嘉實國際資產管理
Harvest Global Investments

Harvest Global Investments Limited

PRODUCT KEY FACTS

Harvest CSI 300 ESG Leaders Index ETF
a sub-fund of Harvest Funds Series (Hong Kong) ETF

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

Quick facts

Stock code:	83108 – RMB counter 03108 – HKD counter	**Trading lot size:**	100 Units – RMB counter 100 Units – HKD counter
Manager and QFII/RQFII holder:	Harvest Global Investments Limited	**Underlying index (the "Index"):**	CSI 300 ESG Leaders Custom Index
Trustee:	BNP Paribas, acting through its Hong Kong Branch	**Base currency:**	Renminbi (RMB)
Global Custodian:	BNP Paribas, acting through its Singapore Branch	**Trading currency:**	Renminbi (RMB) Hong Kong Dollars (HKD)
PRC Custodian:	Bank of China Limited	**Exchange listing:**	SEHK – Main Board
Ongoing charges over a year#:	0.85%	**Annual tracking difference##:**	-1.86% – RMB counter -1.83% – HKD counter
Financial year end of this fund:	31 December	**Dividend policy:**	The Manager intends to distribute income to unitholders at least annually (in October each year) having regard to the Sub-Fund's net income after fees and costs. Distribution will not be paid out of capital or effectively out of capital. Distributions on all Units (whether traded in HKD or RMB counter) will be in RMB only.
First Financial year end of this fund:	31 December 2021		
ETF website:	http://etf.harvestglobal.com.hk (This website has not been reviewed by the SFC)		

The ongoing charges figure is capped at 0.85% of the average NAV based on the Sub-Fund's ongoing charges for the 12-month period ended 31 December 2023. Any ongoing expenses exceeding 0.85% of the NAV of the Sub-Fund will be borne by the Manager and will not be charged to the Sub-Fund. Any increase or removal of the cap will be subject to prior approval of the SFC (if required) and one month's prior notice to Unitholders.

This is the actual tracking difference of the calendar year ended 31 December 2023. Investors should refer to the Sub-Fund's website for more up-to-date information on the actual tracking difference.

What is this product?

The Harvest CSI 300 ESG Leaders Index ETF (the "**Sub-Fund**") is a fund constituted in the form of a unit trust and is a sub-fund of Harvest Funds Series (Hong Kong) ETF. The units of the Sub-Fund (the "**Units**") are listed on The Stock Exchange of Hong Kong Limited (the "**SEHK**"). These Units are traded on the SEHK like listed stocks.

The Sub-Fund is a passively managed, index tracking exchange traded fund falling under 8.6 of the Code on Unit Trusts and Mutual Funds (the "**Code**"). It is a physical exchange traded fund which invests directly in the domestic securities markets in the People's Republic of China ("**PRC**") through the Manager's status as a qualified foreign investor ("**QFII/RQFII**") and/or through Stock Connect.

Objective and Investment Strategy

Objective

The Sub-Fund's investment objective is to seek to provide investment results that, before fees and expenses, closely correspond to the performance of the 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 intends to primarily adopt a full replication strategy through investing directly in securities included in the Index in substantially the same weightings as these securities have in the Index through the QFII/RQFII status of the Manager and/or the "**Stock Connect**", a securities trading and clearing linked programme with an aim to achieve mutual stock market access between mainland China and Hong Kong, which consists of the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

The Manager may invest up to 100% of the net asset value of the Sub-Fund ("**NAV**") through QFII/RQFII and/or the Stock Connect, including investing in securities listed on the ChiNext market and/or Science and Technology Innovation Board ("**STAR Board**"), but not the Small and Medium Enterprise Board ("**SME Board**").

