PRODUCT KEY FACTS

CSOP CSI 500 ETF* (*This is a synthetic ETF)

a sub-fund of the CSOP ETF Series* (*This includes synthetic ETFs)

CSOP Asset Management Limited

26 April 2024

- ***This is a passive exchange traded fund.***
- ***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 codes:	RMB counter: 83005 HKD counter: 3005
Trading lot size:	RMB counter: 200 units HKD counter: 200 units
Fund 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 滙豐機構信託服務(亞洲)有限公司
Custodian:	The Hongkong and Shanghai Banking Corporation Limited
Underlying Index:	CSI 500 Index
Base currency:	Renminbi ("**RMB**")
Trading currency:	RMB counter: RMB HKD counter: Hong Kong Dollar ("**HKD**")
Financial year end of this fund:	31 December
Dividend policy:	The Manager intends to distribute income to unitholders annually (in December) having regard to the Sub-Fund's net income after fees and costs. The Manager may, at its discretion, pay dividend out of or effectively pay dividend out of capital. **Distributions for all units (whether traded in HKD or RMB counter) will be in RMB only.**
Ongoing charges over a year#:	0.50%
Tracking difference of the last calendar year+:	-1.21%
ETF Website:	https://www.csopasset.com/en/products/csi-500-etf#

As the management fee level of the Sub-Fund was reduced on 31 July 2023, this is a best estimate only and represents the sum of the estimated ongoing charges over a 12-month period expressed as a percentage of the estimated average Net Asset Value over the same period. It may be different upon actual operation of the Sub-Fund under its revised investment strategy and may vary from year to year. The ongoing charges figure does not include the fees related to the FDIs (including swaps) entered into by the Sub-Fund. The Manager will cap the ongoing charges figure for the Sub-Fund at a maximum of 0.50% p.a. ("OCF Cap"). This means that any expense of the Sub-Fund (falling within the scope of ongoing expenses) incurred during this period will be borne by the Manager and will not be charged to the Sub-Fund if such expense would result in the ongoing charges figure exceeding the OCF Cap.

+ This is the actual tracking difference of the last calendar year. Investors should refer to the Sub-Fund's website for more up to date information on actual tracking difference.

What is this product?

The CSOP CSI 500 ETF* (*This is a synthetic ETF) (the “**Sub-Fund**”) is a sub-fund of the CSOP ETF Series* (*This includes synthetic ETFs) (“**Trust**”), which is an umbrella unit trust established under Hong Kong law. The Sub-Fund is a passively managed index tracking ETF authorised under Chapters 8.6 and 8.8 of the Code on Unit Trusts and Mutual Funds ("**Code**”). The units of the Sub-Fund are traded on the Stock Exchange of Hong Kong Limited (the “**SEHK**”) essentially like shares.

The Sub-Fund is a synthetic ETF and seeks exposure to China A-Shares listed on the Shanghai Stock Exchange (“SSE”) or the Shenzhen Stock Exchange (“SZSE”) of the PRC mainland through financial derivative instruments (“FDIs”).

Objectives and Investment Strategy

Objective

The investment objective of the Sub-Fund is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the CSI 500 Index (the “**Underlying Index**”). There is no assurance that the Sub-Fund will achieve its investment objective.

Investment Strategy

In seeking to achieve the investment objective, the Sub-Fund will (i) primarily use a synthetic representative sampling strategy by investing up to 100% of its Net Asset Value in FDIs, which will be fully funded total return swaps with one or more counterparties; and (ii) where the Manager believes such investments are beneficial to the Sub-Fund and will help the Sub-Fund achieve its investment objective, use a physical representative sampling strategy as an ancillary strategy by investing a maximum level of less than 50% and an expected level of up to 30% of its Net Asset Value (or up to 100% in extreme market conditions, e.g. market crash, crisis or extreme market turbulence affecting particularly the FDI market) in a representative portfolio of securities that collectively has a high correlation with the Underlying Index. The investment made by the Sub-Fund other than in swaps and A-Shares shall comply with the requirements in 7.36 to 7.38 of the Code.

