Product Key Facts

CSOP Hang Seng TECH Index Daily (-2x) Inverse Product

CSOP Asset Management Limited

19 April 2024

This is a two times inverse product. It is different from conventional exchange traded funds as it seeks inverse investment results relative to the Index and only on a Daily basis.

This product is not intended for holding longer than one day as the performance of this product over a longer period may deviate from and be uncorrelated to the two times inverse performance of the Index over the period.

This product is designed to be used for short term trading or hedging purposes, and is not intended for long term investment.

This product only targets sophisticated trading-oriented investors who understand the potential consequences of seeking Daily two times inverse results and the associated risks and constantly monitor the performance of their holdings on a Daily basis.

This is a product traded on the exchange.

This statement provides you with key information about this product.

This statement is a part of the Prospectus.

You should not invest in this product based on this statement alone.

Quick facts

Stock code:	7552
Trading lot size:	100 Units
Manager:	CSOP Asset Management Limited 南方東英資產管理有限公司
Trustee and Registrar:	HSBC Institutional Trust Services (Asia) Limited
Ongoing charges over a year# (annual average daily ongoing charges*):	1.62% (0.006%)

The ongoing charges figure is based on expenses for the year ended 31 December 2023. This figure may vary from year to year. It does not include the swap fees.

* The annual average daily ongoing charges figure is equal to the ongoing charges figure divided by the number of dealing days for the year ended 31 December 2023. This figure may vary from year to year.

This is the actual tracking difference of the last calendar year. Investors should refer to the ETF website for more up to date information on actual tracking difference.

Annual average daily tracking difference[##]:	0.02%
Index:	Hang Seng TECH Index (the "**Index**")
Base currency:	Hong Kong dollars (HKD)
Trading currency:	Hong Kong dollars (HKD)
Financial year end:	31 December
Dividend policy:	Annually in December (if any) subject to the Manager's discretion. Distributions may be paid out of capital or effectively out of capital. All Units will receive distributions in the base currency (HKD) only.
Website:	http://www.csopasset.com/en/products/hk-hst-2i

What is this product?

CSOP Hang Seng TECH Index Daily (-2x) Inverse Product (the "**Product**") is a sub-fund of CSOP Leveraged and Inverse Series, an umbrella unit trust established under Hong Kong law. Units of the Product (the "**Units**") are traded in HKD on The Stock Exchange of Hong Kong Limited (the "**SEHK**") like stocks. The Product uses a swap-based synthetic replication strategy by investing directly in Swaps, so as to give the Product the two times inverse (-2x) of the Daily performance of the Index. It is denominated in HKD. Creations and redemptions are in HKD only.

Objective and investment strategy

Objective

The investment objective of the Product is to provide investment results that, before fees and expenses, closely correspond to the two times inverse (-2x) of the Daily performance of the Index. **The Product does not seek to achieve its stated investment objective over a period of time greater than one day**.

"**Daily**" in relation to the inverse performance of the Index or the performance of the Product, means the inverse performance of the Index or the performance of the Product (as the case may be) from the close of market of a given Business Day until the close of the market on the subsequent Business Day.

Strategy

To achieve the investment objective of the Product, the Manager will use a Swap-based synthetic replication strategy by investing in Swaps as discussed below.

Other than Swaps, the Manager may invest in financial derivative instruments (mainly forwards) for hedging purposes, including the currency hedging demand. The Manager has no intention to invest the Product in any financial derivative instruments (including structured products or instruments) for non-hedging (i.e. investment) purposes.

All investments of the Product other than Swaps will comply with 7.36 to 7.38 of the Code on Unit Trusts and Mutual Funds (the "**Code**").

The Manager has no current intention to enter into any securities lending, repurchase and reverse repurchase or similar transaction in respect of the Product.

