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**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 professional adviser.*

*If you have sold or transferred all your units in the Terminating ETF (as defined below), 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 “HKEX”), the Hong Kong Securities and Futures Commission (the “SFC”) and the Hong Kong Securities Clearing Company Limited 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.*

*State Street Global Advisors Asia 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 ETF nor does it guarantee the commercial merits of the Trust and the Terminating ETF or their performance. It does not mean the Trust and the Terminating ETF are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors.*

### **SPDR® ETFs (the “Trust”)**

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

#### **SPDR® FTSE® Greater China ETF**

**Stock code: 3073**

**(the “Terminating ETF”)**

## **ANNOUNCEMENT AND NOTICE OF THE PROPOSED CESSATION OF TRADING, TERMINATION, VOLUNTARY DEAUTHORISATION AND DELISTING AND NON-APPLICABILITY OF CERTAIN PROVISIONS OF THE CODE ON UNIT TRUSTS AND MUTUAL FUNDS (“CODE”)**

Terms not defined in this Announcement and Notice will have the meanings as are given to such terms in the prospectus of the Trust and the Terminating ETF, dated 30 December 2019

(as amended by addenda dated 28 April 2020, 9 September 2020, 28 April 2021 and 29 April 2022) (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 of units of the Terminating ETF (the “Units”) on the SEHK, proposed termination and proposed deauthorisation of the Trust and the Terminating ETF, and proposed delisting of the Terminating ETF from the SEHK and the non-applicability of certain provisions of the Code from 15 June 2023 (the “Trading Cessation Date”) to the date of deauthorisation of the Trust and the Terminating ETF, i.e. on or around 14 August 2023 (the “Deauthorisation Date”). In particular, investors should note that:

- taking into account the relevant factors, the Manager considers it to be in the best interests of Unitholders and has, by means of a resolution of the board of directors decided to exercise its power under clause 33.3 the trust deed of the Trust dated 27 July 2010, as amended and supplemented from time to time (the “Trust Deed”) to terminate the Trust and the Terminating ETF. The Manager has given written notice to the Trustee notifying the Trustee of its proposal to terminate the Trust and the Terminating ETF pursuant to clause 33.3 of the Trust Deed and the Trustee approves of such proposal;
- the Last Trading Day (as defined in section 2.4) of the Units will be 14 June 2023;
- the Units will cease trading on the Trading Cessation Date (as defined in section 2.4), 15 June 2023;
- the Manager will, after having consulted the Trustee and the Terminating ETF’s auditor (“Auditor”), aim to realise all of the assets of the Terminating ETF, including any Suspended Stocks by way of the Stockbroker Purchase Arrangement (if implemented) (please refer to section 2.5 of this Announcement and Notice) from the Trading Cessation Date. Accordingly, from the Trading Cessation Date onwards: (i) there will be no further trading of Units and no further creation and redemption of Units; (ii) the Manager will start to realise all the assets of the Terminating ETF and the Terminating ETF will therefore cease to track its index (the “Index”) and will not be able to meet its investment objective of tracking the performance of such Index; (iii) the Trust and the Terminating ETF will no longer be marketed or offered to the public; (iv) the Terminating ETF will mainly hold cash; and (v) the Terminating ETF will only be operated in a limited manner;
- if the Terminating ETF holds Suspended Stocks (as defined in section 2.5 of this Announcement and Notice) after the Trading Cessation Date, having regard, inter alia, to the level of Suspended Stocks held by the Terminating ETF and the fair value of those Suspended Stocks, the Manager may try to solicit offers from third party stockbroker(s) to purchase the Suspended Stocks from the Terminating ETF at the fair value of those Suspended Stocks, with the aim of avoiding undue delay in the payment of Distribution (as defined below) and the

termination of the Trust and Terminating ETF. For details of the Suspended Stocks currently held by the Terminating ETF, please refer to section 2.5 of this Announcement and Notice;

