities and SZSE Securities through Northbound trading should maintain the SSE Securities and SZSE Securities with their brokers' or custodians' stock accounts with CCASS (the Central Clearing and Settlement System operated by HKSCC for the clearing securities listed or traded on SEHK).

Corporate actions and shareholders' meetings

Notwithstanding the fact that HKSCC does not claim proprietary interests in the SSE Securities or SZSE Securities held in its omnibus stock account in ChinaClear, ChinaClear as the share registrar for the SSE Securities and SZSE Securities still treats HKSCC as one of the shareholders when it

handles corporate actions in respect of such SSE Securities or SZSE Securities.

HKSCC monitors the corporate actions affecting SSE Securities or SZSE Securities and keeps the relevant brokers or custodians participating in CCASS ("**CCASS participants**") informed of all such corporate actions that require CCASS participants to take steps in order to participate in them.

SSE- or SZSE-listed companies usually announce their annual general meeting/ extraordinary general meeting information about one month before the meeting date. A poll is called on all resolutions for all votes. HKSCC advises CCASS participants of all general meeting details such as meeting date, time, venue and the number of resolutions.

Foreign shareholding restrictions

The CSRC stipulates that, when holding China A-Shares through the Stock Connect, Hong Kong and overseas investors are subject to the following shareholding restrictions:

- Single foreign investors' shareholding by any Hong Kong or overseas investor in a China A-Share must not exceed 10% of the total issued shares; and
- Aggregate foreign investors' shareholding by all Hong Kong and overseas investors in a China A-Share must not exceed 30% of the total issue shares.
- When Hong Kong and overseas investors carry out strategic investments in listed companies in accordance with the rules, the shareholding of the strategic investments is not capped by the above-mentioned percentages.

Should the shareholding of a single investor in a China A-Share listed company exceed the above restriction, the investor may be required to unwind his position on the excessive shareholding according to a last-in- first-out basis within a specific period. The SSE, the SZSE and the SEHK will issue warnings or restrict the buy orders for the related China A-Shares if the percentage of total shareholding is approaching the upper limit.

SSE and SZSE-listed ETFs are not subject to the aforementioned shareholding restrictions.

Currency

Hong Kong and overseas investors will trade and settle SSE Securities and SZSE Securities in RMB only. Hence, the Sub-Fund needs to use its RMB funds to trade and settle SSE Securities and SZSE Securities.

Trading fees

In addition to paying trading fees and stamp duties in connection with SSE Securities and/or SZSE Securities, the Sub-Fund may be subject to new portfolio fees, dividend tax and tax concerned with income arising from transfers of SSE Securities and/or SZSE Securities which are yet to be determined by the relevant authorities.

Coverage of Investor Compensation Fund

Hong Kong's Investor Compensation Fund is established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong. For defaults occurring on or after 1 January 2020, the Investor Compensation Fund covers investors' losses in relation to securities traded on a stock market operated by the SSE and the SZSE and in respect of which an order for sale or purchase is permitted to be routed through the northbound link of a Stock Connect arrangement. On the other hand, since the Sub-Fund is carrying out northbound trading through securities brokers in Hong Kong but not PRC mainland brokers, such trading is not protected by the China Securities Investor Protection Fund (中國投資者保護基金) in the PRC mainland.

Further information about the Stock Connect is available at the website: https://www.hkex.com.hk/mutual-market/stock-connect?sc_lang=en.

PRC Mainland Tax Provisions

In light of an announcement jointly promulgated by the Ministry of Finance, the State Administration of Taxation and the CSRC under Caishui [2014] No.79 and No.81 which stipulate that trading of China A-Shares and A-Share ETFs through, amongst others, RQFIIs (without an establishment or place of business in the PRC mainland or having an establishment in the PRC mainland but the income so derived in the PRC mainland is not effectively connected with such establishment) will be temporarily exempted from corporate income tax on gains derived from the transfer of PRC mainland equity investment assets (including China A-Shares and A-Share ETFs) effective from 17 November 2014. Based on professional and independent tax advice, the Manager does not intend to make any WIT provision on the gross unrealised and realised capital gains derived from trading of China A-Shares and A-Share ETFs in respect of the Sub-Fund.

Please refer to the section headed "***PRC Mainland Withholding Taxation Risk***" under "***Risk Factors Relating to the PRC Mainland***" under "***Risk Factors***" in Part 1 of the Prospectus for further information on PRC mainland taxation.

PRC Mainland Market

The major differences between the PRC mainland market and the Hong Kong market

The table below summarises the differences between the PRC mainland market and the Hong Kong market:

		SEHK	**SSE**	**SZSE**
(a)	Key Market Index	Hang Seng Index ("**HSI**")	SSE Composite Index	SZSE Composite Index
(b)	Trading Hours			
	Morning session	09:30 – 12:00	09:30 – 11:30	09:30 – 11:30
	Afternoon session	13:00 – 16:00	13:00 – 15:00	13:00 – 15:00
	China A-Share market and Hong Kong market have different schedule of holidays.			
(c)	Pre-opening session/ order matching times			
	Pre-opening session	9:00 to 9:15	9:15 to 9:25	9:15 to 9:25
	Order matching times	9:15 to 9:20 (pre-order matching period) 9:20 to 9:28 (order matching period) 9:28 to 9:30 (blocking period)	9:30 to 11:30 and 13:00 to 15:00	9:30 to 11:30 and 13:00 to 14:57
	Close matching times	N/A	N/A	14:57 to 15:00
(d)	Trading Band Limits	No trading band limit	Daily trading band limits of 10%. Where a listed company is under circumstances deemed abnormal by the SSE and SZSE, the short name of the listed company will be prefixed by "ST" and the daily up and down limit will be reduced to 5%.	

(e)	Trading Rule	The T+1 trading rule do not apply except that some stocks cannot be sold short in Hong Kong market.	The T+1 trading rule applies which means a stock bought on T day (i.e. trading day) can only be sold on T+1 (i.e. one business day after the relevant trading day), and no short-selling is allowed with a few exception (mostly ETFs) permitted by a pilot program.
(f)	Round Lot	Stocks are generally traded at round lots and odd lots trading have to be facilitated by a broker through a special board.	Stocks can only be bought at the multiples of 100 shares but cannot be bought in odd lots. However, one can sell the shares of any number i.e. even in odd lots.
(g)	Settlement cycle	The settlement period is 2 business days (i.e. T+2)	The settlement period is one business day (i.e. T+1)
(h)	Earnings report disclosure requirement	A listed company has to disclose fiscal information twice a year. The annual financial reports have to be published within four months from the financial year end and the interim financial reports have to be published within three months of the end of the period it covers.	A listed company on the SSE and SZSE is required to prepare and disclose the annual financial report within four months as of the end date of each fiscal year, the semi-annual financial report within two months as of the end date of the first half of each fiscal year, and the quarterly financial report within one month as of the end of the first three months and the end of the first nine months of each fiscal year respectively. The time for disclosing the first-quarter report shall not be earlier than the time for disclosing the annual financial report of the previous year. H-Share listed companies also disclose fiscal information quarterly for consistency with the corresponding A -Share schedules.
(i)	Suspension	There is no requirement to suspend stocks for general assembly or important information disclosure.	Stocks in the China A-Share market will be suspended for general assembly or important information disclosure.

Investors should inform themselves of the risks associated with the differences between the PRC mainland market and the Hong Kong market, as set out in the section headed "***Risks relating to the differences between the Hong Kong and PRC mainland securities markets***" under "***Risk Factors Specific to the Sub-Fund***" in this Appendix.

Measures Adopted by the Manager to Address the Differences between the PRC Mainland Market and the Hong Kong Market

The Manager has adopted the following measures to address the differences between the PRC mainland market and the Hong Kong market:

(a) Trading hours: As regards the difference in trading hours, the shorter trading hours in the PRC mainland market is not considered to present a major risk, as it is expected that there is a sufficient level of liquidity for the Master ETF and the China A-Shares constituting the Master ETF's portfolio.

(b) Trading days: There is a difference in trading days between the PRC mainland market and the Hong Kong market. It should be noted that Applications are accepted only on a Business Day (normally a day on which both markets are open).

(c) If the Hong Kong market is open while the PRC mainland market is closed, Units of the Sub-Fund will be traded in the Hong Kong market and the Manager will continue to publish information including prices in the manner set out in the section headed "***Information available on the Internet***" in Part 1 of the Prospectus. If the PRC mainland market is open while Hong Kong market is closed, the Manager will trade the Master ETF when it is necessary, in order to limit the risk to investors. These trades will be properly settled even when the Hong Kong market is closed for holiday by the Trustee's arrangements in place.

(d) Trading band limits: The Manager will be prevented from trading the Master ETF when it hits

the "trading band limit" of 10%. If this happens on a particular trading day, the Manager will continue to trade the Master ETF on the subsequent two trading days if necessary. However if the Manager is still unable to trade the Master ETF on the second trading day after the original trading day due to the trading band limit, the Manager will settle the Master ETF on the latest closing price and the Sub-Fund will make up the trade whenever the Master ETF resumes trading again. The Manager believes that the average impact to the Sub-Fund in such situations is immaterial.

The Offering of Listed Class of Units

Initial Offer Period

The Initial Offer Period commences at 9:00 a.m. (Hong Kong time) on 29 October 2026 and ends at 4:30 p.m. (Hong Kong time) on 4 November 2026, or such other date as the Manager may determine.

Applications for creation of Listed Class of Units of the Sub-Fund may be made by way of a cash Creation Application (in RMB) only.

The purpose of the Initial Offer Period is to enable Participating Dealers to subscribe for Listed Class of Units of the Sub-Fund either on their own account or for their clients, in accordance with the Trust Deed and the Operating Guidelines. During this period, Participating Dealers (acting for themselves or for their clients) may apply for Listed Class of Units of the Sub-Fund 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 Listed Class of Units of the Sub-Fund 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. Investors are therefore advised to consult with the relevant Participating Dealer on its requirements if they want a Participating Dealer to subscribe for Listed Class of Units of the Sub-Fund on their behalf.

After Listing

"After Listing" commences on the Listing Date.

Dealings in Listed Class of Units of the Sub-Fund on the SEHK will commence on the Listing Date.

All investors may buy and sell Listed Class of Units of the Sub-Fund in the secondary market on the SEHK and Participating Dealers (for themselves or for their clients) may apply for creation and redemption of Listed Class of Units in the primary market in Application Unit Size, from 9:00 a.m. (Hong Kong time) to 11:00 a.m. (Hong Kong time) on each Dealing Day.