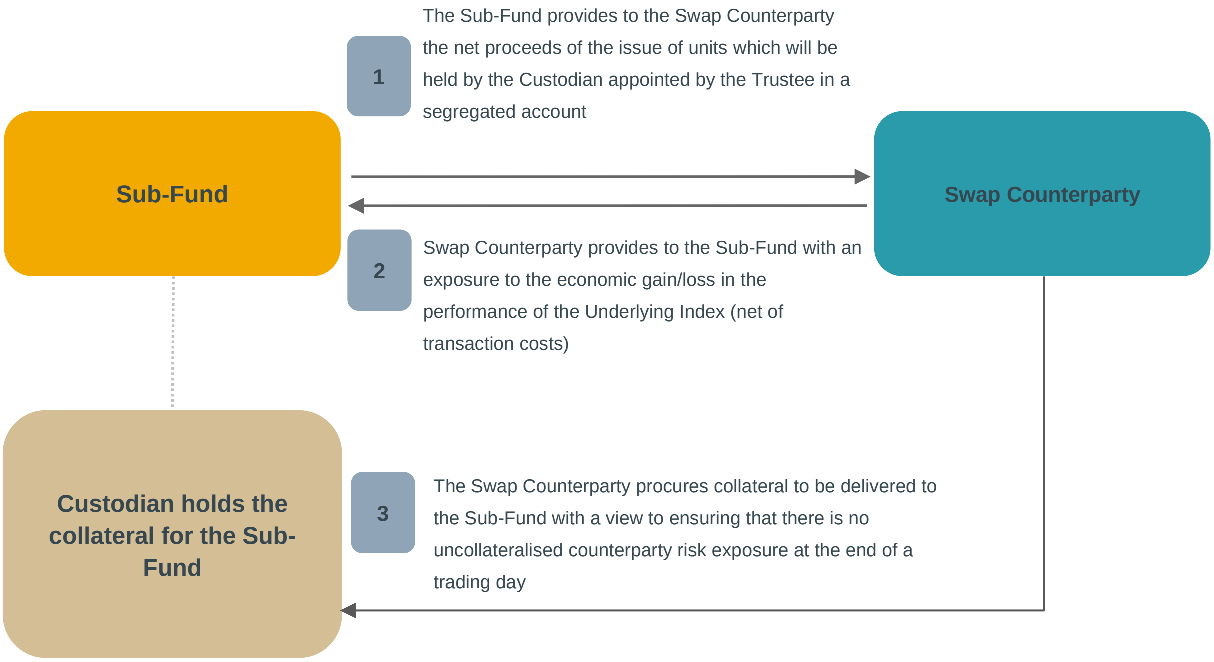
Synthetic representative sampling sub-strategy

By adopting a synthetic representative sampling strategy, the Sub-Fund invests directly in fully funded total return swap transaction(s) whereby the Sub-Fund will pass on substantially all of the net proceeds of any issue of its units to the swap counterparty(ies) and in return the swap counterparty(ies) will provide the Sub-Fund with an exposure to the economic gain/loss in the performance of the relevant Securities (net of transaction costs).

The Manager will obtain collateral that represents at least 100% of the Sub-Fund’s gross total counterparty risk, and will manage the Sub-Fund to ensure that the collateral held by the Sub-Fund will represent at least 100% of the Sub-Fund’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.). The valuation of the collateral and the calculation of counterparty risk exposure in respect of any trading day T generally occurs at the end of that trading day. If the collateral held by the Sub-Fund is not at least 100% of the Sub-Fund’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 Sub-Fund to each swap counterparty to 0%.

The diagram below shows how the synthetic representative sampling sub-strategy via fully funded total return swaps works:



Swap fees

The Sub-Fund will bear the swap fees, which includes all costs associated with swap transactions and 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 swap fees represent the brokerage commission and the swap counterparty's cost of financing the underlying hedge.

