

**IMPORTANT: If you are in any doubt about the contents of this Prospectus, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser for independent professional financial advice.**

Investors should note that this Prospectus relates to Sub-Fund(s) which may offer (i) both exchange-traded class of Units and unlisted (not exchange-traded) class of Units; (ii) exchange-traded class of Units only; or (iii) unlisted (not exchange-traded) class of Units only.

# **GFI ETF Unit Trust**

*(a Hong Kong umbrella unit trust authorised under Section 104 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong)*

## **PROSPECTUS**

*Manager*

**GF International Investment Management Limited**

***18 September 2026***

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited, Hong Kong Securities Clearing Company Limited and the Hong Kong Securities and Futures Commission take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus. The Trust and each Sub-Fund have each been authorised as collective investment schemes by the SFC. SFC authorisation is not a recommendation or endorsement of the Trust or any of the Sub-Funds nor does it guarantee the commercial merits of the Trust, any of the Sub-Funds or their performance. It does not mean the Trust or the Sub-Funds are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors.

## IMPORTANT INFORMATION

This Prospectus relates to the offer in Hong Kong of Units in the GFI ETF Unit Trust, an umbrella unit trust established under Hong Kong law by a trust deed dated 31 August 2026, as amended and supplemented from time to time entered into between GF International Investment Management Limited as the Manager and Cititrust Limited as the Trustee. The Trust can have a number of Sub-Funds. Where specified in the relevant Appendix, a Sub-Fund may issue (i) both Listed Class Units (i.e. exchange-traded class of Units) and Unlisted Class Units (i.e. not exchange-traded class of Units), (ii) Listed Class Units only, or (iii) Unlisted Class Units only.

The information contained in this Prospectus has been prepared to assist potential investors in making an informed decision in relation to investing in a Sub-Fund. It contains important facts about each Sub-Fund whose Units are offered in accordance with this Prospectus. A product key facts statement ("**KFS**") which contains the key features and risks of each Sub-Fund is also issued by the Manager and such KFS shall form part of the offering documents of the Trust and the Sub-Fund, and shall be read, in conjunction with, this Prospectus. For a Sub-Fund which issues both Listed Class Units and Unlisted Class Units, a separate set of KFS will be available for the Listed Class Units and Unlisted Class Units.

The Manager accepts full responsibility for the accuracy of the information contained in this Prospectus and the KFS of each Sub-Fund 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 in this Prospectus or any KFS misleading. The Manager also confirms that this Prospectus includes particulars given in compliance with the *Code on Unit Trusts and Mutual Funds*, the "Overarching Principles" of the *SFC Handbook for Unit Trusts and Mutual Funds, Investment-Linked Assurance Schemes and Unlisted Structured Investment Products*, and (in respect of the Listed Class Units) the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited* for the purposes of giving information with regard to the Units of each Sub-Fund. The Trustee is not responsible for the preparation of this Prospectus and shall not be held liable to any person for any information disclosed in this Prospectus, except for the information regarding the Trustee itself under the paragraph headed "**The Trustee and Registrar**" in the section on "**Management of the Trust and Sub-Funds**" and, where applicable, under "**Trustee and Registrar**" in any Appendix.

Each Sub-Fund is a fund falling within Chapter 8.6 of the Code. Certain Sub-Fund(s) may also be subject to additional Chapters of the Code. The Trust and each Sub-Fund are authorised by the SFC in Hong Kong under section 104 of the SFO. The SFC takes no responsibility for the financial soundness of the Trust, any Sub-Fund or for the correctness of any statements made or opinions expressed in this Prospectus. SFC authorisation is not a recommendation or endorsement of the Trust or any of the Sub-Funds nor does it guarantee the commercial merits of the Trust, any of the Sub-Funds or their performance. It does not mean the Trust or the Sub-Funds are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors.

You should consult your financial adviser, consult your tax advisers and take legal advice as appropriate as to whether any governmental or other consents are required, or other formalities need to be observed, to enable you to acquire Units as to whether any taxation effects, foreign exchange restrictions or exchange control requirements are applicable and to determine whether any investment in a Sub-Fund is appropriate for you.

Application has been made to the Listing Committee of the SEHK for the listing of, and permission to deal in the Units of GF HKEX Tech & US Tech 100 Index ETF and GF MSCI Global Strategic Metals Select ETF. The Units of GF HKEX Tech & US Tech 100 Index ETF and GF MSCI Global Strategic Metals Select ETF have been accepted as eligible securities by HKSCC for deposit, clearing and settlement in CCASS with effect from the date of commencement of dealings in the Units of GF HKEX Tech & US Tech 100 Index ETF and GF MSCI Global Strategic Metals Select ETF or such other date as may be determined by HKSCC.

GF HKEX Tech & US Tech 100 Index ETF and GF MSCI Global Strategic Metals Select ETF currently offer Listed Class of Units only.

Settlement of transactions between participants on the SEHK is required to take place in CCASS on the second CCASS settlement day after the trading day. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

No action has been taken to permit an offering of Units or the distribution of this Prospectus in any jurisdiction other than Hong Kong and, accordingly, this Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer is not authorised or to any person to whom it is unlawful to make such offer or solicitation. The Units have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or any other United States Federal or State law and, except in a transaction which does not violate the Securities Act, may not be directly or indirectly offered to or sold in the United States of America or any of its territories or for the benefit of a U.S. Person (as defined in Regulation S of the Securities Act). The Trust and each Sub-Fund have not been and will not be registered as an investment company under the United States Investment Company Act of 1940, as amended. Units may not be acquired or owned by (i) an employee benefit plan, as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), that is subject to Title I of ERISA, (ii) a plan,

as defined in Section 4975(e)(1) of the United States Internal Revenue Code of 1986, as amended (the “**Internal Revenue Code**”), that is subject to Section 4975 of the Internal Revenue Code, (iii) a plan that is subject to any other law, regulation, rule or restriction that is substantially similar to ERISA or Section 4975 of the Internal Revenue Code (“**Similar Law**”) or (iv) an entity whose assets are deemed to include the assets of such an employee benefit plan or plan for purposes of ERISA, Section 4975 of the Internal Revenue Code or Similar Law, unless the purchase, holding and disposition of units will not constitute a violation under ERISA, Section 4975 of the Internal Revenue Code and any applicable Similar Law.

The Units cannot be offered or sold, directly or indirectly, in the United States of America (including its territories and possessions), to or for the benefit of a “U.S. Person” (see below).

The Manager may impose restrictions on any Unitholder who is a “U.S. Person” and operate the (i) compulsory redemption of Units or (ii) transfer of Units held by such “U.S. Person” in accordance with the provisions of the Trust Deed.

Such power covers any person (a) who appears to be directly or indirectly in breach of the laws or regulations of any country or governmental authority, or (b) in the opinion of the Manager, might result in the Sub-Fund suffering any disadvantage which the Sub-Fund might not otherwise have incurred or suffered.

For the purpose of the offering of Units, “U.S. Person” includes those “U.S. Persons” as defined in the U.S. “Regulation S” adopted by the Securities and Exchange Commission (the “SEC”), such as: (a) any natural person resident in the U.S.; (b) any partnership or corporation organised or incorporated under the laws of the U.S.; (c) any estate of which any executor or administrator is a U.S. Person; (d) any trust of which any trustee is a U.S. Person; (e) any agency or branch of a non-U.S. entity located in the U.S.; (f) any non-discretionary or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person; (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the U.S.; and (h) any partnership or corporation if (i) organised or incorporated under the laws of any non-U.S. jurisdiction and (ii) formed by a U.S. Person principally for the purpose of investing in securities not registered under the Securities Act unless it is organised or incorporated, and owned, by accredited investors (as defined under Rule 501(a) under the Securities Act) who are not natural persons, estates or trusts; as well as any other person or entity classified by the Manager as a “U.S. Person” due to such person or entity being subject to certain investment restrictions and/or restrictions relating to the direct or indirect holding of Units as may be mandated under applicable U.S. laws and regulations (including any U.S. governmental orders or sanctions).

Furthermore, distribution of this Prospectus (including the KFS) shall not be permitted unless it is accompanied by a copy of the latest annual financial report of each Sub-Fund (where existing) and, if later, its most recent interim report.

You should note that any amendment or addendum to this Prospectus will only be posted on the Manager's website ([www.gffunds.com.hk](http://www.gffunds.com.hk)) the contents of which, and of any other websites referred to in this Prospectus, have not been reviewed by the SFC. This Prospectus (including the KFS) may refer to information and materials included in websites. Such information and materials do not form part of this Prospectus and they have not been reviewed by the SFC or any regulatory body. Investors should note that the information provided in websites may be updated and changed periodically without any notice to any person.

## **Questions and Complaints**

Investors may raise any questions on or make any complaints about the Trust (including any Sub-Fund) by contacting the Manager at its address as set out in the Directory of this Prospectus or calling the Manager at +852 3695 2808 during normal office hours.

## DIRECTORY

### **Manager**

#### **GF International Investment Management Limited**

25/F, GF Tower  
81 Lockhart Road, Wan Chai  
Hong Kong

### **Directors of the Manager**

WANG Fan  
WANG Haitao  
SHANGGUAN Peng  
HE Kai

### **Trustee**

#### **Cititrust Limited**

50/F, Champion Tower  
3 Garden Road  
Central  
Hong Kong

### **Custodian and Administrator**

#### **Citibank, N.A., Hong Kong Branch**

50/F, Champion Tower  
3 Garden Road  
Central  
Hong Kong

### **Registrar**

#### **Citicorp Financial Services Limited**

9/F Citi Tower, One Bay East  
83 Hoi Bun Road  
Kwun Tong, Kowloon  
Hong Kong

### **Listing Agent<sup>&</sup>**

#### **Altus Capital Limited**

21 Wing Wo Street  
Central  
Hong Kong

### **Service Agent or Conversion Agent<sup>&</sup>**

#### **HK Conversion Agency Services Limited**

8<sup>th</sup> Floor, Two Exchange Square  
8 Connaught Place  
Central  
Hong Kong

### **Participating Dealer(s)<sup>#</sup>**

Please refer to the relevant Appendix of each Sub-Fund.

### **Market Maker(s)<sup>#</sup>**

Please refer to the relevant Appendix of each Sub-Fund.

### **Legal Adviser to the Manager**

#### **Deacons**

5<sup>th</sup> Floor, Alexandra House  
18 Chater Road  
Central  
Hong Kong

### **Auditor**

#### **Ernst & Young**

27/F, One Taikoo Place  
979 King's Road  
Quarry Bay  
Hong Kong

<sup>#</sup> Please refer to the Manager's website and the website of the HKEX for the latest lists of Market Makers and Participating Dealers for each Sub-Fund.

& Applicable in respect of the Listed Class of Units only.

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## DEFINITIONS

*In this Prospectus (including the relevant Appendix for any Sub-Fund), unless the context requires otherwise, the following expressions have the meanings set out below.*

**“AFRC”** means the Accounting and Financial Reporting Council in Hong Kong or its successors.

**“Administrator”** means Citibank N.A., Hong Kong Branch, or such other person or persons for the time being duly appointed as administrators hereof in succession thereto.

**“After Listing”** means, in respect of a Listed Class, the period which commences on the Listing Date and continues until the relevant Sub-Fund is terminated.

**“Appendix”** means an appendix to this Prospectus that sets out specific information applicable to a Sub-Fund.

**“Application”** means, in respect of a Listed Class, an application by a Participating Dealer for the creation or redemption of Listed Class Units in accordance with the procedures for creation and redemption of Listed Class Units set out in the Operating Guidelines, the relevant Participating Dealer Agreement and the terms of the Trust Deed.

**“Application Unit”** means, in respect of a Listed Class, such number of Units of a Listed Class or whole multiples thereof (if any) as specified in this Prospectus for the relevant Sub-Fund or such other number of Units of a Listed Class from time to time determined by the Manager with the approval of the Trustee and notified by the Manager to the Participating Dealers, either generally or for a particular Listed Class or Listed Classes or for a particular period of time.

**“Business Day”** in respect of a Sub-Fund, means, unless the Manager and the Trustee otherwise agree or otherwise specified in the relevant Appendix of the Sub-Fund, a day on which (a)(i) the SEHK is open for normal trading; and (ii) the relevant market on which Index Securities and/or Index Futures Contracts or Securities and/or Futures Contracts comprised in the Sub-Fund (as the case may be) are traded is open for normal trading or if there are more than one such market, the market(s) designated by the Manager is open for normal trading, and (b) (where applicable) the Index is compiled and published, or such other day or days as the Manager and the Trustee may agree from time to time provided that if on any such day, the period during which the relevant market is open for normal trading is reduced as a result of a Number 8 Typhoon Signal or above, Black Rainstorm warning or other similar event, such day shall not be a Business Day unless the Manager and the Trustee otherwise agree.

**“Cancellation Compensation”** means, in respect of a Listed Class, an amount payable by a Participating Dealer in respect of a Default, as set out in the Trust Deed and/or in the Operating Guidelines applicable at the time the relevant Creation Application or Redemption Application is made.

**“CCASS”** means the Central Clearing and Settlement System established and operated by HKSCC or any successor system operated by HKSCC or its successors.

**“CCASS Settlement Day”** means the term **“Settlement Day”** as defined in the General Rules of HKSCC.

**“China”** or **“PRC”** means the People's Republic of China.

**“ChinaClear”** means The China Securities Depository & Clearing Corporation Limited or its successors.

**“Chinese Mainland”** or **“Mainland”** means all customs territory of the People's Republic of China.

**“Cleared Funds Deadline”** means the time on or before each Dealing Day specified in the Appendix of a Sub-Fund or such other time or day as the Manager may from time to time determine in consultation with the Trustee.

**“Code”** means the Code on Unit Trusts and Mutual Funds issued by the SFC (as amended, or replaced, from time to time).

**“Connected Person”** has the meaning as set out in the Code which at the date of this Prospectus means in relation to a company:

- (a) any person or company beneficially owning, directly or indirectly, 20% or more of the ordinary share capital of that company or able to exercise directly or indirectly, 20% or more of the total votes in that company; or
- (b) any person or company controlled by a person who or which meets one or both of the descriptions given in (a); or
- (c) any member of the group of which that company forms part; or
- (d) any director or officer of that company or of any of its connected persons as defined in (a), (b) or (c).

**“Contract Value”** in relation to any Futures Contract means the full amount expressed therein as being due to be paid or received by the holder of such Futures Contract upon settlement thereof or (as the case may be) upon delivery of the subject matter of such Futures Contract.

**“Conversion Agent”** means, in respect of a Listed Class, HK Conversion Agency Services Limited or such other person as may from time to time be appointed to act as conversion agent in relation to a Sub-Fund.

**“Conversion Agency Agreement”** means each agreement entered amongst the Manager, the Conversion Agent and the HKSCC by which the Conversion Agent agrees to provide its services.

**“Conversion Agent’s Fee”** means the fee which may be charged for the benefit of the Conversion Agent to each Participating Dealer on Creation Application and Redemption Application made by the relevant Participating Dealer, and which shall be determined by the Conversion Agent and set out in the Operating Guidelines and in this Prospectus.

**“Creation Application”** means, in respect of a Listed Class, an application by a Participating Dealer for the creation and issue of Listed Class Units in an Application Unit size in accordance with the relevant procedures set out in the Trust Deed and the Operating Guidelines.

**“Dealing Day”** means each Business Day during the continuance of a Sub-Fund, and/or such other day or days as the Manager may from time to time determine in consultation with the Trustee either generally or for a particular class or classes of Units.

**“Dealing Deadline”** in relation to any Dealing Day, means such time or times as the Manager may from time to time determine in consultation with the Trustee generally or in relation to any particular class or classes of Units of a Sub-Fund or any particular place for submission of Application(s) by a Participating Dealer (in respect of Listed Class Units) and submission of requests for subscription, switching or redemption (in respect of Unlisted Class Units), and as specified in the Appendix of the relevant Sub-Fund.

**“Default”** means, in respect of a Listed Class, a failure by a Participating Dealer in respect of:

- (a) a Creation Application to deliver the requisite Securities, Futures Contracts, and/or any relevant cash amount; or
- (b) a Redemption Application to deliver the Listed Class Units the subject of the Redemption Application and/or relevant cash amount.

**“Deposited Property”** means, in respect of each Sub-Fund, all the assets (including Income Property), received or receivable by the Trustee, for the time being held or deemed to be held upon the trusts of and subject to the Trust Deed for the account of the relevant Sub-Fund but excluding (i) Income Property standing to the credit of the distribution account of such Sub-Fund (other than interest earned thereon) and (ii) any other amount for the time being standing to the credit of the distribution account of such Sub-Fund.

**“Duties and Charges”** means, in relation to any particular transaction or dealing, all stamp and other duties, taxes, government charges, brokerage fees, bank charges, transfer fees, registration fees, transaction levies and other duties and charges whether in connection with the constitution of the Deposited Property or the increase or decrease of the Deposited Property or the creation, issue, switching, transfer, cancellation or redemption of Units or the acquisition or disposal of Securities and/or Futures Contracts (as the case may be) or otherwise which may have become or may be payable in respect of, and whether prior to, upon or after the occasion of, such transaction or dealing and including but not limited to, in relation to an issue / creation of Units or redemption of Units, a charge (if any) of such amount or at such rate as is determined by the Manager or the Trustee to be made for the purpose of compensating or reimbursing the Trust for the difference between (a) the prices used when valuing the Securities and/or Futures Contracts (as the case may be) in the Trust Fund for the purpose of such issue/creation or redemption of Units and (b) (in the case of an issue/creation of Units) the prices which would be used when acquiring the same Securities and/or Futures Contracts (as the case may be) if they were acquired by the Trust with the amount of cash received by the Trust upon such issue/creation of Units and (in the case of a redemption of Units) the prices which would be used when selling the same Securities and/or Futures Contracts (as the case may be) if they were sold by the Trust in order to realise the amount of cash required to be paid out of the Trust Fund upon such redemption of Units. For the avoidance of doubt, when calculating issue /subscription and redemption prices, duties and charges may include (if applicable) any provision for bid and ask spreads (to take into account the difference between the price at which assets were valued for the purpose of calculating the Net Asset Value and the estimated price at which such assets shall be bought as a result of a subscription or sold as a result of a redemption), but may not include (if applicable) any commission payable to agents on sales and purchases of the Units or any commission, taxes, charges or costs which may have been taken into account in ascertaining the Net Asset Value of Units).

**“Encumbrance”** means any mortgage, charge, pledge, lien, third party right or interest, any other encumbrance or security interest of any kind or another type of preferential arrangement (including, without limitation, a title transfer or retention arrangement) having similar effect other than any such encumbrance or security interest imposed by the terms of the relevant clearing system/depositary or otherwise created by the terms of the Participating Dealer Agreement, the Trust Deed or any agreement between the Manager, the Trustee and the relevant Participating Dealer.

**“Entities within the Same Group”** means entities which are included in the same group for the purposes of consolidated financial statements prepared in accordance with internationally recognised accounting standards.

**“Extension Fee”** means, in respect of a Listed Class, the fee payable to the Trustee on each occasion the Manager, upon a Participating Dealer’s request, grants the Participation Dealer an extended settlement in respect of a Creation Application or Redemption Application.

**“FDI”** means financial derivative instrument.

**“Futures Contract”** means any futures contract which is traded on any Futures Exchange.

**“Futures Exchange”** means Hong Kong Futures Exchange Limited and such other futures exchange from time to time determined by the Manager.

**“General Rules of HKSCC”** means the General Rules of HKSCC, as amended from time to time.

**“HKD” or “Hong Kong Dollars”** means Hong Kong dollars, the lawful currency for the time being and from time to time of Hong Kong.

**“HKEX”** means Hong Kong Exchanges and Clearing Limited or its successors.

**“HKSCC”** means the Hong Kong Securities Clearing Company Limited or its successors.

**“HKSCC Operational Procedures”** means the HKSCC Operational Procedures, as amended from time to time.

**“Hong Kong”** means the Hong Kong Special Administrative Region of the PRC.

**“Government and other Public Securities”** has the meaning as set out in the Code which at the date of this Prospectus means any investment issued by, or the payment of principal and interest on, which is guaranteed by a government, or any fixed-interest investment issued by its public or local authorities or other multilateral agencies.

**“IFRS”** means International Financial Reporting Standards.

**“Income Property”** means, in respect of a Sub-Fund, (a) all interest, dividends and other sums deemed by the Manager, (after consulting the auditors either on a general or case by case basis), to be in the nature of income (including taxation repayments, if any) received or receivable by the Trustee in respect of the Deposited Property of the Sub-Fund (whether in cash or, without limitation, by warrant, cheque, money, credit or otherwise or the proceeds of sale or transfer of any Income Property received in a form other than cash); (b) all interest and other sums received or receivable by the Trustee in respect of (a), (c) or (d) of this definition; (c) all cash payments received or receivable by the Trustee for the account of the Sub-Fund in respect of an Application; (d) all Cancellation Compensation received by the Trustee for the account of the Sub-Fund; and (e) any payments to be received or are receivable by the Trustee under any contractual agreements in the nature of investments for the benefit of the relevant Sub-Fund but excluding (i) other Deposited Property; (ii) any amount for the time being standing to the credit of the distribution account for the account of the Sub-Fund or previously distributed to Unitholders; (iii) gains for the account of the Sub-Fund arising from the realisation of Securities and/or Futures Contracts (as the case may be); and (iv) any sums applied towards payment of the fees, costs and expenses payable by the Trust from the Income Property of the Sub-Fund.

**“Index”** means, in respect of an Index Tracking Sub-Fund, the index or benchmark against which the relevant Sub-Fund is benchmarked or otherwise referenced as set out in the relevant Appendix.

**“Index Provider”** means, in respect of an Index Tracking Sub-Fund, the person responsible for compiling the Index against which the relevant Index Tracking Sub-Fund benchmarks its investments and who holds the right to licence the use of such Index to the relevant Sub-Fund as set out in the relevant Appendix.

**“Index Securities”** means, for an Index Tracking Sub-Fund, Securities of those companies which are at the relevant time the constituent companies of the Index, any Securities used to track the performance of such Securities constituting the Index at the relevant time or such other Securities designated by the Manager.

**“Index Futures Contract”** means, for an Index Tracking Sub-Fund, Futures Contracts comprising the Index, any Futures Contracts used to track the performance of the Index of the relevant time or such other Futures Contracts designated by the Manager.

**“Index Tracking ETF”** means an Index Tracking Sub-Fund the Units of which are listed on either the SEHK or any other Recognised Stock Exchange.

**“Index Tracking Sub-Fund”** means a Sub-Fund with a principal objective to track, replicate or correspond to a financial index or benchmark, with an aim of providing or achieving investment results or returns that closely match or correspond to the performance of the Index that it tracks and has been authorised by the SFC under Chapter 8.6 of the Code.

**“Initial Issue Date”** means, in respect of a Listed Class, the date of the first issue of Units of that Listed Class.

**“Initial Offer Period”** means, in respect of each class of a Sub-Fund, the period as set out in the relevant Appendix.

**“Insolvency Event”** occurs in relation to a person where (i) an order has been made or an effective resolution passed for the liquidation or bankruptcy of the person; (ii) a receiver or similar officer has been appointed in respect of the person or of any of the person’s assets or the person becomes subject to an administration order; (iii) the person enters into an arrangement with one or more of its creditors or is deemed to be unable to pay its debts; (iv) the person ceases or threatens to cease to carry on its business or substantially the whole of its business or makes or threatens to make any material alteration to the nature of its business; or (v) the Manager in good faith believes that any of the above is likely to occur.

**“Issue Price”** means, in respect of a Listed Class, the price at which Units in that Listed Class may be issued, determined in accordance with the Trust Deed.

**“Listed Class”** means a class of Units of a Sub-Fund which is listed on either the SEHK or any other Recognised Stock Exchange.

**“Listed Class Unit”** means a Unit of a Listed Class.

**“Listing Agent”** means, in respect of a Listed Class, such entity appointed by the Manager as the listing agent for the relevant Sub-Fund.

**“Listing Date”** means, in respect of each Listed Class, the date on which the Units of that Listed Class are first listed and from which dealings therein are permitted to take place on the SEHK, the expected date of which is set out in the relevant Appendix for the Sub-Fund.

**“Manager”** means GF International Investment Management Limited or such other person or persons for the time being duly appointed pursuant to the Trust Deed as manager of the Trust in succession thereto being approved by the SFC as qualified to act as such for the purposes of the Code.

**“Market”** means in any part of the world:

- (a) in relation to any Security: the SEHK or such other stock exchange from time to time determined by the Manager;
- (b) in relation to any Futures Contract: the Futures Exchange,

and any over-the-counter transaction conducted in any part of the world and in relation to any Security or Futures Contract shall be deemed to include any bilateral agreement with a responsible firm, corporation or association in any country or region in any part of the world dealing in the Security or Futures Contract which the Manager may from time to time elect.

**“Market Maker”** means, in respect of a Listed Class, a broker or dealer permitted by the SEHK to act as such by making a market for the Units of that Listed Class in the secondary market on the SEHK.

**“Multi-Counter”** means, in respect of a Listed Class, the facility by which the Listed Class Units of a Sub-Fund traded in more than one currency (RMB, HKD and/or USD) are each assigned separate stock codes on the SEHK. Where the Listed Class Units of a Sub-Fund are traded in two eligible currencies, the facility is also referred to as a “Dual-Counter”.

**“Net Asset Value”** means the net asset value of a Sub-Fund or a class or, as the context may require, the net asset value of a Unit of a Sub-Fund (or class thereof) calculated in accordance with the Trust Deed.

**“Operating Guidelines”** means, in respect of a Listed Class of a Sub-Fund, the guidelines for the creation and redemption of Units of that Listed Class of as set out in the schedule to each Participating Dealer Agreement as amended from time to time by the Manager with the approval of the Trustee, and where applicable, with the approval of HKSCC and the Conversion Agent, and following consultation, to the extent reasonably practicable, with the relevant Participating Dealers, including without limitation, the procedures for creation and redemption of Units of the Listed Class subject always, in respect of the relevant Operating Guidelines for a Participating Dealer, any amendment being notified in writing by the Manager in advance to the relevant Participating Dealer. Unless otherwise specified, references to the Operating Guidelines shall be to the Operating Guidelines for the relevant Listed Class applicable at the time of the relevant Application.

**“Participating Dealer”** means, in respect of a Listed Class, a licensed broker or dealer who is (or who has appointed an agent or delegate who is) a person admitted for the time being by HKSCC as a participant of CCASS and who has entered into a Participating Dealer Agreement in form and substance acceptable to the Manager and the Trustee, and any reference in this Prospectus to “Participating Dealer” shall include a reference to any agent or delegate so appointed by the Participating Dealer.

**“Participating Dealer Agreement”** means, in respect of a Listed Class, an agreement entered into between, among others, the Trustee, the Manager and a Participating Dealer (and its agent, if applicable), and if determined necessary by the Manager (in its absolute discretion), where applicable, each of HKSCC and the Conversion Agent, setting out, (amongst other things), the arrangements in respect of the Applications. References to the Participating Dealer Agreement shall, where appropriate, mean the Participating Dealer

Agreement, read together with the Operating Guidelines.

**“PD Agent”** means, in respect of a Listed Class, a person who is admitted by HKSCC as either a Direct Clearing Participant or a General Clearing Participant (as defined in the General Rules of HKSCC) in CCASS and who has been appointed by a Participating Dealer as its agent for the creation and redemption of Listed Class Units.

**“Recognised Futures Exchange”** means an international futures exchange which is recognised by the SFC or which is approved by the Manager.

**“Recognised Stock Exchange”** means an international stock exchange which is recognised by the SFC or which is approved by the Manager.

**“Redemption Application”** means, in respect of a Listed Class, an application by a Participating Dealer for the redemption of Units in Application Unit size in accordance with the Operating Guidelines and the Trust Deed.

**“Redemption Fee”** means, in respect of an Unlisted Class, the redemption fee (if any) payable on the redemption of Units of that Unlisted Class and as specified in the relevant Appendix.

**“Redemption Value”** means, in respect of a Unit of a Sub-Fund, the price per Unit at which such Unit is redeemed, calculated in accordance with the Trust Deed.

**“Registrar”** means such person as may from time to time be appointed as registrar in respect of each Sub-Fund in accordance with the Trust Deed to keep the register of the Unitholders of the relevant Sub-Fund.

**“RMB” or “Renminbi”** means Renminbi Yuan, the lawful currency of the PRC.

**“Securities”** means any shares, stocks, debentures, loan stocks, bonds, securities, commercial paper, acceptances, trade bills, warrants, participation notes, certificates, structured products, treasury bills, instruments or notes of, or issued by or under the guarantee of, any body, whether incorporated or unincorporated, and whether listed or unlisted, or of any government or local government authority or supranational body, whether paying interest or dividends or not and whether fully-paid, partly paid or nil paid and includes (without prejudice to the generality of the foregoing):

- (a) any right, option or interest (howsoever described) in or in respect of any of the foregoing, including units in any unit trust (as defined in the Trust Deed);
- (b) any certificate of interest or participation in, or temporary or interim certificate for, receipt for or warrant to subscribe or purchase, any of the foregoing;
- (c) any instrument commonly known or recognised as a security;
- (d) any receipt or other certificate or document evidencing the deposit of a sum of money, or any rights or interests arising under any such receipt, certificate or document; and
- (e) any bill of exchange and any promissory note.

**“SEHK”** means The Stock Exchange of Hong Kong Limited or its successors.

**“Service Agent”** means, in respect of a Listed Class, HK Conversion Agency Services Limited or such other person as may from time to time be appointed to act as service agent in relation to a Sub-Fund.

**“Service Agent’s Fee”** means, in respect of a Listed Class, the fee which may be incurred by the Service Agent in connection with the services set out in the Service Agreement to each Participating Dealer or PD Agent (as the case may be) on each book-entry deposit or withdrawal transaction made by the relevant Participating Dealer or PD Agent (as the case may be), the maximum level of which shall be determined by the Service Agent and set out in this Prospectus.

**“Service Agreement”** means, in respect of a Listed Class, each agreement by which the Service Agent

provides its services in respect of a Sub-Fund entered amongst the Trustee, the Manager, the Registrar, the Participating Dealer, the PD Agent (where applicable), the Service Agent and HKSCC.

**“Settlement Day”** means, in respect of a Listed Class, a Business Day in respect of the relevant Dealing Day pursuant to the Operating Guidelines or such other Business Days in respect of the relevant Dealing Day as determined by the Manager in consultation with the Trustee from time to time and notified to the relevant Participating Dealers, either generally or for a particular Listed Class or Listed Classes of Units.

**“SFC”** means the Securities and Futures Commission of Hong Kong or its successors.

**“SFO”** means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended or supplemented from time to time.

**“SSE”** means the Shanghai Stock Exchange.

**“Stock Connect”** means the programme which aims to achieve mutual stock market access between Chinese Mainland and Hong Kong and includes (i) the Shanghai-Hong Kong Stock Connect, a securities trading and clearing links programme developed by the SEHK, SSE, ChinaClear and HKSCC; and (ii) the Shenzhen-Hong Kong Stock Connect, a securities trading and clearing links programme developed by the SEHK, SZSE, ChinaClear and HKSCC.

**“Sub-Fund”** means a segregated pool of assets and liabilities into which the Trust Fund is divided and established as a separate trust and maintained pursuant to the Trust Deed and the relevant supplemental deed, as further described in the relevant Appendix.

**“SZSE”** means the Shenzhen Stock Exchange.

**“Subscription Fee”** means, in respect of an Unlisted Class, the subscription fee (if any) payable on the issue of Units of that Unlisted Class and as specified in the relevant Appendix.

**“Subscription Price”** means, in respect of an Unlisted Class, the price at which Units of that Unlisted Class may be subscribed for, determined in accordance with the Trust Deed.

**“Transaction Fee”** means, in respect of a Listed Class, the fee which may be charged for the benefit of the Trustee, the Registrar, the Conversion Agent (if any) and/or the Service Agent (if any) to each Participating Dealer on each Dealing Day upon which an Application has been or Applications have been made by the relevant Participating Dealer.

**“Trust”** means the umbrella unit trust constituted by the Trust Deed and called GFI ETF Unit Trust or such other name as the Manager may from time to time determine, upon prior notice to the Trustee.

**“Trust Deed”** means the trust deed dated 31 August 2026 constituting the Trust and entered into between the Manager and the Trustee (as amended from time to time).

**“Trust Fund”** means, with respect to each Sub-Fund, all the property for the time being held or deemed to be held by the Trustee upon the trusts hereof, including the Deposited Property and Income Property attributable to that Sub-Fund and subject to the terms and provisions of the Trust Deed, except any amount for the time being standing to the credit of the distribution account attributable to that Sub-Fund, and where such term is used generically, **“Trust Fund”** means the Trust Fund attributable to all Sub-Funds taken together.

**“Trustee”** means Cititrust Limited or such other person or persons for the time being duly appointed as trustee or trustees hereof in succession thereto in accordance with the Trust Deed.

**“Unit”** means a unit in a class of a Sub-Fund representing a certain number or fraction of undivided shares in the Trust Fund attributable to a Sub-Fund.

**“Unit Cancellation Fee”** means, in respect of a Listed Class, the fee charged by the Conversion Agent in respect of the cancellation of Listed Class Units in connection with an accepted Redemption Application of a Sub-Fund.

**“Unitholder”** means a person for the time being entered on the register of holders as the holder of Units including, where the context so admits, persons jointly so registered.

**“Unlisted Class”** means a class of Units of a Sub-Fund which is neither listed on the SEHK nor any other Recognised Stock Exchange;

**“Unlisted Class Unit”** means a Unit of an Unlisted Class.

**“USD”** means United States dollars, the lawful currency of the United States of America.

**“Valuation Point”** means, in respect of a Sub-Fund, the official close of trading on the Market on which the Securities and/or Futures Contracts (as the case may be) constituting the Index (if any) or the Sub-Fund are listed on each Dealing Day or if more than one, the official close of trading on the last relevant Market to close or such other time or times as determined by the Manager in consultation with the Trustee from time to time provided that there shall always be a Valuation Point on each Dealing Day other than where there is a suspension of the creation, issue, switching and redemption of Units.

## **PART 1 – GENERAL INFORMATION RELATING TO THE TRUST AND SUB-FUNDS**

Part 1 of this Prospectus includes information relevant to the Trust and all Sub-Fund(s) established under the Trust.

The information presented in this Part 1 should be read in conjunction with the information presented in the relevant Appendix in Part 2 of this Prospectus in respect of a particular Sub-Fund. Where the information in Part 2 of this Prospectus conflicts with the information presented in this Part 1, the information in the relevant Appendix in Part 2 prevails, however, it is applicable to the specific Sub-Fund of the relevant Appendix only. Please refer to Part 2 “Specific Information Relating to Each Sub-Fund” for further information.

## INTRODUCTION

### **The Trust**

The Trust is an umbrella unit trust created by the Trust Deed between the Manager and the Trustee made under Hong Kong law. The Trust and each Sub-Fund is authorised as a collective investment scheme by the SFC under section 104 of the SFO. Each Sub-Fund falls within Chapter 8.6 of the Code. SFC authorisation is not a recommendation or endorsement of the Trust or any of the Sub-Funds nor does it guarantee the commercial merits of the Trust, any of the Sub-Funds or their performance. It does not mean that the Trust or the Sub-Funds are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors.

### **The Sub-Funds**

The Trust may issue different classes of Units and the Trustee shall establish a separate pool of assets under the Trust Deed as separate trusts (each such separate pool of assets a “Sub-Fund”) to which one or more class of Units shall be attributable. The assets of a Sub-Fund will be invested and administered separately from the other assets of the Trust. The Listed Class Units of a Sub-Fund will be listed on the SEHK.

The Manager and the Trustee reserve the right to establish other Sub-Funds and/or issue further classes of Units relating to a Sub-Fund or Sub-Funds in the future in accordance with the provisions of the Trust Deed. Where indicated in the relevant Appendix, the Listed Class Units in a Sub-Fund may be available for trading on the SEHK using a Multi-Counter. Each Sub-Fund will have its own Appendix.

Each Sub-Fund may issue Listed Class and/or Unlisted Class. In respect of a Sub-Fund which offers both Listed Class and Unlisted Class, please refer to the table set out in the relevant Appendix which sets out the key similarities and differences between the Listed Class and Unlisted Class. Currently, GF HKEX Tech & US Tech 100 Index ETF and GF MSCI Global Strategic Metals Select ETF offer Listed Class only.

## **INVESTMENT OBJECTIVE, STRATEGY AND RESTRICTIONS, SECURITIES LENDING AND BORROWING**

### **Investment Objective**

A Sub-Fund may be an Index Tracking Sub-Fund, a listed open-ended fund (also known as “active ETF”) or an unlisted open-ended fund.

The investment objective of each Index Tracking Sub-Fund is to provide investment results that, before fees and expenses, closely correspond to the performance of the relevant Index unless otherwise stated in the relevant Appendix.

The investment objective of each Sub-Fund (other than an Index Tracking Sub-Fund) is set out in the relevant Appendix.

### **Investment Strategy**

The investment strategy of each Sub-Fund is stated in the relevant Appendix.

For Sub-Funds which are Index Tracking Sub-Funds, each will adopt either a full replication or a representative sampling strategy.

#### *Replication Strategy*

Where a Sub-Fund adopts a replication strategy as its investment strategy, it will invest in substantially all the Securities and/or Futures Contracts (as the case may be) constituting the Index in substantially the same weightings (i.e. proportions) as these Securities and/or Futures Contracts (as the case may be) have in the Index. When a Security or Futures Contract ceases to be a constituent of the Index, rebalancing occurs which involves, among other things, selling the outgoing Security or Futures Contract and potentially using the proceeds to invest in the incoming Security or Futures Contract.

#### *Representative Sampling Strategy*

Where a Sub-Fund adopts a representative sampling strategy as its investment strategy, it will invest, directly or indirectly, in a representative sample of the Securities and/or Futures Contracts (as the case may be) in the relevant Index that collectively reflects the investment characteristics of such Index and aims to replicate its performance. A Sub-Fund adopting a representative sampling strategy may or may not hold all of the Securities and/or Futures Contracts (as the case may be) that are included in the relevant Index, and may hold a portfolio of Securities and/or Futures Contracts (as the case may be) which are not included in the Index, provided that these collectively feature a high correlation with the Index.

#### *Switching Between Strategies*

Whilst the replication strategy is likely to track the performance of the relevant Index more closely when compared to the representative sampling strategy, it may not be the most efficient way to do so. Also, it may not always be possible or it may be difficult to buy or hold certain Securities and/or Futures Contracts (as the case may be) comprising the Index. The Manager may therefore, in the appropriate circumstances choose to use a representative sampling strategy, having regard to the number of Securities and/or Futures Contracts (as the case may be) constituting the Index, the liquidity of such Securities or Futures Contracts, any restrictions on the ownership of such Securities or Futures Contracts, the transaction expenses and other trading costs, and tax and other regulatory restrictions.

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 relevant Sub-Fund by tracking the relevant Index as closely (or efficiently) as possible for the benefit of investors.

A listed open-ended fund (active ETF) or an unlisted open-ended fund does not track an index. The Manager will actively manage the relevant Sub-Fund based on its investment strategy in seeking to achieve the investment objective of the Sub-Fund, as described in the relevant Appendix.

In addition to the investment strategies set out above, a Sub-Fund may be launched with synthetic or futures-based strategies as described in the relevant Appendix for each such Sub-Fund.

## **Investment Restrictions, Securities Lending and Borrowing**

### ***Investment Restrictions***

1. Unless otherwise specifically provided for in the relevant Appendix, the investment restrictions applicable to each Sub-Fund (that are included in the Trust Deed) are summarised below:

- (a) the aggregate value of a Sub-Fund's investments in, or exposure to, any single entity through the following may not exceed 10% of the total Net Asset Value of such Sub-Fund, save as (for an Index Tracking Sub-Fund) permitted by Chapter 8.6(h) of the Code and as varied by paragraph 2.2 of this sub-section:
  - (1) investments in Securities issued by such entity;
  - (2) exposure to such entity through underlying assets of FDIs; and
  - (3) net counterparty exposure to such entity arising from transactions of over-the-counter FDIs;
- (b) subject to paragraph (a) above and 5.6(c) of this sub-section and unless otherwise approved by the SFC, the aggregate value of a Sub-Fund's investments in, or exposure to, Entities within the Same Group through the following may not exceed 20% of the total Net Asset Value of the Sub-Fund:
  - (1) investments in Securities issued by such entities;
  - (2) exposure to such entities through underlying assets of FDIs; and
  - (3) net counterparty exposure to such entities arising from transactions of over-the-counter FDIs;
- (c) unless otherwise approved by the SFC, the value of a Sub-Fund's cash deposits made with the same entity or Entities within the Same Group may not exceed 20% of the total Net Asset Value of the Sub-Fund, unless:
  - (1) the cash is held before the launch of the Sub-Fund and for a reasonable period thereafter prior to the initial subscription proceeds being fully invested; or
  - (2) the cash is proceeds from liquidation of investments prior to the merger or termination of a Sub-Fund, whereby the placing of cash deposits with various financial institutions would not be in the best interest of investors; or
  - (3) the cash is proceeds received from subscriptions pending investments and held for the settlement of redemption and other payment obligations, whereby the placing of cash deposits with various financial institutions is unduly burdensome and the cash deposits arrangement would not compromise investors' interests;

For the purpose of this paragraph 1(c), cash deposits generally refer to those that are repayable on demand or have the right to be withdrawn by a Sub-Fund and not referable to provision of property or services.

