IMPORTANT:

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This document is important and requires your immediate attention. If you are in any doubt about the contents of this Announcement, you should seek professional advice. Investment involves risks which may result in significant loss as there is no guarantee on investment returns.

The Manager accepts full responsibility for the accuracy of the information contained in this Announcement and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief, there are no other facts the omission of which would make any statement misleading.

CSOP Leveraged and Inverse Series
(a Hong Kong umbrella unit trust authorized under Section 104 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong)
(the "**Trust**")

CSOP Samsung Electronics Daily (2x) Leveraged Product
Stock Code: 09747 (USD Counter)
Stock Code: 07747 (HKD Counter)

(the "**Product**")

ANNOUNCEMENT

Change of Investment Strategy

CSOP Asset Management Limited 南方東英資產管理有限公司 (the "**Manager**") wishes to inform unitholders of the Product that in light of recent growth in size of the Product and unpredictable market volatility, in order to ensure the sustainability and stability of the operation of the Product, and to allow greater flexibility for the Product to seek exposure to the underlying stock (Samsung Electronics Co Ltd (KRX: 005930)) (the "**Underlying Stock**"), with effect from 10 June 2026 (the "**Effective Date**"), the Product **may invest up to 40%** of its net asset value (the "**NAV**")(as option premium) in options as an additional means to obtain the leveraged exposure to the Underlying Stock, in the best interests of the investors under exceptional circumstances. For the avoidance of doubt, **the Product will prioritise the use of swaps and will continue to primarily use swaps for exposure to the Underlying Stock, and use options as an additional means for flexibility.**

The Product is not intended for holding longer than one day as their performance over a longer period may deviate from and be uncorrelated to the leveraged **performance of their Underlying Stock over the period. Investors should exercise caution in dealing with the units of the Product.**

Stockbrokers and financial intermediaries are urged to forward a copy of this Announcement to their clients holding Units in the Product, and inform them of the contents of this Announcement as soon as possible.

Unless otherwise defined, all capitalised terms shall have the same meaning as that in the Prospectus of the Product.

Change of Investment Strategy

Currently, depending on market conditions and swap capacity constraints, in addition to swaps, the Product may also invest up to 25% of its NAV (as option premium) in options as an additional means to obtain the leveraged exposure to the Underlying Stock. The allocation of the use of options may be increased up to 25% of its NAV under exceptional circumstances or in extreme market turbulence, taking into account the overall fee level of the Product in the best interests of investors, as disclosed in the announcement dated 9 March 2026 and Prospectus and product key facts statement of the Product.

In light of recent growth in size of the Product and unpredictable market volatility, in order to ensure the sustainability and stability of the operation of the Product, and to allow greater flexibility for the Product to seek exposure to the Underlying Stock, with effect from the Effective Date, depending on market conditions and swap capacity constraints, in addition to swaps, **the Product may also invest up to 40% of its NAV (as option premium) in options as an additional means to obtain the leveraged exposure to the Underlying Stock. The Manager expects the use of options to be controlled at around 25% of its NAV (as option premium). The allocation may be increased up to 40% of its NAV under exceptional circumstances or in extreme market turbulence, taking into account the overall fee level of the Product in the best interests of investors. For the avoidance of doubt, the Product prioritises the use of swaps and primarily uses swaps for exposure to the Underlying Stock, and uses options as an additional means for flexibility.**

Additionally, as currently disclosed in the Prospectus and key facts statement, no more than 10% of the NAV may be invested in collective investment schemes 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 investment in ETFs will be considered and treated as collective investment schemes for the purposes of and subject to the requirements in 7.11A and 7.11B of the Code. For the avoidance of doubt, the Product will not invest in collective investment schemes which are non-eligible schemes and not authorised by the SFC.

With effect from the Effective Date, the investment strategy will be updated below:

No more than 10% of the NAV may be invested in collective investment schemes which may be eligible **or non-eligible** schemes (as defined by the SFC)**,** or authorised **or not authorised** by the SFC in accordance with all the applicable requirements of the Code. Any investment in ETFs will be considered and treated as collective investment schemes for the purposes of and subject to the requirements in 7.11A and 7.11B of the Code. ~~For the avoidance of doubt, the Product will not invest in collective investment schemes which are non-eligible schemes and not authorised by the SFC.~~

Impact to the Product

The increase of use of options as an investment instrument may lead to an increase in the cost of portfolio construction. The current expected swap fees and costs from swaps and options for the Product as disclosed in the Prospectus and key facts statement and the respective updated expected fee ranges with effect from the Effective Date are set out in the table below. In extreme market conditions and exceptional circumstances, the costs of portfolio construction may be increase significantly.