- the Manager will, after having consulted the Trustee and the Auditor, distribute the net cash proceeds derived from the sale or realisation of the assets of the Terminating ETF (such payment, the “Distribution”) to the investors who are still holding Units as at 19 June 2023 (the “Final Record Date”). The Distribution is expected to be payable on or around 31 July 2023 (the “Distribution Date”). The amount of Distribution will be equal to the total net assets of the Terminating ETF as at the Final Record Date, which will exclude (i) any taxes payable; and (ii) any expenses payable. At this time, the Manager does not expect or anticipate there will be a further distribution of net cash proceeds to investors after the Distribution. However, in the event there is a further distribution after the Distribution (if, for example, the Stockbroker Purchase Arrangement is not implemented), the Manager will issue an announcement informing the Relevant Investors of any further distribution and the date of such further distribution (if any);
- when the Trustee and the Manager are able to form the opinion that the Terminating ETF has ceased to have any outstanding contingent or actual assets or liabilities, the Trustee and the Manager will take the necessary steps to complete the termination of the Trust and the Terminating ETF (i.e. the Final Termination Date). The Manager expects that the Final Termination Date will be on or around 14 August 2023. The Manager will publish an announcement on the Final Termination Date about the termination and deauthorisation of the Trust and the Terminating ETF and delisting of the Terminating ETF from the SEHK;
- from the Trading Cessation Date until the Final Termination Date, the Manager will maintain the Trust and the Terminating ETF’s authorisation by the SFC and maintain the Terminating ETF’s listing on the SEHK. Subject to the SEHK’s approval, delisting of the Terminating ETF from the SEHK should take effect at or around the same time as the deauthorisation of the Trust and the Terminating ETF;
- the Manager expects the deauthorisation of the Trust and the Terminating ETF and the delisting of the Terminating ETF from the SEHK will take place either on the Final Termination Date or shortly after the Final Termination Date; and
- investors should pay attention to the risk factors as set out in section 5.1 below. Investors should exercise caution and consult their professional and financial advisers before dealing in the Units or otherwise deciding on the course of action to be taken in relation to their Units.

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

- forward a copy of this Announcement and Notice to each of their clients (including any new investors) holding any Units, and inform them of the contents of this Announcement and Notice as soon as possible;
- assist those clients who want to dispose of Units on or before the Last Trading Day;
- 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; and
- inform their clients of the distribution arrangements as set out in section 2.2 below and the possible impact of such arrangements on their clients.

Any product documents of the Trust and the Terminating ETF, including the Prospectus and Product Key Fact Statement (the “KFS”) should be retained for personal use only and not for public circulation. 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 7 for further information).

## 1. Termination, cessation of trading and realisation of assets

### 1.1. Termination

Pursuant to clause 33.3 of the Trust Deed, the Trust and the Terminating ETF may be terminated by the Manager with the approval of the Trustee, if the Manager considers it to be in the best interests of the Unitholders to terminate the Terminating ETF and the Trust and, with the approval of the SFC and the Trustee, gives written notice to the Trustee and the Unitholders of its intention to terminate the Trust and the Terminating ETF. The Trust Deed does not require Unitholders’ approval for terminating the Trust and the Terminating ETF on the ground set out in clause 33.3.

As at 13 March 2023, the Net Asset Value and the Net Asset Value per Unit of the Terminating ETF were as follows:

Terminating ETF	Net Asset Value	Net Asset Value per Unit
<b>SPDR® FTSE® Greater China ETF</b>	HK\$1,547,694,899.04	HK\$40.4098

Having taken into account such factors as the Manager deemed relevant, including anticipated substantial decrease in the Terminating ETF’s Net Asset Value, the Manager is of the view that the proposed termination of the Trust and the Terminating ETF would be in the best interests of the Unitholders of the Terminating ETF as a whole. Therefore, the Manager has by means of a resolution of the board of directors of the Manager, decided to exercise its power under clause 33.3 of the Trust Deed to terminate the Trust and the Terminating ETF, which termination shall be completed after the Distribution (and any further distribution, if applicable) has been made and the Trustee and the Manager are able to form the opinion that the Terminating ETF has ceased to have any contingent or actual assets or liabilities. The Manager has given written notice to the Trustee notifying

the Trustee of its proposal to terminate the Trust and the Terminating ETF pursuant to clause 33.3 of the Trust Deed, and the Trustee approves of such proposal (and acknowledges the non-applicability of certain provisions of the Code as referred to in this Announcement and Notice).

As required under Clause 33.4 of the Trust Deed, no less than three months' notice is hereby given to investors, notifying them of the proposed termination of the Trust and the Terminating ETF. Also, as required under Chapters 11.1A and 11.2 of the Code, no less than one month's notice is hereby given to investors, notifying them that the Terminating ETF will cease to track its Index, and cease trading, from the Trading Cessation Date.

## **1.2. Proposed cessation of trading of Units on the SEHK**

The Manager will apply to SEHK to have the Units cease trading on the SEHK with effect from the Trading Cessation Date. On and from the Trading Cessation Date, the Manager will aim to realise all of the assets of the Terminating ETF. The realisation of assets of the Terminating ETF during this time will not incur any additional costs as compared to the costs associated with a normal realisation of investments.