Please refer to the section on "***The Offering Phases***" in Schedule 1 in Part 1 of this Prospectus for details. The following table summarises all key events and the Manager's expected timetable (all references to times are to Hong Kong time):

Initial Offer Period commences	
• Participating Dealers may apply for creation for themselves or for their clients in Application Unit size	• 9:00 a.m. (Hong Kong time) on 29 October 2026 but may be postponed to such later time and date as determined by the Manager

The date that is two Business Days prior to the Listing Date • Latest time for Creation Applications by Participating Dealers for Listed Class of Units of the Sub-Fund to be available for trading on the Listing Date	• 4:30 p.m. (Hong Kong time) on 4 November 2026 but may be postponed to such later time and date as determined by the Manager
After listing (period commences on the Listing Date) • All investors may start trading Listed Class of Units of the Sub-Fund on the SEHK through any designated brokers; and • Participating Dealers may apply for creation and redemption (for themselves or for their clients) in Application Unit size	• Commence at 9:30 a.m. (Hong Kong time) on 6 November 2026, but may be postponed to such later date as determined by the Manager • 9:00 a.m. (Hong Kong time) to 11:00 a.m. (Hong Kong time) on each Dealing Day

Redemptions of Listed Class of Units

Listed Class of Units of the Sub-Fund can be redeemed directly (through a Participating Dealer). Redemption proceeds may be paid in cash (in RMB) only. Any accepted Redemption Application will be effected by the payment of cash in accordance with the Operating Guidelines.

Exchange Listing and Trading (Secondary Market) of Listed Class of Units

Application has been made to the Listing Committee of the SEHK for the listing of, and permission to deal in Listed Class of Units of the Sub-Fund traded in HKD and USD.

Listed Class of Units of the Sub-Fund 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 Listed Class of Units of the Sub-Fund on one or more other stock exchanges. Investors' attention is drawn to the section entitled "Exchange Listing and Trading (Secondary Market)" in Schedule 1 in Part 1 of this Prospectus for further information.

Dealings on the SEHK in Listed Class of Units of the Sub-Fund traded in HKD and USD are expected to begin on 6 November 2026.

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

Dual Counter trading of Listed Class of Units

The Manager has arranged for the Listed Class of Units to be available for trading on the secondary market on the SEHK under a Dual Counter arrangement. Listed Class of Units are denominated in RMB. Despite the Dual Counter arrangement, the creation of new Listed Class of Units and redemption of Listed Class of Units in the primary market are settled in RMB only. The Sub-Fund offers 2 trading counters on the SEHK (i.e. HKD counter and USD counter) to investors for secondary trading purposes. Listed Class of Units traded in HKD counter will be settled in HKD and Listed Class of Units traded in USD counter will be settled in USD. Apart from settlement in different currencies, the trading prices of Listed Class of Units in the 2 counters may be different.

Under the current "single tranche multiple counter" settlement arrangement, trades executed in the HKD counter and USD counter will be settled together under the same HKD counter which is designated as the "domain settlement counter", under which stock positions of HKD and USD can be differentiated by their currency codes and assigned position numbers. However, money positions of HKD and USD will not be offset against each other and will be maintained and settled separately. The trading prices of Units in the counters may be different as the different counters are

distinct and separate markets.

Listed Class of Units traded on both counters are of the same class and all Unitholders of both counters are treated equally. The 2 counters will have different stock codes, different stock short names and the same ISIN number as follows:

	HKD counter	**USD counter**
SEHK stock code	03559	41559
Short name	HGI STAR CHIP	HGI STAR CHIP - U
ISIN number	HK0001373726	

Normally, investors can buy and sell Listed Class of Units traded in the same counter or alternatively buy in 1 counter and sell in the other counter provided their brokers provide both USD and HKD trading services at the same time. Inter-counter buy and sell is permissible even if the trades take place within the same trading day. However, investors should note that the trading price of Listed Class of Units traded in the HKD counter and that of USD 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.

More information with regard to the Dual Counter is available in the frequently asked questions in respect of the Dual Counter published on HKEX's website http://www.hkex.com.hk/eng/prod/secprod/etf/dc.htm.

Investors should consult their brokers if they have any questions concerning fees, timing, procedures and the operation of the Dual Counter, including inter-counter trading. Investors' attention is also drawn to the risk factor below entitled "Dual Counter Risks".

RMB Payment and Account Procedures

Investors may unless otherwise agreed by relevant Participating Dealer, apply for Listed Class of Units through Participating Dealers only if they have sufficient RMB to pay the application monies and the related fees unless otherwise informed by the Participating Dealers that other currencies can be accepted. Investors should note that RMB is the only official currency of the PRC mainland. While both onshore RMB ("CNY") and offshore RMB ("CNH") are the same currency, they are traded in different and separate markets. Since the two RMB markets operate independently where the flow between them is highly restricted, CNY and CNH are traded at different rates and their movement may not be in the same direction. Although there is a significant amount of RMB held offshore (i.e. outside the PRC mainland), CNH cannot be freely remitted into the PRC mainland and is subject to certain restrictions, and vice versa. As such whilst CNH and CNY are both the same currency, certain special restrictions do apply to RMB outside the PRC mainland. The liquidity and trading price of the Sub-Fund may be adversely affected by the limited availability of, and restrictions applicable to, RMB outside the PRC mainland.

Application monies from Participating Dealers to the Sub-Fund will be paid in RMB only. Accordingly a Participating Dealer may require an investor (as its client) to pay CNH to it. (Payment details will be set out in the relevant Participating Dealer's documentation such as the application form for its clients.) As such, an investor may need to have opened a bank account (for settlement) and a securities dealing account if a Participating Dealer is to subscribe for Listed Class of Units on his behalf as such investor will need to have accumulated sufficient CNH to pay at least the aggregate Issue Price and related costs, to the Participating Dealer or if an application to the Participating Dealer is not successful or is successful only in part, the whole or appropriate portion of the monies paid will need to be returned to such investor by the Participating Dealer by crediting such amount into such investor's CNH bank account.

Investors should consult the banks for the account opening procedures as well as terms and conditions of the RMB bank account. Some banks may impose restrictions on their RMB cheque account and fund transfer to third party accounts. For non-bank financial institutions (e.g. brokers), however, such restriction will not be applicable and investors should consult their brokers as to the

currency exchange service arrangement if required.

Where payment in RMB is to be made by cheque by investors to Participating Dealers, investors are advised to consult the bank at which their respective RMB bank accounts are opened in advance whether there are any specific requirements in relation to the issue of RMB cheques. In particular, investors should note that some banks have imposed an internal limit (usually RMB80,000) on the balance of RMB cheque account of their clients or the amount of cheques that their clients can issue in a day and such limit may affect an investor's arrangement of funding for an application (through a Participating Dealer) for creation of Listed Class of Units.

When an individual investor who is a Hong Kong resident opens an RMB bank account or settle RMB payments, he or she will be subject to the daily maximum remittance amount to the PRC mainland which is RMB80,000. A remittance service is only available to an RMB deposit account-holder who remits from his or her RMB deposit account to the PRC mainland and provided that the account name of the account in the PRC mainland is identical with that of the RMB bank account with the bank in Hong Kong.

On the other hand, an individual investor who is a non-Hong Kong resident may open an RMB bank account in Hong Kong and may exchange other currencies for RMB without any limit. However, non-Hong Kong residents may not remit RMB to the PRC mainland unless approval is obtained pursuant to PRC mainland rules and regulations.

Please also refer to the section entitled "***RMB currency risks***" under "***Risk Factors Specific to the Sub-Fund***" in this Appendix for further details.

Subscription of Unlisted Class of Units

The Sub-Fund currently has the following Unlisted Class of Units which are available to investors:

- Class A (HKD) Units

- Class A (USD) Units

Dealing procedures

For details of dealing procedures, please refer to the information below and in Schedule 2 of Part 1 of this Prospectus. The following apply to the Unlisted Class of Units:

Dealing Day	each Business Day
Valuation Day	each Dealing Day or such other days as the Manager may determine
Dealing Deadline	11:00 a.m. (Hong Kong time) on each Dealing Day (or such other time as the Manager in consultation with the Trustee may determine), as may be revised by the Manager from time to time

Investors should note that the Dealing Deadline in respect of Listed Class of Units and Unlisted Class of Units are the same. However, the applicable dealing procedures and timing with the relevant Participating Dealer (in the case of the Listed Class) and the authorised distributor (if applicable, in the case of the Unlisted Class) may be different. Unitholders should check with the relevant Participating Dealer or authorised distributor (as applicable) for the applicable dealing procedures and timing.

Switching

Subject to the prior consent of the Manager either generally or in any particular case, Unitholders may switch part or all of their Unlisted Class of Units of the Sub-Fund into another Unlisted Class of Units of the Sub-Fund (where available). Switching of Unlisted Class of Units of the Sub-Fund to unlisted shares, units or interests in any other collective schemes (including any other Sub-Funds of the Trust) is currently not permitted.

Investors should note that switching between Unlisted Class of Units and Listed Class of Units on the secondary market is not available.

Payment procedure

Subscription monies in respect of the Unlisted Class of Units must be paid in the class currency of the relevant Class of Units. Subscription monies in cleared funds should be received by the Dealing Deadline on the relevant Dealing Day on which an application was received by the Dealing Deadline, or such other time as determined by the Manager.

Redemption proceeds in respect of Unlisted Class of Units will normally be paid by telegraphic transfer, within 7 Business Days after the relevant Dealing Day and in any event within one calendar month of the relevant Dealing Day or (if later) receipt of a properly documented redemption request, unless legal or regulatory requirements (such as foreign currency controls) to which the Sub-Fund is subject render the payment of the redemption proceeds within the aforesaid time period not practicable, and such extended time frame should reflect the additional time needed in light of the specific circumstances in the relevant market.

Investment minima

The following investment minima apply to the Unlisted Class of Units:

	Class A (HKD) Units	**Class A (USD) Units**
Minimum initial investment	HKD 10,000 or equivalent	USD 1,000 or equivalent
Minimum subsequent investment	HKD 10,000 or equivalent	USD 1,000 or equivalent
Minimum holding	HKD 10,000 or equivalent	USD 1,000 or equivalent
Minimum redemption amount	HKD 10,000 or equivalent	USD 1,000 or equivalent

The Manager may, in its absolute discretion, waive or agree to a lower amount of any of the above investment minima (either generally or in any particular case).