Current Costs from Swaps and Options per annum as disclosed in the Prospectus and key facts statement	**CSOP Samsung Electronics Daily (2x) Leveraged Product (% of Product's NAV)**
Expected Swap Fees Range	4.00% to 10.00%

Expected Costs from Swaps and Options (with up to 25% of the Product's NAV invested in options)	5.50% to 22.00%

Costs from Swaps and Options per annum with effect from the Effective Date	**CSOP Samsung Electronics Daily (2x) Leveraged Product (% of Product's NAV)**
Expected Swap Fees Range	4.00% to 20.00%
Expected Costs from Swaps and Options (with the expected use of options at around 25% of the Product's NAV)	5.50% to 22.00%
Expected Costs from Swaps and Options (under exceptional circumstances or in extreme market turbulence where the Product invests up to 40% of its NAV in options)	6.40% to 35.20%

The cost associated with investment in collective investment schemes which are non-eligible schemes or not authorised by the SFC are expected to be immaterial.

The current estimated annual average daily tracking difference of the Product as disclosed in the key facts statement is -0.15%. As the Manager primarily uses swaps for exposure to the Underlying Stock and expects the use of options to be controlled at around 25% of its NAV, and the increase in use of options up to 40% of its NAV will be only under exceptional circumstances or in extreme market turbulence, thus the expected increase in portfolio construction costs following the use of options will be a short-term effect, the Manager expects the estimated annual average daily tracking difference of the Product may be increased to -0.20%. Investors should refer to the Manager's website at http://www.csopasset.com (this website has not been reviewed by the SFC) for more up to date information on actual tracking difference.

Despite this, the Manager believes the use of options from 25% to 40% of the Product's NAV as an additional means to obtain exposure to the Underlying Stock and the flexibility to invest up to 10% in collective investment schemes which are non-eligible schemes or not authorised by the SFC will enhance efficient portfolio management of the Product and enable the Product to better achieve its investment objective, which will overall be in the best interests of the investors of the Product.

There will not be any material changes or increase in the overall risk profile of the Product following the change, and the management fee of the Product will remain unchanged.

Under extreme market conditions or exceptional circumstances (e.g. Swap and Option Counterparties reaching their capacity limit), the creations of units of the Product in primary market may be suspended. It may lead to substantial trading premium and divergence between the trading price and NAV. The investment exposure of the Product could also deviate from the target exposure due to the inability of the Product conducting swap and option transactions. The Product may be subject to rebalancing risk and high tracking difference. Investors should refer to the risk factors relating to the Product below.

Risk Factors relating to the Product

As the result of the use of options, the Product will be subject to the risks associated with investing in options, as summarised below:

Options contracts risks

- Investment in options contracts involves specific risks such as high volatility, leverage, rollover and margin risks. There may be imperfect correlation between the value of the underlying reference assets and the options contracts, which may prevent the Product from achieving its investment objective.
- Risks associated with options include counterparty/credit risk, liquidity risk (given some options may not have a liquid secondary market), valuation risk and over-the-counter transaction risk. The costs associated with portfolio construction may rise significantly, which could adversely impact the Product.
- The Option Counterparties may also be subject to a capacity limit to conduct the Option transactions to provide the required exposure to the Underlying Stock for the Product. Whilst the Manager does not anticipate that this will have any immediate effect on the Product, if any Option Counterparty reaches its capacity limit or if the NAV of the Product grows significantly this may prevent creations of Units due to the inability of the Product to conduct Option transactions. This may cause a divergence between the trading price of a Unit on the SEHK and the NAV per Unit. The investment exposure could also deviate from the target exposure which adds tracking error to the Product.

Tracking difference risk

- The Product will be subject to a higher tracking difference as the cost of portfolio construction is higher following the use of options. In extreme market conditions and exceptional circumstances, the cost of portfolio construction may increase significantly and may have an adverse impact on the NAV and tracking difference of the Product.

In addition, the Product is single stock leveraged product, concentrated in the single Underlying Stock, and continue to invest in swaps. Therefore, the Product continues to be subject to risks associated with swap capacity limit risk, underlying stock and extreme price volatility, rebalancing risk, tracking error and correlation risk, long term holding risks and investment in other funds risk. Investors should exercise caution in dealing with the units of the Product and pay special attention to risk factors as mentioned below. Investors should also refer to the risk factors disclosed in the Prospectus and product key facts statement of the Product.

Synthetic replication and counterparty risks

- *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 Underlying Stock for the Product. Accordingly, the Product's exposure to the Underlying Stock 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 NAV 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 NAV per Unit. The investment exposure could also deviate from the target exposure which adds tracking error to the Product.