- (d) ordinary shares issued by a single entity held for the account of a Sub-Fund, when aggregated with other holdings of ordinary shares issued by an entity held for the account of all other Sub-

Funds under the Trust collectively may not exceed 10% of the nominal amount of the ordinary shares issued by a single entity;

- (e) not more than 15% of the total Net Asset Value of a Sub-Fund may be invested in Securities and other financial products or instruments that are neither listed, quoted nor dealt in on a stock exchange, over-the-counter market or other organised securities market which is open to the international public and on which such Securities are regularly traded;
- (f) notwithstanding paragraphs 1(a), 1(b), 1(d) and 1(e) of this sub-section, where direct investment by a Sub-Fund in a market is not in the best interests of investors, a Sub-Fund may invest through a wholly-owned subsidiary company established solely for the purpose of making direct investments in such market. In this case:
  - (1) the underlying investments of the subsidiary, together with the direct investments made by the Sub-Fund, must in aggregate comply with the requirements of Chapter 7 of the Code;
  - (2) any increase in the overall fees and charges directly or indirectly borne by the Unitholders or the Sub-Fund as a result must be clearly disclosed in the Prospectus; and
  - (3) the Sub-Fund must produce the financial reports as required under 5.10(b) of the Code in a consolidated form to include the assets (including investment portfolio) and liabilities of the subsidiary company as part of those of the Sub-Fund;
- (g) notwithstanding paragraphs 1(a), 1(b) and 1(d) of this sub-section, not more than 30% of the total Net Asset Value of a Sub-Fund may be invested in Government and other Public Securities of the same issue;
- (h) subject to paragraph 1(g) of this sub-section, a Sub-Fund may fully invest in Government and other Public Securities in at least six different issues.
- (i) unless otherwise approved by the SFC, a Sub-Fund may not invest in physical commodities;
- (j) for the avoidance of doubt, exchange traded funds that are:
  - (1) authorised by the SFC under Chapter 8.6 or 8.10 of the Code; or
  - (2) listed and regularly traded on internationally recognised stock exchanges open to the public (nominal listing not accepted) and (i) the principal objective of which is to track, replicate or correspond to a financial index or benchmark, which complies with the applicable requirements under Chapter 8.6 of the Code; or (ii) the investment objective, policy, underlying investments and product features of which are substantially in line with or comparable with those set out under Chapter 8.10 of the Code,may either be considered and treated as listed Securities for the purposes of and subject to the requirements in paragraphs 1(a), 1(b) and 1(d) of this sub-section; or collective investment schemes for the purposes of and subject to the requirements in paragraphs 1(k) of this sub-section. However, the investments in exchange traded funds shall be subject to paragraph 1(e) of this sub-section and the relevant investment limits in exchange traded funds by a Sub-Fund should be consistently applied and clearly disclosed in this Prospectus;
- (k) where a Sub-Fund invests in shares or units of other collective investment schemes (**“underlying schemes”**),
  - (1) the value of such Sub-Fund’s investment in units or shares in underlying schemes which are non-eligible schemes (as determined by the SFC) and not authorised by the SFC may not in aggregate exceed 10% of the total Net Asset Value of the Sub-Fund; and
  - (2) such Sub-Fund may invest in one or more underlying schemes which are either

schemes authorised by the SFC or eligible schemes (as determined by the SFC), but the value of the Sub-Fund's investment in units or shares in each such underlying scheme may not exceed 30% of the total Net Asset Value of the Sub-Fund, unless the underlying scheme is authorised by the SFC and its name and key investment information are disclosed in the Prospectus of the Sub-Fund,

provided that in respect of paragraphs 1(k)(1) and 1(k)(2) above:

- (i) the objective of each underlying scheme may not be to invest primarily in any investment prohibited by Chapter 7 of the Code, and where that underlying scheme's objective is to invest primarily in investments restricted by Chapter 7 of the Code, such investments may not be in contravention of the relevant limitation prescribed by Chapter 7 of the Code. For the avoidance of doubt, a Sub-Fund may invest in scheme(s) authorised by the SFC under Chapter 8 of the Code (except for hedge funds under Chapter 8.7 of the Code), eligible scheme(s) (as determined by the SFC) of which the net derivative exposure (as defined in the Code) does not exceed 100% of its total net asset value, and exchange traded funds satisfying the requirements in paragraph 1(j) of this sub-section in compliance with paragraphs 1(k)(1) and 1(k)(2) of this sub-section;
    - (ii) where the underlying schemes are managed by the Manager, or by other companies within the same group that the Manager belongs to, then paragraphs 1(a), 1(b), 1(d) and 1(e) of this sub-section are also applicable to the investments of the underlying scheme;
    - (iii) the objective of the underlying schemes may not be to invest primarily in other collective investment scheme(s);
  - (3) where an investment is made in any underlying scheme(s) managed by the Manager or any of its Connected Persons, all initial charges and redemption charges on the underlying scheme(s) must be waived; and
  - (4) the Manager or any person acting on behalf of the Sub-Fund or the Manager may not obtain a rebate on any fees or charges levied by an underlying scheme or the management company of an underlying scheme, or quantifiable monetary benefits in connection with investments in any underlying scheme;
- (l) a Sub-Fund may invest 90% or more of its total Net Asset Value in a single collective investment scheme and may be authorised as a feeder fund by the SFC. In this case:
- (1) the underlying scheme ("master fund") must be authorised by the SFC;
  - (2) the relevant Appendix must state that:
    - (i) the Sub-Fund is a feeder fund into the master fund;
    - (ii) for the purpose of complying with the investment restrictions, the Sub-Fund (i.e. feeder fund) and its master fund will be deemed a single entity;
    - (iii) the Sub-Fund (i.e. feeder fund)'s annual report must include the investment portfolio of the master fund as at the financial year end date; and
    - (iv) the aggregate amount of all the fees and charges of the Sub-Fund (i.e. feeder fund) and its underlying master fund must be clearly disclosed;
  - (3) unless otherwise approved by the SFC, no increase in the overall total of initial charges, redemption charges, the Manager's annual fee, or any other costs and charges payable to the Manager or any of its Connected Persons borne by the Unitholders or by the Sub-Fund (i.e. feeder fund) may result, if the master fund in which the Sub-Fund (i.e. feeder fund) invests is managed by the Manager or by its Connected Person; and

- (4) notwithstanding proviso (iii) to paragraph 1(k)(2) of this sub-section, the master fund may invest in other collective investment scheme(s) subject to the investment restrictions as set out in paragraphs 1(k)(1) and 1(k)(2) and proviso (i), (ii) and (iii) to paragraph 1(k)(2) of this sub-section; and
- (m) if the name of a Sub-Fund indicates a particular objective, investment strategy, geographic region or market, the Sub-Fund should, under normal market circumstances, invest at least 70% of its Net Asset Value in securities and other investments to reflect the particular objective, investment strategy or geographic region or market which the Sub-Fund represents.

### ***Investment Prohibitions***

#### **2.1 The Manager shall not on behalf of any Sub-Fund(s):**

- (a) invest in a security of any class in any company or body if any director or officer of the Manager individually owns more than 0.5% of the total nominal amount of all the issued securities of that class or the directors and officers of the Manager collectively own more than 5% of those securities;
- (b) invest in any type of real estate (including buildings) or interests in real estate, including options or rights, but excluding shares in real estate companies and interests in real estate investment trusts (REITs) and in the case of investments in such shares and REITs, they shall comply with the investment restrictions and limitations set out in paragraphs 1(a), 1(b), 1(d), 1(e) and 1(k) of this sub-section where applicable. For the avoidance of doubt, where investments are made in listed REITs, the requirements under paragraphs 1(a), 1(b) and 1(d) of this sub-section apply and where investments are made in unlisted REITs, which are either companies or collective investment schemes, then the requirements under paragraphs 1(e) and 1(k)(1) of this sub-section apply respectively;
- (c) make short sales if as a result a Sub-Fund would be required to deliver Securities exceeding 10% of the total Net Asset Value of the Sub-Fund (and for this purpose Securities sold short must be actively traded on a market where short selling is permitted, and for the avoidance of doubt, a Sub-Fund is prohibited to carry out any naked or uncovered short sale of securities and short selling should be carried out in accordance with all applicable laws and regulations);
- (d) lend or make a loan out of the assets of a Sub-Fund, except to the extent that the acquisition of bonds or the making of a deposit (within the applicable investment restrictions) might constitute a loan;
- (e) subject to paragraph 1(e) of this sub-section, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person, save and except for reverse repurchase transactions in compliance with the Code;
- (f) enter into any obligation in respect of a Sub-Fund or acquire any asset or engage in any transaction for the account of a Sub-Fund which involves the assumption of any liability which is unlimited. For the avoidance of doubt, the liability of Unitholders is limited to their investment in the relevant Sub-Fund; or
- (g) apply any part of a Sub-Fund in the acquisition of any investments which are for the time being nil paid or partly paid in respect of which a call is due to be made for any sum unpaid on such investments unless such call could be met in full out of cash or near cash forming part of a Sub-Fund whereby such amount of cash or near cash has not been segregated to cover a future or contingent commitment arising from transaction in FDIs for the purposes of paragraph 5.7 of this sub-section.

#### **2.2 The investment restrictions set out in paragraphs 1 and 2.1 of this sub-section apply to each Sub-Fund, subject to the following in relation to an Index Tracking Sub-Fund:**

- (a) notwithstanding paragraph 1(a) above, more than 10% of the Net Asset Value may be

invested in Index Securities issued by a single entity provided that (i) it is limited to any Index Securities that each accounts for more than 10% of the weighting of the Index and (ii) the relevant Index Tracking Sub-Fund's holding of any such Index Securities does not exceed their respective weightings in the Index, except where the weightings are exceeded as a result of changes in the composition of the Index and the excess is only transitional and temporary in nature;

- (b) however, the restrictions in paragraph 2.2(a) of this sub-section do not apply if:
- (1) the relevant Index Tracking Sub-Fund adopts a representative sampling strategy which does not involve full replication of the Index Securities of the Index in the exact weightings of such Index;
  - (2) the strategy is clearly disclosed in the relevant Appendix;
  - (3) the excess of the weightings of the Index Securities held by the relevant Index Tracking Sub-Fund over the weightings in the Index is caused by the implementation of the representative sampling strategy;
  - (4) any excess weightings of the relevant Index Tracking Sub-Fund's holdings over the weightings in the Index must be subject to a maximum limit reasonably determined by the relevant Index Tracking Sub-Fund after consultation with the SFC. In determining this limit, the relevant Index Tracking Sub-Fund must consider the characteristics of the Index Securities, their weightings and the investment objectives of the Index and any other suitable factors;
  - (5) limits laid down by the relevant Index Tracking Sub-Fund pursuant to the point (d) above must be disclosed in the relevant Appendix; and
  - (6) disclosure must be made in the relevant Index Tracking Sub-Fund's interim and annual reports as to whether the limits imposed by such Index Tracking Sub-Fund itself pursuant to the paragraph 2(b)(4) of this sub-section have been complied with in full. If there is non-compliance with the said limits during the relevant reporting period, this must be reported to the SFC on a timely basis and an account for such non-compliance should be stated in the report relating to the period in which the non-compliance occurs or otherwise notified to investors.

### ***Securities Financing Transactions***

- 3.1. Where indicated in the relevant Appendix, a Sub-Fund may enter into securities lending transactions, repurchase transactions, reverse repurchase transactions and other similar over-the-counter transactions ("**securities financing transactions**"), provided that they are in the best interests of the Unitholders, the associated risks have been properly mitigated and addressed, and the counterparties to the securities financing transactions are financial institutions which are subject to ongoing prudential regulation and supervision.
- 3.2. A Sub-Fund which engages in securities financing transactions is subject to the following requirements:
- (a) it shall have at least 100% collateralisation in respect of the securities financing transactions into which it enters to ensure there is no uncollateralised counterparty risk exposure arising from these transactions;
  - (b) all the revenues arising from securities financing transactions, net of direct and indirect expenses as reasonable and normal compensation for the services rendered in the context of the securities financing transactions to the extent permitted by applicable legal and regulatory requirements, shall be returned to the Sub-Fund;

- (c) it shall ensure that it is able to at any time to recall the securities or the full amount of cash / collateral (as the case may be) subject to the securities financing transactions or terminate the securities financing transactions into which it has entered.

### **Borrowing**

- 4. Subject always to the provisions of the Trust Deed and the Code, borrowing against the assets of each Sub-Fund is allowed up to a maximum of 10% of its total Net Asset Value. For this purpose, back-to-back loans do not count as borrowing. Where the Manager so determines, a Sub-Fund's permitted borrowing level may be a lower percentage as set out in the relevant Appendix. The Trustee may at the request of the Manager borrow for the account of a Sub-Fund any currency, and charge or pledge assets of a Sub-Fund, for the following purposes:
  - (a) facilitating the creation or redemption of Units or defraying operating expenses;
  - (b) enabling the Manager to acquire Securities for the account of each Sub-Fund; or
  - (c) for any other proper purpose as may be agreed by the Manager and the Trustee from time to time.

### **FDIs**

- 5.1. Subject always to the provisions of the Trust Deed and the Code (including paragraphs 5.4 and 5.6 of this sub-section), the Manager may on behalf of a Sub-Fund enter into any transactions in relation to FDIs, for hedging or non-hedging (investment) purposes.
- 5.2. Where specified in the relevant Appendix, a Sub-Fund may acquire FDIs for hedging. FDIs are considered as being acquired for hedging purpose if they meet all of the following criteria:
  - (a) they are not aimed at generating any investment return;
  - (b) they are solely intended for the purpose of limiting, offsetting or eliminating the probability of loss or risks arising from the investments being hedged;
  - (c) they should relate to the same asset class with high correlation in terms of risks and return, and involve taking opposite positions, in respect of the investments being hedged; and
  - (d) they exhibit price movements with high negative correlation with the investments being hedged under normal market conditions.
- 5.3. Hedging arrangement should be adjusted or re-positioned, where necessary and with due consideration on the fees, expenses and costs, to enable the relevant Sub-Fund to meet its hedging objective in stressed or extreme market conditions.
- 5.4. Where specified in the relevant Appendix, a Sub-Fund may acquire FDIs for non-hedging purposes ("**investment purposes**"), subject to the limit that the Sub-Fund's net exposure relating to these FDIs ("**net derivative exposure**") does not exceed 50% of its total Net Asset Value (unless otherwise approved by the SFC for a Sub-Fund pursuant to Chapter 8.8 or Chapter 8.9 of the Code), provided that such limit may be exceeded in such circumstances as permitted under the Code, handbook, code and/or guideline issued by the SFC from time to time or permitted by the SFC from time to time. For the avoidance of doubt:
  - (a) for the purpose of calculating net derivative exposure, the positions of FDIs acquired by a Sub-Fund for investment purposes are converted into the equivalent position in the underlying assets of the FDIs, taking into account the prevailing market value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions;
  - (b) the net derivative exposure should be calculated in accordance with the requirements and guidance issued by the SFC which may be updated from time to time; and

- (c) FDIs acquired for hedging purposes will not be counted towards the 50% limit referred to in this paragraph so long as there is no residual derivative exposure arising from such hedging arrangement.
- 5.5. Subject to paragraphs 5.4 and 5.6 of this sub-section, a Sub-Fund may invest in FDIs provided that the exposure to the underlying assets of the FDI, together with the other investments of the Sub-Fund, may not in aggregate exceed the corresponding investment restrictions or limitations applicable to such underlying assets and investments as set out in paragraphs 1(a), 1(b), 1(c), 1(g), 1(h), 1(k)(1), 1(k)(2), proviso (i), (ii) and (iii) to paragraph 1(k)(2) and paragraph 2.1(b) of this sub-section.
- 5.6. The FDIs invested by a Sub-Fund shall be either listed or quoted on a stock exchange, or dealt in over-the-counter market and comply with the following provisions:
- (a) the underlying assets consist solely of shares in companies, debt Securities, money market instruments, units/shares of collective investment schemes, deposits with substantial financial institutions, Government and other Public Securities, highly-liquid physical commodities (including gold, silver, platinum and crude oil), financial indices, interest rates, foreign exchange rates or currencies or other asset classes acceptable to the SFC, in which the Sub-Fund may invest according to its investment objectives and policies. Where a Sub-Fund invests in index-based FDIs, the underlying assets of such FDIs are not required to be aggregated for the purposes of the investment restrictions or limitations set out in paragraphs 1(a), 1(b), 1(c) and 1(g) of this sub-section provided that the relevant Index is in compliance with the requirements under Chapter 8.6(e) of the Code;
  - (b) the counterparties to over-the-counter FDI transactions or their guarantors are substantial financial institutions of such other entity acceptable to the SFC on a case-by-case basis;
  - (c) subject to paragraphs 1(a) and 1(b) of this sub-section, the net counterparty exposure to a single entity arising from transactions of the over-the-counter FDIs may not exceed 10% of the Net Asset Value of the Sub-Fund. The exposure of a Sub-Fund to a counterparty of over-the-counter FDIs may be lowered by the collateral received (if applicable) by such Sub-Fund and shall be calculated with reference to the value of collateral and positive mark to market value of the over-the-counter FDIs with that counterparty, if acceptable; and
  - (d) the valuation of the FDIs is marked-to-market daily, subject to regular, reliable and verifiable valuation conducted by the Manager or the Trustee or their nominee(s), agent(s) or delegate(s) independent of the issuer of the FDIs through measures such as the establishment of a valuation committee or engagement of third party services. The FDIs can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the initiative of the Sub-Fund. Further, the calculation agent / administrator should be adequately equipped with the necessary resources to conduct independent marked-to-market valuation and to verify the valuation of the FDIs on a regular basis.
- 5.7. A Sub-Fund shall at all times be capable of meeting all its payment and delivery obligations incurred under transactions in FDIs (whether for hedging or for investment purposes). The Manager shall, as part of its risk management process, monitor to ensure that the transactions in FDIs are adequately covered on an ongoing basis. Assets that are used to cover the Sub-Fund's payment and delivery obligations incurred under transactions in FDIs should be free from any liens and encumbrances, should exclude any cash or near cash for the purpose of meeting a call on any sum unpaid under a security and cannot be applied for any other purposes. A transaction in FDIs which gives rise to a future commitment or contingent commitment of a Sub-Fund should also be covered as follows:
- (a) in the case of FDI transactions which will, or may at the Sub-Fund's discretion, be cash settled, the Sub-Fund should at all times hold sufficient assets that can be liquidated within a short timeframe to meet the payment obligation; and
  - (b) in the case of FDI transactions which will, or may at the counterparty's discretion, require physical delivery of the underlying assets, the Sub-Fund should hold the underlying assets in sufficient quantity at all times to meet the delivery obligation. If the Manager considers

the underlying assets to be liquid and tradable, the Sub-Fund may hold other alternative assets in sufficient quantity as cover, provided that such assets may be readily converted into the underlying assets at any time to meet the delivery obligation. Where it is holding alternative assets as cover, the Sub-Fund should apply safeguard measures such as to apply haircut where appropriate to ensure that such alternative assets held are sufficient to meet its future obligations.

- 5.8. Paragraphs 5.1 to 5.7 of this sub-section apply to financial instruments which embed financial derivatives as well. For the purposes herein, an “embedded financial derivative” is a FDI that is embedded in another security.

### ***Collateral***

- 6.1. Collateral received from counterparties shall comply with the following requirements:

- Liquidity – collateral must be sufficiently liquid and tradable that it can be sold quickly at a robust price that is close to pre-sale valuation, and should normally trade in a deep and liquid marketplace with transparent pricing;
- Valuation – collateral should be marked-to-market daily by using independent pricing source;
- Credit quality – asset used as collateral must be of high credit quality and should be replaced immediately as soon as the credit quality of the collateral or the issuer of the asset being used as collateral has deteriorated to such a degree that it would undermine the effectiveness of the collateral;
- Haircut - collateral should be subject to prudent haircut policy which should be based on the market risks of the assets used as collateral in order to cover potential maximum expected decline in collateral values during liquidation before a transaction can be closed out with due consideration on stress period and volatile markets. The price volatility of the asset used as collateral should be taken into account when devising the haircut policy. Other specific characteristics of the collateral, including, among others, assets types, issuer creditworthiness, residual maturity, price sensitivity, optionality, expected liquidity in stressed period, impact from foreign exchange, and correlation between securities accepted as collateral and the securities involved in the transactions, should also be considered where appropriate;
- Diversification - collateral must be appropriately diversified to avoid concentrated exposure to any single entity and/or Entities within the Same Group and a Sub-Fund's exposure to issuer(s) of the collateral should be taken into account in compliance with the investment restrictions and limitations set out in paragraphs 1(a), 1(b), 1(c), 1(g), 1(h), 1(k)(1), 1(k)(2), proviso (i), (ii) and (iii) to paragraph 1(k)(2) and paragraph 2.1(b) of this sub-section;
- Correlation – the value of the collateral should not have any significant correlation with the creditworthiness of the counterparty or the issuer of the FDIs, or the counterparty of securities financing transactions in such a way that would undermine the effectiveness of the collateral. As such, securities issued by the counterparty or the issuer of the FDIs, or the counterparty of securities financing transactions or any of their related entities should not be used as collateral;
- Management of operational and legal risks – the Manager shall have appropriate systems, operational capabilities and legal expertise for proper collateral management;
- Independent custody – collateral must be held by the Trustee;
- Enforceability – collateral must be readily accessible/enforceable by the Trustee without further recourse to the issuer of the FDIs, or the counterparty of the securities financing transactions;

- Cash collateral – any re-investment of cash collateral received for the account of the Sub-Fund shall be subject to the following requirements:
  - (i) save as otherwise provided in paragraph (v) below, cash collateral received may only be reinvested in short-term deposits, high quality money market instruments and money market funds authorised under Chapter 8.2 of the Code or regulated in a manner generally comparable with the requirements of the SFC and acceptable to the SFC, and subject to corresponding investment restrictions or limitations applicable to such investments or exposure as set out in Chapter 7 of the Code. For this purpose, “money market instruments” refer to securities normally dealt in on the money markets, including government bills, certificates of deposit, commercial papers, short-term notes and bankers’ acceptances, etc. In assessing whether a money market instrument is of high quality, at a minimum, the credit quality and the liquidity profile of the money market instruments must be taken into account;
  - (ii) the portfolio of assets from re-investment of cash collateral shall comply with the requirements as set out in Chapter 8.2(f) and (n) of the Code;
  - (iii) cash collateral received is not allowed to be further engaged in any securities financing transactions;
  - (iv) non-cash collateral received may not be sold, re-invested or pledged;
  - (v) subject to prior consultation with the SFC, cash collateral received from sale and repurchase transactions may be reinvested in investments other than those set out in sub-paragraphs (i) to (iv) above if the following requirements are met:
    - (A) the re-investment, together with the Sub-Fund’s net derivative exposure, do not in aggregate exceed 50% of the Sub-Fund’s Net Asset Value;
    - (B) the re-investment is consistent with the Sub-Fund’s investment objective and strategies;
    - (C) the re-investment is limited to securities which are sufficiently liquid and of good quality; and
    - (D) the re-investment is subject to the corresponding investment restrictions and limitations applicable to such investments or exposures as set out in Chapter 7 of the Code and complies with the requirements as set out in sub-paragraphs (iii) and (iv) above

Reinvestment of cash collateral received from sale and repurchase transactions in compliance with the requirements set out in this sub-paragraph (v) shall not be subject to the limitation in paragraph 4 above;
- Encumbrances – collateral should be free of prior encumbrances; and
- Collateral generally should not include (i) structured products whose payouts rely on embedded FDIs or synthetic instruments; (ii) securities issued by special purpose vehicles, special investment vehicles or similar entities; (iii) securitised products; or (iv) unlisted collective investment schemes.

6.2. Subject to the requirements above, below is a summary of the collateral policy and criteria adopted by the Manager:

- eligible collateral include cash, cash equivalents, government bonds, supranational bonds, corporate bonds, stocks, funds and money market instruments. For money market funds, collateral received may only be cash, high quality money market instruments and may also include, in the case of reverse repurchase transactions, government securities

receiving a favourable assessment on credit quality. For a debt security which itself does not have a credit rating, the Manager will assess the debt security by reference to the credit rating of the issuer or the guarantor;

- the issuer of collateral must be of high quality and the rating by a recognised credit rating agency shall be taken into account in the credit assessment process. Securities rated with a non-investment grade credit rating is not eligible for collateral purpose. There is no criteria for country of origin of the counterparty;
- no maturity constraints will apply to the collateral received;
- regular stress tests are carried out under normal and exceptional liquidity conditions to enable an adequate assessment of the liquidity risks attached to the collateral;
- the haircut policy takes account of market volatility, the foreign exchange volatility between collateral asset and underlying agreement, liquidity and credit risk of the collateral assets, and the counterparty's credit risk (for each eligible security type). Haircuts shall be set to cover the maximum expected decline in the market price of the collateral asset (over a conservative liquidation horizon) before a transaction can be closed out. Cash collateral will not be subject to haircut;
- the collateral would be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer;
- the collateral received would be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;
- collateral must be readily enforceable by the Trustee and may be subject to netting or set-off;
- cash collateral will generally not be used for reinvestment purposes unless otherwise determined by the Manager and notified to investors.

Where a Sub-Fund receives collateral, a description of holdings of collateral (including but not limited to a description of the nature of collateral, identity of the counterparty providing the collateral, value of the Sub-Fund (by percentage) secured/ covered by collateral with breakdown by asset class/nature and credit rating (if applicable)) will be disclosed in the Sub-Fund's annual and interim reports for the relevant period as required under Appendix E of the Code.

## PROVISIONS RELATING TO THE OFFER, CREATION, REDEMPTION, LISTING AND TRADING OF THE LISTED CLASS UNITS

*This section contains disclosure relating to the Listed Class Units only. Unless the context otherwise requires, references to “Units” and “Unitholders” in this section shall be construed to refer to Listed Class Units of a Sub-Fund or a Unitholder of such Listed Class Units and references to a “Sub-Fund” in this section shall be construed to a Sub-Fund which offers Listed Class Units. For information relating to the offer, subscription, switching and redemption of the Unlisted Class Units, please refer to the section headed “PROVISIONS RELATING TO THE OFFER, SUBSCRIPTION, SWITCHING AND REDEMPTION OF THE UNLISTED CLASS UNITS”.*

### **The Offering Phases of the Listed Class Units**

#### **Initial Offer Period**

During the Initial Offer Period, Participating Dealers (acting for themselves or for their clients) may apply for Listed Class Units (to be available for trading on the Listing Date) by means of Creation Applications on each Dealing Day for themselves and/or their clients in accordance with the Operating Guidelines.

To be dealt with during the Initial Offer Period, the relevant Participating Dealer must submit the Creation Applications to the Registrar on a Business Day no later than 3 Business Days prior to the Listing Date unless otherwise stated in the relevant Appendix.

If a Creation Application is received by the Manager and Registrar after the deadline as specified in the Appendix, that Creation Application shall be carried forward and deemed to be received at the opening of business on the Listing Date, which shall be the Dealing Day for the purposes of that Creation Application.

Creation Applications must be made in Application Unit size or whole multiples thereof, which is the number of Listed Class Units specified in the relevant Appendix. Participating Dealers (acting for themselves or for their clients) can apply for Listed Class Units on each Dealing Day at the Issue Price.

Please refer to the section on “**Creations and Redemptions (Primary Market) of the Listed Class Units**” for the operational procedures in respect of Creation Applications.

#### **After Listing**

The After Listing phase commences on the Listing Date and continues until the relevant Sub-Fund is terminated.

You can acquire or dispose the Listed Class Units in either of the following two ways:

- (a) buy and sell Listed Class Units on the SEHK; or
- (b) apply for creation and redemption of Listed Class Units through Participating Dealers.

#### ***Buying and selling of Listed Class Units on the SEHK***

After Listing, all investors can buy and sell Listed Class Units in the secondary market in Trading Board Lot Size (as described in the section “**Key Information**” in the relevant Appendix) or whole multiples thereof like ordinary listed stocks through an intermediary such as a stockbroker or through any of the share dealing services offered by banks or other financial advisers at any time the SEHK is open.

However, please note that transactions in the secondary market on the SEHK will occur at market prices which may vary throughout the day and may differ from Net Asset Value per Unit of the Listed Class due to market demand and supply, liquidity and scale of trading spread for the Units in the secondary market. As a result, the market price of a Listed Class Unit in the secondary market may be higher or lower than Net Asset Value per Unit of the Listed Class.

Please refer to the section on “**EXCHANGE LISTING AND TRADING (SECONDARY MARKET) OF THE LISTED CLASS UNITS**” for further information in respect of buying and selling of Listed Class Units on the SEHK.

#### *Creations and Redemptions of Listed Class Units Through Participating Dealers*

Listed Class Units will continue to be created and redeemed in the primary market at the Issue Price and Redemption Value respectively through Participating Dealers in Application Unit size or multiples thereof. Where stated in the relevant Appendix, in-kind creations or in-kind redemptions may be permitted by the Manager. The Application Unit size and currency for settlement are as set out in the relevant Appendix.

To be dealt with on a Dealing Day, the relevant Participating Dealer must submit the Applications to the Registrar before the Dealing Deadline in respect of the relevant Dealing Day, unless otherwise determined by the Manager. Any Application received after the Dealing Deadline will be considered as received on the next Dealing Day unless otherwise determined by the Manager. If an Application is received (a) on a day which is not a Dealing Day or (b) after the relevant Dealing Deadline in respect of a Dealing Day, that Application shall be treated as having been received at the opening of business on the next following Dealing Day, which shall be the relevant Dealing Day for the purposes of that Application (or if the Dealing Deadline for a Sub-Fund is on the Business Day before a Dealing Day, the relevant Dealing Day for the purposes of that Application shall be the Dealing Day after the day the Application is treated as having been received), unless otherwise determined by the Manager in the case of (b). Participating Dealers are under no obligation to create or redeem generally or for their clients and may charge their clients such fee or fees as such Participating Dealers determine.

Settlement for subscribing Listed Class Units (whether in cash or in-kind) is due by such time as agreed in the Operating Guidelines, unless the Manager agrees with the relevant Participating Dealer to accept later settlement generally or in any particular case.

Settlement of Listed Class Units for redeeming Listed Class Units is due 2 Business Days (unless as otherwise stated in the relevant Appendix) after the Dealing Day, unless the Manager agrees with the relevant Participating Dealer to accept later settlement generally or in any particular case.

Notwithstanding any Multi-Counter (if applicable) for Listed Class Units, all settlement is in the base currency of the relevant Sub-Fund only.

After Listing, all Listed Class Units will be registered in the name of HKSCC Nominees Limited on the register of the relevant Sub-Fund. The register of the relevant Sub-Fund is the evidence of ownership of the Listed Class Units. The beneficial interests in the Listed Class Units of any client of the Participating Dealers shall be established through such client's account with the relevant Participating Dealer or PD Agent (as the case may be) or with any other CCASS participants if the client is buying from the secondary market.

#### **Timetable**

##### *Initial Offer Period of Listed Class Units*

The Initial Offer Period and the Listing Date of Listed Class Units of a new Sub-Fund is set out in the Appendix of the new Sub-Fund.

The purpose of the Initial Offer Period of the Listed Class Units is to enable Participating Dealers to subscribe for Listed Class Units either on their own account or for their clients, in accordance with the Trust Deed and the Operating Guidelines. During this period, Participating Dealers (acting for themselves or for their clients) may apply for Listed Class Units to be available for trading on the Listing Date by creation. No redemptions are permitted during the Initial Offer Period.

Upon receipt of a Creation Application from a Participating Dealer (acting for itself or its clients) during the Initial Offer Period, the Manager shall procure the creation of the Listed Class Units for settlement on the Initial Issue Date.

Participating Dealers may have their own application procedures for their respective clients and may set

application and payment cut-off times for their respective clients which are earlier than those set out in this Prospectus and which may change from time to time. The Dealing Deadline in respect of Listed Class Units in a Sub-Fund may also change due to market related events. Investors are therefore advised to consult with the relevant Participating Dealer on its requirements if they want a Participating Dealer to subscribe for Listed Class Units on their behalf.

#### *After Listing of Listed Class Units*

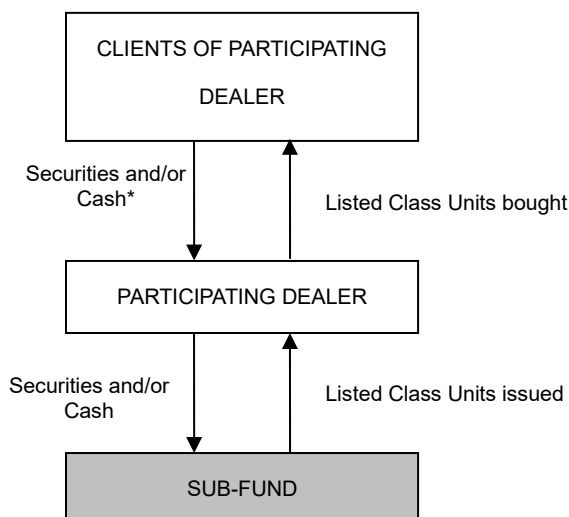
“After Listing” commences on the Listing Date and continues until the relevant Listed Class Units, the relevant Sub-Fund or the Trust is terminated.

All investors may buy and sell Listed Class Units in the secondary market on the SEHK and Participating Dealers (for themselves or for their clients) may apply for creation and redemption of Listed Class Units in the primary market.

#### **Diagrammatic Illustration of Investment in a Sub-Fund**

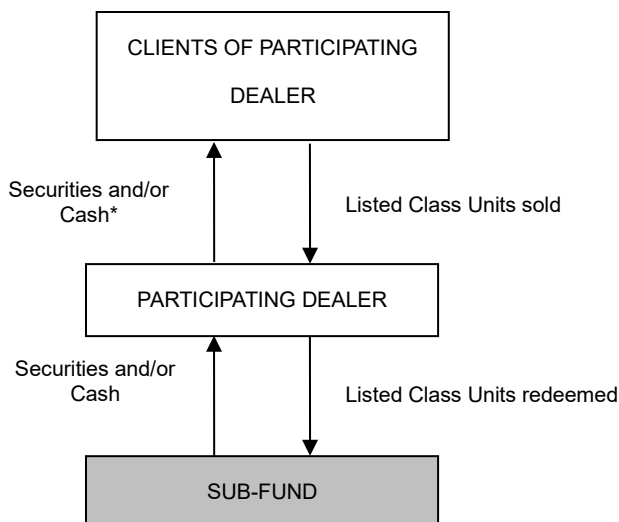
The diagrams below illustrate the issue or redemption and the buying or selling of Listed Class Units:

##### (a) Issue and buying of Listed Class Units in the primary market – Initial Offer Period and After Listing



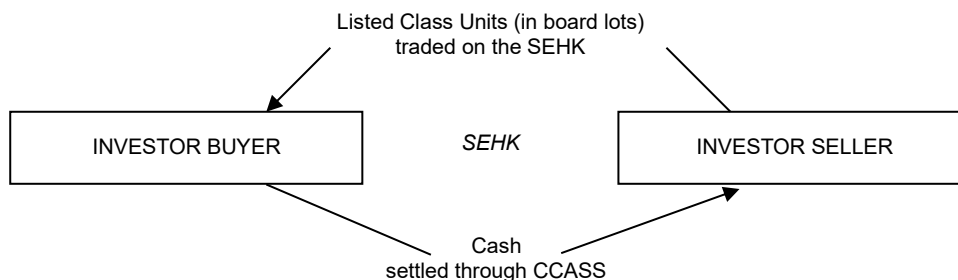
*\* Clients of a Participating Dealer may agree with the Participating Dealer settlement in a different currency to the creation currency.*

##### (b) Redemption and sale of Listed Class Units in the primary market – After Listing



\* Clients of a Participating Dealer may agree with the Participating Dealer settlement in a different currency to the redemption currency.

(c) Buying or selling of Listed Class Units in the secondary market on the SEHK – After Listing



### Summary of Offering Methods of Listed Class Units and Related Fees

#### Initial Offer Period of Listed Class Units

| Method of Offering* | Minimum Number of Listed Class Units (or multiple thereof) | Channel                       | Available to                                                    | Consideration, Fees and Charges**                                                                                                                                                                                                    |
|---------------------|------------------------------------------------------------|-------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Cash creation       | Application Unit size (see relevant Appendix)              | Through Participating Dealers | Any person acceptable to the Participating Dealer as its client | Cash<br>Transaction Fee<br>Any fees and charges imposed by the Participating Dealer (payable to the Participating Dealer in the currency determined by or agreed with it)<br>Duties and Charges                                      |
| In-kind creation    | Application Unit size (see relevant Appendix)              | Through Participating Dealers | Any person acceptable to the Participating Dealer as its client | Portfolio of Securities<br>Cash component<br>Transaction Fee<br>Any fees and charges imposed by the Participating Dealer (payable to the Participating Dealer in the currency determined by or agreed with it)<br>Duties and Charges |

## After Listing

| Method of Acquisition or Disposal of Listed Class Units*                 | Minimum Number of Listed Class Units (or multiple thereof) | Channel                       | Available to                                                    | Consideration, Fees and Charges**                                                                                                                                                                                                    |
|--------------------------------------------------------------------------|------------------------------------------------------------|-------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Purchase and sale in cash through brokers on the SEHK (secondary market) | Trading Board Lot Size (see relevant Appendix)             | On the SEHK                   | Any investor                                                    | Market price of Units on SEHK<br>Brokerage fees and Duties and Charges                                                                                                                                                               |
| Cash creation and redemption                                             | Application Unit size (see relevant Appendix)              | Through Participating Dealers | Any person acceptable to the Participating Dealer as its client | Cash<br>Transaction Fee<br>Any fees and charges imposed by the Participating Dealer (payable to the Participating Dealer in the currency determined by or agreed with it)<br>Duties and Charges                                      |
| In-kind creation and redemption                                          | Application Unit size (see relevant Appendix)              | Through Participating Dealers | Any person acceptable to the Participating Dealer as its client | Portfolio of Securities<br>Cash component<br>Transaction Fee<br>Any fees and charges imposed by the Participating Dealer (payable to the Participating Dealer in the currency determined by or agreed with it)<br>Duties and Charges |

\* The methods of creation available to the Participating Dealers in respect of Listed Class Units of each Sub-Fund, whether in-kind or in cash, are specified in the relevant Appendix.

\*\* Please refer to "FEES AND EXPENSES" for further details. The currency for payment of subscription monies is specified in the relevant Appendix.

## **Creations and Redemptions (Primary Market) of the Listed Class Units**

### Investment in Listed Class Units of a Sub-Fund

There are two methods of making an investment in a Listed Class Units of a Sub-Fund and of disposing of Listed Class Units to realise an investment in a Sub-Fund.

The first method is to create Listed Class Units at the Issue Price of the Listed Class Units or redeem Listed Class Units at the Redemption Value of the Listed Class Units directly with the Sub-Fund in the primary market through a Participating Dealer, being a licensed dealer that has entered into a Participating Dealer Agreement in respect of the relevant Sub-Fund. Where a Sub-Fund has a Multi-Counter, although a Participating Dealer may, subject to arrangement with the Manager, elect to CCASS to have the Listed Class

Units which it creates deposited in, or the Listed Class Units which it redeems withdrawn from, RMB, HKD or USD counter, all creation and redemption for all Listed Class Units must be in the base currency of that Sub-Fund. Because of the size of the capital investment (i.e. Application Unit size) required either to create or redeem Listed Class Units through the Participating Dealer in the primary market, this method of investment is more suitable for institutional investors and market professionals. Participating Dealers are under no obligations to create or redeem Listed Class Units for their clients and may impose terms, including charges, for handling creation or redemption orders as they determine appropriate, as described in more detail in this section.

The second method is to buy or to sell Listed Class Units in the secondary market on the SEHK which is more suitable for retail investors. The secondary market price of per Unit of the Listed Class may trade at a premium or discount to the Net Asset Value per Unit of the Listed Class of the relevant Sub-Fund.

This sub-section of this Prospectus describes the first method of investment and should be read in conjunction with the Participating Dealer Agreement and the Trust Deed. The sub-section on **"EXCHANGE LISTING AND TRADING (SECONDARY MARKET) OF THE LISTED CLASS UNITS"** relates to the second method of investment.

### **Creation of Listed Class Units Through Participating Dealers**

Any application for the creation of Listed Class Units of a Sub-Fund must only be made through a Participating Dealer in respect of an Application Unit size or whole multiple thereof as set out in the **"Key Information"** section. Investors cannot acquire Listed Class Units directly from a Sub-Fund. Only Participating Dealers may submit Creation Applications to the Registrar.

Listed Class Units in each Sub-Fund are continuously offered through a Participating Dealer, who may apply for them on any Dealing Day for its own account or for your account as their client(s), in accordance with the Operating Guidelines, by submitting a Creation Application to the Registrar.

In addition, a Participating Dealer reserves the right to reject, acting in good faith, any creation request received from a client under exceptional circumstances, including without limitation the following circumstances:

- (a) any period during which (i) the creation or issue of Units of the relevant Listed Class, (ii) the redemption of Units of the relevant Listed Class, and/or (iii) the determination of Net Asset Value of the relevant Listed Class is suspended;
- (b) where there is in existence any trading restriction or limitation such as the occurrence of a market disruption event, suspected market misconduct or the suspension of dealing in relation to any of the Securities and/or Futures Contracts in the relevant Index;
- (c) where acceptance of the creation request or any Security in connection with such creation request would render the Participating Dealer in breach of any regulatory restriction or requirement, internal compliance or internal control restriction or requirement of the Participating Dealer necessary for compliance with applicable legal and regulatory requirements; or
- (d) circumstances outside the control of the Participating Dealer make it for all practicable purposes impossible to process the creation request.

### ***Requirements Relating to Creation Requests by Potential Investors***

The methods and currency of creation available to the Participating Dealers in respect of each Sub-Fund, whether in-kind (i.e. the creation of Listed Class Units in exchange for a transfer of Securities) or in cash or both in-kind and in cash, are specified in the relevant Appendix. A Participating Dealer may in its absolute discretion require a creation request received from its client be effected in a particular method. The Manager nonetheless reserves its right to require a Creation Application be effected in a particular method. Specifically, the Manager has the right to (a) accept cash equal to or in excess of the market value at the Valuation Point for the relevant Dealing Day of such Security in lieu of accepting such Security as constituting part of the Creation Application; or (b) accept cash collateral on such terms as it determines if (i) such Security is likely

to be unavailable for delivery or available in insufficient quantity for delivery to the Trustee in connection with the Creation Application; or (ii) the Participating Dealer is restricted by regulation or otherwise from investing or engaging in a transaction in that Security.

A Participating Dealer may impose fees and charges in handling any creation request which would increase the cost of investment. Investors are advised to check with the Participating Dealer as to relevant fees and charges. Although the Manager has a duty to monitor the operations of each Sub-Fund closely, neither the Manager nor the Trustee is empowered to compel a Participating Dealer to disclose its fees agreed with specific clients or other proprietary or confidential information to the Manager or the Trustee or to accept any such creation requests received from clients.

A Participating Dealer may also impose timing deadlines for the submission by its clients of any creation request and require any such clients to complete the relevant client acceptance procedures and requirements (including, where necessary, providing such documentation and certifications as required by the Participating Dealer) in order to ensure that an effective Creation Application in respect of a Sub-Fund can be submitted by it to the Registrar. Investors are advised to check with the Participating Dealer as to the relevant timing deadlines and the client acceptance procedures and requirements.

The Application Unit size for a Sub-Fund is the number of Listed Class Units specified in the relevant Appendix. Creation Applications submitted in respect of Listed Class Units other than in Application Unit size or whole multiples thereof will not be accepted. The minimum subscription for each Sub-Fund is one Application Unit.

#### *Creation Process*

A Participating Dealer may from time to time submit Creation Applications in respect of a Sub-Fund to the Registrar, following receipt of creation requests from clients or where it wishes to create Listed Class Units of the relevant Sub-Fund for its own account.

The current Dealing Deadline After Listing in respect of the relevant Dealing Day is specified in the relevant Appendix, or such other time as the Manager in consultation with the Trustee may determine on any day when the trading hours of the SEHK, the Recognised Futures Exchange or the Recognised Stock Exchange are reduced. To be effective, a Creation Application must:

- (a) be given by a Participating Dealer in accordance with the Trust Deed, the relevant Participating Dealer Agreement and the relevant Operating Guidelines;
- (b) specify the number of Listed Class Units and the Listed Class (where applicable) which is the subject of the Creation Application; and
- (c) include the certifications required in the Operating Guidelines (if any) in respect of creations of Listed Class Units, together with such certifications and opinions of counsel (if any) as each of the Trustee and the Manager may separately consider necessary to ensure compliance with applicable securities and other laws in relation to the creation of Listed Class Units which are the subject of the Creation Application.