14 June 2023 will be the Last Trading Day when investors may buy or sell Units on the SEHK in accordance with the usual trading arrangements currently in place, and no creation and redemption of Units through Participating Dealers will be allowed after such date. Creation and redemption of Units by Participating Dealers will continue to be permitted until the Last Trading Day. Creation of Units will be limited to the creation of Units by Participating Dealers of the Terminating ETF for: (i) existing institutional investors; and (ii) market making activities of market makers of the Terminating ETF (collectively, the "**Market Makers**") to provide liquidity of the trading of the Units on the SEHK. There will be no creation of Units for other purpose after this Announcement and Notice has been published.

Investors should note that they cannot create or redeem Units directly in the primary market. Only Participating Dealers may submit creation and redemption applications to the Manager. Participating Dealers may have their own application procedures for their clients and may set application cut-off times for their clients which are earlier than those set out in the Prospectus. Investors are advised to check with the Participating Dealers as to the relevant timing deadlines and the client acceptance procedures and requirements.

## **1.3. Impact of the realisation of the assets**

After realisation of the assets of the Terminating ETF by the Manager, the Terminating ETF will mainly hold cash (primarily consisting of the proceeds from the realisation of the assets of the Terminating ETF including the Suspended Stocks). Accordingly, from the Trading Cessation Date, the Terminating ETF will cease to track the Index, and will not meet its investment objective of tracking the performance of the Index.

## **2. What will happen on or before the Last Trading Day and from the Trading Cessation Date?**

### **2.1. Trading on the SEHK up to and including the Last Trading Day**

On any trading day up to and including the Last Trading Day, an investor may continue to buy or sell Units 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 Manager expects the Market Makers will continue to perform their market making functions in accordance with the Trading Rules of the SEHK until the Trading Cessation Date.

Investors should note that stockbrokers or other financial intermediaries may impose brokerage fees on investors for any sale of Units on the SEHK, and the following additional levies and fees will be payable by the buyer and seller of the Units: (i) a SFC transaction levy (at 0.0027% of the price of the Units), (ii) a transaction levy to the Accounting and Financial Reporting Council in Hong Kong (at 0.00015% of the price of the Units); and (iii) a trading fee (at 0.00565% of the price of the Units)<sup>1</sup>.

No stamp duty liability will arise in Hong Kong in respect of any sale or purchase of the Units on the SEHK.

The trading price of Units may be below or above the Net Asset Value per Unit. Please see the “Units trading at a discount or premium and Market Makers’ inefficiency risk” in section 5.1 below.

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 holdings of Units during the period from the Trading Cessation Date up till the date on which they cease to hold Units.

## 2.2. Distribution

For investors who are still holding Units as of the Final Record Date (such investors, the “**Relevant Investors**”), the Manager will, after consulting the Trustee and the Auditor, determine the Distribution payable to the Relevant Investors. Such Distribution is expected to be made on or around 31 July 2023.

Each Relevant Investor will be entitled to share in the Distribution pro rata to the number of Units held by such investor relative to the total number of Units still in issue in the Terminating ETF as at the Final Record Date. The amount of the Distribution will be the Terminating ETF’s then Net Asset Value and any proceeds from the sale of any Suspended Stocks from the Terminating ETF, excluding any taxes or expenses payable by the Terminating ETF.

The Distribution payable to each Relevant Investor is expected to be paid on or around 31 July 2023 to the accounts of its financial intermediary or stockbroker maintained with CCASS, based on the Trustee’s record of each Relevant Investor’s holding as at the Final Record Date. The Manager will issue a further announcement to inform the Relevant Investors of the exact day of payment of the Distribution, together with the amount of Distribution per Unit for the Terminating ETF in due course.

The Manager does not expect or anticipate there will be a further distribution after the Distribution. However, in the unlikely event there is a further distribution after the Distribution, the Manager will issue an announcement informing the Relevant Investors.

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<sup>1</sup> Investors should note that with effect from 1 January 2023, the trading fee has been adjusted from 0.005% to 0.00565%.

The Distribution and any further distribution will be calculated and paid in the base currency (i.e. Hong Kong dollars) of the Terminating ETF.

If there is any change, including to the dates mentioned in this section, the Manager will issue an announcement informing the Relevant Investors.

**IMPORTANT NOTE: Investors should consider the risk factors as set out in section 5.1 below and consult their professional and financial advisers before disposing of their Units. If an investor disposes of all its Units at any time on or before the Last Trading Day, such investor will not in any circumstances be entitled to any portion of the Distribution or further distribution (if any). Investors should exercise caution and consult their professional and financial advisers before dealing in their Units or otherwise deciding on any course of action to be taken in relation to their Units.**

### **2.3. Between the Trading Cessation Date and Final Termination Date**

Following the realisation of the assets and the Distribution and further distribution (if any), when the Trustee and the Manager are able to form the opinion that the Terminating ETF has ceased to have any contingent or actual assets or liabilities, the Manager and the Trustee will take the necessary steps to complete the termination of the Trust and the Terminating ETF.