Currently, the swap fees are expected to range from 0.00% to -3.50%* per annum of the swap notional amount (i.e. from 0.00% to -3.50%* per annum of the Sub-Fund's Net Asset Value). This is a best estimate only and the actual swap fees may deviate from the aforesaid estimate depending on 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. When the actual swap fee level exceed the disclosed level, the Manager will issue notice to the investors. The Sub-Fund shall bear the swap fees (including any costs associated with the entering into, or unwind 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 Sub-Fund is 0.50%* 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 Sub-Fund. The swap fees will be borne by the Sub-Fund and hence may have an adverse impact on the Net Asset Value and the performance of the Sub-Fund, and may result in higher tracking error.

* A positive figure denotes the fee that the Sub-Fund pays to the swap counterparties. A negative figure denotes the fee that the swap counterparties pay to the Sub-Fund.

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 Securities and Futures Commission ("**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. A prudent haircut policy will be adopted.

Physical representative sampling sub-strategy

The Sub-Fund may use a physical representative sampling strategy by investing a maximum level of less than 50% and an expected level of up to 30% of its Net Asset Value via the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect (Stock Connect) and the Qualified Foreign Investor (QFI) status granted to the Manager in a representative portfolio of securities that collectively has a high correlation with the Underlying Index. As part of the foregoing, the Sub-Fund may or may not hold all of the Index Securities, and may invest in securities which are not included in the Underlying Index. The securities selected are expected to have, in the aggregate, investment characteristics (based on factors such as market capitalization and industry weightings), fundamental characteristics (such as return variability and yield) and liquidity measures similar to those of the Underlying Index.

Other investments

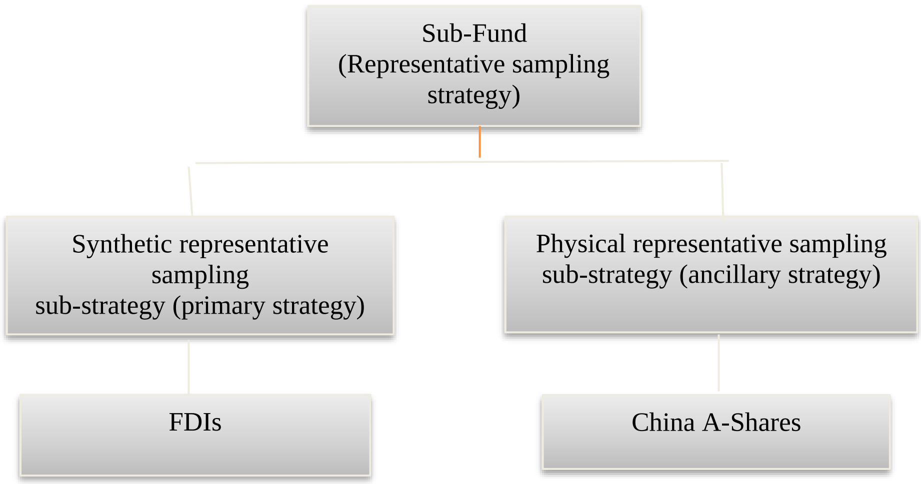
The Sub-Fund may invest up to 10% of its Net Asset Value in exchange traded funds listed on the SSE or the SZSE the principal objective of which is to track, replicate or correspond to the Underlying Index.

The Manager may, on behalf of the Sub-Fund, enter into securities lending transactions, with the maximum level for up to 50% and expected level for approximately 20% of its NAV and is able to recall the securities lent out at any time.

The Sub-Fund does not intend to engage in sale and repurchase transactions and reverse repurchase transactions and other similar over-the-counter transactions on behalf of the Sub-Fund.

The Sub-Fund may also invest up to 5% of its Net Asset Value on an ancillary basis in money market instruments, cash and cash equivalents for cash management purposes.