The Manager shall have the right to reject, acting in good faith, any Creation Application under exceptional circumstances, including without limitation the following circumstances:

- (a) any period during which (i) the creation or issue of Units of the relevant Listed Class, (ii) the redemption of Units of the relevant Listed Class, and/or (iii) the determination of Net Asset Value of the relevant Listed Class is suspended;
- (b) where in the opinion of the Manager, acceptance of the Creation Application would have an adverse effect on the relevant Sub-Fund;
- (c) where, if relevant to a Sub-Fund, in the opinion of the Manager, acceptance of the Creation Application would have a material impact on the relevant market on which (i) for an Index Tracking Sub-Fund, a Security and/or Futures Contract (as the case may be) (that is a constituent of the Index of the relevant Sub-Fund) or (ii) for an active Sub-Fund, a substantial part of the investments of the

Sub-Fund, has its primary listing;

- (d) where there is in existence any trading restriction or limitation such as the occurrence of a market disruption event, suspected market misconduct or the suspension of dealing in relation to (i) for an Index Tracking Sub-Fund, any of the Securities and/or Futures Contracts (as the case may be) in the relevant Index or (ii) for an active Sub-Fund, a substantial part of the investments of the Sub-Fund;
- (e) where acceptance of the Creation Application would render the Manager in breach of any regulatory restriction or requirement, internal compliance or internal control restriction or requirement of the Manager necessary for compliance with applicable legal and regulatory requirements;
- (f) circumstances outside the control of the Manager make it for all practicable purposes impossible to process the Creation Application;
- (g) during any period when the business operations of the Manager, the Trustee or any delegate of the Trustee or the Manager, in relation to the creation of Listed Class Units in the relevant Sub-Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God; or
- (h) an Insolvency Event occurs in respect of the relevant Participating Dealer.

In the event of such rejection, the Manager shall notify the relevant Participating Dealer and the Trustee of its decision to reject such Creation Application in accordance with the Operating Guidelines. Where for any reason there is a limit to the number of Listed Class Units which can be created, priority will be given to Participating Dealers and the relevant Creation Applications as set out in the Operating Guidelines.

The Manager's right to reject a Creation Application is separate and in addition to a Participating Dealer's right to reject, acting in good faith, any creation request received from a client of the Participating Dealer under exceptional circumstances. Notwithstanding a Participating Dealer has accepted creation requests from its clients and in that connection submitted an effective Creation Application, the Manager may exercise its rights to reject such Creation Application in the circumstances described herein.

Where the Manager accepts a Creation Application from a Participating Dealer, it shall instruct the Registrar to effect (i) for the account of the Sub-Fund, the creation of Listed Class Units in Application Unit size in exchange for a transfer of cash and/or Securities (at the discretion of the Participating Dealer but subject to the Manager's agreement); and (ii) the issue of Listed Class Units to the Participating Dealer, both in accordance with the Operating Guidelines and the Trust Deed.

#### *Issue of Listed Class Units*

Listed Class Units will be issued at the Issue Price prevailing on the relevant Dealing Day, provided that the Manager may add to such Issue Price such sum (if any) representing an appropriate provision for Duties and Charges. Please refer to the section on "Issue Price and Redemption Value" for the calculation of the Issue Price.

On receipt of a Creation Application by a Participating Dealer for Listed Class Units in a Sub-Fund during the relevant Initial Offer Period, the Manager shall procure the creation and issue of Listed Class Units in that Sub-Fund on the relevant Initial Issue Date.

Listed Class Units are denominated in the base currency of the relevant Sub-Fund (unless otherwise determined by the Manager) as set out in the relevant Appendix and no fractions of a Unit shall be created or issued.

The creation and issue of Listed Class Units pursuant to a Creation Application shall be effected on the Dealing Day for which the Creation Application is received (or deemed received) and accepted in accordance with the Operating Guidelines but, for valuation purposes only, Listed Class Units shall be deemed created and issued after the Valuation Point on the Dealing Day on which the relevant Creation Application was received or deemed received and the register will be updated on the relevant Settlement Day or the Dealing Day immediately following the Settlement Day if the settlement period is extended. If a Creation Application (a) is received on a day which is not a Dealing Day or (b) is received after the relevant Dealing Deadline on

a Dealing Day, that Creation Application shall be treated as having been received at the opening of business on the next Dealing Day, which shall be the relevant Dealing Day for the purposes of that Creation Application (or if the Dealing Deadline for a Sub-Fund is on the Business Day before a Dealing Day, the relevant Dealing Day for the purposes of that Creation Application shall be the Dealing Day after the day the Creation Application is treated as having been received), unless otherwise agreed by the Manager in the case of (b).

After consultation with the Manager, the Trustee shall be entitled to refuse to enter (or allow to be entered) Listed Class Units in the register if at any time the Trustee is of the opinion that the provisions as set out in the Trust Deed, the relevant Operating Guidelines or the relevant Participating Dealer Agreement, in regard to the issue of Listed Class Units, are being infringed.

#### *Fees Relating to Creation Applications*

The Service Agent, the Conversion Agent, the Registrar and/or the Trustee may charge a Transaction Fee in respect of Creation Applications and may on any day vary the rate of the Transaction Fee they charge (but not as between different Participating Dealers in respect of the same Sub-Fund). The Transaction Fee shall be paid by or on behalf of the Participating Dealer applying for such Listed Class Units. See the section on "Fees and Expenses" for further details.

In relation to cash creation of Listed Class Units, the Manager reserves the right to require the Participating Dealer to pay or cause to be paid an additional sum as the Manager in its discretion considers appropriate for the Duties and Charges. The Participating Dealer may pass on to the relevant investor such additional sum.

Any commission, remuneration or other sum payable by the Manager to any agent or other person in respect of the issue or sale of any Listed Class Unit shall not be added to the Issue Price of such Listed Class Unit and shall not be paid from the assets of any Sub-Fund.

#### **Cancellation of Creation Applications**

A Creation Application once submitted cannot be revoked or withdrawn without the consent of the Manager and the Trustee.

The Trustee, after consultation with the Manager may cancel a creation order in respect of any Listed Class Units deemed created pursuant to a Creation Application if it has not received good title to all Securities and/or cash (including Transaction Fees, Duties and Charges) relating to the Creation Application by the Settlement Day, provided that the Manager may at its discretion, with the approval of the Trustee (a) extend the settlement period (either for the Creation Application as a whole or for a particular Security) such extension to be on such terms and conditions (including as to the payment of an Extension Fee to the Manager or the Trustee or their Connected Persons or otherwise) as the Manager may determine and in accordance with the provisions of the Operating Guidelines; or (b) partially settle the Creation Application to the extent to which Securities and/or cash has been vested in the Trustee, on such terms and conditions the Manager may determine including terms as to any extension of the settlement period for the outstanding Securities or cash.

In addition to the preceding circumstances, the Manager may also cancel any creation order of any Listed Class Units if it determines by such time as it specifies in the Operating Guidelines that it is unable to invest the cash proceeds of any Creation Application.

Upon the cancellation of any creation order of any Listed Class Units deemed created pursuant to a Creation Application as provided for above or if a Participating Dealer otherwise withdraws subject to the Manager's consent a Creation Application (other than in certain circumstances contemplated in the Trust Deed such as when the Manager declares a suspension of creations of Listed Class Units), any Securities or any cash received by or on behalf of the Trustee in connection with a Creation Application shall be redelivered to the Participating Dealer (without interest) as soon as practicable and the relevant Listed Class Units shall be deemed for all purposes never to have been created and the Participating Dealer shall have no right or claim against the Manager, the Trustee, the Conversion Agent and/or the Service Agent in respect of such cancellation provided that:

- (a) the Trustee may charge the relevant Participating Dealer an application cancellation fee (see the section on **"FEES AND EXPENSES"** for further details);
- (b) the Manager may at its discretion require the Participating Dealer to pay to the Trustee, for the account of the Sub-Fund, in respect of each Listed Class Unit so cancelled Cancellation Compensation, being the amount (if any) by which the Issue Price of each such Listed Class Unit exceeds the Redemption Value which would have applied in relation to each such Listed Class Unit if the Participating Dealer had, on the date on which such Listed Class Units are cancelled, made a Redemption Application, together with charges, expenses and losses incurred by the Listed Class as a result of such cancellation;
- (c) the Transaction Fee in respect of such Creation Application shall remain due and payable (notwithstanding that the Creation Application shall be deemed to never have been made) and once paid shall be retained by and for the benefit of the Trustee, the Registrar, the Conversion Agent and/or the Service Agent (see the section on **"FEES AND EXPENSES"** for further details); and
- (d) no previous valuations of the Trust Fund shall be re-opened or invalidated as a result of the cancellation of such Listed Class Units.

### **Redemption of Listed Class Units Through Participating Dealers**

Any application for the redemption of Listed Class Units in a Sub-Fund must only be made through a Participating Dealer in respect of an Application Unit size or whole multiples thereof. Investors cannot redeem Listed Class Units directly from the relevant Sub-Fund. Only Participating Dealers may submit Redemption Applications to the Registrar.

A Participating Dealer may redeem Listed Class Units on any Dealing Day for its own account or for the account of its clients in accordance with the Operating Guidelines, by submitting a Redemption Application to the Registrar.

In addition, a Participating Dealer reserves the right to reject, acting in good faith, any redemption request received from a client under exceptional circumstances, including without limitation the following circumstances:

- (a) any period during which (i) the creation or issue of Units of the relevant Listed Class, (ii) the redemption of Units of the relevant Listed Class, and/or (iii) the determination of Net Asset Value of the relevant Listed Class is suspended;
- (b) where there is in existence any trading restriction or limitation such as the occurrence of a market disruption event, suspected market misconduct or the suspension of dealing in relation to (i) for an Index Tracking Sub-Fund, any of the Securities and/or Futures Contracts (as the case may be) in the Index or (ii) for an active Sub-Fund, a substantial part of the investments of the Sub-Fund;
- (c) where acceptance of the redemption request would render the Participating Dealer in breach of any regulatory restriction or requirement, internal compliance or internal control restriction or requirement of the Participating Dealer necessary for compliance with applicable legal and regulatory requirements; or
- (d) circumstances outside the control of the Participating Dealer make it for all practicable purposes impossible to process the redemption request.

### ***Requirements Relating to Redemption Requests by Potential Investors***

The methods and currency of redemption available to the Participating Dealers in respect of each Sub-Fund, whether in-kind (i.e. the redemption of Listed Class Units in exchange for a transfer of Securities plus any cash amount) or in cash only, are as set out in the relevant Appendix. A Participating Dealer may in its absolute discretion require a redemption request received from its client be effected in a particular method. The Manager nonetheless reserves its right to require a Redemption Application be effected in a particular method. Specifically, the Manager has the right to instruct the Trustee to deliver cash equivalent of any Security in connection with the Redemption Application to the Participating Dealer if (a) such Security is likely

to be unavailable for delivery or available in insufficient quantity for delivery in connection with the Redemption Application; or (b) the Participating Dealer is restricted by regulation or otherwise from investing or engaging in a transaction in that Security.

A Participating Dealer may impose fees and charges in handling any redemption request which would increase the cost of investment and/or reduce the redemption proceeds. You are advised to check with the Participating Dealer as to relevant fees and charges. Although the Manager has a duty to monitor the operations of each Sub-Fund closely, neither the Manager nor the Trustee is empowered to compel a Participating Dealer to disclose its fees agreed with specific clients or other proprietary or confidential information to the Manager or the Trustee or to accept any such redemption requests received from clients. In addition, neither the Trustee nor the Manager can ensure effective arbitrage by a Participating Dealer.

A Participating Dealer may also impose timing deadlines for the submission by its clients of any redemption request and require any such clients to complete the relevant client acceptance procedures and requirements (including, where necessary, providing such documentation and certifications as required by the Participating Dealer) in order to ensure that an effective Redemption Application in respect of a Sub-Fund can be submitted by it to the Registrar. You are advised to check with the Participating Dealer as to the relevant timing deadlines and the client acceptance procedures and requirements.

#### *Redemption Process*

A Participating Dealer may from time to time submit Redemption Applications in respect of a Sub-Fund to the Registrar, following receipt of redemption requests from clients or where it wishes to redeem Listed Class Units of the relevant Sub-Fund for its own account.

If a Redemption Application (a) is received on a day which is not a Dealing Day or (b) is received after the relevant Dealing Deadline on a Dealing Day, that Redemption Application shall be treated as having been received at the opening of business on the next following Dealing Day, which shall be the relevant Dealing Day for the purposes of that Redemption Application (or if the Dealing Deadline for a Sub-Fund is on the Business Day before a Dealing Day, the relevant Dealing Day for the purposes of that Redemption Application shall be the Dealing Day after the day the Redemption Application is treated as having been received), unless otherwise determined by the Manager in the case of (b). The current Dealing Deadline After Listing on the relevant Dealing Day is specified in the relevant Appendix, or such other time as the Manager in consultation with the Trustee may determine on any day when the trading hours of the SEHK are reduced.

To be effective, a Redemption Application must:

- (a) be given by a Participating Dealer in accordance with the Trust Deed, the relevant Participating Dealer Agreement and the relevant Operating Guidelines;
- (b) specify the number of Listed Class Units and the Listed Class (where applicable) which are the subject of the Redemption Application; and
- (c) include the certifications required in the Participating Dealer Agreement and Operating Guidelines (if any) in respect of redemptions of Listed Class Units, together with such certifications and opinions of counsel (if any) as each of the Trustee and the Manager may separately consider necessary to ensure compliance with applicable securities and other laws in relation to the redemption of Listed Class Units which are the subject of the Redemption Application.

The Manager shall have the right to reject, acting in good faith, any Redemption Application under exceptional circumstances, including without limitation the following circumstances:

- (a) any period during which (i) the creation or issue of Units of the relevant Listed Class, (ii) the redemption of Units of the relevant Listed Class, and/or (iii) the determination of Net Asset Value of the relevant Listed Class is suspended;
- (b) where in the opinion of the Manager, acceptance of the Redemption Application would have an adverse effect on either the relevant Sub-Fund or on a market on which (i) for an Index Tracking Sub-Fund, an Index Security and/or Index Futures Contract (as the case may be) or (ii) for an active Sub-Fund, a substantial part of the investments of the Sub-Fund, has its primary listing;

- (c) where there is in existence any trading restriction or limitation such as the occurrence of a market disruption event, suspected market misconduct or the suspension of dealing in relation to (i) for an Index Tracking Sub-Fund, any of the Index Securities and/or Index Futures Contracts (as the case may be); or (ii) for an active Sub-Fund, a substantial part of the investments of the Sub-Fund;
- (d) where acceptance of the Redemption Application would render the Manager in breach of any regulatory restriction or requirement, internal compliance or internal control restriction or requirement of the Manager necessary for compliance with applicable legal and regulatory requirements;
- (e) circumstances outside the control of the Manager make it for all practicable purposes impossible to process the Redemption Application; or
- (f) any period during which the business operations of the Manager, the Trustee or any delegate of the Manager or the Trustee in respect of a Redemption Application in the relevant Sub-Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God.

In the event of such rejection, the Manager shall notify the relevant Participating Dealer and the Trustee of its decision to reject such Redemption Application in accordance with the Operating Guidelines. Where for any reason there is a limit to the number of Listed Class Units that can be redeemed, priority will be given to Participating Dealers and the relevant Redemption Applications as set out in the Operating Guidelines.

The Manager's right to reject a Redemption Application is separate and in addition to a Participating Dealer's right to reject, acting in good faith, any redemption request received from a client under exceptional circumstances. Notwithstanding a Participating Dealer has accepted redemption requests from clients and in that connection submitted an effective Redemption Application, the Manager may exercise its rights to reject such Redemption Application in the circumstances described herein.

Where the Manager accepts a Redemption Application from a Participating Dealer, it shall (i) effect the redemption and cancellation of the relevant Listed Class Units; and (ii) require the Trustee to transfer to the Participating Dealer Securities and/or cash in accordance with the Operating Guidelines and the Trust Deed.

The Participating Dealer will then transfer the Securities and/or cash to the relevant client if the Redemption Application was submitted by the Participating Dealer for the account of its client.

#### *Redemption of Listed Class Units*

Any accepted Redemption Application will be effected on the Settlement Day provided that a Redemption Application duly signed by a Participating Dealer (to the satisfaction of the Manager and the Trustee) has been received and provided further that the Trustee shall have received (unless otherwise provided in the Operating Guidelines) the full amount of any amount payable by the Participating Dealer including the Transaction Fee and any other Duties and Charges have been either deducted or otherwise paid in full.

For valuation purposes only, Listed Class Units shall be deemed to have been redeemed and cancelled after the Valuation Point on the Dealing Day on which the Redemption Application was received or deemed received. The name of the Unitholder of such Listed Class Units shall be removed from the Register in respect of those Listed Class Units redeemed and cancelled on the relevant Settlement Day.

The Redemption Value of Listed Class Units tendered for redemption and cancellation shall be the Net Asset Value per Unit of the relevant Listed Class of the relevant Sub-Fund on the relevant Dealing Day rounded to the nearest 4 decimal places (0.00005 or above being rounded up, and less than 0.00005 being rounded down) or to such other rounding as determined by the Manager from time to time in consultation with the Trustee. The benefit of any rounding adjustments will be retained by the relevant Listed Class. For the purpose of valuation, the relevant Valuation Point shall be the Valuation Point for the Dealing Day on which the Redemption Application is treated as having been received.

The interval between the receipt of a properly documented Redemption Application and payment of redemption proceeds may not exceed one calendar month provided that there is no delay in submitting all duly completed redemption documentation and the determination of the Net Asset Value or dealing in Listed Class Units is not suspended.

The Manager may at its discretion extend the settlement period upon receipt of the extended settlement request by a Participating Dealer in respect of the Redemption Application on such terms and conditions (including as to the payment of any fees to the Manager or Extension Fee to the Trustee or their respective Connected Persons or otherwise) as the Manager may in its discretion determine, in accordance with the Operating Guidelines.

#### *Fees Relating to Redemption Applications*

The Service Agent, the Conversion Agent, the Registrar and/or the Trustee may charge a Transaction Fee in respect of Redemption Applications and may on any day vary the rate of the Transaction Fee they charge (but not as between different Participating Dealers in respect of the same Sub-Fund). The Transaction Fee shall be paid by or on behalf of the Participating Dealer submitting the Redemption Application(s) (and may be set off and deducted against any amount due to the Participating Dealer in respect of such Redemption Application(s)) for the benefit of the Trustee, the Registrar, the Conversion Agent and/or the Service Agent. Please refer to the section on **"FEES AND EXPENSES"** for further details.

In relation to cash redemption of Listed Class Units, notwithstanding the aforesaid regarding the redemption and cancellation of Listed Class Units based on Net Asset Value, the Manager may require the Participating Dealer to pay an additional sum as the Manager in its discretion considers appropriate for the Duties and Charges. The Participating Dealer may pass on to the relevant investor such additional sum.

The Trustee may deduct from the redemption proceeds such sum (if any) as the Manager may consider represents an appropriate provision for the Transaction Fee and/or other Duties and Charges.

#### **Cancellation of Redemption Applications**

A Redemption Application once given cannot be revoked or withdrawn without the consent of the Manager.

No Security shall be transferred and/or no cash amount shall be paid in respect of any Redemption Application unless Listed Class Units, which are the subject of the Redemption Application, have been delivered to the Trustee free and clear of any Encumbrance for redemption by such time on the Settlement Day or other dealing set forth in the Trust Deed and/or Operational Guidelines as the Trustee and the Manager shall for the time being prescribe for Redemption Applications generally.

In the event that Listed Class Units, which are the subject of a Redemption Application, are not delivered to the Trustee for redemption in accordance with the foregoing or are not free and clear of any Encumbrance (other than in certain circumstances contemplated in the Trust Deed such as when the Manager declares a suspension of redemptions of Listed Class Units):

- (a) the Trustee may charge the relevant Participating Dealer an application cancellation fee (see the section on **"FEES AND EXPENSES"** for further details);
- (b) the Manager may at its discretion require the Participating Dealer to pay to the Trustee, for the account of the relevant Sub-Fund, in respect of each Listed Class Unit so cancelled Cancellation Compensation, being the amount (if any) by which the Redemption Value of each such Listed Class Unit is less than the Issue Price which would have applied in relation to each such Listed Class Unit if the Participating Dealer had, on the actual date when the Manager is able to repurchase any replacement Securities made a Creation Application in accordance with the provisions of the Trust Deed plus such other amount as the Manager reasonably determines as representing any charges, expenses and losses incurred by the Sub-Fund as a result of such cancellation;
- (c) the Transaction Fee in respect of such Redemption Application shall remain due and payable (notwithstanding that the Redemption Application shall be deemed to never have been made) and once paid, shall be retained by and for the benefit of the Trustee, the Registrar and/or the Service Agent (see the section on **"FEES AND EXPENSES"** for further details); and
- (d) no previous valuations of the Trust Fund shall be re-opened or invalidated as a result of an unsuccessful Redemption Application.

## Deferred Redemption

In the event that redemption requests are received for the redemption of Units (both Listed Class of Units and Unlisted Class of Units) representing in aggregate more than 10% (or such higher percentage as the Manager may determine in respect of the Sub-Fund) of the total number of Units in a Sub-Fund then in issue, the Manager may direct the Trustee to reduce the requests rateably and pro rata amongst all Unitholders seeking to redeem Units on the relevant Dealing Day and carry out only sufficient redemptions which, in aggregate, amount to 10% (or such higher percentage as the Manager may determine in respect of a Sub-Fund) of the total number of Units of the relevant Sub-Fund. Units which are not redeemed but which would otherwise have been redeemed will be redeemed on the next Dealing Day (subject to further deferral if the deferred requests in respect of the relevant Sub-Fund themselves exceed 10% (or such higher percentage as the Manager may determine in respect of that Sub-Fund) of the total number of Units then in issue) in priority to any other Units in the relevant Sub-Fund for which redemption requests have been received. Units will be redeemed at the Redemption Value prevailing on the Dealing Day on which they are redeemed.

## Switching

Investors should note that switching between Unlisted Class Units and Listed Class Units, by a Participating Dealer or otherwise, is not available.

## Suspension of Creations and Redemptions

The Manager may at its discretion (after consultation with the Trustee and, in respect of redemptions, where practicable following consultation with the relevant Participating Dealers), suspend the creation or issue of Units of any Listed Class of a Sub-Fund, suspend the redemption of Units of any Listed Class of a Sub-Fund and/or (subject to all applicable legal or regulatory requirements where payment of redemption proceeds exceeds one calendar month) delay the payment of any monies and transfer of any Securities in respect of any Creation Application and/or Redemption Application in the following circumstances:

- (a) during any period when trading on the SEHK or any other Recognised Stock Exchange or Recognised Futures Exchange is restricted or suspended;
- (b) during any period when a market on which (i) for an Index Tracking Sub-Fund, an Index Security and/or Index Futures Contract (as the case may be) or (ii) for an active Sub-Fund, a substantial part of the investments of the Sub-Fund, has its primary listing, or the official clearing and settlement depositary (if any) of such market, is closed;
- (c) during any period when dealing on a market on which (i) for an Index Tracking Sub-Fund, an Index Security and/or Index Futures Contract (as the case may be) or (ii) for an active Sub-Fund, a substantial part of the investments of the Sub-Fund, has its primary listing is restricted or suspended;
- (d) during any period when, in the opinion of the Manager, settlement or clearing of Securities and/or Futures Contracts (as the case may be) in the official clearing and settlement depositary (if any) of such market is disrupted;
- (e) during the existence of any state of affairs as a result of which delivery or purchase of Securities and/or Futures Contracts, as the case may be, as appropriate or disposal of investments for the time being comprised in the relevant Sub-Fund cannot, in the opinion of the Manager, be effected normally or without prejudicing the interests of Unitholders of the relevant Sub-Fund;
- (f) in respect of an Index Tracking Sub-Fund only, during any period when the Index for the relevant Sub-Fund is not compiled or published;
- (g) during any breakdown in any of the means normally employed in determining the Net Asset Value of the relevant Sub-Fund or the Net Asset Value per Unit of the relevant Listed Class or when for any other reason the value of any Securities and/or Futures Contracts or other property for the time being comprised in the relevant Sub-Fund cannot, in the opinion of the Manager, reasonably, promptly and fairly be ascertained;
- (h) during any period when the determination of the Net Asset Value of the relevant Sub-Fund is

suspended or if any circumstance specified in the section on “Suspension of Determination of Net Asset Value” below arises; or

- (i) during any period when the business operations of the Manager, the Trustee or any delegate of the Manager or the Trustee in respect of the creation or redemption of Listed Class Units in the relevant Sub-Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God.

The Manager will, after giving notice to the Trustee, suspend the right to subscribe for Listed Class Units of the relevant Sub-Fund if, or if as a result of the investment of the proceeds of issue of such Listed Class Units in accordance with its investment objective, the Trust collectively holds or would hold in aggregate more than 10% of the ordinary shares issued by any single entity or such other percentage permitted in the section **“INVESTMENT OBJECTIVE, STRATEGY AND RESTRICTIONS, SECURITIES LENDING AND BORROWING”**. In addition, where all the Sub-Funds under the Trust hold in aggregate more than the limit of 10% of the ordinary shares issued by any single entity, the Manager will make it a priority objective to take all other necessary steps within a reasonable period to remedy such breach, taking into account the interests of the Unitholders and unitholders of other Sub-Funds concerned.

The Manager shall notify the SFC and publish a notice of suspension following the suspension, and at least once a month during the suspension, on the Trust's website at [www.gffunds.com.hk](http://www.gffunds.com.hk) (this website has not been reviewed by the SFC) or in such other publications as it decides.

The Manager shall consider any Redemption Application or any Creation Application received during the period of suspension (that has not been otherwise withdrawn) as having been received immediately following the termination of the suspension. The period for settlement of any redemption will be extended by a period equal to the length of the period of suspension.

A Participating Dealer may, at any time after a suspension has been declared and before termination of such suspension, withdraw any Creation Application or Redemption Application by notice in writing to the Manager and the Manager shall promptly notify and request the Trustee to return to the Participating Dealer any Securities and/or cash received by it in respect of the Creation Application (without interest) as soon as practicable.

A suspension shall remain in force until the earlier of (a) the Manager declaring the suspension is at an end; and (b) the first Dealing Day on which (i) the condition giving rise to the suspension shall have ceased to exist; and (ii) no other condition under which suspension is authorised exists.

### **Evidence of Unitholding**

Listed Class Units will be deposited, cleared and settled by the CCASS. Units are held in registered entry form only, which means that no Unit certificates are issued. HKSCC Nominees Limited is the registered owner (i.e. the sole holder of record) of all outstanding Listed Class Units deposited with the CCASS and is holding such Listed Class Units for the participants in accordance with the General Rules of HKSCC and HKSCC Operating Procedures. Furthermore, the Trustee and the Manager acknowledge that pursuant to the General Rules of HKSCC neither HKSCC Nominees Limited nor HKSCC has any proprietary interest in the Listed Class Units. Investors owning Listed Class Units in CCASS are beneficial owners as shown on the records of the participating brokers or the relevant Participating Dealer(s) or PD Agent(s) (as the case may be) who are participants of CCASS.

### **Restrictions on Unitholders of Listed Class Units**

The Manager has power to impose such restrictions as it may think necessary in accordance with the Trust Deed including for the purpose of ensuring that no Listed Class Units are acquired or held which would result in such holding being:

- (a) a breach of the law or requirements of any country or governmental authority or any stock exchange on which the Listed Class Units are listed in circumstances which, in the Manager's opinion, might result in the Trust or the Sub-Fund suffering any adverse effect which the Trust or the Sub-Fund might not otherwise have suffered; or

- (b) in the circumstances which, in the Manager's opinion, may result in the Trust or the Sub-Fund incurring any tax liability or suffering any other pecuniary disadvantage which the Trust or the Sub-Fund might not otherwise have incurred or suffered.

The foregoing would include acquisition or holding of Listed Class Units by any person or entity classified by the Manager as a "U.S. Person" due to such person or entity being subject to certain investment restrictions and/or restrictions relating to the direct or indirect holding of Listed Class Units as may be mandated under applicable U.S. laws and regulations (including any U.S. governmental orders or sanctions) which holding would result in any of the repercussions set out above or as provided in the Trust Deed.

The Manager may also restrict or prevent the ownership of Listed Class Units by any Unauthorised US Person being (i) a U.S. person within the meaning of Rule 902 of the United States Securities Act of 1933, (ii) a US resident within the meaning of the United States Investment Company Act of 1940 or (iii) any person that would not qualify as a Non-United States person within the meaning of United States Commodity Futures Trading Commission Rule 4.7(a)(1)(iv)) in accordance with the Trust Deed.

Upon notice that any Listed Class Units are so held, the Manager may require such Unitholders to redeem or transfer such Listed Class Units in accordance with the provisions of the Trust Deed. A person who becomes aware that he is holding or owning Listed Class Units in breach of any of the above restrictions is required either to redeem his Units in accordance with the Trust Deed or to transfer his Listed Class Units to a person whose holding would be permissible under this Prospectus and the Trust Deed in a manner that would result in such Unitholder no longer being in breach of the restrictions above.

#### **Transfer of Listed Class Units**

The Trust Deed provides that a Unitholder may transfer Units with the consent of the Manager subject to the provisions of the Trust Deed. As all Listed Class Units will be held in CCASS, an investor is entitled to transfer Listed Class Units held by him by using the standard transfer form issued by SEHK or by an instrument in writing in such other form (and if the transferor or the transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution) as the Trustee may from time to time approve. A transferor will be deemed to remain the Unitholder of the Units transferred until the name of the transferee is entered in the register of Unitholders in respect of the Units being transferred. Each instrument of transfer must relate to a single Sub-Fund only. If and to the extent that all Listed Class Units are deposited, cleared and settled in CCASS, HKSCC Nominees Limited will be the sole Unitholder, holding such Listed Class Units for the persons admitted by HKSCC as a participant of CCASS and to whose account any Listed Class Units are for the time being allocated in accordance with the General Rules of HKSCC and HKSCC Operating Procedures.

## EXCHANGE LISTING AND TRADING (SECONDARY MARKET) OF THE LISTED CLASS OF UNITS

### *General*

The purpose of the listing of the Listed Class Units on the SEHK is to enable investors to buy and sell Listed Class Units on the secondary market, normally via a broker or dealer in smaller quantities than would be possible if they were to subscribe and/or redeem Listed Class Units in the primary market.

The market price of a Listed Class Unit listed or traded on the SEHK may not reflect the Net Asset Value per Unit of the Listed Class. Any transactions in the Listed Class Units on the SEHK will be subject to the customary brokerage commissions and/or transfer taxes associated with the trading and settlement through the SEHK. There can be no guarantee that once the Listed Class Units are listed on the SEHK they will remain listed.

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 Listed Class Units of each Sub-Fund. Where a Multi-Counter arrangement has been adopted in respect of a Sub-Fund the Manager will use its best endeavours to put in place arrangements so that there is at least one Market Maker for each counter although these Market Makers may be the same entity. Broadly, the obligations of a Market Maker will include quoting bid and offer prices on the SEHK with the intention of providing liquidity. Given the nature of the Market Maker's role, the Manager may make available to a Market Maker, the portfolio composition information made available to a Participating Dealer.

Listed Class Units may be purchased from and sold through the Market Makers. However, there is no guarantee or assurance as to the price at which a market will be made. In maintaining a market for Listed Class Units, the Market Makers may make or lose money based on the differences between the prices at which they buy and sell Listed Class Units, which is to a certain extent dependent on the difference between the purchase and sale prices of the underlying Securities or Futures Contracts. Market Makers may retain any profits made by them for their own benefit and they are not liable to account to the relevant Sub-Fund in respect of their profits.

If you wish to buy or sell Listed Class Units on the secondary market, you should contact your brokers.

Application has been made to the Listing Committee of the SEHK for the listing of, and permission to deal in the Units of GF HKEX Tech & US Tech 100 Index ETF and GF MSCI Global Strategic Metals Select ETF. The Units of GF HKEX Tech & US Tech 100 Index ETF and GF MSCI Global Strategic Metals Select ETF have been accepted as eligible securities by HKSCC for deposit, clearing and settlement in CCASS.

Settlement of transactions between participants of the SEHK is required to take place in CCASS on the second CCASS Settlement Day after any trading day. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

If trading of the Listed Class Units on the SEHK is suspended or trading generally on the SEHK is suspended, then there will be no secondary market dealing for the Listed Class Units.

Listed Class Units are neither listed nor dealt on any other stock exchange and no application for such listing or permission to deal is being sought as at the date of this Prospectus. Application may be made in the future for a listing of Listed Class Units of any Sub-Fund on one or more other stock exchanges.

Participating Dealers should note that they will not be able to sell or otherwise deal in the Listed Class Units on the SEHK until dealings begin on the SEHK.

Please also refer to the sub-sections on "**General**" and "**Multi-Counter**" in the relevant Appendix of the Sub-Fund for additional disclosures on secondary market trading.

## **PROVISIONS RELATING TO THE OFFER, SUBSCRIPTION, SWITCHING AND REDEMPTION OF THE UNLISTED CLASS UNITS**

*This section contains disclosure relating to the Unlisted Class Units only. Unless the context otherwise requires, references to “Units” and “Unitholders” in this section shall be construed to refer to an Unlisted Class Units of a Sub-Fund or a Unitholder of such Unlisted Class Units and references to a “Sub-Fund” in this section shall be construed to a Sub-Fund which offers Unlisted Class Units. For information relating to the offering phases of the Listed Class Units, please refer to the section headed “PROVISIONS RELATING TO THE OFFER, CREATION, REDEMPTION, LISTING AND TRADING OF THE LISTED CLASS UNITS”.*

### **Subscription of Unlisted Class Units**

#### *Initial Offer*

Unlisted Class Units in a Sub-Fund will be offered for the first time at an initial Subscription Price during the Initial Offer Period of such Unlisted Class as specified in the relevant Appendix in Part 2 of this Prospectus.

#### *Minimum Subscription Level*

The offering of the Unlisted Class Units in a Sub-Fund may be conditional upon a minimum subscription level (if applicable) being received on or prior to the close of the Initial Offer Period.

In the event that the minimum subscription level of the Unlisted Class Units is not achieved or the Manager is of the opinion that it is not in the commercial interest of investors or not feasible, as a result of adverse market conditions or otherwise, to proceed with the relevant Unlisted Class Units, the Manager may in its discretion extend the Initial Offer Period or determine that the Unlisted Class Units will not be launched. In such event, the Unlisted Class Units shall be deemed not to have commenced.

Notwithstanding the aforesaid, the Manager reserves the discretion to proceed with the issue of the Unlisted Class Units even if the minimum subscription level has not been achieved.

#### *Subscription Price*

After the close of the Initial Offer Period, the Subscription Price per Unit for the Unlisted Class on a Dealing Day will be calculated by reference to the Net Asset Value per Unit of that Unlisted Class as at the Valuation Point on the Dealing Day (for further details please refer to the section headed “Determination of Net Asset Value”).

In calculating the Subscription Price of a Unit of an Unlisted Class, the Manager may, impose such amount (if any) as the Manager may estimate as appropriate to reflect any Duties and Charges which would be incurred for the account of the relevant Sub-Fund in investing an amount equal to that Net Asset Value per Unit of such Unlisted Class.

The Subscription Price shall be rounded to the nearest 4 decimal places. Any amount corresponding to such rounding will accrue to the relevant Unlisted Class.

#### *Minimum Initial Subscription Amount and Minimum Subsequent Subscription Amount*

Details of any minimum initial subscription amount and minimum subsequent subscription amount applicable to the Unlisted Class Units in a Sub-Fund are set out in the relevant Appendix in Part 2 of this Prospectus.

The Manager has the discretion to waive, change or accept an amount lower than the minimum initial subscription amount or minimum subsequent subscription amount from time to time, whether generally or in a particular case.

#### *Application Procedures*

Unless otherwise specified in the relevant Appendix, applications for subscription of Unlisted Class Units may

be made to the Trustee/Registrar by completing an application form ("**Application Form**") for account opening and a subscription form enclosed in the Application form or any other forms as the Trustee and Manager may agree for subscriptions ("**Form of Application for Subscriptions**"). Submission of the Application Form (in original) and the Form of Application for Subscriptions (in original, sending it by facsimile or through electronic means) shall be made to the Trustee/Registrar at the business address or facsimile number or with electronic mean identifier stated on the Application Form or may be given to a distributor appointed by the Manager for further aggregation before transmission to the Trustee/Registrar. Unless an application for subscription is otherwise rejected by the Manager, the Trustee/Registrar shall process such applications for subscriptions in accordance with the Application Form and Form of Application for Subscriptions. The Manager, the Trustee/Registrar and/or the distributor may request further supporting documents and/or information to be provided together with the Application Form and Form of Application for Subscriptions. The Application Form and Form of Application for Subscriptions are available from the Trustee/Registrar and/or a distributor appointed by the Manager.

Unless otherwise specified in the relevant Appendix, applications for Unlisted Class Units during the relevant Initial Offer Period must be received by the Trustee/Registrar no later than 4.00 p.m. (Hong Kong time) on the last day of the relevant Initial Offer Period (the "**IOP Deadline**"). In respect of Application Forms and Form of Application for Subscriptions which are received by the IOP Deadline and subscription moneys in cleared funds which are received on or before the Cleared Funds Deadline, Unlisted Class Units will be issued following the close of the Initial Offer Period. If Application Forms and Form of Application for Subscriptions are received after the IOP Deadline and/or application monies in cleared funds are received after the Cleared Funds Deadline, the relevant applications shall be carried forward to the next Dealing Day and shall be dealt with at the Subscription Price at such Dealing Day, unless otherwise determined by the Manager.

Following the close of the Initial Offer Period, an Application Form and Form of Application for Subscriptions which are received by the Trustee/Registrar by the Dealing Deadline and subscription moneys in cleared funds which are received by the Trustee/Registrar by the Cleared Funds Deadline of a Dealing Day will be dealt with on that Dealing Day. If an application for Unlisted Class Units is received after the Dealing Deadline in respect of a Dealing Day or subscription moneys in cleared funds are not received by the Cleared Funds Deadline in respect of a Dealing Day, then the application will be held over until the next Dealing Day, unless otherwise determined by the Manager.

Save where there is a suspension of the determination of the Net Asset Value of the relevant Sub-Fund or relevant Unlisted Class and/or the subscription of Units of the relevant Sub-Fund or the relevant Unlisted Class, a request for subscription once given cannot be revoked after the IOP Deadline or the Dealing Deadline of the relevant Dealing Day without the consent of the Manager. For the avoidance of doubts, a request for subscription can be revoked before the IOP Deadline or the Dealing Deadline of the relevant Dealing Day without the consent of the Manager.

#### *Authorised Distributors*

The Manager may appoint one or more distributor(s) to market, promote, sell and/or distribute Unlisted Class Units in one or more Sub-Fund(s), and to receive applications for subscription, redemption and/or switching of Unlisted Class Units.

Where application for Unlisted Class Units is made through a distributor, Unlisted Class Units may be registered in the name of a nominee company of the distributor through whom the applicant applies for the Unlisted Class Units. As a result of this arrangement, the applicant will be dependent on the person in whose name the applicant's Unlisted Class Units are registered to take action on his/her behalf. As the authorised distributor (or its nominee) is the Unitholder of the Unlisted Class Units of the relevant Sub-Fund, the Manager and the Trustee shall not be responsible for any arrangements between the relevant applicant and the authorised distributor regarding the subscription, holding and redemption of such Unlisted Class Units and any related matters, as well as any costs or losses that may arise therefrom. The Manager will however, exercise reasonable care in the selection and appointment of the authorised distributor(s), in accordance with the *Overarching Principles* of the *SFC Handbook for Unit Trusts and Mutual Funds, Investment-Linked Assurance Schemes and Unlisted Structured Investment Product*.

Investors who apply for subscription, redemption and/or switching of Unlisted Class Units through distributor(s) should note that such distributor(s) may impose earlier dealing deadlines for receiving instructions for subscriptions, redemptions or switching. Investors should pay attention to the arrangements of the

distributor(s) concerned.

The Manager may pay or share any of the fees received by it (including any Subscription Fee, Redemption Fee, Switching Fee and management fees) with such distributors. For the avoidance of doubt, any fees, costs and expenses payable to the distributor(s) arising out of any advertisement or promotional activities in connection with the Trust or the Sub-Fund(s) will not be paid from the assets of the Trust or the Sub-Fund(s).

#### *Payment Procedures*

Payment for Unlisted Class Units subscribed for cash during the Initial Offer Period and the Subscription Fee (if any) is due in cleared funds by the Cleared Funds Deadline. Following the close of the Initial Offer Period, payment for Unlisted Class Units and the Subscription Charge (if any) is due in cleared funds by the Cleared Funds Deadline in respect of the relevant Dealing Day.

If payment in full in cleared funds has not been received by the Cleared Funds Deadline (or such other period as the Manager in consultation with the Trustee may determine and disclose to the applicants), the Manager has the absolute discretion to reject such application and no Units of the relevant Unlisted Class will be issued. Following the close of the Initial Offer Period, if payment in full in cleared funds has not been received by the Cleared Funds Deadline in respect of the relevant Dealing Day, then the subscription will be held over until the next Dealing Day if payment in full in cleared funds have been received in relation to the relevant Unlisted Class Units by such Dealing Day.

If payment in full in cleared funds have not been received by the Dealing Day immediately after the Dealing Day on which payment for the relevant Unlisted Class Units is due, the Manager has (without prejudice to any claim in respect of the failure of the applicant to make payment when due on such next Dealing Day) the absolute discretion to reject such application and no Unlisted Class Units in respect of such application will be issued.

Payments for Unlisted Class Units should be made in the class currency of the relevant Unlisted Class Units.

All payments should be made by telegraphic transfer (or other manner as may be agreed by the Manager). Any costs of transfer of subscription moneys to the Unlisted Class Units of a Sub-Fund will be payable by the applicant.

All application moneys must originate from an account held in the name of the applicant. No third party payments shall be accepted. The applicant should provide sufficient evidence as to the source of payment as the Manager and the Trustee may from time to time require.

**No money should be paid to an intermediary in Hong Kong who is not licensed or registered to carry on Type 1 Regulated Activity (dealing in securities) under Part V of the Securities and Futures Ordinance.**

#### *General*

The Manager has an absolute discretion to accept or reject in whole or in part any application for Unlisted Class Units.

If an application is rejected (either in whole or in part) or the Manager determines that the relevant Unlisted Class Units will not be launched, subscription moneys (or the balance thereof) will be returned as soon as practicable from the relevant Dealing Day or close of the relevant Initial Offer Period (as the case may be) without interest and after deducting any of out-of-pocket fees and charges incurred by the Manager and the Trustee/Registrar by telegraphic transfer to the bank account from which the moneys originated at the risk and expense of the applicant or in such other manner as the Manager and the Trustee may from time to time determine. Save for any liability imposed under the laws of Hong Kong or for breach of trust through fraud or negligence of the Trustee or the Manager, none of the Manager, the Trustee or their respective delegates or agents will be liable to the applicant for any loss the applicant suffers as a result of the rejection or delay of any application.

Unlisted Class Units issued by the Trust will be held for investors in registered form. Certificates will not be

issued. A contract note will be issued upon acceptance of an applicant's application and the receipt of cleared funds and will be forwarded to the applicant (at the risk of the person entitled thereto). In case of any error in a contract note, applicants should contact the relevant intermediaries or the relevant distributor promptly for rectification.

Fractions of an Unlisted Class Unit (rounded down to the nearest 4 decimal places) may be issued. Any amount corresponding to such rounding will accrue to the relevant Unlisted Class.

#### *Restrictions on Issue*

No Unlisted Class Units in a Sub-Fund will be issued where the determination of the Net Asset Value of that Sub-Fund or that Unlisted Class Units and/or the allotment or issuance of that Unlisted Class Units is suspended (for further details please refer to the section headed "Suspension of Determination of Net Asset Value") or when the Manager determines, with prior notification to the Trustee, that subscriptions for such Sub-Fund or Unlisted Class Units are closed.