The Manager may also use a representative sampling strategy where it is not possible to acquire certain securities which are constituents of the Index due to restrictions or limited availability or where the Manager considers appropriate. This means that the Sub-Fund will invest directly in a representative sample of securities that collectively has an investment profile that aims to reflect the profile of the Index. The securities constituting the representative sample may or may not themselves be constituents of the Index. In pursuing a representative sampling strategy, the Manager may cause the Sub-Fund to deviate from the Index weighting (in pursuing a representative sampling strategy), on the condition that the maximum deviation from the index weighting of any constituent will not exceed 4 percentage points above or below such weighting or such other percentage as determined by the Manager after consultation with the SFC.

Investors should note that the Manager may switch between the above investment strategies, without prior notice to investors, in its absolute discretion as it believes appropriate in order to achieve the investment objective of the Sub-Fund by tracking the Index as closely (or efficiently) as possible for the benefit of investors.

The Sub-Fund may also invest in money market funds and in cash deposits for cash management purposes although such investments are not anticipated to exceed 10% of the Sub-Fund's NAV.

Currently, the Sub-Fund will not enter into sale and repurchase or reverse repurchase transactions and other similar over-the-counter transactions. The Manager will seek the prior approval of the SFC (if needed) and provide at least one month's prior notice to unitholders before the Manager engages in any such investments.

The Manager may, on behalf of the Sub-Fund, enter into securities lending transactions with a maximum level of up to 25% and expected level of approximately 20% of its NAV and is able to recall the securities lent out at any time.

As part of the securities lending transactions, the Sub-Fund must receive cash and/or non-cash collateral of at least 100% of the value of the securities lent (interests, dividends and other eventual rights included) valued on a daily basis. The collateral will be subject to safekeeping by the Trustee or an agent appointed by the Trustee. Non-cash collateral received may not be sold, re-invested or pledged. Any re-investment of cash collateral received shall be subject to the requirements as set out in the Code. To the extent the Sub-Fund undertakes securities lending transactions, all revenues (net of direct and indirect expenses as reasonable and normal compensation for the services rendered in the context of such transactions to the extent permitted by applicable legal and regulatory requirements) shall be returned to the Sub-Fund.

The Sub-Fund may invest in financial derivative instruments ("**FDI**") for hedging or non-hedging (i.e. investment) purposes, such as for netting and risk mitigation, for cash flow management, to reduce transaction costs or to minimise tracking error, in order to achieve efficient portfolio management.

Prior approval of the SFC will be sought and not less than one month's prior notice will be given to the unitholders in the event the Manager wishes to adopt investment strategy other than full replication strategy or representative sampling strategy.

The investment strategy of the Sub-Fund is subject to the investment and borrowing restrictions set out in the Prospectus.

The Index

The Index is a free float adjusted, category-weighted index which is designed to represent the performance of the China A shares traded on the Shanghai Stock Exchange (the "**SSE**") or the Shenzhen Stock Exchange (the "**SZSE**") issued by companies selected from the CSI 300 Index (the "**Parent Index**") which demonstrate leading environmental, social responsibility and corporate governance ("**ESG**") profiles within their respective sectors.

Constituents of the Parent Index which (i) have triggered a debt default or (ii) have faced severe controversies (as determined based on, amongst others, globally recognised principles such as the United Nations Global Compact Principles, the Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work) pertaining to corporate governance and environmental violations in the most recent year are excluded. Each shortlisted stock is assigned an ESG score (as further explained below under the sub-section headed "ESG scoring" below) and ranked in descending order. The stocks are then allocated amongst the following CSI sectors: Energy, Materials, Industrials, Consumer Discretionary, Consumer Staples, Health Care, Financials, Information Technology, Telecommunication Services, and Utilities. The quota of stocks for each CSI sector which may be accepted for inclusion into the Index (the "**Allocated Threshold**") will then be determined pro rata to the total number of shortlisted stocks per sector, with further adjustments such that the aggregate number of quotas for all sectors will be 100. Stocks with the top ranking ESG score in each sector will be selected for inclusion into the Index up to its Allocated Threshold. The weight of each Index constituent is capped at 10%, and excess weights are redistributed proportionally among remaining uncapped constituents.

