

**THIS ANNOUNCEMENT AND NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE FOR UNITS OF THE EXCHANGE TRADED FUND NAMED BELOW**

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*If you are in any doubt about the contents of this Announcement and Notice or as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.*

*If you have sold or transferred all your units in Mirae Asset Horizons S&P Global Consumer Brands ETF, you should at once hand this Announcement and Notice to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.*

**IMPORTANT:** *The Stock Exchange of Hong Kong Limited (the “SEHK”), the Hong Kong Exchanges and Clearing Limited, the Hong Kong Securities and Futures Commission (the “SFC”) and the Hong Kong Securities Clearing Company Limited (the “HKSCC”) take no responsibility for the contents of this Announcement and Notice, 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 Announcement and Notice.*

*Mirae Asset Global Investments (Hong Kong) Limited (the “Manager”) accepts full responsibility for the accuracy of the information contained in this Announcement and Notice as at the date of publication, and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief, as at the date of publication, there are no other facts the omission of which would make any statement misleading.*

*SFC authorisation is not a recommendation or an endorsement of the Trust (as defined below) and the Terminating Investment Fund (as defined below) nor does it guarantee the commercial merits of the Trust and the Terminating Investment Fund or their performance. It does not mean the Trust and the Terminating Investment Fund are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors.*

## **Mirae Asset Horizons Exchange Traded Funds Series (the “Trust”)**

*(A Hong Kong umbrella unit trust authorized under Section 104 of the Securities and Futures Ordinance (Cap. 571) of the laws of Hong Kong)*

**Mirae Asset Horizons S&P Global Consumer Brands ETF (Stock Code: 3056)  
(the “Terminating Investment Fund”)**

**ANNOUNCEMENT AND NOTICE OF THE PROPOSED CESSATION OF  
TRADING, TERMINATION, VOLUNTARY DEAUTHORISATION AND  
DELISTING AND WAIVER FROM STRICT COMPLIANCE OF CERTAIN  
PROVISIONS OF THE CODE**

Terms not defined in this Announcement and Notice will have the meanings as are given to such terms in the prospectus dated 31 May 2018 (the “Prospectus”).

**IMPORTANT:** Investors are strongly advised to consider the contents of this Announcement and Notice. This Announcement and Notice is important and requires your immediate attention. It concerns the proposed cessation of trading, proposed termination, proposed deauthorisation and proposed delisting of the Terminating Investment Fund (the “Proposal”) and the waivers from strict compliance of certain provisions of the Code for the period from 16 October 2018 (the “Trading Cessation Date”) to the date of deauthorisation i.e. on or around 19 November 2018 (the “Deauthorisation Date”).

In particular, investors should note that:

- taking into account the relevant factors, in particular, the relatively small net asset value (“Net Asset Value”) of the Terminating Investment Fund (see details of the factors in section 1 below), the Manager has, by means of a resolution of the board of directors of the Manager dated 22 August 2018, decided to exercise its power under Clause 27.3 of the Trust Deed and provided notice in writing to Cititrust Limited (“Trustee”) accordingly, proposing to seek termination of the Terminating Investment Fund with effect on or around 19 November 2018, which is the date when the Manager and Trustee form an opinion that the Terminating Investment Fund ceases to have any outstanding contingent or actual assets or liabilities (the “Termination Date”) The Trustee has no objection to the Proposal;
- as stated in the Announcement and Notice of the Proposed Cessation of Trading, Termination, Voluntary Deauthorisation and Delisting and Notice of Extraordinary General Meeting dated 17 August 2018 (the “17 August Announcement”), a certain portion of the assets of the Terminating Investment Fund, amounting to approximately HK\$60,497.94 (the “Provision”) has been set aside. This Provision is to discharge any future costs, charges, expenses, claims and demands (including but not limited to any Auditors’ fees, regulatory maintenance costs and the fees payable to any service provider to the Terminating Investment Fund, including the Trustee but other than transaction costs and any taxes relating to the realisation of assets of the Terminating Investment Fund) that the Trustee and the Manager may incur or make, during the period from the time after the 17 August Announcement has been published up to the Termination Date, in connection with or arising out of the ongoing charges and normal operating expenses of the Terminating Investment Fund, and the termination process together with the delisting and deauthorisation (the “Future Costs”). For avoidance of doubt, the Future Costs do not include transaction costs and any taxes relating to the realisation of assets of the Terminating Investment Fund. Subject to the Provision, the Manager will bear all costs and expenses associated with the Proposal (including any transaction costs and any taxes relating to the realisation of assets of the Terminating Investment Fund) from the date of the 17 August Announcement up to and including the Termination Date;
- where the Provision is in excess of the actual amount of the Future Costs

(when materialized), such excess will be refunded to the Relevant Investors as part of the Final Distribution in proportion to each Relevant Investor's interests in the Terminating Investment Fund as at the Distribution Record Date. However, where the Provision is insufficient to cover any Future Costs, any shortfall will be borne by the Manager and no further provision will be made;