### **Redemption of Unlisted Class Units**

#### *Redemption of Unlisted Class Units*

Subject to the restrictions (if any) as specified in the relevant Appendix in Part 2 of this Prospectus, any Unitholder may redeem his/her Unlisted Class Units on any Dealing Day in whole or in part. Save where there is a suspension of the determination of the Net Asset Value of the relevant Sub-Fund or relevant Unlisted Class and/or the redemption of Units of the relevant Sub-Fund or the relevant Unlisted Class, a redemption request once given cannot be revoked after the Dealing Deadline of the relevant Dealing Day without the consent of the Manager.

#### *Redemption Value*

Unlisted Class Units redeemed on a Dealing Day will be redeemed at the Redemption Value calculated by reference to the Net Asset Value per Unit of the relevant Unlisted Class as at the Valuation Point on the Dealing Day (For further details, please refer to the section headed "Determination of Net Asset Value").

In calculating the Redemption Value, the Manager may, deduct such amount (if any) as the Manager may estimate as appropriate to reflect any Duties and Charges which would be incurred for the account of the relevant Sub-Fund in realising assets or closing out positions to provide funds to meet any redemption request.

The Redemption Value shall be rounded to the nearest 4 decimal places. Any amount corresponding to such rounding will accrue to the relevant Unlisted Class.

**If at any time during the period from the time as at which the Redemption Value is calculated and the time at which redemption proceeds are converted out of any other currency into the class currency of the relevant Unlisted Class there is an officially announced devaluation or depreciation of that currency, the amount payable to any relevant redeeming Unitholder may be reduced as the Manager considers appropriate to take account of the effect of that devaluation or depreciation.**

#### *Minimum Redemption Amount and Minimum Holding Amount*

Details of any minimum redemption amount and minimum holding amount applicable to an Unlisted Class in a Sub-Fund are set out in the relevant Appendix.

If a redemption request will result in a Unitholder holding Units of an Unlisted Class less than the minimum holding amount for that Unlisted Class, the Manager may deem such request to have been made in respect of all Units of the relevant Unlisted Class held by that Unitholder.

The Manager has the discretion to waive, change or accept an amount lower than the relevant minimum redemption amount or minimum holding amount from time to time, whether generally or in a particular case.

#### *Redemption Procedures*

Applications for redemption of Unlisted Class Units may be made to the Trustee/Registrar or a distributor appointed by the Manager by completing a redemption form or any other forms as the Trustee and Manager may agree for redemptions ("**Form of Redemption Request**") and submitting (in original, sending it by facsimile or through electronic means) to the Trustee/Registrar at the business address or facsimile number or with electronic mean identifier stated on the Form of Redemption Request or may be given to the distributor for further aggregation before transmission to the Trustee/Registrar. Unless an application for redemption is otherwise rejected by the Manager, the Trustee/Registrar shall process such applications for redemption in accordance with the Form of Redemption Request. The Form of Redemption Request is available from the Trustee/Registrar and/or a distributor appointed by the Manager.

A Form of Redemption Request received by the Trustee/Registrar by the Dealing Deadline of a Dealing Day will be dealt with on that Dealing Day. If an application for redemption of Unlisted Class Units is received after the Dealing Deadline in respect of a Dealing Day then the application for redemption will be held over until the next Dealing Day, unless otherwise determined by the Manager.

A request for redemption can be revoked before the Dealing Deadline of the relevant Dealing Day without the consent of the Manager. A request for redemption once given cannot be revoked after the Dealing Deadline of the relevant Dealing Day without the consent of the Manager.

#### *Payment of Redemption Proceeds*

Redemption proceeds will normally be paid by telegraphic transfer in the class currency of the relevant Unlisted Class to the pre-designated bank account of the Unitholder (at the risk and expense of the Unitholder). No third party payments will be permitted. Any bank charges associated with the payment of such redemption proceeds will be borne by the redeeming Unitholder.

Unless otherwise specified in the relevant Appendix relating to a Sub-Fund and subject to the approval of the Manager, and to applicable limits on foreign exchange, redemption proceeds can be paid in a currency other than the relevant class currency. Redemption proceeds may be paid in a currency other than the relevant class currency if so requested by the relevant redeeming Unitholders and agreed by the Manager. In addition, the Manager may after consultation with the Trustee but, without the consent of the relevant redeeming Unitholders, pay redemption proceeds in a currency other than the relevant class currency if due to any foreign exchange control or restriction or regulatory requirement or policy, the relevant class currency is not available or not sufficient for payment of the redemption proceeds.

Redemption proceeds will be paid as soon as practicable but in any event not exceeding one calendar month after the later of (i) the relevant Dealing Day and (ii) the day on which the Trustee/Registrar receives the duly completed Form of Redemption Request and such other documents and information as the Trustee/Registrar and/or the Manager may require, unless the market(s) in which a substantial portion of investments is made is subject to legal or regulatory requirements (such as foreign currency controls) thus rendering the payment of the redemption money within the aforesaid time period not practicable. In such case, payment of redemption proceeds may be deferred, but the extended time frame for payment should reflect the additional time needed in light of the specific circumstances in the relevant market(s).

The Manager shall have the right to reject, acting in good faith, any redemption request under exceptional circumstances, including without limitation the following circumstances:

- (a) any period during which (i) the issue of Units of the relevant Unlisted Class, (ii) the redemption of Units of the relevant Unlisted Class, and/or (iii) the determination of Net Asset Value of the relevant Unlisted Class is suspended;
- (b) where in the opinion of the Manager, acceptance of the redemption request would have an adverse effect on the relevant Sub-Fund or on a market on which (i) for an Index Tracking Sub-Fund, an Index Security and/or Index Futures Contract (as the case may be) or (ii) for an active Sub-Fund, a substantial part of the investments of the Sub-Fund, has its primary listing;
- (c) where there is in existence any trading restriction or limitation such as the occurrence of a market disruption event, suspected market misconduct or the suspension of dealing in relation to (i) for an Index Tracking Sub-Fund, any of the Index Securities and/or Index Futures Contracts (as the case

may be); or (ii) for an active Sub-Fund, a substantial part of the investments of the Sub-Fund;

- (d) where acceptance of the redemption request would render the Manager in breach of any regulatory restriction or requirement, internal compliance or internal control restriction or requirement of the Manager necessary for compliance with applicable legal and regulatory requirements;
- (e) circumstances outside the control of the Manager make it for all practicable purposes impossible to process the redemption request; or
- (f) any period during which the business operations of the Manager, the Trustee or any delegate of the Manager or the Trustee in relation to the redemption of Unlisted Class Units in the relevant Sub-Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God.

In the event of such rejection, the Manager shall notify the Trustee of its decision to reject such redemption request.

#### *Restrictions on Redemption*

No Unlisted Class Units in a Sub-Fund may be redeemed where the determination of the Net Asset Value of that Sub-Fund or Unlisted Class and/or the redemption of Units of that Sub-Fund or Unlisted Class is suspended (For further details please refer to the section headed "Suspension of Determination of Net Asset Value").

In the event that redemption requests are received for the redemption of Units (both Listed Class Units and Unlisted Class Units) representing in aggregate more than 10% (or such higher percentage as the Manager may determine in respect of the Sub-Fund) of the total number of Units in a Sub-Fund then in issue, the Manager may direct the Trustee to reduce the requests rateably and pro rata amongst all Unitholders seeking to redeem Units on the relevant Dealing Day and carry out only sufficient redemptions which, in aggregate, amount to 10% (or such higher percentage as the Manager may determine in respect of a Sub-Fund) of the total number of Units in the relevant Sub-Fund then in issue. Units which are not redeemed but which would otherwise have been redeemed will be redeemed on the next Dealing Day (subject to further deferral if the deferred requests in respect of the relevant Sub-Fund themselves exceed 10% (or such higher percentage as the Manager may determine in respect of that Sub-Fund) of the total number of Units in the relevant Sub-Fund then in issue) in priority to any other Units in the relevant Sub-Fund for which redemption requests have been received. Unlisted Class Units will be redeemed at the Redemption Value prevailing on the Dealing Day on which they are redeemed.

#### *Restrictions on Unitholders of Unlisted Class Units*

The Manager has power to impose such restrictions as it may think necessary in accordance with the Trust Deed including for the purpose of ensuring that no Unlisted Class Units are acquired or held which would result in such holding being:

- (a) a breach of the law or requirements of any country or governmental authority in circumstances which, in the Manager's opinion, might result in the Trust or the Sub-Fund suffering any adverse effect which the Trust or the Sub-Fund might not otherwise have suffered; or
- (b) in the circumstances which, in the Manager's opinion, may result in the Trust or the Sub-Fund incurring any tax liability or suffering any other pecuniary disadvantage which the Trust or the Sub-Fund might not otherwise have incurred or suffered.

The foregoing would include acquisition or holding of Unlisted Class Units by any "person or entity classified by the Manager as a "U.S. Person" due to such person or entity being subject to certain investment restrictions and/or restrictions relating to the direct or indirect holding of Unlisted Class Units as may be mandated under applicable U.S. laws and regulations (including any U.S. governmental orders or sanctions) which holding would result in any of the repercussions set out above or as provided in the Trust Deed.

The Manager may also restrict or prevent the ownership of Unlisted Class Units by any Unauthorised US Person being (i) a U.S. person within the meaning of Rule 902 of the United States Securities Act of 1933, (ii) a US resident within the meaning of the United States Investment Company Act of 1940 or (iii) any person that would not qualify as a Non-United States person within the meaning of United States Commodity Futures Trading Commission Rule 4.7(a)(1)(iv)) in accordance with the Trust Deed.

Upon notice that any Unlisted Class Units are so held, the Manager may require such Unitholders to redeem or transfer such Unlisted Class Units in accordance with the provisions of the Trust Deed. A person who becomes aware that he is holding or owning Unlisted Class Units in breach of any of the above restrictions is required either to redeem his Unlisted Class Units in accordance with the Trust Deed or to transfer his Unlisted Class Units to a person whose holding would be permissible under this Prospectus and the Trust Deed in a manner that would result in such Unitholder no longer being in breach of the restrictions above.

### **Transfer of Unlisted Class Units**

The Trust Deed provides that a Unitholder may transfer Unlisted Class Units with the consent of the Manager subject to the provisions of the Trust Deed. An investor is entitled to transfer such Units held by him by an instrument in writing in such form as the Trustee may from time to time approve. A transferor will be deemed to remain the Unitholder of the Unlisted Class Units transferred until the name of the transferee is entered in the register of Unitholders in respect of the Unlisted Class Units being transferred. Each instrument of transfer must relate to a single Sub-Fund only.

### **Switching of Unlisted Class Units**

Unless otherwise specified in the relevant Appendix, Unitholders shall be entitled (subject to such limitations as the Manager may impose after consulting with the Trustee) to switch all or part of their Units in an Unlisted Class in a Sub-Fund (the “**Existing Class**”) into Units of any other Unlisted Class in the same Sub-Fund or into Units of an Unlisted Class of another Sub-Fund (the “**New Class**”) available for subscription or switching provided that no Unlisted Class Units may be switched if to do so would result in a holding of less than the minimum holding of Units of the Existing Class or the New Class.

A request for switching will not be effected if as a result the relevant Unitholder would hold less than the minimum holding amount of the Existing Class or the New Class, or is prohibited from holding Units of the New Class.

In addition, specific limitations or restrictions may apply when a Unitholder intends to convert his Units in an Unlisted Class into Units of another Unlisted Class in same Sub-Fund or another Sub-Fund. The relevant limitations or restrictions (if any) will be set out in the Appendix for the relevant Sub-Fund.

#### *Switching Procedures*

Applications for switching of Unlisted Class Units may be made to the Trustee/Registrar by completing the switching form (the “**Switching Form**”) and submitting the original or sending it by facsimile to the Trustee/Registrar at the business address or facsimile number on the Switching Form or may be given to a distributor appointed by the Manager for further aggregation before transmission to the Trustee/Registrar. The Switching Form is available from the Trustee/Registrar and/or a distributor appointed by the Manager.

Switching Forms which are received by the Trustee/Registrar by the Dealing Deadline applicable to the Existing Class or such later time as the Manager may think fit on a Dealing Day (but prior to the Valuation Point relating to the relevant Dealing Day) in relation to such Existing Class will be dealt with on that Dealing Day and Switching Forms received after such time will be dealt with on the following Dealing Day in relation to such Existing Class. Switching Forms may not be withdrawn without the consent of the Manager.

Depending on the Valuation Point of the relevant Sub-Fund or Unlisted Class and the time required to remit the switched funds, the day on which investments are switched into the New Class may be later than the day on which investments in the Existing Class are switched out or the day on which the instruction to switch is given.

#### *Restrictions on Switching of Unlisted Class Units*

Unlisted Class Units shall not be switched during any period when the determination of the Net Asset Value of any relevant Sub-Fund is suspended for further details please refer to the section headed "Suspension of Determination of Net Asset Value") or when the Manager determines, with prior notification to the Trustee, that subscriptions for Units of the New Class are closed.

#### *Switching between Unlisted Class and Listed Class Units*

Investors should note that switching between Unlisted Class Units and Listed Class Units on the secondary market is not available.

#### **Suspension of the Subscription, Switching and Redemption of Unlisted Class Units**

The Manager may at its discretion (after consultation with the Trustee), suspend the subscription, switching and/or redemption of Units of any Unlisted Class of any Sub-Fund, and/or (subject to all applicable legal or regulatory requirements where payment of redemption proceeds exceeds one calendar month) delay the payment of any monies and transfer of any Securities to persons who have redeemed Unlisted Class Units of any Sub-Fund in the following circumstances:

- (a) during any period when trading on the SEHK or any other Recognised Stock Exchange or Recognised Futures Exchange is restricted or suspended;
- (b) during any period when a market on which (i) for an Index Tracking Sub-Fund, an Index Security and/or Index Futures Contract (as the case may be) or (ii) for an active Sub-Fund, a substantial part of the investments of the Sub-Fund, has its primary listing, or the official clearing and settlement depositary (if any) of such market, is closed;
- (c) during any period when dealing on a market on which (i) for an Index Tracking Sub-Fund, an Index Security and/or Index Futures Contract (as the case may be) or (ii) for an active Sub-Fund, a substantial part of the investments of the Sub-Fund, has its primary listing is restricted or suspended;
- (d) during any period when, in the opinion of the Manager, settlement or clearing of Securities and/or Futures Contracts (as the case may be) in the official clearing and settlement depositary (if any) of such market is disrupted;
- (e) during the existence of any state of affairs as a result of which delivery or purchase of Securities and/or Futures Contracts, as the case may be, as appropriate or disposal of investments for the time being comprised in the relevant Sub-Fund cannot, in the opinion of the Manager, be effected normally or without prejudicing the interests of Unitholders of the relevant Sub-Fund;
- (f) in respect of an Index Tracking Sub-Fund only, during any period when the Index for the relevant Sub-Fund is not compiled or published;
- (g) during any breakdown in any of the means normally employed in determining the Net Asset Value of the relevant Sub-Fund or the Net Asset Value per Unit of the relevant Unlisted Class or when for any other reason the value of any Securities and/or Futures Contracts or other property for the time being comprised in the relevant Sub-Fund cannot, in the opinion of the Manager, reasonably, promptly and fairly be ascertained;
- (h) during any period when the determination of the Net Asset Value of the relevant Sub-Fund is suspended or if any circumstance specified in the section headed "**Suspension of Determination of Net Asset Value**" arises; or
- (i) during any period when the business operations of the Manager or the Trustee or any delegate of the Manager or the Trustee in respect of the subscription, switching or redemption of Unlisted Class Units in the relevant Sub-Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God.

The Manager will, after consultation with the Trustee, suspend the right to subscribe/redeem/switch for Unlisted Class Units of the relevant Sub-Fund if, or if as a result of the investment of the proceeds of issue of such Unlisted Class Units in accordance with its investment objective, the Trust collectively holds or

would hold in aggregate more than 10% of the ordinary shares issued by any single entity or such other percentage permitted in the section **"INVESTMENT OBJECTIVE, STRATEGY AND RESTRICTIONS, SECURITIES LENDING AND BORROWING"**. In addition, where all the Sub-Funds under the Trust hold in aggregate more than the limit of 10% of the ordinary shares issued by any single entity, the Manager will make it a priority objective to take all other necessary steps within a reasonable period to remedy such breach, taking into account the interests of the Unitholders and unitholders of other Sub-Funds concerned.

The Manager shall notify the SFC and publish a notice of suspension following the suspension, and at least once a month during the suspension, on the Trust's website at [www.gffunds.com.hk](http://www.gffunds.com.hk) (this website has not been reviewed by the SFC) or in such other publications as it decides.

The Manager shall consider any subscription, switch or redemption application received during the period of suspension (that has not been otherwise withdrawn) as having been received immediately following the termination of the suspension. The period for settlement of any redemption will be extended by a period equal to the length of the period of suspension.

A suspension shall remain in force until the earlier of (a) the Manager declaring the suspension is at an end; and (b) the first Dealing Day on which (i) the condition giving rise to the suspension shall have ceased to exist; and (ii) no other condition under which suspension is authorised exists.

## DETERMINATION OF NET ASSET VALUE

### Calculation of Net Asset Value

The Net Asset Value of each Sub-Fund will be determined by the Administrator appointed by the Manager in the base currency of the relevant Sub-Fund as at each Valuation Point applicable to the relevant Sub-Fund by valuing the assets of the relevant Sub-Fund and deducting the liabilities of the relevant Sub-Fund, in accordance with the terms of the Trust Deed.

Set out below is a summary of how various property held by the relevant Sub-Fund are valued:

- (a) Securities that are quoted, listed, traded or dealt in on any Market shall unless the Manager (in consultation with the Trustee) determines that some other method is more appropriate, be valued by reference to the official closing price or, if unavailable, the last traded price on the Market as the Manager may consider in the circumstances to provide fair criterion, provided that (i) if a Security is quoted or listed on more than one Market, the Manager shall adopt the price quoted on the Market which in its opinion provides the principal market for such Security; (ii) if prices on that Market are not available at the relevant time, the value of the Securities shall be certified by such firm or institution making a market in such investment as may be appointed for such purpose by the Manager after consultation with the Trustee; (iii) interest accrued on any interest-bearing Securities shall be taken into account, unless such interest is included in the quoted or listed price; and (iv) the Manager and the Trustee shall be entitled to use and rely on electronic price feeds from such source or sources as they may from time to time determine, notwithstanding that the prices so used are not the last traded prices as the case may be;
- (b) the value of each interest in any unlisted mutual fund corporation or unit trust shall be the latest available net asset value per share or unit in such mutual fund corporation or unit trust or if not available or appropriate, the latest available bid or offer price for such unit, share or other interest;
- (c) the value of any Futures Contract shall be the official closing price of such Futures Contract; or if such price is not available, then, (i) the latest available price of such Futures Contract or (ii) (if bid and offered quotations are made) the latest available middle market quotation of such Futures Contract, in each case on the date as at which the valuation is to be made on the Market in which the Futures Contract was entered into on behalf of the Trust; or if no such prices are available, a price as quoted by the broker or calculation agent of the relevant Futures Contract to the Trustee or its delegates or the Manager; or as otherwise valued as described in the Trust Deed;
- (d) except as provided for in paragraph (b), the value of any investment which is not listed, quoted or ordinarily dealt in on a Market shall be the initial value thereof equal to the amount expended on behalf of the relevant Sub-Fund in the acquisition of such investment (including, in each case the amount of stamp duties, commissions and other acquisition expenses) provided that the Manager may at any time in consultation with the Trustee and shall at such times or at such intervals as the Trustee shall request cause a revaluation to be made by a professional person approved by the Trustee as qualified to value such investments (which may, if the Trustee agrees, be the Manager);
- (e) cash, deposits and similar investments shall be valued at their face value (together with accrued interest) unless, in the opinion of the Manager after consultation with the Trustee, any adjustment should be made to reflect the value thereof; and
- (f) notwithstanding the foregoing, the Manager may in consultation with the Trustee adjust the value of any investment if, having regard to relevant circumstances, the Manager considers that such adjustment is required to fairly reflect the value of the investment.

Currency conversion will be performed at such rates as determined by the Manager (after consultation with the Trustee where the Manager considers appropriate) from time to time.

The above is a summary of the key provisions of the Trust Deed with regard to how the various assets of the relevant Sub-Fund are valued.

## **Suspension of Determination of Net Asset Value**

The Manager may, after consultation with the Trustee, declare a suspension of the determination of the Net Asset Value of the relevant Sub-Fund for the whole or any part of any period during which:

- (a) there exists any state of affairs prohibiting the normal disposal and/or purchase of the investments of the relevant Sub-Fund;
- (b) circumstances exist as a result of which, in the opinion of the Manager, it is not reasonably practicable to realise a substantial part of any Securities and/or Futures Contracts held or contracted for the account of the Sub-Fund or it is not possible to do so without seriously prejudicing the interest of Unitholders of the relevant Sub-Fund;
- (c) for any other reason the prices of investments of the relevant Sub-Fund cannot, in the opinion of the Manager, reasonably, promptly and fairly be ascertained;
- (d) there is any breakdown in any of the means normally employed in determining the Net Asset Value of the relevant Sub-Fund or the Net Asset Value per Unit of the relevant class or when for any other reason the value of any Securities and/or Futures Contracts or other property for the time being comprised in the relevant Sub-Fund cannot, in the opinion of the Manager, reasonably, promptly and fairly be ascertained;
- (e) the remittance or repatriation of funds which will or may be involved in the realisation of, or in the payment for, a substantial part of the Securities or Futures Contracts or other property of the relevant Sub-Fund or the subscription or redemption of Units of the relevant class is delayed or cannot, in the opinion of the Manager, be carried out promptly or at normal rates of exchange; or
- (f) the business operations of the Manager, the Trustee or any delegate of the Trustee or the Manager in relation to the determination of the Net Asset Value of the relevant Sub-Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God.

Any suspension shall take effect upon its declaration and thereafter there shall be no determination of the Net Asset Value of the relevant Sub-Fund and the Manager shall be under no obligation to rebalance the relevant Sub-Fund until the suspension is terminated on the earlier of (i) the Manager declaring the suspension is at an end; and (ii) the first Dealing Day on which (1) the condition giving rise to the suspension shall have ceased to exist; and (2) no other condition under which suspension is authorised exists.

The Manager shall notify the SFC and publish a notice of suspension following the suspension, and at least once a month during the suspension, on the Trust's website at <http://www.gffunds.com.hk/en/> (this website has not been reviewed by the SFC) or in such other publications as the Manager decides.

No Units of a Sub-Fund will be created, issued, switched or redeemed during any period of suspension of the determination of the Net Asset Value of the relevant Sub-Fund.

In respect of Listed Class Units, a Participating Dealer may at any time after a suspension has been declared and before termination of such suspension withdraw an Application submitted prior to such suspension by notice in writing to the Registrar. If the Registrar has not received any such notification of withdrawal of such Application before termination of such suspension, the Trustee shall, subject to and in accordance with the provisions of the Trust Deed, create and issue Listed Class Units or redeem Listed Class Units in respect of such Application and such Application shall be deemed to be received immediately following the termination of such suspension.

In respect of Unlisted Class Units, an applicant may at any time after a suspension has been declared and before termination of such suspension withdraw any subscription, switching, redemption or transfer application submitted prior to such suspension by notice in writing to the Registrar. If the Registrar has not received any such notification of withdrawal of such subscription, switching, redemption or transfer application before termination of the suspension, the Trustee shall, subject to and in accordance with the provisions of the Trust Deed, issue, switch, redeem or transfer such Unlisted Class Units in respect of such application and such application shall be deemed to be received immediately following the termination of such

suspension.

### **Issue Price and Redemption Value**

The Issue Price of a Listed Class Unit which is the subject of a Creation Application and the initial Subscription Price of an Unlisted Class Unit during the Initial Offer Period of a Sub-Fund will be a fixed amount per Unit as from time to time determined by the Manager, or (for Listed Class Units of Index Tracking Sub-Funds only) a percentage of the closing level of the relevant Index (expressed in the base currency of the relevant Sub-Fund) as at the last day of the Initial Offer Period, rounded to the nearest 4 decimal places (0.00005 or above being rounded up, and less than 0.00005 being rounded down), or such other rounding as determined by the Manager with the approval of the Trustee. The Issue Price of a Listed Class Unit and the initial Subscription Price of an Unlisted Class Unit during the Initial Offer Period of each Sub-Fund will be set out in the relevant Appendix.

After the expiry of the Initial Offer Period, the Issue Price of a Listed Class Unit created and issued by a Creation Application and the Subscription Price of an Unlisted Class Unit will be, subject to any applicable charges disclosed in the section headed "Provisions Relating To The Offer, Creation, Redemption, Listing and Trading of the Listed Class Units" and/or adjustments set out in the section headed "Provisions relating to the Offer, Subscription, Switching and Redemption of the Unlisted Class Units", the prevailing Net Asset Value of the relevant Sub-Fund attributable to the relevant Listed Class or Unlisted Class (as the case may be) as at the relevant Valuation Point divided by the total number of Units of the Listed Class or the Unlisted Class (as the case may be) in issue rounded to the nearest 4 decimal places (0.00005 or above being rounded up, and less than 0.00005 being rounded down).

The Redemption Value of a Listed Class Unit and an Unlisted Class Unit on a Dealing Day shall be, subject to any applicable charges disclosed in the section headed "Provisions Relating To The Offer, Creation, Redemption, Listing and Trading of the Listed Class Units" and/or adjustments set out in the section headed "Provisions relating to the Offer, Subscription, Switching and Redemption of the Unlisted Class Units", the prevailing Net Asset Value of the relevant Sub-Fund attributable to the relevant Listed Class or Unlisted Class (as the case may be) as at the relevant Valuation Point divided by the total number of Units of the Listed Class or the Unlisted Class (as the case may be) in issue rounded to the nearest 4 decimal places (0.00005 or above being rounded up, and less than 0.00005 being rounded down).

The benefit of any rounding adjustments will be retained by the relevant Sub-Fund.

The latest Net Asset Value of the Units will be available on the Trust's website at <http://www.gffunds.com.hk/en/> (this website has not been reviewed by the SFC) or published in such other publications as the Manager decides.

In respect of Listed Class Units in a Sub-Fund, neither the Issue Price nor the Redemption Value takes into account Duties and Charges, Transaction Fees or fees payable by a Participating Dealer.

## FEES AND EXPENSES

*There are different levels of fees and expenses applicable to investing in a Sub-Fund as set out below, current as at this date of this Prospectus.*

### Fees and Expenses applicable to the Listed Class in a Sub-Fund only

| <b>Fees and expenses payable by Participating Dealers on creations and redemptions (as applicable) of Listed Class Units (applicable both during the Initial Offer Period and After Listing)</b> | <b>Amount</b>                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Transaction Fee                                                                                                                                                                                  | HKD7,500 <sup>1</sup> per Application                                   |
| Service Agent's Fee ( <i>applicable only in respect of Applications where the HKCAS acts in the capacity as the Service Agent</i> )                                                              | HKD1,000 <sup>2</sup> per book-entry deposit and withdrawal transaction |
| Conversion Agent's Fee ( <i>applicable only in respect of Applications where the HKCAS acts in the capacity as the Conversion Agent</i> )                                                        | Nil                                                                     |
| Registrar fee                                                                                                                                                                                    | Nil                                                                     |
| Application cancellation fee                                                                                                                                                                     | HKD10,000 <sup>3</sup> per Application                                  |
| Extension Fee                                                                                                                                                                                    | HKD10,000 <sup>4</sup> per Application                                  |
| Stamp duty                                                                                                                                                                                       | Nil                                                                     |
| All other Duties and Charges incurred by the Trustee or the Manager in connection with the creation or redemption                                                                                | As applicable <sup>5</sup>                                              |

| <b>Fees and expenses payable by investors</b>                                                                                                                                                                                   | <b>Amount (for all Sub-Funds with Listed Class Units)</b>       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|
| <b><i>(i) Fees payable by clients of the Participating Dealers in respect of creations and redemptions (as applicable) via the Participating Dealer (applicable both during the Initial Offer Period and After Listing)</i></b> |                                                                 |
| Fees and charges imposed by the Participating Dealer <sup>6</sup>                                                                                                                                                               | Such amounts as determined by the relevant Participating Dealer |

<sup>1</sup> The Transaction Fee of HKD7,500 is payable by a Participating Dealer to the Trustee for the benefit of the Trustee. A Participating Dealer may pass on to the relevant investor such Transaction Fee.

<sup>2</sup> The Service Agent's Fee of HKD1,000 is payable by a Participating Dealer to the Service Agent for each book-entry deposit or book-entry withdrawal transaction.

<sup>3</sup> An application cancellation fee is payable to the Trustee for the account of the Registrar in respect of either a withdrawn or failed Creation Application or Redemption Application.

<sup>4</sup> An Extension Fee is payable to the Trustee on each occasion the Manager, upon a Participating Dealer's request, grants the Participating Dealer an extended settlement in respect of a Creation Application or Redemption Application.

<sup>5</sup> The duties and charges applicable to an in-kind Creation Application may be higher or lower than the duties and charges applicable to an in-cash Creation Application. Similarly, the duties and charges applicable to an in-kind Redemption Application may be higher or lower than the duties and charges applicable to an in-cash Redemption Application. Participating Dealers may apply to the Manager for further details, although it should be noted that the actual duties and charges can only be determined only after the relevant Applications have been effected.

<sup>6</sup> The Participating Dealer may increase or waive the level of its fees in its discretion. Information regarding these fees and charges is available upon request to the relevant Participating Dealer.

| <b>(ii) Fees payable by all investors in respect of dealings in the Listed Class Units on SEHK (applicable After Listing)</b> |                                            |
|-------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|
| Brokerage                                                                                                                     | Market rates                               |
| Transaction levy                                                                                                              | 0.0027% <sup>7</sup> of the trading price  |
| AFRC transaction levy                                                                                                         | 0.00015% <sup>8</sup> of the trading price |
| SEHK trading fee                                                                                                              | 0.00565% <sup>9</sup> of the trading price |
| Stamp duty                                                                                                                    | Nil                                        |

|                                                |              |
|------------------------------------------------|--------------|
| <b>Fees and expenses payable by a Sub-Fund</b> | See Appendix |
|------------------------------------------------|--------------|

No money should be paid to any intermediary in Hong Kong which is not licensed or registered to carry on Type 1 regulated activity under Part V of the SFO.

### **Fees and Expenses applicable to the Unlisted Class in a Sub-Fund only**

#### *Subscription Fee*

The Manager, its agents or delegates (including any distributors appointed by the Manager from time to time) may charge a Subscription Fee on the issue of each Unlisted Class Unit of a percentage of either (i) the initial Subscription Price or the Subscription Price, as the case may be, of such Unlisted Class Unit or (ii) the total subscription amount received in relation to an application, as the Manager may at its discretion determine. The maximum and current rate of Subscription Fee (if any) and the manner in which it will be imposed are specified in the relevant Appendix in Part 2 of this Prospectus. For the avoidance of doubt, a lower maximum rate of Subscription Fee may be imposed in relation to the issue of Units of an Unlisted Class in a Sub-Fund as compared to other Sub-Funds and also in relation to different Unlisted Classes of a Sub-Fund.

Subject to the applicable requirements of the Code, the Manager may at any time increase the rate of Subscription Fee of an Unlisted Class or a Sub-Fund. The Manager will inform investors of any such increase in accordance with the applicable requirements of the Code.

The Manager, its agents or delegates may on any day differentiate between applicants or Unlisted Classes as to the amount of the Subscription Fee. The Subscription Fee will be retained by or paid to the Manager, its agents or delegates for their own absolute use and benefit.

#### *Redemption Fee*

The Manager may charge a Redemption Fee on the redemption of Unlisted Class Units of a percentage of either (i) the Redemption Fee per Unit; or (ii) the total redemption amount in relation to a redemption request, as the Manager may at its discretion determine. The maximum and current rate of Redemption Fee (if any) and the manner in which it will be imposed are specified in the relevant Appendix. For the avoidance of doubt, a lower maximum rate of Redemption Fee may be imposed in relation to the redemption of Unlisted Class Units of a Sub-Fund as compared to other Sub-Funds and also in relation to different Unlisted Classes of a Sub-Fund.

The Manager may increase the rate of Redemption Fee payable for a Sub-Fund or an Unlisted Class up to the maximum disclosed rate by giving one month's prior written notice to the Unitholders, subject to the applicable

<sup>7</sup> Transaction levy of 0.0027% of the trading price of the Units, payable by each of the buyer and the seller.

<sup>8</sup> An AFRC transaction levy, presently 0.00015% of the trading price of the Units, payable by each of the buyer and the seller.

<sup>9</sup> Trading fee of 0.00565% of the trading price of the Units, payable by each of the buyer and the seller.

requirements of the Code.

For the purpose of calculating the Redemption Fee payable on a partial redemption of a Unitholder's holding, Unlisted Class Units subscribed earlier in time are deemed to be redeemed prior to Unlisted Class Units subscribed later in time unless the Manager and the Trustee agree otherwise.

The Redemption Fee will be deducted from the amount payable to a Unitholder in respect of the redemption of Unlisted Class Units. The Redemption Fee will be retained by or paid to the Manager for its own absolute use and benefit or, if so stated in the relevant Appendix, retained by the relevant Sub-Fund. Where the Redemption Fee is retained by the Manager, it may at its discretion, pay all or part of the Redemption Fee to its agents or delegates. The Manager shall be entitled to differentiate between Unitholders or Unlisted Classes as to the amount of the Redemption Fee (within the maximum rate of Redemption Fee).

#### *Switching Fee*

A Switching Fee may be charged by the Manager in respect of each Unit of the New Class to be issued upon such switching of a percentage of –

- (i) the Subscription Price per Unit of the New Class as at the Valuation Point on the Dealing Day at which the Subscription Price of such Units is ascertained; or
- (ii) the total amount being switched into,

as the Manager may at its discretion determine.

The maximum and current rate of Switching Fee (if any) and the manner in which it will be imposed are specified in the relevant Appendix. For the avoidance of doubt, a lower maximum rate of Switching Fee may be imposed in relation to the switching of Unlisted Class Units of a Sub-Fund as compared to other Sub-Funds and also in relation to different Unlisted Classes of a Sub-Fund.

The Switching Fee shall be deducted from the amount reinvested into the Sub-Fund relating to Units of the New Class and shall be retained by or paid to the Manager for its own absolute use and benefit.

Where the Switching Fee is levied pursuant to paragraph (i) above, Units of the Existing Class will be switched into Units of the New Class in accordance (or as nearly as may be in accordance) with the following formula:-

$$N = \frac{E \times R \times F}{S + SF}$$

Where the Switching Fee is levied pursuant to paragraph (ii) above, Units of the Existing Class will be switched into Units of the New Class in accordance (or as nearly as may be in accordance) with the following formula:-

$$N = \frac{E \times R \times F - SF}{S}$$

Where in either case:-

“**N**” is the number of Units of the New Class to be issued, provided that amounts lower than the smallest fraction of a Unit of the New Class shall be ignored and shall be retained by the Sub-Fund relating to the New Class.

“**E**” is the number of Units of the Existing Class to be switched.

“**F**” is the currency conversion factor determined by the Manager for the relevant Dealing Day of the New Class as representing the effective rate of exchange between the class currency of Units of the Existing Class and the class currency of Units of the New Class.

“R” is the Redemption Value per Unit of the Existing Class applicable on the relevant Dealing Day less any Redemption Fee imposed by the Manager.

“S” is the Subscription Price per Unit for the New Class applicable on the Dealing Day for the New Class coincident with or immediately following the relevant Dealing Day for the Existing Class PROVIDED THAT where the issue of Units of the New Class is subject to the satisfaction of any conditions precedent to such issue then “S” shall be the Subscription Price per Unit of the New Class applicable on the first Dealing Day for the New Class falling on or after the satisfaction of such conditions.

“SF” is a Switching Fee (if any).

If there is, at any time during the period from the time as at which the Redemption Value per Unit of the Existing Class is calculated up to the time at which any necessary transfer of funds from the Sub-Fund to which the Existing Class relates (“**Original Sub-Fund**”) to the Sub-Fund to which the New Class relates takes place, a devaluation or depreciation of any currency in which any investment of the Original Sub-Fund is denominated or normally traded, the Manager may at its discretion reduce the Redemption Value as the Manager considers appropriate to take account of the effect of that devaluation or depreciation and in such event the number of Units of the New Class to be allotted to any relevant Unitholder shall be recalculated in accordance with the relevant formula set out above as if that reduced Redemption Value had been the Redemption Value ruling for redemptions of Units of the Existing Class on the relevant Dealing Day.

### **Fees and Expenses Payable by a Sub-Fund (applicable to both Listed and Unlisted Classes)**

#### *Management Fee*

The Manager is entitled to receive a management fee of up to 2% per year of the Net Asset Value of a Sub-Fund (or Class). The current management fee percentage in respect of each Sub-Fund is set out in the relevant Appendix and is accrued daily and calculated as at each Dealing Day and payable monthly in arrears. This fee is payable out of the Trust Fund.

A Sub-Fund (or Class) may employ a single management fee structure, and details will be set out in the relevant Appendix of the Sub-Fund. For a Sub-Fund (or Class) which does not employ a single management fee structure, the following fees and expenses may be payable out of and borne by the relevant Sub-Fund (or Class): The Trustee’s fee, Registrar’s fees, custodian’s fees, the Service Agent’s Fee and/or the Conversion Agent’s Fee (as the case may be), fees and expenses of the auditors, ordinary out-of-pocket expenses incurred by the Manager or the Trustee and costs and expenses of licensing the Index used in connection with the Sub-Fund (or Class) (where applicable).

The Manager may pay a distribution fee to any distributor or sub-distributors of a Sub-Fund (or Class) out of the management fees it receives from the relevant Sub-Fund (or Class). A distributor may re-allocate an amount of the distribution fee to the sub-distributors.

#### *Trustee’s fee*

The Trustee is entitled to receive out of the assets of each Sub-Fund a monthly trustee fee, payable in arrears, calculated and accrued daily at the Valuation Point on each Dealing Day, of up to 1% per year of the Net Asset Value of a Sub-Fund (or Class). For a Sub-Fund (or Class) which does not employ a single management fee structure, the applicable Trustee’s fee percentage is set out in the Appendix of the relevant Sub-Fund. The Trustee is also entitled to various transaction, processing fees and safekeeping fees (including custodian’s fees) and to be reimbursed out of the assets of the relevant Sub-Fund (or Class) all out-of-pocket expenses incurred (including sub-custody fees and expenses).

The Trustee’s fee will be included in the Management Fee if a Sub-Fund (or Class) employs a single management fee structure.

#### *Estimated Ongoing Charges*

The estimated ongoing charges of any newly established Sub-Fund (or Class) are the sum of anticipated ongoing expenses of the relevant Sub-Fund (or Class) expressed as a percentage of its estimated average Net Asset Value of the relevant Sub-Fund (or Class), and the actual ongoing charges of any existing Sub-Fund (or

Class) are the sum of actual ongoing expenses of the relevant Sub-Fund (or Class) expressed as a percentage of its actual average Net Asset Value of the relevant Sub-Fund (or Class). The ongoing charges figure is disclosed in the KFS of each Sub-Fund (or Class). Where a Sub-Fund (or Class) is newly established the Manager will make a best estimate of the ongoing charges and keep such estimate under review. The establishment costs of a Sub-Fund (or Class) may also be included in the ongoing charges calculation payable by a Sub-Fund (or Class) and in those cases will be clearly disclosed. Ongoing expenses may be deducted from the assets of a Sub-Fund (or Class) where these are permitted by the Trust Deed, the Code and the law. These include all types of costs borne by a Sub-Fund (or Class), whether incurred in its operation or the remuneration of any party. The estimated or actual ongoing charges do not represent the estimated or actual tracking error, may be different upon actual operation and may vary from year to year.

#### *Promotional Expenses*

A Sub-Fund (or Class) will not be responsible for any promotional expenses including those incurred by any marketing agents and any fees imposed by such marketing agents on their customers investing in any Sub-Fund (or Class) will not be paid (either in whole or in part) out of the Trust Fund.

#### *Other Expenses*

The Sub-Funds will bear all operating costs relating to the administration of the Sub-Funds including but not limited to stamp and other duties, taxes, governmental charges, brokerages, commissions, exchange costs and commissions, bank charges and other costs and expenses payable in respect of the acquisition, holding and realisation of any investment or any monies, deposit or loan, legal and professional fees, the costs and expenses of obtaining and maintaining a listing of any Listed Class Units on the SEHK other stock exchange and maintaining the Trust's and the Sub-Funds' authorisation under the SFO, costs incurred in preparing, printing and updating of any offering documents and the costs incurred in the preparation of supplemental deeds, index licencing fees, the expenses incurred in holding Unitholders' meetings and giving notices to unitholders, preparing, printing and distributing all statements, accounts and reports pursuant to the Trust Deed, expenses of publishing Unit prices, and any other costs, charges and expenses properly incurred in the administration and investment activities of the Trust or the Sub-Funds (or class).

#### **Establishment Costs**

The costs of establishing the Trust and the initial Sub-Funds, namely GF HKEX Tech & US Tech 100 Index ETF and GF MSCI Global Strategic Metals Select ETF, including the preparation of this Prospectus, inception fees, the costs of seeking and obtaining the listing and authorisation by the SFC and all initial legal and printing costs are estimated to be approximately HKD1,200,000 and are borne by the relevant Sub-Fund (unless otherwise determined by the Manager) and will be amortised over the first five financial years of the Sub-Fund or such other period as determined by the Manager after consulting the Auditor.

The attention of investors is drawn to the risk factor entitled "**Valuation and accounting risk**" in the section headed "**RISK FACTORS**".

#### **Increase in Fees**

The current fees in respect of each Sub-Fund (except for a Listed Class for an Index Tracking Sub-Fund) payable to the Manager and the Trustee as described in the relevant Appendix may be increased up to or towards the maximum rates set out in the relevant Appendix on not less than one month's notice (or not less than one week's notice if such increase in fees only applies to Listed Class Units of an Index Tracking Sub-Fund) to Unitholders (or such shorter period as may be allowed by the SFC).

In the event that such fees are to be increased beyond the maximum rates set out in the relevant Appendix, such increase is subject to the prior approval by the SFC and not less than one month's notice shall be given to Unitholders.

## **RISK FACTORS**

*An investment in any Sub-Fund carries various risks. Each of these may affect the Net Asset Value, yield, total return and trading price of the Units. A Sub-Fund's investment portfolio may fall in value due to any of the risk factors and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal. Investors should carefully evaluate the merits and risks of an investment in the relevant Sub-Fund in the context of your overall financial circumstances, knowledge and experience as an investor. The risk factors set forth below are the risks which are believed by the Manager and its directors to be relevant and presently applicable to each Sub-Fund. You should refer to additional risk factors, specific to each Sub-Fund, as set out in the relevant Appendix.*

### **General Investment Risks**

#### *Investment Objective Risk*

There is no assurance that the investment objective of a Sub-Fund will be achieved. Whilst it is the intention of the Manager to implement strategies which are designed to achieve the investment objective and, for an Index Tracking Sub-Fund, minimise tracking error, there can be no assurance that these strategies will be successful. In addition, trading errors are an intrinsic factor in any investment process, and will occur, notwithstanding the execution of due care and special procedures designed to prevent such errors. It is possible that you as an investor may lose a substantial proportion or all of its investment in a Sub-Fund, including (for an Index Tracking Sub-Fund) where the relevant Index value declines. As a result, each investor should carefully consider whether you can afford to bear the risks of investing in the relevant Sub-Fund.