Distribution Policy

The Manager has discretion as to whether or not the Sub-Fund will make any distribution, the frequency and amount of distribution. Currently, the Manager intends to distribute income to Unitholders of the Sub-Fund annually (in October) having regard to the Sub-Fund's net income after fees and costs.

The Manager will also have the discretion to determine if and to what extent distributions (whether directly or effectively) will be paid out of capital of the Sub-Fund.

The Manager may, at its discretion, pay distributions out of capital. The Manager may also, at its discretion, pay distributions out of gross income while all or part of the fees and expenses of the Sub-Fund are charged to/paid out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of distributions by the Sub-Fund and therefore, the Sub-Fund may effectively pay distributions out of capital. Investors should note that payments of distributions out of capital or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment out of or effectively out of the Sub-Fund's capital may result in an immediate reduction in the Net Asset Value per Unit and will reduce any capital appreciation for the Unitholders.

The composition of the distributions (i.e. the relative amounts paid out of net distributable income and capital) for the last 12 months are available by the Manager on request and also on the Manager's website http://etf.harvestglobal.com.hk (this website has not been reviewed by the SFC).

The distribution policy may be amended subject to the SFC's prior approval (if required) and upon giving not less than one month's prior notice to Unitholders.

Distributions (if declared) will be declared in RMB only. The Manager will make an announcement prior to any distribution in respect of the relevant distribution amount in RMB only. The details of the distribution declaration dates, distribution amounts and ex-dividend payment dates will be published on the Manager's website http://etf.harvestglobal.com.hk (the contents of which have not been reviewed by the SFC) and on HKEX's website.

There can be no assurance that distributions will be paid.

Each Unitholder will receive distributions in RMB. In the event that the relevant Unitholder has no RMB account, the Unitholder may have to bear the fees and charges associated with the conversion of such dividends from RMB into HKD or any other currency. Unitholders are advised to check with their brokers/intermediaries on the arrangements concerning distributions.

Distribution payment rates will depend on factors beyond the control of the Manager or Custodian including, general economic conditions, and the financial position and dividend or distribution policies of the relevant underlying entities. There can be no assurance that such entities will declare or pay dividends or distributions.

Fees and Expenses

Listed Class of Units

The following fees apply to investors of Listed Class of Units only.

(a) Fees and expenses payable by Participating Dealers on creation and redemption of Listed Class of Units of the Sub-Fund (primary market) (applicable both during the Initial Offer Period and After Listing)	Amount
Transaction Fee	Up to RMB5,000[1] per Application
Service Agent's fee	HKD1,000[1] per book-entry deposit and book-entry withdrawal
Application cancellation fee	Up to RMB5,000[2] per Application

1 Up to RMB5,000 is payable to the Trustee and HKD1,000 is payable to the Service Agent per book-entry deposit and book-entry withdrawal. A Participating Dealer may pass on to the relevant investor such Transaction Fee.

2 An application cancellation fee is payable to the Trustee and / or Registrar by the Participating Dealer in respect of either a withdrawn or failed Creation Application or Redemption Application. Cancellation compensation may also be payable pursuant to the terms of the Operating Guidelines.

Extension fee (applicable to redemption of Listed Class of Units only)	Up to RMB5,000[3] per Application
Stamp duty	Nil
Transaction levy and trading fee	Nil

(b)	**Fees and expenses payable by investors of Listed Class of Units**	**Amount**
	(i) Fees payable by clients of the Participating Dealers (applicable both during the Initial Offer Period and After Listing)	
	Fees and charges imposed by the Participating Dealer[4]	Such amounts as determined by the relevant Participating Dealer
	(ii) Fees payable by all investors in respect of dealings in Listed Class of Units of the Sub-Fund on SEHK (applicable After Listing)	
	Brokerage	Market rates
	Transaction levy	0.0027%[5]
	AFRC transaction levy	0.00015%[6]
	Trading fee	0.00565%[7]
	Stamp duty	Nil

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

(c)	**Fees and expenses payable by the Sub-Fund in respect of Listed Class of Units (see further disclosure below)**	**Amount**
	Management Fee[8]	0.5% p.a. of net asset value of the Master ETF

3 An extension fee is payable by the Participating Dealer to the Trustee on each occasion the Manager grants the Participation Dealer's request for extended settlement in respect of a Redemption Application.

4 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.

5 Transaction levy of 0.0027% of the trading price of Units of the Sub-Fund payable by each of the buyer and the seller.

6 AFRC transaction levy of 0.00015% of the trading price of Units of the Sub-Fund, payable by each of the buyer

and the seller.

[7] Trading fee of 0.00565% of the trading price of Units of the Sub-Fund, payable by each of the buyer and the seller.

[8] Accrued daily and payable monthly in arrears.

Unlisted Class of Units

The following fees apply to investors of Unlisted Class of Units only.

Fees and expenses payable by the Sub-Fund in respect of Unlisted Class of Units (see further disclosure below)	**Amount**
Management Fee[8]	0.5% p.a. of net asset value of the Master ETF

Subscription, redemption and switching fees payable by Unitholders of Unlisted Class of Units

	Unlisted Class of Units
Subscription fee	Up to 3% of the subscription monies
Redemption fee	Nil
Switching fee	Up to 1% of the redemption proceeds payable in respect of the Existing Class being switched

Fees and Expense Payable by the Sub-Fund

Management Fee

Currently, the Manager does not charge any Management Fee in respect of the Sub-Fund as the Sub-Fund is a feeder fund of the Master ETF, which is managed by the MF Manager, the controlling shareholder of the Manager.

The management fee of the Master ETF is currently 0.5% per year of the net asset value of the Master ETF accrued daily.

Currently, the aggregate management fee charged in respect of the Sub-Fund is 0.5% per year of the Net Asset Value of the Sub-Fund.

Trustee's and Registrar's Fee

The Trustee's fee of the Sub-Fund is up to 0.1% per annum of the Net Asset Value of the Sub-Fund.

The Custodian fee payable to the Custodian is currently up to 0.09% per annum of the market value of each holding of the Sub-Fund as at the end of the month.

In addition, the Trustee's fee and Custodian fee are subject to a minimum monthly aggregate fee of RMB 23,600.

The Trustee's fee is inclusive of the Registrar's fee and the Custodian fee is inclusive of the fees payable to the QFII Custodian.

The Trustee and the Custodian shall also be entitled to be reimbursed out of the assets of the Sub-Fund all out-of-pocket expenses incurred.

The custodian fee of the Master ETF is currently 0.1% per annum of the net asset value of the Master ETF accrued daily.

The aggregate trustee / custodian fee charged in respect of the Sub-Fund is up to 0.29% per annum, currently 0.2% per annum of the Net Asset Value of the Sub-Fund, subject to a minimum monthly fee of RMB23,600 in respect of the Trustee's fee and Custodian fee of the Sub-Fund.

Performance Fee

No performance fee is chargeable to the Sub-Fund.

Ongoing Charges

The Sub-Fund's ongoing charges figure over a year represents the sum of the ongoing expenses chargeable to the Sub-Fund expressed as a percentage of the Sub-Fund's average Net Asset Value over a 12-month period. It may vary from year to year.

Promotional Expenses

The 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 Sub-Fund.

Other Expenses

The 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, the costs in connection with maintaining a listing of Units of the Sub-Fund on the SEHK and maintaining the Trust'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, out-of-pocket expenses or transaction fees properly incurred on behalf of the Sub-Fund by the Trustee, the Manager, the Registrar or the Custodian or any of its service providers, the expenses incurred in convening meetings of Unitholders, printing and distributing annual and half-yearly financial reports and other circulars relating to the Sub-Fund and the expenses of publishing Unit prices.

Fees and Expense Payable by the Master ETF

By investing into the Master ETF, the Sub-Fund will bear indirectly a proportionate share of the fees payable to the MF Manager and MF Custodian and other fees, charges and expenses payable by the Master ETF, which will be reflected in the net asset value per unit of the Master ETF.

Risk Factors Specific to the Sub-Fund

In addition to the risk factors presented in Part 1 of this Prospectus, the risk factors set forth below are also specific risks, in the opinion of the Manager, considered to be relevant and presently applicable specifically to the Sub-Fund.

Investment risk. There is no assurance that the investment objective of the Sub-Fund will be achieved. Whilst it is the intention of the Manager to implement strategies which are designed to minimise tracking error, there can be no assurance that these strategies will be successful. It is possible that investors may lose a substantial proportion or all of their investment in the Sub-Fund where the relevant Index value declines. As a result, each investor should carefully consider whether they can afford to bear the risks of investing in the Sub-Fund.

Each of the Sub-Fund and the Master ETF is passively managed and neither the Manager nor the MF Manager will have the discretion to adapt to market changes due to the inherent investment nature of the Sub-Fund or the Master ETF (as the case may be). Declines in the Index are expected to result in corresponding decreases in the value of the Master ETF and the Sub-Fund.

Risks specific to the Master ETF

Given the Sub-Fund invests substantially in the Master ETF as a feeder fund, the Sub-Fund may also be subject to the risks associated with the Master ETF's investments:

Chip industry concentration risks:

- *Greater price volatility* - Due to the concentration of the Index in the chip industry, the performance of the Index may be more volatile when compared to other broad based stock indices. The price volatility of the Master ETF may be greater than the price volatility of exchange traded funds tracking more broad-based indices.

- *Unpredictability of the chip industry* – Many of the companies in the chip industry have a relatively short operating history. The chip industry is characterised by intense competition, both domestically and internationally, including competition from subsidized foreign competitors with lower production costs. Rapid changes in technology and product innovation could render the products and services offered by these companies obsolete and cause severe or complete declines in the prices of their securities. Companies in the chip industry may also face dramatic and often unpredictable changes in growth rates, rapidly changing product and market demands, and intense competition for the services of qualified personnel. The economic performance of their customers (such as those in the artificial intelligence industry and information technology infrastructure) can significantly affect chip demand and therefore growth and market outlook of the chip industry.