ESG Scoring

The shortlisting of companies will be conducted via a ESG scoring system managed by a Harvest ESG research and scoring team appointed by Harvest Fund Management, the parent company of the Manager (the "**ESG Scoring Team**"). The ESG score is derived from over 110 specific metrics categorised into the following 13 specific topics under the environment, social and corporate governance themes:

- *Environmental theme*: environmental management policies and practices; green revenues; and environmental penalties.
- *Social theme*: product quality; product innovation; human resources management; occupational health and safety; employee benefits; and social responsibility and philanthropy.
- *Corporate governance theme*: shareholder structure; board structure and practices; accounting governance; executive pay and incentives.

The ESG Scoring Team will consider globally recognised green and ESG criteria and principles in the ESG scoring process. For instance, the specific topic of "green revenues" under the environmental theme is measured against a green business taxonomy developed by the ESG Scoring Team, which in turn is based on the Green Bond Principles of the International Capital Market Association, Climate Bonds Taxonomy of the Climate Bonds Initiative and other principles. In respect of the specific topic of "human resources management" under the social theme, the ILO

Declaration on Fundamental Principles and Rights at Work, as well as the Universal Declaration of Human Rights will be one of the criteria assessed during the scoring process, in which controversies and violations relating to labour rights and human rights will result in deduction of human resources management scores. Finally, in respect of the specific topic of "board structure and practices" under the corporate governance theme, violations of United Nations Global Compact Principles will be considered as controversies reflecting poor board structure and practices and may result in a deduction in the relevant scoring.

The ESG Scoring Team will collect ESG data from external data service providers and other public and/or media sources, and conduct an assessment of the data against the specific topics and metrics. Three separate scores are then assigned to the shortlisted stocks under the "environment", "social" and "corporate governance" themes respectively. The scores are then equally weighed to derive the overall ESG score.

For more details, please refer to the section headed "ESG scoring" in the Prospectus.

General

The Index is quoted in RMB. The Index is a net total return index. A net total return index calculates the performance of the Index constituents on the basis that any after tax dividends or distributions are reinvested. As of 29 March 2024, the Index had a free float adjusted market capitalisation of RMB5,407.5 billion and 100 constituents.

The Index was launched on 25 November 2019 and had a base point of 1,000 on 31 December 2015.

The Index (which is maintained by China Securities Index Co., Ltd (the "**Index Provider**")) is calculated and disseminated in RMB and is available in real time through the SZSE (N21382) and Reuters (CSIN21382). The end of day Index is available on the SZSE, Reuters and the website (https://www.csindex.com.cn/zh-CN/indices/indexdetail/931382#/indices/family/detail?indexCode=931382) (which has not been reviewed by the SFC). The complete list of the constituent stocks of the Index, their respective weightings and important news about the Index are available on the website https://www.csindex.com.cn/zh-CN/indices/indexdetail/931382#/indices/family/detail?indexCode=931382 (which has not been reviewed by the SFC). The Manager (and each of its Connected Persons) is independent of the Index Provider.

Use of derivatives

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

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's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal. There is no assurance that the Sub-Fund will achieve its investment objective.

2. Equity market risk

- The Sub-Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors.

3. Risk associated with ESG investing

- The use of ESG criteria in the construction of the Index may affect the Sub-Fund's investment performance and, as such, the Sub-Fund may perform differently compared to similar funds that do not use such criteria. ESG-based exclusionary criteria used in selection methodology of the Index may result in the Index excluding certain securities when it might otherwise be advantageous for the Sub-Fund to invest in those securities.

- The construction of the Index (including constituent selection and Index calculation) is based on, among others, the results from various ESG assessment and ratings as well as the application of certain ESG based exclusion factors. It is possible that the Index (and hence the Sub-Fund's portfolio) may perform less well than portfolios with similar investment objectives that are not engaged in similar (or any) ESG rating assessment and ESG based exclusions.