#### *Market Risk*

The Net Asset Value of each Sub-Fund will change with changes in the market value of the Securities and/or Futures Contracts it holds. The price of Units and the income from them may go down as well as up. There can be no assurance that an investor will achieve profits or avoid losses, significant or otherwise. The capital return and income of each Sub-Fund are based on the capital appreciation and income on the Securities and/or Futures Contracts it holds, less expenses incurred. A Sub-Fund's return may fluctuate in response to changes in such capital appreciation or income. Furthermore, each Index Tracking Sub-Fund may experience volatility and decline in a manner that broadly corresponds with the relevant Index. Investors in each Sub-Fund are exposed to the same risks that investors who invest directly in the underlying Securities and/or Futures Contracts would face. These risks include, for example, interest rate risks (risks of falling portfolio values in a rising interest rate market); income risks (risks of falling incomes from a portfolio in a falling interest rate market); and credit risk (for an Index Tracking Sub-Fund, risk of a default by the underlying issuer of a Security that forms part of the Index).

#### *Asset Class Risk*

Although the Manager is responsible for the continuous supervision of the investment portfolio of each Sub-Fund, the returns from the types of Securities and/or Futures Contracts in which the Sub-Fund invests (either directly or indirectly) may underperform or outperform returns from other Securities and/or Futures Contracts markets or from investment in other assets. Different types of Securities and/or Futures Contracts tend to go through cycles of out-performance and underperformance when compared with other general Securities and/or Futures Contracts markets.

#### *Possible Business Failure Risk*

Global markets may experience very high levels of volatility and an increased risk of corporate failures. The insolvency or other corporate failures of any one or more of the companies in which a Sub-Fund invests or (for an Index Tracking Sub-Fund only) constituents of the relevant Index may have an adverse effect on the Index's (if any) and therefore the relevant Sub-Fund's performance. You may lose money by investing in any Sub-Fund.

#### *Management Risk*

This is the risk that the Manager's strategy, the implementation of which is subject to a number of constraints, may not produce the intended results. In addition, the Manager has absolute discretion to exercise Unitholders'

rights with respect to Securities and/or Futures Contracts comprising a Sub-Fund. There can be no guarantee that the exercise of such discretion will result in the investment objective of a Sub-Fund being achieved. For an Index Tracking Sub-Fund, because there can be no guarantee that such Index Tracking Sub-Fund will fully replicate the relevant Index, it is also subject to the aforesaid management risk.

#### *Concentration Risk*

A Sub-Fund may be subject to concentration risk as a result of adopting a strategy which concentrates its investment in a single geographical region or country or industry sector and/or (for an Index Tracking Sub-Fund) tracking the performance of a single geographical region or country or industry sector. For an Index Tracking Sub-Fund, the Index may be comprised of a limited number of securities. The value of such Sub-Fund is likely to be more volatile than a fund having a more diverse portfolio of investments, such as a global equity fund, as it is more susceptible to fluctuations in value of the Securities or (for an Index Tracking Sub-Fund) the Index resulting from adverse conditions in the particular geographical region, country or industry sector (including economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event). Where a Sub-Fund's strategy is concentrated in a particular region or country or industry sector, or where the Index of an Index Tracking Sub-Fund tracks a particular region or country or industry sector or where the Index has a small number of constituents, risk factors specific to the relevant Sub-Fund are set out in its Appendix. Please refer to each Sub-Fund's Appendix for details.

#### *Securities and/or Futures Contracts Risk*

The investments of each Sub-Fund are subject to risks inherent in all Securities and/or Futures Contracts (including settlement and counterparty risks). The value of holdings may fall as well as rise. The global markets may experience very high levels of volatility and instability, resulting in higher levels of risk than is customary (including settlement and counterparty risks).

#### *Counterparty Risk*

Counterparty risk involves the risk that a counterparty or third party will not fulfil its obligations to a Sub-Fund and settle a transaction in accordance with market practice. A Sub-Fund may be exposed to the risk of a counterparty through investments.

A Sub-Fund may be exposed to the counterparty risk of the custodian or other depositaries used by the custodian with which the Deposited Property is deposited. The custodian or other depositaries may be unable to perform their obligations due to credit-related and other events like insolvency of or default of them. In the event of the insolvency of the custodian or other depositaries, a Sub-Fund will be treated as a general creditor of the custodian or other depositaries in relation to cash holdings of the relevant Sub-Fund. In these circumstances the relevant Sub-Fund may be required to unwind certain transactions and may encounter delays of some years and difficulties with respect to court procedures in seeking recovery of the relevant Sub-Fund's assets. The Sub-Fund's assets are however maintained by the custodian and other depositaries in segregated accounts and should be protected in the event of insolvency of the custodian or such other depositaries.

#### *Equity Market Risk*

Investment in equity Securities by a Sub-Fund 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.

#### *Risk Associated with Emerging Markets*

Some overseas markets in which a Sub-Fund may invest are considered emerging market countries. The economies of many emerging markets are still in the early stages of modern development and subject to abrupt and unexpected change. In many cases, governments retain a high degree of direct control over the economy and may take actions that have a sudden and widespread effect. Also, many less developed market and emerging market economies have a high degree of dependence on a small group of markets or even a single market that can render such economies more susceptible to the adverse impact of internal and external shocks.

Emerging market regions are also subject to increased risks and special considerations not typically

associated with investment in more developed markets including, but not limited to: generally less liquid and less efficient securities markets; generally greater price volatility; currency risks/control; exchange rate fluctuations and exchange control; higher volatility of the value of debt (particularly as impacted by interest rates); imposition of restrictions on the expatriation of funds or other assets; less publicly available information about issuers; legal and taxation risks (such as difficulties in enforcing contracts and imposition of taxes); higher transaction and custody costs; settlement delays and risk of loss; less liquidity and smaller market capitalisations; less well-regulated markets resulting in more volatile stock prices; different accounting and disclosure standards; governmental interference; higher inflation; social, economic and political uncertainties; custodial and/or settlement systems may not be fully developed which may expose a Sub-Fund to sub-custodial risk in circumstances whereby the Trustee will have no liability as provided under the provisions of the Trust Deed; the risk of expropriation of assets and the risk of war.

#### *Trading Error Risk*

Trading errors are an intrinsic factor in any investment process, and may occur, notwithstanding the execution of due care and special procedures designed to prevent such errors.

#### *Indemnity Risk*

Under the Trust Deed, the Trustee and the Manager have the right to be indemnified against any liability for performing their respective duties except as a result of their own negligence, fraud, breach of trust for which they may be liable in relation to their duties. Any reliance by the Trustee or the Manager on the right of indemnity in respect of a Sub-Fund would reduce the assets of the relevant Sub-Fund and the value of its Units.

#### *Reliance on the Manager Risk*

Unitholders must rely on the Manager in implementing the investment strategies and the performance of the Sub-Funds is largely dependent on the services and skills of their officers and employees. In the case of loss of service of the Manager or any of its key personnel, as well as any significant interruption of the Manager's business operations or in the extreme case of the insolvency of the Manager, the Trust may not find successor managers or investment delegates with the requisite skills and qualifications quickly or at all and the new appointment may not be on equivalent terms or of similar quality. Although the Manager has experience of managing SFC authorised funds, the Manager has limited experience of managing exchange traded funds.

#### *Dividends May Not be Paid Risk*

Whether a Sub-Fund will pay distributions on its Units is subject to the Manager's distribution policy (as described in the relevant Appendix) and also mainly depends on dividends declared and paid in respect of the Securities comprising the Index or in the Sub-Fund's portfolio. In addition, dividends received by a Sub-Fund may be applied towards meeting the costs and expenses of that Sub-Fund. Dividend payment rates in respect of such Securities will depend on factors beyond the control of the Manager, or Trustee including, general economic conditions, and the financial position and dividend policies of the relevant underlying entities. There can be no assurance that such entities will declare or pay dividends or distributions.

#### *Early Termination Risk*

A Sub-Fund may be terminated early under certain circumstances, including but not limited to (i) the aggregate Net Asset Value of all the Units is less than HKD100 million (or equivalent in the base currency of the relevant Sub-Fund); or (ii) any law is passed or amended or regulatory directive or order is imposed which renders it illegal or in the opinion of the Manager, impracticable or inadvisable to continue the relevant Sub-Fund; or (iii) within a reasonable time and using commercially reasonable endeavours, the Manager is unable to find a person acceptable to act as the new trustee after deciding to remove the Trustee in accordance with the Trust Deed; or (iv) (if applicable) the relevant Index is no longer available for benchmarking or if the Units are no longer listed on the SEHK or any other Recognised Stock Exchange; or (v) at any time, in respect of a Sub-Fund with only Listed Class Units in issue, the relevant Sub-Fund ceases to have any Participating Dealer. Upon a Sub-Fund being terminated, the Trustee will distribute the net cash proceeds (if any) derived from the realisation of the investments comprised in the relevant Sub-Fund to the Unitholders in accordance with the Trust Deed. Investors may suffer a loss where a Sub-Fund is terminated because any such amount

distributed may be more or less than the capital invested by the Unitholder.

#### *Effect of Redemptions Risk*

If significant redemptions of Units are requested by the Participating Dealers or Unitholders of Unlisted Class Units, it may not be possible to liquidate the relevant Sub-Fund's investments at the time such redemptions are requested or the Manager may be able to do so only at prices which the Manager believes does not reflect the true value of such investments, resulting in an adverse effect on the return to investors. Where significant redemptions of Units are requested by the Participating Dealers or Unitholders of Unlisted Class Units, the right to require redemptions in excess of 10% of the total number of Units in a Sub-Fund then in issue (or such higher percentage as the Manager may determine) may be deferred, or the period for the payment of redemption proceeds may be extended.

In addition, the Manager may also in certain circumstances suspend the determination of the Net Asset Value of a Sub-Fund for the whole or any part of any period. Please see the section on "**DETERMINATION OF NET ASSET VALUE**" for further details.

#### *Foreign Exchange Risk*

If a substantial portion of the revenue and income of a Sub-Fund is received in a currency other than HKD, any fluctuation in the exchange rate of the HKD relative to the relevant foreign currency will affect the Net Asset Value of a Sub-Fund denominated in the HKD regardless of the performance of its underlying portfolio. If the relevant Sub-Fund's Net Asset Value is determined on the basis of the HKD, an investor may lose money if it invests in any Sub-Fund if the local currency of a foreign market depreciates against the HKD, even if the local currency value of an investment fund's holdings goes up.

#### *Foreign Security Risk*

Investing in the Securities of non-Hong Kong companies involves special risks and considerations not typically associated with investing in Hong Kong companies. These include differences in accounting, disclosure, auditing and financial reporting standards, the possibility of expropriation or confiscatory taxation, adverse changes in investment or exchange control regulations, the imposition of restrictions on the expatriation of funds or other assets of a Sub-Fund, political instability which could affect local investments in foreign countries, and potential restrictions on the flow of international capital. Non-Hong Kong companies may be subject to less governmental regulation than Hong Kong companies. Moreover, individual foreign economies may differ favourably or unfavourably from the Hong Kong economy in such respects as growth of gross domestic product, rate of inflation, capital reinvestment, resource self-sufficiency and balance of payment positions.

#### *Borrowing Risks*

The Trustee, at the request of the Manager, may borrow for the account of a Sub-Fund (up to 10% of the Net Asset Value of each Sub-Fund unless otherwise specified in the Appendix) for various reasons, such as facilitating redemptions or to acquire investments for the account of the Sub-Fund. Borrowing involves an increased degree of financial risk and may increase the exposure of a Sub-Fund to factors such as rising interest rates, downturns in the economy or deterioration in the conditions of the assets underlying its investments. There can be no assurance that a Sub-Fund will be able to borrow on favourable terms, or that the relevant Sub-Fund's indebtedness will be accessible or be able to be refinanced by the relevant Sub-Fund at any time.

#### *Collateral and FDI Risks*

The risks associated with the use of FDIs are different from, or possibly greater than, the risks associated with investing directly in Securities and other traditional investments. Generally, an FDI is a financial contract the value of which depends upon, or is derived from, the value of an underlying asset, reference rate or index, and may relate to stocks, bonds, interest rates, currencies or currency exchange rates, commodities, and related indices. Any Sub-Fund investing in FDIs may utilise both exchange-traded and over-the-counter derivatives. Compared to equity Securities, FDIs can be more sensitive to changes in market prices of the underlying assets and thus market prices of FDIs may fall in value as rapidly as they may rise. Investors investing in such Sub-Funds are exposed to a higher degree of fluctuation in value than a Sub-Fund which

does not invest in FDIs. Transactions in over-the-counter FDIs may involve additional risk such as the risk that a counterparty defaults as there is no regulated market for such FDIs. Investing in FDIs also involves other types of risks including, but not limited to, the risk of adopting different valuation methodologies and imperfect correlation between the FDI and its underlying securities, rates and indices. Risks associated with FDIs also include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a FDI can result in a loss significantly greater than the amount invested in the FDI by a Sub-Fund. Exposure to FDIs may lead to a high risk of significant loss by a Sub-Fund. There is no assurance that any derivative strategy used by a Sub-Fund will succeed.

There are risks associated with management of collateral and re-investment of collateral. The value of any collateral received in respect of FDI transactions (if any) may be affected by market events. In the case of collateral assets which are listed Securities, the listing of such Securities may be suspended or revoked or the trading of such Securities on the stock exchanges may be suspended, and during the period of suspension or upon revocation, it may take longer to realise the relevant collateral assets. In the case of collateral assets which are debt Securities, the value of such Securities will be dependent on the creditworthiness of the issuers or obligors in respect of the relevant collateral assets. In the event any issuer or obligor of such collateral assets is insolvent, the value of the collateral assets will be reduced substantially and may cause the relevant Sub-Fund's exposure to such counterparty to be under-collateralised. If the Sub-Fund reinvests cash collateral, it is subject to investment risk including the potential loss of principal.

A Sub-Fund may use investment techniques, including investments in derivatives, such as Futures Contracts that may be considered aggressive, in which case the Sub-Fund will be subject to the risks associated with the use of FDIs as described below. The use of derivatives may result in larger losses or smaller gains than investing in or shorting the Securities comprised in the relevant Sub-Fund and/or (for an Index Tracking Sub-Fund only) Securities included in the relevant Index. When a Sub-Fund uses derivatives, there may be imperfect correlation between the value of the underlying reference assets and the derivative, which may prevent each Sub-Fund from achieving its investment objective.

Any financing, borrowing or other costs associated with using derivatives may also have the effect of lowering the Sub-Fund's return. *No Right to Control the Sub-Fund's Operation Risk*

Investors will have no right to control the daily operations, including investment and redemption decisions, of any Sub-Fund.

#### *Liquidity Risk*

Some Securities held by a Sub-Fund, including derivatives, may be difficult to sell or illiquid, particularly during times of market turmoil. Illiquid Securities may also be difficult to value. Markets for Securities or financial instruments could be disrupted by a number of events, including, but not limited to an economic crisis, natural disasters, new legislation or regulatory changes. Illiquid Securities may also be difficult to value. If a Sub-Fund is forced to sell an illiquid security at an unfavourable time or at a price that is lower than Manager's judgment of the Security's true market value, each Sub-Fund may be forced to sell the security at a loss. Such a situation may prevent each Sub-Fund from limiting losses, realising gains or achieving its investment objective, thus adversely affecting the Sub-Fund's performance.

#### *Difficulties in Valuation of Investments Risk*

Securities and/or Futures Contracts acquired on behalf of a Sub-Fund may subsequently become illiquid due to events relating to the issuer of the Securities and/or Futures Contracts, market and economic conditions and regulatory sanctions. The market value of such Securities and/or Futures Contracts may become more difficult or impossible to ascertain. In cases where no clear indication of the value of a Security and/or Futures Contract in a Sub-Fund's portfolio is available (for example, when the secondary markets on which a security is traded have become illiquid) the Manager may in consultation with the Trustee apply valuation methods to ascertain the fair value of such securities, pursuant to the Trust Deed. If such valuation turns out to be incorrect, this may affect the Net Asset Value calculation of the Sub-Fund.

#### **Risks Associated with Chinese Mainland**

### *Economic, Political and Social Risks of Chinese Mainland*

The economy of Chinese Mainland, which has been in a state of transition from a planned economy to a more market oriented economy, differs from the economies of most developed countries in many respects, including the level of government involvement, its state of development, its growth rate, control of foreign exchange, and allocation of resources.

Although the majority of productive assets in Chinese Mainland are still owned by the PRC government at various levels, in recent years, the PRC government has implemented economic reform measures emphasising utilisation of market forces in the development of the economy of Chinese Mainland and a high level of management autonomy. The economy of Chinese Mainland has experienced significant growth in the past 25 years, but growth has been uneven both geographically and among various sectors of the economy. Economic growth has also been accompanied by periods of high inflation. The PRC government has implemented various measures from time to time to control inflation and restrain the rate of economic growth.

For more than 25 years, the PRC government has carried out economic reforms to achieve decentralisation and utilisation of market forces to develop the economy of Chinese Mainland. These reforms have resulted in significant economic growth and social progress. There can, however, be no assurance that the PRC government will continue to pursue such economic policies or, if it does, that those policies will continue to be successful. Any such adjustment and modification of those economic policies may have an adverse impact on the securities market in Chinese Mainland as well as the underlying Securities of a Sub-Fund. Further, the PRC government may from time to time adopt corrective measures to control the growth of the Chinese Mainland economy which may also have an adverse impact on the capital growth and performance of a Sub-Fund.

Any political, social or diplomatic developments or changes in Chinese Mainland may result in the imposition of additional government restrictions including expropriation of assets, confiscatory taxes or nationalisation of some or all of the property held by the underlying issuers of the Securities in a Sub-Fund's portfolio.

### *Chinese Mainland Laws and Regulations Risk*

The regulatory and legal framework for capital markets and joint stock companies in Chinese Mainland is still developing. Chinese Mainland laws and regulations affecting securities markets are rapidly evolving, and because of the limited volume of published cases and judicial interpretation and their non-binding nature, interpretation and enforcement of these regulations involve significant uncertainties. In addition, as the Chinese Mainland legal system develops, no assurance can be given that changes in such laws and regulations, their interpretation or their enforcement will not have a material adverse effect on their business operations.

### *Restricted Markets Risk*

A Sub-Fund may invest in Securities in respect of which Chinese Mainland 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 such Sub-Fund holdings as compared to the performance of the Index (if applicable). This may increase the risk of tracking error for an Index Tracking Sub-Fund and, at the worst, a Sub-Fund may not be able to achieve its investment objective.

### *Accounting and Reporting Standards Risk*

Accounting, auditing and financial reporting standards and practices applicable to Chinese Mainland companies may be different to those standards and practices applicable to countries that have more developed financial markets. For example, there are differences in the valuation methods of properties and assets and in the requirements for disclosure of information to investors.

### *RMB Currency and Conversion Risks*

RMB is currently not freely convertible and is subject to exchange controls and restrictions.

Non-RMB based investors 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.

## **Risks Associated with Investment in Index Tracking Sub-Funds**

### *Passive Investment Risk*

The Index Tracking Sub-Funds are not actively managed. Accordingly, such Index Tracking Sub-Funds may be affected by a decline in the market segments relating to the relevant Index or Indices. Each Index Tracking Sub-Fund invests in the Securities and/or Futures Contracts included in or representative of the relevant Index regardless of their investment merit, except to the extent of any representative sampling strategy. The Manager will not have the discretion to adapt to market changes due to the inherent nature of the Index Tracking Sub-Fund and will not take defensive positions in declining markets, which means that falls in the Index or Indices are expected to result in corresponding falls in the Net Asset Value of the Index Tracking Sub-Fund, and investors may lose a significant part of their investment.

### *Representative Sampling Risk*

With a representative sampling strategy, an Index Tracking Sub-Fund does not hold all of the Securities and/or Futures Contracts in its Index and may invest in Securities and/or Futures Contracts not included in its Index, provided that the sample closely reflects the overall characteristics of the Index which the Manager believes will help the Index Tracking Sub-Fund achieve its investment objective. The Securities and/or Futures Contracts held by an Index Tracking Sub-Fund may also be over or underweight relative to the Securities and/or Futures Contracts in its Index. It is therefore possible that an Index Tracking Sub-Fund may be subject to larger tracking error.

### *Tracking Error Risk*

An Index Tracking Sub-Fund's returns may deviate from the Index due to a number of factors. For example, the fees and expenses of an index-tracking Sub-Fund, any adoption of a representative sampling strategy, liquidity of the market, imperfect correlation of returns between an Index Tracking Sub-Fund's assets and the Securities and/or Futures Contracts constituting its Index, inability to rebalance an Index Tracking Sub-Fund's holdings of Futures Contracts to track its Index, rounding of share prices and/or Futures Contracts prices, foreign exchange costs, changes to an Index and regulatory policies may affect the Manager's ability to achieve close correlation with the Index of each Index Tracking Sub-Fund. Further, an Index Tracking Sub-Fund may receive income (such as interests and dividends) from its assets while the Index does not have such sources of income. There can be no guarantee or assurance of exact or identical replication at any time of the performance of the Index or that an Index Tracking Sub-Fund will achieve its investment objective at any time of corresponding to the performance of the relevant Index. In addition, there is no guarantee or assurance that the use of representative sampling strategy would help avoid the tracking error and each index-tracking Sub-Fund's returns may therefore deviate from its Index.

Although the Manager regularly monitors the tracking error of each Index Tracking Sub-Fund, there can be no guarantee or assurance that any Index Tracking Sub-Fund will achieve any particular level of tracking error relative to the performance of its Index.

### *Fluctuations Risk*

The performance of the Units of an Index Tracking Sub-Fund should, before fees and expenses, correspond closely with the performance of the relevant Index. If the relevant Index experiences volatility or declines, the price of the Units of the Index Tracking Sub-Fund which tracks that Index will vary or decline accordingly.

### *Licence to Use Index may be Terminated Risk*

In respect of each Index Tracking Sub-Fund, the Manager is granted a licence by the Index Provider to use each Index to create the relevant Index Tracking Sub-Fund based on the Index and to use certain trade-marks and any copyright in the Index. An Index Tracking Sub-Fund may not be able to fulfil its objective and may be terminated if the licence agreement is terminated. The initial term of the licence agreement may be limited in period and thereafter renewable for only short periods. There can be no guarantee that the relevant licence agreement will be perpetually renewed. For further information on the grounds for terminating the licence

agreement, please refer to the section on “**Index Licence Agreement**” in each Index Tracking Sub-Fund’s Appendix. Although the Manager will seek to find a replacement Index, an Index Tracking Sub-Fund may also be terminated if the relevant Index ceases to be compiled or published and there is no replacement Index using the same or substantially similar formula for the method of calculation as used in calculating the Index.

#### *Compilation of Index Risk*

The Securities and/or Futures Contracts of each Index are determined and composed by the relevant Index Provider without regard to the performance of the relevant Index Tracking Sub-Fund. Each Index Tracking Sub-Fund is not sponsored, endorsed, sold or promoted by the relevant Index Provider. Each Index Provider makes no representation or warranty, express or implied, to investors in the relevant Sub-Fund or other persons regarding the advisability of investing in Securities and/or Futures Contracts generally or in the relevant Sub-Fund particularly. Each Index Provider has no obligation to take the needs of the Manager, or investors in the relevant Index Tracking Sub-Fund into consideration in determining, composing or calculating the relevant Index. There is no assurance that an Index Provider will compile the relevant Index accurately, or that the Index will be determined, composed or calculated accurately. In addition, the process and the basis of computing and compiling the Index and any of its related formulae, constituent companies and factors may at any time be changed or altered by the Index Provider without notice. Consequently, there can be no guarantee that the actions of an Index Provider will not prejudice the interests of the relevant Index Tracking Sub-Fund, the Manager or investors.

#### *Risk of Change in Methodology and Composition of an Index*

The composition of the Securities and/or Futures Contracts constituting an Index will change as the Securities and/or Futures Contracts of the Index may be delisted, or as the Securities and/or Futures Contracts mature or are redeemed or as new Securities and/or Futures Contracts are included in the Index. The construction methodology of the relevant Index may also change when the Index Provider deems it necessary to adapt to significant changes in the market condition. When this happens, the weightings or composition of the Securities and/or Futures Contracts owned by the relevant Index Tracking Sub-Fund (either directly or indirectly) will be changed as considered appropriate by the Manager to achieve the investment objective. Thus, an investment in Units of an Index Tracking Sub-Fund will generally reflect the performance of the relevant Index as its constituents change and not necessarily the way it is comprised at the time of an investment in Units. However, there can be no guarantee that an Index Tracking Sub-Fund will, at any given time accurately reflect the composition of the relevant Index (please refer to the section on “**Tracking Error Risk**”).

#### **Risks Associated with Multi-Counter Arrangement (applicable to the Listed Class Units only)**

Investment in an exchange traded fund adopting a Multi-Counter arrangement is subject to additional risks. For example, where there is any limitation on the level of services by brokers and HKSCC participants, Unitholders may only be able to trade their Listed Class Units in certain but not all counters only, which may inhibit or delay an investor dealing. There is a risk that the market price on the SEHK of Listed Class Units traded in each counter may deviate significantly due to different factors such as market liquidity, supply or demand in each counter and exchange rate fluctuations. The trading price of Listed Class Units in each counter is determined by market forces and so will not be the same as the trading price of Listed Class Units multiplied by the prevailing rate of foreign exchange. Accordingly, investors may pay more or less when buying or selling the relevant Listed Class Units traded in HKD on the SEHK than in respect of Listed Class Units traded in RMB or other currencies and vice versa.

The ability to trade in different counters depends on the operational readiness of brokers and HKSCC participants, and some of them may not offer Multi-Counter trading services. In such case, investors may not be able to (i) buy Listed Class Units in one counter and to sell Listed Class Units in the other or (ii) trade Listed Class Units in different counters at the same time, in which case, investors may only be able to trade their Listed Class Units in one currency. Investors are recommended to check with their brokers in respect of the Multi-Counter trading and should fully understand the services which the relevant broker is able to provide (as well as any associated fees).

#### **Risks Associated with Market Trading (applicable to the Listed Class Units only)**

### *Trading Risk*

While the creation/redemption feature of each Sub-Fund is designed to make it likely that the Listed Class Units will trade close to their Net Asset Value, disruptions to creations and redemptions (for example, as a result of imposition of capital controls by a foreign government) may result in trading prices that differ significantly from the Net Asset Value. The secondary market prices of Listed Class Units will fluctuate in accordance with changes in the Net Asset Value and supply and demand on any exchange on which the Listed Class Units are listed. In addition, when buying or selling Listed Class Units on the SEHK additional charges (such as brokerage fees) mean that an investor may pay more than the Net Asset Value per Unit when buying Listed Class Units on the SEHK and may receive less than the Net Asset Value per Unit when selling Listed Class Units on the SEHK. The Manager cannot predict whether Listed Class Units will trade below, at, or above their Net Asset Value. Since, however, Listed Class Units must be created and redeemed in Application Unit size (unlike shares of many closed-end funds, which frequently trade at appreciable discounts from, and sometimes at premiums to, their Net Asset Value) the Manager believes that ordinarily large discounts or premiums to the Net Asset Value of Listed Class Units should not be sustained. If the Manager suspends creations and/or redemptions of Listed Class Units, the Manager anticipates that there may be larger discounts or premiums as between the secondary market price of Listed Class Units and the Net Asset Value.

For Sub-Fund which offers trading of Listed Class Units via a RMB counter, investors should note that the trading and settlement of the RMB traded Units may not be capable of being implemented as envisaged. 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 Chinese Mainland may also affect the liquidity and trading price of the RMB traded Units.

### *Absence of Active Market and Liquidity Risks*

Although Listed Class Units of each Sub-Fund are listed for trading on the SEHK, there can be no assurance that an active trading market for such Listed Class Units will develop or be maintained. In addition, if the underlying Securities and/or Futures Contracts which comprise each Sub-Fund themselves have limited trading markets, or if the spreads are wide, this may adversely affect the price of the Listed Class Units and the ability of an investor to dispose of its Listed Class Units at the desired price. If an investor needs to sell his, her or its Listed Class Units at a time when no active market for them exists, the price received for the Listed Class Units – assuming an investor is able to sell them – is likely to be lower than the price received if an active market did exist.

### *Suspension of Trading Risk*

Investors and potential investors will not be able to buy, nor will investors be able to sell, Listed Class Units on the SEHK during any period in which trading of the Listed Class Units is suspended. The SEHK may suspend the trading of Listed Class Units whenever the SEHK determines that it is appropriate and in the interest of a fair and orderly market to protect investors. The subscription and redemption of Listed Class Units may also be suspended if the trading of Listed Class Units is suspended.

### *Listed Class Units May Trade at Prices Other than Net Asset Value Risk*

Listed Class Units may trade on the SEHK at prices above or below the most recent Net Asset Value. The Net Asset Value per Unit of each Sub-Fund is calculated at the end of each Dealing Day and fluctuates with changes in the market value of the relevant Sub-Fund's holdings. The trading prices of the Listed Class Units fluctuate continuously throughout the trading hours based on market supply and demand rather than Net Asset Value of the Listed Class Units. The trading price of the Listed Class Units may deviate significantly from Net Asset Value of the Listed Class Units particularly during periods of market volatility. Any of these factors may lead to the Listed Class Units of the relevant Sub-Fund trading at a premium or discount to the Net Asset Value of the Listed Class Units. On the basis that Listed Class Units can be created and redeemed in Application Units at Net Asset Value of the Listed Class Units, the Manager believes that large discounts or premiums to Net Asset Value of the Listed Class Units are not likely to be sustained over the long-term. While the creation/redemption feature is designed to make it likely that the Listed Class Units will normally trade at prices close to the relevant Sub-Fund's next calculated Net Asset Value, trading prices are not expected to correlate exactly with the relevant Sub-Fund's Net Asset Value attributable to the Listed Class Units due to reasons relating to timing as well as market supply and demand factors. In addition, disruptions to creations and redemptions or the

existence of extreme market volatility may result in trading prices that differ significantly from Net Asset Value of the Listed Class Units. In particular, if an investor purchases Listed Class Units at a time when the market price is at a premium to Net Asset Value of the Listed Class Units or sells when the market price is at a discount to Net Asset Value of the Listed Class Units, then the investor may sustain losses.

#### *Restrictions on Creation and Redemption of Listed Class Units Risk*

Investors should note that an investment in the Listed Class Units of a Sub-Fund is not like a typical retail investment fund offered to the public in Hong Kong (for which units can generally be purchased and redeemed directly from the manager). Listed Class Units of a Sub-Fund may only be created and redeemed in Application Unit sizes directly by a Participating Dealer (either on its own account or on behalf of an investor through a stockbroker which has opened an account with the Participating Dealer). Other investors may only make a request (and if such investor is a retail investor, through a stockbroker which has opened an account with a Participating Dealer) to create or redeem Listed Class Units in Application Unit sizes through a Participating Dealer which reserves the right to refuse to accept a request from an investor to create or redeem Listed Class Units under certain circumstances. Alternatively, investors may realize the value of their Listed Class Units by selling their Listed Class Units through an intermediary such as a stockbroker on the SEHK, although there is a risk that dealings on the SEHK may be suspended. Please refer to the section headed “Creations and Redemptions (Primary Market) of the Listed Class Units” for details in relation to the circumstances under which creation and redemption applications can be rejected.

#### *Cost of Trading Listed Class Units Risk*

As investors will pay certain charges (e.g. trading fees and brokerage fees) to buy or sell Listed Class Units on the SEHK, investors may pay more than the Net Asset Value per Unit when buying Listed Class Units on the SEHK, and may receive less than the Net Asset Value per Unit when selling Listed Class Units on the SEHK. In addition, 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 Listed Class Units (bid price) and the price at which they are willing to sell Listed Class Units (ask price). Frequent trading may detract significantly from investment results and an investment in Listed Class Units may not be advisable particularly for investors who anticipate making small investments regularly.

#### *Secondary Market Trading Risk*

Listed Class Units in a Sub-Fund may trade on the SEHK when the relevant Sub-Fund does not accept orders to subscribe or redeem Listed Class Units. On such days, Listed Class Units may trade in the secondary market with more significant premiums or discounts than might be experienced on days when the Sub-Fund accept subscription and redemption orders.

#### *Reliance on Market Makers Risk*

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 Listed Class Units of each Sub-Fund. Where a Multi-Counter arrangement has been adopted in respect of the Listed Class Units of a Sub-Fund the Manager will use its best endeavours to put in place arrangements so that there is at least one Market Maker for Listed Class Units traded in each counter. Nevertheless, it should be noted that liquidity in the market for the Listed Class Units may be adversely affected if there is no Market Maker for Listed Class Units in a particular counter. The Manager will seek to mitigate this risk by using its best endeavours to put in place arrangements so that there is at least one Market Maker for each counter gives not less than 3 months' notice prior to terminating market making arrangement under the relevant market making agreements. There may be less interest by potential market makers in making a market in RMB denominated or traded Listed Class Units. Furthermore, any disruption to the availability of RMB may adversely affect the capability of Market Makers in providing liquidity for such RMB traded Listed Class Units. It is possible that there is only one SEHK Market Maker to a counter (RMB, USD or HKD) or to the Sub-Fund or the Manager may not be able to engage a substitute Market Maker within the termination notice period of a Market Maker, and there is also no guarantee that any market making activity will be effective.

#### *No Trading Market in the Units Risk*

Although the Listed Class Units are listed on the SEHK and one or more Market Makers have been appointed, there may be no liquid trading market for the Listed Class Units or that such Market Maker(s) may cease to fulfil

that role. Further, there can be no assurance that Listed Class Units will experience trading or pricing patterns similar to those of exchange traded funds which are issued by investment companies in other jurisdictions or those traded on the SEHK which are based upon indices other than the Index (if applicable).

#### *Reliance on Participating Dealers Risk*

The creation and redemption of Listed Class Units may only be effected through Participating Dealers. A Participating Dealer may charge a fee for providing this service. Participating Dealers will not be able to create or redeem Listed Class Units during any period when, amongst other things, dealings on the SEHK are restricted or suspended, settlement or clearing of Securities and/or Futures Contracts through the CCASS is disrupted or (for Index Tracking Sub-Funds) the Index is not compiled or published. In addition, Participating Dealers will not be able to issue or redeem Listed Class Units if some other event occurs that impedes the calculation of the Net Asset Value of the relevant Sub-Fund or disposal of the relevant Sub-Fund's Securities and/or Futures Contracts cannot be effected. Since the number of Participating Dealers at any given time will be limited, and there may even be only one Participating Dealer at any given time, there is a risk that investors may not always be able to create or redeem Listed Class Units freely.

#### *Trading Difference Risk*

As the markets in which a Sub-Fund invests may be open when Units are not priced, the value of the securities in a Sub-Fund's portfolio may change on days when investors will not be able to purchase or sell a Sub-Fund's Listed Class Units. Differences in trading hours between the overseas stock exchanges and the SEHK may also increase the level of premium or discount of the price of a Listed Class Unit to its Net Asset Value.

#### *Extreme Price Volatility Risk*

Under extreme market conditions, the trading price of the Listed Class Units may fall to a very low nominal level. In such circumstances, the bid-ask spreads of a Sub-Fund may widen significantly, trading liquidity may deteriorate, and market makers may face practical difficulties or be unable to fulfil their market making obligations. The trading price may reach the price floor of 0.01 (of any available currency unit). Where this occurs, the secondary market trading price of the Listed Class Units may not be able to fully reflect movements in the Net Asset Value or indicative Net Asset Value of the Sub-Fund, and the Listed Class Units may trade at prices that deviate materially from their respective Net Asset Value. Investors should exercise caution when trading the Listed Class Units in the secondary market and should consider the latest available Net Asset Value, indicative Net Asset Value, trading price, bid-ask spread and liquidity of the relevant Sub-Fund before making any investment decision.

#### *Severe Weather Conditions Risk*

The SEHK has announced that, from 23 September 2024, on any day on which severe weather conditions persist (i.e. Typhoon Signal No. 8 or above is hoisted, or Black Rainstorm Warning is issued by the Hong Kong Observatory, or a situation of "Extreme Conditions" is announced by the Hong Kong Government), trading, clearing and settlement services and operations will continue in both the securities and derivatives markets in Hong Kong, and the SEHK will maintain normal operations to the furthest extent possible.

Accordingly, unless the Manager and the Trustee otherwise determine, Listed Class Units of each Sub-Fund will generally be traded on the SEHK on such days if the SEHK maintains normal operations.

The implementation of trading and dealing of Listed Class Units will depend on the operational support of its service providers. Although system testing has been performed, and contingency plans have been developed, there is a possibility of extreme events (e.g. temporary power outages or the suspension of electronic money transfer channels) so that service providers of the Trust may not be able to operate, or to operate at the usual level.

While the Manager, the Trustee and other service providers of the Trust will take appropriate measures to ensure normal operations as far as possible, to facilitate the investment in Listed Class Units, in both the primary and the secondary markets, investors should note that their ability to invest will also depend on the availability of the services of their own service providers. For example, investors who wish to invest in the Listed Class Units of a Sub-Fund will have to do so through their brokers on a day on which severe weather conditions persist. These service providers are independent of the Manager, and it cannot be guaranteed

that their services will not be disrupted by severe weather events.

## **Risks Associated with the Indices (applicable to Index Tracking Sub-Funds only)**

### **Risks Associated with Regulation**

#### *Withdrawal of SFC Authorisation Risk*

The Trust and each Sub-Fund have been authorised as a collective investment scheme under the Code by the SFC under section 104 of the SFO. SFC authorisation is not a recommendation or endorsement of the Trust or any of the Sub-Funds nor does it guarantee the commercial merits of the Trust, any of the Sub-Funds or their performance. This does not mean the Trust or the Sub-Funds are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors. For an Index Tracking Sub-Fund, the SFC reserves the right to withdraw the authorisation of the Trust or a Sub-Fund if the relevant Index is no longer considered acceptable or impose such conditions as it considers appropriate. If the Manager does not wish the Trust or a Sub-Fund to continue to be authorised by the SFC, the Manager will give Unitholders at least three months' notice of the intention to seek SFC's withdrawal of such authorisation. In addition, any authorisation granted by the SFC may be subject to certain conditions which may be withdrawn or varied by the SFC. If, as a result of such withdrawal or variation of conditions, it becomes illegal, impractical or inadvisable to continue the Trust or a Sub-Fund, the Trust or the Sub-Fund (as applicable) will be terminated.

#### *General Legal and Regulatory Risk*

A Sub-Fund must comply with regulatory constraints or changes in the laws affecting it or its investment restrictions which might require a change in the investment policy and objectives followed by the Sub-Fund. Furthermore, such change in the laws may have an impact on the market sentiment which may in turn affect the performance of an Index or the Securities and/or Futures Contracts in a Sub-Fund's portfolio and as a result, the performance of the relevant Sub-Fund. It is impossible to predict whether such an impact caused by any change of law will be positive or negative for the Sub-Fund. In the worst case scenario, a Unitholder may lose a material part of its investments in a Sub-Fund.

#### *Listed Class Units may be Delisted from the SEHK Risk (applicable to the Listed Class Units only)*

The SEHK imposes certain requirements for the continued listing of Securities, including the Listed Class Units, on the SEHK. Investors cannot be assured that any Sub-Fund will continue to meet the requirements necessary to maintain the listing of Listed Class Units on the SEHK or that the SEHK will not change the listing requirements. If the Listed Class Units of a Sub-Fund are delisted from the SEHK, Unitholders will have the option to redeem their Listed Class Units by reference to the Net Asset Value of the Sub-Fund. Where the relevant Sub-Fund remains authorised by the SFC, such procedures required by the Code will be observed by the Manager including as to notices to Unitholders, withdrawal of authorisation and termination, as may be applicable. Should the SFC withdraw authorisation of a Sub-Fund for any reason it is likely that Listed Class Units may also have to be delisted.

#### *Taxation Risk*

Investing in a Sub-Fund may have tax implications for a Unitholder depending on the particular circumstances of each Unitholder. Prospective investors are strongly urged to consult their own tax advisers and counsel with respect to the possible tax consequences to them of an investment in the Units. Such tax consequences may differ in respect of different investors.

#### *Foreign Account Tax Compliance Act Related Risks*

Sections 1471 to 1474 (referred to as "**FATCA**") of the US Internal Revenue Code of 1986, as amended (the "**IRS Code**") imposes rules with respect to United States and certain non-United States persons, such as the Trust and/or each Sub-Fund. Payments of interest and dividends from securities of US issuers and gross proceeds from the sale of such securities may be subject to withholding at a 30% rate, unless the recipient of the payment satisfies certain requirements intended to enable the US Internal Revenue Service (the "**IRS**") to identify United States persons (within the meaning of the IRS Code) with interests in such payments. To avoid

such withholding on payments made to it, a foreign financial institution (an “**FFI**”), such as the Trust and/or each Sub-Fund (and, generally, other investment funds organised outside the US), generally will be required to be subject to the terms of an agreement (an “**FFI Agreement**”) with the US IRS under which it will agree to, among other things, identify its direct or indirect owners who are United States persons and report certain information concerning such United States person owners to the US IRS.

In general, an FFI which does not sign an FFI Agreement or agree to be subject to the terms of an FFI Agreement and is not otherwise exempt will face a 30% withholding tax on all “withholdable payments”, including U.S.-sourced dividends, interest and certain other payments. In addition, starting from 1 January 2019, gross proceeds such as sales proceeds and returns of principal derived from stocks and debt obligations generating US source dividends or interest will be treated as “withholdable payments.” It is possible that certain non-US source payments attributable to amounts that would be subject to FATCA withholding (referred to as “passthru payments”) may also be subject to FATCA withholding starting 1 January 2019, though the definition of “passthru payment” in US Treasury Regulations is currently pending.

The Hong Kong Government has entered into an intergovernmental agreement (“**IGA**”) for the implementation of FATCA, adopting “Model 2” IGA arrangements. Under these “Model 2” IGA arrangements, FFIs in Hong Kong (such as the Trust and/or each Sub-Fund) would be required to be subject to the terms of the FFI Agreement with the US IRS and register with the US IRS. Otherwise they may be subject to a 30% withholding tax on withholdable payments to them.

Under the IGA, FFIs in Hong Kong (such as the Trust and/or each Sub-Fund) complying with the FFI Agreement (i) will generally not be subject to the above described 30% withholding tax; and (ii) will not be required to withhold tax on withholdable payments made to non-consenting accounts (including accounts which the holders are U.S. persons and do not provide their US taxpayer identification number or consent to the FFI to report their information to the US IRS).

The Trust and/or each Sub-Fund intend to satisfy the requirements imposed under FATCA and the terms of the FFI Agreement to avoid any withholding tax. In the event the Trust and/or a Sub-Fund is not able to comply with the requirements imposed by FATCA or the terms of the FFI Agreement, the Trust and/or the relevant Sub-Fund may be subject to US withholding tax on withholdable payments. The Net Asset Value of the Trust or the relevant Sub-Fund may be adversely affected and the Trust or the relevant Sub-Fund may suffer significant loss as a result.