Swap-based synthetic replication investment strategy

The Manager intends to adopt a Swap-based synthetic replication strategy to achieve the investment objective of the Product, pursuant to which the Product will enter into more than one partially-funded Swap (which are over-the counter financial derivative instruments entered into with more than one Swap Counterparty) whereby the Product will provide a portion of the net proceeds from subscription from the issue of the Units as initial margin ("**Initial Amount**") to the Swap Counterparties which will be held by the custodian appointed by the Trustee in segregated accounts and will only be transferred to the Swap Counterparties when the Product defaults and in return the Swap Counterparties will provide the Product with an exposure to the Index (net of transaction costs).

No more than 40% of the Net Asset Value of the Product from time to time will be used as Initial Amount by way of cash and listed units of money market funds authorised by the SFC to acquire the Swaps. Under exceptional circumstances (e.g. increased Initial Amount requirement by the Swap Counterparty in extreme market turbulence), the Initial Amount requirement may increase substantially. The Initial Amount will be transferred to the Product's custodian appointed by the Trustee who will hold the amount for the Product in designated accounts, and the Swap Counterparty will have a security interest over the Initial Amount (and the relevant accounts) upon such transfer. There is no transfer of legal title, and the Initial Amount remains with the Product, but a security interest will be created thereupon in favour of the Swap Counterparty.

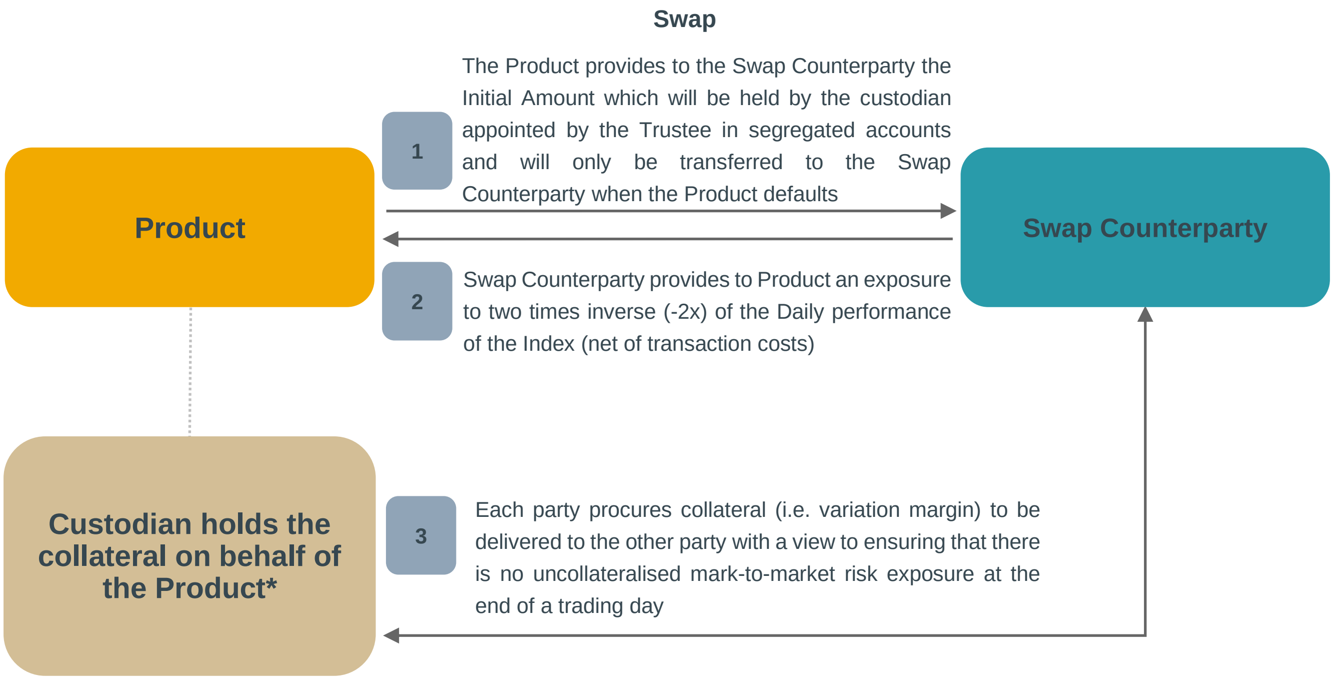
Not less than 50% of the Net Asset Value (this percentage may be reduced proportionately under exceptional circumstances where there is a higher Initial Amount requirement, as described above) will be invested in cash (HKD or USD) and other HKD or USD denominated investment products, such as deposits with banks in Hong Kong and HKD or USD denominated short term (i.e. maturity less than 3 years) investment-grade bonds and money market funds in accordance with the requirements of the Code. Yield in HKD or USD (as the case may be) from such cash and investment products will be used to meet the Product's fees and expenses and after deduction of such fees and expenses the remainder will be distributed by the Manager to the Unitholders in HKD or USD.