- the Last Trading Day (as defined in section 2.3) of the Units in the Terminating Investment Fund will be 15 October 2018, i.e. the last day on which investors may buy or sell Units on the SEHK and the last day for creation and redemption of Units in accordance with the usual trading arrangements currently in place;
- the Units of the Terminating Investment Fund will cease trading as from 16 October 2018 (the "Trading Cessation Date") which means it will not be possible for investors to buy or sell Units on the SEHK and no further creation and redemption of Units will be possible from the Trading Cessation Date onwards;
- the Manager will aim to realise all of the assets of the Terminating Investment Fund effective from the Trading Cessation Date. Accordingly, from the Trading Cessation Date onwards, (i) there will be no further trading of Units of the Terminating Investment Fund on the SEHK and no further creation and redemption applications of Units of the Terminating Investment Fund in the primary market will be accepted; (ii) the Manager will start to realise all the assets of the Terminating Investment Fund and the Terminating Investment Fund will mainly hold cash and therefore cease to track its Underlying Index and will not be able to meet its investment objective of tracking the performance of its Underlying Index; (iii) the Terminating Investment Fund will no longer be marketed to the public; and (iv) the Terminating Investment Fund will only be operated in a limited manner;
- with a view to minimising further costs, fees and expenses in managing the Terminating Investment Fund following the Trading Cessation Date and in the best interests of the investors of the Terminating Investment Fund, the Manager has applied to the SFC for, and has been granted, a waiver from strict compliance with the following provisions of the Code for the period from the Trading Cessation Date to the Deauthorisation Date:
  - (i) Chapter 10.7 (with regard to publishing suspension announcements);
  - (ii) paragraphs 4 and 17(a) and (b) of Appendix I (with regard to providing estimated Net Asset Value or R.U.P.V. (as defined in the Code and section 5.3) and last closing Net Asset Value on a real time or near-real time basis); and
  - (iii) Chapters 6.1 and 11.1B (with regard to updating the Prospectus and the product key facts statement ("KFS") in respect of the Terminating Investment Fund).

The details and the conditions on which such waiver is granted are as described in section 5 below;

- the Manager confirms that, save for the particular provisions of the Code set out in sections 5.2 to 5.4 below, the Manager will continue to comply with all the other applicable provisions of the Code, the applicable provisions in the Trust Deed and other applicable laws and regulations until the Deauthorisation Date;
- the Manager will, after having consulted the Terminating Investment Fund's Auditors and the Trustee, declare the Final Distribution (as defined in section 2.2) to the investors who remain invested in the Terminating Investment Fund as at 19 October 2018 (the "Distribution Record Date"), and the Final Distribution is expected to be paid on or around 26 October 2018 (the "Final Distribution Date");
- the Manager does not expect or anticipate there will be a further distribution after the Final Distribution. However, in the unlikely event there is a further distribution after the Final Distribution, the Manager will issue an announcement informing the investors on or around 5 November 2018 and such further distribution will be paid on or around 12 November 2018;
- by the date (which is expected to be on or around 19 November 2018) on which the Trustee and the Manager form an opinion that the Terminating Investment Fund ceases to have any outstanding contingent or actual assets or liabilities (i.e. the Termination Date), the Trustee and the Manager will commence the completion of the termination of the Terminating Investment Fund;
- during the period from the Trading Cessation Date until, at least, the Termination Date, the Terminating Investment Fund will continue to maintain its listing status with the SEHK and authorisation status with the SFC, although the Terminating Investment Fund will be operated only in a limited manner;
- the Terminating Investment Fund does not have any unamortised preliminary expense or contingent liabilities (such as outstanding litigation) as at the date of this Announcement and Notice;
- the Manager will maintain the Terminating Investment Fund's listing status, and, subject to the SEHK's approval, expects the delisting to take effect at or around the same time as the deauthorisation (the "Delisting Date"), which will be either on the Termination Date or immediately after the Termination Date (please note that any product documentation for the Terminating Investment Fund previously issued to investors, including the Prospectus and the KFS in respect of the Terminating Investment Fund, should be retained for personal use only and not for public circulation); and
- investors should pay attention to the risk factors as set out in section 7.1 below (including liquidity risk, Units trading at a discount or premium and Market Maker's inefficiency risk, tracking errors during the period from the date of this Announcement and Notice to the Last Trading Day risk, Net Asset Value downward adjustment risk, failure to track the Underlying Index risk and delay in distribution risk). Investors should exercise caution and consult their professional and financial advisers before dealings in the

**Units in the Terminating Investment Fund or otherwise deciding on the course of actions to be taken in relation to their Units in the Terminating Investment Fund.**

**Stockbrokers and financial intermediaries are urged to:**

- **forward a copy of this Announcement and Notice to their clients holding Units in the Terminating Investment Fund, and inform them of the contents of this Announcement and Notice as soon as possible;**
- **facilitate their clients who want to dispose of Units in the Terminating Investment Fund on or before the Last Trading Day; and**
- **inform their clients as soon as possible if any earlier dealing deadline, additional fees or charges, and/or other terms and conditions will be applicable in respect of the provision of their services in connection with any disposal of Units in the Terminating Investment Fund.**

**If investors are in doubt about the contents of this Announcement and Notice, they should contact their independent financial intermediaries or professional advisers to seek their professional advice, or direct their queries to the Manager (please refer to section 9 for further information).**

**The Manager will, until the Last Trading Day, issue reminder announcements on a weekly basis to investors informing and reminding them of the Proposal (including the Last Trading Day, the Trading Cessation Date and the Distribution Record Date). In addition, further announcements will be made in due course to inform the investors of the Final Distribution Date, the Termination Date, the Deauthorisation Date, the Delisting Date and whether there is any further distribution after the Final Distribution, as and when appropriate in accordance with the applicable regulatory requirements before the Termination Date.**

**The Manager accepts full responsibility for the accuracy of the information contained in this Announcement and Notice, 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 reserves its right to terminate the Terminating Investment Fund in its absolute discretion by notice in writing to the Trustee under Clause 27.3 of the Trust Deed if the aggregate Net Asset Value of the Units outstanding of the Terminating Investment Fund shall be less than HK\$50,000,000.