In the event a Unitholder does not provide the requested information and/or documentation, whether or not that actually leads to compliance failures by the Trust or a Sub-Fund, or a risk of the Trust or a Sub-Fund being subject to withholding tax under FATCA, the Manager on behalf of the Trust and the relevant Sub-Fund reserves the right to take any action and/or pursue all remedies at its disposal including, without limitation and to the extent permitted by applicable laws and regulations, (i) reporting the relevant information of such Unitholder to the US IRS; and/or (ii) withholding, deducting from such Unitholder’s account, or otherwise collecting any such tax liability from such Unitholder to the extent permitted by applicable laws and regulations. The Manager in taking any such action or pursuing any such remedy shall act in good faith and on reasonable grounds and in compliance with all applicable laws and regulations.

Each Sub-Fund has been registered with the IRS as at the date of this Prospectus. The Global Intermediary Identification Number for GF HKEX Tech & US Tech 100 Index ETF and GF MSCI Global Strategic Metals Select ETF are WRBBZR.00001.ME.344 and WRBBZR.00002.ME.344 respectively.

Each Unitholder and prospective investor should consult with his own tax advisor as to the potential impact of FATCA in its own tax situation.

#### *Valuation and Accounting Risk*

The Manager intends to adopt IFRS in drawing up the annual financial accounts of each Sub-Fund. However, the calculation of the Net Asset Value in the manner described under the section on “Determination of Net Asset Value” will not necessarily be in compliance with generally accepted accounting principles, that is, IFRS. To the extent that the basis adopted by a Sub-Fund for subscription and redemption purposes deviates from IFRS, the Manager may make necessary adjustments in the annual financial accounts for the financial accounts to be in compliance with IFRS. Any such adjustments will be disclosed in the annual financial accounts, including a reconciliation.

### *Contagion Risk*

The Trust Deed allows the Trustee and the Manager to issue Units in separate Sub-Funds. The Trust Deed provides for the manner in which the liabilities are to be attributed across the various Sub-Funds under the Trust (liabilities are to be attributed to the specific Sub-Fund in respect of which the liability was incurred). A person to whom such a liability is owed has no direct recourse against the assets of the relevant Sub-Fund (in the absence of the Trustee granting that person a security interest). However, the Trustee will have a right of reimbursement and indemnity out of the assets of the Trust as a whole or any part thereof, against any action, costs, claims, damages, expenses or demands relating to the Trust as a whole, which may result in Unitholders of one sub-fund being compelled to bear the liabilities incurred in respect of other Sub-Funds in which such Unitholders do not themselves own Units, if there are insufficient assets in that other Sub-Fund to satisfy the amount due to the Trustee. Accordingly, there is a risk that liabilities of one Sub-Fund may not be limited to that particular Sub-Fund and may be required to be paid out of one or more other Sub-Funds.

### *Cross Liability Risk*

The assets and liabilities of each Sub-Fund under the Trust will be tracked, for book keeping purposes, separately from the assets and liabilities of any other Sub-Funds, and the Trust Deed provides that the assets of each Sub-Fund should be segregated from each other. There is no guarantee that the courts of any jurisdiction will respect the limitations on liability and that the assets of any particular Sub-Fund will not be used to satisfy the liabilities of any other Sub-Fund.

### **Differences in Dealing, Fee and Cost Arrangements between Listed Class and Unlisted Class Units**

A Sub-Fund may offer both Listed Class Units and Unlisted Class Units. Dealing arrangements in respect of Listed Class Units and Unlisted Class Units are different, and depending on market conditions, investors of the Listed Class Units may be at an advantage compared to investors of the Unlisted Class Units, or vice versa.

Unlike investors of Listed Class Units who may buy and sell Listed Class Units in the secondary market during SEHK trading hours, investors of Unlisted Class Units are only able to subscribe and redeem at the relevant Subscription Price and Redemption Value (as the case may be) based on the latest available Net Asset Value as at the end of each Dealing Day. As such, holders of Listed Class Units would have intra-day trading opportunities which will not be available to holders of Unlisted Class Units. In a stressed market scenario, holders of Listed Class Units can sell their units on the secondary market during SEHK trading hours if the market continues to deteriorate, while holders of Unlisted Class Units will not be able to do so.

Conversely, investors in the secondary market generally do not have access to the redemption facilities which are available to investors of Unlisted Class Units. During stressed market conditions, Participating Dealers may, on their own account or on behalf of Primary Market Investors, redeem Listed Class Units on the primary market at the Net Asset Value of the relevant Sub-Fund, but the secondary market trading prices may have diverged from the corresponding Net Asset Value. In such circumstances, holders of the Listed Class Units in the secondary market will be at an apparent disadvantage to holders of the Unlisted Class Units as the latter will be able to redeem from the relevant Sub-Fund at Net Asset Value whilst the former will not.

In addition, the levels and types of fees and costs applicable to each of the Listed Class Units and the Unlisted Class Units may differ. As such, the Net Asset Value per Unit of each of the Listed Class Units and Unlisted Class Units may also be different due to the different fees and costs applicable to each class of Units. For instance:

- For Listed Class Units, the Transaction Fee, the Service Agent's Fee and/or the Conversion Agent's Fee (as the case may be), as well as the Registrar Fee, may be payable by the Participating Dealer in respect of Creation and Redemption Applications. Investors in the secondary market will not bear the foregoing, but may incur SEHK-related fees such as brokerage fees, transaction levy, AFRC transaction levy and trading fee.
- For Unlisted Class Units, Unitholders may be subject to a Subscription Fee and/or a Redemption Fee in respect of subscription and redemption of Unlisted Class Units respectively.

For details of the fees and costs applicable to each class of Units, please refer to the section headed "**Fees**

**and Expenses**" in the relevant Appendix to this Prospectus.

Please also refer to "**Risks Associated with Market Trading (applicable to the Listed Class Units only)**" above for additional risks relating to Listed Class Units.

## MANAGEMENT OF THE TRUST AND SUB-FUNDS

### The Manager

The Manager of the Trust and the Sub-Funds is GF International Investment Management Limited.

The Manager, which has a paid-up capital of HKD500 million as of 31 December 2025, is a wholly owned subsidiary of GF Fund Management Co., Ltd. ("GF Fund Management"). Established in 2003, GF Fund Management has a registered capital of RMB140.978 million as of 31 December 2025, and is one of the largest public fund management institutions in the PRC. As of 31 December 2024, the asset of public funds under management of GF Fund Management was RMB2,111 billion.

The Manager is licensed by the SFC for Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO.

The Manager undertakes the management of the assets of the Trust. The Manager may appoint an investment delegate and delegate any of its management functions in relation to assets of specific Sub-Fund(s) to such an investment delegate subject to prior SFC approval. In the event that an investment delegate is appointed by the Manager in respect of an existing Sub-Fund, at least one month's prior notice will be provided to Unitholders of such Sub-Fund and this Prospectus and/or the relevant Appendix will be updated to include such appointment.

The Manager shall not be exempted from or indemnified against any liability imposed under the laws of Hong Kong or for breach of trust through fraud or negligence for which it may be liable in relation to its duties, or be indemnified against such liability by Unitholders or at Unitholders' expense.

### Directors of Manager

Details of the directors of the Manager are as follows:

#### *WANG Fan*

Dr. Wang is currently the Chairperson of the Board of the Manager and Secretary of the Party Committee and the General Manager and Director of GF Fund Management Co., Ltd. His previous working experiences include working in the Ministry of Finance of the People's Republic of China, E Fund Management Co., Ltd., and he was previously the Deputy General Manager of GF Fund Management Co., Ltd. Dr. Wang obtained a doctor degree from Central University of Finance and Economics in 2011.

#### *WANG Haitao*

Mr. Wang is currently the Director of the Board of the Manager and the Deputy General Manager and portfolio manager of GF Fund Management. His previous working experiences include working in Business Excellence Inc., Morgan Stanley Asia Limited, and Aegon-industrial Fund Management Co., Ltd. Mr. Wang was awarded Master degree in Business Administration by the Wharton School of the University of Pennsylvania in 2005.

#### *SHANGGUAN Peng*

Mr. Shangguan is currently the Director of the Board and the General Manager of the Manager. Before joining the Manager, Mr. Shangguan acted as an Assistant General Manager, Deputy General Manager and the Director in Ruiyuan Capital, where he was in charge of the sales sector, Alternative Investment Department and Asset Management Department. Previously he served as Executive Director in ZhongYu XQ (Shenzhen) Investment Management Co., Ltd where he was responsible for equity investment and research. He was awarded a Bachelor degree in Accounting from Xiamen University, China in 2000, and a Doctoral degree in Management from The Hong Kong Polytechnic University in 2024.

#### *HE Kai*

Mr. He is the Chief Executive Officer, Chief Investment Officer, and Director of the Manager. Mr. He joined the Manager in September 2025. Prior to this, he was the Chief Investment Officer, Chief Marketing Officer,

Responsible Officer and Director of Bosera. Prior to Bosera, he was an Executive Director/Portfolio Manager at CSOP Asset Management, responsible for global fixed income investment. Prior to CSOP, he worked as a portfolio manager of global credit bonds at China Investment Corporation. Mr. He started his career as an exotic credit derivatives trader at ABN AMRO Bank (London).

Mr. He holds an MSc degree in Financial Economics from Oxford University and an MPhil degree in Management Studies from Cambridge University. He received his undergraduate degree in Electronic & Information Science & Technology from Peking University, China.

### **The Trustee**

The Trustee of the Trust is Cititrust Limited, which is a wholly-owned subsidiary of Citigroup Inc. ("**Citigroup**"), which is a company incorporated in Hong Kong and a bank licensed under section 16 of the Banking Ordinance (Chapter 155 of the Laws of Hong Kong). As a global financial services group, Citigroup and its subsidiaries provide a broad range of financial products and services, including consumer banking, corporate and investment banking, securities brokerage and wealth management to consumers, corporations, governments and institutions. The Trustee is licensed by the SFC to conduct type 13 (providing depositary services for relevant CISs) regulated activity under the SFO. The Trustee is registered under Part VIII of the Trustee Ordinance (Chapter 29 of the Laws of Hong Kong) and is independent of the Manager within the meaning of Chapters 4.7 and 4.8 of the Code.

Under the Trust Deed, the Trustee is responsible for the safe-keeping of the assets of the Trust and each Sub-Fund, and such assets will be dealt with pursuant to the terms of the Trust Deed. The Trustee may, from time to time appoint such person or persons (including a connected person) as custodian, co-custodians or sub-custodian in respect of the whole or any part of the assets of any Sub-Fund and may empower any such custodian or co-custodian to appoint, with the prior consent in writing of the Trustee, sub-custodians. The fees and expenses of such custodian, co-custodian and sub-custodians or any persons appointed by the Trustee in relation to the relevant Sub-Fund shall be paid out of the relevant Sub-Fund.

The Trustee shall (A) exercise reasonable care, skill and diligence in the selection, appointment and ongoing monitoring of its agent, nominee, custodian, co-custodian or sub-custodian to hold any of the investments of a Sub-Fund (each a "**Correspondent**"); and (B) be satisfied that each Correspondent retained remains suitably qualified and competent on an ongoing basis to provide services to the Trust or any Sub-Fund, having regard to the market or markets for which such Correspondent is appointed. The Trustee shall remain liable for any act or omission of any Correspondent that is a Connected Person of the Trustee as if the same were the act or omission of the Trustee, but provided that the Trustee has discharged its obligations set out in (A) and (B) above, the Trustee shall not be liable for any act, omission, insolvency, liquidation or bankruptcy of any Correspondent that is not a Connected Person of the Trustee. The Trustee shall use reasonable endeavours to recover any loss of investments and other assets arising from any default of a Correspondent.

Subject to the foregoing, the Trustee shall not be responsible for any act, omission, insolvency, liquidation or bankruptcy of or be liable for any loss or damaged caused by: (a) any nominees, agents, delegates and persons by the Manager; (b) Euroclear Bank S.A./N.V., Clearstream Banking, S.A. or any other central depositary or clearing system in relation to any investment deposited with such central depositary or clearing system; (c) any Registrar (other than where the Trustee is the Registrar), Participating Dealers, counterparties, third party service providers and advisers; (d) any losses arising from the performance of investments made by the Manager in respect of the Trust or the Sub-Fund(s); or (e) any lender or a nominee appointed by the lender in whose name any assets of a Sub-Fund are registered pursuant to a borrowing undertaken for the account of such Sub-Fund.

Under the Trust Deed, the Trustee and its directors, officers, employees, delegates and agents shall be entitled for the purpose of indemnity against any actions, proceedings, liabilities, costs, claims, damages, expenses (including all reasonable legal, professional and other similar expenses) or demands to which it may be put or asserted against, or may incur or suffer in performing its obligations or functions relating to a Sub-Fund to have recourse to the assets of the relevant Sub-Fund or any part thereof but shall not have a right of recourse to the assets of any other Sub-Fund. Notwithstanding the foregoing, the Trustee shall not be exempted from or indemnified against any liability imposed under the laws of Hong Kong (including under the Trustee Ordinance) or for breach of trust through fraud or negligence for which it may be liable in relation to its duties, or be indemnified against such liability by Unitholders or at Unitholders' expense.

The Manager is solely responsible for making investment decisions in relation to the Trust and/or each Sub-Fund. The Trustee shall take reasonable care to ensure that the investment and borrowing limitations set out under the section headed **"INVESTMENT OBJECTIVE, STRATEGY AND RESTRICTIONS, SECURITIES LENDING AND BORROWING"** and specific investment and borrowing limitations (if any) as set out in the relevant Appendix as they relate to a Sub-Fund and the conditions under which such Sub-Fund is authorised pursuant to the SFO are complied with and save for the aforesaid, the Trustee is not responsible and has no liability for any investment decision made by the Manager. Subject as provided in the Trust Deed, the Trustee shall not be liable for losses caused by the performance of investments made by the Trust and/or any Sub-Fund.

The appointment of the Trustee may be terminated in the circumstances set out in the Trust Deed.

The Trustee is not responsible for the preparation or issue of this Prospectus other than the disclosures on the profiles of the Trustee as set out herein.

### **The Custodian and the Administrator**

The Custodian of the Trust and the Sub-Fund(s) is Citibank, N.A., Hong Kong Branch.

The Custodian has been a provider of custodial and settlement services to domestic and international clients since its establishment in the United States of America in 1814. The Custodian's global custodial network covers all mature and major emerging markets. The Custodian began offering securities services in Hong Kong in the mid-1970s and developed a full-blown capability by the mid-1980s.

Citibank, N.A., Hong Kong Branch also acts as the Administrator of the Trust and the Sub-Fund(s), and is responsible for certain financial, administrative and other services in relation to the Trust and each Sub-Fund, including: (i) determining the Net Asset Value and the Net Asset Value per Unit; (ii) preparing and maintaining the Trust and each Sub-Fund's financial and accounting records and statements; and (iii) assisting in preparing the financial statements of the Trust and the Sub-Fund(s).

### **The Registrar**

Citicorp Financial Services Limited has been appointed as the Registrar of the Trust under the terms of the registrar agreement. The Registrar provides services in respect of the establishment and maintenance of the register of the Unitholders of the relevant Sub-Fund(s).

### **The Service Agent or Conversion Agent (applicable in respect of Listed Class Units only)**

HK Conversion Agency Services Limited acts as Service Agent or Conversion Agent, as appropriate in respect of Listed Class Units of a Sub-Fund, the details of which are set out in Part 2 of this Prospectus. Under the terms of the Service Agreement, the Participation Agreement or Conversion Agency Agreement (as the case may be), the Service Agent or the Conversion Agent (as the case may be) performs, through HKSCC, certain of its services in connection with the creation and redemption of Listed Class Units in the Sub-Fund by Participating Dealers or PD Agents (as the case may be).

### **The Auditor**

The Manager has appointed Ernst & Young to act as the Auditor of the Trust and each Sub-Fund. The Auditor is independent of the Manager and the Trustee.

### **The Participating Dealers (applicable in respect of Listed Class Units only)**

A Participating Dealer may act for its own account or for your account as its clients in making Creation Applications and Redemption Applications in respect of the Listed Class Units of a Sub-Fund. Different Sub-Funds which offer Listed Class Units may have different Participating Dealers. The latest list of the Participating Dealers in respect of each Sub-Fund which offers Listed Class Units is available at [www.gffunds.com.hk](http://www.gffunds.com.hk) (this website has not been reviewed by the SFC)..

### **The Market Makers (applicable in respect of Listed Class Units only)**

A Market Maker is a broker or dealer permitted by the SEHK to make a market for the Listed Class Units in the secondary market and whose obligations include quoting bid prices to potential sellers and offer prices to potential buyers when there is a wide spread between the prevailing bid prices and offer prices for the Listed Classes of Units on the SEHK. Market Makers facilitate the efficient trading of Listed Classes of Units by providing liquidity in the secondary market when it is required, in accordance with the market making requirements of the SEHK.

Subject to applicable regulatory requirements, the Manager will use its best endeavours to put in place arrangements so that there is at all times at least one Market Maker for Listed Class Units of each counter. If the SEHK withdraws its permit to the existing Market Maker(s), the Manager will endeavour to ensure that there is at least one other Market Maker for each Sub-Fund which offers Listed Class Units or counter (as appropriate) to facilitate the efficient trading of Listed Class Units. The Manager use its best endeavours to put in place arrangements so that that at least one Market Maker for each Sub-Fund which offers Listed Class Units or counter (as appropriate) in respect of the Listed Class Units gives not less than 3 months' notice prior to terminating market making under the relevant market making agreement. The latest list of Market Makers for each Sub-Fund which offers Listed Class Units is available at [www.hkex.com.hk](http://www.hkex.com.hk) and [www.gffunds.com.hk](http://www.gffunds.com.hk) (this website has not been reviewed by the SFC) (the contents of both websites and of any other website referred to in this Prospectus have not been reviewed by the SFC).

#### **The Listing Agent (applicable in respect of Listed Class Units only)**

In respect of the Listed Class Units of the relevant Sub-Fund, the Manager may appoint a Listing Agent for the relevant Sub-Fund in accordance with The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited in respect of a Sub-Fund's listing on the SEHK. Any Listing Agent will be a registered institution or licensed corporation which is registered or licensed by the SFC to carry out, amongst others, Type 6 (advising on corporate finance) regulated activity under the SFO. The name of the Listing Agent for each Listed Class is set out in the relevant Appendix for that Sub-Fund.

#### **Conflicts of Interest and Soft Dollars**

The Manager, and the Trustee may, from time to time, act as manager, sub-investment manager, investment delegate, trustee or custodian or in such other capacity in connection with any collective investment scheme separate and distinct from the Trust and each Sub-Fund and retain any profit or benefit made in connection therewith.

In addition:

- (a) The Manager or any of its Connected Persons may purchase and sell investments for the account of a Sub-Fund as agent for the Sub-Fund or deal with any Sub-Fund as principal with the prior written consent of the Trustee.
- (b) The Trustee, the Manager and any of their Connected Persons may contract or enter into any financial, banking or other transaction with one another or with any Unitholder or any company or body any of whose shares or securities form part of the relevant Sub-Fund's assets.
- (c) The Trustee or the Manager or any of their Connected Persons may become the owner of Units and hold, dispose or otherwise deal with them with the same rights which it would have had if it had not been the Trustee or the Manager or any of their Connected Persons.
- (d) The Trustee, the Manager and any of their Connected Persons may buy, hold and deal in any securities, commodities or other property for their own account or for the account of their other customers notwithstanding that similar securities, commodities or other property may be held by a Sub-Fund.
- (e) Any arrangements for the borrowing or deposit of any monies for the account of a Sub-Fund may be made with any of the Trustee, the Manager, any investment delegate or any of their Connected Persons being a banker or other financial institution provided that such person shall charge or pay (as the case may be) interest or fees at a rate or amount no higher (in the case of a borrowing) or lower (in the case of a deposit) than the prevailing rates or amounts for transactions of a similar type, size and term, in the same currency and with institutions of similar standing, negotiated at arm's length in accordance with ordinary and normal course of business. Any such deposits shall be maintained in a manner that

is in the best interests of Unitholders.

- (f) Neither the Trustee, the Manager and any of their Connected Persons shall be liable to account to each other or to any Sub-Fund or to the Unitholders for any profits or benefits made or derived from or in connection with any such transaction mentioned above.

It is, therefore, possible that any of the Trustee, the Manager, its delegate or any of their Connected Persons may, in the course of business, have potential conflicts of interest with a Sub-Fund. Each will, at all times, have regard in such event to its obligations to the Sub-Fund and the Unitholders and will endeavour to ensure that such conflicts are resolved fairly.

Subject to applicable rules and regulations, the Manager or any of their Connected Persons may enter into portfolio transactions for or with a Sub-Fund as agent in accordance with normal market practice, provided that commissions charged to the Sub-Fund in these circumstances do not exceed customary full service brokerage rates. If a broker does not provide research or other lawful services in addition to brokerage execution, such broker will generally charge a brokerage commission that is discounted from customary full service brokerage rates. Where the Manager invests a Sub-Fund in shares or units of a collective investment scheme managed by the Manager, its delegates or any of its Connected Persons, the manager of the scheme in which the investment is being made by the Sub-Fund must waive any preliminary or initial charge which it is entitled to charge for its own account in relation to the acquisition of shares or units and there must be no increase in the overall total of annual management fees (or other costs and charges payable to the Manager or any of its Connected Persons) borne by the Sub-Fund.

None of the Manager, its delegates or any of their Connected Persons shall, retain any cash commission rebates or other payment or benefit (except as otherwise provided for in this Prospectus or in the Trust Deed) received from a third party (either directly or indirectly) arising out of the sale or purchase or loan of investments for a Sub-Fund, and any such rebates or payments or benefits which are received shall be credited to the account of the Sub-Fund.

The Manager, its delegates or any of their Connected Persons may receive, and are entitled to retain, goods, services or other benefits, such as research and advisory services, economic and political analysis, portfolio analysis (including valuation and performance measurement), market analysis, data and quotation services, computer hardware and software incidental to the above goods and services, clearing and custodian services and investment-related publication (known as soft dollar benefits) which are of demonstrable benefit to a Sub-Fund as a whole and may contribute to an improvement in the performance of the relevant Sub-Fund or of the Manager and/or any of its Connected Persons in providing services to the relevant Sub-Fund (as may be permitted under the Code, applicable rules and regulations), from brokers and other persons through whom investment transactions are carried out ("**brokers**") provided that the quality of transaction execution is consistent with best execution standards, brokerage rates are not in excess of customary institutional full-service brokerage rates and the availability of soft dollar arrangements is not the sole or primary purpose to perform or arrange transaction with such broker or dealer. For the avoidance of doubt, such goods and services do not include travel accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payments. Details of soft commission arrangements will be disclosed in the relevant Sub-Fund's annual report.

The services of the Trustee provided to the Trust and each Sub-Fund are not deemed to be exclusive and the Trustee shall be free to render similar services to others so long as its services hereunder are not impaired thereby and to retain for its own use and benefit all fees and other monies payable thereby and the Trustee shall not be deemed to be affected with notice of or to be under any duty to disclose to any Sub-Fund any fact or thing which comes to the notice of the Trustee in the course of the Trustee rendering similar services to others or in the course of its business in any other capacity or in any manner whatsoever otherwise than in the course of carrying out its duties under the Trust Deed.

Conflicts of interest may also arise due to the widespread business operations of the Trustee, the Manager, the Registrar, the custodian, sub-custodians, the Conversion Agent or the Service Agent (as the case may be) and their respective holding companies, subsidiaries and affiliates. The foregoing parties may effect transactions where those conflicts arise and shall not, subject to the terms of the Trust Deed and the relevant agreement(s), be liable to account for any profit, commission or other remuneration arising. However, all transactions carried out by or on behalf of a Sub-Fund will be on arm's length terms and in the best interests of Unitholders. For so long as a Sub-Fund is authorised by the SFC and it is an applicable requirement of the Code, the Manager, if

transacting with brokers or dealers connected to the Manager, investment delegates, the Trustee or any of their respective Connected Persons, must ensure it complies with the following obligations:

- (a) such transactions should be on arm's length terms;
- (b) it must use due care in the selection of brokers or dealers and ensure that they are suitably qualified in the circumstances;
- (c) transaction execution must be consistent with applicable best execution standards;
- (d) the fee or commission paid to any such broker or dealer in respect of a transaction must not be greater than that which is payable at the prevailing market rate for a transaction of that size and nature;
- (e) the Manager must monitor such transactions to ensure compliance with its obligations; and
- (f) the nature of such transactions and the total commissions and other quantifiable benefits received by such broker or dealer shall be disclosed in the annual financial statements of the Sub-Fund.

## STATUTORY AND GENERAL INFORMATION

### Reports

The financial year-end of the Trust (and each Sub-Fund) is 31 December every year. Audited annual financial reports are to be prepared (in accordance with IFRS) and published on the Manager's website in English only within 4 months of each financial year-end. Half-yearly unaudited financial reports are also to be prepared up to 30 June of each year and published on the Manager's website within 2 months of such date.

Only an English version of the audited annual financial reports and the half-yearly unaudited financial reports of each Sub-Fund will be available. Printed copies may be requested free of charge from the Manager by contacting it, as described below under "**Notices**".

The financial reports provide details of the assets of each Sub-Fund and the Manager's statement on transactions during the period under review (including for an Index Tracking Sub-Fund, a list of any constituent Securities or Futures Contracts of the relevant Index, if any, that each accounts for more than 10% of the weighting of the relevant Index as at the end of the relevant period and their respective weighting showing any limits adopted by the relevant Sub-Fund have been complied with). The financial reports shall also provide a comparison of each Sub-Fund's performance and (for an Index Tracking Sub-Fund) the actual relevant Index performance over the relevant period and such other information as is required under the Code.

### Trust Deed

The Trust and each Sub-Fund were established under Hong Kong law by the Trust Deed made between the Manager and the Trustee. All Unitholders are entitled to the benefit of, are bound by and are deemed to have notice of, the provisions of the Trust Deed. The Trust Deed contains provisions for the indemnification of the Trustee and the Manager out of the assets of the Trust Fund and their relief from liability in certain circumstances (summarised below in "**Indemnities of the Trustee and Manager**"). Unitholders and intending applicants are advised to consult the terms of the Trust Deed.

### Indemnities of the Trustee and Manager

The Trustee and the Manager benefit from various indemnities in the Trust Deed. Except as provided under the Trust Deed, the Trustee and the Manager shall be entitled to be indemnified out of, and have recourse to, the Trust Fund in respect of any action, costs, claims, damages, expenses or demands arising directly or indirectly from the proper performance of the Sub-Fund. Nothing in any of the provisions of the Trust Deed shall (i) exempt either the Trustee or the Manager (as the case may be) from or against any liability to Unitholders for breaches of trust through fraud or negligence or any liability to Unitholders imposed by virtue of any Hong Kong law nor (ii) indemnify either the Trustee or the Manager (as the case may be) against such liability by Unitholders or at Unitholders' expense.

### Modification of the Trust Deed

The Trustee and the Manager may agree to modify, alter or add to the provisions of the Trust Deed by supplemental deed provided that the Trustee shall certify in writing that such modification, alteration or addition (i) does not materially prejudice the interests of Unitholders, does not operate to release to any material extent the Trustee or the Manager or any other person from any liability to the Unitholders and (with the exception of the costs incurred in connection with the relevant supplemental deed) does not increase the costs and charges payable out of the assets of each Sub-Fund; or (ii) is necessary in order to make possible compliance with any fiscal, statutory, regulatory or official requirement (whether or not having the force of law); or (iii) is made to correct a manifest error. In all other cases, modifications, alterations and additions involving material changes require the sanction of an extraordinary resolution of the Unitholders where the interests of the Unitholders as a whole are affected or an extraordinary resolution of the Unitholders of a Sub-Fund or of a class of Units where only the interests of such Unitholders are affected. The SFC must (where such approval is required) also give its prior approval to all amendments to the Trust Deed.

The Manager will notify affected Unitholders of the amendments if such notification is required under the Code.

### Meetings of Unitholders

Proxies may be appointed. A Unitholder who is the holder of two or more Units may appoint more than one proxy to represent him and vote on his behalf at any meeting of the Unitholders. If a clearing house (or its nominee(s)), being a corporation, is a Unitholder, it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Unitholders provided that, if more than one person is so authorised, the authorisation shall specify the number and class of Units in respect of which each such representative is so authorised. Each person so authorised shall be deemed to have been duly authorised without further evidence of the facts and shall be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person were the registered Unitholder of the Units held by the clearing house (or its nominee(s)), including the right to vote individually on a poll.

## **Voting Rights**

Unitholders' meetings may be convened by the Manager, by the Trustee or by Unitholders representing at least 10% of the Units in issue, on not less than 21 calendar days' notice.

These meetings may be used to modify the terms of the Trust Deed, including increasing the maximum fees payable to the service providers, removing the Manager or terminating a Sub-Fund at any time. Such amendments to the Trust Deed must be considered by Unitholders of at least 25% of the Units in issue and passed by a 75% or more of the votes cast.

Other matters that require an ordinary resolution being passed would be considered by Unitholders of at least 10% of the Units in issue and passed by a simple majority of more than 50% of the votes of those present and entitled to vote in person or by proxy at a duly convened meeting. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to such day and time not being less than 15 days thereafter and to such place as may be appointed by the chairman of the meeting. At such adjourned meeting, the Unitholders present in person or by proxy shall be a quorum. Notice of any adjourned meeting of Unitholders shall be given in the same manner as for an original meeting and such notice shall state that the Unitholders present at the adjourned meeting, whatever their number and the number of Units held by them, will form a quorum.

The Trust Deed contains provisions for the holding of separate meetings of Unitholders holding Units of different classes where only the interests of Unitholders of such class are affected.

## **Termination**

The Trust may be terminated by the Trustee if: (i) the Manager goes into liquidation or a receiver is appointed and not discharged within 60 days; or (ii) in the opinion of the Trustee, the Manager is incapable of performing its duties satisfactorily; or (iii) the Manager has failed to perform its duties satisfactorily or has, in the opinion of the Trustee, done something calculated to bring the Trust into disrepute or that is harmful to the interests of Unitholders; or (iv) a law is passed that renders it illegal or in the opinion of the Trustee and the Manager, impracticable or inadvisable to continue the Trust or; (v) the Trustee unable to find a person acceptable to the Trustee to act as the new Manager within 30 days after the removal of the Manager, or the person nominated shall fail to be approved by Extraordinary Resolution; or (vi) the Trustee decides to retire but within 60 days of the Trustee giving written notice to the Manager of its desire to retire the Manager is unable to find a suitable person who is willing to act as trustee.

The Manager may terminate the Trust if: (i) after one year from the date of the Trust Deed, the aggregate Net Asset Value of all the Units in each Sub-Fund outstanding is less than HKD100 million (or equivalent in the base currency of the relevant Sub-Fund); (ii) any law or regulation is passed or amended or any regulatory directive or order is imposed that affects the Trust and which renders the Trust illegal or in the good faith opinion of the Manager, makes it impracticable or inadvisable to continue the Trust; or (iii) within a reasonable time and using commercially reasonable endeavours, the Manager is unable to find a person acceptable to the Manager to act as the new trustee after retirement of the Trustee or after deciding to remove the Trustee in accordance with the Trust Deed.

The Manager may, in its absolute discretion, by notice in writing to the Trustee, terminate a Sub-Fund if: (i) after one year from the date of establishment of the Sub-Fund, the aggregate Net Asset Value of all the Units in the relevant Sub-Fund outstanding is less than HKD100 million (or equivalent in the base currency of the relevant Sub-Fund); (ii) any law or regulation is passed or amended or any regulatory directive or order is imposed that affects the relevant Sub-Fund and which renders the relevant Sub-Fund illegal or in the good

faith opinion of the Manager makes it impracticable or inadvisable to continue that Sub-Fund; (iii) (if applicable) its Index is no longer available for benchmarking or if the Listed Class Units of the relevant Sub-Fund are no longer listed on the SEHK or any such other stock exchange from time to time determined by the Manager; (iv) at any time in respect of a Sub-Fund with only Listed Class Units in issue, the relevant Sub-Fund ceases to have any Participating Dealer; (v) the Manager is unable to implement its investment strategy; or (vi) at any time in respect of a Sub-Fund with only Listed Class Units in issue, the relevant Sub-Fund ceases to have any Market Maker. Further, the Unitholders may at any time authorise termination of the Trust or the relevant Sub-Fund by extraordinary resolution.

The Trustee may, in its absolute discretion, by notice in writing to the Manager, terminate a Sub-Fund if: (i) the Trustee forms the opinion for good and sufficient reason that the Manager is incapable of performing its duties satisfactorily in respect of the relevant Sub-Fund; (ii) the Trustee forms the opinion for good and sufficient reason that the Manager has failed to perform its duties satisfactorily in respect of the relevant Sub-Fund or has done something calculated to bring the relevant Sub-Fund into disrepute or that is harmful to the interests of Unitholders of the relevant Sub-Fund; or (iii) any law or regulation is passed or amended or any regulatory directive or order is imposed that affects the relevant Sub-Fund and which renders the relevant Sub-Fund illegal or in the good faith opinion of the Trustee makes it impracticable or inadvisable to continue the relevant Sub-Fund.

Notice of the termination of the Trust or a Sub-Fund will be given to the Unitholders after the SFC has approved the notice. The notice will contain the reasons for the termination, the consequences to Unitholders of terminating the Trust or the Sub-Fund and the alternatives available to them, and any other information required by the Code. Any unclaimed proceeds or other monies held by the Trustee in the event of a termination may at the expiration of twelve calendar months from the date upon which the same became payable be paid into court.

Investors should note that, due to the nature of the listing of the Listed Class Units on the SEHK, the termination procedures applicable to Listed Class Units and Unlisted Class Units of the same Sub-Fund may differ. In the event of termination of the Trust, a Sub-Fund or a particular Class of Units, Unitholders will be notified of the relevant termination procedures applicable to its holding of the relevant Class of Units.

### **Distribution Policy**

The Manager will adopt a distribution policy for each Sub-Fund as the Manager considers appropriate having regard to the Sub-Fund's net income, fees and costs.

For each Sub-Fund this distribution policy (including the currency of such distribution) will be set out in the relevant Appendix. Distributions will always depend on payments on Securities held by the relevant Sub-Fund which will in turn depend on factors beyond the control of the Manager including, general economic conditions, and the financial position and distribution policies of the relevant underlying entities. There can be no assurance that such entities will declare or pay dividends or distributions.

### **Inspection of Documents**

Copies of the following documents (where applicable) in respect of each Sub-Fund are available for inspection free of charge at the offices of the Manager and copies thereof may be obtained from the Manager in the case of (e) free of charge and in the case of (a) to (d) upon payment of a reasonable fee:

- (a) Trust Deed;
- (b) Service Agreement(s);
- (c) Conversion Agency Agreement(s); Participating Dealer Agreement(s); and
- (d) The most recent annual reports of the Trust and each Sub-Fund (if any) and the most recent unaudited interim reports of the Trust and each Sub-Fund (if any).

### **Part XV of the SFO**

Part XV of the SFO sets out the Hong Kong disclosure of interests' regime applicable to Hong Kong listed

companies. The regime does not apply to unit trusts that are listed on the SEHK like the Trust. Consequently, Unitholders are not obliged to disclose their interest in the Sub-Fund.

### **Anti-money Laundering Regulations**

As part of the Manager's, the Trustee's, the Registrar's and the Participating Dealer's responsibility for the prevention of money laundering and to comply with all applicable laws to which the Manager, the Trustee, the Registrar, each Sub-Fund or the relevant Participating Dealer is subject, the Manager, the Trustee, the Registrar or the relevant Participating Dealer may require a detailed verification of an investor's identity and the source of payment of any applications for Units at any time as they think appropriate.

Delay or failure to provide with the required documents may result in delay or refusal of application or withholding of redemption proceeds. For the purpose of anti-money laundering and/or counter-terrorist financing, the Manager may compulsorily redeem the Units held by any Unitholder.

The Manager may, to the extent permitted by law, share, for the purposes of combating money laundering and terrorist financing, the information in connection with the Unitholders with its affiliates.

### **Certification for Compliance with FATCA or Other Applicable Laws**

Each Unitholder (i) will be required to, upon demand by the Trustee or the Manager, provide any form, certification or other information reasonably requested by and acceptable to the Trustee or the Manager that is necessary for the Trust or a Sub-Fund (a) to prevent withholding (including, without limitation, any withholding taxes required under FATCA) or qualify for a reduced rate of withholding or backup withholding in any jurisdiction from or through which the Trust or a Sub-Fund receives payments and/or (b) to satisfy reporting or other obligations under IRS Code and the United States Treasury Regulations promulgated under the IRS Code, or to satisfy any obligations relating to any applicable law, regulation or any agreement with any tax or fiscal authority in any jurisdiction (ii) will update or replace such form, certification or other information in accordance with its terms or subsequent amendments, and (iii) will otherwise comply with any reporting obligations imposed by the United States, Hong Kong or any other jurisdiction, including reporting obligations that may be imposed by future legislation.

### **Power to Disclose Information to Authorities**

Subject to applicable laws and regulations in Hong Kong, the Manager, the Trustee or any of their authorised person (as permissible under applicable law or regulation) may be required to report or disclose to any government agency, regulatory authority or tax or fiscal authority in any jurisdictions (including but not limited to the IRS and the IRD), certain information in relation to a Unitholder, including but not limited to the Unitholder's name, address, jurisdiction of birth, tax residence, tax identification number (if any), social security number (if any) and certain information relating to the Unitholder's holdings, account balance/value, and income or sale or redemption proceeds, to enable the Sub-Fund to comply with any applicable law or regulation or any agreement with a tax authority (including, but not limited to, any applicable law (including any law, rule and requirement relating to AEOI), regulation or agreement under FATCA).

### **Liquidity Risk Management**

The Manager has established a liquidity management policy which enables it to identify, monitor and manage the liquidity risks of each Sub-Fund and to ensure that the liquidity profile of the investments of the relevant Sub-Fund will facilitate compliance with such Sub-Fund's obligation to meet redemption requests. Such policy, combined with the liquidity management tools of the Manager, also seeks to achieve fair treatment of Unitholders and safeguard the interests of remaining Unitholders in case of sizeable redemptions.

The Manager's liquidity policy takes into account the investment strategy, the liquidity profile, the redemption policy, the dealing frequency, the ability to enforce redemption limitations and the fair valuation policies of each Sub-Fund. These measures seek to ensure fair treatment and transparency for all investors.

The liquidity management policy involves monitoring the profile of investments held by each Sub-Fund on an on-going basis to ensure that such investments are appropriate to the redemption policy as stated under the section headed (for Listed Class Units) "**Creations and Redemptions (Primary Market) of the Listed Class Units**" and (for Unlisted Class Units) "**PROVISIONS RELATING TO THE OFFER, SUBSCRIPTION,**

**SWITCHING AND REDEMPTION OF THE UNLISTED CLASS UNITS**", and will facilitate compliance with each Sub-Fund's obligation to meet redemption requests. Further, the liquidity management policy includes details on periodic stress testing carried out by the Manager to manage the liquidity risk of each Sub-Fund under normal and exceptional market conditions.

As a liquidity risk management tool, the Manager may, in consultation of the Trustee, limit the number of Units of a Sub-Fund redeemed on any Dealing Day to Units representing 10% (or such higher percentage as the Manager may determine in respect of the Sub-Fund) of the total number of Units then in issue (both Listed Class Units and Unlisted Class Units) in such a Sub-Fund (subject to the conditions under the heading (for Listed Class Units) entitled "**Deferred Redemption**" in the section headed "**Creations and Redemptions (Primary Market) of the Listed Class Units**" and the heading (for Unlisted Class Units) entitled "**Restrictions on Redemptions**" in the section headed "**PROVISIONS RELATING TO THE OFFER, SUBSCRIPTION, SWITCHING AND REDEMPTION OF THE UNLISTED CLASS UNITS**".

### **Index Licence Agreements**

Please refer to the relevant Appendix for details in respect of the Index for each Index Tracking Sub-Fund.

### **Material Changes to an Index (for Index Tracking Sub-Funds only)**

The SFC should be consulted on any events that may affect the acceptability of an Index. Significant events relating to an Index will be notified to the Unitholders of the relevant Sub-Fund as soon as practicable. These may include a change in the methodology/rules for compiling or calculating the Index, or a change in the objective or characteristics of the Index.

### **Replacement of an Index (for Index Tracking Sub-Funds only)**

The Manager reserves the right, with the prior approval of the SFC and provided that in its opinion the interests of the Unitholders of the relevant Sub-Fund would not be adversely affected, to replace an Index with another index in accordance with the provisions of the Code and the Trust Deed. The circumstances under which any such replacement might occur include but are not limited to the following events:

- (a) the relevant Index ceasing to exist;
- (b) the licence to use the Index being terminated;
- (c) a new index becoming available that supersedes the existing Index;
- (d) a new index becoming available that is regarded as the market standard for investors in the particular market and/or would be regarded as more beneficial to the Unitholders than the existing Index;
- (e) investing in the Securities and/or Futures Contracts comprised within the Index becomes difficult;
- (f) the Index Provider increasing its licence fees to a level considered too high by the Manager;
- (g) the quality (including accuracy and availability of the data) of the Index having in the opinion of the Manager, deteriorated;
- (h) a significant modification of the formula or calculation method of the Index rendering that index unacceptable in the opinion of the Manager; and
- (i) the instruments and techniques used for efficient portfolio management not being available.

The Manager may change the name of the Sub-Fund if the relevant Index changes or for any other reasons including if licence to use the Index is terminated. Any change to (i) the use by the relevant Sub-Fund of the Index and/or (ii) the name of the relevant Sub-Fund will be notified to investors.

### **Information Available on the Internet**

The Manager will publish important news and information with respect to each Sub-Fund (including, for Index

Tracking Sub-Funds, in respect of the relevant Index), in the English and Chinese languages (unless otherwise specified), on the following website <http://www.gffunds.com.hk/en/> and, where applicable in respect of the Listed Class Units, HKEX's website [www.hkex.com.hk](http://www.hkex.com.hk) (these websites have not been reviewed by the SFC) including:

- (a) this Prospectus and the KFS in respect of each Sub-Fund (as revised from time to time). Investors should note that where a Sub-Fund offers both Listed Class Units and Unlisted Class Units, a separate set of KFS will be available for each of the Listed Class Units and Unlisted Class Units of the same Sub-Fund;
- (b) the latest annual audited reports and unaudited interim reports (in English only);
- (c) any notices relating to material changes to any Sub-Fund which may have an impact on its investors such as material alterations or additions to this Prospectus and KFS of any Sub-Fund or any of the constitutive documents of the Trust and/or a Sub-Fund;
- (d) any public announcements made by the Manager in respect of any Sub-Fund, including information with regard to a Sub-Fund and (where applicable) the Sub-Fund's Index, the suspension of issue, creations and redemptions of Units, the suspension of the calculation of its Net Asset Value, changes in fees and charges and the suspension and resumption of trading in its Units;
- (e) (in respect of the Listed Class Units) the near real time indicative Net Asset Value per Unit of each Sub-Fund (updated every 15 seconds throughout each Dealing Day in the base currency of the Sub-Fund and in each trading currency);
- (f) the last Net Asset Value of each Sub-Fund in the base currency of the Sub-Fund and the last Net Asset Value per Unit of each class of each Sub-Fund in the class currency of the Sub-Fund and (in respect of the Listed Class Units) in each trading currency;
- (g) the ongoing charges figure and past performance information of each Sub-Fund;
- (h) (in respect of Index Tracking Sub-Funds) the tracking difference and tracking error of each Sub-Fund;
- (i) (in respect of Sub-Funds which are Index Tracking ETFs or active ETFs) the full holdings of each Sub-Fund:
  - for an Index Tracking ETF, updated on a monthly basis within one month of the end of each month, unless otherwise specified in the relevant Appendix;
  - for an active ETF, updated on a monthly basis within one month of the end of each month;
- (j) (in respect of the Listed Class Units) the latest list of the Participating Dealers and Market Makers; and
- (k) (if applicable) the composition of distributions (i.e. the relative amounts paid out of (i) net distributable income, and (ii) capital), if any, for a 12-month rolling period.