No more than 10% of the NAV may be invested in collective investment scheme which may be eligible schemes (as defined by the SFC) or authorised by the SFC in accordance with all the applicable requirements of the Code. Any investments in ETFs will be considered and treated as collective investment schemes for the purposes of and subject to the requirements in 7.11, 7.11A and 7.11B of the Code. For the avoidance of doubt, the Product's investment in the money market funds mentioned in the preceding paragraph is not subject to this limit.

To collateralise the mark-to-market exposure under the relevant Swap, additional amounts will be transferred as variation margin (either by the Product to the Swap Counterparty or vice versa) on each business day during the Swap transaction. Such variation margin will be transferred by way of title transfer, or by way of a security interest with a right of use (analogous to title transfer) granted thereon. During this process, the Manager will manage the Product to ensure that the collateral held by the Product will represent at least 100% of the Product's gross total counterparty risk exposure and be maintained, marked-to-market on a daily basis, with a view to ensuring that there is no uncollateralised counterparty risk exposure at the end of a trading day (subject to intra-day price movements, market risk and settlement risk etc.). If the collateral held by the Product is not at least 100% of the Product's gross total counterparty risk exposure in respect of any trading day T, by the end of that trading day T, the Manager will generally require that each Swap Counterparty deliver additional collateral assets (i.e. variation margin) to make up for the difference in value, with the settlement of such delivery expected to occur on or before trading day T+2.

Each Swap Counterparty will deliver collateral with a view to reduce the net exposure of the Product to each counterparty to 0% (zero per cent), although a minimum transfer amount of up to USD250,000 (or currency equivalent) will be applicable.

The diagram below shows how the swap-based synthetic replication investment strategy works:



** The Initial Amount will be held by the custodian in segregated accounts subject to security interest.*

Criteria for Selection of Swap Counterparty

In selecting a Swap Counterparty (or a replacement Swap Counterparty), the Manager will have regard to a number of criteria, including but not limited to the fact that the prospective Swap Counterparty or its guarantor is a substantial financial institution (as defined under the Code) subject to an on-going prudential and regulatory supervision, or such other entity acceptable to the SFC under the Code. The Manager may also impose such other selection criteria as it considers appropriate. A Swap Counterparty must be independent of the Manager.

The Product's net derivative exposure to financial derivative instruments will not exceed -202% of its Net Asset Value (i) at the time of Daily rebalancing of the Product, (ii) between Daily rebalancing, unless due to market movements.

Swap Fees

The swap fees, including all costs associated with Swap transactions, represent a variable spread (which can be positive or negative) plus HIBOR which reflects the brokerage commission and the Swap Counterparty's costs of financing the underlying hedge in order to provide the performance, the two times inverse performance of the relevant Index. If the swap fee (HIBOR plus spread) is a positive figure, then it will be borne by the Product and may have an adverse impact on its Net Asset Value and the performance of the Product, and may result in a negative impact on the tracking difference of the Product. On the contrary, if the swap fee (HIBOR plus spread) is a negative figure, the Swap Counterparty will pay the swap fee to the Product and may lead to a positive impact on the tracking difference of the Product. The Product shall bear the swap fees (including any costs associated with the entering into, or unwinding or maintenance of, any hedging arrangements in respect of such Swaps). Swap fees are accrued daily and spread out over the month. The maximum unwinding fee payable by the Product is 50bps per transaction on the notional amount of the Swap unwound.