- *Possible substantial government intervention* – There may be substantial government intervention in the chip industry, including restrictions and/or bans on investment in companies in the chip industry if such companies are deemed sensitive to relevant national interests. Some governments have sought, and may in the future seek, to restrict access to products and services offered by these companies from their country entirely or impose other restrictions that may affect the accessibility of such products and services for an extended period of time or indefinitely. In the event that access to the products and services is restricted, in whole or in part, in one or more countries, the operating results of these companies may be harmed. In addition, companies in the chip industry typically rely on heavy and significant spending on research and development (R&D), and there can be no assurance that the products developed will achieve commercial success.

- *Complex laws and regulations* – The chip industry is subject to complex laws and regulations. These laws and regulations are subject to change and uncertain interpretation, and could result in claims, changes to business practices, monetary penalties, increased cost of operations or declines in operating results, or otherwise harm the business of companies in the chip industry. They may also delay or impede the development of new products and services. Compliance with existing and new laws and regulations can be costly and may require significant time and attention of management and technical personnel. Companies in the chip industry are also subject to the risks of loss or impairment of intellectual property rights or licences. The stock prices of companies in the chip industry have been and are likely to continue to be extremely volatile. All these factors may have an adverse impact on the business and/or profitability of the companies in the chip industry that may be invested by the Master ETF, which may in turn affect the net asset value of the Master ETF.

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

Concentration risk: The Master ETF's investments are concentrated in the PRC mainland. The value of the Master ETF and the Sub-Fund may be more volatile than that of a fund having a more diverse portfolio of investments. The value of the Master ETF and the Sub-Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the PRC mainland market. Please refer to the section headed "***PRC Mainland Market Risks***" in this Appendix for further details.

*Risks associated with the SSE Science and Technology Innovation Board (the "**STAR Market**").*

The Master ETF may invest in the STAR Market, which are subject to the following risks:

- *Risk relating to overvaluation of stocks*. Securities listed on the STAR Market may be overvalued and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.

- *Risk relating to the differences in regulations*. The rules and regulations in relation to the issuance and listing of the securities in the STAR Market are less stringent in terms of profitability and share capital than those in the main board market of the SSE or the SZSE. Given the emerging nature of companies listed on the STAR Market, there is a risk that the securities traded on the STAR Market may be susceptible to higher market volatility compared to securities traded on the main board market of the SSE or the SZSE.

- *Risk of delisting*. It may be more common and faster for companies listed on the STAR Market to delist. The STAR Market have stricter criteria for delisting compared to the main boards. Hence, in more extreme circumstances, they are more susceptible to falling within one of the scenarios for delisting and consequently being delisted by the SZSE or the SSE. This may have an adverse impact on the Master ETF if the companies that it invests in are delisted.

- *Operational risk*. Listed companies in the STAR Market are usually in their preliminary stage of development with smaller operating scale and shorter operating history, less mature business model and weaker risk management capacity, and their businesses are usually subject to higher uncertainty and more fluctuations in their performance. Therefore its stability and resistance to market risks may be lower. These instability and uncertainties may have an adverse impact on the Master ETF which may invest into companies that are listed on the STAR Market.

- *Risk associated with the fluctuation in stock prices*. Since the companies listed on the STAR Market usually have a smaller scale and shorter operating history, their ability to resist market risks is lower, and hence their stock prices may experience a higher fluctuation as the performance of these companies changes. In extreme circumstances where the trading price of the stock has hit the trading band limit, trading of the stock will be suspended. A suspension will render it impossible for the Master ETF to liquidate positions and will therefore expose the Master ETF to significant losses. Further, when the suspension is subsequently lifted, it may not be possible for the Master ETF to liquidate positions at a favourable price. Conventional valuation methods may not be entirely applicable to companies listed on the STAR Market due to the risky nature of the industries that these companies operate in. There are fewer circulating shares on the STAR Market, hence stock prices may be relatively more easily manipulated and may experience higher fluctuation upon market speculation.

- *Risk associated with the technical failures*. The companies listed on the STAR Market may have an industry focus on scientific development, technology, innovation or media industries. Since these are areas with rapid development, if there are failures in the process of the scientific development which such companies are involved in and/or any major adverse events happening in the relevant industries or their development, this may result in losses in such companies and hence may have an adverse impact on the Master ETF if the Master ETF invests in those companies.

Risks relating to the differences between the Hong Kong and PRC mainland securities markets. As the SSE may be open when Units in the Sub-Fund are not priced, the value of the Master ETF may change on days when investors will not be able to purchase or sell the Sub-Fund's Units. Furthermore, the market prices of the Master ETF may not be available during part of or all of the SEHK trading sessions due to trading hour differences which may result in Units of the Sub-Fund being traded at a premium or discount to its Net Asset Value.

In addition, differences in trading hours between the SSE and the SEHK may increase the level of premium/discount of the price of Units of the Sub-Fund to its Net Asset Value because if the SSE is closed while the SEHK is open, net asset value of the Master ETF may not be available. The prices quoted by the market maker would therefore be adjusted to take into account any accrued market risk that arises from such unavailability of the net asset value of the Master ETF and as a

result, the level of premium or discount of the Unit price of the Sub-Fund to its Net Asset Value may be higher.

There are no trading band limits in Hong Kong. However, trading band limits are imposed by the stock exchanges in the PRC mainland on China A-Shares and China A-Share ETFs, where trading in any China A-Share and China A-Share ETF on the relevant stock exchange may be suspended if the trading price of the China A-Share or China A-Share ETF has hit the trading band limit during the day. Any dealing suspension of the Master ETF will render it impossible for the Sub-Fund to acquire units of the Master ETF or liquidate positions to reflect creation/redemption of the Units of the Sub-Fund. This may result in higher tracking error and may expose the Sub-Fund to losses. Units of the Sub-Fund may also be traded at a significant premium or discount to its Net Asset Value.

Tracking error risk. There can be no assurance of exact or identical replication at any time of the performance of the Index by the Master ETF. Factors such as the fees and expenses of the Master ETF, imperfect correlation between the Master ETF's assets and the underlying securities constituting the Index (the "**Index Securities**"), inability to hold the exact constituents of the Index by the Master ETF or rebalance the Master ETF's holdings of Index Securities in response to changes in the constituents of the Index, rounding of the Index Securities' prices, and changes to the regulatory policies may affect the ability of the MF Manager to achieve close correlation with the Index. These factors may cause the Master ETF, and thus Sub-Fund's returns, to deviate from the Index. The Manager and the MF Manager will monitor and seek to manage such risk in order to minimise tracking error.

Management risk. The knowledge, experience, judgment, decision-making and skill of the MF Manager will affect its analysis and judgment on the economic and market conditions and the trend of securities prices, thus influencing the return of the Master ETF. In addition, the professional ethics and ethical standards of the MF Manager may also have impact on the return of the Master ETF.

Operational or technical risk. Losses to the Master ETF's assets may occur due to operational errors or violation of operating procedures resulting from deficiencies in internal control or human factors during the operation of various links of the business, for example, unauthorised illegal transactions, fraud by the accounting department and trading errors.

The failure or error of the MF Manager or Master ETF's technology system may affect the normal progress of a transaction or impact the interests of the investors. This technical risk may come from the MF Manager, registries, sales agencies, interbank bond markets, securities/futures exchanges, securities registries and China Central Depository & Clearing Co., Ltd.

Delisting risk. There is a risk that the units in the Master ETF cannot continue to be traded in the secondary market due to the early termination of listing, for example, by the resolution of the unitholders of the Master ETF or as a result of the Master ETF failing to meet the listing conditions of the relevant stock exchange. In such circumstances the Sub-Fund may not be able to continue to invest in the Master ETF.

Risk of early termination. The Master ETF may be terminated under the circumstances set out in the section headed "***Termination of the Master ETF***" in this Appendix above. If the Master ETF is terminated, or the Master ETF no longer complies with the relevant requirements applicable to the Master ETF as prescribed by the SFC, and the Manager is unable to identify or agree with another master fund that tracks the Index or a suitable replacement index that is acceptable to the SFC, the Sub-Fund may be terminated, and investors may not be able to recover their investments and suffer loss during such early termination.

Risks associated with investment in FDIs. The risks associated with the use of FDIs are different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. Generally, 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. Both exchange-traded and over-the-counter derivatives may be utilised. 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 a fund are exposed to a higher degree of fluctuation in value than other funds 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 are no regulated markets 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. Exposure to FDIs may lead to a high risk of significant loss. There is no assurance that the derivative strategy used by the Master ETF (if any) will succeed.

Risk of investing in stock index futures. In the process of using stock index futures to hedge the market risk, the Master ETF's assets may suffer from basis risk (i.e. the risk that the futures price might not move in normal, steady correlation with the price of the underlying assets) because the stock index futures contract may not be fully consistent with the Index in its price fluctuation.

If sufficient cash is not reserved, the futures position may be subject to the risk of mandatory liquidation due to insufficient margin in case of extreme conditions in the market.

When the delivery date of the spot contract held by the Master ETF is approaching, the contract needs to be replaced for extension of the Master ETF's position. The contract extension is subject to the risk that the basis of the contract changes in an unfavourable direction or the liquidity is insufficient.

Risks associated with securities lending transactions. The Master ETF may engage in securities lending transactions, and the risks include but are not limited to:

- *Counterparty risk*. The borrower may fail to return the securities in a timely manner or at all. The Master ETF may as a result suffer from a loss or delay when recovering the securities lent out. This may restrict the Master ETF's ability in meeting delivery or payment obligations from redemption requests.

- *Credit risk*. There is a risk that the borrower may not be able to pay the corresponding equity compensation and borrowing fee. The value of any collateral received may also fall below the value of the securities lent out.

- *Market risk*. After the securities are lent, they may face market risk that the securities cannot be disposed of in a timely manner during the lending period.

Risks of investing in the Master ETF.

Dependence on Master ETF performance - The Sub-Fund invests substantially in the Master ETF, and may therefore be subject to the risks associated with the Master ETF. The performance of the Sub-Fund depends on the price of the Master ETF. The ability of the Sub-Fund to meet its investment objective is also largely dependent on the Master ETF.

Tracking difference / tracking error - The performance of the Sub-Fund may deviate from the performance of the Master ETF due to the Sub-Fund's holdings in investments other than units in the Master ETF, as well as the Sub-Fund's fees and expenses. While the Sub-Fund seeks to minimise the tracking difference / tracking error arising from the Master ETF, there is no guarantee that the Sub-Fund may achieve such objective via investments other than investment in units in the Master ETF, due to various factors such as timing differences or delays in adjusting the Sub-Fund's investments.