As at 28 August 2018, the Net Asset Value of the Units outstanding in the Terminating Investment Fund was less than HK\$50,000,000. The Manager therefore announces it has, by means of a resolution of the board of directors of the Manager dated 22 August 2018, decided to terminate the Terminating Investment Fund and voluntarily seek deauthorisation and delisting of the Terminating Investment Fund.

The Proposal will be subject to the final approval of the SFC and the SEHK, and will only be completed after the Trustee and the Manager have formed an opinion that the Terminating Investment Fund has no outstanding contingent or actual liabilities or assets.

Before the Proposal, the Units of the Terminating Investment Fund will cease trading on the SEHK as from 16 October 2018, the Trading Cessation Date. Accordingly, the last day on which the Units of the Terminating Investment Fund can be traded on the SEHK will be 15 October 2018, the Last Trading Day, and from the Trading Cessation Date onwards, no trading of Units on the SEHK will be allowed.

By this Announcement and Notice, the Manager notifies the investors of the proposed termination of the Terminating Investment Fund. Also, as required under Clause 27.4 of Trust Deed, no less than one month's notice is required to be given to the investors, notifying them about the termination of the Terminating Investment Fund.

Subject to the Provision, the Manager will bear all costs and expenses associated with the termination of the Terminating Investment Fund (including any transaction costs and any taxes relating to the realisation of assets of the Terminating Investment Fund) from the date of the 17 August Announcement up to and including the Termination Date.

## **1. Proposed Termination of the Terminating Investment Fund, Cessation of Trading and Liquidation of Assets**

### **1.1 Proposed Termination of the Terminating Investment Fund**

According to Clause 27.3 of the Trust Deed, the Terminating Investment Fund may be terminated by the Manager in its absolute discretion by notice in writing in the event that in relation to the Trust, the aggregate Net Asset Value shall be less than HK\$50,000,000 or in relation to the Terminating Investment Fund, the aggregate Net Asset Value of the Units outstanding of the Terminating Investment Fund shall be less than HK\$50,000,000. According to the Trust Deed, Unitholders' approval shall not be required for terminating the Terminating Investment Fund on the ground set out under such Clause 27.3.

As at 28 August 2018, the Net Asset Value and the Net Asset Value per Unit of the Terminating Investment Fund were as follows:

<b>Name</b>	<b>Net Asset Value</b>	<b>Net Asset Value per Unit</b>
Mirae Asset Horizons S&P Global Consumer Brands ETF	HK\$29,305,870.09	HK\$36.6324

Having taken into account the relevant factors including interests of the investors of the Terminating Investment Fund as a whole and the current relatively small Net Asset Value of the Terminating Investment Fund, the Manager is of the view that the proposed termination of the Terminating Investment Fund would be in the best interests of the investors of the Terminating Investment Fund. Therefore, the Manager has decided to exercise its power under Clause 27.3 of the Trust Deed, and has provided written notice to the Trustee as required, to propose termination of the Terminating Investment Fund on the date on which the Trustee and the Manager form an opinion that the Terminating Investment Fund ceases to have any outstanding contingent or actual assets or liabilities.

## 1.2 Proposed Cessation of Trading

The Manager will apply to SEHK to have the Units of the Terminating Investment Fund cease trading on the SEHK with effect from 16 October 2018, the Trading Cessation Date. The Manager will aim to realise all of the assets of the Terminating Investment Fund effective from the Trading Cessation Date in exercise of its investment powers under Clause 12.5 of the Trust Deed. The realisation of the assets of the Terminating Investment Fund associated with the proposed termination, deauthorisation and delisting will not incur any additional cost on the Terminating Investment Fund as compared to the costs associated with normal redemption of investments.

The Manager will then proceed with the final distribution of the assets (the “**Final Distribution**”) of the Terminating Investment Fund on or around 26 October 2018 (see details in section 2.2 below). This means that 15 October 2018 will be the Last Trading Day when investors may buy or sell Units in the Terminating Investment Fund on the SEHK in accordance with the usual trading arrangements in place at the date of this Announcement and Notice.

If there is any change to the dates mentioned in this paragraph, the Manager will issue an announcement of the revised dates.

For the avoidance of doubt, creation and redemption of Units in the Terminating Investment Fund by Participating Dealers will continue to be permitted until the Last Trading Day. However, investors should note that application for creation and redemption of Units can only be made by Participating Dealers and the Participating Dealer may have its own application procedures and cut-off times to the Manager which may be earlier than those set out in the Prospectus. Investors are advised to check with Participating Dealers as to the relevant timing deadlines and client acceptance procedures and requirements.

## 1.3 Impacts on the Proposed Liquidation of the Assets of the Terminating Investment Fund

After liquidation of all the assets of the Terminating Investment Fund (as described in section 2.2 above), the Terminating Investment Fund will only hold cash, primarily consisting of the proceeds from the liquidation of the assets of the Terminating Investment Fund. Following this, from the Trading Cessation Date, the Terminating Investment Fund will cease to track its Underlying Index, and will not be able to meet its investment objective of tracking the performance of its Underlying Index.