The Manager will disclose the swap fees in the semi-annual and annual financial reports of the Product. The swap fees will be borne by the Product and hence may have an adverse impact on the Net Asset Value and the performance of the Product, and may result in higher tracking error.

Daily rebalancing

The Product as an inverse product will rebalance its position on a day when the SEHK is open for trading (i.e. a Business Day). On such days the Product will seek to rebalance its portfolio at or around the close of trading of the SEHK, by decreasing exposure in response to the Index's two times inverse (-2x) Daily gains or increasing exposure in response to the Index's two times inverse (-2x) Daily losses, so that its Daily inverse exposure ratio to the Index is consistent with the Product's investment objective.

Index

The Index is a free float-adjusted market capitalisation weighted index the objective of which is to represent the 30 largest technology companies listed in Hong Kong which have high business exposure to selected technology themes, including internet (including mobile), fintech, cloud, ecommerce, or digital activities (with a 8% cap on individual non-foreign companies constituent, 4% cap on individual foreign companies constituent and 10% cap on aggregate foreign companies constituents). The universe of securities of the Index includes securities of companies listed on the Main Board of the SEHK, but excludes secondary-listed Foreign Companies and investment companies listed under Chapter 21 of the SEHK's Main Board Listing Rules. "Foreign companies" are companies which are (i) incorporated outside Hong Kong; (ii) non-Mainland China companies (i.e. non-H-shares, non-Red-chips and non-P-chips companies); or (iii) companies with history, headquarters, management and a principal place of business outside Hong Kong, Macau, Mainland China, or Taiwan.

It is compiled and managed by Hang Seng Indexes Company Limited ("HSIL"). The Manager and its connected persons are independent of HSIL.

The Index is a price return index without adjustments for cash dividends or warrant bonuses. The Index is denominated and quoted in HKD.

The Index was launched on 27 July 2020 and had a base level of 3,000 on 31 December 2014. As of 22 March 2024, it had a total free-float market capitalisation of HKD 1,780.22 Billion and 30 constituents.

The constituents of the Index and their respective weightings and additional information of the Index can be found on the website https://www.hsi.com.hk/eng/indexes/all-indexes/hstech (this has not been reviewed or approved by the SFC).

Bloomberg Code: HSTECH

Use of derivatives / investment in derivatives

The Product's net derivative exposure may be more than 100% of the Product's Net Asset Value.

What are the key risks?

Investment involves risks. Please refer to the Prospectus for details including as to the risk factors.

1. Investment risk

- The Product is a derivative product and is not suitable for all investors. There is no guarantee of the repayment of principal. Therefore your investment in the Product may suffer substantial or total losses.

2. Inverse performance risk

- The Product tracks the two times inverse performance of the Index on a Daily basis, using leverage to achieve a Daily return equivalent to twice the inverse performance of the Index. Both gains and losses will be magnified and in the two times inverse (-2x) direction of the Daily performance of the Index. Should the value of the underlying securities of the Index increase, it could have a magnified negative effect on the performance of the Product. Unitholders could, in certain circumstances including a bull market, face minimal or no returns, or may even suffer a complete loss, on such investments.

3. New Index Risk

- The Index is a new index. The Product may be riskier than other products tracking more established indices with longer operating history.

4. Leverage risk

- The Product will utilise leverage to achieve a Daily return equivalent to minus two times (-2x) the return of the Index. Both gains and losses will be magnified. The risk of loss resulting from an investment in the Product in certain circumstances including a bull market will be substantially more than a fund that does not employ leverage. For example, the Index could increase by more than 50% on a particular day and this may result in the total loss of the investors' investment in the Product. Such total loss of investment could occur in a relatively short period of time if there is a material market movement.