- The Sub-Fund's investments may be concentrated in companies with a greater ESG focus, therefore its value may be more volatile than that of a fund with having a more diverse portfolio of investments.
- The constituent selection and Index calculation process involves analysis and exclusions based on ESG criteria. Such assessment by the relevant ESG Scoring Team may involve qualitative factors and it is thus possible that the relevant investment criteria may not be applied correctly.
- In evaluating a security or issuer based on ESG criteria, the ESG Scoring Team is dependent upon information and data from data providers which may be incomplete, inaccurate or unavailable from time to time, which may affect the ESG Scoring Team's ability to assess potential constituents for inclusion and/or exclusion from the Index. There can be no assurance that the ESG Scoring Team's assessment based upon data from data providers will reflect actual circumstances or that the stocks selected will fulfill ESG criteria. All of these can lead to the Sub-Fund forgoing investment opportunities which meet the relevant ESG criteria or investing in securities which do not meet such criteria.
- In addition, there is a lack of standardised taxonomy in relation to ESG investing strategies. The standard of disclosure adopted by funds in relation to the relevant ESG factors or principles may vary.

4. Risk associated with the A-Share market in the PRC

- High market volatility and potential settlement difficulties in the A-Share market may result in significant fluctuations in the prices of the securities traded on such markets. Securities exchanges in the PRC typically have the right to suspend or limit trading in any security traded on the relevant exchange. The government or the regulators may also implement policies that may affect the financial markets. In the event of suspension of A-Shares or imposition of other measures by the PRC authorities affecting the dealing of A-Shares, the creation and redemption of Units may be disrupted. All these may have a negative impact on the NAV of the Sub-Fund.
- The Sub-Fund may invest in securities in respect of which the PRC imposes limitations or restrictions on foreign ownership or holdings. Such legal and regulatory restrictions or limitations may have adverse effects on the liquidity and performance of the Sub-Fund holdings as compared to the performance of the Index. This may increase the risk of tracking error and, at the worst, the Sub-Fund may not be able to achieve its investment objective.

5. Concentration risk

- The Sub-Fund's investments are concentrated in the PRC. The value of the Sub-Fund may be more volatile than that of a fund having a more diverse portfolio of investments.
- The value of the Sub-Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the PRC market.

6. Emerging market risk

- The Sub-Fund invests in emerging markets (namely, the PRC) which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility.

7. RMB currency risk

- RMB is currently not freely convertible and is subject to exchange controls and restrictions.
- Non-RMB based investors in Units are exposed to foreign exchange risk and there is no guarantee that the value of RMB against the investors' base currencies (for example HKD) will not depreciate. Any depreciation of RMB could adversely affect the value of investor's investment 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.

8. RMB distributions risk

- Investors should note that where a Unitholder holds Units traded under the HKD counter, the relevant Unitholder will only receive distributions in RMB and not HKD. In the event the relevant Unitholder has no RMB account, the Unitholder may have to bear the fees and charges associated with the conversion of such dividend from RMB into

HKD or any other currency. Unitholders are advised to check with their brokers concerning arrangements for distributions.

9. Risks associated with investment made through the QFII/RQFII regime

- 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, which are subject to change and such change may have potential retrospective effect.
- The Sub-Fund may suffer substantial losses if the approval of the QFII/RQFII status 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 QFII/RQFII 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).

10. Risks associated with the Stock Connect

- The relevant rules and regulations on the Stock Connect are subject to change which may have potential retrospective effect. The Stock Connect is subject to quota limitations. Where a suspension in the trading through the programme is effected, the Sub-Fund's ability to invest in China A-shares or access the PRC market through the programme will be adversely affected. In such event, the Sub-Fund's ability to achieve its investment objective could be negatively affected.