## 2. What will happen after the Trading Cessation Date?

### 2.1 Immediately from the Trading Cessation Date

Effective from the Trading Cessation Date, the Units of the Terminating Investment Fund will cease trading on the SEHK. This means investors will only be allowed to buy or sell Units of the Terminating Investment Fund on the SEHK until and inclusive of the Last Trading Day, being 15 October 2018. From the Trading Cessation Date onwards, no trading of the Units of the Terminating Investment Fund on the SEHK will be allowed.

### 2.2 During the period from the Trading Cessation Date until the Termination Date (as defined in section 2.3 below)

The Manager will, after consulting the Trustee and the Terminating Investment Fund’s Auditors, declare the Final Distribution (as defined in section 2.2) in respect of those investors who remain invested in the Terminating Investment Fund as of the Distribution

Record Date (the “**Relevant Investors**”). Such Final Distribution is expected to be made on or around 26 October 2018, the Final Distribution Date.

By the date (which is expected to be on or around 19 November 2018] on which the Trustee and the Manager form an opinion that the Terminating Investment Fund ceases to have any outstanding contingent or actual assets or liabilities (i.e. the Termination Date), the Trustee and Manager will commence the completion of terminating the Terminating Investment Fund.

During the period from the Trading Cessation Date until, at least, the Termination Date, the Terminating Investment Fund will still maintain its listing status with the SEHK and authorisation status with the SFC, however the Terminating Investment Fund will be operated in a limited manner (as described in section 4.2 below). The Manager has therefore applied to the SFC, and has been granted, waivers from strict compliance of certain provisions of the Code for the period from the Trading Cessation Date to the Deauthorisation Date. The details and the conditions on which such waiver is granted are as described in section 5 below.

The deauthorisation and delisting of the Terminating Investment Fund will take place either on the Termination Date or immediately after the Termination Date, subject to the SFC’s and SEHK’s approval respectively. The Manager expects, subject to the SEHK’s approval, that the delisting will only take place at or around the same time of the deauthorisation.

The proposed termination, deauthorisation and delisting will be subject to the payment of all outstanding fees and expenses, discharge of all other liabilities of the Terminating Investment Fund, as well as the final approvals by the SFC and the SEHK.

Following deauthorisation, the Terminating Investment Fund will no longer be regulated by the SFC and will not be available for public distribution in Hong Kong. Any product documentation for the Terminating Investment Fund previously issued to investors, including the Prospectus and any KFS in respect of the Terminating Investment Fund, should be retained for personal use only and not for public circulation. Stockbrokers, financial intermediaries and investors must not circulate any marketing or other product information relating to the Terminating Investment Fund to the public in Hong Kong as this may be in breach of the Securities and Futures Ordinance.

## 2.3 Important Dates

Subject to the SFC’s and the SEHK’s approvals for the proposed arrangements set out in this Announcement and Notice, it is anticipated that the expected important dates in respect of the Terminating Investment Fund will be as follows:

Dispatch of the Announcement and Notice	29 August 2018 (Wednesday)
Last day for dealings in the Units on the SEHK and last day for creation and redemption of Units (the “ <b>Last Trading Day</b> ”)	15 October 2018 (Monday)
Dealings in the Units on the SEHK cease and no further creation and redemption of Units (the “ <b>Trading Cessation Date</b> ”), i.e. same date on which all the investments of the Terminating Investment Fund will start to be realised and the Terminating Investment Fund will cease to be able to track its Underlying Index	16 October 2018 (Tuesday)



Record date for determining the eligibility for entitlement for the Final Distribution and further distribution, if any (the “ <b>Distribution Record Date</b> ”)	19 October 2018 (Friday)
Final Distribution, after the Manager having consulted with the Terminating Investment Fund’s Auditors and the Trustee, will be paid to the investors who are still holding Units as at the Distribution Record Date (the “ <b>Final Distribution Date</b> ”)	On or around 26 October 2018 (Friday)
Announcement to confirm the amount and the payment date of any further distribution (if applicable)	On or around 5 November 2018 (Monday)
Further distribution (if any) will be paid to the Relevant Investors	On or around 12 November 2018 (Monday)
Termination of the Terminating Investment Fund (the “ <b>Termination Date</b> ”)	On or around 19 November 2018 (Monday), which is the date on which the Manager and the Trustee form an opinion that the Terminating Investment Fund ceases to have any outstanding contingent or actual assets or liabilities
Deauthorisation and delisting of the Terminating Investment Fund	On or around 19 November 2018 (Monday), which is the date which the SFC and SEHK approve the deauthorisation and delisting respectively  The Manager expects that the deauthorisation and delisting will take place either on the Termination Date or immediately after the Termination Date

The Manager will, on a weekly basis from the date of this Announcement and Notice to the Last Trading Day, issue reminder announcements informing and reminding investors of the Proposal (including the Last Trading Day, the Trading Cessation Date and the Distribution Record Date). In addition, the Manager will issue further announcements in due course to inform the investors of the Final Distribution Date, the dates for the deauthorisation and delisting of the Terminating Investment Fund, as well as the Termination Date, and whether there is any further distribution after the Final Distribution, as and when appropriate in accordance with the applicable regulatory requirements before the Termination Date. If there is any change to the dates mentioned in this section, the Manager will issue an announcement to inform the investors of the revised dates.

All stockbrokers and financial intermediaries are urged to forward a copy of this Announcement and Notice, together with any further announcements, to their clients investing in the Units of the Terminating Investment Fund, and inform them of the contents of this Announcement and Notice and any further announcements, as soon as possible.