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



Underlying Index

The Underlying Index of the Sub-Fund is the net total return index of CSI 500 Index. It is compiled and published by China Securities Index Co. Ltd. ("**CSI**" or "**Index Provider**"). The Manager and its connected persons are independent of the Index Provider. The CSI 500 Index is a free float adjusted, category-weighted index which measures the performance of A-Shares traded on the SSE or the SZSE. The CSI 500 Index consists of the 500 stocks after the largest 300 stocks in terms of market capitalisation and liquidity from the entire universe of listed A-Shares companies in the PRC mainland. The Underlying Index reflects the overall performance of small-mid capitalisation A-Shares.

The Underlying Index is a net total return index, which means that its performance reflects the reinvestment of dividends, net of withholding taxes, from the Index Securities. The Underlying Index is denominated and quoted in RMB.

The Underlying Index was launched on 8 February 2013 and had a base level of 1,000 on 31 December 2004. As of 22 March 2024, the Underlying Index had a total free-float market capitalisation of RMB 6,335.92 billion and 500 constituents.

The constituents of the Underlying Index together with their respective weightings can be found on the website of CSI at: http://www.csindex.com.cn/en/indices/index-detail/000905.

Bloomberg Index Code: CSIN0905 / Reuters Index Code: CSIN00905

Use of derivatives / investment in derivatives

The Sub-Fund's net derivative exposure may be more than 50% but up to 100% of its Net Asset Value.

What are the key risks?

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

1. Investment risk

- The Sub-Fund is not principal guaranteed and your investments may suffer losses. There is no assurance that the Sub-Fund will achieve its investment objective.
- It is passively managed and the Manager will not have the discretion to adapt to market changes due to the inherent investment nature of the Sub-Fund. Falls in the Underlying Index may result in a corresponding fall in the value of the Sub-Fund.

2. Risk associated with the Stock Connect

- The Stock Connect is subject to quota limitations, which may affect the ability of the Sub-Fund to acquire A-shares.
- In the case of suspension of trading through the programme, the Sub-Fund's ability to invest in the Mainland market through the Stock Connect will be adversely affected. In such event, the Sub-Fund's ability to achieve its investment objective could be negatively affected.
- There is no certainty as to how the regulations/rules pertaining to the Stock Connect will be applied, and they may change from time to time. Changes may have potential retrospective effect.

3. QFI risk

- The Sub-Fund's ability to make the relevant investments or to fully implement or pursue its investment objective and strategy is subject to the applicable laws, rules and regulations (including restrictions on investments and repatriation of principal and profits) in the PRC mainland, which are subject to change and may have retrospective effect.
- The Sub-Fund may suffer substantial losses if the approval of the QFI is being revoked / terminated or otherwise invalidated as the Sub-Fund may be prohibited from trading of relevant securities and repatriation of the Sub-Fund's monies, or if any of the key operators or parties (including QFI custodian/brokers) is bankrupt/in default and/or is disqualified from performing its obligations (including execution or settlement of any transaction or transfer of monies or securities).
- The swap counterparties may hedge their swap exposure by investing in A-Shares through QFI of itself or a third party/affiliate. If a swap counterparty for whatever reason is unable to trade through QFI (for example, due to revocation, termination or invalidation of approval of the QFI), this may hinder the swap counterparty's ability to increase the size of the relevant swap, which will in turn affect the Sub-Fund's ability to achieve its investment objective and strategy. This may also cause the units to trade at a premium to their NAV. In the worst case scenario, the Sub-Fund may be terminated.

4. Risks associated with investment in FDIs

- The Sub-Fund invests more than 50% and up to 100% of its NAV in FDIs (fully funded total return swaps) through one or more swap counterparty(ies). As such, the Sub-Fund may suffer significant loss if a swap counterparty fails to perform its obligations, or in case of insolvency or default of the swap counterparty(ies).
- Risks associated with FDIs include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. FDIs are susceptible to price fluctuations and higher volatility, and may have large bid and offer spreads and no active secondary markets. The leverage element/component of an FDI can result in a loss significantly greater than the amount invested in the FDI by the Sub-Fund. Exposure to FDIs may lead to a high risk of significant loss by the Sub-Fund.