5. Long term holding risks

- **The Product is not suitable for holding longer than one day** as the performance of the Product over a period longer than one day will very likely differ in amount and possibly direction from the two times inverse performance of the Index over that same period (e.g. the loss may be more than 2 times the increase in the Index). This effect may be more pronounced for longer holding periods and in products with larger leverage factor and/or inverse exposure. Investors should not expect the actual percentage return of investing in the Product to be equal to two times the inverse percentage change in the Index for periods of longer than one day.
- The effect of compounding becomes more pronounced on the Product's performance as the Index experiences volatility. With higher Index volatility, the deviation of the Product's performance from the two times inverse performance of the Index will increase, and the performance of the Product will generally be adversely affected.
- As a result of Daily rebalancing, the Index's volatility and the effects of compounding of each day's return over time, it is even possible that the Product will lose money over time while the Index's performance falls or is flat. Investors in the Product should actively manage and monitor their investments, as frequently as daily.
- The table below illustrates the potential investment outcomes of holding the Product for a period longer than one day in a volatile market. For example, where an investor has invested in the Product on day 0 and the index falls by 2% in total at the end of day 4, the Product would have an accumulated loss of 7.8%, instead of a 4% gain which is -2x the accumulative return of the index.

	Day 0	Day 1	Day 2	Day 3	Day 4
Underlying index level	100.0	90.0 (down 10%)	99.0 (up 10%)	108.9 (up 10%)	98.0 (down 10%)
NAV per unit of the product	$100.0	$120.0 (up 20%)	$96.0 (down 20%)	$76.8 (down 20%)	$92.2 (up 20%)
The product's target exposure to underlying index at day-end	$-200.0	$-240.0	$-192.0	$-153.6	$-184.3
Cumulative return (underlying index) multiplied by minus two		*+20.0%*	*+2.0%*	*-17.8%*	*+4.0%*
Cumulative return (product)		*+20.0%*	*-4.0%*	*-23.2%*	*-7.8%*
Difference		**0.0%**	**-6.0%**	**-5.4%**	**-11.8%**

6. Synthetic replication and counterparty risks

- *Under collateralisation risk*: The Manager seeks to mitigate the counterparty risks by fully collateralising all Swap Counterparty exposures. There is a risk that the value of the collateral may be substantially lower than the amount secured and so the Product may suffer significant losses. Any loss would result in a reduction in the NAV of the Product and impair the ability of the Product to achieve its investment objective.

  The Product may suffer significant losses if the Swap Counterparty fails to perform its obligations under the Swap. The value of the collateral assets may be affected by market events and may diverge substantially from the inverse performance of the Index, which may cause the Product's exposure to the Swap Counterparty to be under-collateralised and therefore result in significant losses.

- *Default risk*: The Product seeks to obtain the required exposure through more than one Swap with more than one Swap Counterparty. The Product is therefore exposed to counterparty risk and default risk of the Swap Counterparties and may suffer significant losses if a swap counterparty fails to perform its obligations. Derivative instruments are susceptible to price fluctuations and higher volatility, which may result in large bid and offer spreads with no active secondary market. The Product may suffer losses potentially equal to the full value of the financial derivatives.

- *Intra-day counterparty risk*: The Manager will manage the Product to ensure that the collateral held by the Product will represent at least 100% of the Product's gross total counterparty risk exposure and be maintained, marked-to-market on a daily basis, with a view to ensuring that there is no uncollateralised counterparty risk exposure at the end of a trading day. If the collateral held by the Product is not at least 100% of the Product's gross total counterparty risk exposure in respect of any trading day T, by the end of that trading day T, the Manager will generally require that each Swap Counterparty deliver additional collateral assets to make up for the difference in value, with the settlement of such delivery expected to occur on or before trading day T+2. Despite the counterparty risk management measures in place, the management of the Product's net exposure to each Swap Counterparty to zero is subject to settlement risks arising from settlement failures and market risks (including price movements prior to the required cash payment by the Swap Counterparty to the Product). Any delay in the cash payment by the Swap Counterparty to the Product prior to the end of the relevant trading day T+2 may cause the Product's exposure to a Swap Counterparty to be larger than zero from time to time. This may result in significant losses for the Product in the event of the insolvency or default of that Swap Counterparty.

- *Early termination of Swaps risk*: In some circumstances, a Swap Counterparty can terminate the swap agreements early which may adversely impact the Product's performance. Such early termination can also impair the Product's ability to achieve its investment objective and may subject the Product to substantial loss. Also, the Product may face an increase in the cost to enter into a similar swap agreement with additional Swap Counterpart(ies).