### **3. Potential Actions to be Taken by Investors on or before the Last Trading Day**

#### **3.1 Trading on the SEHK on any Trading Day up to and including the Last Trading Day**

On any trading day up to and inclusive of the Last Trading Day, an investor may continue to buy or sell its Units in the Terminating Investment Fund on the SEHK in accordance with the usual trading arrangements, during the trading hours of the SEHK and based on the prevailing market prices. The market maker of the Terminating Investment Fund, Commerz Securities Hong Kong Limited (the “**Market Maker**”) will continue to perform its market making functions in accordance with the trading rules of the SEHK.

Investors should note that stockbrokers or other financial intermediaries may impose brokerage fees on any sale of the Units of the Terminating Investment Fund on the SEHK on investors, and a transaction levy (at 0.0027% of the price of the Units of the Terminating Investment Fund) and a trading fee (at 0.005% of the price of the Units of the Terminating Investment Fund) will be payable by the buyer and the seller of the Units. No stamp duty will be imposed on any sale or purchase of the Units of the Terminating Investment Fund on the SEHK.

The trading price of Units of the Terminating Investment Fund may be below or above the Net Asset Value per Unit.

#### **3.2 Holding Units after the Last Trading Day**

For Relevant Investors who are recorded by HKSCC as the beneficial owner of Units which are registered in the name of HKSCC Nominees Limited and held in CCASS, after consulting the Terminating Investment Fund’s Auditors and the Trustee, the Manager will declare the Final Distribution in respect of such Relevant Investors. Each Relevant Investor will be entitled to the Final Distribution of an amount equal to the Terminating Investment Fund’s then Net Asset Value in proportion to the Relevant Investor’s interests in the Terminating Investment Fund as at the Distribution Record Date. The Terminating Investment Fund’s then Net Asset Value will be the total value of the net proceeds from the realisation of the assets of the Terminating Investment Fund as described in section 1.3 above.

The Final Distribution payable to each Relevant Investor is expected to be paid to the accounts of its financial intermediary or stockbroker maintained with CCASS on the Final Distribution Date, which is expected to be on or around 26 October 2018. The Manager will issue a further announcement to inform the investors of the exact day of payment of the Final Distribution, together with the amount of Final Distribution per Unit in respect of the Terminating Investment Fund, when the same are available.

The Manager does not expect or anticipate there will be a further distribution after the Final Distribution. However, in the unlikely event there is a further distribution after the Final Distribution, the Manager will issue an announcement informing the investors on or around 5 November 2018 and such further distribution will be paid on or around 12 November 2018.

If there is any change to the dates mentioned in this section 3.2, the Manager will issue an announcement of the revised dates.

**IMPORTANT NOTE: Investors should pay attention to the risk factors as set out in section 7.1 below and consult their professional and financial advisers before disposing of the Units in the Terminating Investment Fund. If an investor disposes of its Units in the Terminating Investment Fund at any time on or before the Last Trading Day, such investor will not in any circumstances be entitled to any portion of the Final Distribution or any further distribution (if any) in respect of any Units so disposed. Investors should therefore exercise caution and consult their professional and financial advisers before dealing in their Units in the Terminating Investment Fund or otherwise deciding on any course of actions to be taken in relation to their Units in any of the Terminating Investment Fund.**

#### **4. Consequences of the Commencement of the Cessation of Trading**

##### **4.1 Continued Existence of the Terminating Investment Fund**

The Terminating Investment Fund, despite the commencement of the cessation of trading from the Trading Cessation Date, will continue to maintain its listing status on the SEHK and authorisation status with the SFC until completion of the proposed termination, deauthorisation and delisting. Delisting will follow as soon as possible after the termination of the Terminating Investment Fund.

When the Manager and Trustee form an opinion that the Terminating Investment Fund cease to have any outstanding contingent or actual assets or liabilities, the Manager and the Trustee will commence the completion of the terminating of the Terminating Investment Fund, and the Manager will proceed with applying to the SFC for deauthorisation, and to the SEHK for the delisting of the Terminating Investment Fund.

##### **4.2 Limited Operation of the Terminating Investment Fund**

During the period from the Trading Cessation Date up until deauthorisation, the Terminating Investment Fund will only be operated in a limited manner as there will not be any trading of Units of the Terminating Investment Fund and the Terminating Investment Fund will have no investment activities from the Trading Cessation Date onwards.

Investors are reminded to contact their stockbrokers or financial intermediaries to check whether there will be any fees or charges including custody fees that they may need to bear with regard to their unitholding in the Terminating Investment Fund during the period from the Trading Cessation Date up till the date on which they cease to hold their Units.

#### **5. Waiver**

##### **5.1 Background**

As set out in section 1.2 above, while the Units in the Terminating Investment Fund will cease trading effective from the Trading Cessation Date, because of certain outstanding actual or contingent assets or liabilities in relation to the Terminating Investment Fund, the Terminating Investment Fund will remain in existence after the Trading Cessation Date until the Termination Date. During such period, the Terminating Investment Fund will maintain its SFC authorisation status, and the Terminating Investment Fund will maintain its SEHK listed status, until the completion of the proposed termination, deauthorisation and delisting.

However, from the Trading Cessation Date onwards:

- (i) there will be no further trading of Units of the Terminating Investment Fund on the SEHK and no further creation and redemption applications of Units of the Terminating Investment Fund in the primary market will be accepted;
- (ii) the Manager will start to realise all the assets of the Terminating Investment Fund and the Terminating Investment Fund will mainly hold cash and therefore cease to track its Underlying Index and will not be able to meet its investment objective of tracking the performance of its Underlying Index;
- (iii) the Terminating Investment Fund will no longer be marketed to the public; and
- (iv) the Terminating Investment Fund will only be operated in a limited manner.