5. Synthetic replication and counterparty risk

- *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 Sub-Fund may suffer significant losses. Any loss would result in a reduction in the NAV of the Sub-Fund and impair the ability of the Sub-Fund to achieve its investment objective.

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

- *Default risk:* The Sub-Fund seeks to obtain the required exposure through one or more swap with one or more swap counterparty. The Sub-Fund 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. FDIs are susceptible to price fluctuations and higher volatility, which may result in large bid and offer spreads with no active secondary market. The Sub-Fund may suffer losses potentially equal to the full value of the FDIs.
- *Intra-day counterparty risk:* The Manager will manage the Sub-Fund to ensure that the collateral held by the Sub-Fund will represent at least 100% of the Sub-Fund'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 Sub-Fund is not at least 100% of the Sub-Fund'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 Sub-Fund'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 Sub-Fund). Any delay in the cash payment by the swap counterparty to the Sub-Fund prior to the end of the relevant trading day T+2 may cause the Sub-Fund's exposure to a swap counterparty to be larger than zero from time to time. This may result in significant losses for the Sub-Fund 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 Sub-Fund's performance. Such early termination can also impair the Sub-Fund's ability to achieve its investment objective and may subject the Sub-Fund to substantial loss. Also, the Sub-Fund may face an increase in the cost to enter into a similar swap agreement with additional swap counterparties.
- *Change of swap fees risk:* The Sub-Fund 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 aforesaid estimate depending on actual market conditions. In extreme market conditions and exceptional circumstances, the swap counterparty's costs of financing the underlying hedge may increase significantly and in return cause negative impact on the Net Asset Value of the Sub-Fund.

6. <u>Securities Lending Transactions Risks</u>

- Securities lending transactions may involve the risk that the borrower may fail to return the securities in a timely manner or at all.
- While the Sub-Fund must receive cash collateral of at least 100% of the valuation of the securities lent valued on a daily basis, there is a risk of shortfall of collateral value due to inaccurate pricing of the securities lent or change of value of securities lent. This may cause significant losses to the Sub-Fund.

7. <u>Dual Counter Trading risk</u>

- If there is a suspension of the inter-counter transfer of units between the RMB counter and the HKD counter and/or any limitation on the level of services by brokers/intermediaries and CCASS participants, unitholders will only be able to trade their units in the relevant counter on the SEHK, which may inhibit or delay an investor dealing.
- The market price on the SEHK of units traded in RMB and of units traded in HKD may deviate significantly. As such, investors may pay more or receive less when buying or selling units traded in HKD on the SEHK than in respect of units traded in RMB and *vice versa*.

8. <u>Renminbi currency risk</u>

- RMB is currently not a freely convertible currency and is subject to exchange controls by the Chinese government and investors may be adversely affected by movements of the exchange rates between Renminbi and other currencies.
- Non-RMB based investors are exposed to foreign exchange risk and there is no guarantee that RMB will not depreciate. Any depreciation of the value of RMB could adversely affect the value of investors' investments in the Sub-Fund.
- Although offshore RMB (CNH) and onshore RMB (CNY) are the same currency, they trade at different rates. Any divergence between CNH and CNY may adversely impact investors.
- Under exceptional circumstances, payment of redemptions and/or dividend payment in RMB may be delayed due to the exchange controls and restrictions applicable to RMB.

9. Mainland <u>China market and concentration risk</u>

- Mainland China is considered as an emerging market and investing in Mainland China market may subject to greater economic, political, tax, foreign exchange, regulatory, volatility and liquidity risks than investing in more developed countries.