- *Increase of swap fees risk:* The Product will bear the swap fees, which are subject to the discussion and consensus between the Manager and the Swap Counterparty based on the actual market circumstances on a case-by-case basis. The current swap fees are a best estimate only and may deviate from the actual market conditions. In extreme market conditions and exceptional circumstances, the brokerage commission and the Swap Counterparty's costs of financing the underlying hedge may increase significantly and in return increase the swap fees.

- *Capacity limit risk:* The Swap Counterparties may also be subject to a capacity limit representing the commitment of the Swap Counterparty to conduct the Swap transactions to provide the required exposure to the Index for the Product. Accordingly, the Product's exposure to the Index may be affected. Whilst the Manager does not anticipate that this will have any immediate effect on the Product, if any Swap Counterparty reaches its capacity limit or if the Net Asset Value of the Product grows significantly this may prevent creations of Units due to the inability of the Product to conduct Swap transactions. This may cause a divergence between the trading price of a Unit on the SEHK and the Net Asset Value per Unit. The investment exposure could also deviate from the target exposure which adds tracking error to the Product.

7. Inverse product vs short selling risk

- Investing in the Product is different from taking a short position. Because of rebalancing, the return profile of the Product is not the same as that of a short position. In a volatile market with frequent directional swings, the performance of the Product may deviate from a short position.

8. Unconventional return pattern risk

- Risk investment outcome of the Product is the opposite of conventional investment funds, and any gains and losses will be magnified by approximately two times. If the value of the Index increases for extended periods, the Product will likely to lose most or all of its value.

9. Risk of rebalancing activities

- There is no assurance that the Product can rebalance its portfolio on a Daily basis to achieve its investment objective. Market disruption, regulatory restrictions, counterparty capacity limits or extreme market volatility may adversely affect the Product's ability to rebalance its portfolio.

10. Liquidity risk

- The rebalancing activities of the Product typically take place near the end of trading of the underlying market to minimise tracking difference. As a result, the Product may be more exposed to the market conditions during a shorter interval and may be more subject to liquidity risk and the Swap Counterparty's capacity to execute may also be subject to liquidity risk.

11. Intraday investment risk

- The Product is normally rebalanced at the end of trading of the underlying market on a Business Day. As such, return for investors that invest for period less than a full trading day will generally be greater than or less than the inverse investment exposure to the Index, depending upon the movement of the Index from the end of one trading day until the time of purchase.

12. Portfolio turnover risk

- Daily rebalancing of Product's holdings causes a higher level of portfolio transactions than compared to the conventional exchange traded funds. High levels of transactions increase brokerage and other transaction costs.

13. Concentration risk

- To the extent that the index constituents concentrates in Hong Kong listed securities (including H-shares and red chip shares) of a particular sector or market, the investments of the Product may be similarly concentrated. The value of the Product may be more volatile than that of a fund having a more diverse portfolio of investments. The value of the Product may be more susceptible to adverse conditions in such particular market/sector.

- The constituents of the Index are concentrated in companies with a technology theme. Many of the companies with a high business exposure to a technology theme have a relatively short operating history. Technology companies are often characterised by relatively higher volatility in price performance when compared to other economic sectors. Companies in the technology sector also face intense competition, and there may also be substantial government intervention, which may have an adverse effect on profit margins. Rapid changes could render obsolete the products and services offered by these companies. These companies are also subject to the risks of loss or impairment of intellectual property rights or licences, cyber security risks resulting in undesirable legal, financial, operational and reputational consequences, and may be exposed to risks associated with different technology sectors and themes (including industries, consumer discretionary, healthcare, financials, information technology, internet (including mobile), fintech, cloud, e-commerce, or digital).

14. Distributions risk

- Payment of distributions out of capital or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment and may result in an immediate reduction in the NAV per Unit.

15. Passive investments risk

- The Product is not "actively managed" and the Manager will not adopt any temporary defensive position when the Index moves in an unfavourable direction. In such circumstances, Units of the Product will also decrease in value.

