PRODUCT KEY FACTS

Bosera HKEX KRX Semiconductor Index ETF

A sub-fund established under the Bosera ETFs

(Listed Class)

September 2026

Issuer: Bosera Asset Management (International) Co., Limited

- ***This is a passive exchange traded fund.***
- ***This statement provides you with key information about this product.***
- ***This statement is a part of the Sub-Fund's Prospectus.***
- ***You should not invest in this product based on this statement alone.***

Quick facts

Stock codes:	03516
Trading lot size:	100 Unit
Manager:	Bosera Asset Management (International) Co., Limited
Trustee and Registrar:	HSBC Institutional Trust Services (Asia) Limited
Ongoing charges over a year#:	estimated to be 1.80%
Annual tracking difference*:	estimated to be -2.00%
Index:	HKEX KRX Semiconductor Index (net total return version)
Base currency:	Hong Kong dollars (HKD)
Trading currency:	Hong Kong dollars (HKD)
Dividend policy:	The Manager has discretion as to whether or not the Sub Fund will make any distribution of dividends, the frequency of distribution and amount of dividends. There is no guarantee of regular distribution nor, where distribution is made, the amount being distributed. Dividends may be paid out of capital or effectively out of capital of the relevant Class and may result in an immediate reduction of the Net Asset Value ("**NAV**") per unit of the Sub-Fund ("**Unit**"). All Units will receive distributions in the base currency (HKD) only.
Financial year end of the Sub-Fund:	31 December
Website:	http://www.bosera.com.hk/en-US/products/list/hk (this website has not been reviewed by the SFC)

The ongoing charges figure is indicative only as the Sub-Fund is newly set up. It represents the sum of the estimated ongoing expenses over a 12-month period chargeable to the relevant class expressed as a percentage of the estimated average NAV of the relevant class over the same period. The actual figure may be different from this estimated figure and it may vary from year to year. The ongoing charges figure does not include the swap fees as discussed herein.

* This is an estimated annual tracking difference as the Sub-Fund is newly set up. Investors should refer to the website of the Sub-Fund for more up-to date information on actual tracking difference.

What is this product?

Bosera HKEX KRX Semiconductor Index ETF (the "**Sub-Fund**") is a sub-fund of Bosera ETFs, an umbrella unit trust established under Hong Kong law. The Sub-Fund is a passively-managed ETF falling within Chapter 8.6 of the Code on Unit Trusts and Mutual Funds issued by the SFC (the "**Code**").

The Sub-Fund offers both listed class of Units (the "Listed Class of Units") and unlisted classes of Units (together the "Unlisted Classes of Units"). This statement contains information about the offering of the "Listed Class of Units", and unless otherwise specified references to "Units" in this statement shall refer to the "Listed Class of Units". Investors should refer to a separate statement for the offering of the Unlisted Classes of Units.

The Listed Class of Units of the Sub-Fund are listed on The Stock Exchange of Hong Kong Limited (the "SEHK") and are traded on the SEHK like listed stocks.

Objectives and Investment Strategy

Objective

The investment objective of the Sub-Fund is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the HKEX KRX Semiconductor Index (net total return version) (the "**Index**").

Strategy

In seeking to achieve the Sub-Fund's investment objective, the Manager will use a combination of physical representative sampling and synthetic representative sampling strategy. The Manager will (i) primarily use a physical representative sampling strategy by investing 50% to 100% of the Sub-Fund's NAV in securities constituting the underlying index ("**Index Securities**"); and (ii) where the Manager believes such investments are beneficial to the Sub-Fund and will help the Sub-Fund achieve its investment objective, use a synthetic representative sampling strategy as an ancillary strategy by investing up to 50% of the Sub-Fund's NAV in financial derivative instruments ("**FDIs**"), including funded total return swaps and participatory notes ("**P-notes**").

Physical representative sampling strategy

The Sub-Fund primarily uses a physical representative sampling strategy by investing 50% to 100% of its NAV in Index Securities and portfolio featuring high correlation with the underlying index. The Sub-Fund may invest up to 100% of its NAV directly in equity securities listed on the SEHK and the Korea Exchange ("**KRX**"). The Sub-Fund may not hold all Index Securities and may hold securities which are not Index Securities.