In respect of the Listed Class Units for GF HKEX Tech & US Tech 100 Index ETF and GF MSCI Global Strategic Metals Select ETF:

- The near real time indicative Net Asset Values per Unit in RMB and USD are indicative and for reference only. The near real time indicative Net Asset Value per Unit in RMB is calculated using the near real-time indicative Net Asset Value per Unit in HKD multiplied by a real-time HKD:RMB foreign exchange rate provided by ICE Data Indices when the SEHK is opened for trading. The near real time indicative Net Asset Value per Unit in USD is calculated using the near real-time indicative Net Asset Value per Unit in HKD multiplied by a real-time HKD:USD foreign exchange rate provided by ICE Data Indices when the SEHK is opened for trading.
- The last Net Asset Value per Unit in RMB is calculated using the last Net Asset Value per Unit in HKD multiplied by an assumed foreign exchange rate using the HKD:RMB exchange rate quoted by Bloomberg at 4.00 p.m. (Hong Kong time) as of the same dealing day when the SEHK is open for trading. The last Net

Asset Value per Unit in USD is calculated using the last Net Asset Value per Unit in HKD multiplied by an assumed foreign exchange rate using the HKD:USD exchange rate quoted by WM Reuters at 4.00 p.m. (Hong Kong time) as of the same dealing day when the SEHK is open for trading.

Where applicable, updates about the Index can be obtained through other financial data vendors. It is your own responsibility to obtain additional and the latest updated information about the Index (including without limitation, a description of the way in which the Index is calculated, any change in the composition of the Index, any change in the method for compiling and calculating the Index) via the Manager's website and the Index Provider's website (neither of which, nor any other website referred to in this Prospectus, has been reviewed by the SFC). Please refer to the section on "**Website Information**" below for the warning and the disclaimer regarding information contained in such website.

## **Notices**

All notices and communications to the Manager and Trustee should be made in writing and sent to the following addresses:

### *Manager*

GF International Investment Management Limited  
25/F, GF Tower  
81 Lockhart Road, Wan Chai  
Hong Kong

### *Trustee*

Cititrust Limited  
50/F, Champion Tower  
3 Garden Road, Central  
Hong Kong

## **Website Information**

The offer of the Units is made solely on the basis of information contained in this Prospectus. All references in this Prospectus to other websites and sources where further information may be obtained are merely intended to assist you to access further information relating to the subject matter indicated and such information does not form part of this Prospectus. Neither the Manager nor the Trustee accepts any responsibility for ensuring that the information contained in such other websites and sources, if available, is accurate, complete and/or up-to-date, and no liability is accepted by the Manager and the Trustee in relation to any person's use of or reliance on the information contained in these other websites and sources save, in respect of the Manager, the Trust's website <http://www.gffunds.com.hk/en/> (this website has not been reviewed by the SFC). The information and materials included in these websites have not been reviewed by the SFC or any regulatory body. You should exercise an appropriate degree of caution when assessing the value of such information.

## TAXATION

*The following summary of taxation is of a general nature, for information purposes only, and is not intended to be an exhaustive list of all of the tax considerations that may be relevant to a decision to purchase, own, redeem or otherwise dispose of Units. This summary does not constitute legal or tax advice and does not purport to deal with the tax consequences applicable to all categories of investors. Prospective investors should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, redeeming or disposing of Units both under the laws and practice of Hong Kong and the laws and practice of their respective jurisdictions. The information below is based on the law and practice in force at the date of this Prospectus. The relevant laws, rules and practice relating to tax are subject to change and amendment (and such changes may be made on a retrospective basis). As such, there can be no guarantee that the summary provided below will continue to be applicable after the date of this Prospectus. Furthermore, tax laws can be subject to different interpretations and no assurance can be given that relevant tax authorities will not take a contrary position to the tax treatments described below. Investors should refer to additional summaries of applicable taxation, where appropriate, as set out in the Appendix relevant to a Sub-Fund.*

### Hong Kong Taxation

#### Taxation of the Trust and Sub-Funds

##### *Profits Tax*

As the Trust and the Sub-Funds have been authorised as a collective investment scheme by the SFC under Section 104 of the SFO, profits of the Trust and the Sub-Funds are exempt from Hong Kong Profits Tax under Section 26A(1A)(a)(i) of the Inland Revenue Ordinance.

##### *Stamp Duty*

Hong Kong stamp duty is generally payable on the sale and purchase of Hong Kong stock at the current rate of 0.1% of the consideration amount or the fair market value (whichever is higher) of the Hong Kong stock being sold or purchased. The purchaser and the seller will each be liable for the Hong Kong stamp duty upon such transfer and thus the total Hong Kong stamp duty payable for such transfer is 0.2%. "Hong Kong stock" is defined under the Stamp Duty Ordinance as "stock" the transfer of which is required to be registered in Hong Kong.

Pursuant to a remission order issued by the Secretary for the Treasury on 20 October 1999, any Hong Kong stamp duty payable on the transfer of Hong Kong stocks to the Trust and/or the Sub-Funds as consideration for allotment of Units or transfer of Hong Kong stocks by the Trust and/or the Sub-Funds upon redemption of Units is remitted.

#### Taxation of the Unitholders

##### *Profits Tax*

Hong Kong Profits Tax (which is currently charged at the rate of 16.5% in the case of corporations, and 15% in the case of unincorporated businesses) will arise on any gains or profits sourced in Hong Kong made on the sale, redemption or other disposal of Units where such transactions form part of a trade, profession or business carried on by a Unitholder in Hong Kong and such Units are not capital assets to the Unitholders. Ascertaining the classification of a gain as revenue or capital in nature will depend on the particular facts and circumstances of the Unitholders.

Unitholders should generally not be chargeable to Hong Kong Profits Tax on distributions by the Trust or Sub-Funds (whether by way of withholding or otherwise) in accordance with the current law and the practice of the Inland Revenue Department of Hong Kong (as at the date of this Prospectus).

There is no withholding tax on dividends or interest in Hong Kong.

Unitholders should seek advice from their own professional advisers as to their particular tax position.

##### *Stamp Duty*

Hong Kong stamp duty is payable on the transfer of Hong Kong stock. "Hong Kong stock" is defined as "stock" the transfer of which is required to be registered in Hong Kong. The Units fall within the definition of "Hong Kong stock" in the Stamp Duty Ordinance.

#### *Hong Kong stamp duty in respect of Listed Class Units*

Generally, no Hong Kong stamp duty is payable by Unitholders on an issue or redemption of Listed Class Units.

Under the Stamp Duty (Amendment) Ordinance 2015, no stamp duty is payable in respect of any contract notes or instruments of transfer relating to transactions (sale or purchase) in the shares or units of an exchange traded fund (as defined in Part 1 of Schedule 8 of the Stamp Duty Ordinance) on the SEHK with effect from 13 February 2015. Accordingly transfers of Listed Class Units in any Sub-Fund (which is an exchange traded fund as defined in Part 1 of Schedule 8 of the Stamp Duty Ordinance) will not attract Hong Kong stamp duty and no Hong Kong stamp duty is payable by Unitholders.

#### *Hong Kong stamp duty in respect of Unlisted Class Units*

No Hong Kong stamp duty is generally payable by a Unitholder in relation to an allotment of Units or on the redemption of Units.

No Hong Kong stamp duty is payable where the sale or transfer of the Unlisted Class Units is effected by extinguishing the Units or the sale or transfer is to the Manager who subsequently re-sells the Units within two months thereof.

Unless otherwise exempted, other types of sales or purchases or transfers of the Unlisted Class Units by the Unitholders should be liable to Hong Kong stamp duty of 0.1% (normally borne by each of the buyer and seller) on the higher of the stated consideration or market value. In addition, a fixed duty of HK\$5.00 is currently payable on any instrument of transfer of Unlisted Class Units.

Unitholders should independently consult their own professional advisers on the possible taxation consequences of their subscribing for, buying, holding, transferring, selling, redeeming or otherwise disposal of the Units, in the context of their particular situations.

### **Hong Kong Requirements Regarding Tax Reporting**

The Inland Revenue (Amendment) (No.3) Ordinance (the "**Ordinance**") and subsequent related legislation provide the framework for the implementation in Hong Kong of the Standard for Automatic Exchange of Financial Account Information ("**AEOI**"). The AEOI requires financial institutions ("**FIs**") in Hong Kong to obtain information from the account holders, conduct due diligence on the account holders and file certain information relating to reportable account holders who are tax resident in "reportable jurisdictions" (as determined for AEOI purposes) with the IRD, which in turn will exchange the information with the jurisdiction(s) in which that reportable account holder is a tax resident. However, the Trust and/or its agents may adopt the wider approach in collecting residency information of account holders.

The Trust is a collective investment scheme within the definition set out in the SFO that is resident in Hong Kong, and is accordingly an investment entity with obligations to report as a financial institution in accordance with the Ordinance. This means that the Trust and/or its agents shall collect and provide to the IRD the required information relating to Unitholders and prospective investors.

The Ordinance as implemented by Hong Kong require the Trust and/or each Sub-Fund to, amongst other things: (i) register the Trust and/or each Sub-Fund as a "Reporting Financial Institution" with the IRD; (ii) conduct due diligence on its accounts (i.e. Unitholders) to identify whether any such accounts are considered "Reportable Accounts" under the Ordinance; and (iii) report to the IRD the required information on such Reportable Accounts. The IRD is expected on an annual basis to transmit the required information reported to it to the government authorities of the relevant jurisdictions. Broadly, AEOI contemplates that Hong Kong FIs should report on: (i) individuals or entities that are tax resident in a reportable jurisdiction; and (ii) certain entities controlled by individuals who are tax resident in such jurisdictions. Under the Ordinance, details of Unitholders, including but not limited to their name, place of birth, address, tax residence, taxpayer identification number (if any), account number, account balance/value, and income or sale or redemption proceeds, may be reported to the IRD and subsequently exchanged with government authorities in the relevant jurisdictions.

By investing in a Sub-Fund and/or continuing to invest in a Sub-Fund, Unitholders acknowledge that they are required to enable the Trust and/or the Sub-Fund to comply with AEOL by providing the required information to the Trust, the Sub-Fund, the Managers and/or the agents of the Trust and/or the Sub-Fund in order to open an account. Moreover, Unitholders acknowledge that they may be required to provide additional information to the Trust, the Manager and/or the Trust's agents in order for the Trust to comply with the Ordinance. The Unitholder's information (and information on controlling person including beneficial owners, beneficiaries, direct or indirect shareholders or other persons associated with such Unitholders that are passive non-financial entities), may be transmitted by the IRD to authorities in other jurisdictions. The failure of a Unitholder to provide any requested information, may result in the Trust, the Manager and/or other agents of the Trust taking any action and/or pursue remedies at their disposal including, without limitation, mandatory redemption or withdrawal of the Unitholder concerned.

Each Unitholder and prospective investor should consult its own professional advisor(s) on the administrative and substantive implications of AEOL on its current or proposed investment in the Sub-Fund(s).

## **PART 2 – SPECIFIC INFORMATION RELATING TO EACH SUB-FUND**

Part 2 of this Prospectus includes specific information relevant to each Sub-Fund established under the Trust. It is updated from time to time by the Manager. Information relating to each Sub-Fund is set out in a separate Appendix.

The information presented in each Appendix in this Part 2 should be read in conjunction with the information presented in Part 1 of this Prospectus. Where the information in any Appendix in this Part 2 conflicts with the information presented in Part 1, the information in the relevant Appendix in the Part 2 prevails. However, it is applicable to the specific Sub-Fund of the relevant Appendix only.

Defined terms used in each of the Appendices and which are not defined in this Part 2, bear the same meanings as in Part 1 of this Prospectus. References in each Appendix to “Sub-Fund” refer to the relevant Sub-Fund which is the subject of that Appendix. References in each relevant Appendix to “Index” refer to the relevant Index details of which are set out in that Appendix.

## APPENDIX 1: GF HKEX TECH & US TECH 100 INDEX ETF

Investors should note that this Sub-Fund offers Listed Class Units only.

### Key Information

Set out below is a summary of key information in respect of this Sub-Fund which should be read together with the full text of this Appendix and this Prospectus.

|                                  |                                                                                                                                                                                                                                                                  |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Index</b>                     | HKEX Tech & US Tech 100 Index (Net Total Return)                                                                                                                                                                                                                 |
| <b>Index Provider</b>            | Hong Kong Exchanges and Clearing Limited                                                                                                                                                                                                                         |
| <b>Base Currency</b>             | Hong Kong dollars (HKD)                                                                                                                                                                                                                                          |
| <b>Management Fee</b>            | The maximum rate of the management fee is up to 2% per annum of the Net Asset Value accrued daily and calculated as at each Dealing Day, with the current rate being 0.90% per annum of the Net Asset Value accrued daily and calculated as at each Dealing Day. |
| <b>Trustee's fee<sup>^</sup></b> | 0.06% per annum of the Net Asset Value, subject to a minimum fixed fee of USD3,000 per month                                                                                                                                                                     |
| <b>Financial Year End</b>        | 31 December<br>(The first half-yearly unaudited reports and the first annual financial reports for the Sub-Fund will be for the period from the fund launch to the half year ending 30 June 2027 and the year ending 31 December 2027 respectively.)             |
| <b>Website</b>                   | <a href="http://www.gffunds.com.hk/en/">http://www.gffunds.com.hk/en/</a> (this website has not been reviewed by the SFC)                                                                                                                                        |

<sup>^</sup> The Trustee's fee includes the fees of the Custodian and the Administrator.

|                                                    |                                                                                                                                                     |
|----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Initial Offer Period</b>                        | 9:00 a.m. (Hong Kong time) on 18 September 2026 to 4:00 p.m. (Hong Kong time) on 24 September 2026, or such other date as the Manager may determine |
| <b>Initial Issue Date</b>                          | 25 September 2026, or such other date as the Manager may determine                                                                                  |
| <b>Listing Date (SEHK)</b>                         | Expected to be on 28 September 2026                                                                                                                 |
| <b>Issue Price during the Initial Offer Period</b> | HKD15                                                                                                                                               |
| <b>Exchange Listing</b>                            | SEHK – Main Board                                                                                                                                   |
| <b>Stock Code</b>                                  | 03599 – HKD counter<br>83599 – RMB counter<br>41599 – USD counter                                                                                   |
| <b>Stock Short Name</b>                            | GF HKUS TECH – HKD counter                                                                                                                          |

|                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                         | GF HKUS TECH-R – RMB counter<br>GF HKUS TECH-U – USD counter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Trading Board Lot Size</b>                                           | 100 Units                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Trading Currency</b>                                                 | Hong Kong dollars (HKD) – HKD counter<br>Renminbi (RMB) – RMB counter<br>United States Dollars (USD) – USD counter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Creation / Redemption Policy</b>                                     | Cash only (HKD)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Application Unit Size (only by or through Participating Dealers)</b> | Minimum 100,000 Units (or multiples thereof)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Dealing Deadline</b>                                                 | Before 11.00 a.m. (Hong Kong time) on the relevant Dealing Day                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Listing Agent</b>                                                    | Altus Capital Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Market Maker(s)</b>                                                  | Please refer to the Sub-Fund's website set out above for the latest list of Market Maker(s).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Participating Dealers</b>                                            | Please refer to the Sub-Fund's website set out above for the latest list of Participating Dealers.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Service Agent and Conversion Agent</b>                               | HK Conversion Agency Services Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Distribution Policy</b>                                              | <p>The Manager has discretion as to whether or not to make any distribution of dividends, the frequency of distribution and amount of dividends.</p> <p>Dividends may be paid out of capital, or out of gross income and all or part of the fees and expenses may be charged to capital at the Manager's discretion, resulting in an increase in distributable income for the payment of dividends and therefore, dividends may be paid effectively out of capital. This may result in an immediate reduction of Net Asset Value per Unit.</p> <p><b>All Units will receive distributions in the base currency (HKD) only.</b> In the event that the relevant Unitholder has no HKD account, the Unitholder may have to bear the fees and charges associated with the conversion of such distributions from HKD into RMB, USD or any other currency.</p> |

#### **What is the Investment 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 Index. There is no assurance that the Sub-Fund will achieve its investment objective.

#### **What is the Investment Strategy?**

In seeking to achieve the Sub-Fund's investment objective, the Manager will use either full replication or representative sampling strategy as the Manager believes to be appropriate to achieve the investment objectives. The Sub-Fund may switch between the full replication strategy and the representative sampling strategy in its absolute discretion without prior notice to investors.

### ***Full Replication Strategy***

In pursuing the full replication strategy, the Sub-Fund will invest in substantially all securities constituting the Index ("**Index Securities**") which are common stocks securities listed on a regulated stock exchange in Hong Kong and the United States in substantially the same weightings (i.e. proportions) as these Index Securities have in the Index.

### ***Representative Sampling Strategy***

In pursuing the representative sampling strategy, the Manager may: (i) invest in a representative sample whose performance is closely correlated with the Index, but whose constituents may or may not themselves be constituents of the Index; (ii) invest less than 30% of the Sub-Fund's Net Asset Value in collective investment schemes ("**CIS**"), each being either an exchange traded fund or an unlisted index tracking fund which tracks an index that has a high correlation with the Index. Such CIS may be authorised by the SFC, eligible schemes under Chapter 7.11A of the Code, or non-eligible schemes. For the avoidance of doubt, the Sub-Fund's aggregate investment in non-eligible schemes and CIS not authorised by the SFC may not exceed 10% of the Net Asset Value of the Sub-Fund; and/or (iii) invest in financial derivative instruments including futures and swaps with less than 30% of the Sub-Fund's Net Asset Value for investment and hedging purposes, where the Manager believes such investments will help the Sub-Fund achieve its investment objective and are beneficial to the Sub-Fund, such that the Sub-Fund will gain an exposure to the economic gain/loss in the performance of the relevant constituent securities. In pursuing the representative sampling strategy, the Manager may cause the Sub-Fund to deviate from the index weighting on condition that the maximum deviation from the index weighting of any constituent will not exceed 3% or such other percentage as determined by the Manager after consultation with the SFC.

### ***Ancillary Investment***

The Sub-Fund may invest not more than 30% of its Net Asset Value in cash and cash equivalents including money market funds which are authorised under Chapter 8.2 of the Code or eligible schemes under Chapter 7.11A of the Code for cash management purposes. Investments in such money market funds are not included in the limit to CIS as described above.

### ***Securities Lending***

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 Net Asset Value, 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). Non-cash collateral received may not be sold, re-invested or pledged. The collateral will be marked-to-market on a daily basis and be safekept by the Custodian. All securities lending transactions will only be carried out in the best interest of the Sub-Fund and as set out in the relevant securities lending agreement. Such transactions may be terminated at any time by the Manager at its absolute discretion. The Manager does not currently intend to enter into sale and repurchase transactions, reverse repurchase transactions and other similar over-the-counter transactions on behalf of the Sub-Fund. The Manager will seek prior approval of the SFC (to the extent required under applicable regulatory requirements).

### ***Index***

The HKEX Tech & US Tech 100 Index measures the performance of (i) all constituents of the HKEX Tech 100 Index and (ii) the 100 largest technology companies listed on Nasdaq, including the Magnificent Seven (i.e. Alphabet Inc., Amazon.com, Inc., Apple Inc., Meta Platforms Inc., Microsoft Corporation, NVIDIA Corporation and Tesla, Inc.). The Index provides a cross-market benchmark that is eligible for inclusion in Southbound ETF Connect.

The constituent eligibility requirements of the Index are as follows:

- (i) Hong Kong-listed security constituents of the HKEX Tech 100 Index are eligible for selection. The HKEX Tech 100 Index measures the performance of the 100 largest Hong Kong-listed companies with high exposure to key tech themes, and that are eligible for Southbound Stock Connect. Exposure to key tech themes in respect of Hong Kong-listed securities means high business

exposure to any one of the following themes: artificial intelligence, biotech and pharmaceutical, electric vehicles and smart driving, information technology, Internet or robotics; or biotech companies listed under Chapter 18A of the Listing Rules or specialist technology companies listed under Chapter 18C of the Listing Rules;

(ii) A U.S.-listed security is eligible for selection if it fulfils all the criteria below:

- Multiple classes of securities are eligible provided that they meet the eligibility requirement (all share classes are included, provided they are eligible. For example, Alphabet Class A (GOOGL) and Class C (GOOG) shares are both included). Where multiple share classes of the same company are included, they are counted as one technology company, rather than multiple companies, for constituent selection purposes;
- Tech Theme Segments: Magnificent Seven companies, or classified as following sectors under FactSet Industries and Economic Sectors Classification: Electronic Technology; Health Technology; or Technology Services. Companies are classified primarily based on revenue. If revenue information is not available, classifications are assigned based on business activities disclosed in public sources, including company websites, filings, and government sources;
- Securities must have been listed for at least 6 months; and
- Securities must rank within the top 80% shares by average daily turnover over the past 12 months within the respective exchanges; and have an average daily turnover over the past 6 months of at least USD 3 million.

All constituents of the HKEX Tech 100 Index will be selected as Index Constituents, while only the top 100 U.S.-listed eligible securities including the Magnificent Seven with the highest market capitalisation will be selected as Index Constituents.

The total number of Index Constituents is fixed at 200, and the total weights of the Hong Kong-listed constituents and U.S.-listed constituents are 62% and 38% respectively, with 12% cap at individual company level.

The Index was launched on 31 March 2026 and had a base level of 10,000 on 31 December 2020. As of 30 June 2026, the Index comprised 204 constituent companies with total market capitalisation of approximately HKD 282 trillion.

The Index is a net total return index, which means that it reflects the reinvestment of dividends or distributions, after deduction of any withholding tax. The Index is denominated and quoted in HKD.

The Index is reviewed semi-annually, with all changes generally implemented after market close on the second Friday of June and December, and becoming effective on the following trading day. Southbound Stock Connect eligible securities list is generally updated in March and September, the Hong Kong-listed constituents of the Index will be adjusted in March and September in accordance with the HKEX Tech 100 Index during quarterly adjustments. Index recapping and rebalancing is conducted quarterly in March, June, September and December.

The Index is developed and owned by Hong Kong Exchanges and Clearing Limited ("**Index Provider**"), and calculated by Solactive AG in accordance with the methodology. The Manager and each of its connected persons are independent of the Index Provider.

You can obtain the latest list of the constituents of the Index, their respective weightings, the latest level of the Index, the last closing level of the Index and additional information of the Index including the factsheet and index methodology from the website of the Index Provider at [https://www.hkex.com.hk/Services/Market-Data-Services/Index-Services/HKEX-Tech-US-Tech-100?sc\\_lang=en#&product=HKEXUS](https://www.hkex.com.hk/Services/Market-Data-Services/Index-Services/HKEX-Tech-US-Tech-100?sc_lang=en#&product=HKEXUS) (this website has not been reviewed by the SFC).

Bloomberg: HKEXUSTN  
Refinitiv: HKEXUSTN

*Index Construction*

The universe for the Index includes securities listed on the Main Board of the SEHK that are eligible for the Southbound Stock Connect and U.S. securities listed on the NASDAQ.

Hong Kong-listed securities are eligible for selection if they are security constituents of the HKEX Tech 100 Index. For details on the eligibility criteria for the HKEX Tech 100 Index, please refer to the section headed “Index” above.

For US-listed securities, the eligibility requirements are as follows:

1. Multiple classes of securities must meet the eligibility requirement detailed in the Index Methodology of the Index (all share classes are included, provided they are eligible. For example, Alphabet Class A (GOOGL) and Class C (GOOG) shares are both included);
2. Tech theme requirement:
  - a. The following securities listed in the NASDAQ (also known as “Magnificent Seven Companies”): Alphabet Inc., Amazon.com Inc., Apple Inc. Meta Platforms Inc., Microsoft Corporation, NVIDIA Corporation and Tesla, Inc.; or
  - b. Securities classified as Electronic Technology (Sector Code: 1300), Health Technology (Sector Code: 2300) or Technology Services (Sector Code: 3300) under the FactSet Industries and Economic Sectors Classification;
3. Securities must have been listed for at least 6 months; and
4. Securities must rank within the top 80% shares by average daily turnover over the past 12 months within the respective exchanges and have an average daily turnover over the past 6 months of at least USD 3 million.

Index Constituents are selected as follows:

1. All constituents of the HKEX Tech 100 Index will be selected as Index Constituents (subject to ad hoc changes, including fast entry and ad hoc removal, of the HKEX Tech 100 Index as described in the Index Methodology).
2. U.S.-listed eligible securities are ranked in descending order by their average daily market capitalisation over the past 12 months. For securities listed for less than 12 months, the average daily market capitalisation is calculated since the listing date. The constituents will be selected in accordance with the following rules:
  - (a) A company with multiple share class is assessed based on the company total market capitalisation;
  - (b) Magnificent Seven companies will be selected as Index Constituents; and
  - (c) Other eligible securities with the highest market capitalisation will be selected as Index Constituents until 100 constituent companies are included.
3. If a company is listed in Hong Kong and the U.S. and both listings are eligible for selection, only the Hong Kong-listed security will be selected as index constituent.
4. The total number of constituent companies of the index is fixed at 200.

#### *Index Calculations*

The Index is calculated according to the following formula:

$$Index_t = \frac{\sum_{i=1}^n S_{i,t} \times P_{i,t} \times f_{i,t} \times WCF_{i,t} \times FFF_{i,t}}{D_t}$$

|     |   |                                       |
|-----|---|---------------------------------------|
| S   | = | Total Number of Issued Shares         |
| P   | = | Closing Price                         |
| f   | = | Foreign Exchange Rate (if applicable) |
| WCF | = | Weighting Cap Factor                  |
| FFF | = | Free Float Factor                     |
| D   | = | Divisor                               |

The Divisor is a mathematical factor defined at the inception of the Index. The Divisor is adjusted subject to corporate actions and index rebalancing.

The Net Total Return Index considers reinvestments of all cash dividends after deducting the withholding tax. All cash dividends are applied across the overall index by changing the Divisor.

#### *Constituents and Index Weights Adjustment*

Index recapping and rebalancing is conducted quarterly in March, June, September and December, with all changes generally implemented after market close on the second Friday of the month and becoming effective on the following trading day. The cut-off date for prices used for the recapping and rebalancing is generally the Monday preceding the implementation date.

On rebalance date, the Hong Kong-listed constituents are weighted in proportion to their respective weights in the HKEX Tech 100 Index, while U.S.-listed constituents are weighted by free-float adjusted market capitalisation. The total weights of the Hong Kong-listed constituents and U.S.-listed constituents are 62% and 38% respectively, with 12% cap at individual company level.

A discount factor of 0.5 will be applied to the free-float market capitalisation for U.S.-listed constituent with listing history less than six months.

#### *Ad Hoc Rebalancing*

If the aggregate weight of the U.S.-listed constituents exceeds 38% at market close of the third trading day prior to the last trading day of March and September, an ad hoc rebalancing will be performed and will take effect on the last trading day of March and September respectively.

#### *Quarterly Adjustments*

Southbound Stock Connect eligible securities list is generally updated in March and September. The Hong Kong-listed constituents of the Index will be adjusted in accordance with the HKEX Tech 100 Index during quarterly adjustments. All changes are generally implemented after market close on the second Friday of March and September and becoming effective on the following trading day.

#### *Ad Hoc Changes*

Any ad hoc changes implemented for the HKEX Tech 100 Index, including fast entry, ad hoc removal and constituent changes due to adjustment in Southbound Stock Connect eligibility, will be applied to the Index. In the event of other corporate actions, the Index will be adjusted in accordance with the corresponding guideline.

Under the Fast Entry Rule, if a U.S.-listed security ranks among the top 35 of the existing U.S.-listed constituents by market capitalisation after the close of its first trading day, it will be added to the Index. The ad hoc addition will generally be implemented after the close of the fifth trading day following this. The listing history requirement does not apply under Fast Entry Rule.

#### *Ongoing Review*

The Index is reviewed semi-annually, with all changes generally implemented after market close on the second Friday of June and December, and becoming effective on the following trading day. The data cut-off dates for index review are the respective exchanges' last trading day of April and October, respectively. The results of the index review are generally announced two weeks prior to the effective date.

For U.S.-listed securities, existing constituent companies ranked below 120th will be removed from the index, while non-constituent companies ranked 80th or above will be added. Securities will be added to or removed from the index to maintain the number of constituent companies at 100.

### ***Index Provider***

The Index is developed and owned by Hong Kong Exchanges and Clearing Limited ("HKEX") ("Index Provider") and calculated by Solactive AG ("Solactive"). HKEX is one of the world's major exchange groups, and operates a range of equity, commodity, fixed income and currency markets. HKEX is the world's leading IPO market and as Hong Kong's only securities and derivatives exchange and sole operator of its clearing houses, it is uniquely placed to offer regional and international investors access to Asia's most vibrant market. Index Services is one of HKEX's key adjacent capabilities which, together with its core exchange business, widen the vibrant product ecosystem at HKEX. Solactive is headquartered in Frankfurt, with regional offices in various locations, including Hong Kong. The firm calculates more than 36,000 indices globally and is regulated by BaFin, Germany's financial supervisory authority.

The Manager and each of its connected persons are independent of the Index Provider.

### ***Index Constituents***

You can obtain the latest list of the constituents of the Index, their respective weightings, the latest level of the Index, the last closing level of the Index and additional information of the Index including the factsheet and index methodology from the website of the Index Provider at [https://www.hkex.com.hk/Services/Market-Data-Services/Index-Services/HKEX-Tech-US-Tech-100?sc\\_lang=en#&product=HKEXUST](https://www.hkex.com.hk/Services/Market-Data-Services/Index-Services/HKEX-Tech-US-Tech-100?sc_lang=en#&product=HKEXUST) (this website has not been reviewed by the SFC).

### ***Index Code***

Vendor Code: HKEXUSTN

### ***Index Licence Agreement***

The Manager has been granted a non-exclusive, and non-assignable and non-transferable licence ("Licence") pursuant to index licence agreement dated 10<sup>th</sup> April 2026, as amended and supplemented from time to time (the "**Licence Agreement**") entered into between the Manager and the Index Provider, to use the Index and the Index data in connection with the Sub-Fund as permitted under the License Agreement, including the use of Index data published by the Index Provider and the trademark of the Index Provider in connection with the marketing, promotion, sale and listing of the Sub-Fund.

The Licence Agreement in respect of the Index is effective upon execution and shall remain in force, until such time that either the Manager or the Index Provider provides written notice to the other party of.

The Licence Agreement may also be terminated on the occurrence of any of the circumstances as summarised below:

- (a) the Index Provider may terminate the Licence in respect of the Index upon written notice to the Manager in the event that the Sub-Fund is not established within 6 months from the commencement date of the Licence;
- (b) either party may terminate the Licence Agreement with 3 months' prior written notice;
- (c) If the Index Provider commits a material breach of any of the provisions of this Agreement that is irremediable in respect of the Index, the Licensee shall be entitled to terminate this Agreement by giving HKEX-IB written notice 45 days in advance of the intended termination date. If the material breach is capable of being remedied, and HKEX-IB has failed to remedy such material breach within 45 days or

such longer period as otherwise agreed between the Parties after receipt of a written notice from the Licensee giving full particulars of the breach and requiring it to be remedied, the Licensee shall be entitled to terminate this Agreement with immediate effect by giving written notice to HKEX-IB.

(d) If the Index Provider intends to cease to compute, compile or publish the Index and the Index Provider does not offer a replacement or substitute Index, the Index Provider may terminate the License without any liability or obligation to the Manager or any third party by giving not less than three (3) months' prior notice to the Manager specifying the effective date of such termination.

(e) the Index Provider may terminate the Licence forthwith where:

(1) The Index Provider is required by any applicable law or regulator to terminate the Licence to the Manager or not to grant any Licence to the Manager;

(2) the Manager ceases or indicates that it will or is likely to cease to carry on business;

(3) the Manager or any of its senior management or directors is arrested, prosecuted or convicted of any criminal offence relating to the Sub-Fund or to the trading of the Sub-Fund;

(4) the Manager has breached any of the provisions of the license agreement provided that if the breach is capable of remedy, at the Index Provider's absolute discretion, the Index Provider may elect that termination shall only occur if the Manager has failed to remedy the breach within a specified number of days of the Manager having been given notice in writing specifying the breach and requiring it to be remedied;

(5) the Index Provider terminates any other agreement between the Index Provider and the Manager;

(6) the Manager or any of the related parties is allegedly, or found by any governmental or judicial authority or regulator to be, in breach of or non-compliant with any applicable law or if the Sub-Fund is no longer authorised by any relevant authority for issuance, offering, sale or trading;

(7) a petition has been filed or a resolution shall be adopted for the winding up of the Manager or the Manager shall be wound up compulsorily (otherwise than for the purpose of and followed by a voluntary amalgamation or reconstruction), or an encumbrancer shall take possession, or a receiver, administrator or like person shall be appointed, of the whole or any part of the undertaking or assets of the Manager, or the Manager shall be unable to pay its debts within the meaning of any applicable insolvency or similar law, or the Manager shall convene a meeting of its creditors or take or suffer similar action which means that the Manager may be unable to pay its debts;

(8) the Sub-Fund is terminated or, if it is listed on an exchange, delisted from trading.

### ***Index Disclaimer***

HKEX-IB, its affiliates, information providers and any other third parties ("**HKEX-IB Parties**") involved in, or related to, computation, compilation, publication, dissemination, or provision of The HKEX Tech & US Tech 100 Index (the "**Index**") do not sponsor, endorse, sell, or promote the Sub-Fund and make no representation or warranty, express or implied, and shall have no liability to any person including the owners of the Sub-Fund or any member of the public with regard to the Sub-Fund including regarding the legality, suitability advisability of investing in the underlying assets or financial products generally, or in the Sub-Fund in particular.

HKEX-IB's only relationship with the Manager (the "**Licensee**") is the licensing of the Index and certain trademarks, service marks, and/or trade names of HKEX-IB or its affiliate. The Index and such marks and trade names are the exclusive property of HKEX-IB and its affiliate. The Index is determined, composed, and calculated by HKEX-IB Parties without regard to the Sub-Fund or its performance. HKEX-IB Parties may cease to compute, compile or publish the Index and may change its computation from time to time without liability to any person and have no obligation to take the needs of the Licensee or the investors of the Sub-Fund into consideration in determining, composing, or calculating the Index.

HKEX-IB PARTIES DO NOT GUARANTEE THE ACCURACY, TIMELINESS AND/OR THE COMPLETENESS OF THE INDEX OR ANY DATA INCLUDED THEREIN AND SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN.

HKEX-IB PARTIES MAKE NO WARRANTY, EXPRESS OR IMPLIED, AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAWS, SHALL HAVE NO LIABILITY OF ANY KIND TO ANY PERSON WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN INCLUDING WITHOUT LIMITATION (I) THE RESULTS TO BE OBTAINED BY THE LICENSEE, INVESTORS IN THE SUB-FUND, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDEX OR ANY DATA INCLUDED THEREIN. (II) USEFULNESS, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN; (III) THE ABILITY OF THE INDEX TO TRACK GENERAL MARKET PERFORMANCE OR GENERAL PERFORMANCE OF ANY UNDERLYING ASSETS, THEIR PRICES OR OTHERWISE.

An investor by subscribing or purchasing the Sub-Fund will be regarded as having acknowledged, understood and accepted the disclaimer above.

### **Risk Factors Specific to the Sub-Fund**

In addition to the risk factors presented in Part 1 of this Prospectus, the risk factors set forth below are also specific risks, in the opinion of the Manager, considered to be relevant and presently applicable to the Sub-Fund.

#### *General 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.

#### *Passive investment risks*

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 and will not take defensive positions in declining markets. Falls in the Index are expected to result in corresponding falls in the Net Asset Value of the Sub-Fund.

#### *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.

#### *Geographical concentration risk*

As the Index Constituents concentrate in companies listed in Hong Kong and the US, the investment of the Sub-Fund may be similarly concentrated. 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 Hong Kong and US markets.

#### *New index risk*

The Index is a new index. The Index has minimal operating history by which investors can evaluate its previous performance. There can be no assurance as to the performance of the Index. The Sub-Fund may be riskier than other exchange traded funds tracking more established indices with longer operating history.

#### *Hong Kong listed Chinese companies risks*

In tracking the Index, the Sub-Fund will invest in some companies the securities of which are listed on the SEHK and have substantial business operations in mainland China. Investing in such securities is subject to the risks of investing in emerging markets generally. This may involve increased risks and special considerations not typically associated with investment in companies based 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. The promulgation of new tax laws, regulations and practice affecting Hong Kong listed Chinese companies may operate to the advantage or disadvantage of the Unitholders. There is a possibility that the current tax laws, regulations and practice applicable to Hong Kong listed Chinese companies will be changed with retrospective effect in the future.

#### *Technology theme sector concentration risk*

The constituents of the Index, and accordingly the Sub-Fund's investments, are concentrated in companies in the technology sector. The value of the Sub-Fund may be more volatile than that of a fund having a more diverse portfolio of investments and may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the technology sector. Many of the companies in the technology sector 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. The Sub-Fund may be exposed to risks associated with different technology themes (including computer services, software, consumer digital services, semiconductors, electronic components, production technology equipment, computer hardware, telecommunications equipment, electronic entertainment, diversified retailers, drug retailers). A downturn in the business for companies in these themes may have adverse effects on the Sub-Fund.

#### *Risk associated with mega-capitalisation companies*

Some of the constituents of the Index are mega-capitalisation companies that are relatively mature compared to smaller companies and therefore subject to slower growth during times of economic expansion. They may struggle with flexibility to respond quickly to disruptions and changes in trends. The high valuation of mega-capitalisation companies can make them more susceptible to market corrections, downturns and changes in interest rates. Moreover, mega-capitalisation companies typically have high price-to-earnings ratio than smaller capitalisation companies which can lead to overvaluation and may indicate there is less room for gains and even potential downward price adjustment. Mega-capitalisation companies usually exert market dominance and therefore frequently face regulatory pressures, in particular antitrust scrutiny. This leads to legal challenges and increased costs which may in turn affect profitability.

#### *Risk of investing in other collective investment schemes*

The Sub-Fund may invest in other CISs and will be subject to the risks associated with the underlying funds. The Sub-Fund 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 Net Asset Value of the Sub-Fund. If the Sub-Fund 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 case any conflicts of interest may still arise out of such investments, the Manager will use its best endeavours to resolve it fairly.

#### *Securities lending transactions risk*

Securities lending transactions may involve the risk that the borrower may fail to return the securities lent out in a timely manner and the value of the collateral may fall below the value of the securities lent out.

#### *Currency risk*

Underlying investments of the Sub-Fund may be denominated in currencies other than the base currency of the Sub-Fund. The performance and the Net Asset Value of the Sub-Fund may therefore be affected unfavourably by movements in the exchange rate between HKD and such other currencies and changes in exchange rate control policies.

### *RMB currency and conversion risks*

Units under RMB counter are traded in RMB. RMB is currently not freely convertible and is subject to foreign exchange control and restrictions. Non-RMB based investors are exposed to foreign exchange risks and there is no guarantee that the value of RMB against the investors' base currencies will not depreciate. Any depreciation of RMB could adversely affect the value of investors' 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.

### *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 Net Asset Value of the Sub-Fund. 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 Net Asset Value per Unit when buying Units on the SEHK, and may receive less than the Net Asset Value per Unit when selling Units on the SEHK. The trading and settlement of the RMB traded Units may not be capable of being implemented as envisaged. 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 Chinese Mainland may also affect the liquidity and trading price of the RMB traded Units.

### *Tracking error risk*

An Index Tracking Sub-Fund's returns may deviate from the Index due to a number of factors. For example, the fees and expenses of an index-tracking Sub-Fund, any adoption of a representative sampling strategy, liquidity of the market, imperfect correlation of returns between an Index Tracking Sub-Fund's assets and the Securities and/or Futures Contracts constituting its Index, inability to rebalance an Index Tracking Sub-Fund's holdings of Futures Contracts to track its Index, rounding of share prices and/or Futures Contracts prices, foreign exchange costs, changes to an Index and regulatory policies may affect the Manager's ability to achieve close correlation with the Index of each Index Tracking Sub-Fund. Further, an Index Tracking Sub-Fund may receive income (such as interests and dividends) from its assets while the Index does not have such sources of income. There can be no guarantee or assurance of exact or identical replication at any time of the performance of the Index or that an Index Tracking Sub-Fund will achieve its investment objective at any time of corresponding to the performance of the relevant Index. In addition, there is no guarantee or assurance that the use of representative sampling strategy would help avoid the tracking error and each index-tracking Sub-Fund's returns may therefore deviate from its Index.

Although the Manager regularly monitors the tracking error of each Index Tracking Sub-Fund, there can be no guarantee or assurance that any Index Tracking Sub-Fund will achieve any particular level of tracking error relative to the performance of its Index.

### *Trading difference risk*

As the Nasdaq may be open when Units 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 the Nasdaq and the SEHK may also increase the level of premium or discount of the Unit price to its Net Asset Value.

### *Multi-counter risk (applicable to Listed Class Units only)*

Investors who buy Units on the RMB counter or USD counter may be subject to currency exchange risk as the Net Asset Value of the Sub-Fund is calculated in HKD.

Investors should note that distributions are made in HKD only. As such, investors may suffer a foreign exchange loss and incur foreign exchange associated fees and charges for conversion of such dividend from HKD into RMB or USD or any other currency.

### *Distribution out of/effectively out of capital risk*

Payment of dividends out of capital and/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 such original investments. Any such distributions may result in an immediate reduction of the Net Asset Value per Unit of the Sub-Fund. This may also reduce the capital that the Sub-Fund has available for investment in future and may constrain capital growth.

#### *Reliance on market maker risks*

Liquidity in the market for the Units may be adversely affected if there is no or only one market maker for the Units. The Manager will seek to mitigate this risk by ensuring that at least one market maker 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 market maker for Units in a particular counter. It is possible that there is only one SEHK market maker for the Sub-Fund, or the Manager may not be able to engage a substitute market maker within the termination notice period of a market maker. There is 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.

#### *Early termination risk*

The Sub-Fund 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 Sub-Fund falls below HKD100 million. Any amount recovered by a unitholder on termination of the Sub-Fund may be less than the capital initially invested by the unitholder, resulting in a loss to the unitholder.

### **The Offering Phases of the Listed Class Units**

#### *Initial Offer Period*

The Initial Offer Period for the Listed Class Units commences at 9:00 a.m. (Hong Kong time) on 18 September 2026 and ends at 4:00 p.m. (Hong Kong time) on 24 September 2026, or such other date as the Manager may determine.

The purpose of the Initial Offer Period is to enable Participating Dealers to subscribe for Listed Class Units either on their own account or for their clients, in accordance with the Trust Deed and the Operating Guidelines. During this period, Participating Dealers (acting for themselves or for their clients) may apply for Units to be available for trading on the Listing Date by creation. No redemptions are permitted during the Initial Offer Period.

Upon receipt of a Creation Application from a Participating Dealer (acting for itself or its clients) during the Initial Offer Period, the Manager shall procure the creation of Listed Class Units for settlement on the Initial Issue Date.