During the period from the Trading Cessation Date until, at the earliest, the Final Termination Date, although the Terminating ETF will continue to have listing status on the SEHK and the Trust and the Terminating ETF will remain authorised by the SFC, the Trust and the Terminating ETF will no longer be marketed or offered to the public and will only be operated in a limited manner because there will be no trading of Units and the Terminating ETF will have no investment activities from the Trading Cessation Date onwards. As such, pursuant to Chapter 8.6(t) of the Code and question 13 of the of the Frequently Asked Questions on Exchange Traded Funds and Listed Funds issued by the SFC dated 16 December 2019 (the “**ETF FAQs**”), the Trust and the Terminating ETF will continue to remain authorised by SFC without the need to strictly comply with certain provisions of the Code for the period from and including the Trading Cessation Date up until the Deauthorisation Date, provided that the specific conditions and requirements imposed by the SFC are met. Such conditions and requirements are described in section 3 below.

The deauthorisation of the Trust and the Terminating ETF and delisting of the Terminating ETF from the SEHK will take place either on the Final Termination Date or shortly after the Final Termination Date, subject to the SFC’s and SEHK’s respective approvals. The Manager expects that the delisting of the Terminating ETF will take place at or around the same time of the deauthorisation of the Trust and the Terminating ETF.

The proposed termination and proposed deauthorisation of the Trust and the Terminating ETF and proposed delisting of the Terminating ETF from the SEHK will be subject to the payment of all outstanding fees and expenses (please refer to section 4 below), discharge of all outstanding liabilities of the Trust and the Terminating ETF, as well as the final approvals by the SFC and the SEHK respectively.

Following deauthorisation, the Trust and the Terminating ETF will no longer be subject to regulation by the SFC and will not be available for public distribution in Hong Kong. Any product documentation for the Trust and the Terminating ETF previously issued to

investors, including the Prospectus and any KFS in respect of the Terminating ETF, 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 Trust and the Terminating ETF to the public in Hong Kong as this may be in breach of the SFO.

## 2.4. Important dates

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

Event	Expected date
Publication of Announcement and Notice	14 March 2023 (Tuesday)
<p>Last day on which requests for creation by Participating Dealers for (i) existing institutional investors; and (ii) market making activities of Market Makers and redemption by Participating Dealers of Units in the primary market may be accepted</p> <p>Last day for dealings in the Units on the SEHK (the "<b>Last Trading Day</b>")*</p>	14 June 2023 (Wednesday)
<p>No further requests for creation and redemption of Units in the primary market will be accepted</p> <p>Cessation of trading in the Units on the SEHK in the secondary market</p> <p>The date on which the termination process will commence, when the Manager will start to realise all the investments of the Terminating ETF (including any Suspended Stocks) and the Terminating ETF will cease to be able to track the Index</p> <p>The date from which the Trust and the Terminating ETF shall no longer be marketed or offered to the public in Hong Kong</p> <p>(the "<b>Trading Cessation Date</b>")</p>	15 June 2023 (Thursday)

*\* Investors should note that it is possible that the Terminating ETF may face a significant increase in redemption applications between the date of publication of this Announcement and Notice and the Last Trading Day. There may also be a risk of delay in distributions referable to Suspended Stocks (if any) if investors continue to hold Units after the Last Trading Day. Investors are urged to consider the risk factors set out in section 5.1 of this Announcement and Notice. If in doubt, investors should contact their independent financial intermediaries or professional advisers for their professional advice.*



Event	Expected date
<p>The date for determining the eligibility of investors to participate in the Distribution and any further distribution</p> <p>(the “<b>Final Record Date</b>”)</p>	<p>By close of business on 19 June 2023 (Monday)</p>
<p>Publication of an announcement on the Distribution and of the distribution rate per Unit</p>	<p>On or around 24 July 2023 (Monday), at least five business days before the Distribution Date</p>
<p>Payment of Distribution by the Manager (after having consulted the Trustee and the Auditor), to the investors who are still holding Units as at the Final Record Date</p> <p>(the “<b>Distribution Date</b>”)</p>	<p>On or around 31 July 2023 (Monday)</p>
<p>Date on which the termination process of the Trust and Terminating ETF is complete, which will be when the assets of the Terminating ETF have been fully realized and the net proceeds therefrom distributed and the Manager and the Trustee are able to form the opinion that the Terminating ETF has ceased to have any contingent or actual assets or liabilities</p> <p>(the “<b>Final Termination Date</b>”)**</p>	<p>Expected to be on or around 14 August 2023 (Monday)</p>
<p>Deauthorisation of the Trust and the Terminating ETF and delisting of the Terminating ETF from the SEHK</p> <p>The date of deauthorisation and delisting will be the date which the SFC and SEHK approve the deauthorisation and delisting respectively</p>	<p>On or shortly after the Final Termination Date</p>