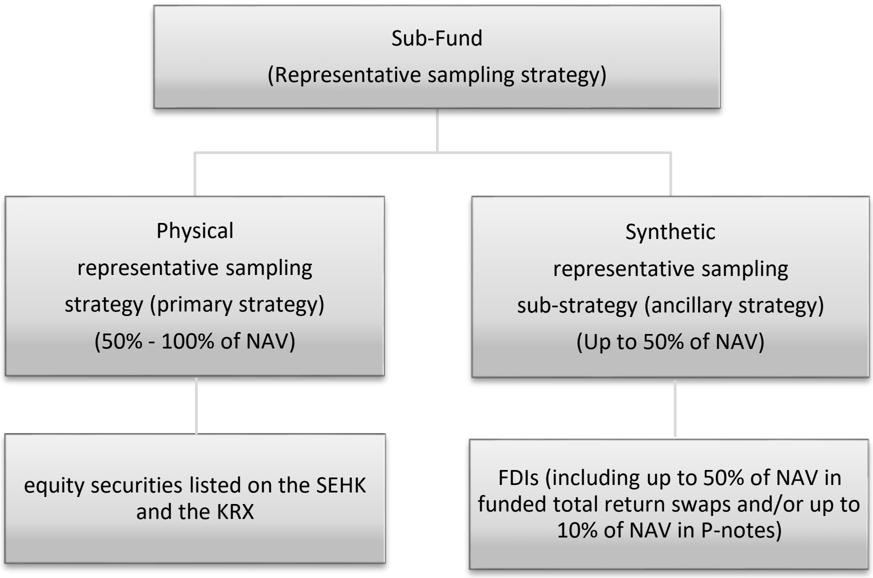
Synthetic representative sampling sub-strategy

On an ancillary basis, the Sub-Fund's synthetic representative sampling sub-strategy will involve investing up to 50% of its NAV in FDIs, which may comprise of up to 50% of its NAV in funded total return swap transaction(s) and/or up to 10% of its NAV in P-notes. The Manager will only use a synthetic representative sampling sub-strategy when they consider that such investments are beneficial to the Sub-Fund.

For investment in funded total return swap transaction(s), the Sub-Fund will pass on the relevant portion of cash to the swap counterparty(ies) and in return the swap counterparty(ies) will provide the Sub-Fund with an exposure to the economic gain/loss in the performance of the Index Securities (net of transaction costs). The Sub-Fund shall bear the swap fees (including the brokerage commission and any costs associated with the entering into, or unwinding or maintenance of, any hedging arrangements in respect of such swaps). The swap fees, which include all costs associated with swap transactions and are subject to the discussion and consensus between the Manager and the swap counterparty based on the actual market circumstances on a case-by-case basis, represent a variable spread (which can be positive or negative) plus HIBOR or other reference rates which reflects the brokerage commission and the swap counterparty's costs of financing the underlying hedge in order to provide the performance. Swap fees are accrued daily and spread out over the month. The maximum unwinding fee payable by the Sub-Fund is 0.3% per transaction on the notional amount of the swap unwound. The Swap fees will be disclosed in the interim and annual financial reports of the Sub-Fund.

For P-notes, where it is demonstrably more cost-efficient or operationally practical in the opinion of the Manager, the Sub-Fund may invest in P-notes referencing equity securities listed on the SEHK and the KRX.

Exposure of the Sub-Fund to the Index Securities (either through direct investment or FDIs) will be in substantially the same weightings (i.e. proportions) as these Index Securities have in the Index. 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.



Securities Lending Transactions

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 the Sub-Fund's NAV. The Manager may, on behalf of the Sub-Fund, recall the securities lent out at any time. 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.

Other Investment

The Sub-Fund may also invest not more than 10% of its NAV 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.

No more than 20% of the Sub-Fund's NAV may be invested in collective investment scheme which have high correlation with the underlying index and are authorised by the SFC in accordance with all the applicable requirements of the Code. For the avoidance of doubt, the Sub-Fund's investment in the money market funds mentioned in the preceding paragraph is not subject to this limit. Any investments in exchange traded funds will be considered and treated as collective investment schemes for the purposes of and subject to the requirements in 7.11A and 7.11B of the Code.

Other than as set out above, the Sub-Fund may also invest in FDIs for hedging purposes.

There is no current intention for the Sub-Fund to engage in sale and repurchase transactions, reverse repurchase transactions and/or other similar over-the-counter transactions. The Manager will seek the prior approval of the SFC (if required) and provide at least one month's prior notice to Unitholders before the Manager engages in any such investments.