Accordingly, with a view to minimising the further costs, fees and expenses in managing the Terminating Investment Fund following the Trading Cessation Date and in the best interests of investors of the Terminating Investment Fund, the Manager has applied to the SFC for, and has been granted, a waiver from strict compliance with certain provisions of the Code for the period from the Trading Cessation Date to the Deauthorisation Date.

The details of the waiver granted and the conditions on which such waiver was granted are set out in this section 5.

## 5.2 Publishing of the Suspension of Dealing

Under Chapter 10.7 of the Code, the Manager is required to: (a) immediately notify the SFC if dealing in Units ceases or is suspended; and (b) publish the fact that dealing is suspended immediately following the decision to suspend and at least once a month during the period of suspension in an appropriate manner (the requirements under (b) are referred to as the “**Investor Notification Requirements**”).

The Manager has applied to the SFC for, and has been granted, a waiver from strict compliance with the Investor Notification Requirements under Chapter 10.7 of the Code, subject to the conditions that a statement shall be posted in a prominent position of the Manager’s website from the Trading Cessation Date until the Deauthorisation Date to notify investors that the Units of the Terminating Investment Fund have ceased trading on the SEHK from the Trading Cessation Date, and draw investors’ attention to this Announcement and Notice and all other relevant announcements.

As the Terminating Investment Fund will maintain its listing status after the Last Trading Day until the Delisting Date, investors may continue to access further announcements in relation to the Terminating Investment Fund via the website of the Hong Kong Exchanges and Clearing Limited (“**HKEX**”) and the Manager’s website during such period.

## 5.3 Provision of Estimated Net Asset Value or R.U.P.V.<sup>1</sup> and Last Closing Net Asset Value on a Real Time or Near Real Time Basis

Under Paragraphs 4 and 17(a) and (b) of Appendix I to the Code, the Manager is required to provide the estimated Net Asset Value or reference underlying portfolio value (“**R.U.P.V.**”) and the last closing Net Asset Value of the Terminating Investment Fund to the public on a real time or near-real time basis unless otherwise waived, via any suitable

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<sup>1</sup> R.U.P.V stands for “Reference Underlying Portfolio Value” which is updated at 15-second intervals during trading hours.

channels in paragraph 18 of Appendix I of the Code (which include the Manager's website).

From the Trading Cessation Date onwards, there will be no further trading of Units in the Terminating Investment Fund on the SEHK and no further creation and redemption of Units in the Terminating Investment Fund, and the Terminating Investment Fund will mainly hold cash and only be operated in a limited manner. The Manager proposes with the consent of the Trustee that the Net Asset Value per Unit of the Terminating Investment Fund will be updated on the Manager's website only when there is any event which causes the Net Asset Value to change. The Manager and the Trustee expect that the events which will cause the Net Asset Value per Unit of the Terminating Investment Fund to change are: (i) the Final Distribution (please see further in section 2.2 above); (ii) the further distribution (if any); and (iii) any change in the market value of any scrip dividend receivable by the Terminating Investment Fund.

Accordingly, the Manager has applied to the SFC for, and has been granted, a waiver from strict compliance with the above-mentioned requirements under Paragraphs 4 and 17(a) and (b) of Appendix I to the Code, subject to the following conditions:

- (A) the Net Asset Value per Unit of the Terminating Investment Fund as of 15 October 2018 (i.e. the Last Trading Day), which will be the latest Net Asset Value per Unit of the Terminating Investment Fund, will be published on the Manager's website; and
- (B) the Manager shall update the latest available Net Asset Value per Unit of the Terminating Investment Fund on the Manager's website as soon as practicable should there be any other change to the Net Asset Value of the Terminating Investment Fund, including but not limited to changes arising from (i) the Final Distribution (please see further in section 2.2 above); (ii) any further distribution (if any); and (iii) any change in the market value of any scrip dividend receivable by the Terminating Investment Fund concerned.

#### **5.4 Updating of the Prospectus and KFS in respect of the Terminating Investment Fund**

Under Chapters 6.1 and 11.1B of the Code, the Prospectus and the KFS in respect of the Terminating Investment Fund must be up-to-date and must be updated to incorporate any relevant changes to the Terminating Investment Fund.

In view of the cessation of trading of Units of the Terminating Investment Fund from the Trading Cessation Date, and there being no further creation or redemption of Units of the Terminating Investment Fund, the Manager considers that it is not necessary to update the Prospectus and the KFS in respect of the Terminating Investment Fund (which by their nature are offering documents) to reflect any future changes to the Terminating Investment Fund prior to the Deauthorisation Date.

As such, the Manager has applied to the SFC for, and has been granted, a waiver from strict compliance with the above-mentioned requirements under Chapters 6.1 and 11.1B of the Code so that the Prospectus and the KFS in respect of the Terminating Investment Fund need not be updated in respect of disclosure affecting the Terminating Investment Fund only from the Trading Cessation Date.