*\*\* Investors should note that it is possible that the Final Termination Date may be delayed as a result of the Terminating ETF holding the Suspended Stocks. Subject to the treatment of the Suspended Stocks as detailed under section 2.5 of this Announcement, as long as the Suspended Stocks remain held on trust by the Terminating ETF, it is possible that neither the Trustee nor the Manager will be able to form the opinion that the Terminating ETF has ceased to have any contingent or actual assets or liabilities prior to the Final Termination Date, and therefore the termination of the Trust and Terminating ETF may be delayed. If in doubt, investors should contact their independent financial intermediaries or professional advisors for their professional advice.*

The Manager will issue the following:

- (i) on a weekly basis from the date of this Announcement and Notice to the Last Trading Day, reminder announcements informing and reminding investors of the Last Trading Day, the Trading Cessation Date and the Final Record Date;
- (ii) in due course, an announcement to inform the investors of the Distribution Date, Distribution amount per Unit and further distribution date (if any); and
- (iii) on or shortly before the Final Termination Date, an announcement informing investors about the Final Termination Date, Deauthorisation Date and the date for the delisting of the Terminating ETF from the SEHK,

in each case, in accordance with the applicable regulatory requirements.

If there is any change, including to the dates mentioned in this section, the Manager will issue an announcement to inform the investors.

## 2.5. Treatment of Suspended Stocks (if any)

*\* Please refer to the Announcement and Notice of Updates on Suspended Stocks issued by the Manager on 12 May 2023 for an update on the status of the Suspended Stocks.*

Certain stocks held by the Terminating ETF could be suspended from trading on the SEHK (the “**Suspended Stocks**”) on or after the Trading Cessation Date.

As of 13 March 2023, details of the Suspended Stocks which the Terminating ETF holds are as follows:

<b>Terminating ETF</b>	<b>Number of Suspended Stocks<sup>2</sup></b>	<b>Total holdings of Suspended Stocks</b>	<b>% of Net Asset Value of the Terminating ETF</b>
SPDR® FTSE® Greater China ETF	1	144,468	0.004%

There is currently no active market on any stock exchange or current market price for the Suspended Stocks, and there is currently no indication that the Suspended Stocks will resume trading before the Final Termination Date.

If there remains no active market for the Suspended Stocks on any stock exchange or any over-the-counter market, to avoid undue delay in the payment of that part of the Distribution referable to the Suspended Stocks (if any), and having regard, inter alia, to the level of Suspended Stocks held by the Terminating ETF and the fair value of those Suspended Stocks, the Manager will consider what options, if any, are available at the relevant time, with the aim of avoiding undue delay in the payment of the Distribution referable to the Suspended Stocks (if any).

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<sup>2</sup> As of the date of this Announcement and Notice, the Suspended Stocks held by the Sub-Fund is China Evergrande Group (3333.HK).

An option the Manager may pursue to seek to avoid undue delay in the payment of any Distribution referable to the Suspended Stocks is to arrange for third party stockbroker(s) to purchase the Suspended Stocks from the Terminating ETF at the fair value of those Suspended Stocks (“**Stockbroker Purchase Arrangement**”). It is intended that the Stockbroker Purchase Arrangement (if possible) will be carried out as soon as possible after the Trading Cessation Date, so that the proceeds from the Stockbroker Purchase Arrangement would form part of the Distribution.

The fair value of the Suspended Stocks is determined in accordance with the Manager’s fair valuation policy. Under this policy, circumstances which can give rise to fair value pricing include but are not limited to suspension of trading of a listed stock for more than 5 business days, or if the market value of a stock is unavailable or reasonably considered to be not reliable or reflective of an exit price upon current sale. Fair value pricing under this policy is performed with due care, skill and diligence and in good faith, in consultation with the Trustee. Relevant factors in considering whether (and how) to apply fair value pricing to the Suspended Stocks include but are not limited to the type of Suspended Stocks involved, the amount and duration of the suspension or delisting of the Suspended Stocks owned by the Terminating ETF, the potential impact on the Net Asset Value of the Terminating ETF, the method to be used to perform the fair valuation and the reliability of the fair value price to be used.

The Manager considers that the Stockbroker Purchase Arrangement set out above (if implemented), would be in the best interest of the Relevant Investors as a whole, as it avoids undue delay in making any Distribution.