Index

HKEX KRX Semiconductor Index (the "**Index**") measures the performance of the 30 top semiconductor companies listed in Hong Kong and South Korea, with 15 companies from each market in terms of free-float market capitalization.

The Index is a free-float adjusted market capitalization weighted index consisting of: (i) semiconductor-related companies listed on the Main Board of the SEHK that are eligible for the Southbound Stock Connect and (ii) constituents of the KRX Semiconductor Top 15 Index which consists of 15 stocks related to semiconductor industry's value chain, such as semiconductor materials and equipment manufacturing, listed either on the KOSPI or KOSDAQ market. The Index aims to maintain an allocation between Hong Kong-listed and Korea-listed securities at each rebalancing by capping the weight of Hong Kong-listed securities at 62% and Korea-listed securities at 38% of the total Index weighting.

Hong Kong-listed securities is eligible for selection if it fulfils the industry requirement, listing history requirement and liquidity requirement. Hong Kong-listed eligible securities are ranked in descending order by their average daily market capitalisation. The constituents will be selected in accordance with the following rules:

- The top 15 Semiconductors-focused Securities (i.e. companies under sub-sectors "Semiconductor Manufacturing" and "Semiconductor Equipment and Services" under the Revere Business Industry Classification System ("RBICS")) with the highest market capitalisation will be selected as Index constituents.
- If fewer than 15 Semiconductors-focused Securities are available, all eligible Semiconductors-focused Securities will be included. Additional eligible Supplementary Securities (i.e. companies under sub-sectors "Electronic Components", "Communications Equipment" and "Computer Hardware and Storage" under the RBICS) with the highest market capitalisation will then be added until the number of constituents reaches 15.

Korea-listed securities include the 15 largest KOSPI- or KOSDAQ-listed common stocks by market capitalisation that are classified under the Global Industry Classification Standard as Semiconductors & Semiconductor Equipment and meet the liquidity requirement.

Constituents are weighted by free-float adjusted market capitalization. In particular, Hong Kong-listed Semiconductor-focused Constituents and Korea-listed constituents are subject to a 12% cap at individual security level, while Hong Kong-listed Supplementary Constituents are subject to a 3% cap at individual security level.

The Index is a co-branded index and jointly developed by HKEX Indices and Benchmarks Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited ("**HKEX**") and KRX (collectively, the "**Index Providers**"). Solactive AG is the calculation agent of the Index. The Manager and its connected persons are independent of the Index Providers and calculation agent.

The Index is a net total return index which means that the performance of the Index constituents is calculated on the basis that any dividends or distributions are reinvested after withholding tax deduction (if any). The Index is denominated and quoted in HKD. The Index was launched on 31 March 2026.

As at 30 April 2026, the Index had 30 constituents. The constituents market capitalisation is HKD 13,857 billion. The base date for the Index was 31 December 2020 with a base level of 10,000 as of the base date. As at 30 April 2026, the largest constituent of the index accounts for 14.2% of the Index.

The Index is reviewed semi-annually after market close on the second Friday of June and December. Index recapping and rebalancing is conducted quarterly in March, June, September and December after market close on the second Friday of the month. If the aggregate weight of the Korea-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.

You can obtain the last closing index level, the most updated list of the Index constituents of the Index with their respective weightings, the index methodology, important news, and any additional information from the website https://www.hkex.com.hk/Services/Market-Data-Services/Index-Services/KRX-Semiconductor (this website has not been reviewed by the SFC).

Vendor codes

Bloomberg: HKEXKRXN

Refinitiv: .HKEXKRXN

Use of derivatives / Investment in derivatives

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

What are the key risks?

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

1. Investment risk

- The Sub-Fund is an investment fund. There is no guarantee of the repayment of principal. Therefore your investment in the Sub-Fund may suffer losses.

2. Equity market risk

- Investing in equity securities may offer a higher rate of return than those investing in short term and longer term debt securities. However, the risks associated with investments in equity securities may also be higher, because the investment performance of equity securities depends upon factors which are difficult to predict. Such factors include the possibility of sudden or prolonged market declines, changes in investment sentiment, political and economic conditions and risks associated with individual companies. The fundamental risk associated with any equity portfolio is the risk that the value of the investments it holds might suddenly and substantially decrease in value.

3. Concentration risk

- As the Index constituents concentrate in companies listed in Hong Kong and South Korea that are involved in the semiconductor industry, 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 the Korea markets or the semiconductor industry.