Past performance not indicative of future results - Past performance of the Master ETF is not necessarily a guide to future performance of the Master ETF or the Sub-Fund.

Lack of control over Master ETF investments and voting rights - The Sub-Fund does not have

control of the investments of the Master ETF and there is no assurance that the investment objective and strategy of the Master ETF will be successfully achieved which may have a negative impact to the Net Asset Value of the Sub-Fund. Unitholders also do not have any direct interest in the units in the Master ETF and will not be able to exercise any voting right in respect of the Master ETF.

Additional costs and fee layering - There may be additional costs involved when investing into the Master ETF. By investing in the Master ETF, the Sub-Fund will bear a proportion of the fees and charges of the Master ETF. Such fees and charges of the Master ETF will be deducted from the net asset value of the Master ETF and reflected in the net asset value per unit of the Master ETF.

Liquidity risk and trading suspension - There is also no guarantee that the Master ETF will always have high trading volume and sufficient liquidity and the Sub-Fund may not be able to realise or liquidate its investment in the Master ETF at such time as it wishes to. There is no assurance that the liquidity of the Master ETF will always be sufficient to meet realisation requests. Further, there could be trading suspension of the Master ETF in the secondary market in the PRC mainland and these factors may have an adverse impact on the Sub-Fund and its unitholders.

Premium / discount risk - The trading price of the units of the Master ETF on the SSE is driven by market factors such as the demand and supply of the units. Therefore, the units of the Master ETF may trade at a substantial premium or discount to the Master ETF's net asset value.

Regulatory and structural differences - The Master ETF is not authorised by the SFC and is structured as an open-ended contract-type investment fund (which is different to the structure of the Sub-Fund). The Master ETF is regulated by the CSRC and is subject to the applicable PRC mainland laws and regulations. Future changes in the applicable PRC mainland laws and regulations may have an impact on the Master ETF. The management and operation of the Master ETF is also dependent on the MF Manager and its service providers.

PRC Mainland Market Risks. Insofar as the Sub-Fund invests substantially in the units of the Master ETF, which are securities issued in the PRC mainland, it will be subject to risks inherent in the PRC mainland market and additional concentration risks. Please refer to the risk factors under the section headed "***Risk Factors Relating to the PRC Mainland***" under "**Risk Factors**" in Part 1 of this Prospectus.

The existence of a liquid trading market for China A-Shares and ETFs listed in PRC mainland (such as the Master ETF) may depend on whether there is supply of, and demand for, such China A-Shares and ETFs. The price at which the China A-Shares may be purchased or sold by the Master ETF may be adversely affected if trading markets for China A-Shares are limited or absent. This may have impact on the price at which units of the Master ETF may be purchased or sold by the Sub-Fund. Further, the price at which units of the Master ETF may be purchased or sold by the Master ETF and the Net Asset Value of the Sub-Fund may be adversely affected if trading markets for the Master ETF are limited or absent. Investors should note that the SZSE and the SSE on which China A-Shares and the Master ETF are traded are undergoing development and the market capitalisation of those stock exchanges are lower than those in more developed markets. The China A-Share and China A-Share ETF market may be more volatile and unstable (for examples due to the risk of suspension of a particular stock or government intervention) than those in more developed markets. A Participating Dealer may not be able to create and redeem Units if the units of the Master ETF is not available. Market volatility and settlement difficulties in the China A-Share and ETF markets may also result in significant fluctuations in the prices of the China A-Shares and ETFs traded on such markets and thereby may affect the value of the Sub-Fund.

Securities exchanges in the PRC mainland typically have the right to suspend or limit trading in any security traded on the relevant exchange; a suspension will render it impossible for the Manager to liquidate positions and can thereby expose the Sub-Fund to losses. Under such circumstances, while creation/ redemption of the Sub-Fund's Units may be suspended, subject to the Manager's discretion, the trading of the Sub-Fund on the SEHK may or may not be suspended. If trading of the Master ETF on the SZSE is suspended, it may be difficult for the Manager to determine the Net Asset Value of the Sub-Fund. Where trading of the Master ETF on the SZSE is suspended, the Manager may determine to suspend the creation and redemption of Units of the Sub-Fund, and/or delay the payment of any monies in respect of any Redemption Application.

If the trading of the Sub-Fund on the SEHK continues when the trading of the Master ETF is suspended, the trading price of the Sub-Fund may deviate away from its Net Asset Value.

As a result of the trading band limits imposed by the stock exchanges in the PRC mainland on China A-Shares and China A-Share ETFs (including the Master ETF), it may not be possible for Participating Dealers to create and/or redeem Units of the Sub-Fund on a Dealing Day, because the Master ETF may not be available if the trading band limit has been exceeded or it is impossible to liquidate positions. This may lead to higher tracking error and may expose the Sub-Fund to losses. Further, the price of the Units of the Sub-Fund may be traded at a premium or discount to its Net Asset Value. The Manager has put in place measures to tackle the trading band limit as disclosed under the section headed "***Measures Adopted by the Manager to Address the Differences between the PRC Mainland Market and the Hong Kong Market***" in this Appendix.

Risks of investing in other funds. The Sub-Fund may invest in funds other than the Master ETF, and may therefore be subject to the risks associated with such underlying funds. The Sub-Fund does not have control of the investments of the underlying funds and there is no assurance that the investment objective and strategy of the underlying funds will be successfully achieved which may have a negative impact to the Net Asset Value of the Sub-Fund.

The underlying funds in which the Sub-Fund may invest may not be authorised by the SFC. There may be additional costs involved when investing into these underlying funds. There is also no guarantee that the underlying funds will always have high trading volume and sufficient liquidity and the Sub-Fund may not be able to realise or liquidate its investment in such underlying funds at such time as it wishes to.

Risks Relating to the QFI Regime

QFI risk. The Sub-Fund is not a QFI but may obtain access to the Master ETF, or other permissible investments directly using the QFI status of a QFI. The Sub-Fund may invest directly in QFI eligible securities investment via the QFI status of the Manager.

Investors should note that QFI status could be suspended or revoked, which may have an adverse effect on the Sub-Fund's performance as the Sub-Fund may be required to dispose of its securities holdings. In addition, certain restrictions imposed by the Chinese government on QFIs may have an adverse effect on the Sub-Fund's liquidity and performance.

The PBOC and the SAFE regulate and monitor the repatriation of funds out of the PRC mainland by QFIs pursuant to the QFI Regulations. Repatriations by QFIs in respect of the Sub-Fund are currently permitted daily and are not subject to any repatriation restrictions, lock-up periods or prior approval from the SAFE, although authenticity and compliance reviews will be conducted by the QFII Custodian, and monthly reports on remittances and repatriations will be submitted to the SAFE by the QFII Custodian. The repatriation process may be subject to certain requirements set out in the relevant regulations such as submission of certain documents, and completion of the repatriation process may be subject to delay. There is no assurance, however, that PRC mainland rules and regulations will not change or that repatriation restrictions will not be imposed in the future. Further, such changes to the PRC mainland rules and regulations may take effect retrospectively. Any restrictions on repatriation of the invested capital and net profits may impact on the Sub-Fund's ability to meet redemption requests from the Unitholders. Furthermore, as the Custodian's or the QFII Custodian's review on authenticity and compliance is conducted on each repatriation, the repatriation may be delayed or even rejected by the Custodian or the QFII Custodian in case of non-compliance with the QFI Regulations. In such case, it is expected that redemption proceeds will be paid to the redeeming Unitholder as soon as practicable, and within 3 Business Days, and after the completion of the repatriation of funds concerned. It should be noted that the actual time required for the completion of the relevant repatriation will be beyond the Manager's control.

Relevant PRC mainland regulators are vested with the power to impose regulatory sanctions if the QFI or the QFII Custodian violates any provision of the QFI Regulations. Any violations could result in the revocation of the QFI's status or other regulatory sanctions and may adversely impact on the QFI's status. Therefore in the event that the QFI status of the Manager is revoked or

cancelled due to violation of the QFI Regulations in relation to any funds under the management of the Manager, this will have an adverse impact on all the funds (including the Sub-Fund) under the Manager's management as a whole.

Investors should note that there can be no assurance that a QFI will continue to maintain its QFI status, or that redemption requests can be processed in a timely manner due to adverse changes in relevant laws or regulations. Such circumstances may respectively result in a rejection of applications and a suspension of creation for the Sub-Fund. In extreme circumstances, the Sub-Fund may incur significant losses due to revocation of the QFI status, limited investment capabilities, or may not be able to fully implement or pursue its investment objective or strategy, due to QFI investment restrictions, illiquidity of the Chinese domestic securities market, and/or delay or disruption in execution of trades or in settlement of trades.

The current QFI laws, rules and regulations are subject to change, which may take retrospective effect. In addition, there can be no assurance that the QFI laws, rules and regulations will not be abolished. The Sub-Fund, which invests in the PRC mainland markets through a QFI, may be adversely affected as a result of such changes.

Application of QFI rules. The application of the QFI Regulations described under the section headed "***QFI Regime***" in this Appendix may depend on the interpretation given by the relevant Chinese authorities. The Chinese authorities and regulators have been given wide discretion in such investment regulations and there is no precedent or certainty as to how such discretion may be exercised now or in the future.

Any changes to the relevant rules may have an adverse impact on investors' investment in the Sub-Fund. In the worst scenario, the Manager may determine that the Sub-Fund shall be terminated if it is not legal or viable to operate the Sub-Fund because of changes to the application of the relevant rules.

QFI systems risk. The current QFI Regulations include rules on investment restrictions applicable to the Sub-Fund.

In the event of any default of the QFII Custodian in the execution or settlement of any transaction or in the transfer of any funds or securities in the PRC mainland, the Sub-Fund may encounter delays in recovering its assets which may in turn impact the Net Asset Value of the Sub-Fund.

Risks relating to liquidity of China A-Shares and ETFs. Due to the potential liquidity constraint of the Master ETF, the Manager may not be able to efficiently process the transactions for the Creation and Redemption Applications without adverse impact on the fund value of the Sub-Fund, and therefore the existing investors' interest. Accordingly, the Manager may impose a limit on the total number of Units to be created or redeemed each day.