The Manager has also obtained legal advice and in reliance on that advice and such other factors as the Manager determined to be relevant, considers that entering into the Stockbroker Purchase Arrangement (if possible), will be in the best interests of the Terminating ETF and the Relevant Investors as a whole as it will allow the Manager and Trustee to: (i) realise the value of the Suspended Stocks; (ii) make the Distribution to the Relevant Investors without undue delay; and (iii) thereby finalise the orderly termination of the Terminating ETF pursuant to clause 34 of the Trust Deed. The Trustee does not have any objection to such arrangement.

In the event that the arrangement described above cannot be implemented (such as if the Manager is unable to source third party stockbroker(s) that are willing to purchase the Suspended Stocks) the Manager, in consultation with the Trustee, will need to reconsider whether any other options are available to dispose of the Suspended Stocks. As long as such Suspended Stocks remain held on the trusts of the Terminating ETF, neither the Trustee nor the Manager will be able to form the opinion that the Terminating ETF has ceased to have any contingent or actual assets or liabilities and therefore the termination of the Trust and the Terminating ETF may be delayed. In the absence of any other options that are currently available to the Manager, this will result in the Terminating ETF holding the Suspended Stocks until another viable alternative to realise such securities becomes available, or until the Suspended Stocks resume trading.

If this occurs, the Manager will publish a further announcement on or about the Distribution Date to inform the Relevant Investors of the likely next steps. For the avoidance of doubt, in considering the next steps (if necessary), the Manager will, in good faith and in the best interests of the Relevant Investors, continue to consider what other alternative options are available in connection with the realisation of the Suspended Stocks, in order to avoid undue delay in the payment of any distributions referable to the Suspended Stocks.

If the condition of the Suspended Stocks remains unchanged till the Trading Cessation Date, the above arrangement will remain unchanged. If the Suspended Stocks resume trading prior to the Trading Cessation Date, the Manager will not proceed with the Stockbroker Purchase Arrangement. The Manager will update the investors by further announcements as soon as practicable if there is any change of the condition of the Suspended Stocks before the Trading Cessation Date.

The Trustee, having been consulted about the above-mentioned arrangements, does not have any objection.

### **3. Non-applicability of certain provisions of the Code**

#### **3.1. Background**

As set out in section 2.3 above, while the Units will cease trading effective from the Trading Cessation Date, because of certain outstanding actual or contingent assets or liabilities in relation to the Terminating ETF, the Trust and the Terminating ETF will remain in existence after the Trading Cessation Date until the Final Termination Date. During such period, the Trust and the Terminating ETF will remain authorised by the SFC and the Terminating ETF will maintain its SEHK listing status, until the completion of the proposed termination, proposed deauthorisation and proposed delisting.

Pursuant to Chapter 8.6(t) of the Code and question 13 of the ETF FAQs, the Trust and the Terminating ETF may not strictly comply with certain provisions of the Code for the period on and from the Trading Cessation Date up until the Deauthorisation Date, provided that the specific conditions and requirements imposed by the SFC are met. Such conditions and requirements are described in this section 3.

#### **3.2. Updating of the Prospectus and KFS**

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

The Manager will continue to manage the Trust and the Terminating ETF without updating the Prospectus and the KFS as required under Chapter 6.1 and 11.1B of the Code from the Trading Cessation Date to the Deauthorisation Date, subject to the following conditions and requirements imposed by the SFC, which the Manager has undertaken to meet:

- (i) The Manager shall promptly notify investors of any changes to the Trust and the Terminating ETF or to the Prospectus or the KFS by means of publishing further announcement(s) on its website <https://www.ssga.com/hk/en/individual/etfs> (this website has not been reviewed by the SFC) and the HKEX's website (each, a "**Relevant Future Announcement**"); and
- (ii) the Manager shall ensure that each Relevant Future Announcement shall include a statement to refer investors to this Announcement and Notice together with the Prospectus, the KFS, and any other Relevant Future Announcement(s).

#### **3.3. Provision of real time or near-real time indicative Net Asset Value per Unit and last Net Asset Value**

Under Chapter 8.6(u)(i) and (ii) of the Code, the Manager is required to provide real time or near-real time indicative Net Asset Value per Unit of the Terminating ETF (updated at least every 15 seconds during trading hours) and last Net Asset Value per Unit and last Net Asset Value of the Terminating ETF (updated on a daily basis) on the Trust's website or such other channels as the SFC considers appropriate.