Extreme price 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. Furthermore, the Product is concentrated in a single Underlying Stock. Given its non-diversified and leveraged nature, the Product is subject to extreme price volatility and may become non-viable within a short period. You may lose a significant portion or all of your investment within one day.
- Under exceptional circumstances where the Product is at significant risk of becoming non-viable, the Manager may use its discretion to deviate from the investment strategy or take defensive measures, which may include (i) liquidating swap positions and re-entering the swap contracts at the market close on the same Business Day depending on market condition; (ii) activating a stop loss mechanism for swap positions; and (iii) suspending trading of the Product, in order to safeguard the interests of the Product and its Unitholders to prevent potential negative fund value and protect the interests of the investors. Such circumstances may arise if there are extreme price movements of the Underlying Stock and the Manager will issue a notice to inform investors. Regarding the stop loss mechanism, the Manager has pre-agreed with each Swap Counterparty in the contractual terms set out in the agreements a mechanism that aims to limit the downside of the relevant swap positions so that such positions retain at least 10% of the Product's NAV of the last Business Day (before any fees and costs, including but not limited to swap fee

and unwinding fee) for each dealing day should the Underlying Stock experience extreme price movements. For the avoidance of doubt, this mechanism applies solely at the level of the relevant swap positions and does not constitute, nor should it be construed as, a floor or guarantee on the Product's overall portfolio or its NAV. If that eventuates, the indicative NAV of the Product will reflect the impact of the stop loss mechanism in respect of the swap positions, among other factors. However, the NAV or indicative NAV of the Product may not necessarily be maintained at 10% of the Product's NAV of the last Business Day, including as a result of fees, costs, expenses, other investments of the Product, market movements or other circumstances.

- The stop loss mechanism may result in a greater tracking difference and a higher risk that the Product is traded at a premium or discount in the secondary market. Investors should refer to the indicative NAV and NAV of the last Business Day of the Product on the Product's website and should take caution to ascertain whether the secondary trading prices are reasonable.
- Please note that there is no guarantee that (i) the stop loss mechanism will fully and effectively achieve its desired result; and (ii) the secondary trading prices of the Product will reflect such swap stop loss mechanism.

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.

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 Daily leveraged performance of the Underlying Stock exactly. This tracking error may result from the investment strategy used, high portfolio turnover, liquidity of the market and fees and expenses and the correlation between the performance of the Product and the two times (2x) Daily performance of the Underlying Stock 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 leveraged performance of the Underlying Stock at any time, including on an intra-day basis.

Long term holding risks

- **The Product is not intended 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 leveraged performance of the Underlying Stock over that same period (e.g. the loss may be more than twice the fall in the price of the Underlying Stock).
- The effect of compounding becomes more pronounced on the Product's performance as the price of the Underlying Stock experiences volatility. With higher volatility of the price of the Underlying Stock, the deviation of the Product's performance from the leveraged performance of the Underlying Stock will increase, and the performance of the Product will generally be adversely affected.
- As a result of Daily rebalancing, the volatility of the price of the Underlying Stock 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 Underlying Stock's performance increases or is flat.

Investment in Other Funds Risk

- As part of the Product's investment strategy, the Manager may invest in other active or passive investment products. The Product will be exposed to the risk of investing in another management company's funds with all the related risks which attach to listed or unlisted funds generally. In particular, as an investor in such funds, the Product will ultimately bear the fees and expenses of the underlying funds including management fees charged by the underlying management company. These charges will be in addition to the fees payable by the Product to the Manager.

- If the Product invests in other active or passive investment products managed by the Manager or Connected Person of the Manager, all initial charges and redemption charges on these listed or unlisted funds must be waived, and the Manager must not obtain rebate of any fees or charges levied by these funds or any quantifiable monetary benefits in connection with investments in these funds. In addition, where an underlying fund is managed by the Manager, all management and performance fees charged by the underlying fund will be waived for the Product. In case any conflicts of interest may still arise out of such investments, the Manager will use its best endeavours to resolve it fairly.
- The Product will be subject to the risks associated with the underlying funds. The Product does not have control of the investments of the underlying funds and there is no assurance that the investment objective and strategy of the underlying funds will be successfully achieved which may have a negative impact to the NAV of the Product.
- The underlying funds in which the Product may invest may not be regulated by the SFC. There may be additional costs involved when investing into these underlying funds. There is also no guarantee that the underlying funds will always have sufficient liquidity to meet the Product's redemption requests as and when made.

Unitholders are urged to exercise caution when dealing the Product.

General

The above changes and consequential amendments will be reflected in the revised Prospectus and product key facts statement of the Product, which will be published on the Manager's website at http://www.csopasset.com (this website has not been reviewed by the SFC) and the HKEX's website at http://www.hkexnews.hk on or around the Effective Date.

If you have any queries or require further information in relation to any aspect of this Announcement, please contact the Manager at 2801-2803, Two Exchange Square, 8 Connaught Place, Central, Hong Kong or its Customer Service Hotline at (852) 3406 5688.

By Order of the Board
CSOP Asset Management Limited
Chief Executive Officer
Ding Chen

8 June 2026

As of the date of this Announcement, the board of directors of the Manager comprises 7 Directors namely, Mr. Zhou Yi, Ms. Chen Li, Mr. Yang Xiaosong, Mr. Cai Zhongping, Ms. Ding Chen, Mr. Wang Qin and Mr. Zhang Huachen.