Without prejudice to the other obligations of the Manager under Chapter 11.1B of the Code, the Manager has undertaken and confirmed with the SFC that it shall:

- (A) promptly notify investors of any changes to the Terminating Investment Fund or to the Prospectus or the KFS of the Terminating Investment Fund by means of

publishing the announcement(s) on its and the HKEX's websites (each, a "**Relevant Future Announcement**");

- (B) ensure that each Relevant Future Announcement shall include a statement to refer investors to read this Announcement and Notice together with the Prospectus, the KFS of the Terminating Investment Fund, and any other Relevant Future Announcement(s); and
- (C) issue an updated Prospectus on the Deauthorisation Date to remove all references to the Terminating Investment Fund.

## **5.5 Other Related Matter**

The Manager confirms that, save for the particular provisions of the Code set out in sections 5.2 to 5.4 above, the Manager will continue to comply with all the other applicable provisions of the Code, the applicable provisions in the Trust Deed, the Rules Governing the Listing of Securities on the Stock Exchange and other applicable laws and regulations in respect of the Terminating Investment Fund.

## **6. Costs**

As indicated in section 3.1 above, stockbrokers or financial intermediaries may levy certain fees and charges for any orders to dispose of Units of the Terminating Investment Fund on or before the Last Trading Day.

All creation and redemption of Units of the Terminating Investment Fund by Participating Dealers will be subject to the fees and costs as set out in the Prospectus. Participating Dealers may pass on to the relevant investors such fees and costs, and may also impose fees and charges in handling creation and redemption requests which would increase the cost of creation and redemption. Investors are advised to check with Participating Dealers as to their relevant fees, costs and charges.

Subject to the Provision, the Manager will bear all costs and expenses associated with the Proposal (including any transaction costs and any taxes relating to the realisation of assets of the Terminating Investment Fund) from the date of the 17 August Announcement up to and including the Termination Date. The Manager will continue to charge a Management Fee up to and including the Trading Cessation Date.

For your information, the ongoing charges of the Terminating Investment Fund over a year is 0.77%.

The ongoing charges figure above is an annualised figure based on an annualised figure based on expenses reported in the Terminating Investment Fund's annual financial statements for the year ended 31 March 2018, expressed as a percentage of the Terminating Investment Fund's average Net Asset Value over the same period.

The Manager does not expect that the termination of the Terminating Investment Fund will impact the figure disclosed above for ongoing charges. Please note for completeness the ongoing charges figure shown above is calculated in accordance with the guidance under the relevant SFC circular, and excludes the following costs and expenses associated with the termination of the Terminating Investment Fund (which are to be borne by the Terminating Investment Fund): (i) normal operating expenses such as transaction costs and (ii) any taxes relating to the liquidation of assets of the Terminating Investment Fund.

In addition, as stated in the 17 August Announcement, a certain portion of the assets of the

Terminating Investment Fund, amounting to approximately HK\$60,497.94 (the “**Provision**”) has been set aside. This Provision is to discharge any future costs, charges, expenses, claims and demands (including but not limited to any Auditors’ fees, regulatory maintenance costs and the fees payable to any service provider to the Terminating Investment Fund, including the Trustee) that the Trustee and the Manager may incur or make, during the period from the time after the 17 August Announcement has been published up to the Termination Date, in connection with or arising out of the ongoing charges and normal operating expenses of the Terminating Investment Fund, and the termination process together with the delisting and deauthorisation (the “**Future Costs**”). For avoidance of doubt, the Future Costs do not include transaction costs and any taxes relating to the realisation of assets of the Terminating Investment Fund. Subject to the Provision, the Manager will bear all costs and expenses associated with the Proposal (including any transaction costs and any taxes relating to the realisation of assets of the Terminating Investment Fund) from the date of the 17 August Announcement up to and including the Termination Date.

Where the Provision is in excess of the actual amount of the Future Costs (when materialized), such excess will be refunded to the Relevant Investors as part of the Final Distribution in proportion to each Relevant Investor’s interests in the Terminating Investment Fund as at the Distribution Record Date. However, where the Provision is insufficient to cover any Future Costs, any shortfall will be borne by the Manager and no further provision will be made.

The Terminating Investment Fund does not have any unamortised preliminary expense or contingent liabilities (such as outstanding litigation) as at the date of this Announcement and Notice.

## **7. Other Matters**

### **7.1 Other Implications of the Proposed Cessation of Trading, the Proposed Termination, Deauthorisation and Delisting of the Terminating Investment Fund**

In consequence of this Announcement and Notice and the proposed cessation of trading, the proposed termination and the proposed deauthorisation and delisting of the Terminating Investment Fund, investors should note and consider the following risks:

*Liquidity risk* – Trading of Units in the Terminating Investment Fund on the SEHK from the date of this Announcement and Notice may become less liquid;

*Units trading at a discount or premium and Market Maker’s inefficiency risk* – Although up to (and including) the Last Trading Day, the Market Maker will continue to perform its market making functions in respect of the Terminating Investment Fund in accordance with the Trading Rules of the SEHK, Units in the Terminating Investment Fund may trade at a discount compared to its Net Asset Value in extreme market situations. This is because many investors may want to sell their Units in the Terminating Investment Fund after the Proposal has been announced but there may not be many investors in the market who are willing to purchase such Units. On the other hand, it is also possible that the Units of the Terminating Investment Fund may trade at a premium, and consequently the divergence between the supply of and demand for the Units of the Terminating Investment Fund may be larger than usual. In particular, should there be a large demand for such Units before the Trading Cessation Date, the Market Maker may not be able to effectively perform its market making activities to provide liquidity of the trading of Units of the Terminating Investment Fund on the SEHK in these extreme market situations. Following this, the price volatility of the Units of the Terminating Investment Fund may be higher than usual from the date of this Announcement and Notice through

the Last Trading Day;