The Manager will continue to manage the Terminating ETF without strict compliance with Chapter 8.6(u)(i) and (ii) of the Code from the Trading Cessation Date to the Deauthorisation Date, subject to the following conditions and requirements imposed by the SFC, which the Manager has undertaken to meet:

- (i) the Manager shall ensure that the Net Asset Value per Unit of the Terminating ETF as of 14 June 2023 (i.e. the Last Trading Day), which will be the latest available Net Asset Value per Unit of the Terminating ETF will be published on the website: <https://www.ssga.com/hk/en/individual/etfs> (this website has not been reviewed by the SFC); and
- (ii) the Manager shall update the latest available Net Asset Value per Unit of the Terminating ETF on the website <https://www.ssga.com/hk/en/individual/etfs> (this website has not been reviewed by the SFC) as soon as practicable should there be any other change to the Net Asset Value of the Terminating ETF, including but not limited to changes arising from (i) the Distribution (please see further in section 2.2 above); (ii) the further distribution (if any); (iii) any change in the market value of any scrip dividend receivable by the Terminating ETF (if any) in relation to the underlying stocks; and (iv) any deduction of (or making provision for) transaction costs or taxes relating to the realisation of assets of the Terminating ETF.

### **3.4. Publication of 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 Manager will continue to manage the Terminating ETF without strict compliance with Chapter 10.7 of the Code from the Trading Cessation Date to the Deauthorisation Date, subject to the condition that a statement shall be posted in a prominent position of the website <https://www.ssga.com/hk/en/individual/etfs> (this website has not been reviewed by the SFC) from the Trading Cessation Date until the Deauthorisation Date to notify investors that the Units have ceased trading on the SEHK from 15 June 2023 (i.e. the Trading Cessation Date), and draw investors' attention to this Announcement and Notice, any subsequent reminder announcements and all other relevant announcements.

As the Terminating ETF will maintain its listed status with the SEHK during the period from and including the Trading Cessation Date until the date of delisting of the Terminating ETF which should take effect at or around the same time as the deauthorisation of the Trust and the Terminating ETF, investors may continue to access further announcements in relation to the Terminating ETF via the HKEX's website and the Manager's website <https://www.ssga.com/hk/en/individual/etfs> (this website has not been reviewed by the SFC) during such period.

### 3.5. Other related matters

The Manager confirms that, save for the particular provisions of the Code set out in sections 3.2 to 3.4 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 of Hong Kong Limited and applicable laws and regulations in respect of the Trust and the Terminating ETF.

## 4. Costs

### 4.1. Trading on the SEHK

As indicated in section 2.1 above, stockbrokers or financial intermediaries may levy certain fees and charges for any orders to dispose of Units on or before the Last Trading Day.

### 4.2. Creation and redemption by Participating Dealers

All creation and redemption of Units 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.

### 4.3. Ongoing charges and provision of costs and expenses

The ongoing charges over a year as disclosed in the KFS dated April 2022 for the Terminating ETF expressed as a percentage of Net Asset Value is 0.48%\*.

*\* The ongoing charges figure is based on the expenses charged to the Terminating ETF for the financial year ended 30 September 2021. The ongoing charges figure is calculated by adding the applicable charges and payments deducted from the assets of the Terminating ETF and then dividing by the Terminating ETF's average net asset value for the financial year. The Manager intends to maintain the ongoing charges figure at no more than 0.48% and will therefore reimburse any expenses of the Terminating ETF accrued in excess of the ongoing charges figure.*

For the avoidance of doubt, normal daily operating fees and expenses to be accrued and be payable by the Terminating ETF in accordance with the Prospectus (including the Management Fee, the fees to the Trustee and other service providers and any regulatory maintenance costs) (the “**Fund Operational Expenses**”) will continue to accrue and be payable by the Terminating ETF in accordance with the Prospectus until the Distribution Date.

### 4.4. Cost of termination, deauthorisation and delisting

The Manager will bear all costs and expenses associated with the termination and deauthorisation of the Trust and the Terminating ETF as well as the delisting of the Terminating ETF from the SEHK (other than the Fund Operational Expenses and normal operating expenses such as transaction costs, and any taxes relating to the liquidation of assets of the Terminating ETF) from the date of this Announcement and Notice up to and

including the Final Termination Date. As such, no provision will be set aside for such costs and expenses.

The Manager does not expect that the termination of the Trust and the Terminating ETF will impact the ongoing charges figure disclosed above. 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 Trust and the Terminating ETF (which are to be borne by the Terminating ETF and by extension, the investors): (i) normal operation expenses such as transaction costs; and (ii) any taxes, relating to the realisation of assets of the Terminating ETF.

#### **4.5. Unamortised preliminary expenses**

As at the date of this Announcement and Notice, the Terminating ETF does not have any unamortised preliminary expenses or contingent liabilities.