- The concentration of the Sub-Fund's investments in a single geographical region (i.e. Mainland China) may subject it to greater volatility than portfolios which comprise broad-based global investments.

10. PRC mainland tax risk

- Investment in the Sub-Fund may be subject to the risks associated with changes in the PRC mainland tax laws, and such changes may have retrospective effect and may adversely affect the Sub-Fund. Any increased tax liabilities on the Sub-Fund may adversely affect the Sub-Fund's value. Based on professional and independent tax advice, the Manager does not make any withholding income tax provision on the gross unrealised and realised capital gains derived from trading of China A-Shares and swaps.

11. Risks relating to the differences between the Hong Kong and PRC mainland stock markets

- The trading days or hours of the PRC mainland and Hong Kong stock markets are not exactly the same. There may be occasions where the value of the Index Securities in the Sub-Fund's portfolio may change but investors are not able to purchase or sell the Sub-Fund's units.
- On the other hand, if a PRC mainland stock exchange is closed while the SEHK is open, this may affect the level of premium or discount of the trading price of the Sub-Fund to its NAV.
- While China A-Shares are subject to trading bands which restrict increases and decreases in the trading price, trading of the Sub-Fund listed on the SEHK is not subject to such restrictions. The dealing suspension of the Index Security may result in higher tracking error and may expose the Sub-Fund to losses. Units of the Sub-Fund may also be traded at a premium or discount to its NAV.

12. Reliance on market makers 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 traded in each counter and that at least one market maker to each counter gives not less than 3 months' notice prior to terminating market making arrangement under the relevant market maker agreement, liquidity in the market for the units may be adversely affected if there is no or only one market maker for the RMB or HKD traded units. There is also no guarantee that any market making activity will be effective.

- There may be less interest by potential market makers making a market in units denominated and traded in RMB. Any disruption to the availability of RMB may adversely affect the capability of market makers in providing liquidity for the units.

13. Tracking error risk

- Due to fees and expenses of the Sub-Fund, costs of using FDIs, liquidity of the market, imperfect correlation of returns between the Sub-Fund's assets and the Index Securities constituting the Underlying Index and other factors such as the representative sampling strategy being used and investing in CIS under exceptional circumstances, the Sub-Fund's returns may deviate from that of the Underlying Index. The Manager will monitor and seek to manage such risk in minimising tracking error. There can be no assurance of exact or identical replication at any time of the performance of the Underlying Index.

14. Trading risk

- Generally, retail investors can only buy or sell units of the Sub-Fund on the SEHK. The trading price of the units on the SEHK is driven by market factors and may trade at a substantial premiums or discount to its NAV.
- Trading of units may involve various types of costs that apply to all securities transactions such as trading fees and brokerage commissions. Investors on the secondary market will also incur the cost of the trading spread, being the difference between what investors are willing to pay for the units (bid price) and the price at which they are willing to sell units (ask price).
- Not all stockbrokers may be ready and able to carry out trading and settlement of the RMB traded units.
- The liquidity and trading price of the RMB traded units of the Sub-Fund may be adversely affected by the limited availability of RMB outside the PRC mainland and the restrictions on the conversion between foreign currency and RMB. This may result in the Sub-Fund trading at a significant premium / discount to its Net Asset Value.

15. Risk of early termination

- The Sub-Fund may be terminated under certain circumstances, for example, if the Underlying Index is discontinued and/or the index licence agreement is terminated and the Manager is unable to identify or agree with any index provider terms for the use of a suitable replacement index or the NAV falls below the amount as specified in the prospectus. Investors may suffer loss in the event of early termination. Investors may not be able to recover their investments and suffer a loss when the Sub-Fund is terminated.