*Tracking errors during the period from the date of this Announcement and Notice to the Last Trading Day risk* – It is possible that the size of the Terminating Investment Fund may drop drastically before the Last Trading Day. This may impair the Manager's ability to fulfill the investment objective of the Terminating Investment Fund and result in significant tracking error. In the extreme situation where the size of the Terminating Investment Fund becomes so small that the Manager considers that it is not in the best interest of the Terminating Investment Fund to continue to invest in the market, the Manager may decide to convert the whole or part of the investments of the Terminating Investment Fund into cash or deposits in order to protect the interest of the investors of the Terminating Investment Fund;

*Net Asset Value downward adjustment risk* – Changes in economic environment, consumption pattern and investors' expectations may have significant impact on the value of the investments and there may be significant drop in value of the investments. In addition, the Net Asset Value of the Terminating Investment Fund has been reduced as some of the Terminating Investment Fund's assets has been set aside as Provision on the date on which the 17 August Announcement is published. Such market movements and the setting aside of the Provision may result in substantial downward adjustment of the Net Asset Value per Unit before the Last Trading Day;

*Failure to track the Underlying Index risk* – All assets of the Terminating Investment Fund will be liquidated with effect from the Trading Cessation Date. Thereafter, the entirety of the Terminating Investment Fund's assets will be cash and the Terminating Investment Fund will operate in a limited manner. Following this, from the Trading Cessation Date, the Terminating Investment Fund will cease to track its Underlying Index, and will not be able to meet its investment objective of tracking the performance of its Underlying Index; and

*Delay in distribution risk* – The Manager will aim to realise all of the assets of the Terminating Investment Fund and then proceed with the Final Distribution as soon as practicable. However, the Manager may not be able to realise all the assets of the Terminating Investment Fund in a timely manner during certain periods of time, for example, when the trading on the relevant stock exchanges is restricted or suspended or when the official clearing and settlement depository of the relevant market is closed. In this case, the payment of the Final Distribution to the Relevant Investors may be delayed.

Investor attention is also drawn to the risks disclosed in the Prospectus of the Terminating Investment Fund.

## **7.2 Tax Implications**

Based on the Manager's understanding of the law and practice in force at the date of this Announcement and Notice, as the Terminating Investment Fund is collective investment scheme authorised under Section 104 of the Securities and Futures Ordinance (Cap. 571 Laws of Hong Kong), profits of the Terminating Investment Fund derived from realisation of its assets in Hong Kong are exempt from Hong Kong profits tax.

No tax is expected to be payable by investors in Hong Kong in respect of the Final Distribution or further distributions (if any) to the extent of distribution of profits and/or capital of the Terminating Investment Fund. For investors carrying on a trade, profession or business in Hong Kong, profits derived in redemption or disposal of Units in the Terminating Investment Fund may be subject to Hong Kong profits tax if the profits in question arise in or are derived from such trade, profession or business, sourced in



Hong Kong, as well as the Units of the Terminating Investment Fund are revenue assets of the investors.

Investors should consult their professional tax advisers for tax advice.

### **7.3 Connected Party Transaction**

Mirae Asset Securities (HK) Limited, which is a Connected Person of the Manager, currently acts as one of the Participating Dealers of the Terminating Investment Fund.

However, Mirae Asset Securities (HK) Limited may decide to dispose of all or part of their Units, either by selling the Units on the SEHK or by redeeming the Units in the primary market, after being informed of the Proposal via this Announcement and Notice. Any disposal of Units by Mirae Asset Securities (HK) Limited, which is beyond the control of the Manager, may reduce the size of the Terminating Investment Fund and impair the Manager's ability to fulfil the investment objective of the Terminating Investment Fund and result in significant tracking error. Please refer to "Tracking errors during the period from the date of this Announcement and Notice to the Last Trading Day" in section 7.1 above.

Subject to the above, no other Connected Persons of the Manager and/or the Trustee are involved in any transaction in relation to the Terminating Investment Fund, nor hold any interest in the Terminating Investment Fund.

### **8. Documents Available for Inspection**

Copies of the following documents are available for inspection free of charge upon request at the Manager's registered office during normal business hours:

- the Trust Deed;
- the Participation Agreements;
- the Service Agreements;
- the latest annual and semi-annual reports of the Trust and Terminating Investment Fund (if any);
- the Prospectus; and
- the KFS of the Terminating Investment Fund.

Copies of the Trust Deed may be purchased from the Manager at a reasonable fee. Copies of the annual and the semi-annual reports, the Prospectus and the KFS of the Terminating Investment Fund are available from the Manager free of charge.

## **9. Enquiries**

If you have any questions in relation to the contents of this Announcement and Notice, please direct them to your stockbrokers or financial intermediaries or contact the Manager by calling (852) 2295 1500 during office hours (except Hong Kong statutory holidays), or visiting the Manager in person at Level 15, Three Pacific Place, 1 Queen's Road East, Hong Kong, or visiting the Manager's website: [www.miraeasset.com.hk](http://www.miraeasset.com.hk)<sup>2</sup>.

The Manager accepts full responsibility for the accuracy of the contents of this Announcement and Notice, 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.

**Mirae Asset Global Investments (Hong Kong) Limited**  
as Manager of the Terminating Investment Fund

**29 August 2018**

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<sup>2</sup> The website has not been reviewed by the SFC.