11. Risks associated with the ChiNext market and/or STAR board

The Sub-Fund may invest in the ChiNext market and/or Science and Technology Innovation Board ("STAR Board"), which are subject to the following risks:

- *Higher fluctuation on stock prices and liquidity risk*: Listed companies on the ChiNext market and/or STAR Board are usually of emerging nature with smaller operating scale. In particular, listed companies on ChiNext market and STAR Board are subject to wider price fluctuation limits, and due to higher entry thresholds for investors may have limited liquidity, compared to other boards. Hence, companies listed on these boards are subject to higher fluctuation in stock prices and liquidity risks and have higher risks and turnover ratios than companies listed on the main board.
- *Over-valuation risk*: Stocks listed on the ChiNext and/or STAR Board may be overvalued and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.
- *Differences in regulation*: The rules and regulations regarding companies listed on the ChiNext market and STAR Board are less stringent in terms of profitability and share capital than those in the main board.
- *Delisting risk*: It may be more common and faster for companies listed on the ChiNext market and/or STAR Board to delist. In particular, ChiNext market and STAR Board have stricter criteria for delisting compared to other boards. This may have an adverse impact on the Sub-Fund if the companies that it invests in are delisted.
- *Concentration risk*: STAR Board is a newly established board and may have a limited number of listed companies during the initial stage. Investments in STAR Board may be concentrated in a small number of stocks and subject the Sub-Fund to higher concentration risk. Investments in the ChiNext market and/or STAR Board may result in significant losses for the Sub-Fund and its investor.

12. PRC tax risk

- There are risks and uncertainties associated with the current PRC tax laws, regulations and practice in respect of capital gains realised by the Sub-Fund on its investments in the PRC via QFII/RQFII or the Stock Connect. It should also be noted that there is a possibility of the PRC tax rules being changed and taxes being applied retrospectively.
- Based on professional and independent tax advice, the Manager does not currently make withholding income tax provision for gross realised or unrealised capital gains derived from trading of A-Shares (either via Stock Connect or QFII/RQFII). Any increased tax liabilities on the Sub-Fund may adversely affect the Sub-Fund's value. If taxes are levied in future on the Sub-Fund for which no provision is made, the Sub-Fund's NAV will be adversely affected. In this case, the then existing and subsequent investors will be disadvantaged as they will bear for a disproportionately higher amount of tax liabilities as compared to the liability at the time of investment in the Sub-Fund.

13. Risks associated with investment in FDI

- Risks associated with FDI include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. 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 FDI may lead to a high risk of significant loss by the Sub-Fund.

14. Passive investment risk

- The Sub-Fund 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 Index are expected to result in corresponding falls in the value of the Sub-Fund.

15. Tracking error risk

- The Sub-Fund may be subject to tracking error risk, which is the risk that its performance may not track that of the Index exactly. This tracking error may result from the investment strategy used, and fees and expenses. 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 Index.

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. Therefore, the Units may trade at a substantial premium or discount to the Sub-Fund's 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.
- The Units in the RMB counter are RMB denominated securities traded on the SEHK and settled in CCASS. Not all stockbrokers or custodians may be ready and able to carry out trading and settlement of the RMB traded Units. The limited availability of RMB outside the PRC may also affect the liquidity and trading price of the RMB traded Units.

17. Trading differences risk

- As the SSE and the SZSE may be open when Units in the Sub-Fund are not priced, the value of the securities in the Sub-Fund's portfolio may change on days when investors will not be able to purchase or sell the Sub-Fund's Units.
- Differences in trading hours between foreign stock exchanges (namely, the SSE and the SZSE) and the SEHK may increase the level of premium or discount of the Unit price to its NAV.
- China A-Shares are subject to trading bands which restrict increase and decrease in the trading price. Units listed on the SEHK are not. This difference may also increase the level of premium discount of the Unit price to its NAV.