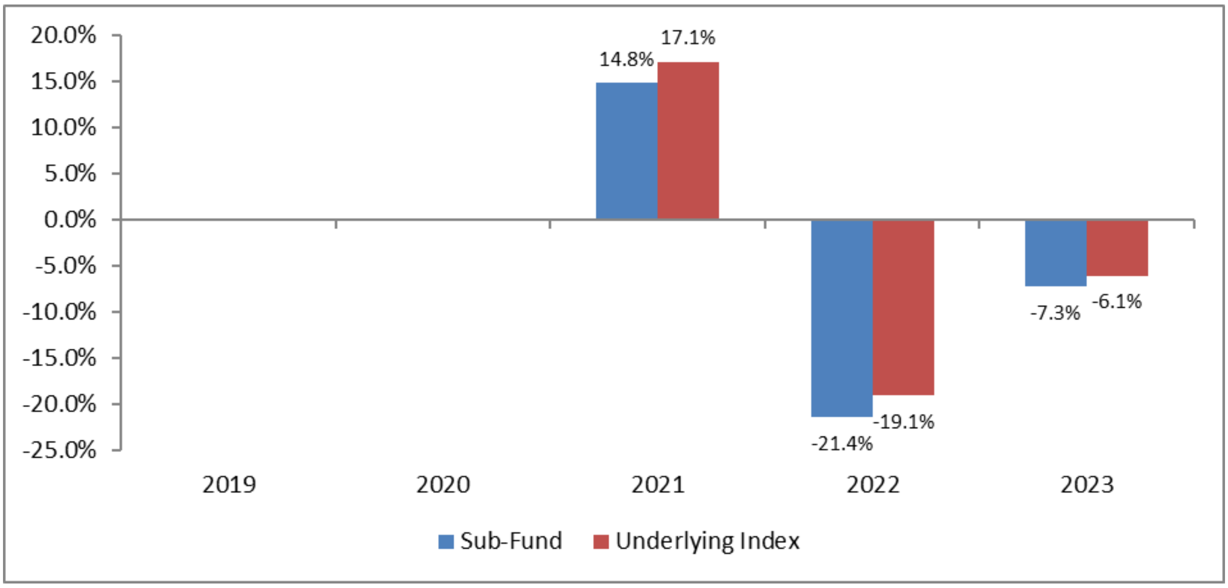
16. Risk relating to distributions paid out of capital

- The Manager may, at its discretion, pay dividends out of capital or effectively pay dividends out of the capital. Payment of dividends out of capital or effectively out of the 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 of the NAV per unit.

17. Small to medium capitalisation companies risk

- The Underlying Index intends to reflect the overall performance of small/medium-capitalisation A-shares. The shares of small/medium-capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.

How has the fund performed?



- **The investment strategy of the Sub-Fund was changed effective from 31 July 2023. As a result of the change of investment strategy, past performance of the Sub-Fund prior to 31 July 2023 was achieved under circumstances which no longer apply. Investors should exercise caution when considering the past performance of the Sub-Fund prior to31 July 2023.**
- 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 Sub-Fund increased or decreased in value during the calendar year being shown. Performance data has been calculated in RMB including 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: 19 March 2020

Is there any guarantee?

The Sub-Fund does not have any guarantees. You may not get back the amount of money you invest.

What are the fees and charges?

Charges incurred when trading the Sub-Fund on SEHK

Fee	What you pay
Brokerage fee	At market rates[1]
Transaction levy	0.0027%[2]

[1] The brokerage fee is payable in the currency decided by the intermediaries used by the buyer and the seller.
[2] Transaction levy of 0.0027% of the trading price of the units, payable by each of the buyer and the seller.

Accounting and Financial Reporting Council ("AFRC") transaction levy	0.00015%[3]
Trading fee	0.00565%[4]
Stamp duty	Nil
Inter-counter transfer	HK$5[5]

Ongoing fees payable by the Sub-Fund

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

	<u>**Annual rate (as a % of the fund's NAV)**</u>
Management Fee*	0.50% per annum
Trustee Fee (inclusive of fees payable to the Custodian and the PRC Custodian)	Included in the Management Fee
Registrar Fee	Included in the Management Fee
Performance Fee	Nil
Administration Fee	Nil
Other Ongoing costs	Please refer to the sub-section "***11.3 Other Charges and Expenses of CSOP CSI 500 ETF***" in the Appendix 6 to the Prospectus for details of ongoing costs payable by the Sub-Fund

* Please note that some fees 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 Charges**" in Part 1 of the Prospectus for further details of the fees and charges payable and the permitted maximum of such fees allowed as well as other on-going expenses that may be borne by the Sub-Fund.