16. Trading risks

- The trading price of the Units on the SEHK is driven by market factors such as the demand and supply of the Units. Units may trade at a substantial premium or discount to the NAV.
- As investors will pay certain charges (e.g. trading fees and brokerage fees) to buy or sell Units on the SEHK, investors may pay more than the NAV per Unit when buying Units on the SEHK, and may receive less than the NAV per Unit when selling Units on the SEHK.

17. Reliance on market maker risk

- Although the Manager will use its best endeavours to put in place arrangements so that at least one market maker will maintain a market for the Units and gives not less than three months' notice prior to termination of the market making arrangement, liquidity in the market for the Units may be adversely affected if there is only one market maker for the Units. There is also no guarantee that any market making activity will be effective.

18. Tracking error and correlation risks

- The Product may be subject to tracking error risk, which is the risk that its performance may not track that of the two times inverse (-2x) Daily performance of the Index exactly. This tracking error may result from the investment strategy used, high portfolio turnover, liquidity of the market and fees and expenses as well as costs of using FDIs and the correlation between the performance of the Product and the two times inverse (-2x) Daily performance of the Index may be reduced. The Manager will monitor and seek to manage such risk in minimising tracking error. There can be no assurance of exact or identical replication of the two times inverse performance of the Index at any time, including on an intra-day basis.

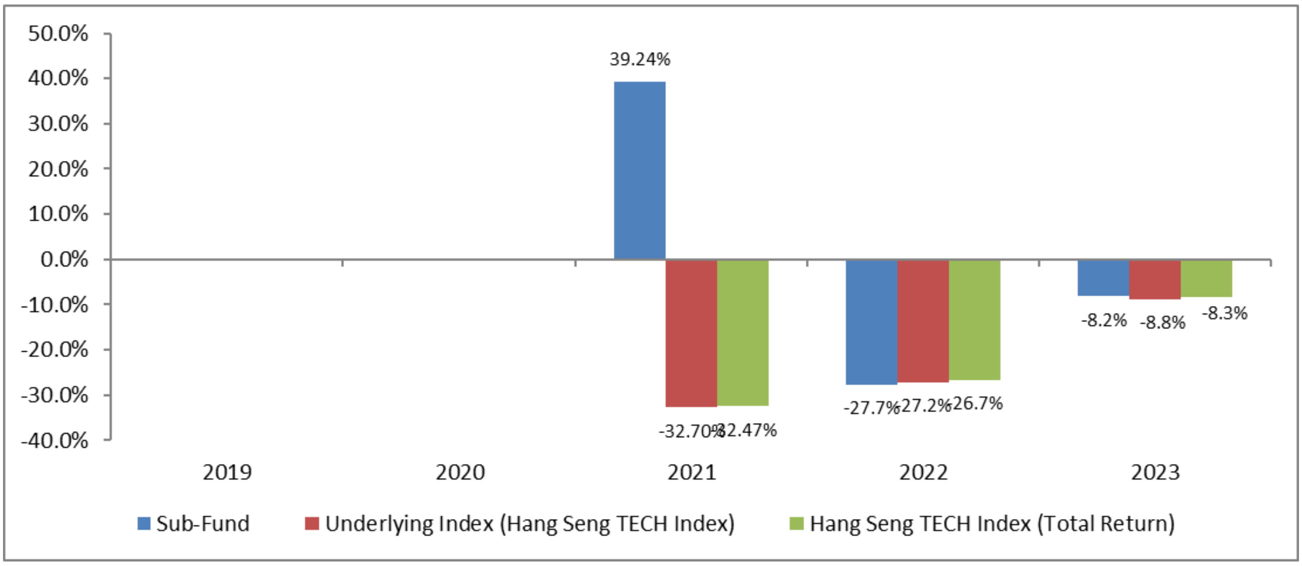
19. Volatility risk

- Prices of the Product may be more volatile than conventional ETFs because of the use of leverage and the daily rebalancing activities and the leverage effect.