4. Risks of investing in companies focusing on semiconductor industry

- The Sub-Fund invests in companies in the semiconductor industry, which may particularly be affected by the intense competition in such industry. Specific factors which may cause the value of securities within the semiconductor sector to deteriorate include, but are not limited to, domestic and international competition pressures, rapid obsolescence of products caused by fast-developing nature of the industry, economic performance of customers, substantial capital expenditures, rapid obsolescence and potential shortages of raw materials or equipment. Companies in the semiconductor sector typically make significant spending on research and development, and there is no guarantee that the products produced by these companies will materialise into commercially successful products.
- The semiconductor sector may be subject to government intervention, sanctions and trade protectionism. Companies in the semiconductor sector are typically dependent on maintaining relationships with their technology partners. If such relationship is impaired or terminated, the company may not be able to enter into a new technology alliance on a timely basis or on commercially favourable terms. The semiconductor sector is also characterised by cyclical market patterns and periodic overcapacity. All these could harm the business and operating results of semiconductor companies.

5. Korea market risk

- Investors should be aware of the potential market risks associated with trading in the Korean market, particularly the impact of circuit breakers and daily price limits. The Korean stock exchange has mechanisms such as circuit breakers or daily limit up/down rules that may have possibilities to lead to a market halt, resulting in the suspension of trading activities for the day. Consequently, this may lead to an increased tracking difference.

6. New index risk

- The Index is a new index. The Sub-Fund may be riskier than other exchange traded funds tracking more established indices with longer operating history.

7. Currency risk

- Underlying investments of the Sub-Fund may be denominated in currencies other than its base currency. The NAV of the Sub-Fund may be affected unfavourably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.
- Any devaluation of the South Korean won could adversely affect the value of investors' investments in the Sub-Fund. Investors whose base currency is not the South Korean won may be adversely affected by changes in the exchange rates of the South Korean won.

8. FDI Risk

- The Sub-Fund’s synthetic representative sampling strategy may involve investing up to 50% of the Sub-Fund’s NAV in FDIs, including funded total return swaps and P-notes. 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. 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. Other risks associated with FDI include counterparty/credit risk, liquidity risk, valuation risk and over-the-counter transaction risk. Investors investing in any such Sub-Fund are exposed to a higher degree of fluctuation in value than a Sub-Fund which does not invest in FDIs. 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.
- With respect to the use of swaps, if the underlying index has a dramatic intraday move in value that causes a material decline in a Sub-Fund’s NAV, the terms of the swap agreement between the Sub-Fund and its swap counterparty may allow the swap counterparty to immediately close out of the transaction with the Sub-Fund. In such circumstances, the Sub-Fund may be unable to enter into another swap agreement or invests in other derivatives to achieve the desired exposure consistent with the Sub-Fund’s investment objective. In extreme market conditions and exceptional circumstances, the brokerage commission and costs associated with the swap counterparty’s hedging arrangement

may increase significantly and in return increase the swap fees. The swap fees will be borne by the Sub-Fund and hence may have an adverse impact on the NAV and the performance of the Sub-Fund, and may result in higher tracking error.

- Investment in swaps and P-notes may involve an over-the-counter transaction with a third party. Therefore, where the Sub-Fund invests in swaps and P-notes, it may be exposed not only to movements in the value of the underlying equity, but also to the risk of counterparty default, which may result in a substantial loss to the Sub-Fund.

9. Differences in dealing arrangements between Listed Class of Units and Unlisted Classes of Units

- Investors of Listed Class of Units and Unlisted Classes of Units are subject to different pricing and dealing arrangements. The NAV per Unit of each of the Listed Class of Units and Unlisted Classes of Units may be different due to different fees and cost applicable to each class. The trading hours of the SEHK applicable to the Listed Class of Units in the secondary market and the dealing deadlines in respect of the Unlisted Classes of Units are also different. For the avoidance of doubt, the dealing deadline applicable to the Listed Class of Units in the primary market and the dealing deadlines in respect of the Unlisted Classes of Units are the same.
- Units of the Listed Class of Units are traded on the stock exchange on an intraday basis at the prevailing market price (which may diverge from the corresponding NAV), while Units of the Unlisted Classes of Units are sold through intermediaries based on the dealing day-end NAV and are dealt at a single valuation point with no access to intraday liquidity in an open market. Depending on market conditions, investors of the Listed Class of Units may be at an advantage or disadvantage compared to investors of the Unlisted Classes of Units.
- In a stressed market scenario, investors of the Unlisted Classes of Units could redeem their Units at NAV while investors of the Listed Class of Units in the secondary market could only redeem at the prevailing market price (which may diverge from the corresponding NAV) and may have to exit the Sub-Fund at a significant discount. On the other hand, investors of the Listed Class of Units could sell their Units on the secondary market during the day thereby crystallising their positions while investors of the Unlisted Classes of Units could not do so in a timely manner until the end of the day.