Additional Information

The Manager will publish important news and information in respect of the Sub-Fund (including in respect of the Underlying Index), both in English and Chinese language at the following website https://www.csopasset.com/en/products/csi-500-etf#, including:

- the Prospectus (as amended and supplemented from time to time);
- the latest Product Key Facts Statement;
- the latest annual and semi-annual financial reports in English;
- any public announcements made by the Sub-Fund, including information in relation to the relevant Sub-Fund and the Underlying Index, notices of the suspension of the calculation of NAV, changes in fees and charges, the suspension and resumption of trading of units;
- notices relating to material changes to the Sub-Fund which may have an impact on its investors such as material alterations or additions to the offering documents and constitutive documents of the Sub-Fund;

[3] AFRC transaction levy of 0.00015% of the trading price of the units, payable by each of the buyer and the seller.
[4] Trading fee of 0.00565% of the trading price of the units, payable by each of the buyer and the seller.
[5] Hong Kong Securities Clearing Company will charge each CCASS participant a fee of HK$5 per instruction for effecting an inter-counter transfer of units of the Sub-Fund from one counter to another counter. Investors should check with their brokers/intermediaries regarding any additional fees.

- the near real-time indicative NAV per unit of the Sub-Fund during normal trading hours on the SEHK in RMB and in HKD;
- the last NAV of the Sub-Fund in RMB only and the last NAV per unit of the Sub-Fund in RMB and in HKD;
- full portfolio information of the Sub-Fund (updated on a daily basis);
- the Sub-Fund's gross and net exposure to each swap counterparty (updated on a daily basis);
- 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;
- top 10 holdings in the collateral (including name, percentage of the Sub-Fund's Net Asset Value, type, primary listing for equities, country of issuers, credit rating if applicable) (updated on a weekly basis);
- the list of swap counterparties (including hyperlinks to the websites of swap counterparties and their guarantors (if applicable)) (updated on a weekly basis);
- the overall collateralization level (expressed as a percentage of the Sub-Fund's NAV) (updated on a daily basis);
- the latest list of participating dealers and market makers;
- the composition of the distributions (i.e. the relative amounts paid out of net distributable income and capital) for the last 12 months (also available by the Manager on request).

The near real time indicative NAV per unit in HKD and the last closing NAV per unit in HKD are indicative and for reference purposes only. The near real time indicative NAV per unit in HKD is updated during SEHK trading hours. The near real time indicative NAV per unit in HKD uses a real time HKD:CNH foreign exchange rate - it is calculated using the near real time indicative NAV per unit in RMB multiplied by a real time HKD:CNH foreign exchange rate provided by ICE Data Indices when the SEHK is opened for trading. The near real time indicative NAV per unit in HKD is updated every 15 seconds throughout the SEHK trading hours. Since the indicative NAV per Unit in RMB will not be updated when the underlying China A-Shares market is closed, any change in the indicative NAV per Unit in HKD during such period is solely due to the change in the foreign exchange rate.

The last NAV per unit in HKD is calculated using the last NAV per unit in RMB multiplied by an assumed foreign exchange rate using the CNH exchange rate quoted by Reuters at 3:00 p.m. (Hong Kong time) as of the same Dealing Day. The official last NAV per unit in RMB and the indicative last NAV per unit in HKD will not be updated when the underlying China A-Shares market is closed. Please refer to the Prospectus for details.

"Dealing Day" means each business day on which both SEHK and the underlying China A-Shares market are open for normal trading.

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.