20. Termination risk

- The Product may be terminated early under certain circumstances, for example, where there is no market maker, the Index is no longer available for benchmarking or if the size of the Product falls below USD20 million. Investors may not be able to recover their investments and suffer a loss when the Product is terminated.

How has the Product performed?



- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-To-NAV, with dividend reinvested.
- These figures show by how much the Product increased or decreased in value during the calendar year being shown. Performance data has been calculated in HKD taking into account ongoing charges and excluding your trading costs on SEHK.
- Where no past performance is shown there was insufficient data available in that year to provide performance.
- Fund launch date: 10 December 2020.

Is there any guarantee?

The Product does not have any guarantees. You may not get back the full amount of money you invest.

What are the fees and charges?

Charges incurred when trading the Product on the SEHK

Fee	**What you pay**
Brokerage fee	Market rate
Transaction levy	0.0027%[1] of the trading price
Accounting and Financial Reporting Council ("AFRC") transaction levy	0.00015%[2]
Trading fee	0.00565%[3] of the trading price
Stamp duty	Nil

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

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

[3] *Trading fee of 0.00565% of the trading price of the Units, payable by each of the buyer and the seller.*

Ongoing fees payable by the Product

The following expenses will be paid out of the Product. They affect you because they reduce the NAV of the Product which may affect the trading price.

	Annual rate (as a % of NAV)
Management fee*	1.6%
Trustee fee	Included in the management fee
Performance fee	Nil
Administration fee	Included in the management fee

* *Please note that the management fee may be increased up to a permitted maximum amount by providing one month's prior notice to Unitholders. Please refer to the section headed "Fees and Expenses" in the Prospectus for further details of the fees and charges payable and the permitted maximum of such fee allowed, as well as other ongoing expenses that may be borne by the Product.*

Other fees

You may have to pay other fees when dealing in the Units of the Product. Please refer to the Prospectus for details.

Additional information

The Manager will publish important news and information with respect to the Product (including in respect of the Index), in the English and Chinese languages (unless otherwise specified), on the Manager's website at http://www.csopasset.com/en/products/hk-hst-2i (which has not been reviewed or approved by the SFC) including:

(a) the Prospectus and this statement (as revised from time to time);

(b) the latest annual accounts and half-yearly unaudited report (in English only);

(c) any notices relating to material changes to the Product which may have an impact on Unitholders such as material alterations or additions to the Prospectus or the Product's constitutive documents;

(d) any public announcements made by the Product, including information with regard to the Product and Index, notices of the suspension of the calculation of the NAV, suspension of creation and redemption of Units, changes in fees, and the suspension and resumption of trading;

(e) the near real time indicative NAV per Unit updated every 15 seconds during SEHK trading hours in HKD;

(f) the last NAV of the Product and the last NAV per Unit of the Product in HKD;

(g) the past performance information of the Product;

(h) the daily tracking difference, the average daily tracking difference and the tracking error of the Product;

(i) the full portfolio information of the Product (updated on a Daily basis);

(j) the Product's gross and net exposure to each Swap Counterparty;

(k) pictorial presentation of collateral information by way of pie charts (updated on a weekly basis) showing the following (if applicable): a) a breakdown by asset type, e.g. equity, bond and cash and cash equivalents; b) for equity, further breakdown by (1) primary listing (i.e. stock exchanges), (2) index constituents, and (3) sector; c) for bond, further breakdown by (1) types of bonds, (2) countries of issuers/guarantors, and (3) credit rating;

(l) top 10 holdings in the collateral (including name, percentage of the Product's NAV, type, primary listing for equities, country of issuers, credit rating if applicable) (updated on a weekly basis);

(m) the latest list of Swap Counterparties (including hyperlinks to the websites of Swap Counterparties and their guarantors (if applicable)) (updated on a weekly basis);

(n) a "performance simulator" which allows investors to select a historical time period and simulate the performance of the Product vis-à-vis the Index during that period based on historical data;

(o) the latest list of the participating dealers and market makers; and

(p) compositions of dividends (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital), if any, for a rolling 12-month period.

Important

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.