QFII Custodian risk. The Trustee shall take into its custody or under its control property of the Sub-Fund and hold it on trust for Unitholders. The assets held/credited in the securities account(s) are segregated and independent from the proprietary assets of the QFII Custodian. However, investors should note that, under PRC mainland law, cash deposited in the cash account(s) of the Sub-Fund with the QFII Custodian will not be segregated but will be a debt owing from the QFII Custodian to the Sub-Fund as a depositor. Such cash will be co-mingled with cash that belongs to other clients or creditors of the QFII Custodian. In the event of bankruptcy or liquidation of the QFII Custodian, the Sub-Fund will not have any proprietary rights to the cash deposited in such cash account(s), and the Sub-Fund will become an unsecured creditor, ranking *pari passu* with all other unsecured creditors, of the QFII Custodian. The Sub-Fund may face difficulty and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the Sub-Fund will suffer.

PRC mainland brokerage risk. The execution and settlement of transactions or the transfer of any funds or securities may be conducted by PRC mainland broker(s) appointed by the Manager as a QFI. More than one PRC mainland brokers can be appointed in respect of each stock exchange in the PRC mainland. If any of the designated PRC mainland broker in the PRC mainland cannot

be used, the operation of the Sub-Fund will be adversely affected and may cause Units of the Sub-Fund to trade at a premium or discount to its Net Asset Value or the Sub-Fund may not be able to track the Index. Further, the operation of the Sub-Fund may be adversely affected in case of any acts or omissions of the PRC mainland brokers, which may result in a higher tracking error or the Sub-Fund being traded at a significant premium or discount to its Net Asset Value.

As only a limited number of PRC mainland brokers may be appointed, the Sub-Fund may not necessarily pay the lowest commission available in the market. The Manager however, in the selection of PRC mainland brokers will have regard to factors such as the competitiveness of commission rates, size of the relevant orders and execution standards.

There is a risk that the Sub-Fund may suffer losses from the default, bankruptcy or disqualification of the PRC mainland brokers. In such event, the Sub-Fund may be adversely affected in the execution or settlement of any transaction or in the transfer of any funds or securities. As a result, the Net Asset Value of the Sub-Fund may also be adversely affected.

Subject to the applicable laws and regulations, the Manager will make arrangements to satisfy itself that the PRC mainland brokers have appropriate procedures to properly segregate the Sub-Fund's securities from those of the relevant PRC mainland brokers.

Risks Associated with Stock Connect

The Sub-Fund may invest through the Stock Connect and is subject to the following additional risks:

Quota limitations risk. The Stock Connect is subject to quota limitations. In particular, once the remaining balance of the Northbound Daily Quota drops to zero or the Northbound Daily Quota is exceeded during the opening call session, new buy orders will be rejected (though investors will be allowed to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the Sub-Fund's ability to invest in the eligible securities through the Stock Connect on a timely basis, and the Sub-Fund may not be able to effectively pursue its investment strategies.

Suspension risk. It is contemplated that each of the SEHK, the SSE and the SZSE would reserve the right to suspend Northbound and/or Southbound trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the Northbound trading through the Stock Connect is effected, the Sub-Fund's ability to access the PRC mainland market will be adversely affected.

Differences in trading day. The Stock Connect only operates on days when both the PRC mainland (SSE and SZSE) and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the PRC mainland market but Hong Kong investors (such as Sub-Fund) cannot carry out any trading via the Stock Connect. The Sub-Fund may be subject to a risk of price fluctuations in the relevant securities during the time when the Stock Connect is not trading as a result.

Operational risk. The Stock Connect provides a channel for investors from Hong Kong and overseas to access the PRC mainland stock market directly.

The Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

It should be appreciated that the securities regimes and legal systems of the two markets differ significantly and in order for the program to operate, market participants may need to address issues arising from the differences on an ongoing basis.

Further, the "connectivity" in the Stock Connect program requires routing of orders across the

border. This requires the development of new information technology systems on the part of the SEHK and exchange participants (i.e. a new order routing system was set up by the SEHK to which exchange participants need to connect). There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems failed to function properly, trading in both markets through the program could be disrupted. The Sub-Fund's ability to access the PRC mainland market (and hence to pursue its investment strategy) will be adversely affected.

Restrictions on selling imposed by front-end monitoring risk. PRC mainland regulations require that before an investor sells any SSE Securities and/or SZSE Securities, there should be sufficient SSE Securities or SZSE Securities (as the case may be) in the account; otherwise the SSE or the SZSE will reject the sell order concerned. The SEHK will carry out pre-trade checking on SSE Securities and SZSE Securities sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling.

If the Sub-Fund desires to sell certain SSE Securities and/or SZSE Securities it holds, it must transfer such SSE Securities or SZSE Securities (as the case may be) to the respective accounts of its brokers before the market opens on the day of selling ("**trading day**"). If it fails to meet this deadline, it will not be able to sell SSE Securities or SZSE Securities on the trading day. Because of this requirement, the Sub-Fund may not be able to dispose of holdings of SSE Securities or SZSE Securities in a timely manner.

Recalling of eligible securities risk. When a security is recalled from the scope of eligible securities for trading via the Stock Connect, the security can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of the Sub-Fund, for example, when the Manager wishes to purchase a security which is recalled from the scope of eligible securities.

Clearing and settlement risk. The HKSCC and ChinaClear have established the clearing links and each has become a participant of each other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market would on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

As the national central counterparty of the PRC mainland's securities market, ChinaClear operates a comprehensive network of clearing, settlement and security holding infrastructure. ChinaClear has established a risk management framework and measures that are approved and supervised by the CSRC. The chances of ChinaClear default are considered to be remote.

Should the remote event of ChinaClear default occur and ChinaClear be declared as a defaulter, the HKSCC's liabilities in Northbound trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. The HKSCC will in good faith, seek recovery of the outstanding securities and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the Sub-Fund may suffer delay in the recovery process or may not be able to fully recover its losses from ChinaClear.

Nominee arrangements in holding SSE Securities and SZSE Securities risk. HKSCC is the "nominee holder" of the SSE Securities and the SZSE Securities acquired by Hong Kong and overseas investors through the Stock Connect.

The CSRC Stock Connect rules expressly provide that investors enjoy the rights and benefits of SSE Securities and SZSE Securities acquired through the Stock Connect in accordance with applicable laws.

The CSRC Stock Connect rules are departmental regulations having legal effect in the PRC mainland. However, the application of such rules is untested, and there is no assurance that PRC mainland courts will recognise such rules, e.g. in liquidation proceedings of PRC mainland companies.

It should be noted that, under the HKSCC rules, the HKSCC as nominee holder shall have no obligation to take any legal action or court proceeding to enforce any rights on behalf of the investors in respect of the SSE Securities and the SZSE Securities in the PRC mainland or elsewhere. Therefore, although the Sub-Fund's ownership may be ultimately recognised, the Sub-Fund may suffer difficulties or delays in enforcing its rights in SSE Securities and SZSE Securities.

Participation in corporate actions and shareholders' meetings risk. The HKSCC will keep CCASS participants informed of corporate actions of SSE Securities and SZSE Securities. Hong Kong and overseas investors (including the Sub-Fund) will need to comply with the arrangement and deadline specified by their respective brokers or custodians (i.e. CCASS participants). The time for them to take actions for some types of corporate actions of SSE Securities and SZSE Securities may be as short as one business day only. Therefore, the Sub-Fund may not be able to participate in some corporate actions in a timely manner.

Hong Kong and overseas investors (including the Sub-Fund) are holding SSE Securities and SZSE Securities traded via the Stock Connect program through their brokers or custodians. According to existing PRC mainland practice, multiple proxies are not available. Therefore, the Sub-Fund may not be able to appoint proxies to attend or participate in shareholders' meetings in respect of the SSE Securities and the SZSE Securities.

Limited Protection by Investor Compensation Fund. Investment through Stock Connect is conducted through broker(s), and is subject to the risks of default by such brokers in their obligations. Hong Kong's Investor Compensation Fund is established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong. For defaults occurring on or after 1 January 2020, the Investor Compensation Fund also covers investors' losses in relation to securities traded on a stock market operated by the SSE and the SZSE and in respect of which an order for sale or purchase is permitted to be routed through the northbound link of a Stock Connect arrangement. On the other hand, since the Sub-Fund is carrying out Northbound trading through securities brokers in Hong Kong but not PRC mainland brokers, they are not protected by the China Securities Investor Protection Fund (中國投資者保護基金) in the PRC mainland. Therefore the Sub-Fund is exposed to the risks of default of the broker(s) it engages in its trading in SSE Securities and SZSE Securities through the program.

Regulatory risk. The Stock Connect is subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the PRC mainland and Hong Kong. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-boundary legal enforcement in connection with cross-boundary trades under the Stock Connect.

It should be noted that the regulations are untested and there is no certainty as to how they will be applied. Moreover, the current regulations are subject to change. There can be no assurance that the Stock Connect will not be abolished. The Sub-Fund, which may invest in the PRC mainland markets through the Stock Connect, may be adversely affected as a result of such changes.

Taxation risk. On 14 November 2014, the Ministry of Finance and the State of Administration of Taxation have jointly promulgated Caishui [2014] No.81 ("**Notice No.81**") in relation to the taxation rule on the Stock Connect. Under Notice No.81, with effect from 17 November 2014, corporate income tax, individual income tax and business tax will be temporarily exempted on gains derived by Hong Kong and overseas investors (including the Sub-Fund) on the trading of China A-Shares through the Stock Connect. However, dividends will be subject to 10% withholding tax and the company distributing the dividend has the withholding obligation. If the recipient of the dividend is entitled to a lower treaty rate, it can apply to the in-charge tax bureau of the payor for a refund. Investments in the Sub-Fund may be subject to the risks associated with changes in the PRC mainland tax laws and such changes may have retrospective effect and may adversely affect the Sub-Fund.

RMB currency risks

RMB not freely convertible and subject to Exchange controls and restrictions risk. It should be noted that the RMB is currently not a freely convertible currency as it is subject to foreign exchange control policies and repatriation restrictions imposed by the PRC mainland government. Since 1994, the conversion of RMB into US dollar has been based on rates set by the PBOC, which are set daily based on the previous day's PRC mainland inter-bank foreign exchange market rate. On 21 July 2005, the PRC mainland government introduced a managed floating exchange rate system to allow the value of RMB to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. In addition, a market maker system was introduced to the interbank spot foreign exchange market. In July 2008, the PRC mainland announced that its exchange rate regime was further transformed into a managed floating mechanism based on market supply and demand. Given the domestic and overseas economic developments, the PBOC decided to further improve the RMB exchange rate regime in June 2010 to enhance the flexibility of the RMB exchange rate. In April 2012, the PBOC decided to take a further step to increase the flexibility of the RMB exchange rate by expanding the daily trading band from +/- 0.5% to +/- 1%. However it should be noted that the PRC mainland government's policies on exchange control and repatriation restrictions are subject to change, and any such change may adversely impact the Sub-Fund. There can be no assurance that the RMB exchange rate will not fluctuate widely against the US dollar or any other foreign currency in the future.