### **5. Other matters**

#### **5.1. Other implications of the proposed cessation of trading of Units on the SEHK, the proposed termination and proposed deauthorisation of the Trust and the Terminating ETF and proposed delisting of the Terminating ETF**

In consequence of this Announcement and Notice and the proposed cessation of trading of Units on the SEHK, the proposed termination and proposed deauthorisation of the Trust and the Terminating ETF and proposed delisting of the Terminating ETF from the SEHK, investors should note and consider the following risks:

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

*Units trading at a discount or premium and Market Makers' inefficiency risk* – The Units may trade at a discount or premium to the Net Asset Value per Unit. Although the Manager expects that up to (and including) the Last Trading Day, the Market Makers will continue to perform their market making functions in respect of the Terminating ETF in accordance with the Trading Rules of the SEHK, Units may trade at a discount compared to the Net Asset Value per Unit in extreme market situations. This is because many investors may want to sell their Units after this Announcement and Notice 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 may trade at a premium and consequently the divergence between the supply of and demand for the Units of the Terminating ETF may be larger than usual. In particular, should there be a large demand for Units before the Trading Cessation Date, the Market Makers may not be able to effectively perform their market making activities to provide liquidity of the trading of Units on the SEHK in these extreme market situations. As a result, the price volatility of the Units may be higher than usual from the date of this Announcement and Notice up to (and including) 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 ETF may drop drastically before the Last Trading Day due to a significant increase in the number of redemptions after the publication of this Announcement and Notice. This may impair the Manager's ability to fulfil the investment objectives of Terminating ETF and result in

significant tracking error. In the extreme situation where the size of the Terminating ETF becomes so small that the Manager considers that it is not in the best interest of the Terminating ETF to continue to invest in the market, the Manager may decide to convert the whole or part of the investments of the Terminating ETF into cash deposits in order to protect the interest of the investors of the Terminating ETF;

*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. Such market movements may result in substantial downward adjustment of the Net Asset Value per Unit before the Last Trading Day;

*Failure to track the Terminating ETF's Index risk* – All assets of the Terminating ETF, to the extent possible, will be liquidated with effect from the Trading Cessation Date. Thereafter, the Terminating ETF's assets will mainly be cash and the Terminating ETF will only be operated in a limited manner. It therefore follows that, from the Trading Cessation Date, the Terminating ETF will cease to track the Index, and will not be able to meet its investment objective of tracking the performance of the Index; and

*Delay in distribution risk* – The Manager will aim to realise all of the assets of the Terminating ETF and proceed with the Distribution and further distribution (if any) as soon as practicable. However, the Manager may not be able to realise all the assets of the Terminating ETF, such as the Suspended Stocks, in a timely manner during certain periods of time, for example, when 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 Distribution and any further distribution (if any) to the Relevant Investors may be delayed.

Investor's attention is also drawn to the risk factors disclosed in the Prospectus.

## **5.2. 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 Trust and the Terminating ETF are collective investment schemes authorised under Section 104 of the SFO, profits derived from realisation of the Terminating ETF's assets are exempt from Hong Kong profits tax. Notwithstanding that profits of the Trust and the Terminating ETF derived from realisation of the Terminating ETF's assets are exempt from Hong Kong profits tax, the Trust and the Terminating ETF may be subject to tax in certain jurisdictions where investments are made, on income and/or capital gains derived from such investments.

The Distribution and further distribution (if any) (to the extent such amount represents profits and/or capital of the Terminating ETF) should generally not be subject to Hong Kong profits tax. For investors carrying on a trade, profession or business in Hong Kong, profits derived from the redemption or disposal of Units 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, and the Units are revenue assets of the investors.

Investors should consult their professional tax advisers for tax advice.



### **5.3. Connected party transaction**

Other than as disclosed in the Prospectus, as at the date of this Announcement and Notice, none of the connected persons of the Manager and/or the Trustee are involved in any transaction in relation to the Trust and the Terminating ETF, nor hold an interest in the Terminating ETF.

### **6. Documents available for inspection**

Copies of the following documents are available for inspection free of charge upon request at the place of business of the Manager at 68/F Two International Finance Centre, 8 Finance Street, Central, Hong Kong during normal business hours:

- Trust Deed;
- the service agreements and participation agreements;
- the latest annual report and semi-annual reports of the Trust and the Terminating ETF; and
- the Prospectus and the KFS of the Terminating ETF.

Copies of the above documents may be obtained from the Manager at a reasonable fee upon request (other than the financial statements, the Prospectus and the KFS which may be obtained free of charge).

### **7. 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 2103 0100 during normal business hours (except Hong Kong statutory holidays), or visiting the Manager's website <https://www.ssga.com/hk/en/individual/etfs> (this website has not been reviewed by the SFC).

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.

#### ***State Street Global Advisors Asia Limited***

as Manager of the Trust and the Terminating ETF

and

#### ***State Street Trust (HK) Limited***

as Trustee of the Trust and the Terminating ETF

**14 March 2023**