18. Termination risk

- The Sub-Fund may be terminated early under certain circumstances, for example, where the Index is no longer available for benchmarking or if the size of the Sub-Fund falls below a pre-determined NAV threshold as set out in the constitutive documents and offering documents. Investors may not be able to recover their investments and suffer a loss when the Sub-Fund is terminated.

19. Conflicts of interest risk

- The constituent selection of the Index is presently being conducted jointly by the Index Provider and the ESG Scoring Team appointed by Harvest Fund Management, the parent company of the Manager. Whilst the Index Provider, which is responsible for maintaining the Index, is a separate legal entity from Harvest Fund Management and is operationally independent, any insolvency or adverse event affecting Harvest Fund Management may affect the constituent selection of the Index and as a result the operation of the Sub-Fund. In addition, the different roles played by Harvest Fund Management as the appointor of the ESG Scoring Team and the parent company of the Manager may give rise to potential conflicts of interest. Each of the Manager, the ESG Scoring Team and the Index Provider will, however, have regard to their respective obligations to the Sub-Fund and the Index at all times and will endeavour to ensure that any conflicts are resolved fairly. Please refer to the Prospectus for more details.

20. Reliance on market maker risks

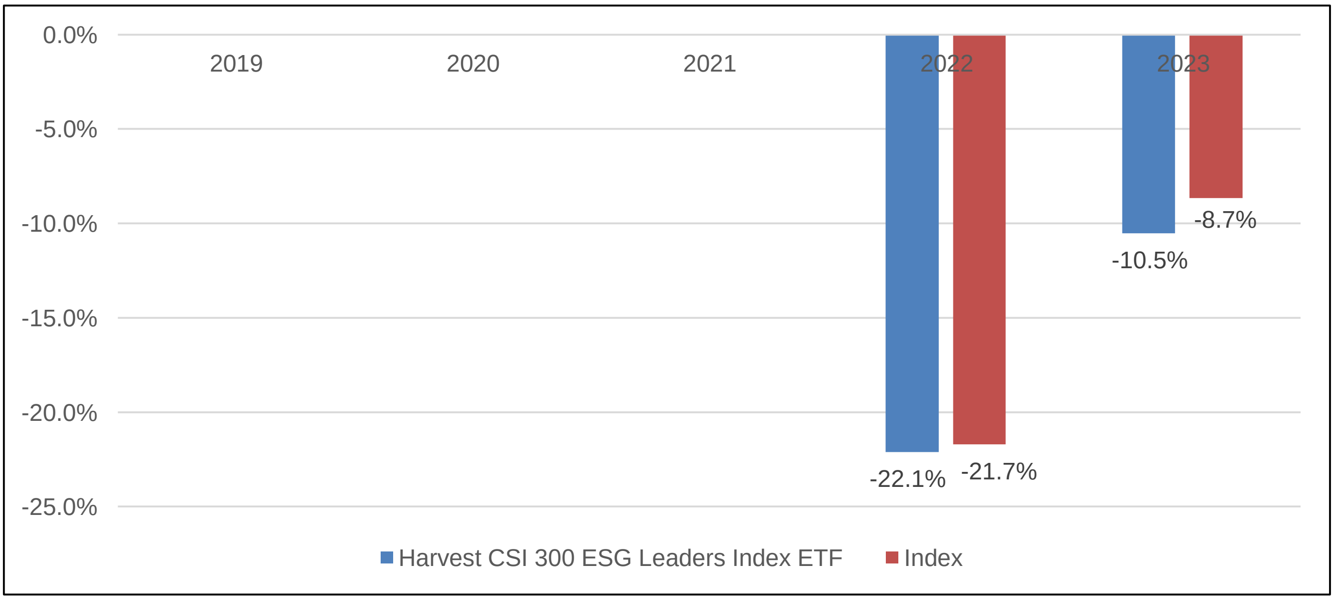
- Although the Manager will use its best endeavours to put in place arrangements so that at least one market maker will maintain a market for the Units traded in each counter and that at least one market maker to each counter gives not less than 3 months notice prior to terminating market making arrangement 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. Furthermore, any disruption to the availability of RMB may adversely affect the capability of market makers in providing liquidity for the Units.