Participating Dealers may have their own application procedures for their respective clients and may set application and payment cut-off times for their respective clients which are earlier than those set out in this Prospectus. Investors are therefore advised to consult with the relevant Participating Dealer on its requirements if they want a Participating Dealer to subscribe for Listed Class Units on their behalf.

#### ***After Listing***

**"After Listing"** commences on the Listing Date.

Dealings in the Listed Class Units on the SEHK will commence on the Listing Date, which is expected to be on 28 September 2026.

Participating Dealers (acting for themselves or for their clients) may continue to apply for Listed Class Units by means of a cash Creation Application (in HKD only) on each Dealing Day by transferring cash in accordance with the Operating Guidelines.

Listed Class Units may be realised by means of a cash Redemption Application (in HKD only) through Participating Dealers in Application Unit size or multiples thereof.

The Issue Price of Listed Class Units created and issued by a Creation Application After Listing will be the prevailing Net Asset Value attributable to the Listed Class Units as at the relevant Valuation Point divided by the total number of Listed Class Units in issue rounded down to 4 decimal places.

The dealing period on each Dealing Day After Listing for a Creation Application or a Redemption Application commences at 9:00 a.m. (Hong Kong time) and ends at the Dealing Deadline at 11.00 a.m. (Hong Kong time), as may be revised by the Manager from time to time.

### **Multi-Counter**

The Manager has arranged for the Listed Class Units of the Sub-Fund to be available for trading on the secondary market on the SEHK under a Multi-Counter arrangement. Listed Class Units are denominated in HKD. The Sub-Fund offers three trading counters on the SEHK (i.e. HKD counter, RMB counter and USD counter) to investors for secondary trading purposes. Listed Class Units will be settled in the corresponding currency of the relevant counter. Apart from settlement in different currencies, the trading prices of Listed Class Units in the counters may be different as the different counters are distinct and separate markets.

Under the current “single tranche multiple counter” settlement arrangement, trades executed in the HKD counter, RMB counter and USD counter will be settled together under the same HKD counter which is designated as the “domain settlement counter”, under which stock positions of HKD, RMB and USD can be differentiated by their currency codes and assigned position numbers. However, money positions of HKD, RMB and USD will not be offset against each other and will be maintained and settled separately. The trading prices of Shares in the counters may be different.

Listed Class Units traded on each of the three counters are of the same class and all Unitholders of all counters are treated equally. The counters will have different stock codes, different stock short names but will trade and settle with a single ISIN number as set out in the section “**Key Information**” above.

Normally, investors can buy and sell Listed Class Units traded in the same counter or alternatively buy in one counter and sell in another counter provided their brokers provide HKD, RMB and USD trading services at the same time to support Multi-Counter trading. However, investors should note that the trading price of Listed Class Units traded in each counter may be different and may not always maintain a close relationship depending on factors such as market demand and supply and liquidity in each counter.

Investors should consult their brokers if they have any questions concerning fees, timing, procedures and the operation of the Multi-Counter. Investors’ attention is also drawn to the risk factor in Part 1 of the Prospectus entitled “**Risks Associated with Multi-Counter Arrangement**”.

### **Exchange Listing and Trading (Secondary Market) of the Listed Class Units**

Listed Class Units are neither listed nor dealt on any other stock exchange and no application for such listing or permission to deal is being sought as at the date of this Prospectus. Application may be made in the future for a listing of Listed Class Units on one or more other stock exchanges. Investors’ attention is drawn to the section entitled “**EXCHANGE LISTING AND TRADING (SECONDARY MARKET) OF THE LISTED CLASS UNITS**” in Part 1 of this Prospectus for further information.

Listed Class Units have been accepted as eligible securities by HKSCC for deposit, clearing and settlement in the CCASS. Dealings on the SEHK in Listed Class Units is expected to begin on 28 September 2026. Units will trade on the SEHK in board lots of 100 Units.

Participating Dealers should note that they will not be able to sell or otherwise deal in the Listed Class Units on the SEHK until dealings begin on the SEHK.

### **Redemptions of Listed Class Units**

Listed Class Units can be redeemed directly (through a Participating Dealer). Any accepted Redemption Application will be effected by the payment of cash in accordance with the Operating Guidelines and the Trust

Deed. Redemption proceeds paid in cash shall be in HKD only, notwithstanding a Multi-Counter arrangement being adopted for the Sub-Fund.

The Redemption Value on a Dealing Day shall be the prevailing Net Asset Value attributable to the Listed Class Units as at the relevant Valuation Point divided by the total number of Listed Class Units in issue rounded down to 4 decimal places.

## **Distribution Policy**

### *Accumulation Classes*

Currently, the Sub-Fund does not have any classes which accumulate income ("**Accumulation Class(es)**").

No distributions will be made in respect of the Accumulation Class(es). Therefore, any net income and net realised capital gains attributable to Units of the Accumulation Class(es) will be reflected in their respective Net Asset Value.

### *Distribution Classes*

The Manager has discretion as to whether or not the Sub-Fund will make any distribution, the frequency and amount of distribution in respect of the Listed Class Units ("**Distribution Classes**").

Currently the Manager intends to distribute income to Unitholders in the Distribution Classes quarterly (in March, June, September and December) having regard to the Sub-Fund's net income after fees and costs. Further, the Manager may, at its discretion, pay distributions out of capital. However, there is no guarantee of regular distribution nor the amount being distributed (if any).

Investors should note that payments of distributions 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. Any distributions involving payment of distributions out of the Sub-Fund's capital may result in an immediate reduction in the Net Asset Value of the Sub-Fund and will reduce the capital available for future investment.

Details of the distribution declaration dates, distribution amounts and ex-dividend payment dates will be published on the Manager's website <http://www.gffunds.com.hk/en/> (this website has not been reviewed by the SFC).

The composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available by the Manager on request and also on the Manager's website <http://www.gffunds.com.hk/en/> (this website has not been reviewed by the SFC). All Units will receive distributions in the base currency (HKD) only.

## **Fees and Expenses**

### Management fee

The Sub-Fund pays a management fee as a single flat fee, currently at 0.90% per annum of the Net Asset Value of relevant class of Units. The management fee may be increased up to the maximum rate of 2.00% per annum of the Net Asset Value of the relevant class of Units (the "**Maximum Management Fee Rate**"), on one week's notice to Unitholders. In the event that such fee is to be increased beyond the Maximum Management Fee Rate, such increase will be subject to the SFC's approval and not less than one month's prior notice to Unitholders.

### Trustee's fee

The Trustee is entitled to a trustee fee of 0.06% per annum of the Net Asset Value of the Sub-Fund, accrued daily and payable monthly in arrears, subject to a minimum fixed fee of USD3,000 per month. The Trustee's fee may be increased up to the maximum rate of 1.00% per annum of the Net Asset Value of the Sub-Fund (the "**Maximum Trustee's Fee Rate**"), on one week's notice to Unitholders. In the event that such fee is to be increased beyond the Maximum Trustee's Fee Rate, such increase will be subject to the SFC's approval and not less than one month's prior notice to Unitholders. The Trustee will bear the fees of the Custodian

and the Administrator.

The Trustee is also entitled to receive various safekeeping, transaction and processing fees and other applicable fees as agreed with the Trustee from time to time and to be reimbursed by the relevant Sub-Fund for all out-of-pocket expenses (including sub-custody fees and expenses) properly incurred by the Custodian and/or the Administrator in the performance of their respective duties.

*Fees applicable to Listed Class Units only*

For details on the fees applicable to the Listed Class Units only, please refer to the sub-section headed “**Fees and Expenses applicable to the Listed Class in a Sub-Fund only**” in “**FEES AND EXPENSES**” in the main body of the Prospectus.

Fees payable to the Service Agent

The Service Agent is entitled to receive a monthly reconciliation fee of HKD5,000 from the Manager. The Manager shall pass on to the Sub-Fund such reconciliation fee. For any period less than a month, the reconciliation fee is on a pro-rata basis and accrues on a daily basis.

## APPENDIX 2: GF MSCI GLOBAL STRATEGIC METALS SELECT ETF

Investors should note that this Sub-Fund offers Listed Class Units only.

### Key Information

Set out below is a summary of key information in respect of this Sub-Fund which should be read together with the full text of this Appendix and this Prospectus.

|                                  |                                                                                                                                                                                                                                                                  |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Index</b>                     | MSCI Global Strategic Metals Select Index                                                                                                                                                                                                                        |
| <b>Index Provider</b>            | MSCI Inc.                                                                                                                                                                                                                                                        |
| <b>Base Currency</b>             | Hong Kong dollars (HKD)                                                                                                                                                                                                                                          |
| <b>Management Fee</b>            | The maximum rate of the management fee is up to 2% per annum of the Net Asset Value accrued daily and calculated as at each Dealing Day, with the current rate being 0.90% per annum of the Net Asset Value accrued daily and calculated as at each Dealing Day. |
| <b>Trustee's fee<sup>^</sup></b> | 0.06% per annum of the Net Asset Value, subject to a minimum fixed fee of USD3,000 per month                                                                                                                                                                     |
| <b>Financial Year End</b>        | 31 December<br>(The first half-yearly unaudited reports and the first annual financial reports for the Sub-Fund will be for the period from the fund launch to the half year ending 30 June 2027 and the year ending 31 December 2027 respectively.)             |
| <b>Website</b>                   | <a href="http://www.gffunds.com.hk/en/">http://www.gffunds.com.hk/en/</a> (this website has not been reviewed by the SFC)                                                                                                                                        |

<sup>^</sup> The Trustee's fee includes the fees of the Custodian and the Administrator.

|                                                    |                                                                                                                                                     |
|----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Initial Offer Period</b>                        | 9:00 a.m. (Hong Kong time) on 18 September 2026 to 4:00 p.m. (Hong Kong time) on 24 September 2026, or such other date as the Manager may determine |
| <b>Initial Issue Date</b>                          | 25 September 2026, or such other date as the Manager may determine                                                                                  |
| <b>Listing Date (SEHK)</b>                         | Expected to be on 28 September 2026                                                                                                                 |
| <b>Issue Price during the Initial Offer Period</b> | HKD15                                                                                                                                               |
| <b>Exchange Listing</b>                            | SEHK – Main Board                                                                                                                                   |
| <b>Stock Code</b>                                  | 03566 – HKD counter<br>83566 – RMB counter<br>41566 – USD counter                                                                                   |
| <b>Stock Short Name</b>                            | GF GL METAL – HKD counter                                                                                                                           |

|                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                         | GF GL METAL-R – RMB counter<br>GF GL METAL-U – USD counter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Trading Board Lot Size</b>                                           | 100 Units                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Trading Currency</b>                                                 | Hong Kong dollars (HKD) – HKD counter<br>Renminbi (RMB) – RMB counter<br>United States Dollars (USD) – USD counter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Creation / Redemption Policy</b>                                     | Cash only (HKD)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Application Unit Size (only by or through Participating Dealers)</b> | Minimum 100,000 Units (or multiples thereof)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Dealing Deadline</b>                                                 | Before 11.00 a.m. (Hong Kong time) on the relevant Dealing Day                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Listing Agent</b>                                                    | Altus Capital Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Market Maker(s)</b>                                                  | Please refer to the Sub-Fund's website set out above for the latest list of Market Maker(s).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Participating Dealers</b>                                            | Please refer to the Sub-Fund's website set out above for the latest list of Participating Dealers.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Service Agent and Conversion Agent</b>                               | HK Conversion Agency Services Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Distribution Policy</b>                                              | <p>The Manager has discretion as to whether or not to make any distribution of dividends, the frequency of distribution and amount of dividends. Dividends may be paid out of capital, or out of gross income and all or part of the fees and expenses may be charged to capital at the Manager's discretion, resulting in an increase in distributable income for the payment of dividends and therefore, dividends may be paid effectively out of capital. This may result in an immediate reduction of Net Asset Value per Unit.</p> <p><b>All Units will receive distributions in the base currency (HKD) only.</b> In the event that the relevant Unitholder has no HKD account, the Unitholder may have to bear the fees and charges associated with the conversion of such distributions from HKD into RMB, USD or any other currency.</p> |

### What is the Investment 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 Index. There is no assurance that the Sub-Fund will achieve its investment objective.

### What is the Investment Strategy?

In seeking to achieve the Sub-Fund's investment objective, the Manager will use either full replication or representative sampling strategy as the Manager believes to be appropriate to achieve the investment objectives. The Sub-Fund may switch between the full replication strategy and the representative sampling

strategy in its absolute discretion without prior notice to investors.

### ***Full Replication Strategy***

In pursuing the full replication strategy, the Sub-Fund will invest in substantially all securities constituting the Index ("**Index Securities**") which are common stocks securities listed on a regulated stock exchange in Hong Kong and the United States in substantially the same weightings (i.e. proportions) as these Index Securities have in the Index.

### ***Representative Sampling Strategy***

In pursuing the representative sampling strategy, the Manager may (i) invest in a representative sample whose performance is closely correlated with the Index, but whose constituents may or may not themselves be constituents of the Index or (ii) invest less than 30% of the Sub-Fund's Net Asset Value in collective investment schemes ("**CIS**"), each being either an exchange traded fund or an unlisted index tracking fund which tracks an index that has a high correlation with the Index. Such CIS may be authorised by the SFC, eligible schemes under Chapter 7.11A of the Code, or non-eligible schemes. For the avoidance of doubt, the Sub-Fund's aggregate investment in non-eligible schemes and CIS not authorised by the SFC may not exceed 10% of the Net Asset Value of the Sub-Fund; and/or (iii) invest in financial derivative instruments including futures and swaps with less than 30% of the Sub-Fund's Net Asset Value for investment and hedging purposes, where the Manager believes such investments will help the Sub-Fund achieve its investment objective and are beneficial to the Sub-Fund, such that the Sub-Fund will gain an exposure to the economic gain/loss in the performance of the relevant constituent securities.

In pursuing the representative sampling strategy, the Manager may cause the Sub-Fund to deviate from the index weighting on condition that the maximum deviation from the index weighting of any constituent will not exceed 3% or such other percentage as determined by the Manager after consultation with the SFC.

### ***Ancillary Investment***

The Sub-Fund may invest not more than 30% of its Net Asset Value in cash and cash equivalents including money market funds which are authorised under Chapter 8.2 of the Code or eligible schemes under Chapter 7.11A of the Code for cash management purposes. Investments in such money market funds are not included in the limit to CIS as described above.

### ***Securities Lending***

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 Net Asset Value, 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). Non-cash collateral received may not be sold, re-invested or pledged. The collateral will be marked-to-market on a daily basis and be safekept by the Custodian. All securities lending transactions will only be carried out in the best interest of the Sub-Fund and as set out in the relevant securities lending agreement. Such transactions may be terminated at any time by the Manager at its absolute discretion. The Manager does not currently intend to enter into sale and repurchase transactions, reverse repurchase transactions and other similar over-the-counter transactions on behalf of the Sub-Fund. The Manager will seek prior approval of the SFC (to the extent required under applicable regulatory requirements).

### ***Index***

The Index measures the performance of securities from MSCI World ex Hong Kong-Listed Southbound IMI Index and MSCI Hong Kong-Listed Southbound IMI Index (each a "**Parent Index**") with exposure to the Metals and Mining Global Industry Classification Standard ("**GICS®**") Industry. The Index is constructed by combining two components: the World ex Hong Kong Southbound IMI Metals and Mining Component ("**Component 1**") and the Hong Kong Southbound IMI Metals and Mining Component ("**Component 2**").

For each component, securities are ranked in descending order of their weight in the respective Parent Index, with the top 30 securities selected for Component 1 and the top 10 securities selected for Component 2.

Securities are weighted in proportion to their weight in the Parent Index (ranked by free float-adjusted market capitalization), and the total weights of Component 1 and Component 2 are 38% and 62% respectively, with individual security weights capped at 26.31% in Component 1 and 16.12% in Component 2.

As a result, the effective single security weight cap in the Index is as follows:

- Maximum weight of any single security in Component 1: Component weight of Component 1 (38%) × security weight cap of Component 1 (26.31%) ≈ 10%
- Maximum weight of any single security in Component 2: Component weight of Component 2 (62%) × security weight cap of Component 2 (16.12%) ≈ 10%

Therefore, no single constituent security in the Index can exceed approximately 10% of the total Index weight.

The Index was launched on 30 March 2026 and had a base level of 1000 as of 28 February 2020. As of 22 July 2026, the Index comprised 40 constituent stocks with a total free float market capitalisation of USD 1,341 billion.

The Index is a net total return index, which means that it reflects the reinvestment of dividends or distributions, after deduction of any withholding tax. The Index is denominated and quoted in USD.

The Index is reviewed on a quarterly basis, coinciding with the February, May, August and November index reviews of the MSCI Global Investable Market Indexes, of which both Parent Indices form part. The following constraints are applied at each index review:

- (i) a buffer rule of 20% is applied to reduce turnover and enhance stability. Hence, for example, if the Component targets 30 securities, buffers are applied between rank 25 and 36. The securities in the Component at or above 24 will be added to the final index on a priority basis. The existing constituents that have a rank between 25 and 36 are then successively added until the number of securities in the final index reaches 30. If the number of securities is below 30 after this step, the remaining securities with the highest rank are added until the number of securities in the Component reaches 30; and
- (ii) Component 1 and Component 2 carry a fixed component weight allocation of 38% and 62% respectively.

The fixed allocation to the two components is additionally rebalanced semi-annually on the third business day before the end of March and September.

The Index is compiled and managed by MSCI Inc. ("**Index Provider**"). The Manager and each of its connected persons are independent of the Index Provider.

You can obtain the latest list of the constituents of the Index, their respective weightings, the latest level of the Index, the last closing level of the Index and additional information of the Index including the factsheet and index methodology from the website of the Index Provider at <https://www.msci.com/indexes/index/766008/msci-global-strategic-metals-select-index> (this website has not been reviewed by the SFC).

Index Code: 766008

### *Index Construction*

The Index is constructed in the following steps:

1. Constructing the World ex Hong Kong Southbound IMI Metals and Mining Component ("**Component 1**" and together with "**Component 2**" a "**Component**");
2. Constructing the Hong Kong Southbound IMI Metals and Mining Component ("**Component 2**"); and
3. Combining the Components.

Component 1 is constructed by ranking all constituents from the MSCI World ex Hong Kong-Listed Southbound IMI Index (the “Parent Index” of Component 1) mapped to the Metals and Mining GICS® Industry in descending order of their weight in Parent Index. The Parent Index of Component 1 is derived by taking MSCI World IMI Index and excluding the Hong Kong-Listed Southbound IMI part. The top 30 securities by weight in Parent Index are selected for inclusion in the component. Securities are weighted in proportion of their weight in the Parent Index. Additionally, the security weight in Component 1 is capped at 26.31% [Calculated as 10%/0.38]

Component 2 is constructed by ranking all constituents from the MSCI Hong Kong-Listed Southbound IMI Index (the “Parent Index” of Component 2) which are mapped to the Metals and Mining GICS® Industry in descending order of their weight in Parent Index. The Parent Index of Component 2 includes only those securities eligible for Southbound Trading of the Stock Connect Program. The top 10 securities by weight in Parent Index are selected for inclusion in the component. Securities are weighted in proportion of their weight in the Parent Index. Additionally, the security weight in Component 2 is capped at 16.12% [Calculated as 10%/0.62].

In respect of mapping of constituents of the Parent Indices to the Metals and Mining GICS Industry: A company is initially classified into the GICS Sub-Industry (under Metals and Mining) whose definition most accurately reflects the business activity that generates more than 60% of the company’s total revenues. If a company is engaged in two or more distinct business activities and no single activity contributes 60% or more of total revenues, the company is initially classified in the Sub-Industry that accounts for the largest share (at least 50%) of both revenues and earnings. Companies that are significantly diversified across three or more sectors, with no single sector contributing a majority of revenues or earnings, are classified either in the Industrial Conglomerates Sub-Industry (within the Industrial Sector) or in the Multi-Sector Holdings Sub-Industry (within the Financials Sector), and therefore not Metals and Mining Sub-Industry.

The Index is constructed by combining the two Components with Component Weight of Component 1 and Component 2 being 38% and 62% respectively. In between the index reviews, the weights of securities and Components fluctuate according to the market movements. Additionally, the fixed allocation to the two Components is also applied on the third business day before end of March and September. This may distort the security capping which is applied during the index review.

#### Index Calculations

$$DTRIndexLevelUSD_t = DTRIndexLevelUSD_{t-1} * \frac{(IndexAdjustedMarketCapUSD_t + IndexDividendImpactUSD_t)}{IndexInitialMarketCapUSD_t}$$

$$DTRIndexLevelLocal_t = DTRIndexLevelLocal_{t-1} * \frac{(IndexAdjustedMarketCapForLocal_t + IndexDividendImpactForLocal_t)}{IndexInitialMarketCapUSD_t}$$

Where:

- $DTRIndexLevelUSD_{t-1}$  is the Daily Total Return index level in USD at time t-1
- $IndexDividendImpactUSD_t$  is the gross or net amount of dividends in USD to be reinvested in the index in USD at time t
- $IndexDividendImpactForLocal_t$  is the gross or net amount of dividend in USD converted using FX rate as of t-1 to be reinvested in the local currency index at time t
- $DTRIndexLevelLocal_{t-1}$  the Daily Total Return index level in local currency at time t-1

#### Constituents and Index Weights Adjustment

The Index is constructed by combining the two Components in weighted proportions as per the following table:

| Component   | Component Name                                           | Component Weight |
|-------------|----------------------------------------------------------|------------------|
| Component 1 | MSCI World ex Hong Kong Southbound IMI Metals and Mining | 38%              |
| Component 2 | MSCI Hong Kong Southbound IMI Metals and Mining          | 62%              |

### *Ongoing Review*

The Index is reviewed on a quarterly basis coinciding with the February, May, August and November index reviews of the MSCI Global Investable Market Indexes, of which both Parent Indices form part. Additionally, the fixed allocation to the two components is also applied semi-annually on the third business day before the end of March and September.

To reduce index turnover and enhance index stability, a buffer rule of 20% is applied during the ongoing quarterly index reviews. For example, if the 'Component' targets 30 securities, buffers are applied between rank 25 and 36. The securities in the Component at or above 24 will be added to the final index on a priority basis. The existing constituents that have a rank between 25 and 36 are then successively added until the number of securities in the final index reaches 30. If the number of securities is below 30 after this step, the remaining securities with the highest rank are added until the number of securities in the Component reaches 30.

The MSCI Southbound Indexes (which aim to measure the performance of the securities available via the Southbound Trading of the Stock Connect Program, and the Parent Index of Component 2 forms part of) is included in the MSCI Global Investable Market Indexes Methodology.

Pursuant to this Methodology, a security will only be considered for inclusion to the Stock Connect compatible indexes if it becomes accessible through the Stock Connect Program on or prior to the index review price cut-off date. as the Stock Connect Program eligibility information may not be available at the time of listing of a new security, the MSCI Southbound Indexes do not allow additions between two index reviews.

Additionally, Stock Connect Program eligibility is also reviewed daily for existing Index Constituents. Existing Index Constituents that are no longer eligible for both buying and selling on the Southbound Trading of the Stock Connect Program or are delisted are deleted from the MSCI Southbound Indexes by giving two days' notice, excluding market holidays. Where the implementation date coincides with a market holiday, the deletion effective date is deferred until it is not immediately preceded by a market holiday. No replacement will be made until subsequent quarterly index review. The removed weight will be reallocated across all remaining constituents in the Index. New Stock Connect Program eligible Index Constituents will generally be considered at the next quarterly index review.

### *Index Provider*

The Index is developed and owned by MSCI Inc. ("**Index Provider**"). The Index Provider is a leading independent provider of investment decision support tools, including global equity indices, risk management, and ESG data. Its indices are widely used as benchmarks by investors to measure market performance. MSCI Inc. is a leading provider of critical decision support tools and services for the global investment community. With over 50 years of expertise in research, data and technology, MSCI Inc. powers better investment decisions by enabling clients to understand and analyse key drivers of risk and return and confidently build more effective portfolios. MSCI Inc. creates industry-leading research-enhanced solutions that clients use to gain insight into and improve transparency across the investment process.

The Manager and each of its connected persons are independent of the Index Provider.

### *Index Constituents*

You can obtain the latest list of the constituents of the Index, their respective weightings, the latest level of the Index, the last closing level of the Index and additional information of the Index including the factsheet and index methodology from the website of the Index Provider at <https://www.msci.com/constituents/> (this website has not been reviewed by the SFC).

## ***Index Code***

Vendor Code: NH766008

## ***Index Licence Agreement***

The Manager has been granted a non-exclusive, and non-sublicensable and non-transferable licence ("**Licence**") pursuant to index licence agreement dated 30<sup>th</sup> March 2026, as amended and supplemented from time to time (the "**Licence Agreement**") entered into between the Manager and the Index Provider, to use the Index and the Index data in connection with the Sub-Fund as permitted under the License Agreement, including the use of Index data published by the Index Provider and the trademark of the Index Provider in connection with the marketing, promotion, sale and listing of the Sub-Fund.

The Licence Agreement in respect of the Index is effective for an initial term of 3 years ("**Initial Term**") upon execution and shall remain in force therefore for each 2-year period, until such time that either the Manager or the Index Provider provides one month's prior written notice to the other party of termination of the Licence to the end of the Initial Term or the current 2-year period (as the case may be).

The Licence Agreement may also be terminated on the occurrence of any of the circumstances as summarised below:

- (a) the Index Provider may terminate the Licence in respect of the Index upon written notice to the Manager in the event that the Sub-Fund is not established within 1 year from the commencement date of the Licence;
- (b) the Licence will terminate automatically upon the expiry of the Initial Term if the Manager fails to establish any products for which the Licence is granted under the Licence Agreement within such period (unless the Manager applies to the Index Provider for extension of validity of the Licence one month prior to the end of the Initial Term, in which case the Licence will be extended for a 2-year period upon approval by the Index Provider);
- (c) upon termination of the Sub-Fund, the Manager shall notify the Index Provider 20 working days prior to such termination to terminate the Licence;
- (d) in case where the Manager intends to change the underlying index of the Sub-Fund and the new index is also provided by the Index Provider, the Manager shall notify the Index Provider 20 working days prior to such change to amend the terms of the Licence Agreement in writing; otherwise, the Licence shall be terminated on the same date on which such change takes effect;
- (e) the Index Provider may terminate the Licence forthwith where:
  - (1) the Index Provider loses its rights in relation to the Index;
  - (2) the Manager is requested by the relevant regulator to cease offering and/or managing the Sub-Fund, or the Index Provider is requested by the relevant regulator(s) to cease granting the Licence to the Manager in respect of the Index;
  - (3) any third party ceases to grant rights to or terminate its relationship with the Index Provider which causes substantive impact on the Index Provider's ability to formulate the Index;
  - (4) there is severe breach of applicable law, rules and regulations by the Manager, or material litigation or administrative investigation on the Sub-Fund, which may cause adverse impact on the reputation of the Index Provider; or
  - (5) any other circumstances as prescribed by the law, rules and regulations or otherwise in the Licence Agreement.

(f) either party may terminate the Licence Agreement with prior written notice where:

- (1) the other party commits a breach of the terms and conditions of the Licence Agreement and (if the breach is capable of being remedied) fails to correct such breach within 10 working days upon written notice requesting the breach to be remedied. in the case of breach of any of the material terms and conditions of the Licence Agreement by giving 60 days' prior written notice of its intent to terminate, unless the breaching party corrects such breach within the notice period;
- (2) the other party ceases operation, is dissolved or becomes bankrupt; or
- (3) any other circumstances as prescribed by the law, rules and regulations or otherwise in the Licence Agreement.

### ***Index Disclaimer***

All rights in the Index vest in MSCI Inc. MSCI Inc. does not make any warranties, express or implied, regarding the accuracy or completeness of any data related to the Index. MSCI Inc. is not liable to any person for any error of the Index (whether due to negligence or otherwise), nor shall it be under any obligation to advise any person of any error therein. The Sub-Fund based on the Index is in no way sponsored, endorsed, sold or promoted by MSCI Inc. and MSCI Inc. shall not have any liability with respect thereto.

### **Risk Factors Specific to the Sub-Fund**

In addition to the risk factors presented in Part 1 of this Prospectus, the risk factors set forth below are also specific risks, in the opinion of the Manager, considered to be relevant and presently applicable to the Sub-Fund.

#### ***General 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.

#### ***Passive investment risks***

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 and will not take defensive positions in declining markets. Falls in the Index are expected to result in corresponding falls in the Net Asset Value of the Sub-Fund.

#### ***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.

#### ***Geographical concentration risk***

As the Index Constituents concentrate in companies operating in Mainland China, the investment of the Sub-Fund may be similarly concentrated. 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 Mainland China markets.

#### ***Emerging markets risk***

The Sub-Fund invests in companies operating in Mainland China, which is an emerging market, and 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.

#### *New index risk*

The Index is a new index. The Index has minimal operating history by which investors can evaluate its previous performance. There can be no assurance as to the performance of the Index. The Sub-Fund may be riskier than other exchange traded funds tracking more established indices with longer operating history.

#### *Hong Kong listed Chinese companies risks*

In tracking the Index, the Sub-Fund will invest in some companies the securities of which are listed on the SEHK and have substantial business operations in mainland China. Investing in such securities is subject to the risks of investing in emerging markets generally. This may involve increased risks and special considerations not typically associated with investment in companies based 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. The promulgation of new tax laws, regulations and practice affecting Hong Kong listed Chinese companies may operate to the advantage or disadvantage of the Unitholders. There is a possibility that the current tax laws, regulations and practice applicable to Hong Kong listed Chinese companies will be changed with retrospective effect in the future.

#### *Metals and mining sector concentration risk*

The constituents of the Index, and accordingly the Sub-Fund's investments, are concentrated in companies in the metals and mining sector. The value of the Sub-Fund may be more volatile than that of a fund having a more diverse portfolio of investments and may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the metals and mining sector. The price of gold and other precious metals may fluctuate substantially over short periods of time along with changes in financial markets and economic stability. Such fluctuations could adversely affect the profitability of the companies in the metals and mining sector, and hence affecting the Sub-Fund's performance. Securities of companies involved in the extraction or commerce of materials, such as gold and other precious metals, may operate in countries with less developed markets and legal framework. Such companies may be more prone to risks linked to political instability, changes in taxation or regulation. Investments in global natural resources equities may be dependent upon the general supply situation of the natural resources, the expected output, extraction and production as well as the expected demand, and can for this reason be especially volatile.

#### *Risk of investing in other collective investment schemes*

The Sub-Fund may invest in other CISs and will be subject to the risks associated with the underlying funds. The Sub-Fund 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 Net Asset Value of the Sub-Fund. If the Sub-Fund 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 case any conflicts of interest may still arise out of such investments, the Manager will use its best endeavours to resolve it fairly.

#### *Securities lending transactions risk*

Securities lending transactions may involve the risk that the borrower may fail to return the securities lent out in a timely manner and the value of the collateral may fall below the value of the securities lent out.

#### *Currency risk*

Underlying investments of the Sub-Fund may be denominated in currencies other than the base currency of the Sub-Fund. The performance and the Net Asset Value of the Sub-Fund may therefore be affected unfavourably by movements in the exchange rate between HKD and such other currencies and changes in exchange rate control policies.

### *RMB currency and conversion risks*

Units under RMB counter are traded in RMB. RMB is currently not freely convertible and is subject to foreign exchange control and restrictions. Non-RMB based investors are exposed to foreign exchange risks and there is no guarantee that the value of RMB against the investors' base currencies will not depreciate. Any depreciation of RMB could adversely affect the value of investors' 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.

### *Trading difference risk*

As the markets in which the Sub-Fund invests may be open when Units 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 the overseas stock exchanges and the SEHK may also increase the level of premium or discount of the Unit price to its Net Asset Value.

### *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 Net Asset Value of the Sub-Fund. 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 Net Asset Value per Unit when buying Units on the SEHK, and may receive less than the Net Asset Value per Unit when selling Units on the SEHK. The trading and settlement of the RMB traded Units may not be capable of being implemented as envisaged. 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 Chinese Mainland may also affect the liquidity and trading price of the RMB traded Units.

### *Tracking error risk*

An Index Tracking Sub-Fund's returns may deviate from the Index due to a number of factors. For example, the fees and expenses of an index-tracking Sub-Fund, any adoption of a representative sampling strategy, liquidity of the market, imperfect correlation of returns between an Index Tracking Sub-Fund's assets and the Securities and/or Futures Contracts constituting its Index, inability to rebalance an Index Tracking Sub-Fund's holdings of Futures Contracts to track its Index, rounding of share prices and/or Futures Contracts prices, foreign exchange costs, changes to an Index and regulatory policies may affect the Manager's ability to achieve close correlation with the Index of each Index Tracking Sub-Fund. Further, an Index Tracking Sub-Fund may receive income (such as interests and dividends) from its assets while the Index does not have such sources of income. There can be no guarantee or assurance of exact or identical replication at any time of the performance of the Index or that an Index Tracking Sub-Fund will achieve its investment objective at any time of corresponding to the performance of the relevant Index. In addition, there is no guarantee or assurance that the use of representative sampling strategy would help avoid the tracking error and each index-tracking Sub-Fund's returns may therefore deviate from its Index.

Although the Manager regularly monitors the tracking error of each Index Tracking Sub-Fund, there can be no guarantee or assurance that any Index Tracking Sub-Fund will achieve any particular level of tracking error relative to the performance of its Index.

### *Multi-counter risk*

Investors who buy Units on the RMB counter or USD counter may be subject to currency exchange risk as the Net Asset Value of the Sub-Fund is calculated in HKD.

Investors should note that distributions are made in HKD only. As such, investors may suffer a foreign exchange loss and incur foreign exchange associated fees and charges for conversion of such dividend from HKD into RMB or USD or any other currency.

### *Distribution out of/effectively out of capital risk*

Payment of dividends out of capital and/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 such original investments. Any such distributions may result in an immediate reduction of the Net Asset Value per Unit of the Sub-Fund. This may also reduce the capital that the Sub-Fund has available for investment in future and may constrain capital growth.

#### *Reliance on market maker risks*

Liquidity in the market for the Units may be adversely affected if there is no or only one market maker for the Units. The Manager will seek to mitigate this risk by ensuring that at least one market maker 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 market maker for Units in a particular counter. It is possible that there is only one SEHK market maker for the Sub-Fund, or the Manager may not be able to engage a substitute market maker within the termination notice period of a market maker. There is 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.

#### *Early termination risk*

The Sub-Fund 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 Sub-Fund falls below HKD100million. Any amount recovered by a unitholder on termination of the Sub-Fund may be less than the capital initially invested by the unitholder, resulting in a loss to the unitholder.

#### *Emerging markets risk*

The Sub-Fund invests in companies operating in emerging markets, such as Chinese Mainland, and 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.

### **The Offering Phases of the Listed Class Units**

#### *Initial Offer Period*

The Initial Offer Period for the Listed Class Units commences at 9:00 a.m. (Hong Kong time) on 18 September 2026 and ends at 4:00 p.m. (Hong Kong time) on 24 September 2026, or such other date as the Manager may determine.

The purpose of the Initial Offer Period is to enable Participating Dealers to subscribe for Listed Class Units either on their own account or for their clients, in accordance with the Trust Deed and the Operating Guidelines. During this period, Participating Dealers (acting for themselves or for their clients) may apply for Units to be available for trading on the Listing Date by creation. No redemptions are permitted during the Initial Offer Period.

Upon receipt of a Creation Application from a Participating Dealer (acting for itself or its clients) during the Initial Offer Period, the Manager shall procure the creation of Listed Class Units for settlement on the Initial Issue Date.

Participating Dealers may have their own application procedures for their respective clients and may set application and payment cut-off times for their respective clients which are earlier than those set out in this Prospectus. Investors are therefore advised to consult with the relevant Participating Dealer on its requirements if they want a Participating Dealer to subscribe for Listed Class Units on their behalf.

#### **After Listing**

**"After Listing"** commences on the Listing Date.

Dealings in the Listed Class Units on the SEHK will commence on the Listing Date, which is expected to be on 28 September 2026.

Participating Dealers (acting for themselves or for their clients) may continue to apply for Listed Class Units by means of a cash Creation Application (in HKD only) on each Dealing Day by transferring cash in accordance with the Operating Guidelines.

Listed Class Units may be realised by means of a cash Redemption Application (in HKD only) or an in-kind Redemption Application through Participating Dealers in Application Unit size or multiples thereof.

The Issue Price of Listed Class Units created and issued by a Creation Application After Listing will be the prevailing Net Asset Value attributable to the Listed Class Units as at the relevant Valuation Point divided by the total number of Listed Class Units in issue rounded down to 4 decimal places.

The dealing period on each Dealing Day After Listing for a Creation Application or a Redemption Application commences at 9:00 a.m. (Hong Kong time) and ends at the Dealing Deadline at 11.00 a.m. (Hong Kong time), as may be revised by the Manager from time to time.

### **Multi-Counter**

The Manager has arranged for the Listed Class Units of the Sub-Fund to be available for trading on the secondary market on the SEHK under a Multi-Counter arrangement. Listed Class Units are denominated in HKD. The Sub-Fund offers three trading counters on the SEHK (i.e. HKD counter, RMB counter and USD counter) to investors for secondary trading purposes. Listed Class Units will be settled in the corresponding currency of the relevant counter. Apart from settlement in different currencies, the trading prices of Listed Class Units in the counters may be different as the different counters are distinct and separate markets.

Under the current “single tranche multiple counter” settlement arrangement, trades executed in the HKD counter, RMB counter and USD counter will be settled together under the same HKD counter which is designated as the “domain settlement counter”, under which stock positions of HKD, RMB and USD can be differentiated by their currency codes and assigned position numbers. However, money positions of HKD, RMB and USD will not be offset against each other and will be maintained and settled separately. The trading prices of Shares in the counters may be different.

Listed Class Units traded on each of the three counters are of the same class and all Unitholders of all counters are treated equally. The counters will have different stock codes, different stock short names but will trade and settle with a single ISIN number as set out in the section “**Key Information**” above.

Normally, investors can buy and sell Listed Class Units traded in the same counter or alternatively buy in one counter and sell in another counter provided their brokers provide HKD, RMB and USD trading services at the same time to support Multi-Counter trading. However, investors should note that the trading price of Listed Class Units traded in each counter may be different and may not always maintain a close relationship depending on factors such as market demand and supply and liquidity in each counter.

Investors should consult their brokers if they have any questions concerning fees, timing, procedures and the operation of the Multi-Counter. Investors’ attention is also drawn to the risk factor in Part 1 of the Prospectus entitled “**Risks Associated with Multi-Counter Arrangement**”.

### **Exchange Listing and Trading (Secondary Market) of the Listed Class Units**

Listed Class Units are neither listed nor dealt on any other stock exchange and no application for such listing or permission to deal is being sought as at the date of this Prospectus. Application may be made in the future for a listing of Listed Class Units on one or more other stock exchanges. Investors’ attention is drawn to the section entitled “**EXCHANGE LISTING AND TRADING (SECONDARY MARKET) OF THE LISTED CLASS UNITS**” in Part 1 of this Prospectus for further information.

Listed Class Units have been accepted as eligible securities by HKSCC for deposit, clearing and settlement in the CCASS. Dealings on the SEHK in Listed Class Units is expected to begin on 28 September 2026. Units will trade on the SEHK in board lots of 100 Units.

Participating Dealers should note that they will not be able to sell or otherwise deal in the Listed Class Units on the SEHK until dealings begin on the SEHK.

### **Redemptions of Listed Class Units**

Listed Class Units can be redeemed directly (through a Participating Dealer). Any accepted Redemption Application will be effected by the payment of cash in accordance with the Operating Guidelines and the Trust Deed. Redemption proceeds paid in cash shall be in HKD only, notwithstanding a Multi-Counter arrangement being adopted for the Sub-Fund.

The Redemption Value on a Dealing Day shall be the prevailing Net Asset Value attributable to the Listed Class Units as at the relevant Valuation Point divided by the total number of Listed Class Units in issue rounded down to 4 decimal places.

### **Distribution Policy**

#### *Accumulation Classes*

Currently, the Sub-Fund does not have any classes which accumulate income ("**Accumulation Class(es)**").

No distributions will be made in respect of the Accumulation Class(es). Therefore, any net income and net realised capital gains attributable to Units of the Accumulation Class(es) will be reflected in their respective Net Asset Value.

#### *Distribution Classes*

The Manager has discretion as to whether or not the Sub-Fund will make any distribution, the frequency and amount of distribution in respect of the Listed Class Units ("**Distribution Classes**").

Currently the Manager intends to distribute income to Unitholders in the Distribution Classes quarterly (in March, June, September and December) having regard to the Sub-Fund's net income after fees and costs. Further, the Manager may, at its discretion, pay distributions out of capital. However, there is no guarantee of regular distribution nor the amount being distributed (if any).

Investors should note that payments of distributions 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. Any distributions involving payment of distributions out of the Sub-Fund's capital may result in an immediate reduction in the Net Asset Value of the Sub-Fund and will reduce the capital available for future investment.

Details of the distribution declaration dates, distribution amounts and ex-dividend payment dates will be published on the Manager's website <http://www.gffunds.com.hk/en/> (this website has not been reviewed by the SFC).

The composition of the distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available by the Manager on request and also on the Manager's website <http://www.gffunds.com.hk/en/> (this website has not been reviewed by the SFC). All Units will receive distributions in the base currency (HKD) only.

### **Fees and Expenses**

#### Management fee

The Sub-Fund pays a management fee as a single flat fee, currently at 0.90% per annum of the Net Asset Value of relevant class of Units. The management fee may be increased up to the maximum rate of 2.00% per annum of the Net Asset Value of the relevant class of Units (the "**Maximum Management Fee Rate**"), on one week's notice to Unitholders. In the event that such fee is to be increased beyond the Maximum Management Fee Rate, such increase will be subject to the SFC's approval and not less than one month's prior notice to Unitholders.

### Trustee's fee

The Trustee is entitled to a trustee fee of 0.06% per annum of the Net Asset Value of the Sub-Fund, accrued daily and payable monthly in arrears, subject to a minimum fixed fee of USD3,000 per month. The Trustee's fee may be increased up to the maximum rate of 1.00% per annum of the Net Asset Value of the Sub-Fund (the "**Maximum Trustee's Fee Rate**"), on one week's notice to Unitholders. In the event that such fee is to be increased beyond the Maximum Trustee's Fee Rate, such increase will be subject to the SFC's approval and not less than one month's prior notice to Unitholders. The Trustee will bear the fees of the Custodian and the Administrator.

The Trustee is also entitled to receive various safekeeping, transaction and processing fees and other applicable fees as agreed with the Trust from time to time and to be reimbursed by the relevant Sub-Fund for all out-of-pocket expenses (including sub-custody fees and expenses) properly incurred by the Custodian and/or the Administrator in the performance of their respective duties.

### *Fees applicable to Listed Class Units*

For details on the fees applicable to the Listed Class Units, please refer to the sub-section headed "**Fees and Expenses applicable to the Listed Class in a Sub-Fund only**" in "**FEES AND EXPENSES**" in the main body of the Prospectus.

### Fees payable to the Service Agent

The Service Agent is entitled to receive a monthly reconciliation fee of HKD5,000 from the Manager. The Manager shall pass on to the Sub-Fund such reconciliation fee. For any period less than a month, the reconciliation fee is on a pro-rata basis and accrues on a daily basis.