Foreign exchange transactions under the capital account, including principal payments in respect of foreign currency-denominated obligations, currently continue to be subject to significant foreign exchange controls and require the approval of the SAFE. On the other hand, the existing PRC mainland foreign exchange regulations have significantly reduced government foreign exchange controls for transactions under the current account, including trade and service related foreign exchange transactions and payment of dividends. Nevertheless, the Manager cannot predict whether the PRC mainland government will continue its existing foreign exchange policy or when the PRC mainland government will allow free conversion of the RMB to foreign currency.

Any PRC mainland government's policies on exchange control and repatriation restrictions are subject to change and may reduce the liquidity as well as operation of the Sub-Fund. It may also cause suspension of creation of units of the Sub-Fund.

Non-RMB or late settlement redemption risk. Where, in extraordinary circumstances, the remittance or payment of RMB funds on the redemption of Units cannot, in the opinion of the Manager in consultation with the Trustee, be carried out normally due to legal or regulatory circumstances beyond the control of the Trustee and the Manager, redemption proceeds may be delayed or, if necessary in exceptional circumstances, be paid in US dollars or HKD instead of in RMB (at an exchange rate determined by the Manager after consultation with the Trustee). As such, there is a risk that investors may not be able to receive, through Participating Dealers, settlement upon a redemption of Units in RMB (and may receive US dollars or HKD) or may receive settlement in RMB on a delayed basis.

Exchange rates movement between the RMB and other currencies risk. The Sub-Fund's base currency is RMB. However Units of the Sub-Fund are traded on the SEHK in HKD and USD (in case of Listed Class of Units); or designated and subscribed or redeemed in HKD, USD or other currencies (in case of Unlisted Class of Units). Investors whose assets and liabilities are predominantly in HKD or USD (or in any currencies other than RMB) should take into account the potential risk of loss arising from fluctuations in value between such currencies and RMB. In addition, Unitholders of Listed Class of Units should note that distributions on Units will only be paid in RMB. Accordingly, foreign exchange risk will also apply to Unitholders of Listed Class of Units. There is no guarantee that RMB will appreciate in value against any other currency, or that the strength of RMB may not weaken. In such case Unitholders of Listed Class of Units may enjoy a gain in RMB terms but suffer a loss when converting funds from RMB into HKD or USD (or any other currency).

Future movements in RMB exchange rates risk. The exchange rate of the RMB ceased to be pegged to the US dollar on 21 July 2005, resulting in a more flexible RMB exchange rate system. The China Foreign Exchange Trading System, authorised by the PBOC, promulgates the central parity rate of the RMB against the US dollar, Euro, Yen, pound sterling and HKD at 9:15 a.m. on

each business day, which will be the daily central parity rate for transactions on the Inter-bank Spot Foreign Exchange Market and OTC transactions of banks. The exchange rate of the RMB against the above-mentioned currencies fluctuates within a range above or below such central parity rate. As the exchange rates are based primarily on market forces, the exchange rates for RMB against other currencies, including US dollars and HKD, are susceptible to movements based on external factors. There can be no assurance that such exchange rates will not fluctuate widely against US dollars, HKD or any other foreign currency in the future. From 1994 to July 2005, the exchange rate for the RMB against the US dollar and the HKD was relatively stable. Since July 2005, the appreciation of the RMB has begun to accelerate. Although the PRC mainland government has constantly reiterated its intention to maintain the stability of RMB, it may introduce measures (such as a reduction in the rate of export tax refund) to address the concerns of the PRC mainland's trading partners.

The possibility that the appreciation of the RMB will be accelerated cannot be excluded. Further, any devaluation of the RMB could adversely affect the value of investors' investments in the Sub-Fund. Investors whose base currency is not the RMB may be adversely affected by changes in the exchange rates of the RMB.

Offshore RMB ("CNH") market risk. The onshore RMB ("CNY") is the only official currency of the PRC mainland and is used in all financial transactions between individuals, state and corporations in the PRC mainland. Hong Kong is the first jurisdiction to allow accumulation of RMB deposits outside the PRC mainland. Since June 2010, the offshore RMB ("CNH") is traded officially, regulated jointly by the Hong Kong Monetary Authority (the "HKMA") and the PBOC. While both CNY and CNH represent RMB, they are traded in different and separated markets. The 2 RMB markets operate independently where the flow between them is highly restricted. Although the CNH is a proxy of the CNY, they do not necessarily have the same exchange rate and their movement may not be in the same direction. This is because these currencies act in separate jurisdictions, which leads to separate supply and demand conditions for each, and therefore separate but related currency markets. Any divergence between CNH and CNY may adversely impact investors who intend to gain exposure to CNY through investments in the Sub-Fund.

However, the current size of RMB denominated financial assets outside the PRC mainland is limited. As at the end of November 2014, the total amount of RMB (CNH) deposits held by institutions authorised to engage in RMB banking business in Hong Kong amounted to approximately RMB974.14 billion. In addition, participating authorised institutions are also required by the HKMA to maintain a total amount of RMB (in the form of cash and its settlement account balance with the Renminbi Clearing Bank) of no less than 25% of their RMB deposits, which further limits the availability of RMB that participating authorised institutions can utilise for conversion services for their customers. RMB business participating banks do not have direct RMB liquidity support from PBOC. The Renminbi Clearing Bank only has access to onshore liquidity support from PBOC (subject to annual and quarterly quotas imposed by PBOC) to square open positions of participating banks for limited types of transactions, including open positions resulting from conversion services for corporations relating to cross-border trade settlement. The Renminbi Clearing Bank is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services and the participating banks will need to source RMB from the offshore market to square such open positions. Although it is expected that the offshore RMB market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC mainland laws and regulations on foreign exchange. There is no assurance that new PRC mainland regulations will not be promulgated or the relevant settlement agreements between Hong Kong banks and the PBOC will not be terminated or amended in the future which will have the effect of restricting availability of RMB offshore. The limited availability of RMB outside the PRC mainland may affect the ability of investors to acquire Units or to sell Units affecting the liquidity and trading price of the Listed Class of Units on the SEHK. To the extent the Manager is required to source RMB in the offshore market, there is no assurance that it will be able to source such RMB on satisfactory terms, if at all.

RMB Distributions Risk. (applicable to Listed Class of Units only) Investors should note that where a Unitholder holds Listed Class of Units traded under the HKD counter or the USD counter, the relevant Unitholder will only receive distributions in RMB and not HKD or USD. In the event the relevant Unitholder of Listed Class of Units has no RMB account, the Unitholder of Listed Class of

Units may have to bear the fees and charges associated with the conversion of such dividend from RMB into HKD or USD or any other currency. Unitholders of Listed Class of Units are advised to check with their brokers concerning arrangements for distributions.

Dual Counter trading risks (applicable to Listed Class of Units only)

Inter-counter trading risk. Although an investor may buy from one counter and sell the same on the other counter in the same day, it is possible that some brokers/intermediaries and CCASS Participants may not be familiar with and may not be able to (i) buy Listed Class of Units in one counter and to sell Listed Class of Units in the other, or (ii) trade Listed Class of Units in the HKD counter and USD counter at the same time. In such case (i) to (ii), another broker, intermediary or CCASS Participant may need to be used. This may inhibit or delay dealing in the HKD traded Listed Class of Units and USD traded Listed Class of Units and may mean investors may only be able to trade their Listed Class of Units in one currency. Investors are recommended to check the readiness of their brokers/intermediaries in respect of the Dual-Counter trading and inter-counter trading.

Investors should therefore consult their brokers/intermediaries on the services that the brokers/intermediaries may provide in this regard along with the associated risks and fees. In particular, some brokers/intermediaries may not have in place systems an d controls to facilitate inter-counter trading and/or inter-counter day trades.

Difference in trading prices risk. There is a risk that due to different factors such as market liquidity, market supply and demand in the respective counters and the exchange rate among HKD and USD, the market price on the SEHK of Listed Class of Units traded in HKD may deviate significantly from the market price on the SEHK of Listed Class of Units traded in USD. The trading price of HKD traded Listed Class of Units or USD traded Listed Class of Units is determined by market forces and so will not be the same as the trading price of Listed Class of Units multiplied by the prevailing rate of foreign exchange.

Accordingly when selling Listed Class of Units traded in HKD or buying Listed Class of Units traded in HKD, an investor may receive less or pay more than the equivalent amount in USD if the trade of the relevant Listed Class of Units is in USD and vice versa. There can be no assurance that the price of Listed Class of Units in each counter will be equivalent.

Currency exchange risk. Investors who bought Listed Class of Units on the HKD counter or the USD counter may be subject to currency exchange risk as the assets of the Sub-Fund are denominated in RMB and the Net Asset Value of the Sub-Fund will be calculated in RMB.

Other risks

Operating risk. There is no assurance that the performance of the Sub-Fund will be identical to the performance of the Index. The level of fees, taxes and expenses payable by the Sub-Fund will fluctuate in relation to the Net Asset Value. Although the amounts of certain ordinary expenses of the Sub-Fund can be estimated, the growth rate of the Sub-Fund, and hence its Net Asset Value, cannot be anticipated. Accordingly, no assurance can be given as to the performance of the Sub-Fund or the actual level of its expenses.

Under the terms of the Trust Deed and as summarised the sub-section “Termination” under the section on “Statutory and General Information” in Part 1 of this Prospectus, the Manager may terminate the Sub-Fund. On the termination of the Sub-Fund, the Sub-Fund will be liquidated and investors will receive distributions of cash although the Manager has the power to decide to make distributions in specie.

Termination of market maker risk. (applicable to Listed Class of Units only) A market maker may cease to act as a market maker for the Sub-Fund in accordance with the terms of its agreement including upon giving prior written notice. The termination notice period for at least one market maker for Units of the Sub-Fund will be no less than three months. The liquidity for the Units of the Sub-Fund may be affected if there is no market maker for the Units. The Manager will use its best endeavours to put in place arrangements so that there is at least one market maker for the Sub-Fund to facilitate efficient trading of Units. It is possible that there is only one market maker for 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.