21. Dual-counter risks

- If there is a suspension of the inter-counter transfer of Units between the counters and/or any limitation on the level of services by brokers and CCASS participants, unitholders will only be able to trade their Units in one counter only, which may inhibit or delay an investor dealing. The market price of Units traded in each counter 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 or other currencies and vice versa.

How has the Sub-Fund 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 dividends reinvested.
- These figures show by how much the Sub-Fund increased or decreased in value during the calendar year shown. Performance data is calculated in RMB including ongoing charges and excluding your trading costs on the SEHK.
- Where no past performance is shown there was insufficient data available in that year to provide performance.
- Index: CSI 300 ESG Leaders Custom Index
- Fund launch date: 10 March 2021

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?

Please refer to the section "Fees and Expenses" of the Prospectus for details of other fees and expenses.

Charges incurred when trading the Sub-Fund on SEHK

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

1. Transaction levy of 0.0027% of the price of the Units, payable by each of the buyer and the seller.
2. Trading fee of 0.00565% of the price of the Units, payable by each of the buyer and the seller.
3. AFRC transaction levy of 0.00015% of the trading price of the Units, payable by each of the buyer and the seller.

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 which may affect the trading price.

	Annual rate (as a % of the Sub-Fund's NAV)
Management fee*	Currently 0.65% per annum
Trustee fee*	Currently 0.035% per annum (subject to a minimum of USD10,000 per annum)
Other fees#	Up to 1% per annum (subject to a minimum of USD30,000 per annum)
Performance fee	None

* Please note that some fees may be increased up to a permitted maximum amount by providing one month's prior notice (or such shorter period permitted by the SFC) to unitholders. Please refer to the section on "Fees and Expenses" in the Prospectus.

Such fees are payable to the Global Custodian, the PRC Custodian, the Fund Administrator and the Registrar.

Other fees

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

Additional Information

You can find the following information of the Sub-Fund on the website (http://etf.harvestglobal.com.hk) (which has not been reviewed by the SFC):

- The Sub-Fund's Prospectus and product key facts statement (as revised from time to time);
- The latest annual audited financial reports and interim unaudited financial reports (in English only);
- Any notices and public announcements (including notices for suspension and resumption of trading) made by the Manager in respect of the Sub-Fund;
- Last NAV in RMB and last NAV per Unit of the Sub-Fund in RMB and HKD updated on a daily basis on each Dealing Day;
- The real-time or near real-time indicative NAV per Unit of the Sub-Fund throughout each Dealing Day in RMB and HKD;
- Latest list of Participating Dealers and Market Makers;
- Full portfolio information updated on a monthly basis (updated within one month of the end of each month); and
- The tracking difference and tracking error of the Sub-Fund.

The near real time indicative NAV per Unit is indicative and for reference only. The near real time indicative NAV per Unit in HKD is updated every 15 seconds during SEHK trading hours using the near real time indicative NAV per Unit in RMB multiplied by the near real time Bloomberg CNH rate (Tokyo Composite). Since the indicative NAV per Unit in RMB will not be updated when the underlying A Shares market is closed, the changes in the indicative NAV per Unit in HKD (if any) during such period is solely due to the change in the foreign exchange rate.

The last NAV per Unit in HKD is indicative and for reference only and is calculated using the last NAV per Unit in RMB multiplied by the foreign exchange rate (Tokyo Composite) quoted by Bloomberg for offshore RMB (CNH) at 2:00 p.m. (Hong Kong time) on that Dealing Day. The last NAV per Unit in RMB and the indicative last NAV per Unit in HKD will not be updated when the underlying A Shares market is closed. Please refer to the Prospectus for details.

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.