10. 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.

11. Passive investments risk

- The Sub-Fund is passively managed and the Manager will not have the discretion to adapt to market changes due to the inherent investment nature of the Sub-Fund. Falls in the Index are expected to result in corresponding falls in the value of the Sub-Fund.

12. Tracking error risk

- The Sub-Fund may be subject to tracking error risk, which is the risk that its performance may not track that of the Index exactly. This tracking error may result from the investment strategy used and/or fees and expenses. The Manager will monitor and seek to manage such risk and minimise tracking error. There can be no assurance of exact or identical replication at any time of the performance of the Index.

13. Trading risk

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

14. Trading hours difference risk

- As the stock exchanges on which the Index Securities are listed may be open when the Units of the Sub-Fund are not priced, the value of the investments in the Sub-Fund's portfolio may change on days or at time when investors will not be able to purchase or sell the Units. Differences in trading hours between the stock exchanges on which the Index Securities are listed and the SEHK may also increase the level of premium or discount of the trading price of the Unit to its NAV.

15. Reliance on market maker risk

- Although the Manager will use its best endeavours to put in place arrangements so that at least one market maker will maintain a market for the Units and that at least one market maker gives not less than 3 months' notice prior to the terminating market making arrangement under the relevant market maker agreement, liquidity in the market for the Units may be adversely affected if there is no or only one market maker for the Units. There is also no guarantee that any market making activity will be effective.

16. Distributions out of or effectively out of capital risk

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

17. Termination risk

- The Sub-Fund may be terminated early under certain circumstances, for example, where the Index is no longer available for benchmarking or if the size of the Sub-Fund falls below RMB150,000,000, or its equivalent in the Sub-Fund's base currency, being approximately HKD175,000,000. Investors may not be able to recover their investments and suffer a loss when the Sub-Fund is terminated.

How has the Sub-Fund performed?

Since the Sub-Fund is newly set up, there is insufficient data to provide a useful indication of past performance to investors.

Is there any guarantee?

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

What are the fees and charges?

Charges incurred when trading the fund on SEHK

You may have to pay the following fees when dealing in the Units of the Sub-Fund.

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

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

Ongoing fees payable by the Sub-Fund

The following expenses are paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

Fee	Annual rate (as a % of the Sub-Fund's NAV)
Management fee*	0.90% per annum
Trustee's fee*	Up to 0.10% per annum of the NAV of the Sub-Fund, subject to a monthly minimum fee of HKD 39,000
Performance fee	Nil
Administration fee	Nil

Other fees

You may have to pay other fees when dealing in the Units of the Sub-Fund.

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

Additional information

The Manager will publish important news and information in respect of the Sub-Fund, in both English and Chinese languages (unless otherwise specified) at the following website www.bosera.com.hk (this website has not been reviewed by the SFC), including:

- the Prospectus and this Product Key Facts Statement (as amended and supplemented from time to time);
- the latest annual audited financial reports and semi-annual unaudited financial reports (in English only);
- any public announcements made by the Sub-Fund, including information in relation to the Sub-Fund and the Index, notices of suspension of the creation and redemption of Units, suspension of the calculation of the NAV, changes in fees and suspension and resumption of trading in Units;
- any notices relating to material changes to the Sub-Fund which may have an impact on its investors such as material alterations or additions to the offering documents and constitutive documents of the Sub-Fund;
- the last NAV in the Sub-Fund's base currency (HKD) and the last NAV per Unit in its trading currency (HKD);
- the real time or near real time indicative NAV per Unit in its trading currency (HKD) (updated every 15 seconds during trading hours throughout each dealing date);
- the past performance information of each Unit class of the Sub-Fund;
- the annual tracking difference and tracking error of the Sub-Fund;
- latest list of participating dealers and market makers;
- full portfolio of the Sub-Fund (updated on a daily basis);
- the composition of distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital), if any, for the last 12 months.

Important

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

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