Tracking error risk*.* There can be no assurance of exact or identical replication at any time of the performance of the Master ETF and thus the Index. Factors such as the fees and expenses of the Sub-Fund, investments by the Sub-Fund other than the Master ETF, rounding of the Master ETF's prices, and changes to the regulatory policies may affect the Manager's ability to achieve close correlation with the Index. These factors may cause the Sub-Fund's returns to deviate from the Master ETF, and thus the Index.

Distributions Out of or Effectively Out of Capital Risk. The Manager may, at its discretion, pay dividend out of capital. The Manager may also, at its discretion, pay dividend out of gross income while all or part of the fees and expenses of the Sub-Fund are charged to/paid out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of dividends by the Sub-Fund and therefore, the Sub-Fund may effectively pay dividends out of the capital. Investors should note that payment of distributions out of capital or effectively out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to that amount. Any such distributions may result in an immediate reduction of the Net Asset Value per Unit of the Sub-Fund.

Appendix dated 24 November 2026

Annex to Appendix 1

Investment Restrictions of the Master ETF

Portfolio restrictions

The Master ETF's investment portfolio shall comply with the following restrictions:

(1) The proportion of the Master ETF's assets invested in the constituent stocks and stocks on the constituent reserve list of the Index (both including depositary receipts) shall not be less than 90% of the Master ETF's net asset value, and not less than 80% of the non-cash assets of the Master ETF.

(2) The proportion of the Master ETF's investment in various asset-backed securities from the same original right holder shall not exceed 10% of the Master ETF's net asset value.

(3) The market value of all asset-backed securities held by the Master ETF shall not exceed 20% of the Master ETF's net asset value.

(4) The proportion of the same asset-backed securities (referring to those with the same credit rating) held by the Master ETF shall not exceed 10% of the total issuance size of such asset-backed securities.

(5) The total investment in asset-backed securities from the same original right holder across all funds managed by the MF Manager shall not exceed 10% of the total size of all asset-backed securities issued by that original right holder.

(6) the Master ETF shall invest in the asset-backed securities with a credit rating of BBB or above. During the holding period, if the credit rating of any asset-backed security falls below this standard, the Master ETF shall sell it in full within 3 months of the publication of the rating report.

(7) When the Master ETF's assets are used for stock issuance purchases, the amount declared by the Master ETF shall not exceed the total assets of the Master ETF, and the number of stocks declared shall not exceed the total number of stocks to be issued by the issuing company.

(8) The total value of the Master ETF's assets shall not exceed 140% of the Master ETF's net asset value.

(9) The balance of funds from the Master ETF entering the national interbank bond market for bond repurchase shall not exceed 40% of the Master ETF's net asset value. The maximum term for bond repurchase in the national interbank bond market is 1 year, and bond repurchase shall not be extended upon maturity.

(10) When the Master ETF participates in stock index futures trading, it shall comply with the following investment restrictions:

(a) At the end of any trading day, the value of the purchased stock index futures contracts held by the Master ETF shall not exceed 10% of the Master ETF's net asset value;

(b) At the end of any trading day, the value of the purchased stock index futures and treasury bond futures contracts held and the market value of securities shall not exceed 100% of the Master ETF's net asset value. For this purpose, "securities" refers to stocks, bonds (excluding government bonds with maturities within one year), asset-backed securities, financial assets under reverse repurchase (excluding pledge-style repurchase), etc.;

(c) At the end of any trading day, the value of the sold stock index futures contracts held

shall not exceed 20% of the market value of the stocks held by the Master ETF;

(d) The sum (net of offsets) of the market value of the stocks held by the Master ETF, and the value of the purchased and sold stock index futures contracts held by the Master ETF shall comply with the relevant provisions of the Fund Contract regarding the proportion of stock investments;

(e) The aggregate transaction amount of stock index futures contracts (excluding closing positions) in any trading day shall not exceed 20% of the Master ETF's net asset value on the previous trading day;

(f) At the end of each trading day, after deducting the margin required for stock index futures and treasury bond futures contracts, the Master ETF shall maintain cash reserves not less than one time the margin amount.

(11) If the Master ETF participates in treasury bond futures trading, it shall comply with the following investment restrictions:

(a) At the end of any trading day, the value of the purchased treasury bond futures contracts held shall not exceed 15% of the Master ETF's net asset value;

(b) At the end of any trading day, after deducting the margin required for stock index futures and treasury bond futures contracts, the Master ETF shall maintain cash reserves not less than one time the margin amount;

(c) At the end of any trading day, the value of the purchased stock index futures and treasury bond futures contracts held and the market value of securities shall not exceed 100% of the Master ETF's net asset value. For this purpose, "securities" refers to stocks, bonds (excluding government bonds with maturities within one year), asset-backed securities, financial assets under reverse repurchase (excluding pledge-style repurchase), etc.;

(d) At the end of any trading day, the value of the sold treasury bond futures contracts held shall not exceed 30% of the market value of the bonds held by the Master ETF;

(e) The sum (net of offsets) of the market value of the bonds held by the Master ETF (excluding government bonds with a maturity of less than one year), and the value of the purchased and sold treasury bond futures contracts held by the Master ETF shall comply with the relevant provisions of the Fund Contract regarding the proportion of bond investments;

(f) The aggregate transaction amount of treasury bond futures contracts (excluding closing positions) in any trading day shall not exceed 30% of the Master ETF's net asset value on the previous trading day.

(12) When the Fund participates in stock options trading, it shall comply with the following investment restrictions:

(a) The total premiums paid and received by the Master ETF for open options contracts shall not exceed 10% of the Master ETF's net asset value;

(b) When opening positions for selling call options, the Master ETF shall hold sufficient underlying securities. When opening positions for selling put options, the Master ETF shall hold the full amount of cash required for exercise of options contract or cash equivalents that are recognised by the exchange rules to offset the options margin;

(c) The notional value of open options contracts shall not exceed 20% of the Master ETF's net asset value. For this purpose, the notional value of the contract is calculated by multiplying the strike price by the contract multiplier.

(13) The Master ETF may participate in margin financing. At the end of any trading day, the sum of the market value of the stocks purchased on margin financing and other securities held by

the Master ETF shall not exceed 95% of the Master ETF's net asset value.

(14) When the Master ETF participates in securities lending, the following limits shall apply:

(a) securities lent shall not exceed 30% of the Master ETF's net asset value. Securities lent with a term of more than 10 trading days shall be included within the scope of securities with limited liquidity as defined in the Provisions on the Administration of Liquidity Risk of Publicly Offered Open-End Securities Investment Funds, promulgated by the CSRC on 31 August 2017, effective on 1 October 2017, as amended from time to time;

(b) the amount of any single security lent in the lending business shall not exceed 30% of the total amount of that security held by the Master ETF;

(c) over the past 6 months, the Master ETF's average daily net asset value shall not be less than RMB 200 million;

(d) the average remaining term of securities lent shall not exceed 30 days, with the average remaining term calculated on a market value-weighted basis;

if factors beyond the control of the MF Manager, such as fluctuations in the securities market, mergers of listed companies, or changes in fund size, make the Master ETF's investments fail to meet the above requirements, the MF Manager shall not initiate any new lending activities.

(15) The total market value of assets with limited liquidity actively invested in by the Master ETF shall not exceed 15% of the Master ETF's net asset value. If, due to factors beyond the control of the MF Manager, such as securities market fluctuations, stock suspensions by listed companies, or changes in the Master ETF's size, the Master ETF's failure to meet the proportion restriction, the MF Manager shall not actively increase investments in assets with limited liquidity.

(16) For reverse repurchase transactions with private securities asset management products or other counterparties recognised by the CSRC, the eligibility requirements for acceptable collateral shall be consistent with the investment scope specified in the Fund Contract.

(17) The investment proportion restrictions for depository receipts by the Master ETF shall follow the same rules as those for stocks listed and traded on Chinese mainland exchanges, and shall be calculated on a combined basis with stocks listed and traded on Chinese mainland exchanges.

(18) Other investment restrictions prescribed by laws, regulations, rules of the CSRC, and the Fund Contract.

Except for items (6), (14), (15), and (16) above, if factors beyond the control of the MF Manager, such as fluctuations in the securities and futures markets, mergers of securities issuers, changes in fund size, adjustments to the constituent stocks of the Index, or liquidity restrictions on the constituent stocks of the Index, make the Master ETF's investment ratio deviate from the aforesaid restrictions, the MF Manager shall make adjustments within 10 trading days, unless there are special circumstances as stipulated by the CSRC. If there are other provisions in laws and regulations, those provisions shall prevail.

The MF Manager shall ensure that the Master ETF's investment portfolio ratio complies with the relevant provisions of the Fund Contract within 6 months from the effective date of the Fund Contract. During the aforesaid period, the Master ETF's investment scope and investment strategies shall align with the provisions of the Fund Contract. The MF Custodian will begin supervising and inspecting the Master ETF's investments from the effective date of the Fund Contract.

Prohibited activities

To safeguard the legitimate rights and interests of fund unit holders, the Master ETF's assets shall not be used for the following investments or activities:

(1) underwriting securities;

(2) providing loans or guarantees to others in violation of regulations;

(3) engaging in investments with unlimited liability;

(4) buying or selling units of other funds, unless otherwise specified by the CSRC;

(5) making capital contributions to the MF Manager or MF Custodian;

(6) engaging in insider trading, manipulating securities prices, or other improper securities trading activities;

(7) engaging in other activities prohibited by laws, administrative regulations or rules of the CSRC.

When using the Master ETF's assets to buy or sell securities issued by the MF Manager, the MF Custodian, their controlling shareholders, actual controllers, or companies with a significant conflict of interest, or securities underwritten during the underwriting period, or engaging in other major related-party transactions, the MF Manager shall comply with the Master ETF's investment objectives and investment strategies. The MF Manager shall prioritise the interests of fund unit holders, prevent conflicts of interest, and establish a sound internal approval and evaluation system to conduct transactions at fair and reasonable market prices. The related-party transactions must be approved by the MF Custodian in advance and disclosed in accordance with applicable laws and regulations. Major related-party transactions shall be submitted to the MF Manager's board of directors for review and approved by more than two-thirds (inclusive) of the independent directors. The MF Manager's board of directors shall review related-party transactions at least on a semi-annually basis.